



NEW JERSEY WATER SUPPLY AUTHORITY

P.O. BOX 5196 · CLINTON, N.J. 08809 · (908) 638-6121 · (908) 638-5241 (FAX)

Minutes of the Meeting of the New Jersey Water Supply Authority

June 7, 2021

A regular meeting of the New Jersey Water Supply Authority was convened on June 7, 2021 at 2:00 P.M. by teleconference.

As designated by Shawn M. LaTourette, Acting Commissioner New Jersey Department of Environmental Protection and Chair New Jersey Water Supply Authority, Jeffrey Hoffman, State Geologist, Division of Water Supply and Geoscience, served as Acting Chair of the meeting and called the meeting to order.

Deputy Attorney General Kathrine Hunt read the statement required by the "Open Public Meetings Act".

Executive Director Marc Brooks took the roll call of the Authority members.

Present: Jeffrey Hoffman, Acting Chair
Susan Blew
Ellsworth Havens
Robert Iacullo
Steven Picco

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Robert Barth, D&R Canal Watch
Oleg Kostin, New Jersey American Water
Linda Ofori, NJDEP

Authority Staff Present:

Marc Brooks, Executive Director
Susan Buckley, Director Finance & Administration
Darin Shaffer, Chief Engineer
Paul McKeon, Director Manasquan Water Supply System/D&R Canal
Kenneth Klipstein, Director Watershed Protection Programs
Rita Shaw, Controller
Dorota Neulinger, Principal Accountant
Kathy Hale, Principal Watershed Protection Specialist
Michelle Rollman, Finance and Accounting Analyst
Kathrine Hunt, Deputy Attorney General
Lauren LaRusso, Associate Counsel, Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Hoffman opened the meeting by asking for the approval of the minutes of the May 3, 2021 meeting. Ms. Blew moved for the approval of the minutes as prepared and this motion was seconded by Mr. Iacullo. The minutes of the May 3, 2021 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Brooks stated that everyone has a copy of his report. Mr. Brooks stated that rainfall at Spruce Run in May was 4.14 inches. The annual rainfall at Spruce Run is 0.62 inches below average through the end of May. Mr. Brooks stated that rainfall at the Manasquan Reservoir in May was 4.32 inches. The annual rainfall at Manasquan is 2.01 inches above average through the end of May.

COMMUNICATIONS/CORRESPONDENCE

Mr. Brooks stated that there were no communications or correspondence received.

UNFINISHED BUSINESS

Mr. McKeon provided a report on the Water Treatment Plant and the Manasquan Reservoir System. Mr. McKeon stated that everyone has a copy of his report. Mr. McKeon stated that Manasquan staff has been conducting preventative maintenance to preempt any unforeseen issues at the Treatment Plant during the summer season. Mr. McKeon stated that efforts are being made to keep the reservoir as full as possible in order to prevent the growth of algae. Mr. McKeon noted that the reservoir temperature is already above 70 degrees in the upper half, but he is hopeful for summer conditions that will be conducive to low algae levels for the season.

Mr. Shaffer reported on the Raritan Basin System. Mr. Shaffer stated that everyone has a copy of his report. Mr. Shaffer noted that the Spruce Run Reservoir is currently at elevation 273.1 which is 100.5 percent of capacity. Round Valley is drawn down for the rehabilitation project and will remain at or below elevation 360.8 for the project duration. At the date of this meeting, it is at elevation 360.4 or 66.4 percent. The combined reservoir capacity is now at 72.1 percent while the typical combined level for this date is 94.9 percent.

Mr. Shaffer reported on Canal operations. Mr. Shaffer stated that Canal operations are normal for this time of year. Mr. Shaffer noted that while exercising one of the sluice gates at the South Bound Brook Lock, the gate became stuck in the open position. The sluice gate frame has partially detached from the headwall. The gate was originally installed in early 1950s and requires replacement

rather than repair. A stop log is currently installed upstream of the gate so the lock continues to provide proper flow control, but without the normal redundancy. Authority staff prepared plans and specifications for a replacement gate and with the approval of the Capital Projects Committee, sought emergency procurement of a contractor to furnish and install a new gate. Bids are due in one week. Because this is an emergency procurement, once a contract is executed, a memorandum and resolution will be prepared for the Board to ratify the actions of the Executive Director at a future meeting.

Mr. Shaffer reviewed the status of the Canal Dredging Project. Mr. Shaffer stated that the contractor continues working on restoration of the dewatering site and the access areas. The necessary restoration work remains on target to be completed this summer.

Mr. Shaffer reported on the Round Valley Reservoir Dams Rehabilitation and Resource Preservation Project. Mr. Shaffer reminded the Board that, following their approval of Contract Modification No. 5 in the April 19 Special Board meeting, Thalle Construction retained a subcontractor (KC Construction) to perform the embankment rehabilitation at the North Dam while Thalle continues working at the Dike. KC Construction continues major earthwork at the North Dam. Excavation of the downstream slope has reached the toe area. Work continues toward achieving proper grades for installation of the toe drain system. Thalle Construction has continued placing earth fill and drain fill at the Dike. Backfill reached elevation 330 on May 20, 2021 which allowed the contractor to turn off the dewatering system and test the embankment's response as well as the function of the newly installed drain system. Seepage began flowing into the drain system as designed. Schnabel Engineering reviewed the resulting water elevations in the piezometers and the dewatering wells and approved decommissioning the dewatering wells. A subcontractor mobilized last week and began decommissioning the wells by drilling and then grouting them. Thalle also began final installation of the construction instrumentation at the South Dam in preparation for initial testing of that dewatering system and for the major earthwork scheduled to start there later this year.

Mr. Shaffer stated that the Dellwood Stormwater Basin is located in Franklin Twp. and is being retrofitted to improve its water quality function. The work began in May and is progressing as expected. The project is expected to be completed this summer.

Mr. Shaffer stated that there are no change orders to report and offered to answer any questions. In response to a question from Mr. Hoffman, Mr. Shaffer stated that recent heavy rains last weekend did not have a significant impact on the Round Valley Reservoir Dams Rehabilitation and Resource Preservation Project.

Mr. Klipstein reported on the Watershed Management Program. Mr. Klipstein stated that everyone has a copy of his report. Mr. Klipstein stated that the installation of the biochar project on the Mulhockaway is planned for the third week in June. Mr. Klipstein noted that harmful algal blooms have recently occurred at the Spruce Run Reservoir and at the Manasquan Reservoir. In both locations, NJDEP issued a HAB Advisory because the cell counts exceeded 80,000 cells/ml, but toxin levels measured below the threshold that triggers an advisory.

NEW BUSINESS

Rita Shaw provided a report on the Unaudited Financial Statements for the nine months ending March 31, 2021. Ms. Shaw stated that the financial statements have been distributed to all interested parties and are available on the Authority website as required by bond resolution. Ms. Shaw noted that the statements show favorable results of operation. The change in net position is \$7.2 million in comparison to \$7.9 million for the same period last year. Ms. Shaw reviewed operating revenue and expenses and offered to answer any questions. Mr. Shaw stated that no Board action was required.

Kathy Hale provided the background information on the resolution authorizing the Executive Director to execute an agreement with the Rutgers Cooperative Extension - Water Resources Program for the project "Watershed Restoration and Protection Plan for Spruce Run Reservoir and Mulhockaway Creek". Ms. Hale stated that in April, the Board approved a resolution authorizing the Executive Director to execute an agreement with NJDEP for a watershed restoration and protection plan for Spruce Run Reservoir and Mulhockaway Creek. The Authority requested a proposal from Rutgers Cooperative Extension - Water Resources Program to provide technical assistance in preparing the watershed restoration and protection plan. Ms. Hale discussed the qualifications of the Water Resources Program and stated that it is a state institution, which allows the Authority to contract with this entity without going through a competitive bidding process. The Water Resources Program scope of work includes a cost of approximately \$107,000 to help prepare the watershed restoration plan. Authority staff will also complete portions of the plan. Funding will be provided by the NJDEP grant, a grant from USDA-NRCS, and the Authority's source water protection fund.

Mr. Picco moved the resolution to authorize the Executive Director to execute a contract agreement with the Rutgers Cooperative Extension - Water Resources Program for designated tasks within the "Watershed Restoration and Protection Plan for Spruce Run Reservoir and Mulhockaway Creek" for an amount not to exceed \$106,397. Mr. Havens seconded the motion. All Authority members approved the resolution.

Ms. Hale provided the background information on the resolution authorizing the Executive Director to execute an agreement with the United States Department of Agriculture - Natural Resources Conservation Service for the project "Protecting Source Water in the Raritan Basin". Ms. Hale stated that in November 2020, the Authority submitted a proposal to the United States Department of Agriculture - Natural Resources Conservation Service ("USDA-NRCS") Regional Conservation Partnership Program ("RCCP"). Ms. Hale discussed current RCCP projects and stated that this project will expand the Authority's RCCP project area to include additional watersheds that are important to Authority source water protection efforts, including the Spruce Run and Mulhockaway Creek watersheds, the Lockatong and Wickecheoke Creek watersheds and the cryptosporidium area of influence for NJ American's Raritan-Millstone intake. Ms. Hale stated that the project will include agricultural conservation practice implementation and farmland preservation easement acquisition. The USDA-NRCS will allocate conservation practice funding and easement acquisition funding to the project. The Authority will provide Authority staff time as an in-kind contribution, funding for the agricultural watershed protection specialist, and cost-share for conservation practice implementation.

Mr. Iacullo noted a transposition error on page three of the Board package memorandum. It was noted that the footnoted budget total of \$346,195 of Authority contributions includes \$246,195 in staff time and in-kind ongoing monitoring contributions, and a not to exceed total of \$100,000 for cost-share in Source Water Protection funding. The resolution is correct as it reads.

Mr. Iacullo moved the resolution to authorize the Executive Director to negotiate and execute an agreement with the United States Department of Agriculture - Natural Resources Conservation Service for the Authority's participation in the project "Raritan Basin Partners for Source Water Protection". Ms. Blew seconded the motion. All Authority members approved the resolution.

Mr. Shaffer provided the background information on the resolution authorizing the Executive Director to enter into a purchase order agreement for the purchase of one new Bobcat S770 T4 rubber tire skid steer loader or Authority-approved equal, including attachments, for the Raritan Basin System. Mr. Shaffer stated that the approved Raritan Basin System Fiscal Year 2021 Capital Equipment budget includes \$80,000 for the purchase of a rubber tire skid steer loader and attachments. An invitation to bid was advertised in the Star Ledger, Trenton Times, and The Asbury Park Press and on the Authority's website. One bid from Equiptech, LLC dba Bobcat of Central Jersey, of Green Brook, NJ, was received by the due date. Authority staff reviewed the bid for content, adherence to the bid documents, and completeness and found the bid to be legally and technically responsive. Mr. Shaffer noted that this purchase was previously bid in March 2021, but due to a flaw in the advertisement,

the bids had to be discarded. All three of the bids received in March were higher than the current bid.

Ms. Blew moved the resolution to authorize the Executive Director to issue a purchase order to Equiptech, LLC dba Bobcat of Central Jersey, of Green Brook, New Jersey in the amount of \$59,623 for the purchase of one new Bobcat S770 T4 rubber tire skid steer loader or Authority-approved equal, including attachments, for the Raritan Basin System. Mr. Havens seconded the motion. All Authority members approved the resolution.

Mr. Shaffer provided the background information on the resolution authorizing the Executive Director to execute construction contract WSA-B21023 for Rehabilitation of the Landing Lane Spillway at Station 2999+50 of the Delaware and Raritan Canal in the City of New Brunswick, Middlesex County, New Jersey. Mr. Brooks noted that the final memorandum and resolution for this agenda item was sent subsequent to the original Board package. Mr. Shaffer discussed the location and condition of the Landing Lane Spillway. Mr. Shaffer noted that sustained erosion may lead to failure of the spillway and cause a breach in the Canal. Advertisements for bid were published in The Star-Ledger and the Trenton Times on April 1, 2021. The project was also advertised on the Authority's website and on the New Jersey Business Opportunities website. Six bids were timely received and opened at a public bid opening on May 18, 2021. The bids ranged from just under \$1 Million to about \$2.5 Million. The engineer's estimate was \$1.25 Million.

Mr. Shaffer stated that Authority staff and the consulting engineer reviewed the low bid submitted by Mount Construction Company of Berlin, New Jersey, and found the bid to be legally and technically responsive. Mount subsequently formally requested withdrawal of its bid, citing specific errors in its estimations. In accordance with Authority policies, and after consultation with the Deputy Attorney General's office and the Executive Director, the Authority's Manager of Contracts and Risk Management mailed a letter on June 3, 2021 accepting Mount's request to withdraw its bid.

Authority staff and the consulting engineer reviewed the bid of the second lowest bidder, Grade Construction of Paterson, New Jersey and found the bid to be legally and technically responsive.

Ms. Blew moved the resolution authorizing the Executive Director to enter into a construction contract with Grade Construction Company, for rehabilitation of the Landing Lane Spillway at Station 2999+50 of the Delaware and Raritan Canal in the City of New Brunswick, Middlesex County for a lump sum and unit price cost of \$1,103,018.96. Mr. Iacullo seconded the motion. All Authority members approved the resolution.

COMMITTEE REPORTS

(a) Personnel - no report

(b) Finance - no report

(c) Audit - Mr. Picco provided an Audit Committee report. Mr. Picco stated that the Audit Committee met with the Authority's external auditor, Mercadien, to review the planning process for the upcoming financial audit. During the meeting, Mercadien reviewed the audit standards and introduced project staff. Mr. Picco noted that it was not decided if the audit will be conducted on site or remotely due to COVID-19 precautions. It is believed that the State of New Jersey may provide new guidance by July. Mr. Picco stated that cyber-security was discussed as an area of particular focus.

(d) Public Participation - no report

(e) Capital Projects - no report

(f) Insurance - no report

(g) Watershed Lands Acquisition Committee - no report

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

There was no need for an executive session.

RETURN TO PUBLIC SESSION

Ms. Blew moved to adjourn the meeting. Mr. Havens seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:30 P.M.

I hereby certify this to be a true and original copy of the June 7, 2021 New Jersey Water Supply Authority meeting minutes.

Michelle Rollman

Michelle Rollman
Finance and Accounting Analyst