

NEW JERSEY WATER SUPPLY AUTHORITY

HEARING OFFICER'S REPORT

AMENDMENTS TO N.J.A.C. 7:11-4.1, et seq. IN THE SCHEDULE OF
RATES, CHARGES AND DEBT SERVICE ASSESSMENTS
FOR THE SALE OF WATER FROM THE
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

ADJUSTMENT OF OPERATIONS AND MAINTENANCE EXPENSE COMPONENT TO
REFLECT NO CHANGE IN SALES BASE AND COMPONENT RATE
FOR FISCAL YEAR 2026

ADJUSTMENT OF SOURCE WATER PROTECTION FUND COMPONENT TO
REFLECT NO CHANGE IN COMPONENT RATE
FOR FISCAL YEAR 2026

ADJUSTMENT OF DEBT SERVICE COST COMPONENT TO
REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED
FOR FISCAL YEAR 2026

ADJUSTMENT OF NJEIFP DEBT COMPONENT TO
REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED
FOR FISCAL YEAR 2026

ADDITION OF CAPITAL FUND COMPONENT RATE FOR INITIAL AND DELAYED
WATER PURCHASE CONTRACT CUSTOMERS FOR FISCAL YEAR 2026

Effective Date: July 1, 2025

Hearing Officer: Steven Picco

TABLE OF CONTENTS

	<u>Page</u>
I. Introduction and Background	1
II. Discussion	6
III. Findings and Conclusions	9
IV. Recommendations	10

Appendices

<u>Resolution Proposing Rate Adjustments</u>	Exhibit A
<u>Basis and Background Document in Support of Rate Adjustment Proposal</u>	Exhibit B
<u>Advertisement and Certification</u>	Exhibit C
<u>New Jersey Register Notice</u>	Exhibit D
<u>Minutes of Pre-Public Hearing Meeting</u>	Exhibit E
<u>Transcript of Public Hearing</u>	Exhibit F
<u>Correspondence and Testimony</u>	Exhibit G
<u>Staff Memorandum to Hearing Officer (3/24/25)</u>	Exhibit H
<u>Draft Resolution Adopting Rate Adjustments</u>	Exhibit I
<u>Draft Resolution Adopting FY2026 Budget</u>	Exhibit J

I. INTRODUCTION

Summary:

Staff has proposed amendments to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir Water Supply System N.J.A.C. 7:11-4.1 et seq., (the "Rules") for Fiscal Year (FY) 2026 (Final Proposal). As set forth more fully below, I recommend approval of staff's Final Proposal.

Background:

The New Jersey Water Supply Authority ("Authority") has proposed amendments to its Rules to ensure it maintains an adequate revenue structure for the Authority's FY2026 operations and to adjust the Debt Service Assessment on the Manasquan Reservoir Water Supply System loans to reflect the bond year payments due.

The Authority operates and maintains the Manasquan Reservoir Water Supply System including the intake facilities located in Wall Township on Hospital Road, the Manasquan Reservoir located in Howell Township and 5¼ miles of 66-inch diameter pipeline, which connects the Intake Facilities to the Manasquan Reservoir. Thirteen publicly owned and investor-owned water utilities purchase 19.443 million gallons per day ("mgd") of untreated water effective July 1, 2017 from the Manasquan Reservoir Water Supply System.

On July 1, 1990 the Authority placed the Manasquan Reservoir Water Supply System in operation to provide an untreated water supply for use throughout Monmouth County. In addition to this major new system and the existing Raritan Basin System, the Authority also commenced operating a water treatment plant and transmission system for the Monmouth County Improvement Authority ("MCIA") on July 1, 1990. Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township entered into agreements with the MCIA for this treatment/transmission system, which treats and conveys their portion of the supply from the Manasquan Reservoir System. On September 2, 2009, the Southeast Monmouth Municipal Utilities Authority ("SMMUA") purchased the system from the MCIA on behalf of the member municipalities. The Authority continues to operate the treatment/transmission system for SMMUA and as a result, operates, maintains and manages three distinct systems each with its own budget, cost accountability and revenue stream.

The Authority's headquarters staff located in Clinton provides general and administrative support services for all three Systems. These services include, but are not limited to, financial management, payroll, human resources, procurement, contract administration, risk management and overall management.

In order to equitably assess each of the three Systems, the Authority retained the services of a recognized public accounting firm to develop a methodology for the allocation of the headquarters general and administrative costs to all three operating Systems. After the close of each fiscal year, the Auditor provides the Authority with its findings as to the adjustment of the allocation factors, if any, and the actual audited expenditures for the fiscal year.

The audit report is generally available in October (for the previous fiscal year ending on the preceding June 30). At that time the Authority formulates the proposed budgets for the upcoming fiscal year commencing on the following July 1. The adjusted allocation factors, if any, and the audited expenditures for the previous fiscal year, are used to establish a debit or credit for each of the three operating Systems. This debit or credit is applied to the budget being prepared each September for the upcoming fiscal year starting on July 1.

A copy of the Auditor's report on the allocation of the headquarters general and administrative costs is included in the rate proposal package for each System.

Insurance costs are also allocated to each System based upon the recommendations of the Authority's risk management consultant. Each rate proposal package includes a summary table showing the proposed insurance budget amounts and the portions allocated to each of the three Systems.

Detailed budgets have been prepared for the Manasquan Reservoir Water Supply System and the Water Treatment Plant/Transmission System. Each System's budget has three main categories of annual operational expenses in addition to the allocation of headquarters overhead. The three categories include salaries and fringe benefits, direct operations and maintenance ("O&M") expenses, and general and administrative expenses. The Basis and Background document supplied to contractual water customers and other interested parties provides detailed information including a summary of the projected line item budget figures for general and administrative expenses and O&M expenses for FY2026.

The total charge for the water supply consists of an O&M rate, a Debt Service Cost Component, a Source Water Protection Component, the New Jersey Environmental Infrastructure Financing Program ("NJEIFP") Component, and the Capital Fund Component. The O&M Rate is the amount of revenue necessary to fund the net budget requirement (operating expenses, headquarters, general and administrative expenses, capital equipment, reserve contributions, and salary & fringe adjustments) less miscellaneous and unanticipated revenues, and the previous fiscal year's final quarterly O&M payment received during the budgeted fiscal year. The NJEIFP Component will be used to retire loans to the State and the New Jersey Environmental Infrastructure Trust for funds borrowed to construct a building over the Intake Pump Station.

The General Rate Schedule for O&M was last adjusted effective July 1, 2024 to cover the operating expenses of the System for FY2025. The FY2025 sales base was 19.443 mgd, and was projected to remain the same in FY2026 in the November 2024 Basis and Background Statement. In FY2026, the O&M rate component will remain at \$445.82, representing no change versus FY2025.

The Debt Service Cost Component of the total rate is calculated each year to cover the payments due on the outstanding debt for the System. The Debt Service Cost Component was established effective July 1, 1990 to cover the Bond year payments on the initial loan of \$63,600,000 at a set interest rate of 7.15 percent and the payment for the interim completion loan of \$7,416,000 at an interest rate of 7.16 percent.

During FY1992 the State of New Jersey issued bonds for the \$7,416,000 completion loan at an interest rate of 6.24 percent and the Debt Service Cost Component was adjusted to reflect the lower interest rate on the completion loan bonds.

During FY1997, the Authority negotiated an agreement with the State of New Jersey, which reduced the interest rate on the \$63,600,000 in original State loan notes from 7.15 percent to 5.93 percent effective for the payments due on or after August, 1998.

In August 2005, the Authority refunded the current portion of the State Loan Notes and the Completion Notes at an average coupon of 4.83 percent and net present value savings of \$6.187 million. The term of the bonds was 25 years. The bond proceeds also fully funded the Debt Service Reserve Account and the debt service coverage was required to remain at 120 percent through the life of the bonds.

In July of 2006, the Authority issued \$90,147.57 and \$9,505.40 Current State Loan Notes and Completion Loan Notes respectively for a delayed water purchase contract for .028 million gallons per day. The debt service for the notes associated with this water purchase contract was paid through the Debt Service Cost Component of the initial rate and with funds held in escrow by the Authority, contributed by the water purchase customer for this purpose.

The 2005 Bonds were eligible for a current refunding after August 1, 2015 and on April 26, 2016 the Authority issued \$17,460,000 in Manasquan Reservoir Water Supply System Refunding Bonds, Series 2016, to refund the 2005 Bonds and the 2006 State Loan and Completion Loan Notes. The Bonds were issued at an average coupon of 3.78 percent and an economic gain of \$3.0 million. The term of the refunded bonds was not extended, for a remaining term of 15 years. The bond proceeds also fully funded the Debt Service Reserve Account and debt service coverage must remain at 120 percent through the life of the bonds. The Debt Service Cost Component of the rate for the delayed water purchase contracts will be \$438.92/mg. This reflects no change relative to the November 2024 Initial Proposal.

The Source Water Protection Fund Component of the rate for FY2026 of \$15.00/mg is no change over FY2025, and will not change relative to staff's November 2024 proposal.

The rate component for FY2026 of \$24.93/mg for repayment of debt to the NJEIFP will not change relative to staff's November 2024 proposal.

The Authority has established a Capital Fund Rate Component to generate funds for long-term, large-scale capital improvements and/or replacements in the Manasquan system. For FY2026, this component will remain at \$525.00/mg for initial water purchase contracts and \$200.00/mg for delayed water purchase contracts, no change versus FY2025, and no change relative to staff's November 2024 proposal.

Rate Setting Procedure:

The formal rate adjustment proposal was authorized at the Authority's November 4, 2024 monthly meeting (Initial Proposal). The resolution is set forth in Exhibit A.

As a component of the formal rate adjustment procedure, the Authority provides official notice and an explanation outlining the

need for the proposed rate adjustment to all contractual water customers, the Secretary of State, the Division of the Ratepayer Advocate, the Board of Public Utilities and other interested parties at least six (6) months prior to the proposal's effective date (N.J.A.C. 7:11-4.13(a) (1)). Staff's November 2024 proposal (included in Exhibit B) was available for review on the Authority's web site on October 30, 2024.

Official notice of the Initial Proposal was made through advertisement in the Asbury Park Press, the Times (Trenton) and the Star Ledger. A Certification of Publication is set forth in Exhibit C.

Notice of the Proposal also appeared in the January 21, 2025 edition of the New Jersey Register (Exhibit D).

The mailing to the contractual water customers, the Secretary of State, the Division of the Ratepayer Advocate, the Board of Public Utilities and interested parties was made on December 19, 2024 and included an invitation to a pre-public hearing meeting, pursuant to N.J.A.C. 7:11-4.13(a)(4), that was conducted by the Director of Finance and Administration on January 9, 2025. There were no members of the public in attendance. Minutes of the pre-public hearing meeting are set forth in Exhibit E.

A public hearing was conducted on February 6, 2025 at 11:00 a.m., via the Microsoft Teams meeting platform. There were no members of the public in attendance. A stenographic record of the proceedings was made and is attached in Exhibit F.

There were no items of public comment or correspondence received during the rate process or prior to the close of the Public Comment Period.

The final Staff memorandum to me is dated March 24, 2025 and is set forth in Exhibit H.

A draft resolution by the Authority's Board approving the Rule proposal is set forth in Exhibit I for consideration at its May 5, 2025 meeting.

A draft resolution for the approval of the FY2026 Budget by the Authority's Board is set forth in Exhibit J.

II. DISCUSSION

Staff proposes various adjustments to the Rules, which are generally discussed herein and more particularly set forth in the attachments hereto.

A. Initial Water Purchase Rate.

In staff's Final Proposal, staff recommends a total rate of \$1,010.75/mg effective July 1, 2025. This reflects no change versus the FY2025 rate and remains the same relative to staff's Initial Proposal. The sales base for the initial water purchase contracts remains the same at 15.008 mgd in FY2026, and is no change from the Initial Proposal.

The O&M Component for FY2026, \$445.82/mg, reflects no change to the FY2025 rate and there is no change from the Initial Proposal. The proposed operating expense budget for FY2026 is \$31,031 more than FY2025, due primarily to increases in salary and fringe and insurance expenses, offset by projected decreases in sediment removal, professional services and electricity categories. The proposed Capital Equipment Budget is \$44,353 higher than in FY2025. There is a \$10,000 contribution to the Sediment Reserve, a \$15,000 contribution to the High Voltage Testing Reserve, a \$5,000 contribution to the Formal Dam Inspection Reserve and a \$120,000 contribution to the Renewal and Replacement Fund. Interest income is expected to increase from \$225,400 in FY2025 to \$360,600 in FY2026. Staff anticipates virtually no change in the net budget requirement for the O&M Component during FY2026, consistent with the Initial Proposal.

The FY2026 Operations and Maintenance Component will continue to be subsidized by unanticipated revenues raised in the prior fiscal year, consisting of overdraft revenues, net year-end balance, and excess debt service coverage, in the amount of \$792,420.

With the allocation of appropriate Headquarters General and Administrative costs to the System, the projected operating costs for FY2026 indicate that an O&M rate component of \$445.82/mg is required commencing July 1, 2025. This represents no increase relative to FY2025 and no increase relative to the Initial Proposal.

The Source Water Protection Assessment was established at \$15.00/mg on July 1, 2003, to protect the quality and quantity of water in the Manasquan Water Supply System. The fund is used for three purposes in cooperation with State, local and nonprofit partners: (1) administrative assistance in the preservation of those properties in the Manasquan River Basin that are critical to the long-term protection of water quality and quantity in the Manasquan Reservoir Water Supply System as they may affect Authority customers; (2) improved management of land development by municipal, county and State government to protect both water quality and flows to and within Authority facilities; and (3) remedial projects to improve water quality from existing conditions. This rate component was decreased to \$10.00/mg in FY2016. To ensure adequate funding for Source Water Protection initiatives, the Source Water Protection Assessment was reinstated to \$15.00/mg in FY2018. The proposed FY2026 rate is \$15.00/mg, which represents no change relative to FY2025 and no change from the Initial Proposal.

The New Jersey Environmental Infrastructure Trust Financing Program ("NJEIFP") Debt Component was established in FY2012 at a level of \$35.42/mg to repay debt to the NJEIFP for a loan issued to construct a building structure over the intake pump station at the Manasquan Reservoir Water Supply System to protect the pumps and traveling water screens from deterioration due to exposure to the elements and extend the useful life of the equipment. The Bonds were sold in May of 2012 at terms more favorable than originally anticipated. Staff recommends no change in the rate of \$24.93/mg for FY2026, which is no change from the Initial Proposal.

A Capital Fund Component was established in the Manasquan System for initial water purchase contracts (\$525.00/mg) in FY2021 to provide for long-term capital needs that will allow for the proper maintenance, rehabilitation and/or replacement of the system facilities. Staff recommends no change in the rate of \$525.00/mg for FY2026, which is no change from the Initial Proposal.

Staff recommends amending the Rules to reflect a total initial water purchase contract rate including the O&M Component, NJEIFP Debt Component, Source Water Protection Assessment and Capital Fund Component of \$445.82/mg, \$24.93/mg, 15.00/mg and \$525.00/mg respectively equaling a total rate of \$1,010.75/mg, no change relative to FY2025 and no change from the Initial Proposal.

B. Delayed Water Purchase Rate.

Pursuant to the Authority's Bond Resolution, contracts executed subsequent to 1993 (delayed water purchase contracts) are subject to a rate equal to the O&M Component plus a Source Water Protection Fund Component, a Debt Service Cost Component associated with the accreted bond interest for the period of 1990 through 1993, and any other debt service requirements such as the NJEIFP Debt Component and Capital Fund Component. New Jersey American Water executed delayed water purchase contracts for the purchase of 1.000 mgd, effective July 1, 2001, 1.935 mgd, effective October 1, 2002, and 1.500 mgd effective January 1, 2005.

Staff's Final Proposal makes no change to the sales base for delayed water purchase contracts effective July 1, 2001, October 1, 2002, and January 1, 2005. Staff recommends a FY2026 combined rate of \$1,124.67, which is no change from the FY2025 rate and no change from the Initial Proposal.

The proposed FY2026 Debt Service Assessment of \$438.92/mg commencing July 1, 2025, reflects no change in the rate compared to FY2025, and no change relative to the Initial Proposal.

A Capital Fund Component was established in the Manasquan System for delayed water purchase contracts (\$200.00/mg) in FY2021 to provide for long-term capital needs that will allow for the proper maintenance, rehabilitation and/or replacement of the system facilities. Staff recommends no change in the rate of \$200.00/mg for FY2026, which is no change from the Initial Proposal.

Staff recommends amending the Rules to reflect a total delayed water purchase rate including the O&M Component, Debt Service Cost Component, NJEIFP Debt Component, Source Water Protection Assessment and Capital Fund Component of \$445.82/mg, \$438.92/mg, \$24.93/mg, \$15.00/mg and \$200.00/mg respectively for a total rate of \$1,124.67/mg, which represents no change from the Initial Proposal and no change relative to FY2025.

C. Other Amendments.

There are no other amendments to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System, no change from the Initial Proposal.

D. Comments by Interested Parties / Members of the Public.

The Authority Staff conducted a pre-public hearing meeting on January 9, 2025. There were no members of the public in attendance.

The Authority held a public hearing on February 6, 2025. There were no members of the public in attendance.

No items of public comment or correspondence were received during the rate process or prior to the close of the Public Comment Period.

I present my findings below.

III. FINDINGS AND CONCLUSIONS

1. The public record does not contain any specific adverse comments concerning staff's justification for the sales base and proposed Operations and Maintenance Expense Component of the Rate. The Manasquan Reservoir System rate was increased on July 1, 2015 and again on July 1, 2016 to address expected losses in the sales base and a growing reliance on the use of non-recurring revenue. Prior to those adjustments, the Manasquan Reservoir System rate had not been increased since July 1, 2011. Each year, as a requirement of Executive Order 37 (2006) and as a matter of sound business practice, the Authority performs an analysis of the budget to identify and implement cost savings measures. The Authority participates in the State's power cooperative purchasing which has resulted in a significant reduction in power costs. The overall user rate decreased in FY2021 for both initial and delayed water purchase contract customers and is remaining stable in FY2026. I find the FY2026 Operations and Maintenance Expense Component of the rate and sales base to be appropriate.
2. The public record does not contain any adverse comments concerning Staff's justification for the sales base and proposed rate adjustment to the Debt Service Cost Component of the Rate Assessment. The Authority is required by its bond resolutions to adopt rates that fully cover its Debt Service payments including an additional 20 percent coverage. I find the FY2026 Debt Service Assessment and associated sales base to be appropriate.

3. The public record does not contain any adverse comments concerning Staff's justification for the Source Water Protection Fund Component of the Rate. I find the proposed FY2026 Source Water Protection Fund Component to be appropriate.
4. The public record does not contain any adverse comments concerning Staff's justification for the NJEIFP Debt Component of the Rate for FY2026 for repayment of debt to the NJEIFP. I find the FY2026 NJEIFP Debt Component to be appropriate.
5. The public record does not contain any adverse comments concerning Staff's justification for the Capital Fund Component of the Rate for FY2026. I find the FY2026 Capital Fund Component to be appropriate.
6. The Authority's proposed rate adjustments in Section IV below reflect the assessment of reasonable total rates for the preservation of the reliability of this vital supply of water for a vital portion of the State's population and to ensure that the System is adequately maintained.

IV. RECOMMENDATIONS

1. Resolution No. 2646 dated 11/4/24 authorized \$792,420 in unanticipated revenues to be appropriated into the Rate Stabilization Fund, all of which would be used in the FY2026 MRS budget.¹ The resolution adopting the final rates will authorize \$792,420 in unanticipated revenues to be appropriated into the Rate Stabilization Fund for use in FY2026.
2. The Authority must adopt rates that fully cover its annual Operations and Maintenance expenses and Debt Service payments as required by the Bond Resolution.
3. The Authority should adopt a FY2026 total initial water purchase contract rate of \$1,010.75/mg and total delayed water purchase contract rate of \$1,124.67/mg. This is consistent with the originally proposed rates and as such no further Rule change is necessary.
4. The Authority should adopt a FY2026 O&M rate component of \$445.82/mg for initial water purchase contracts and delayed

¹ It should be noted that this credit has the effect of obscuring the full O&M Component increase otherwise needed.

water purchase contracts dated July 1, 2001, October 1, 2002, January 1, 2005 and July 1, 2006. This is consistent with the Initial Proposal and as such no further Rule change is necessary.

5. The Authority should adopt a FY2026 Debt Service Assessment Rate for the delayed water purchase contracts dated July 1, 2001, October 1, 2002, and January 1, 2005 of \$438.92/mg. This is consistent with the Initial Proposal and as such no further Rule change is necessary.
6. The Authority should adopt a FY2026 NJEIFP Debt Component Rate of \$24.93/mg. This is consistent with the Initial Proposal and as such no further Rule change is necessary.
7. The Authority should adopt a FY2026 rate of \$15.00/mg for the Source Water Protection Fund Component, which is unchanged from the Initial Proposal. As such no further Rule change is necessary.
8. The Authority should adopt a FY2026 Capital Fund Component of \$525.00/mg for initial water purchase contracts, which is unchanged from the Initial Proposal. As such no further Rule change is necessary.
9. The Authority should adopt a FY2026 Capital Fund Component of \$200.00/mg for delayed water purchase contracts, which is unchanged from the Initial Proposal. As such no further Rule change is necessary.
10. There is no change from the Initial Proposal to the FY2026 total O&M Component sales base of 19.443 mgd, the initial water purchase contract sales base of 15.008 mgd or the delayed water purchase contract sales base of 4.435 mgd.
11. The Authority's proposed rate adjustments reflect the assessment of reasonable total rates for the preservation of the reliability of this vital source of water for the region served by this facility.

SUMMARY OF RECOMMENDED RATE ADJUSTMENTS


Initial Water Purchase Contracts
 Dated July 1, 2015 and Delayed Water Purchase Contract Dated July 1, 2006

Component	Current Rates Per MG 7/1/24-6/30/25	Initial Proposed Rates Per MG 7/1/25-6/30/26	Recommended Rates Per MG 7/1/25-6/30/26
Operations & Maintenance Expense Component	\$ 445.82	\$ 445.82	\$ 445.82
Source Water Protection Fund Component	\$ 15.00	\$ 15.00	\$ 15.00
NJEIFP Debt Component	\$ 24.93	\$ 24.93	\$ 24.93
Capital Fund Component	\$ 525.00	\$ 525.00	\$ 525.00
Total Rate	\$1,010.75/mg	\$1,010.75/mg	\$1,010.75/mg

Delayed Water Purchase Contracts
 Dated July 1, 2001, October 1, 2002, and January 1, 2005

Component	Current Rates Per MG 7/1/24-6/30/25	Initial Proposed Rates Per MG 7/1/25-6/30/26	Recommended Rates Per MG 7/1/25-6/30/26
Operations & Maintenance Expense Component	\$ 445.82	\$ 445.82	\$ 445.82
Source Water Protection Fund Component	\$ 15.00	\$ 15.00	\$ 15.00
Debt Service Cost Component	\$ 438.92	\$ 438.92	\$ 438.92
NJEIFP Debt Component	\$ 24.93	\$ 24.93	\$ 24.93
Capital Fund Component	\$ 200.00	\$ 200.00	\$ 200.00
Total Rate	\$1,124.67/mg	\$1,124.67/mg	\$1,124.67/mg

The proposed Adjustments to the "Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir Water Supply System", with an effective date of July 1, 2025 are hereby recommended for adoption by the Authority.

Respectfully submitted,

 Steven Picco
 Hearing Officer
 March 24, 2025

Resolution Proposing Rate Adjustments

Exhibit A

RESOLUTION OF THE NEW JERSEY WATER SUPPLY AUTHORITY

NO.: 2646

DATE OF ADOPTION: November 4, 2024

TITLE: Resolution Authorizing Publication of Proposed Change in the Authority's Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System.

WHEREAS, N.J.S.A. 58:1B-7g and 58:1B-19 provide for the New Jersey Water Supply Authority ("Authority") to fix and revise from time to time its rates, fees and charges; and

WHEREAS, the Authority has estimated its revenue requirements for the fiscal year beginning on July 1, 2025; and

WHEREAS, the sales base for the Operations and Maintenance Expense Component, the Source Water Protection Fund Component and the NJEIFP Component has remained at 19.443 million gallons per day since these components were last determined; and

WHEREAS, the sales base for the Debt Service Cost Component for the delayed water purchasers has remained at 4.435 million gallons per day since this component was last determined; and

WHEREAS, the sales base for the Capital Fund Component for the initial water purchasers has remained at 15.008 million gallons per day since this component was last determined; and

WHEREAS, the sales base for the Capital Fund Component for the delayed water purchasers has remained at 4.435 million gallons per day since this component was last determined; and

WHEREAS, the Authority must provide for sufficient revenue and rate structure to cover its costs and long-term capital needs.

NOW THEREFORE, be it resolved that the Authority proposes to amend its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in the existing regulations found at N.J.A.C. 7:11-4.1 et seq. dealing with primarily the following proposed changes:

1. Amend N.J.A.C. 7:11-4.3(c) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain a sales base of 19.443 million gallons per day and to maintain the Operations and Maintenance Expense component of \$445.82 for the period of July 1, 2025 to June 30, 2026; and
2. Amend N.J.A.C. 7:11-4.4(b) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain a sales base of 4.435 million gallons per day for delayed water purchase contracts and to maintain the delayed debt service rate assessment of \$438.92 per million gallons for the period of July 1, 2025 to June 30, 2026; and
3. Amend N.J.A.C. 7:11-4.5(c) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain the initial water purchase contract customer assessment of \$525.00 per million gallons for the period of July 1, 2025 to June 30, 2026; and

4. Amend N.J.A.C. 7:11-4.5(e) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain the delayed water purchase contract customer assessment of \$200.00 per million gallons for the period of July 1, 2025 to June 30, 2026; and

5. Amend N.J.A.C. 7:11-4.6(b) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain the source water protection rate of \$15.00 per million gallons for the period of July 1, 2025 to June 30, 2026; and

6. Amend N.J.A.C. 7:11-4.7(b) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain the New Jersey Environmental Infrastructure Finance Program rate of \$24.93 per million gallons for the period of July 1, 2025 to June 30, 2026.

BE IT FURTHER RESOLVED that the following actions are authorized:

1. Transfer \$83,170 in Overdraft Revenue into the General Fund (Rate Stabilization). Appropriate \$709,250 in prior year year-end fund balances from the Operating Fund into the Rate Stabilization Fund.

2. Apply \$792,420 appropriated into the General Fund (Rate Stabilization) to the Operating Fund for Fiscal Year 2026.

**Basis and Background Document in
Support of Rate Adjustment Proposal**

Exhibit B

NEW JERSEY WATER SUPPLY AUTHORITY

BASIS AND BACKGROUND STATEMENT

PROPOSED AMENDMENTS TO N.J.A.C. 7:11-4.1, ET SEQ. IN THE SCHEDULE OF RATES, CHARGES AND DEBT SERVICE ASSESSMENTS FOR THE SALE OF WATER FROM THE MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

ADJUSTMENT OF OPERATIONS AND MAINTENANCE EXPENSE COMPONENT TO REFLECT NO CHANGE IN THE OPERATIONS AND MAINTENANCE COMPONENT RATE FOR FISCAL YEAR 2026

ADJUSTMENT OF SOURCE WATER PROTECTION FUND COMPONENT TO REFLECT NO CHANGE IN COMPONENT RATE FOR FISCAL YEAR 2026

ADJUSTMENT OF DEBT SERVICE COST COMPONENTS TO REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED FOR FISCAL YEAR 2026

ADJUSTMENT OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM DEBT COMPONENT TO REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED FOR FISCAL YEAR 2026

ADJUSTMENT OF CAPITAL FUND COMPONENT RATE FOR INITIAL AND DELAYED WATER PURCHASE CONTRACT CUSTOMERS TO REFLECT NO CHANGE FOR FISCAL YEAR 2026

Effective Date: July 1, 2025

Approved: November 4, 2024

Contents

PART I – EXPLANATION OF PROPOSED REVISED RATE STRUCTURE.....	4
Overview of Rate Proposal for Fiscal Year 2026	4
Summary of Proposed Adjustments.....	4
Initial Water Purchase Contracts	4
New Jersey American Water Delayed Water Purchase Contracts.....	5
Schedule of Events.....	7
Distribution of Headquarters General and Administrative Costs and Insurance Costs to all Operating Systems	8
Distribution of Costs Between the Manasquan Reservoir System and the Treatment Plant/Transmission System.....	9
Analysis of Significant Changes in Operations and Maintenance Expenses and Sales Base - Manasquan Reservoir System.....	9
Insurance Program	11
Headquarters General and Administrative Expenses.....	11
Interest Income and Miscellaneous Revenue.....	11
Reserve Contributions.....	11
Review of Reserve Accounts	12
Source Water Protection Fund Rate Component	13
Optional Water Use Schedule.....	13
Overdraft Service.....	14
Other Rule Amendments.....	14
PART II – DETAILED SUPPORTING INFORMATION	15
Table 1 - Summary of Proposed Fiscal Year 2026 Adjustments.....	15
Table 2 - Rate History of Water Charges per Million Gallons of Raw Water - Initial.....	16
Table 3 - Rate History of Water Charges per Million Gallons of Raw Water - Delayed.....	17
Schedule of Events.....	Error! Bookmark not defined.
Proposed Fiscal Year 2026 Budget Summary	19
Schedule 1 - Total Operations & Maintenance Budget	20
Schedule 2 - Labor Projection.....	21
Schedule 3 - Reservoir System Operations and Maintenance Direct Expense Budget	22
Schedule 4 - Treatment Plant/Transmission System Operations and Maintenance Direct Expense Budget	23
Schedule 5 - Reservoir System General and Administrative Operations and Maintenance Direct Expense Budget	24
Schedule 6 - List of Category 5340 Items Recommended Service & Maintenance Contracts For Reservoir (40).....	25
Schedule 7 - List of Category 5340 Items Recommended Service & Maintenance Contracts For WTP/TS (50)	26
Schedule 8 - List of Category 5340 Items Recommended Service & Maintenance Contracts For G & A (60)	27
Schedule 9 - List of Category 5380 Items Recommended Special & Professional Service For Reservoir (40)	28

Schedule 10 - List of Category 5380 Items Recommended Special & Professional Services For WTP/TS (50).....	29
Schedule 11 - List of Category 5380 Items Recommended Special & Professional Services For G & A (60).....	30
Schedule 12 - Projected FY 2026 New Jersey Water Supply Authority Insurance Program...	31
Schedule 13 - Recap of Allocation of Headquarters General and Administrative Expenses Charged to the Manasquan Reservoir Water Supply System	32
Schedule 14 - Proposed Capital Equipment Budget	33
Schedule 15 - July, 2023– June, 2024 Fiscal Year 2024 G&A Expenses Split.....	34
Schedule 16 - Estimate of Interest Income	37
Schedule 17 - Unanticipated Revenue	38
Schedule 18 - Fund Balances as of 6/30/24	39
Schedule 19 - Operations & Maintenance Expense Component and Debt Service Cost Component Sales Base.....	40
Schedule 20 - Operations and Maintenance Rate Component (19.443mgd).....	41
Schedule 21 - Computation of Delayed Water Purchase Debt Service Rates	42
Schedule 22 - Computation of Base Debt Service Rates	43
Schedule 23 - Bond Debt Service Coverage.....	44
Schedule 24 - Rehabilitation Reserve and Capital Improvement Program	45
Update of the Renewal and Replacement Reserve and Capital Improvement Program.....	46
PART III – PROPOSED RULE AMENDMENTS	51
Appendix I. Report of Mercadien PC – Allocation of Headquarters General and Administrative Expenses – FY 2026	i
Appendix II. Report of Mercadien PC – Allocation of Headquarters General and Administrative Expenses – Audited FY 2024 Expenditures	ii

PART I – EXPLANATION OF PROPOSED REVISED RATE STRUCTURE

Overview of Rate Proposal for Fiscal Year 2026

(July 1, 2025 - June 30, 2026)

The New Jersey Water Supply Authority (Authority) is proposing to adjust its Schedule of Rates, Charges and Debt Service Assessments for the sale of water from the Manasquan Reservoir Water Supply System (System), to cover expenses for the Fiscal Year (FY) starting on July 1, 2025.

The Authority operates and maintains the System including the Intake Facilities located in Wall Township adjacent to Hospital Road, the Manasquan Reservoir located in Howell Township and 5 1/4 miles of 66-inch diameter pipeline which connects the Intake Facilities to the Reservoir. The Authority also operates and maintains a water treatment plant located on the same site as the Reservoir Intake Facilities and approximately 39,000 feet of transmission piping. This treatment plant/transmission system was constructed and is being operated by the Authority for the Southeast Monmouth Municipal Utilities Authority (SMMUA) on behalf of the Boroughs of Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township, which have entered into agreements with SMMUA for the treatment/transmission of their portion of the supply from the System.

Summary of Proposed Adjustments

Initial Water Purchase Contracts of 15.008mgd (15.695mgd at July 1, 1990 and 14.980mgd at July 1, 2015) and Shorelands (.028mgd) delayed water contract effective July 1, 2006:

Component	Current (FY2025) Rates Per MG 7/1/2024 – 6/30/2025	Proposed (FY2026) Rates Per MG 7/1/2025 – 6/30/2026
Operations & Maintenance Component	\$445.82	\$445.82
Source Water Protection Fund Component	15.00	15.00
NJEIFP Debt Component	24.93	24.93
Capital Fund Component	525.00	525.00
TOTAL RATE	\$1,010.75/mg	\$1,010.75/mg

New Jersey American Water Delayed Water Purchase Contracts Effective July 1, 2001, October 1, 2002 and January 1, 2005 (4.435 mgd):

Component	Current (FY2025) Rates Per MG 7/1/2024 – 6/30/2025	Proposed (FY2026) Rates Per MG 7/1/2025 – 6/30/2026
Operations & Maintenance Component	\$445.82	\$445.82
Source Water Protection Fund Component	15.00	15.00
NJEIFP Debt Component	24.93	24.93
Capital Fund Component	200.00	200.00
Debt Service Cost Component	438.92	438.92
TOTAL RATE	\$1,124.67/mg	\$1,124.67/mg

The General Rate Schedule for Operations and Maintenance (O&M) was last adjusted effective July 1, 2024 to cover the operating expenses of the System for FY2025. The FY2025 sales base was 19.443 million gallons per day (mgd). The Authority anticipates that the applicable raw water O&M sales base for FY2026 will remain the same at 19.443 mgd. The initial sales base will remain the same at 15.008 mgd and the delayed sales base will remain at 4.435 mgd.

After the allocation of appropriate Headquarters General and Administrative costs to the System, the Authority anticipates \$3,161,730 in O&M component revenue required during FY2026 with an O&M rate component of \$445.82 per million gallons, no change from FY2025, starting on July 1, 2025 (Schedule 20, page 41). The proposed operating expense budget for FY2026 is \$14 higher than FY2025 and the proposed Capital Equipment Budget, net of depreciation reserve, is \$44,353 more than FY2025. In FY2026 there will be a \$10,000 contribution to the Sediment Reserve Fund, a \$120,000 contribution to the Renewal and Replacement Fund, a \$5,000 contribution to the Formal Dam Inspection Reserve, and a \$15,000 contribution to the High Voltage Testing Reserve Fund, the same as in FY2025. In FY2026 there will be no contribution to the Other Post-Employment Benefits Reserve and no Supplemental Renewal and Replacement Fund contribution. The OPEB Reserve is fully funded. See Budget Summary on page 19.

The Manasquan Reservoir system owes \$149,359 to the SMMUA Water Treatment Plant and Transmission System for actual FY2024 salary and fringe expenses. This amount will be applied to the CY2025 SMMUA budget (Schedule 15, pages 34-36).

Miscellaneous revenue and interest income in FY2026 is projected to increase by \$103,120 relative to FY2025, reflecting an increase in the use of year end surplus available from FY2024 (Schedule 17, page 38), as well as higher interest earnings (Schedule 16, page 37). Overdraft revenue of \$83,170 is available from 2024.

The System was financed with loans from the State of New Jersey and a Debt Service Assessment for contracts, effective as of July 1, 1990, was established to cover debt service payments on the initial loan of \$63,600,000 at a set interest rate of 7.15 percent and payment of the interim completion loan of \$7,416,000 at an interest rate of 7.16 percent. During FY1992 the State of New Jersey reduced the interest rate on the completion loan to 6.24 percent. During FY1997, the Authority negotiated an agreement with the State of New Jersey, which reduced the interest rate on the \$63,600,000 original State Loan Notes from 7.15 percent to 5.93 percent effective for the payments due on or after August 1998. The Debt Service component of the rate has been adjusted in the past to reflect the revised debt service schedules.

In August of 2005, the Authority refunded the current portion of the State Loan Notes and the Completion Notes at an average coupon of 4.83 percent and net present value savings of \$6.187 million. The terms of the bonds were 15 and 25 years respectively. The bond proceeds also fully funded the Debt Service Reserve Account.

On April 26, 2016, the Authority issued \$17,460,000 in Manasquan Reservoir Water Supply System Refunding Bonds, Series 2016. The proceeds, together with other monies on deposit, were used to prepay \$23,242,358 in Manasquan Reservoir Water Supply System Revenue Bonds, Series 2005 and Current Manasquan State Loan Notes and Completion Notes. The Refunding Bonds carry a bond yield of 1.59 percent and mature in incremental annual principal amounts through 2031. The debt service component of the rate represents 120 percent of the principal and interest requirements and debt service coverage must remain at 120 percent through the life of the bonds.

The current refunding resulted in a difference between the par amount of the refunding bonds and the par amount of the refunded bonds of \$5,782,358. The net premium on the refunding bonds was \$1,821,414. The economic gain was a net present value debt savings of \$2,999,861.

The Debt Service component of the rate for the Delayed Water Purchase Contracts (DWP) will be \$438.92 per million gallons, no change from FY2025. The portion of debt related to Initial Water Purchase Contracts was retired effective August 1, 2020, and the associated Debt Service component was eliminated in FY2021.

The Authority established a Source Water Protection Fund Component in FY2004 dedicating \$15.00 per million gallons to protect the quality and quantity of water in the Manasquan Water Supply System. The Authority decreased the rate component by \$5.00 per million gallons from \$15.00 to \$10.00 for this fund in FY2016. In order to cover program needs the Authority increased the rate by \$5.00 per million gallons to restore the rate to \$15.00 per million gallons in FY2018. The Authority recommends no change to the rate of \$15.00 per million gallons in FY2026.

The Authority closed on a loan from the New Jersey Environmental Infrastructure Financing Program (NJEIFP) on May 3, 2012 to finance the construction of a building structure over the Intake Pump Station and traveling water screens to protect the infrastructure from degradation by the elements. The final interest on the loan is based on 75 percent at zero interest and 25 percent market rate with coupons up to 5 percent for an effective interest rate of .8 percent over the twenty-year life of the loans. The rate component of \$24.93 per million gallons in FY2026 is required to cover debt service payments in accordance with the schedule and is no change from the FY2025 rate.

A capital fund rate component was established in the Manasquan System for Initial Water Purchase Contracts (\$525.00/mg) and Delayed Water Purchase Contracts (\$200.00/mg) in FY2021 to provide for long-term capital needs that will allow for the proper maintenance, rehabilitation and/or replacement of the system facilities. As critical structures, including dams, continue to age in the thirty-year old Manasquan System, the Authority believes it is prudent to maintain a rate component that would fund related capital needs. The Authority recommends no change to the rate of \$525.00 per million gallons for Initial Water Purchase Contract customers and \$200.00 per million gallons for Delayed Water Purchase Contract customers in FY2026.

For Initial Water Purchase Contract customers in FY2026, the base contract O&M Rate (\$445.82), Source Water Protection Program Rate (\$15.00), NJEIFP Debt Rate (\$24.93) and Capital Fund Component (\$525.00) comprise the total base contract rate for raw water of \$1,010.75 per million gallons and represent no change in the rate relative to FY2025. This base contract rate is charged to all uninterruptible service contracts executed prior to July 1, 1990 (and renewed at July 1, 2015), the commencement date of Manasquan Reservoir System operations, and one Delayed Water Purchase contract with Shorelands Water Company (subsequently acquired by New Jersey American) executed on July 1, 2006. In order for its customers to be assessed the base contract rate on the .028 mgd delayed contract, Shorelands Water Company prepaid the net present value of the difference between the initial water purchase contracts debt service schedule and the delayed water purchase contracts debt service schedule.

The total rate for Delayed Water Purchase Contract customers in FY2026 is \$1,124.67 per million gallons, representing no change relative to the FY2025 delayed water purchase rate. The O&M Component (\$445.82), the Source Water Protection Fund Component (\$15.00), the Debt Service Rate Component (\$438.92), the NJEIFP Debt Rate (\$24.93) and the Capital Fund Component (\$200.00) comprise the total rate.

Table 1 (page 15) contains a summary of the proposed base contract rate and delayed water purchase contract rate components. The proposed rates shown in Table 1 are effective July 1, 2025 through June 30, 2026. These rates are based upon the projected operating costs and reflect an estimated contracted sales base of 19.443mgd.

Table 2 (page 16) is a twenty-year history of the total initial water purchase contract annual water rate.

Table 3 (page 17) is a fifteen-year history of the combined delayed water purchase contract annual water rates.

Water use payments are to be made quarterly with due dates of October 10, 2025, January 10, 2026, April 10, 2026 and July 10, 2026.

The balance of this document contains a further discussion of the individual rate components, a Schedule of Events and detailed supporting information for the proposed rate adjustment.

Schedule of Events

A pre-public hearing on the proposed rate adjustment is scheduled at 11:00 a.m. on Thursday,

January 9, 2025.

A public hearing on the proposed rate adjustment is scheduled at 11:00 a.m. on Thursday, February 6, 2025. The public hearing record is estimated to close on March 17, 2025.

Further information regarding the dial-in information or location for the pre-public hearing meeting and for the public hearing will be posted on the Authority's website at <https://www.njwsa.org/public-notices.html> at least 15 days prior to the date of the meeting/hearing.

The Authority will take final action on the proposed rate adjustment at its May 5, 2025 meeting at the Authority's Administration Building in Clinton, New Jersey.

Distribution of Headquarters General and Administrative Costs and Insurance Costs to all Operating Systems

On July 1, 1990 the Authority placed the Manasquan Reservoir Water Supply System in operation to provide an untreated water supply for use throughout Monmouth County. In addition to this major System, the Authority also began operation of the Water Treatment Plant and Transmission System for the Monmouth County Improvement Authority (MCIA) on July 1, 1990. The Boroughs of Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township entered into agreements with the MCIA for this treatment/transmission system, which treats and conveys their portion of the supply from the Manasquan Reservoir Water Supply System. In December 2008, the five member communities created the Southeast Monmouth Municipal Utilities Authority and in September 2009 purchased the Water Treatment Plant from the MCIA; the Authority continues to operate the Water Treatment Plant. The Authority also operates the Spruce Run/Round Valley Reservoirs Complex and the Delaware and Raritan Canal Water Supply Transmission Complex comprising the Raritan Basin System, headquartered in Clinton, New Jersey. As a result, the Authority is operating, maintaining and managing three distinct Systems each with its own budget, cost accountability and revenue stream.

The Authority's headquarters staff located in Clinton provides general and administrative support services for all three Systems. These services include, but are not limited to, Financial Management, Payroll, Human Resources, Purchasing, Contract Administration, Risk Management, and overall management.

In order to equitably assess the customers of each of the three Systems, the Authority previously retained the services of an auditing firm to develop a methodology for the allocation of the Headquarters General and Administrative costs to all three operating Systems. After the close of each fiscal year, the Authority's current Auditors provide the Authority with their findings as to the adjustment, if any, of the allocation factors and the actual audited expenditures for the fiscal year.

The audit report for the immediately preceding fiscal year ending June 30 is available during November. Each September the Authority formulates the proposed budgets for the upcoming fiscal year starting on the following July 1. The adjusted allocation factors, if any, and the audited expenditures for the previous fiscal year are used to establish a debit or credit for each of the three operating Systems. This debit or credit is applied to the budgets being prepared each September for the upcoming fiscal year starting on July 1.

An independent auditor performed the Authority's FY2024 audit. The audit included a review of the allocation factors, as well as the actual audited expenditures. The appropriate adjustments have been made to the FY2026 budget based on the FY2024 audit. A copy of the Auditor's report on the allocation of the Headquarters General and Administrative costs is included in the Appendices to the rate proposal package for each System.

Insurance costs are also allocated to each System based upon the recommendations of the Authority's Risk Management Consultant. See the rate proposal package for additional information.

Distribution of Costs Between the Manasquan Reservoir System and the Treatment Plant/Transmission System

A common staff operates the System and the Treatment Plant/Transmission System. Salaries are allocated between the two Systems based upon time records that were kept during the fiscal year ending on June 30, 2024. The percentages used to provide the basis for the salary allocation for FY2026 were established from historical time records and estimated future workload relative to both Systems. A listing of all positions and the percentage of each position's time assigned to each of the two Systems appears on Schedule 2 (page 21).

Detailed budgets have been prepared for the Manasquan Reservoir System and the Treatment Plant/Transmission System. Each System's budget has three main categories of annual operational expenses in addition to the allocation of headquarters overhead. The three categories include (a) salaries and fringe (b) direct operation and maintenance expenses and (c) general and administrative expenses. Part 2 of this document provides more information on both Systems including detailed summaries of the projected line item budget figures for General and Administrative expenses and Operations and Maintenance expenses for FY2026.

Analysis of Significant Changes in Operations and Maintenance Expenses and Sales Base - Manasquan Reservoir System

Overview of Sales Base

On July 1, 1990 the Authority placed the Manasquan Reservoir Water Supply System in operation to provide an untreated water supply for use throughout Monmouth County. Twelve of the 13 original water purchase contracts were renewed effective July 1, 2015 and expire June 30, 2040. The final customer contract, New Jersey American, consolidated the initial water purchase and delayed water purchases for a total of 12.5 mgd and has an expiration date of June 30, 2031. Of the 13 contracts, six are two-party contracts with the New Jersey Water Supply Authority. These are the five treated water customers (Wall Township and the Boroughs of Brielle, Sea Girt, Spring Lake and Spring Lake Heights) of the Southeast Monmouth Municipal Utilities Authority's water treatment plant operated by the New Jersey Water Supply Authority and the New Jersey American Contract. One is a three-party contract (Keyport Borough) among the Authority, the customer and Shorelands Water Company (subsequently acquired by New Jersey American) for the delivery of water through Shorelands' distribution system. Six contracts (the Boroughs of Avon, Belmar, Matawan, Red Bank and Lake Como, and Shorelands (recently acquired by New Jersey American) are three-party contracts among the Authority, the customers and New Jersey American for the provision of treated

water from New Jersey American. The total sales base dropped from 20.560mgd to 19.443mgd effective July 1, 2015 and remains at 19.443mgd for FY2026.

Overview of Projected Operational Expenses

The Authority's proposed FY2026 Manasquan Reservoir Total Expense budget is \$3,969 less than the current FY2026 budget. The allocation of Authority Headquarters General and Administrative Expenses in FY2026 is decreasing by \$35,000 versus FY2025. The Capital Equipment budget for FY2026 is \$44,353 more than FY2025. There will be no FY2026 contribution to the Depreciation Reserve account, Insurance Reserve, or Pumping Reserve. There will be a \$10,000 contribution to the Sediment Reserve, a \$5,000 contribution to the Formal Dam Inspection Reserve, and a \$15,000 contribution to the Reserve for High Voltage Testing. Formal Dam Inspections and High Voltage Testing are performed every three years and rather than raising the entire amount every third year, budget stability is created by raising one third of the cost every year. There will be a normal contribution to the Renewal and Replacement Fund of \$120,000. There will be no contribution to the reserve for other post-employment benefits (accrued sick leave payments for retirees) which was created in FY2017. Miscellaneous revenue and interest income increases by \$103,120. These factors contribute to a flat FY2026 O&M Component requirement relative to FY2025 (\$3,161,734 vs. \$3,161,716) (Budget Summary on page 19).

Total O&M Direct Expenses are increasing by \$31,031 from FY2025, largely due to increases in insurance expenses and electricity. General and Administrative Expenses allocated to the Reservoir System are decreasing by \$4,639 as compared to FY2025, driven mostly by projected decreases in maintenance related categories.

Salaries, Overtime and Benefits

Authority employees within the Communications Workers of America (CWA), the International Federation of Professional Technical Engineers (IFPTE) and the International Brotherhood of Electrical Workers (IBEW) are currently operating under a contract that expires on June 30, 2027. The FY2026 budget incorporates all union negotiated step increases in the current union contracts and includes 3.5% cost of living increases for both FY25 and FY26. The IFPTE/AFL-CIO represents the Authority's Maintenance, Craft and Security Units and the CWA represents the Authority's Administrative and Clerical, Primary Level and Higher Level Supervisors Units. The IBEW represents several management employees. Also included is a 3.5% annual cost of living increase for the one member of Authority management who are not represented by a union. The Authority is budgeting 50.1 percent of the salary budget for fringe benefits in FY2026, exclusive of retiree medical.

Pension expense payable to the state of New Jersey on April 1, 2025 is anticipated to be approximately \$321,000 for the Manasquan System. The Authority has budgeted \$341,100 for this line item in FY2026. Although increases have stabilized in the last three years, there is still a level of uncertainty in this expense item because the pension system remains significantly underfunded.

Total salary and fringe is increasing by approximately \$151,300 in FY2026 as compared to FY2025, and the portion allocated to the Reservoir System is increasing by approximately \$75,000, based on estimated work effort on each system for all positions. In FY2026, 48 percent of total

salary and fringe is allocated to the Reservoir System and 52 percent to the Treatment Plant. The number of budgeted positions in FY2026 is 27, which is the same as FY2025 (Schedule 2, page 21).

Active and Retiree Health Benefits

Employees who retired with a minimum of 25 years of service prior to July 1, 1997 are entitled to paid health benefits. Those who attain 25 years on or after July 1, 1997 share some portion of post-retirement health benefit costs with the employer as determined by union contract or bargaining unit agreement. The Authority is budgeting two additional retirees in FY2026. Centers for Medicare and Medicaid Services (CMS) estimates that national health care spending will increase at an annual rate of 5.4 percent from 2022-2031. Starting with actual 2024 premiums, the Authority has budgeted a 5.4% increase for CY2025 for retirees and 5.7% for active employees. For CY2026, a 5.4% increase was assumed for both categories. The budget contains sufficient funds for 13 retired employees.

Insurance Program

The Authority is recommending a \$49,924 increase in insurance expenses for FY2026, reflecting general market conditions as assessed by the Authority's insurance broker/ risk consultant, and based on a recent recalculation of relative asset values. Broker services are remarketed every three years and the insurance program is renewed annually on March 1.

Allocation of the Primary, Umbrella and Public Officials Liability insurance costs between the three Systems is based upon proportionate water sales. The Automobile Liability cost is allocated based upon the assignment of vehicular equipment to each System. The cost of the Business Property coverage is allocated on the basis of insured values for each System and the Workers Compensation premiums are allocated on the basis of salaries for each System.

Headquarters General and Administrative Expenses

Budgeted Headquarters General and Administrative Expenses in FY2026 total \$891,000 of which \$770,000 is charged to the Manasquan Reservoir System and \$121,000 is charged to the Manasquan Water Treatment Plant (Schedule 13, page 32). The FY2026 budget also includes the reconciliation of the FY2024 actual to budget variance in this category. Headquarters charges are driven primarily by salary and fringe.

Interest Income and Miscellaneous Revenue

The projected interest earnings on reserve funds for FY2026 are \$360,600. This reflects an increase of \$135,200 relative to FY2025 and is based upon an interest rate of 4.0 percent for short-term investments (See Schedule 16, page 37).

Reserve Contributions

Consistent with FY2025, there will be no FY2026 contribution to the Insurance Reserve or the Pumping Reserve. During FY2026, the Authority will make no contributions from rate component sources to the Depreciation Reserve. Interest earnings from long-term investment

accounts have historically been applied to the Depreciation Reserve and are serving to keep this reserve fully funded. There will be a \$10,000 contribution to the Sediment Reserve. There will be a regular \$120,000 contribution to the Renewal and Replacement Fund, a \$5,000 contribution to the Reserve for Formal Dam Inspections and a \$15,000 contribution to the Reserve for High Voltage Testing. Formal Dam Inspections and High Voltage Testing are performed every three years and rather than raising the entire amount every third year, budget stability is created by raising one third of the cost every year. There were two new reserve fund contributions in FY2017 which will not be funded in FY2026. There was a supplemental contribution of \$350,000 to the Renewal and Replacement Fund in FY2017 that is not required in FY2026. The Authority requires a minimum balance of \$2 million in the fund to cover dam emergencies, and pipeline and pump emergent repairs. Because the system is aging, there are normal maintenance expenditures included in the five-year plan that would have drawn the fund down below the \$2 million requirement without the supplemental deposit. Finally, the Authority funded a reserve for other post-employment benefits (accrued sick leave) in FY2017 to ensure that sufficient funds are available to pay out sick benefits as this number is not regularly budgeted in salary and fringe.

Review of Reserve Accounts

Depreciation Reserve Account

This reserve is intended to provide for the replacement of Authority machinery and equipment with a value of \$1,000 or more and a useful life in a range from three to ten years and to cushion the impact of replacement equipment purchases in order to provide more stable rates. Depreciation Reserve should equal accumulated depreciation for this class of assets. Long-term investment earnings have been utilized to fund the Depreciation Reserve.

Self Insurance Reserve

The Self Insurance Fund was established for the System to allow the Authority to make choices between underwritten risk and self-insurance risk in the face of increased prices in the insurance market. No contribution is being made to the fund in FY2026.

Reserve for Operations and Maintenance

A working cash reserve must be maintained at a level which reflects the amount of the regular annual operating costs plus an allowance for possible extraordinary requirements. The level of this reserve must equal 25 percent of the Annual O&M Budget. An initial contribution of \$125,000 was budgeted in FY1991. A contribution of \$125,000 was budgeted in FY1992. The contribution for FY1993 was \$50,000 because of the availability of additional revenue from FY1991.

An additional \$100,000 was added during FY1993 from the receipt of delinquent revenue and resulted in full funding of this reserve. The Reserve for Operations and Maintenance Fund was fully funded as of June 30, 2016 and as a result, no contribution will be needed in FY2026.

Renewal & Replacement Reserve

The Renewal & Replacement Reserve is to be used for costs of capital improvements including repairs to facilities not covered by insurance and payment of extraordinary O&M costs. As per the terms of the project financing, this Reserve is to be funded by the excess debt service coverage revenue after the Debt Service Reserve requirement has been accumulated. An initial deposit of \$24,287 had been made into this account from overdue revenue received during FY1993. Excess annual debt service coverage amounts were later transferred into this fund. The balance in the fund as of June 30, 2024 was approximately \$4,000,000. Excess interest earnings on the Debt Service Reserve and Debt Service Funds and excess debt service coverage revenue as well as a direct deposit of \$120,000 provide the source of funds for this reserve account.

Source Water Protection Fund Rate Component

The Authority established its Watershed Protection Unit in 1999 to implement a watershed management program for the Raritan River Basin pursuant to a Memorandum of Agreement with the New Jersey Department of Environmental Protection. Primary functions of the Unit are planning for watershed protection and development and implementation of projects that improve protection of water supply.

As an extension of that program during the period of FY2004, the Authority began the Manasquan Watershed Protection Initiative, and established the Source Water Protection Fund for the purpose of protecting the quality and quantity of water in the Manasquan Reservoir Water Supply System. The fund is used for three purposes in cooperation with State, local and nonprofit partners: (1) administrative assistance in the preservation of those properties in the Manasquan River Basin that are critical to the long-term protection of water quality and quantity in the Manasquan Reservoir Water Supply System as they may affect Authority customers; (2) improved management of land development by municipal, county, and State government to protect both water quality and flow to and within Authority facilities; and (3) remedial projects to improve water quality from existing conditions.

Whenever possible, the Authority will seek to obtain funding from other sources to augment or match its expenditures from the Source Water Protection Fund. The balance in the Source Water Protection Fund at June 30, 2024 was approximately \$1,500,000. Because of overall rate considerations in prior years, the Authority reduced the Source Water Protection Fund Component from \$15.00 per million gallons to \$10.00 per million gallons in FY2016 and FY2017 and reinstated the rate to \$15.00 per million gallons in FY2018 to ensure adequate funding for these initiatives. The Authority proposes no change to the rate in FY2026.

Optional Water Use Schedule

The Authority continues allowing the use of an Optional Water Use Schedule. When the total of all uninterruptible supply contract diversions is equal to or less than 25mgd, the Purchaser may operate pursuant to an optional water use schedule wherein the Purchaser may divert up to 20 percent in excess of the total contracted amount for any given month.

Overdraft Service

The Authority continues to charge an Overdraft Service Rate by recognizing that daily overdraft service rates apply to all uninterruptible service contract customers, and by recognizing that the daily overdraft service rate is a multiple of the initial water purchase rate.

Other Rule Amendments

There are no other rule amendments for FY2026.

PART II – DETAILED SUPPORTING INFORMATION

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Table 1 - Summary of Proposed Fiscal Year 2026 Adjustments

BASED ON PRESENT USAGE

The rates, charges and debt service assessments listed below shall be paid for raw water allocated by contract from the Manasquan Reservoir System for the **base contracts effective as of July 1, 2015 (14.980mgd), and Shorelands (.028mgd) delayed water contract effective July 1, 2006:**

I. July 1, 2025 to June 30, 2026

Component	Current (FY2025) Rates Per MG 7/1/2024 – 6/30/2025	Proposed (FY2026) Rates Per MG 7/1/2025 – 6/30/2026
Operations & Maintenance Component	\$445.82	\$445.82
Source Water Protection Fund Component	15.00	15.00
NJEIFP Debt Component	24.93	24.93
Capital Fund Component	525.00	525.00
TOTAL RATE	\$1,010.75/mg	\$1,010.75/mg

The rates, charges and debt service assessments listed below shall be paid for raw water allocated by contract from the Manasquan Reservoir System for all **New Jersey American Water delayed water purchase contracts effective: July 1, 2001 (1mgd), October 1, 2002 (1.935mgd), January 1, 2005 (1.500mgd):**

II. July 1, 2025 to June 30, 2026

Rate Component	Current	Original Proposal 11/06/23	Difference	Percentage Increase (Decrease)
Operations & Maintenance Expense Component	\$445.82	\$445.82	\$0.00	0.00%
Source Water Protection Fund Component	\$15.00	\$15.00	\$0.00	0.00%
Debt Service Cost Component	\$438.92	\$438.92	\$0.00	0.00%
NJEIFP Debt Component	\$24.93	\$24.93	\$0.00	0.00%
Capital Fund Component	\$200.00	\$200.00	\$0.00	0.00%
Total Rate	\$1,124.67/mg	\$1,124.67/mg	\$0.00/mg	0.00%

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**Table 2 - Rate History of Water Charges per Million Gallons of Raw Water - Initial
FY2007-FY2026**

Initial Water Purchaser 14.980 mgd July 1, 2015
Shorelands .028 mgd July 1, 2006

Effective Date	O&M Charge	Source Water Protection	Debt Repayment 2/1/91-8/01/20	NJEIFP Debt Component	Capital Fund Component	Total Charge per MG	Increase (Decrease)
July 1, 2006	295.41	15	522.86			\$833.27	-6.90%
July 1, 2007	302.52	15	528.54			\$846.06	1.53%
July 1, 2008	302.52	15	566.59			\$884.11	4.50%
July 1, 2009	396.79	15	568.26			\$980.05	10.85%
July 1, 2010	396.79	15	568.69			\$980.48	0.04%
July 1, 2011	347.39	15	618.09	35.42		\$1,015.90	3.61%
July 1, 2012	345.95	15	619.53	35.42		\$1,015.90	0.00%
July 1, 2013	356.61	15	619.87	24.42		\$1,015.90	0.00%
July 1, 2014	356.61	15	619.87	24.42		\$1,015.90	0.00%
July 1, 2015	386.00	10.00	636.61	24.79		\$1,057.40	4.09%
July 1, 2016	432.87	10.00	636.61	25.10		\$1,104.58	4.46%
July 1, 2017	432.87	15.00	570.55	24.93		\$1,043.35	-5.54%
July 1, 2018	432.87	15.00	570.55	24.93		\$1,043.35	0.00%
July 1, 2019	432.87	15.00	570.55	24.93		\$1,043.35	0.00%
July 1, 2020	445.82	15.00	0.00	24.93	525.00	\$1,010.75	-3.12%
July 1, 2021	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2022	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2023	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2024	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2025	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Table 3 - Rate History of Water Charges per Million Gallons of Raw Water - Delayed
FY2007-FY2026

Delayed Water Purchaser NJ-American 1 mgd July 1, 2001
1.935 mgd October 1, 2002
1.500 mgd January 1, 2005

Effective Date	O&M Charge	Source Water Protection	Debt Repayment 2/1/02-8/01/31	NJEIFP Debt Component	Capital Fund Component	Total Charge per MG	Increase (Decrease)
July 1, 2006	295.41	15.00	763.61			\$1,074.02	-7.75%
July 1, 2007	302.52	15.00	764.44			\$1,081.96	0.74%
July 1, 2008	302.52	15.00	762.28			\$1,079.80	-0.20%
July 1, 2009	396.79	15.00	763.24			\$1,175.03	8.82%
July 1, 2010	396.79	15.00	756.19			\$1,167.98	-0.60%
July 1, 2011	347.39	15.00	770.90	35.42		\$1,168.71	0.06%
July 1, 2012	345.95	15.00	772.12	35.42		\$1,168.49	-0.02%
July 1, 2013	356.61	15.00	772.46	24.42		\$1,168.49	0.00%
July 1, 2014	356.61	15.00	772.46	24.42		\$1,168.49	0.00%
July 1, 2015	386.00	10.00	770.07	24.79		\$1,190.86	1.91%
July 1, 2016	432.87	10.00	770.07	25.10		\$1,238.04	3.96%
July 1, 2017	432.87	15.00	664.96	24.93		\$1,137.76	-8.10%
July 1, 2018	432.87	15.00	664.96	24.93		\$1,137.76	0.00%
July 1, 2019	432.87	15.00	664.96	24.93		\$1,137.76	0.00%
July 1, 2020	445.82	15.00	438.92	24.93	200.00	\$1,124.67	-1.15%
July 1, 2021	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2022	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2023	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2024	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2025	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule Of Events

(NJAC 7:11-2.1 et. seq.)

To become effective July 1, 2025

2024

- SEPTEMBER 27 Advise Water Users of informal meeting.
- OCTOBER 24 Informal meeting with Water Users – 10:00 AM.
- NOVEMBER 4 Board reviews and approves proposed Rates.
- DECEMBER 16 Mail Official Notice to water customers, Rate Payer Advocate, interested parties and advertise in newspapers.

2025

- JANUARY 7 Publication in the New Jersey Register.
- 9 Pre-Public Hearing – 10:00 AM (within 45 days of Official Notice).
Deadline for responses to inquiries received prior to pre-public hearing..
- FEBRUARY 4 Deadline for receipt of comments to be addressed at Public Hearing
(15 days after pre-public hearing)
- 6 Public Hearing Meeting. (Microsoft Teams) – 10:00 AM
Deadline for responses to inquiries received between pre-public and public hearing.
- 24 Written responses to questions raised at Hearing (within 10 business days of the public hearing).
- MARCH 6 NJ Register Comment Period Ends.
- 17 Public Hearing record closes (25 business days after Public Hearing).
- MAY 5 Board approval of FY2026 Rates & Budgets
- JULY 1 Effective date.

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Proposed Fiscal Year 2026 Budget Summary

(07/01/25-06/30/26)

	ADOPTED F/Y2025 <u>Reservoir Budget</u>	PROPOSED F/Y2026 <u>Reservoir Budget</u>
Proposed Operating Expense Budget (Schedule 1)	\$ 3,170,011	\$3,201,042
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System (Schedule 13)	<u>\$ 805,000</u>	<u>\$ 770,000</u>
Proposed Total Expense Budget	\$ 3,975,011	\$ 3,971,042
Proposed Capital Equipment Budget (Schedule 14)	\$ -	\$ 44,353
Contribution to Reserve Funds		
- Sediment Reserve	\$ 10,000	\$ 10,000
- Formal Dam Inspection Reserve	\$ 5,000	\$ 5,000
- Renewal & Replacement Fund	\$ 120,000	\$ 120,000
- High Voltage Testing Reserve	\$ 15,000	\$ 15,000
- Other Post Employment Benefits Reserve	\$ -	\$ -
- Supplemental Renewal & Replacement	\$ -	\$ -
Adjustment for F/Y24 Salary and Fringe Expenses to be paid (from)/to WTP/TS Account		\$ 149,359
Adjustment for F/Y22 Salary and Fringe Expenses to be paid (from)/to WTP/TS Account	<u>\$ 86,605</u>	<u>\$ -</u>
Total Budget Requirements	<u>\$ 4,211,616</u>	<u>\$ 4,314,754</u>
Interest Earnings on Funds (Except Renewal and Replacement and Depreciation Reserve Fund) (Schedule 16)	\$ (225,400)	\$ (360,600)
Unanticipated Revenue (Schedule 17)	<u>\$ (824,500)</u>	<u>\$ (792,420)</u>
Total Miscellaneous Revenue & Interest Income	<u>\$ (1,049,900)</u>	<u>\$ (1,153,020)</u>
Net Amount to be paid for O & M Component	<u>\$ 3,161,716</u>	<u>\$ 3,161,734</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 1 - Total Operations & Maintenance Budget

Fiscal Year 2026

	F/Y2022 Reservoir Actual	F/Y2023 Reservoir Actual	F/Y2024 Reservoir Adopted	F/Y2025 Reservoir Proposed
Salaries & Fringe Benefits (Schedule 2)	\$1,431,579	1,204,297	1,518,655	\$1,732,508
O & M Direct Expense (Schedule 3)	1,015,532	1,164,569	1,179,949	1,293,484
G&A Expenses (Schedule 5)	96,876	108,584	168,851	144,019
Total Operations & Maintenance Budget	\$2,543,988	\$2,477,450	2,867,454	\$3,170,011

	F/Y2022 Actual		F/Y2023 Actual		F/Y2024 Adopted		F/Y 2025 Proposed	
	Reservoir	WTP/TS	Reservoir	WTP/TS	Reservoir	WTP/TS	Reservoir	WTP/TS
Salaries/Fringe	\$1,431,579	\$1,424,501	1,204,297	1,066,653	1,518,655	1,768,221	\$1,732,508	\$1,891,042
O & M Direct Expense	1,015,532	896,933	1,164,569	966,601	1,179,949	978,080	1,293,484	1,183,925
G & A Expense	96,876	67,166	108,584	72,026	168,851	106,701	144,019	98,641
Total	\$2,543,988	\$2,388,599	2,477,450	2,105,280	2,867,454	2,853,002	\$3,170,011	\$3,173,607

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 2 - Labor Projection
Fiscal Year 2025 (7/01/24-6/30/25)

TITLES	SALARY	FRINGE BENEFITS	OVERTIME	CLOTHING ALLOWANCE	SHIFT DIFFERENTIAL	TOTAL	ALLOCATION RESERVOIR %	AMOUNT RESERVOIR	ALLOCATION WTP/TS %	AMOUNT WTP/TS
Director	165,500	110,585	-	-	-	276,085	50%	138,043	50%	138,042
Project Engineer II	127,000	84,859	-	-	-	211,859	70%	148,301	30%	63,558
Water Supply Tech.	78,300	52,686	-	550	-	131,536	62%	81,552	38%	49,984
Administrative Assistant	81,900	54,724	-	-	-	136,624	47%	64,213	53%	72,411
Supervisor Technical Facilities Maint	103,200	71,683	3,531	550	-	178,964	43%	76,955	57%	102,009
Sr. Water Supply Tech.	89,800	60,729	536	550	-	151,615	35%	53,066	65%	98,549
Maintenance Worker I	56,000	37,786	-	550	-	94,336	93%	87,733	7%	6,603
Supervisor Operations	121,400	81,118	-	-	-	202,518	25%	50,630	75%	151,888
Equipment Operator	53,800	36,316	-	550	-	90,666	94%	85,226	6%	5,440
Foreman Bldg & Grounds Maint	89,800	60,729	536	550	-	151,615	85%	128,874	15%	22,741
Foreman Facilities Maintenance	88,100	62,665	5,134	550	-	156,449	47%	73,532	53%	82,917
Facilities Mechanic (3 Positions)	212,000	145,257	3,741	1,650	-	362,648	45%	163,192	55%	199,456
Supervisor Plant Operator	78,800	56,417	5,084	550	-	140,851	37%	52,115	63%	88,736
Maintenance Worker I Operations	49,600	33,509	-	550	-	83,659	92%	76,966	8%	6,693
Reservoir Sys Oper./Asst RSO (5 Positions)	285,100	218,618	36,432	2,750	2,900	545,800	95%	518,510	5%	27,290
Plant Operator (6 Positions)	451,400	344,319	60,606	3,300	-	859,625	1%	8,596	99%	851,029
TOTAL: (rounded)	2,131,700	1,512,000	115,600	12,650	2,900	3,774,850		1,807,504		1,967,346

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 3 - Reservoir System Operations and Maintenance Direct Expense Budget

Proposed F/Y 2026, Adopted F/Y 2025, and Actual F/Y 2020-2024

Cost Center: Reservoir Direct

(40)

MANASQUAN WATER SUPPLY SYSTEM

RESERVOIR SYSTEM

O & M DIRECT EXPENSE BUDGET

CODE	ACCOUNT	FY '20 ACTUAL	FY '21 ACTUAL	FY '22 ACTUAL	FY '23 ACTUAL	FY '24 ACTUAL	FY '25 PROPOSED	FY '26 PROPOSED
5110	Regular Salaries & Wages							
5120	Overtime-Salaries & Wages							
5130	New positions-Salaries & Wages							
5140	Seasonal Help-Salaries & Wages							
5150	Fringe Benefits							
5160	Retiree Health Benefits							
	Total Salary, Wages & Fringe							
5200	Residences							0
5210	Heating Fuel	399	805	0	900		2,000	2,000
5220	Utilities -Electrical Service	70,058	76,270	80,402	94,912	117,603	92,100	105,600
5230	-Gas Service	6,415	7,664	10,528	10,677	10,166	12,450	12,450
5240	-Propane							0
5250	Electricity for Pumping Station	206,599	239,940	250,569	393,169	256,039	356,000	331,500
5260	Fuel - Vehicular							0
5270	Oil & Grease							0
5280	Tires							0
5290	Maintenance Supplies	9,671	9,198	13,306	11,072	7,620	14,700	12,400
5300	Maint. Supplies - Vehicular							0
5310	Major Vehicle Service & Repair							0
5320	Agricultural Supplies							0
5330	Maintenance Equipment	42,721	40,500	41,535	55,755	61,303	51,500	56,700
5340	Serv. & Maintenance Contracts	39,953	5,742	27,789	8,994	106,228	35,000	46,650
5350	Equipment Rental	11,105	8,970	2,514	4,730	1,335	10,000	6,500
5360	Household - Safety Supplies	2,518	3,373	2,441	1,065	2,013	1,000	1,000
5370	Uniforms							0
5380	Special & Professional Services	68,971	80,245	119,466	59,241	46,036	93,850	66,850
5390	Protective Services	259,993	292,378	319,005	372,502	452,892	470,076	520,000
5400	Telephone	9,285	10,244	12,270	13,959	3,093	9,008	3,908
5410	Postage & Freight Out							0
5420	Data Processing							0
5430	Printing & Office Supplies	714	566	1,232	4,402	3,406	2,000	2,960
5440	Scientific & Photographic	2,524	781	3,028	147	8,930	3,500	6,140
5450	Dues & Subscriptions							0
5460	Advertising & Promotional		704	442	881	789	2,000	2,200
5470	Travel & Subsistence			59		88		0
5480	Staff Training & Tuition Aid		255		202			0
5490	Fees & Permits	31,680	31,840	33,260	36,166	37,800	38,000	39,000
5500	In - Lieu Taxes	36,756	36,756	36,756	36,756	36,756	38,300	38,300
5510	Sediment Removal	59,961		60,932	59,040		62,000	0
5520	Chemicals							0
5525	Carbon Filter Replacement							0
	Total Other Expenses	\$859,321	\$846,229	\$1,015,532	\$1,164,569	\$1,152,097	\$1,293,484	\$1,254,158
	Total Operating Expenses	\$859,321	\$846,229	\$1,015,532	\$1,164,569	\$1,152,097	\$1,293,484	\$1,254,158
	ANNUAL BUDGET	\$1,008,584	\$1,005,936	\$1,116,400	\$1,157,613	\$1,179,949	\$1,293,484	\$1,254,158

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**Schedule 4 - Treatment Plant/Transmission System Operations and Maintenance Direct
Expense Budget**

Proposed F/Y 2026, Adopted F/Y 2025, and Actual F/Y 2020-2024

Cost Center: Treat/Trans Direct
(50)

MANASQUAN WATER SUPPLY SYSTEM
WATER TREATMENT PLANT/TRANSMISSION SYSTEM
O & M DIRECT EXPENSE BUDGET

CODE	ACCOUNT	FY '20 ACTUAL	FY '21 ACTUAL	FY '22 ACTUAL	FY '23 ACTUAL	FY '24 ACTUAL	FY '25 PROPOSED	FY '26 PROPOSED
5110	Regular Salaries & Wages							
5120	Overtime-Salaries & Wages							
5130	New positions-Salaries & Wages							
5140	Seasonal Help-Salaries & Wages							
5150	Fringe Benefits							
5160	Retiree Health Benefits							
	Total Salary, Wages & Fringe							
5200	Residences							
5210	Heating Fuel	2,043	6,691	3,868	906	940	7,000	5,000
5220	Utilities -Electrical Service	255,320	260,159	301,059	371,127	381,735	410,000	390,000
5230	-Gas Service	24,720	24,304	37,514	28,361	23,960	38,000	29,600
5240	-Propane							0
5250	Electricity for Pumping Station							0
5260	Fuel - Vehicular							0
5270	Oil & Grease	1,317	0	0	294	1,053	2,000	2,000
5280	Tires							0
5290	Maintenance Supplies	6,983	10,506	8,054	9,079	3,511	7,700	7,700
5300	Maint. Supplies - Vehicular							0
5310	Major Vehicle Service & Repair							0
5320	Agricultural Supplies			723				0
5330	Maintenance Equipment	32,057	49,941	100,640	92,771	181,764	105,500	124,300
5340	Serv. & Maintenance Contracts	35,593	18,958	43,963	41,540	53,280	45,000	37,240
5350	Equipment Rental	763	1,417	1,409	447	78	3,200	3,200
5360	Household - Safety Supplies	1,260	3,925	1,948	1,995	4,952	2,000	2,000
5370	Uniforms							0
5380	Special & Professional Services	23,710	28,170	22,713	34,496	31,863	35,000	33,200
5390	Protective Services	80,832	93,722	108,664	121,516	148,391	155,865	175,000
5400	Telephone	539	511	505	412	379	1,200	1,200
5410	Postage & Freight Out		103		7	81	300	300
5420	Data Processing							0
5430	Printing & Office Supplies	2,343	4,964	3,973	6,679	5,346	9,800	9,800
5440	Scientific & Photographic	10,663	9,491	13,741	13,982	17,290	15,000	15,000
5450	Dues & Subscriptions							0
5460	Advertising & Promotional	260	1,038	319	1,121	668	1,000	1,000
5470	Travel & Subsistence	12		70	190	53		0
5480	Staff Training & Tuition Aid	0	355	621	352	255	1,320	1,320
5490	Fees & Permits	6,141	5,390	6,240	4,240	11,470	7,640	8,040
5500	In - Lieu Taxes	140	140	140	140	140	400	400
5510	Residual Removal	0	0	46,157	30,515	4,844	16,000	16,000
5520	Water Treatment Chemicals	132,813	143,893	123,107	187,692	206,952	225,000	240,000
5525	GAC Replacement		50,000	65,962	0	157,167	95,000	95,000
5528	Reimb of O&M Capital Expenditures	1,138	9,279	5,544	18,738	62,726		
	Total Other Expenses	\$618,647	\$722,957	\$896,933	\$966,601	\$1,298,898	\$1,183,925	\$1,197,300
	Total Operating Expenses	\$618,647	\$722,957	\$896,933	\$966,601	\$1,298,898		\$1,197,300
	ANNUAL BUDGET	\$855,400	\$864,000	\$909,916	\$891,139	\$978,080	\$1,183,925	\$1,197,300

**NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM**

Schedule 5 - Reservoir System General and Administrative Operations and Maintenance

Direct Expense Budget

Proposed F/Y 2026, Adopted F/Y 2025, and Actual F/Y 2020-2024

Cost Center: G & A
(60)

MANASQUAN WATER SUPPLY SYSTEM
GENERAL & ADMINISTRATIVE
EXPENSE BUDGET

CODE	ACCOUNT	FY '20 ACTUAL	FY '21 ACTUAL	FY '22 ACTUAL	FY '23 ACTUAL	FY '24 ACTUAL	FY '25 PROPOSED	FY '26 PROPOSED
5110	Regular Salaries & Wages	\$1,744,737	\$1,699,456	\$1,715,778	\$1,713,663	\$1,855,166	\$2,020,950	2,147,250
5120	Overtime-Salaries & Wages	71,499	64,694	85,409	91,909	81,907	115,600	115,600
5130	New positions-Salaries & Wages							
5140	Seasonal Help-Salaries & Wages							
5150	Fringe Benefits	554,954	250,181	879,808	264,014	818,191	1,224,400	1,254,050
5160	Retiree Health Benefits	(184,085)	(106,171)	174,262	195,430	195,430	257,600	252,950
5168	Workers Comp. (Self-Insured)	701	0	823	1,692	160	5,000	5,000
	Total Salary, Wages & Fringe	\$2,187,807	\$1,908,160	\$2,856,080	\$2,266,708	\$2,950,854	\$3,623,550	\$3,774,850
	Budget - salary and fringe							
5200	Residences							0
5210	Heating Fuel							0
5220	Utilities -Electrical Service							0
5230	-Gas Service							0
5240	-Propane							0
5250	Electricity for Pumping Station							0
5260	Fuel - Vehicular	13,896	15,990	29,005	27,497	31,570	33,600	33,600
5270	Oil & Grease	3,628	1,596	8,207	8,390	2,186	8,300	8,300
5280	Tires	8,905	3,233	4,962	9,609	5,553	12,000	12,000
5290	Maintenance Supplies	7,890	10,186	12,697	24,306	19,227	27,300	27,300
5300	Maint. Supplies - Vehicular	9,703	16,194	9,124	9,746	18,793	11,600	14,000
5310	Major Vehicle Service & Repair	18,290	45,738	20,267	25,508	32,859	35,000	35,000
5320	Agricultural Supplies	1,787	6,161	3,999	5,577	4,806	8,100	8,100
5330	Maintenance Equipment	2,734	3,641	5,383	4,539	2,526	10,100	7,100
5340	Serv. & Maintenance Contracts	18,620	16,414	25,296	22,922	20,093	28,100	25,300
5350	Equipment Rental	2,411	2,365	2,550	2,594	2,596	4,300	3,300
5360	Household - Safety Supplies	11,830	9,399	12,394	9,646	14,109	13,700	13,700
5370	Uniforms							0
5380	Special & Professional Services	7,395	8,361	7,138	8,092	5,257	10,000	10,000
5390	Protective Services							0
5400	Telephone	5,714	6,152	6,116	6,091	4,878	7,200	4,560
5410	Postage & Freight Out	1,078	685	1,435	4,090	3,704	1,200	1,200
5420	Data Processing	2,427	2,575	3,099	2,715	2,863	5,000	3,600
5430	Printing & Office Supplies	2,528	2,380	4,717	2,316	9,658	5,960	5,960
5440	Scientific & Photographic	0	0	0	0	0	300	300
5450	Dues & Subscriptions	1,197	504	302	615	90	3,000	3,000
5460	Advertising & Promotional	459	74	697	0	906	2,000	2,000
5470	Travel & Subsistence	470	336	152	130		1,000	1,000
5480	Staff Training & Tuition Aid	2,512	3,559	4,260	2,904	7,963	8,400	8,400
5490	Fees & Permits	3,265	3,089	2,241	3,322	3,890	6,500	6,500
5500	In - Lieu Taxes							0
5510	Residual Removal							0
5520	Water Treatment Chemicals							0
5525	GAC Replacement							0
	Total Other Expenses	\$126,739	\$158,632	\$164,042	\$180,609	\$193,527	\$242,660	\$234,220
	Total Operating Expenses	\$2,314,546	\$2,066,792	\$3,020,122	\$2,447,317	\$3,144,381	\$3,866,210	\$4,009,070
	Budget- other expenses		\$238,500	\$242,500	\$234,302	\$275,552	\$242,660	\$234,220
	TOTAL ANNUAL BUDGET		\$3,237,800	\$3,399,100	\$3,378,352	\$3,562,427	\$3,866,210	\$4,009,070
	Reservoir System	\$65,013	\$96,524	\$96,876	\$0	\$168,851	\$144,019	\$139,380
	Treatment/Transmission System	\$61,726	\$62,108	\$67,166	\$0	\$106,701	\$98,641	\$94,840

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 6 - List of Category 5340 Items Recommended Service & Maintenance Contracts

For Reservoir (40)

Fiscal Year 2026

		<u>Adopted F/Y25</u>	<u>Proposed F/Y26</u>
1	HVAC/Dehumidifier Service	\$ 500	\$ 500
2	Instrumentation & Control System Service/Upgrade	3,000	3,000
3	Electrical Upgrade & Repair	2,350	14,000
4	Overhead Crane Service & Inspection	3,000	3,000
5	Fire & Intrusion Alarm Service	1,500	1,500
6	Potable Well/Septic Service	1,500	1,500
7	Fertilization-Dam Dike	3,750	3,750
8	Underground Fuel Tank Testing & Repair	2,000	2,000
9	Roadway Crack Sealing	3,000	3,000
10	Wood Debris Removal/Herbicide Treatments	2,500	2,500
11	Access Roadway Repairs	2,500	2,500
12	Roofing System Maintenance & Repair	4,000	4,000
13	Reservoir Transmission Line Clearing	3,000	3,000
14	Fios Fiber Optic for Security Cameras	<u>2,400</u>	<u>2,400</u>
	Total Service & Maintenance Contracts	<u>\$ 35,000</u>	<u>\$ 46,650</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 7 - List of Category 5340 Items Recommended Service & Maintenance Contracts

For WTP/TS (50)

Fiscal Year 2026

		<u>Adopted</u> F/Y25	<u>Proposed</u> F/Y26
1	Electrical Service Contract	\$ 2,400	\$ 2,400
2	Instrumentation & Control System Service & Upgrade	6,000	4,000
3	Electrical Upgrade & Repair	3,000	2,000
4	Overhead Crane Service	2,500	2,500
5	Fire & Intrusion Alarm Service	3,000	3,000
6	Boiler Service	1,200	1,440
7	Auxiliary Generator Service	3,000	3,000
8	Lab Equipment Service	3,500	3,500
9	UPS Battery PM Service and Batteries	3,600	3,600
10	Four Year Electrical Switchgear Testing Service	2,000	2,000
11	Internet Service	9,800	4,800
12	Network Routers	2,500	2,500
13	XLReporter Software Program Support	<u>2,500</u>	<u>2,500</u>
	Total Service & Maintenance Contracts	<u>\$ 45,000</u>	<u>\$ 37,240</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 8 - List of Category 5340 Items Recommended Service & Maintenance Contracts

For G & A (60)
Fiscal Year 2026

		<u>Adopted</u> F/Y25	<u>Proposed</u> F/Y26
1	Refuse & Waste Disposal	\$ 2,000	\$ 2,000
2	Office Equipment/Computers	1,800	1,800
3	Waste Oil Disposal	300	300
4	Fire Extinguisher Service	1,100	1,100
5	UST Monitor Service	-	-
6	SCADA Service Contract	2,000	2,000
7	Building Maintenance	6,000	6,000
8	Internet Service	2,000	2,000
9	Janitorial Service	10,000	7,200
10	Vehicle Lift Inspection	500	500
11	Underground Fuel Storage Tank Service	<u>2,400</u>	<u>2,400</u>
	Total Service & Maintenance Contracts	<u>\$ 28,100</u>	<u>\$ 25,300</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 9 - List of Category 5380 Items Recommended Special & Professional Service For

Reservoir (40)

Fiscal Year 2026

		Adopted F/Y25	Proposed F/Y26
		<u> </u>	<u> </u>
1	Laboratory Services - Water Quality Sampling	\$ 10,000	\$ 240
3	Services-USGS Cooperative Agreement	40,000	35,000
4	Annual Trustee Fund	9,500	6,640
5	Dam Management-Surveying	2,500	120
6	Wetland Monitoring Management	8,000	8,000
7	Hydrilla Treatment and Water Quality Study	15,000	-
8	Engineering Services	4,000	4,000
9	Financial Advisory Services	4,850	4,850
10	Reservoir Algae and Wetlands Weed Treatments	-	8,000
		<u> </u>	<u> </u>
	Total Special & Professional Services	<u>\$ 93,850</u>	<u>\$ 66,850</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 10 - List of Category 5380 Items Recommended Special & Professional Services

For WTP/TS (50)

Fiscal Year 2026

		<u>Adopted</u> <u>F/Y25</u>	<u>Proposed</u> <u>F/Y26</u>
1	Water Quality Sampling	\$ 14,900	\$ 12,900
2	Residual Quality Analysis	800	800
3	Consultant Services	4,000	4,000
4	USGA Allenwood Gage-Parameters	13,500	13,500
5	Underground Markout Service	<u>1,800</u>	<u>2,000</u>
	Total Special & Professional Services	<u>\$ 35,000</u>	<u>\$ 33,200</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 11 - List of Category 5380 Items Recommended Special & Professional Services

For G & A (60)

Fiscal Year 2026

	<u>Adopted F/Y25</u>	<u>Proposed F/Y26</u>
1 Pulmonary Testing	\$ 1,500	\$ 1,500
2 CDL Medical Testing	1,000	1,000
3 EAS Service	4,000	4,000
4 The Bank of NY - Melon	2,300	2,300
5 Pre-Employment Physicals	<u>1,200</u>	<u>1,200</u>
Total Special & Professional Services	<u>\$ 10,000</u>	<u>\$ 10,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 12 - Projected FY 2026 New Jersey Water Supply Authority Insurance Program

Policy	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant and Transmission System	Total Premium
Property Limit \$150 million, Limit \$25m BI Deduct: \$100k all perils \$250k Deduct dams, dikes / \$1m Deduct Canal flood Earthen Dam:Builders Risk	\$1,046,051	\$422,550	\$127,860	\$1,596,460
General/Products Liability Limit \$1 million Deduct: \$150k	\$160,108	\$14,304	\$2,845	\$177,258
Environmental Impairment Liability Limit \$10 million Deduct: \$100k	\$0	\$0	\$0	\$0
Workers' Compensation Limit \$1 million	\$176,076	\$22,672	\$27,013	\$225,760
Employer Liability Limit \$1 million	Included in Workers' Comp	Included in Workers' Comp	Included in Workers' Comp	Included in Workers' Comp
Umbrella Liability Limit \$23 million	\$502,251	\$44,873	\$8,926	\$556,050
Business Automobile Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$64,169	\$9,261	\$2,566	\$75,996
Management Liability Public Officials Liability	\$54,007	\$4,825	\$960	\$59,792
Cyber Risk	\$16,954	\$1,514	\$301	\$18,769
Fidelity & Crime Limit \$5 million/\$1million/\$1 million Deduct: \$100k/\$10k/\$50k	\$70,960	\$6,340	\$5,791	\$83,091
Travel Accident Limit \$2 million	\$0	\$0	\$0	\$0
Drone Coverage	\$1,166	\$0	\$0	\$1,166
UST	\$4,219	\$0	\$0	\$4,219
TOTAL:	\$2,025,000	\$520,000	\$175,000	\$2,720,000

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**Schedule 13 - Recap of Allocation of Headquarters General and Administrative Expenses
Charged to the Manasquan Reservoir Water Supply System**

Fiscal Year 2026 (7/1/25-6/30/26)

	Total Headquarters Charge	Manasquan Reservoir System	Manasquan WTP/TS
Budgeted-Appendix I, amount to be charged to Manasquan System for FY26 (7/1/25-6/30/26)	\$953,852	\$822,888	\$130,964
F/Y24 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y24 (7/1/23-6/30/24). Amounts paid during F/Y24 to Raritan Basin System.	\$893,996	\$770,000	\$123,996
Actual allocation based upon audited expenditures F/Y24 (7/1/23-6/30/24) - Appendix II	<u>\$830,784</u>	<u>\$716,698</u>	<u>\$114,086</u>
Adjustments F/Y24	<u>(\$63,212)</u>	<u>(\$53,302)</u>	<u>(\$9,910)</u>
Net Allocation for F/Y2026 Budget	<u>\$890,640</u>	<u>\$769,586</u>	<u>\$121,054</u>
Estimate	<u>\$891,000</u>	<u>\$770,000</u>	<u>\$121,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 14 - Proposed Capital Equipment Budget

Fiscal Year 2026

Manasquan Water Supply System								
<u>PROPOSED CAPITAL EQUIPMENT BUDGET</u>								
Fiscal Year 2026								
Description	(A)Addition (R)Replacemer	Year of Purchase Vehicle/Equipment	Dollar Value	%	Manasquan Reservoir	Manasquan WTP/TS	Reservoir Depreciation Reserve	WTP/TS Depreciation Reserve
Utility Body PU no Dump	R (515)	2013	81,000	50/50	40,500	40,500	41,260	0
Ford Escape	R (556)	2016	45,000	50/50	22,500	22,500	26,477	0
Ford F250 with Utility Body	R (530)	2014	90,000	70/30	63,000	27,000	29,499	0
Ford Escape	R (601)	2018	45,000	69/31	31,050	13,950	15,461	6,946
TOTAL			261,000		157,050	103,950	112,697	6,946
*Per Resolution, Asset Definition minimum is \$5,000.					0			
Less Amount charged to Reservoir Depreciation Reserve					112,697			
Less Amount charged to WTP/TS Depreciation Reserve						6,946		
Total					44,353	97,004		
Additional Depreciation Reserve							0	
Estimate					\$44,353	\$97,004		

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 15 - July, 2023– June, 2024 Fiscal Year 2024G&A Expenses Split

		BUDGETED %		ACTUAL % (Timesheets)		UNDER (OVER)		
		(40)	(50)	(40)	(50)	(40)	(50)	
		TOTAL	RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	RESERVOIR	WTP/TS
	TIME SPLIT		90%	10%	93%	7%		
ASST. RESERVOIR S	REGULAR	46,959	42,263	4,696	43,672	3,287	(1,409)	1,409
OPERATOR	CLOTH.	550	495	55	512	39	(17)	17
	O.T.	3,001	2,701	300	2,791	210	(90)	90
	FRINGE	25,177	22,659	2,518	23,414	1,762	(755)	755
	TIME SPLIT		1%	99%	0%	100%		
PLANT OPERATOR	REGULAR	76,182	762	75,420	-	76,182	762	(762)
	CLOTH.	550	6	545	-	550	6	(6)
	O.T.	6,228	62	6,165	-	6,228	62	(62)
	FRINGE	42,623	426	42,197	-	42,624	426	(426)
	TIME SPLIT		1%	99%	8%	92%		
PLANT OPERATOR	REGULAR	66,372	664	65,708	5,310	61,062	(4,646)	4,646
	CLOTH.	550	6	545	44	506	(39)	39
	O.T.	2,672	27	2,645	214	2,458	(187)	187
	FRINGE	33,808	338	33,470	2,705	31,104	(2,367)	2,367
	TIME SPLIT		1%	99%	1%	99%		
PLANT OPERATOR	REGULAR	75,379	754	74,625	754	74,625	-	-
	CLOTH.	550	6	545	6	545	-	-
	O.T.	7,399	74	7,325	74	7,325	0	(0)
	FRINGE	42,297	423	41,874	423	41,874	0	0
	TIME SPLIT		40%	60%	43%	57%		
FACILITES	REGULAR	72,696	29,078	43,618	31,259	41,437	(2,181)	2,181
MECHANIC	CLOTH.	550	220	330	237	314	(17)	17
	O.T.	1,004	401	602	432	572	(30)	30
	FRINGE	38,292	15,317	22,975	16,466	21,827	(1,149)	1,149
	TIME SPLIT		90%	10%	99%	1%		
RESERVOIR	REGULAR	55,324	49,792	5,532	54,771	553	(4,979)	4,979
SYSTEM OPERATO	CLOTH.	550	495	55	545	6	(50)	50
	O.T.	9,126	8,214	913	9,035	91	(821)	821
	FRINGE	34,601	31,141	3,460	34,255	346	(3,114)	3,114
	TIME SPLIT		70%	30%	88%	12%		
PROJECT	REGULAR	87,502	61,251	26,251	77,002	10,500	(15,750)	15,750
ENGINEER 11	CLOTH.	-	-	-	-	-	-	-
	O.T.	-	-	-	-	-	-	-
	FRINGE	49,124	34,387	14,737	43,229	5,895	(8,842)	8,842
	TIME SPLIT		40%	60%	36%	64%		
FOREMAN FACILIT	REGULAR	79,449	31,780	47,669	28,602	50,847	3,178	(3,178)
MAINT.	CLOTH.	550	220	330	198	352	22	(22)
	O.T.	1,763	705	1,058	635	1,128	70	(70)
	FRINGE	41,778	16,711	25,067	15,040	26,738	1,671	(1,671)
	TIME SPLIT		80%	20%	99%	1%		
FOREMAN	REGULAR	81,211	64,969	16,242	80,399	812	(15,430)	15,430
BUILDING & GROU	CLOTH.	550	440	110	545	6	(105)	105
MAINT - WSA	O.T.	561	449	112	556	6	(107)	107
	FRINGE	42,546	34,037	8,509	42,120	425	(8,084)	8,084

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 15 (Continued) July, 2023 – June, 2024 Fiscal Year 2024 G&A Expenses Split

	TIME SPLIT		1%	99%	8%	92%		
PLANT OPERATOR	REGULAR	59,153	592	58,562	4,732	54,421	(4,141)	4,141
	CLOTH.	550	6	545	44	506	(39)	39
	O.T.	10,854	109	10,745	868	9,985	(760)	760
	FRINGE	35,147	351	34,796	2,812	32,335	(2,460)	2,460
	TIME SPLIT		35%	65%	37%	63%		
SR. WATER SUPPLY	REGULAR	81,203	28,421	52,782	30,045	51,158	(1,624)	1,624
TECH. - WSA	CLOTH.	550	193	358	204	347	(11)	11
	O.T.	236	83	153	87	149	(5)	5
	FRINGE	42,285	14,800	27,485	15,645	26,640	(846)	846
	TIME SPLIT		1%	99%	6%	94%		
PLANT OPERATOR	REGULAR	60,365	604	59,761	3,622	56,743	(3,018)	3,018
	CLOTH.	550	6	545	33	517	(28)	28
	O.T.	6,652	67	6,585	399	6,253	(333)	333
	FRINGE	33,873	339	33,534	2,032	31,840	(1,694)	1,694
	TIME SPLIT		47%	53%	52%	48%		
SUPERVISOR TECH.	REGULAR	93,315	43,858	49,457	48,524	44,791	(4,666)	4,666
ASST. & FAC. MAIN	CLOTH.	550	259	292	286	264	(28)	28
	O.T.	5,196	2,442	2,754	2,702	2,494	(260)	260
	FRINGE	51,135	24,033	27,101	26,590	24,545	(2,557)	2,557
	TIME SPLIT		40%	60%	43%	57%		
FAC. MECHANIC -	REGULAR	54,706	21,883	32,824	23,524	31,183	(1,641)	1,641
	CLOTH.	550	220	330	237	314	(17)	17
	O.T.	1,017	407	610	437	580	(31)	31
	FRINGE	28,731	11,492	17,239	12,354	16,377	(862)	862
	TIME SPLIT		90%	10%	99%	1%		
RESERVOIR SYS	REGULAR	53,265	47,938	5,326	52,732	533	(4,794)	4,794
OPERATOR	CLOTH.	550	495	55	545	6	(50)	50
	O.T.	6,261	5,635	626	6,198	63	(563)	563
	FRINGE	29,429	26,486	2,943	29,135	294	(2,649)	2,649
	TIME SPLIT		50%	50%	52%	48%		
DIR. MWS/D&R	REGULAR	146,599	73,300	73,300	76,232	70,368	(2,932)	2,932
CANAL OPERATION	CLOTH.	-	-	-	-	-	-	-
	O.T.	-	-	-	-	-	-	-
	FRINGE	75,061	37,531	37,531	39,032	36,029	(1,501)	1,501
	TIME SPLIT		40%	60%	39%	61%		
ADMIN. ASSISTANT	REGULAR	71,707	28,683	43,024	27,966	43,741	717	(717)
	CLOTH.	-	-	-	-	-	-	-
	O.T.	-	-	-	-	-	-	-
	FRINGE	36,711	14,684	22,027	14,317	22,394	367	(367)
	TIME SPLIT		90%	10%	97%	3%		
ASST. RESERVOIR	REGULAR	34,402	30,961	3,440	33,369	1,032	(2,408)	2,408
SYSTEM OPERATOR	CLOTH.	-	-	-	-	-	-	-
	O.T.	3,522	3,170	352	3,417	106	(247)	247
	FRINGE	16,237	14,613	1,624	15,750	487	(1,137)	1,137

**NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM**

Schedule 15 (Continued) July, 2023 – June, 2024 Fiscal Year 2024 G&A Expenses Split

	TIME SPLIT		25%	75%	32%	68%		
SUPERVISOR	REGULAR	104,702	26,175	78,526	33,505	71,197	(7,329)	7,329
OPERATIONS MWS:	CLOTH.	-	-	-	-	-	-	-
WSA	O.T.	-	-	-	-	-	-	-
	FRINGE	53,625	13,406	40,218	17,160	36,465	(3,754)	3,754
	TIME SPLIT		93%	7%	98%	2%		
MAINTENANCE	REGULAR	41,644	38,729	2,915	40,811	833	(2,082)	2,082
WORKER 1	CLOTH.	-	-	-	-	-	-	-
	O.T.	221	205	15	216	4	(11)	11
	FRINGE	21,335	19,841	1,493	20,908	427	(1,067)	1,067
	TIME SPLIT		37%	63%	37%	63%		
SUPERVISING PLAN	REGULAR	67,580	25,005	42,575	25,005	42,575	0	(0)
OPERATOR	CLOTH.	550	204	347	204	347	-	-
	O.T.	4,356	1,612	2,744	1,612	2,744	(0)	0
	FRINGE	36,822	13,624	23,198	13,624	23,198	0	(0)
	TIME SPLIT		92%	8%	99%	1%		
MAINT WORKER I	REGULAR	50,669	46,615	4,054	50,162	507	(3,547)	3,547
	CLOTH.	550	506	44	545	6	(39)	39
	O.T.	-	-	-	-	-	-	-
	FRINGE	26,273	24,171	2,102	26,010	263	(1,839)	1,839
	TIME SPLIT		1%	99%	7%	93%		
PLANT OPERATOR	REGULAR	61,309	613	60,696	4,292	57,017	(3,679)	3,679
	CLOTH.	550	6	545	39	512	(33)	33
	O.T.	7,006	70	6,936	490	6,515	(420)	420
	FRINGE	35,474	355	35,119	2,483	32,991	(2,128)	2,128
	TIME SPLIT		90%	10%	98%	2%		
ASST. RESERVOIR	REGULAR	49,297	44,367	4,930	48,311	986	(3,944)	3,944
SYSTEM OPER-WSA	CLOTH.	550	495	55	539	11	(44)	44
	O.T.	3,731	3,358	373	3,657	75	(298)	298
	FRINGE	24,921	22,429	2,492	24,423	498	(1,994)	1,994
	TIME SPLIT		40%	60%	40%	60%		
FAC. MECHANIC-W	REGULAR	58,796	23,518	35,278	23,518	35,278	-	-
	CLOTH.	550	220	330	220	330	-	-
	O.T.	734	294	441	294	441	-	-
	FRINGE	30,532	12,213	18,319	12,213	18,319	0	(0)
	TIME SPLIT		94%	6%	97%	3%		
EQUIPMENT	REGULAR	43,049	40,466	2,583	41,757	1,291	(1,291)	1,291
OPERATOR	CLOTH.	550	517	33	534	17	(17)	17
	O.T.	369	347	22	358	11	(11)	11
	FRINGE	28,015	26,334	1,681	27,175	840	(840)	840
	TIME SPLIT		62%	38%	72%	28%		
WATER SUPPLY	REGULAR	70,782	43,885	26,897	50,963	19,819	(7,078)	7,078
TECH - WSA	CLOTH.	550	341	209	396	154	(55)	55
	O.T.	-	-	-	-	-	-	-
	FRINGE	36,772	22,799	13,973	26,476	10,296	(3,677)	3,677
		(60)	(40)	(50)	(40)	(50)	(40)	(50)
	REGULAR	1,843,616	846,925	996,691	940,838	902,778	(93,912)	93,912
	CLOTH.	11,550	5,352	6,199	5,907	5,643	(556)	556
	O.T.	81,907	30,429	51,478	34,470	47,437	(4,041)	4,041
	FRINGE	992,624	454,941	537,683	505,792	486,832	(50,850)	50,850
	GRAND TOTAL	2,929,696	1,337,647	1,592,049	1,487,006	1,442,690	(149,359)	149,359

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 16 - Estimate of Interest Income

Fiscal Year 2026 Budget

Fund/Reserve	TD Bank Funds	
Operating	\$6,650,000	
Reserve for O & M	1,605,000	
General Reserve (Rate Stabilization Fund)	41,000	
Pumping Reserve	155,000	
Self-Insurance Reserve	218,000	
Sediment Reserve	346,000	
Estimated Total	\$9,015,000	
	\$9,015,000 x4.00% =	\$360,600
	Total	\$360,600
	Estimate	\$360,600

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 17 - Unanticipated Revenue

	Amount
F/Y2024 Net Year-End Balance	\$ 594,250
Excess D/S Coverage FY2026	\$ 115,000

Overdraft	Invoice No.	Inv. Date	Amount
NJ American	MM-448-OD	23-Oct	\$ 23,797
	MM-448-OD	Oct-24	\$ 56,194
	MM-448-OD	Oct-24	\$ 1,722
	MM-455-OD	Feb-24	\$ 643
	MM-459-OD	Apr-24	\$ 813 ▼

Available for use in FY26	\$ 83,169
---------------------------	-----------

Additional Sources

Total Available	\$ 792,419
Estimate for FY26	\$ 792,420

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 18 - Fund Balances as of 6/30/24

	REVENUE FUND	OPERATING ACCOUNT	OPERATING FUND	O & M RESERVE	LONG TERM INVESTMENTS O & M RESERVE	TOTAL
BALANCE 6/30/2024						
(Does not include Debt Service payment)	\$53,276	\$2,550,106	\$5,494,606	\$604,939	\$1,015,148	\$9,718,075
Add: NJ-American, JCP&L expenses for June 2024			\$28,332			\$28,332
Deduct: Accrued expenses to be paid as of 6/30/24			(28,301)			(28,301)
Deduct: June 10th billing, received			(128,922)			(128,922)
Adjusted Balances 6/30/24	\$ 53,276	\$ 2,550,106	\$ 5,394,047	\$ 604,939	\$ 1,015,148	\$ 9,617,516
INCOME						
Operating Transfer	(310,000)		310,000			-
Receipt of WTP/TS G&A expenses for the month of June 2024, estimated July 2024 billing			250,000			250,000
EXPENSES						
O & M Expenses - (A/P-6/30/24) includes accrued payroll thru 6/30/24			(168,973)			(168,973)
Capital items to be purchased by 6/30/24 - estimated			100,000			100,000
Payment of Headquarters overhead expenses - to be paid 7/01			(192,500)			(192,500)
Contributions to Various Reserves- 7/24			(37,500)			(37,500)
ADJUSTED BALANCE AT 6/30/24	\$ (256,724)	\$ 2,550,106	\$ 5,655,074	\$ 604,939	\$ 1,015,148	\$ 9,568,543
Less: O & M Reserve Balance (Goal is 3 months O & M Expenses as dictated by Bond Resolution)						(917,364)
Balance of projected funds available						\$ 8,651,180
Use of Available Funds						
Unanticipated revenues (overdrafts in FY24 to be available to the General Fund for FY26) NJ American Water						\$ (23,797)
Appropriate FY24 net fund balance into the General Fund (Rate Stabilization) to be used for rate stabilization						(824,500)
Balance of funds to be used for future years						\$ 7,802,883

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 19 - Operations & Maintenance Expense Component and Debt Service Cost
Component Sales Base
Projected Fiscal Year 2026

USER	ALLOCATION (mgd)
Avon, Borough of	0.126
Belmar, Borough of	0.288
Brielle, Borough of	0.450
Keyport, Borough of	0.356
Matawan, Borough of	0.332
New Jersey American Water	12.500
Red Bank, Borough of	0.548
Sea Girt, Borough of	0.040
Shorelands Water Company (acquired by NJ American)	2.007
Lake Como, Borough of	0.100
Spring Lake, Borough of	0.310
Spring Lake Heights, Borough of	0.386
Wall Township	2.000
OPERATIONS & MAINTENANCE/DEBT SERVICE SALES BASE	19.443 mgd

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR WATER SUPPLY AUTHORITY

Schedule 20 - Operations and Maintenance Rate Component (19.443mgd)
 Fiscal Year 2026

Funds Required for F/Y2026 Budget

Total Budget Requirements	\$	4,314,754
Miscellaneous Revenues	\$	(1,153,020)
Net Budget Requirement	\$	3,161,734
Less - Quarterly O&M payment on July 10, 2025 (cash received in July for water used in April, May and June of 2025 based on \$445.82/mg)	\$	(788,795)
Additional Revenue required from last three (3) Quarterly payments in F/Y2026 to cover Operations & Maintenance expenses through 6/30/26	\$	2,372,939

Computation of Operations & Maintenance Rate for Fiscal Year 2026

Required Operations & Maintenance Rate F/Y2026	$\frac{\$2,372,939}{5,322.52^*}$	=	\$	445.82/mg
--	----------------------------------	---	----	-----------

* Four (4) Quarters Sales =

19.443 mgd x 365	=	7,096.70mg/yr
------------------	---	---------------

Rate Calculation for Required revenues due for payment on
10/10/, 1/10 and 4/10/:

Sales Base =	7,096.70 x 3/4	=	5,322.52/mg
--------------	----------------	---	-------------

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 21 - Computation of Delayed Water Purchase Debt Service Rates

NJAW – 1.000MGD CONTRACT - 07/01/01
1.935MGD CONTRACT – 10/01/02
1.500MGD CONTRACT – 01/01/05

Delayed Debt Service

Debt Service for Fiscal Year 2026 \$ 575,213

Debt Service Fund Interest Income and Other
Available Resources \$ -

Net Debt Service Obligation \$ 575,213

Coverage Requirement = Net Debt Service
Obligation x 20% \$ 115,043

Total to be Recovered by Rates \$ 690,256

Debt Service Rate Effective 7/01/25 \$ 690,256 = \$ 426.41mg
365 x 4.435/mgd = 1,618.78mg 1,618.78mg

Equalization Factor 12.51
\$ 438.92mg

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 22 - Computation of Base Debt Service Rates

INTAKE PUMP STATION BUILDING

Initial Water Purchasers (14.980 MGD) – 7/01/15
 Shorelands Delayed Purchase Contract (.028MGD) – 7/01/06
 NJ American Delayed Purchase Contract (4.435MGD)*

NJEIFP Debt Service for Fiscal Year 2026	\$	177,967
Rate Equalization Adjustment		
Debt Service Rate Effective 7/01/2025	<u>\$</u>	<u>177,967</u> = \$ 25.08/mg
365 x 19.443/mgd =7,096.70mg		7,096.70mg
Equalization Factor		(\$0.15)
		\$ 24.93/mg

*Delayed Water Purchase Contracts
 NJ American 1.000mgd 07/01/01
 1.935mgd 10/01/02
 1.500mgd 01/01/05

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

Schedule 23 - Bond Debt Service Coverage

Fiscal Year 2026
(7/1/25-6/30/26)

<u>Revenues</u>	
Uninterruptible Water Sales	\$ 7,073,972
Interest Income	\$ 360,600
Total Revenues	<u>\$ 7,434,572</u>
<u>Expenses</u>	
O&M Costs	\$ 3,201,042
Overhead Allocation	\$ 770,000
Total O&M	<u>\$ 3,971,042</u>
Cash Available for Debt Service - A	\$ 3,463,530
Net Debt Service Expense	\$ 575,213
Debt Service Coverage Calculation - A/B	6.02
Cash After Debt Service A-B	\$ 2,888,317

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

Schedule 24 - Rehabilitation Reserve and Capital Improvement Program

Manasquan Reservoir Project Description	Renewal & Repl. Reserve	FY25	FY26	FY27	FY28	FY29+
Dam Emergency Contingency	\$ 400,000					
Pipeline Replacement Under I-195	\$1,500,000					
Pumping Equipment Replacement	\$650,000					
Replace Control Panel at Reservoir IO Building			\$55,000			
Paving Intake Parking Lot and Administration Parking Area			\$170,000			
Rehabilitation Pump and Motors at Reservoir & Intake Pumping Stations			\$40,000	\$40,000		
Traveling Water Screen Repair #1 & #8		\$160,000				
Security System Camera and DVR replacement				\$45,000		
Replace two Underground Fuel Storage Tanks with above ground					\$230,000	
Replace Septic System Drain Field and inlet pipe from building				\$150,000		
Connect 8 new piezometers to the res. Embankment			\$40,000			
Rehabilitation of T2 Transformer and Oil Change				\$40,000		
Replace Pumps (#1,,3,5)				\$150,000	\$250,000	\$320,000
Vapor Recovery System for Gasoline Storage Tank		\$25,000				
Replace 2 5 KVA Breakers in Substation				\$55,000		
Replace Balance of Metal Roof on Admin Portion of RPS Building					\$130,000	
Total*	\$2,550,000	\$185,000	\$305,000	\$480,000	\$610,000	\$320,000

**New Jersey Water Supply Authority
Manasquan Water Supply System**

Update of the Renewal and Replacement Reserve and Capital Improvement Program

Prepared by

**Paul McKeon, P.E., Director, Manasquan Water Supply System and
Delaware & Raritan Canal Operations**

**MANASQUAN WATER SUPPLY SYSTEM
RENEWAL/REPLACEMENT RESERVE & CAPITAL IMPROVEMENT PROGRAM
Fiscal Years 2025-2030
Updated August 2024**

Introduction

The New Jersey Water Supply Authority (Authority) operates and maintains the Manasquan Water Supply System including the Intake Facilities located in Wall Township, the Manasquan Reservoir located in Howell Township and 5-1/4 miles of 66-inch diameter pipeline which connects the Intake Facilities to the Reservoir. The Manasquan Water Supply System was constructed between 1987-1990 and commenced operation on July 1, 1990.

Construction of this system was financed by the issuance of Bonds under the authorization of Authority Bond Resolution No. 295 dated April 16, 1987. The Bond Resolution provides for rates for water use to include an excess payment of 20% (effective February 1, 1994) of the annual debt service, identified as 120% debt service coverage. During the initial years, this excess payment flowed into the debt service reserve account until an amount equal to 50% of the annual debt service had been accumulated. Thereafter, the 20% excess debt service is to be used to establish a Renewal & Replacement Reserve and to fund a Capital Improvement Program (CIP) for the facilities.

A Capital Improvement Program funded by the Renewal and Replacement Reserve was first recommended in September 1996. This is an update of the CIP.

The Renewal and Replacement Reserve for Extraordinary Operations and Maintenance Costs is fully funded as recommended.

Renewal and Replacement Reserve for Extraordinary Operations and Maintenance Costs

Problems with the Earthen Dam Embankments

The Manasquan Reservoir dam and dikes are inspected by the Authority's operations and engineering staff to provide early detection of situations which, if uncorrected, could lead to serious problems. There are no indications of problems with any of the embankments at the present time. It is unlikely that a major catastrophic dam failure will occur as a result of the weather. A more common occurrence would be surface erosion especially in areas where good turf is not established. The periodic inspection of the embankments shows good establishment of turf. On-site maintenance staff has implemented various measures to improve the grass cover on the dams. Continued long-term success of these measures is dependent on continued maintenance and weather.

The Reserve includes funds that can be used to repair any surface erosion that cannot be repaired by Authority maintenance forces.

Replacement of Pipe under Interstate Route 195

The Manasquan Reservoir pipeline is a 5-1/4 mile long, 66-inch diameter pre-stressed concrete cylinder pipeline (PCCP) constructed in the 1980s. A 380-foot-long section of 72-inch diameter PCCP was installed beneath Interstate Route 195 during its construction for use in connection with the pipeline between the reservoir pumping station and the reservoir. This section of pipe was manufactured by Interpace Co. in the late 1970's. This vintage PCCP is suspect because of the type

of pre-stressing wire used in its manufacture and the "inadequate" quality control used in the application of the mortar coating.

A rupture of this section of pipe could be catastrophic and result in major disruptions to Route 195. Repair costs could easily amount to several million dollars. Therefore, the section of pipe under Route 195 is dewatered and inspected tri-annually to monitor its condition. It was last inspected by two of the Authorities staff engineers in April of 2021 and found to be in satisfactory condition and with no change from 2016.

The entire length of the pipeline was inspected in December of 2021. The interior concrete lining was sounded with a 57-inch piece of black iron pipe with caps welded to the ends. The lining was continuously sounded for hollow regions that may be indicative of a loss of prestress and therefore exterior pipe distress. Sounding was carried out on both sides of the pipe approximately in the 2-4 o'clock range and the 8-10 o'clock range at approximately 6 to 12-inch intervals. Other features such as spalled concrete linings were noted throughout the inspection. The Manasquan Reservoir 66-inch pipeline is in good condition. The items noted during the internal inspection were minor in nature and are not indicative of pipeline distress.

\$1,500,000 is included in the Renewal and Replacement Reserve to insert a 66" diameter steel pipe into the PCCP under Route 195 or to replace other sections of pipe as needed.

Replacement of Pumps or Equipment

Five (5) 600-horsepower pumps are used at the Intake Pumping Station to pump water from the Manasquan River to the pre-sedimentation pond at the Reservoir Pumping Station. Five (5) 900-horsepower pumps are used at the Reservoir Pumping Station to pump water from the pre-sedimentation pond to the Reservoir. The estimated replacement cost for each unit, including a variable frequency drive, is \$750,000. Replacement costs for the units would be dependent on the problem but would be limited to the cost of replacement.

All pumps and motors have been physically inspected, vibration-tested and pump-efficiency-tested in 2013 with retesting of some units in 2016 through 2022. The reservoir pumps typically operate only 100 hours per year and at an average speed of only 630 rpm. Therefore, wear on these units is minimal. Additionally, three pumps have been refurbished recently and only two of the five river intake pumps have significant hours of use each year. However, it is appropriate to include funds in a Renewal & Replacement Reserve to rehabilitate or replace a single unit in case of an unforeseen failure or damage from lightning.

Furthermore, these funds could be used to rehabilitate or replace other major equipment such as a large 6000 KVA electrical transformer as well. The combined construction cost for the Intake Pumping Station and the Reservoir Pumping Station was approximately \$30,000,000 (1990 dollars). The recommended reserve of \$650,000 represents 2% of the total construction cost.

Planned Capital Improvements - Fiscal Years 2025-2030

Replace Control Panel at Reservoir IO Building

The control panel at the reservoir IO tower is 30 years old and only the reservoir dam indicators report automatically. The system should be upgraded to maintain reliability of control from the central location at the top level of the IO tower. Also, by replacing the panel with a PLC, staff will be able to combine all of the valve position information and operations onto one LCD display and relay this information back to the office in Wall using the FIOS service that is now installed in the building. Presently only one of the eight electric valves can be controlled from the office in Wall Township.

Paving Intake Parking Lot, Reservoir Turn around, Administration Parking Area

These parking and access areas are breaking apart and need to be milled and repaved. The area has 55 percent cracks that have been filled in with tar over the past five years. Many areas have low spots from settlement that results in puddling and ice patches.

Rehabilitation of large Motors

The motors have been in service for many years and develop oil leaks and problems needing attention.

Renovation of Traveling Water Screens

The eight traveling water screens at the Intake Pumping Station are in need of service over time. A 2015 inspection found all units to be in good condition except one, which was refurbished in 2016. In FY 2021 units #3 and #4 were rebuilt with new chains and sprocket teeth for just under \$50,000.00. Units #5 and #6 were rebuilt in FY 2023. It was determined that #1 and #8 will be in need of similar repairs and some additional underwater repair. Thus, funding is included to rehabilitate two more of the remaining seven units in 2024.

Security System Replacement at the Reservoir

In response to the Public Health Security and Bioterrorism Response Act of 2002 and an Executive Order issued on July 18, 2002 by the State of New Jersey identifying critical facilities that require vulnerability assessments, the Authority contracted with a consultant to develop a comprehensive security vulnerability assessment (VA) and implement recommendations of the VA. Recommendations were provided for changes in security policies and procedures, minimum and additional upgrades to the physical protection systems (PPS) and processes. Estimates of probable capital costs were developed for the minimum and additional PPS for system facilities.

A web-based, seven camera system and DVR was installed for the reservoir embankment and IO

tower area in FY2017. This system will need to be replaced with similar cameras and a new DVR and software by 2027. The system at the Administration building will also need to be replaced at that time.

Replace Two Underground Fuel Storage Tanks With Above Ground Steel Tanks

The existing underground storage tanks are over 33 years old and it is difficult to find an insurer for buried tanks of this age. The tanks and associated leak alarms should be replaced.

Replace the Entire Septic System for the Administration /RPS Building

The tank and field are over 30 years old which is the expected life of a septic system. Additionally, the 1000-gallon tank is too small for the number of people using the system.

Connect Eight New Piezometers to the Reservoir Embankment Continuous Monitoring System

This project is to install and set up solar powered wireless communications from the eight replacement piezometers to the existing ADAS computer system. It will also integrate the readings of the piezometers into the ADAS, scale the inputs and add the results to the existing trends.

Rehabilitation of T2 Transformer and Oil Change

The transformer oil was replaced in one of the two 15 KVA breakers in 2020. The oil in the other transformer should be replaced in 2027.

Replacement of Pumps at the Intake and Reservoir Pumping Station

There are five vertical turbine pumps with 600-hp motors at the Intake Pumping Station (IPS). There are five vertical turbine pumps with 900-hp motors at the Reservoir Pumping Station (RPS).

The Authority has undertaken a multi-faceted, multi-year program to service all ten pumps and motors at the intake and reservoir pump stations. The first phase, which began in 2003, includes the servicing of a pump at the RPS and a motor at the IPS each year. All pumps and motors were physically inspected; vibration tested and pump efficiency tested once per year. In 2016 through 2022, all were within acceptable performance tolerances. The clearwell was drained in 2023 and the bowls and impellers inspected. Three pumps had connection bolts replaced.

Refurbish RPS Pump #3

This pump has the most running hours of all the RPS pumps and should be refurbished.

Refurbish Intake Pump #5

Intake pump #5 will be in service for 36 years and will be in need of refurbishment as indicated by

the condition of pump #3 in 2021 and pump #2 in 2022.

Replace the Balance of Metal Roof on the Administrative Portion of RPS Building

Two thirds of the metal roof is original to the building in 1990. This portion of the roof needs to be replaced as there are several leaks during driving rains.

PART III – PROPOSED RULE AMENDMENTS

NEW JERSEY WATER SUPPLY AUTHORITY

**AMENDMENTS TO THE SCHEDULE OF RATES, CHARGES AND
DEBT SERVICE ASSESSMENTS FOR THE SALE OF WATER FROM THE
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM**

To Become Effective July 1, 2025

The following rules and regulations can be found in the New Jersey Administrative Code under N.J.A.C. 7:11-4.1, et seq. Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

7:11-4.3 Operations and Maintenance Expense Component

(a) – (b) (No change.)

(c) Operations and Maintenance Expense Component:

<u>Effective Date</u>	<u>Rate/Million Gallons</u> (based upon a 19.443 per day sales base)
July 1, [2024] 2025	\$445.82

7:11-4.4 Debt Service Cost Component

(a) (No change.)

(b) A delayed water purchase surcharge will be assessed to all water purchasers who entered into a water purchase contract for an uninterruptible service commencing subsequent to the system operation date (delayed water purchase contract). This includes a purchaser under an Initial water purchase contract, which provides for an increase in the amount of Uninterruptible service effective subsequent to the system operation date.

1. The following debt service rate based on a sales base of 4.435 million gallons per day, applies to the delayed water purchase contract commencing July 1, 2001, October 1, 2002, and January 1, 2005. [in lieu of the debt service rate set forth in (b) above.]

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/ [2024] 2025 to	(Coverage 120%)
6/30/[2025] 2026	\$438.92

(c) (No change.)

7:11-4.5 Capital Fund Component

(a) (No change.)

(b) (No change.)

(c) Capital Fund Assessment – initial water purchase contract customers

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/[2024] 2025 to	\$525.00
6/30/[2025] 2026	

(d) (No change.)

(e) Capital Fund Assessment – delayed water purchase contract customers

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/[2024]2025 to	\$200.00
6/30/[2025]2026	

7:11-4.6 Source water protection fund component

(a) (No change.)

(b) The source water protection fund component is as follows:

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/[2024]2025 to	
6/30/[2025]2026	\$15.00

7:11-4.7 New Jersey Environmental Infrastructure Financing Program debt component

(a) (No change.)

(b) The New Jersey Environmental Infrastructure Financing Program debt component is as follows:

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/[2024]2025 to	
6/30/[2025]2026	\$24.93

Appendix I. Report of Mercadien PC – Allocation of Headquarters General and Administrative Expenses – FY 2026

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
AGREED-UPON PROCEDURES REPORT**

FORECASTED COST ALLOCATION SCHEDULES

YEAR ENDING JUNE 30, 2026

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

TABLE OF CONTENTS

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES..... 1**

FINANCIAL SCHEDULES

Schedule of Forecasted Cost Center Expense Reclassification 3

Schedule of Forecasted System-Wide Allocated Costs 4

Schedule of Forecasted Cost Allocation Factors 5

Schedule of Forecasted Manasquan System Allocated Costs 6

Notes to Financial Schedules..... 7

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Commissioners of
New Jersey Water Supply Authority

We have performed the procedures enumerated below on the financial schedules for the fiscal year ending June 30, 2026. The procedures were agreed to by the New Jersey Water Supply Authority (a component unit of the State of New Jersey and responsible party) (the "Authority") solely to assist the Authority in evaluating the financial schedules in connection with setting of water rates for each of the three operating systems (Raritan, Manasquan Reservoir and Manasquan Treatment Plant/Transmission). The Authority's management is responsible for preparing and presenting the financial schedules in accordance with the guidelines for the presentation of schedules established by the American Institute of Certified Public Accountants ("AICPA").

An agreed-upon procedures engagement involves the practitioner performing specific procedures and reporting on findings based on the procedures performed. The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to assist the Authority with evaluating the underlying supporting documentation to determine the accuracy of the financial schedules in connection with setting water rates for each of the three operating systems. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

1. We were provided with the fiscal year 2026 budgeted expenses for each of the three operating systems by the Authority's Director of Finance and Administration, who advised us that the fiscal year 2026 budgeted expenses are based upon preliminary budgets that are subject to approval by the Authority's Commissioners. We performed no procedures in regard to the fiscal year 2026 budgeted expenses.
2. We recalculated the allocated costs on the forecasted cost allocation schedules. We found no exceptions as a result of these procedures.
3. We compared the methodologies used for cost allocation on the forecasted cost allocation schedules to the methodologies used in the Authority's cost allocation schedules for the year ended June 30, 2024, and found them to be consistent.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review of the subject matter, the objective of which would be the expression of an opinion or conclusion, respectively, about whether the forecasted cost allocation schedules are presenting the schedules in accordance with the guidelines for the presentation of schedules established by the AICPA. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Commissioners and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Mercadion, P.C.
Certified Public Accountants

Hamilton, New Jersey

October 23, 2024

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED COST CENTER EXPENSE RECLASSIFICATION
YEAR ENDING JUNE 30, 2026**

DEPT./COST CENTER	COST CENTER COSTS	RECLASSIFICATIONS									REVISED COST CENTER COSTS
		1 HEATING/ ELECTRIC	2 VEHICULAR FUEL	3 PROFESSIONAL FEES	4 INSURANCE	5 TELEPHONE	6 PERMITS	7 WORKERS' COMP.	8 IN LIEU TAXES	9 CHIEF ENGINEER SALARY & FRINGE	
BUILDING HQ	\$ -	\$ 93,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,000
TELEPHONE HQ	-	-	-	-	-	40,000	-	-	-	-	40,000
SAFETY	249,549	-	-	(5,000)	-	-	-	-	-	-	244,549
SECURITY	1,192,680	-	-	-	-	-	-	-	-	-	1,192,680
HUMAN RESOURCES	539,990	-	-	(3,950)	-	-	-	(10,000)	-	-	526,040
PURCHASING	588,442	-	(171,000)	-	-	(40,000)	(20,000)	-	-	-	357,442
INFORMATION SYSTEMS	262,980	-	-	-	-	-	-	-	-	-	262,980
CONTRACTS & RISK MGMT.	2,516,719	-	-	(45,000)	(2,025,000)	-	-	-	(18,700)	-	428,019
FINANCIAL MGMT.	1,268,520	-	-	(2,725)	-	-	-	-	-	-	1,265,795
AUTO SHOP	346,590	-	171,000	-	-	-	20,000	-	-	-	537,590
AUTO SHOP-CANAL	299,110	-	-	-	-	-	-	-	-	-	299,110
EXEC OFFICE	314,217	5,673	-	-	-	-	-	-	-	-	319,890
WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	10,315,890	(98,673)	-	56,675	2,025,000	-	-	10,000	18,700	(17,289)	12,310,303
	17,894,687	-	-	-	-	-	-	-	-	(17,289)	17,877,398
MANASQUAN SYSTEM	6,460,528	-	-	-	-	-	-	-	-	17,289	6,477,817
	<u>\$ 24,355,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,355,215</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED SYSTEM-WIDE ALLOCATED COSTS
YEAR ENDING JUNE 30, 2026**

DEPT. #	DEPT./COST CENTER	REVISED COST CENTER COSTS	ALLOCATION BASIS												ALLOCATED COST CENTER COSTS		
			SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	100 % RARITAN O&M	# OF EMPLOYEES	# OF P.O.s	# OF COMPUTERS	MGD CONTRACTS	O&M BUDGET	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE			
	BUILDING HQ	\$ 93,000	\$ (93,000)														
	TELEPHONE HQ	40,000	-	\$ (40,000)													
36	SAFETY	244,549	625	440	\$ (245,614)												
37	SECURITY	1,192,680	3,516	1,319	19,737	\$ (1,217,252)											
14	HUMAN RESOURCES	526,040	4,160	1,758	6,579	-	\$ (538,537)										
16	PURCHASING	357,442	5,165	1,319	4,386	-	10,771	\$ (379,083)									
17	INFORMATION SYSTEMS	262,980	931	440	2,193	-	5,385	13,072	\$ (285,001)								
15	CONTRACTS & RISK MGMT.	428,019	3,042	879	4,386	-	10,771	8,501	9,194	\$ (464,792)							
13	FINANCIAL MGMT.	1,265,795	8,875	2,637	13,158	-	32,312	4,753	27,581	-	\$ (1,355,111)						
34	AUTO SHOP	537,590	13,978	879	4,386	-	10,771	18,008	4,597	-	36,526	\$ (626,735)					
35	AUTO SHOP-CANAL	299,110	-	879	2,193	-	5,385	16,088	4,597	-	20,323	-	\$ (348,575)				
10	EXEC OFFICE	319,890	12,282	3,516	2,193	-	5,385	1,188	9,194	-	21,734	-	-	\$ (375,382)			
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	12,310,303	40,426	25,934	127,192	1,217,252	312,352	164,816	160,886	420,856	836,403	626,735	348,575	349,105	\$	16,940,835	
40-60	MANASQUAN SYSTEM	6,477,817	-	-	59,211	-	145,405	152,657	68,952	43,936	440,125	-	-	26,277		7,414,380	
		\$24,355,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$24,355,215	

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED COST ALLOCATION FACTORS
YEAR ENDING JUNE 30, 2026**

		REQUIRED STATISTICS									
ALLOCATION OF:	BUILDING HQ	TELEPHONES	SAFETY	HUMAN RESOURCES	PURCHASING	INFORMATION SYSTEMS	CONTRACTS & RISK MGMT	FINANCE O&M	AUTO SHOP	AUTO SHOP CANAL	EXEC. OFF
ALLOCATION BASIS:	SQ. FT.	# OF TELEPHONES	# OF EMPLOYEES	# OF EMPLOYEES	# OF P.O.'S	# OF COMPUTERS	MGD CONTRACTS	FUNCTIONAL COST	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE
DEPT. #	DEPT./COST CENTER										
	BUILDING HQ										
	TELEPHONE HQ										
36	SAFETY	100	1								
37	SECURITY	563	3	9							
14	HUMAN RESOURCES	666	4	3							
16	PURCHASING	827	3	2	2						
17	INFORMATION SYSTEMS	149	1	1	1	143					
15	CONTRACTS & RISK MGMT.	487	2	2	2	93	2				
13	FINANCIAL MGMT.	1,421	6	6	6	52	6	-			
34	AUTO SHOP	2,238	2	2	2	197	1	-	\$ 537,590		
35	AUTO SHOP-CANAL	-	2	1	1	176	1	-	299,110		
10	EXEC OFFICE	1,967	8	1	1	13	2	-	319,890	-	
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,473	59	58	58	1,803	35	182	12,310,303	52	52 93.00
40-60	MANASQUAN SYSTEM	-	-	27	27	1,670	15	19	6,477,817	-	- 7.00
		14,890	91	112	100	4,147	62	201	\$ 19,944,710	52	52 100 %

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED MANASQUAN SYSTEM ALLOCATED COSTS
YEAR ENDING JUNE 30, 2026**

	COSTS	ALLOCATION BASIS					ALLOCATED COSTS
		1 TIME STUDY	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 TIME STUDY	5 VALUE OF WATER CONTRACTS	
<u>GENERAL & ADMINISTRATIVE</u>							
SALARIES & FRINGES	\$ 3,774,850	\$ (3,774,850)					
VEHICLE RELATED	102,900	-	\$ (102,900)				
MAINT. SUPPLIES & RELATED	84,800	-	-	\$ (84,800)			
OFFICE & MISC.	46,520	-	-	-	\$ (46,520)		
H.Q. OVERHEAD	953,852	-	-	-	-	\$ (953,852)	
RESERVOIR (40)	1,254,158	1,807,504	72,030	45,020	22,275	822,888	\$ 4,023,875
TREAT./TRANS. (50)	1,197,300	1,967,346	30,870	39,780	24,245	130,964	3,390,505
	<u>\$ 7,414,380</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,414,380</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2026**

NOTE 1 GENERAL

The New Jersey Water Supply Authority, as part of its annual budget and rate making process, performs a two-step cost allocation calculation. During the first step, the Authority forecasts its actual expenses by Cost Center. For purposes of this calculation the Authority uses the following Cost Centers:

Raritan System

- Building Headquarters
- Telephone Headquarters
- Safety
- Security
- Human Resources
- Purchasing
- Information Systems
- Contracts & Risk Management
- Financial Management
- Auto Shop
- Auto Shop - Canal
- Executive Office
- Engineering, Watershed Management, Operations and Maintenance (Raritan System)
- Manasquan System

In deriving expenses by Cost Center several expense reclassifications are made on the Schedule of Forecasted Cost Center Expense Reclassification as follows:

1. Heating and electricity expenses related to Building Headquarters ("HQ") and Executive Office are reclassified from Engineering and Operations & Maintenance ("O & M").
2. Vehicular fuel expense related to Auto Shop is reclassified from Purchasing.
3. Professional fees related to O & M are reclassified from the various departments to which they have been charged.
4. Insurance premium expense related to the Raritan System is reclassified from Contracts and Risk Management.
5. Telephone expense is reclassified from Purchasing to a separate Telephone HQ Cost Center.
6. Permit expense related to the Raritan System is reclassified from Contracts and Risk Management and Purchasing.
7. Workers' compensation expense related to the Raritan System is reclassified from Contracts and Risk Management.
8. In-lieu taxes related to the Raritan System are reclassified from Contracts and Risk Management.
9. Chief Engineer Salary & Fringe Expenses related to the Manasquan System are reclassified from the Engineering Department.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2026**

NOTE 1 GENERAL (CONTINUED)

The second step entails a step-down allocation of eleven of the Authority's Cost Centers to the Raritan and Manasquan System Cost Centers. In making this step-down allocation the Authority allocates cost as follows:

1. Building HQ is allocated to each of the Cost Centers based on the amount of space utilized.
2. Telephone HQ is allocated to each of the Cost Centers based on the number of telephones utilized.
3. Safety is allocated to each of the Cost Centers based on the number of employees.
4. Security is allocated entirely to the Raritan System.
5. Human Resources is allocated to each of the Cost Centers based on the number of employees.
6. Purchasing is allocated to each of the respective Cost Centers based on the number of purchase orders issued.
7. Information Systems is allocated to each of the Cost Centers based on the number of computers.
8. Contracts and Risk Management is allocated to each of the Cost Centers based on the number of employees.
9. Financial Management is allocated based on a percentage of the four remaining Cost Centers' budgets.
10. Auto Shop and Auto Shop-Canal are allocated based on the number of vehicles used.
11. Executive Office is allocated based on the amount of executive time utilized in managing each of the Systems.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2026**

NOTE 2 MANASQUAN SYSTEM ALLOCATED COST

The Manasquan Water Supply System's direct and allocated costs are then allocated between the Reservoir System and the Water Treatment Plant/Transmission System. In making this allocation the Authority adds to each System's direct expenses, the indirect costs allocated as follows:

1. Salaries and Fringe Benefits are allocated based on a Fiscal Year 2026 labor projection as prepared by the Authority.
2. Vehicle related expenses are allocated based on the dollar value of vehicles held by each System.
3. Maintenance Supplies and related expenses are allocated based on the dollar value of capital equipment held by each System.
4. Office and miscellaneous expenses are allocated based on a Fiscal Year 2026 budget prepared by the Authority.
5. Headquarters Overhead expenses are allocated based on the value of water contracts for each System.

Appendix II. Report of Mercadien PC – Allocation of Headquarters General and Administrative Expenses – Audited FY 2024 Expenditures

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

EXAMINATION REPORT AND FINANCIAL SCHEDULES

June 30, 2024

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

TABLE OF CONTENTS

INDEPENDENT ACCOUNTANTS' REPORT 1

FINANCIAL SCHEDULES

SCHEDULE OF COST CENTER EXPENSE RECLASSIFICATION..... 2

SCHEDULE OF SYSTEM-WIDE ALLOCATED COSTS..... 3

SCHEDULE OF COST ALLOCATION FACTORS..... 4

SCHEDULE OF MANASQUAN SYSTEM ALLOCATED COSTS..... 5

NOTES TO FINANCIAL SCHEDULES..... 6

INDEPENDENT ACCOUNTANTS' REPORT

To the Commissioners of
New Jersey Water Supply Authority

We have examined the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2 to Financial Schedules ("Notes 1 and 2"), of the New Jersey Water Supply Authority (a component unit of the State of New Jersey and responsible party) (the "Authority"), for the year ended June 30, 2024, listed in the foregoing table of contents. The Authority's management is responsible for conformity of the financial schedules in accordance with the criteria set forth in Notes 1 and 2. Our responsibility is to express an opinion on the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and, accordingly, included procedures we considered necessary in the circumstances. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the financial schedules are in conformity with the cost allocation criteria set forth in Notes 1 and 2, in all material respects. An examination involves performing procedures to obtain evidence about the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement on the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our examination agreement.

In our opinion, the financial schedules present the Authority's allocation of costs to the Raritan and Manasquan Systems in accordance with the cost allocation criteria set forth in Notes 1 and 2, in all material respects.

This report is intended for the information and use of the Commissioners and management of the Authority, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mercadieu, P.C.
Certified Public Accountants

Hamilton, New Jersey

October 23, 2024

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF COST CENTER EXPENSE RECLASSIFICATION
YEAR ENDED JUNE 30, 2024**

DEPT. #	DEPT./COST CENTER	COST CENTER COSTS	RECLASSIFICATIONS									REVISED COST CENTER COSTS	
			1 HEATING/ ELECTRIC	2 VEHICULAR FUEL	3 PROFESSIONAL FEES	4 INSURANCE	5 TELEPHONE	6 PERMITS	7 WORKERS' COMP.	8 IN LIEU TAXES	9 CHIEF ENGINEER SALARY & FRINGE		
	BUILDING HQ	\$ -	\$ 78,894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,894
	TELEPHONE HQ	-	-	-	-	40,827	-	-	-	-	-	-	40,827
36	SAFETY	216,298	-	-	-	-	-	-	-	-	-	-	216,298
37	SECURITY	1,097,183	-	-	-	-	-	-	-	-	-	-	1,097,183
14	HUMAN RESOURCES	523,590	-	-	(4,430)	-	-	-	(1,018)	-	-	-	518,142
16	PURCHASING	476,222	-	(110,722)	-	-	(40,827)	(17,175)	-	-	-	-	307,498
17	INFORMATION SYSTEMS	217,664	-	-	-	-	-	-	-	-	-	-	217,664
15	CONTRACTS & RISK MGMT.	2,299,231	-	-	(28,888)	(1,774,434)	-	(106,441)	-	(18,689)	-	-	370,779
13	FINANCIAL MGMT	1,052,396	-	-	(2,232)	-	-	-	-	-	-	-	1,050,164
34	AUTO SHOP	305,062	-	110,722	-	-	-	17,175	-	-	-	-	432,959
35	AUTO SHOP-CANAL	211,242	-	-	-	-	-	-	-	-	-	-	211,242
10	EXEC OFFICE	286,456	6,650	-	-	-	-	-	-	-	-	-	293,106
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	9,628,125	(85,544)	-	35,550	1,774,434	-	106,441	1,018	18,689	(16,949)	(16,949)	11,461,764
		16,313,469	-	-	-	-	-	-	-	-	-	(16,949)	16,296,520
40-60	MANASQUAN SYSTEM	5,942,652	-	-	-	-	-	-	-	-	-	16,949	5,959,601
		<u>\$ 22,256,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,256,121</u>

See Independent Accountants' Report.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF SYSTEM-WIDE ALLOCATED COSTS
YEAR ENDED JUNE 30, 2024**

DEPT. #	DEPT./COST CENTER	REVISED COST CENTER COSTS	ALLOCATION BASIS												ALLOCATED COST CENTER COSTS	
			SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	100 % RARITAN O&M	# OF EMPLOYEES	# OF P.O.s	# OF COMPUTERS	MGD CONTRACTS	O&M BUDGET	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE		
	BUILDING HQ	\$ 78,894	\$ (78,894)													
	TELEPHONE HQ	40,827	-	\$ (40,827)												
36	SAFETY	216,298	530	449	\$ (217,277)											
37	SECURITY	1,097,183	2,983	1,346	17,460	\$ (1,118,972)										
14	HUMAN RESOURCES	518,142	3,529	1,795	5,820	-	\$ (529,286)									
16	PURCHASING	307,498	4,382	1,346	3,880	-	10,586	\$ (327,692)								
17	INFORMATION SYSTEMS	217,664	789	449	1,940	-	5,293	11,300	\$ (237,435)							
15	CONTRACTS & RISK MGMT.	370,779	2,580	897	3,880	-	10,586	7,349	7,659	\$ (403,730)						
13	FINANCIAL MGMT	1,050,164	7,529	2,692	11,640	-	31,757	4,109	22,978	-	\$ (1,130,869)					
34	AUTO SHOP	432,959	11,858	897	3,880	-	10,586	15,567	3,830	-	26,670	\$ (506,247)				
35	AUTO SHOP-CANAL	211,242	-	897	1,940	-	5,293	13,907	3,830	-	13,012	-	\$ (250,121)			
10	EXEC OFFICE	293,106	10,420	3,589	1,940	-	5,293	1,027	7,659	-	18,055	-	-	\$ (341,089)		
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	11,461,764	34,294	26,470	112,518	1,118,972	306,985	142,471	134,035	365,566	706,029	506,247	250,121	317,213	\$ 15,482,685	
40-60	MANASQUAN SYSTEM	5,959,601	-	-	52,379	-	142,907	131,962	57,444	38,164	367,103	-	-	23,876	6,773,436	
		\$ 22,256,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,256,121	

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF COST ALLOCATION FACTORS
YEAR ENDED JUNE 30, 2024**

		REQUIRED STATISTICS									
ALLOCATION OF:	BUILDING HQ	TELEPHONES	SAFETY	HUMAN RESOURCES	PURCHASING	INFORMATION SYSTEMS	RISK MGMT	FINANCE O&M	AUTO SHOP	AUTO SHOP CANAL	EXEC. OFF
ALLOCATION BASIS:	SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	# OF EMPLOYEES	# OF P.O.'S	# OF COMPUTERS	MGD CONTRACTS	FUNCTIONAL COST	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE
DEPT. #	DEPT./COST CENTER										
	BUILDING HQ										
	TELEPHONE HQ										
36	SAFETY	100	1								
37	SECURITY	563	3	9							
14	HUMAN RESOURCES	666	4	3							
16	PURCHASING	827	3	2	2						
17	INFORMATION SYSTEMS	149	1	1	1	143					
15	CONTRACTS & RISK MGMT.	487	2	2	2	93	2				
13	FINANCIAL MGMT	1,421	6	6	6	52	6	-			
34	AUTO SHOP	2,238	2	2	2	197	1	- \$ 432,959			
35	AUTO SHOP-CANAL	-	2	1	1	176	1	- 211,242			
10	EXEC OFFICE	1,967	8	1	1	13	2	- 293,106	-		
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,472	59	58	58	1,803	35	182 11,461,764	52	52	93
40-60	MANASQUAN SYSTEM	-	-	27	27	1,670	15	19 5,959,601	-	-	7
		<u>14,890</u>	<u>91</u>	<u>112</u>	<u>100</u>	<u>4,147</u>	<u>62</u>	<u>201 \$ 18,358,672</u>	<u>52</u>	<u>52</u>	<u>100 %</u>

See Independent Accountants' Report.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF MANASQUAN SYSTEM ALLOCATED COSTS
YEAR ENDED JUNE 30, 2024**

	COSTS	ALLOCATION BASIS					ALLOCATED COSTS
		1 TIME STUDY	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 TIME STUDY	5 VALUE OF WATER CONTRACTS	
<u>GENERAL & ADMINISTRATIVE</u>							
SALARIES & FRINGES	\$ 3,297,951	\$ (3,297,951)					
VEHICLE RELATED	90,961	-	\$ (90,961)				
MAINT. SUPPLIES & RELATED	63,358	-	-	\$ (63,358)			
OFFICE & MISC.	39,209	-	-	-	\$ (39,209)		
H.Q. OVERHEAD	830,784	-	-	-	-	\$ (830,784)	
RESERVOIR	1,152,203	1,663,180	63,673	33,637	19,773	716,698	\$ 3,649,164
TREAT./TRANS.	1,298,970	1,634,771	27,288	29,721	19,436	114,086	3,124,272
	<u>\$ 6,773,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,773,436</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2024**

NOTE 1 GENERAL

The New Jersey Water Supply Authority, as part of its annual budget and rate making process, performs a two-step cost allocation calculation. During the first step, the Authority forecasts its actual expenses by Cost Center. For purposes of this calculation the Authority uses the following Cost Centers:

Raritan System

- Building Headquarters
- Telephone Headquarters
- Safety
- Security
- Human Resources
- Purchasing
- Information Systems
- Contracts & Risk Management
- Financial Management
- Auto Shop
- Auto Shop - Canal
- Executive Office
- Engineering, Watershed Management, Operations and Maintenance (Raritan System)
- Manasquan System

In deriving expenses by Cost Center several expense reclassifications are made on the Schedule of Forecasted Cost Center Expense Reclassification as follows:

1. Heating and electricity expenses related to Building Headquarters ("HQ") and Executive Office are reclassified from Engineering and Operations & Maintenance ("O & M").
2. Vehicular fuel expense related to Auto Shop is reclassified from Purchasing.
3. Professional fees related to O & M are reclassified from the various departments to which they have been charged.
4. Insurance premium expense related to the Raritan System is reclassified from Contracts and Risk Management.
5. Telephone expense is reclassified from Purchasing to a separate Telephone HQ Cost Center.
6. Permit expense related to the Raritan System is reclassified from Contracts and Risk Management and Purchasing.
7. Workers' compensation expense related to the Raritan System is reclassified from Contracts and Risk Management.
8. In-lieu taxes related to the Raritan System are reclassified from Contracts and Risk Management.
9. Chief Engineer Salary & Fringe Expenses related to the Manasquan System are reclassified from the Engineering Department.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2024**

NOTE 1 GENERAL (CONTINUED)

The second step entails a step-down allocation of eleven of the Authority's Cost Centers to the Raritan and Manasquan System Cost Centers. In making this step-down allocation the Authority allocates cost as follows:

1. Building HQ is allocated to each of the Cost Centers based on the amount of space utilized.
2. Telephone HQ is allocated to each of the Cost Centers based on the number of telephones utilized.
3. Safety is allocated to each of the Cost Centers based on the number of employees.
4. Security is allocated entirely to the Raritan System.
5. Human Resources is allocated to each of the Cost Centers based on the number of employees.
6. Purchasing is allocated to each of the respective Cost Centers based on the number of purchase orders issued.
7. Information Systems is allocated to each of the Cost Centers based on the number of computers.
8. Contracts and Risk Management is allocated to each of the Cost Centers based on the number of employees.
9. Financial Management is allocated based on a percentage of the four remaining Cost Centers' budgets.
10. Auto Shop and Auto Shop-Canal are allocated based on the number of vehicles used.
11. Executive Office is allocated based on the amount of executive time utilized in managing each of the Systems.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2024**

NOTE 2 MANASQUAN SYSTEM ALLOCATED COST

The Manasquan Water Supply System's direct and allocated costs are then allocated between the Reservoir System and the Water Treatment Plant/Transmission System. In making this allocation the Authority adds to each System's direct expenses, the indirect costs allocated as follows:

1. Salaries and Fringe Benefits are allocated based on actual time studies performed by each employee throughout Fiscal Year 2024.
2. Vehicle related expenses are allocated based on the dollar value of vehicles held by each System.
3. Maintenance Supplies and related expenses are allocated based on the dollar value of capital equipment held by each System.
4. Office and miscellaneous expenses are allocated based on the time studies performed by each employee throughout Fiscal Year 2024.
5. Headquarters Overhead expenses are allocated based on the value of water contracts for each System.

Advertisement and Certification

Exhibit C

PROOFS OF PUBLICATION - CERTIFICATION

NEW JERSEY WATER SUPPLY AUTHORITY

PUBLIC HEARING

THURSDAY, FEBRUARY 6, 2025

**ON PROPOSED AMENDMENTS TO THE
SCHEDULE OF RATES, CHARGES AND DEBT SERVICE ASSESSMENTS
FOR THE SALE OF WATER
FROM THE
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM**

TO BECOME EFFECTIVE JULY 1, 2025

THIS IS TO CERTIFY that the attached notice of public hearing in the above matter was mailed to the Secretary of State, the Division of the Ratepayer Advocate, the news media maintaining a press office at the State House Complex, the Board of Public Utilities and the Authority's Contractual Water Purchasers on December 19, 2024. Notice was also advertised in the following newspapers:

Asbury Park Press	December 19, 2024
The Star-Ledger	December 19, 2024
The Times (Trenton)	December 19, 2024

The notice of public hearing also appeared in the January 21, 2025 issue of the New Jersey Register along with the text of the proposed amendments.



Marc Brooks
Executive Director
February 7, 2025

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal - Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq. as follows: no change in the sales base of 19.443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIFP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEIFP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15.008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4.435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4.435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of

Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org

5460-40 (ml)

NJ Advance Media
Woodbridge Corporate Plaza
ATTN: Legal Advertising Dept.
485 Route 1 South
Bldg E., Suite 300
Iselin, NJ 08830



Star-Ledger

NEW JERSEY WATER SUPPLY AUTHORITY
PO BOX 5196
CLINTON, NJ 88090-1960

AD#:0010945263

Sales Rep: Jeanette Kryzymalski
Account Number:1160910
AD#: 0010945263

FOR QUESTIONS CONCERNING THIS AFFIDAVIT,
PLEASE CALL 732-902-4318 OR EMAIL legalads@njadvancemedia.com

Remit Payment to:
NJ Advance Media
Dept 77571
P.O. Box 77000
Detroit, MI 48277-0571

Date	Position	Description	P.O. Number	Costs
12/19/2024	Notices NJ	NEW JERSEY WATER SUPPLY AUTHORITY Notice of Rate Proposal	FY2026 Proposed MRS Rates	
			Ad Size	
			1 x 153 L	
			Affidavit Fee - 12/19/2024	100.00
			Basic Ad Charge - 12/19/2024	131.58
			Total	\$231.58
			Amount Due	\$231.58

CLAIMANTS CERTIFICATION AND DECLARATION	
I do solemnly declare and certify under the penalties of law that this bill or invoice is correct in all its particulars, that the goods have been furnished or services have been rendered as stated herein, that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim, that the amount herein stated is justly due and owing, and that the amount charged is a reasonable one.	
Date: <u>12/23/2024</u>	Fed ID#: <u>13-4123607</u>
Signature: <u>Chris Tighe</u>	Official Position: <u>AR Manager</u>
CERTIFICATION BY RECEIVING AGENCY	CERTIFICATION BY APPROVAL OFFICIAL
I, having knowledge of the facts, certify and declare that the goods have been received or the services rendered and are in compliance with the specifications or other requirements, and said certification is based on signed delivery slips or other reasonable procedures or verifiable information.	I certify and declare that this bill or invoice is correct, and that sufficient funds are available to satisfy this claim. The Payment shall be chargeable to:
Signature: _____	Appropriation Account(s) and Amounts Charged: _____ P.O.#: _____
Title: _____	_____
Date: _____	Signature: _____



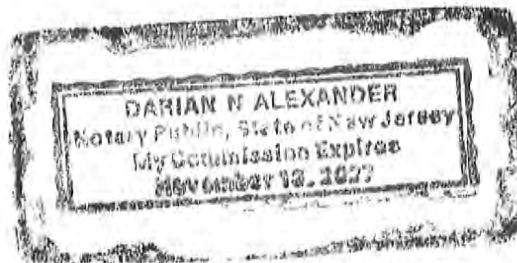
State of New Jersey,) ss
County of Middlesex)

Lisa Arrington being duly sworn, deposes that he/she is principal clerk of NJ Advance Media; that Star-Ledger is a public newspaper, with general circulation in Atlantic, Burlington, Cape May, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren Counties, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

Star-Ledger 12/19/2024

Principal Clerk of the Publisher

Sworn to and subscribed before me this 23th day of December 2024



Notary Public

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal – Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq. as follows: no change in the sales base of 19.443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIFF Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per

million gallons; no change in the NJEIFF Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15.008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4.435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4.435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed

the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present state-

Comments may be presented orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply
Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org
12/19/24 \$131.58

3460-40

Manasqu

**NEW JERSEY WATER SUPPLY
AUTHORITY**

**Notice of Rate Proposal –
Manasquan Reservoir
System**

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq. as follows: no change in the sales base of 19.443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIFP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEIFP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15.008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of

\$200.00 per million gallons. There is no change in the debt service sales base of 4.435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4.435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply
Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org
12/19/24 \$131.58

NJ Advance Media
 Woodbridge Corporate Plaza
 ATTN: Legal Advertising Dept.
 485 Route 1 South
 Bldg E., Suite 300
 Iselin, NJ 08830

5760-40
 (11/19)



Times of Trenton

NEW JERSEY WATER SUPPLY AUTHORITY
 PO BOX 5196
 CLINTON, NJ 88090-1960

AD#:0010945268

Sales Rep: Jeanette Kryzyski
 Account Number: 1160910
 AD#: 0010945268

FOR QUESTIONS CONCERNING THIS AFFIDAVIT,
 PLEASE CALL 609-989-5659 OR EMAIL legalads@njtimes.com

Remit Payment to:
 NJ Advance Media
 Dept 77571
 P.O. Box 77000
 Detroit, MI 48277-0571

Date	Position	Description	P.O. Number	Costs
12/19/2024	Notices NJ	NEW JERSEY WATER SUPPLY AUTHORITY Notice of Rate Proposal	FY2026 Proposed MRS Rates	
			Ad Size	
			3 x 71 L	
			Affidavit Fee - 12/19/2024	30.00
			Basic Ad Charge - 12/19/2024	55.38
			Total	\$85.38
			Amount Due	\$85.38

CLAIMANTS CERTIFICATION AND DECLARATION	
I do solemnly declare and certify under the penalties of law that this bill or invoice is correct in all its particulars, that the goods have been furnished or services have been rendered as stated herein, that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim, that the amount herein stated is justly due and owing, and that the amount charged is a reasonable one.	
Date: <u>12/23/2024</u>	Fed ID#: <u>13-4123607</u>
Signature: <u>Chris Tighe</u>	Official Position: <u>AR Manager</u>
CERTIFICATION BY RECEIVING AGENCY	CERTIFICATION BY APPROVAL OFFICIAL
I, having knowledge of the facts, certify and declare that the goods have been received or the services rendered and are in compliance with the specifications or other requirements, and said certification is based on signed delivery slips or other reasonable procedures or verifiable information.	I certify and declare that this bill or invoice is correct, and that sufficient funds are available to satisfy this claim. The Payment shall be chargeable to:
Signature: _____	Appropriation Account(s) and Amounts Charged: _____ P.O.#: _____
Title: _____	Signature: _____
Date: _____	



State of New Jersey,) ss
County of Middlesex)

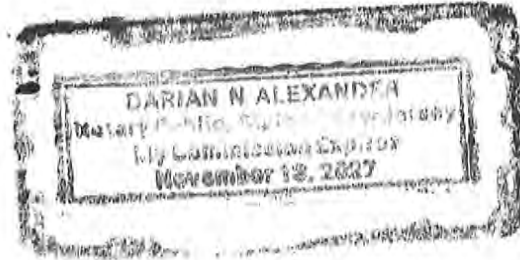
Lisa Arrington being duly sworn, deposes that he/she is principal clerk of NJ Advance Media; that Times of Trenton is a public newspaper, with general circulation in Burlington, Hunterdon, Mercer, Middlesex, Monmouth, Ocean, and Somerset Counties, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

Times of Trenton 12/19/2024

Principal Clerk of the Publisher

Sworn to and subscribed before me this 23th day of December 2024

Notary Public



NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal – Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq, as follows: no change in the sales base of 19,443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEIP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15,008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4.435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4.435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org

12/19/24

THE TIMES

\$55.38

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal – Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq. as follows: no change in the sales base of 19.443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIFP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEIFP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15.008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4.435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4.435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org

12/19/24

THE TIMES \$55.38

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal – Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq. as follows: no change in the sales base of 19,443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIFP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEIFP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15,008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4,435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4,435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org

12/16/24

THE TIMES \$55.38


LocaliQ
 New York/New Jersey
GANNETT

Agency:
 Isabel Valente
 NJ Water Supply Authority
 1851 State Route 31
 Clinton NJ 08809-2018
 Acct: 1120379

Client:
 Isabel Valente
 NJ Water Supply Authority
 1851 State Route 31
 Clinton NJ 08809-2018
 Acct: 1120379

This is not an invoice

Order #	Advertisement / Description	Columns x Lines x Insertions	Rate per Lines	Cost
10851684	NEW JERSEY WATER SUPPLY AUTHORITY Notice of Rate Proposal – Manasquan Reserv	2 x 74.00 x 1	\$0.44	\$100.12
Net Total Due:				\$100.12

Costs above include daily ad cost and any associated affidavit charges, where applicable

of Copies : _____ PO #: _____
 1 Check #: _____
 Date: _____

CERTIFICATION BY RECEIVING AGENCY
 I, HAVING KNOWLEDGE OF THE FACTS, CERTIFY AND DECLARE THAT THE GOODS HAVE BEEN RECEIVED OR THE SERVICES RENDERED AND ARE IN COMPLIANCE WITH THE SPECIFICATIONS OR OTHER REQUIREMENTS, AND SAID CERTIFICATION IS BASED ON SIGNED DELIVERY SLIPS OR OTHER REASONABLE PROCEDURES OR VERIFIABLE INFORMATION.

SIGNATURE: _____

TITLE: _____ DATE: _____

CERTIFICATION BY APPROVAL OFFICIAL
 I CERTIFY AND DECLARE THAT THIS ORDER CONFIRMATION IS CORRECT, AND THAT SUFFICIENT FUNDS ARE AVAILABLE TO SATISFY THIS CLAIM. THE PAYMENT SHALL BE CHARGEABLE TO:

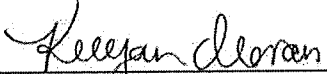
APPROPRIATION ACCOUNT(S) AND AMOUNTS CHARGED: P.O.# _____

SIGNATURE: _____

TITLE: _____ DATE: _____

CLAIMANT'S CERTIFICATION AND DECLARATION:
 I DO SOLEMNLY DECLARE AND CERTIFY UNDER THE PENALTIES OF THE LAW THAT THIS ORDER CONFIRMATION IS CORRECT IN ALL ITS PARTICULARS; THAT THE GOODS HAVE BEEN FURNISHED OR SERVICES HAVE BEEN RENDERED AS STATED HEREIN; THAT NO BONUS HAS BEEN GIVEN OR RECEIVED BY ANY PERSON OR PERSONS WITHIN THE KNOWLEDGE OF THIS CLAIMANT IN CONNECTION WITH THE ABOVE CLAIM; THAT THE AMOUNT HEREIN STATED IS JUSTLY DUE AND OWING; AND THAT THE AMOUNT CHARGED IS A REASONABLE ONE.

Date: 12/19/2024

Signature: 

Federal ID #: 061032273
 Official Position: Clerk

Kindly return a copy of this order confirmation with your payment so that we can assure you proper credit.

Asbury Park Press
 Gannett New York-New Jersey LocaliQ
 PO Box 631202, Cincinnati, OH 45263-1202

AFFIDAVIT OF PUBLICATION

Order Number : 10851684

STATE OF WISCONSIN
Brown County

Of the **Asbury Park Press**, a newspaper printed in Freehold, New Jersey and published in Neptune, in State of New Jersey and Monmouth/Ocean Counties, and of general circulation in Monmouth/Ocean Counties, who being duly sworn, depose and saith that the advertisement of which the annexed is a true copy, has been published in said newspaper in the issue:

12/19/2024

Keegan Moran

Legal Clerk

Denise Roberts

Notary Public State of Wisconsin County of Brown

4-6-27

My commission expires

DENISE ROBERTS
Notary Public
State of Wisconsin

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal – Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2025 to the existing regulations found at N.J.A.C. 7:11-4.1 et seq. as follows: no change in the sales base of 19,443 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEIFP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEIFP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$525.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15,008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$438.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4,435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4,435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 708-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org
12/19/2024 (\$65.12)



Order Confirmation

Not an Invoice

40
5460-~~0~~

Account Number:	1120379
Customer Name:	NJ Water Supply Authority
Customer Address:	NJ Water Supply Authority Po Box 5196 Clinton NJ 08809-0196
Contact Name:	HORITY N J WATER SUPPLY AUT
Contact Phone:	
Contact Email:	
PO Number:	

Date:	12/11/2024
Order Number:	10851684
Prepayment Amount:	\$ 0.00

Column Count:	2.0000
Line Count:	74.0000
Height in Inches:	0.0000

Print

Product	#Insertions	Start - End	Category
ASB Asbury Park_Press	1	12/19/2024 - 12/19/2024	Govt Public Notices
ASB local.app.com	1	12/19/2024 - 12/19/2024	Govt Public Notices

Total Cash Order Confirmation Amount Due	\$100.12
Tax Amount	\$0.00
Service Fee 3.99%	\$3.99
Cash/Check/ACH Discount	-\$3.99
Payment Amount by Cash/Check/ACH	\$100.12
Payment Amount by Credit Card	\$104.11

As an incentive for customers, we provide a discount off the total order cost equal to the 3.99% service fee if you pay with Cash/Check/ACH. Pay by Cash/Check/ACH and save!

Order Confirmation Amount **\$100.12**

NEW JERSEY WATER SUPPLY AUTHORITY

Office of Rate Proposal – Manasquan Reservoir System

Take notice that pursuant to the provisions of Chapter 283 of the Laws of 1991 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed no revisions to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2025.

The proposed rates will constitute no change in FY2026 to the existing regulations found at N.J.A.C. 7:11-4.1 as follows; no change in the sales base of 19,463 million gallons per day applied to all contract customers in the calculation of the Operations and Maintenance Component, the Source Water Protection Component, and the NJEJFP Debt Component of the rate; no change in the Operations and Maintenance Component of \$45.82 per million gallons; no change in the NJEJFP Debt Component of \$24.93 per million gallons; no change in the Source Water Protection Fund Component of \$15.00 per million gallons; and no change in the Capital Fund Component of \$25.00 per million gallons for all initial water purchase contract customers. The Capital Fund Component sales base will be 15,008 million gallons per day for all initial water purchase contract customers. There will be no change in the Debt Service Component for all delayed water purchase contracts of \$48.92 per million gallons and no change in the Capital Fund Component of \$200.00 per million gallons. There is no change in the debt service sales base of 4,435 million gallons per day applied to all delayed water purchase contract customers. The Capital Fund Component sales base for all delayed water purchase contract customers will also be 4,435 million gallons per day.

The proposal is scheduled to be published in the New Jersey Register dated January 21, 2025. A final version of the Basis and Background (B&B) document containing the full text of the proposed Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-public Hearing meeting with its contractual water users and any interested parties by means of Microsoft Teams online platform and teleconference service at 11:00 a.m. on Thursday, January 9, 2025 to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing by means of online platform and teleconference call on Thursday, February 6, 2025 at 11:00 a.m. to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.

Details for joining either meeting will be available on the Authority's website at <http://www.njwsa.org>, by request to rgreg@njwsa.org, or by calling 908-638-6121 ext. 245.

Written comments may be submitted until March 17, 2025 at which time the public record will be closed.

All comments should be addressed to:

Executive Director
New Jersey Water Supply Authority
1851 Highway 31
Post Office Box 5196
Clinton, New Jersey 08809
info@njwsa.org
12/19/2024 (\$65.12)

Karen Cogan

From: Isabel Valente
Sent: Wednesday, December 11, 2024 12:30 PM
To: Karen Cogan
Subject: RE: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

Resent it to you.

From: Karen Cogan <kcogan@njwsa.org>
Sent: Wednesday, December 11, 2024 12:13 PM
To: Isabel Valente <ivalente@njwsa.org>
Subject: RE: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

I did not get the notice in the paper for Raritan but got manasquan

Karen Cogan

Accounts Payable Specialist
New Jersey Water Supply Authority
1851 Highway 31
Clinton, New Jersey 08809
P: (908) 638-6121

From: Isabel Valente <ivalente@njwsa.org>
Sent: Wednesday, December 11, 2024 12:11 PM
To: Rita Shaw <rshaw@njwsa.org>; Karen Cogan <kcogan@njwsa.org>; Robin Greg <rgreg@njwsa.org>
Subject: RE: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

Karen
Just resent it did you get it?

From: Rita Shaw <rshaw@njwsa.org>
Sent: Wednesday, December 11, 2024 12:09 PM
To: Karen Cogan <kcogan@njwsa.org>; Isabel Valente <ivalente@njwsa.org>; Robin Greg <rgreg@njwsa.org>
Subject: RE: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

It should be coming and the code will be 5460-15

From: Karen Cogan <kcogan@njwsa.org>
Sent: Wednesday, December 11, 2024 12:07 PM
To: Isabel Valente <ivalente@njwsa.org>; Rita Shaw <rshaw@njwsa.org>; Robin Greg <rgreg@njwsa.org>
Subject: RE: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

Is there one for Raritan?

Karen Cogan

Accounts Payable Specialist
New Jersey Water Supply Authority
1851 Highway 31
Clinton, New Jersey 08809
P: (908) 638-6121

From: Isabel Valente <ivalente@njwsa.org>

Sent: Wednesday, December 11, 2024 11:18 AM

To: Rita Shaw <rshaw@njwsa.org>; Robin Greg <rgreg@njwsa.org>; Karen Cogan <kcogan@njwsa.org>

Subject: FW: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

From: legalads@support.njadvance-media.com <legalads@support.njadvance-media.com>

Sent: Wednesday, December 11, 2024 11:09 AM

To: Isabel Valente <ivalente@njwsa.org>

Subject: Re: [NJSLL #66-958-448] 10945263 (SL) & 10945268 (TT) - 12/16 - SL & TT - NEW JERSEY WATER SUPPLY AUTHORITY RATES 2025

ATTN: Isabel

As per your request, your Legal ad will run in The Star-Ledger and The Times of Trenton on December 16, 2024. Your notice will also appear on nj.com under Legal Notices for 30 days. Legal liner ads will also appear on New Jersey Press Association's website <https://www.njpublicnotices.com/> in perpetuity

For your reference:

- account number: 1160910
- the ad number is: 10945263 (Star Ledger)
- Cost: \$231.58, includes ad cost & affidavit
- the ad number is: 10945268 (Times of Trenton)
- Cost: \$85.38, includes ad cost & affidavit

Please confirm receipt of this email - attached are proofs of your ads, please review for corrections if needed (if anything is missing, needs to be revised, and/or removed from the ad text) and reply back with approval of the ad copy or any corrections or revises by deadline, 9:00am Friday, December 13, 2024.

PLEASE CONFIRM or your ads will run as is.

You will receive the bills within 10 business days of the ad's last publication date. The affidavits will be mailed with the bills.

Please call 732-902-4318 with any questions.

Have a nice day!

Thank you!

Jeanette Kryzymalski

Account Associate • Sales - Ad Ops

Advance Local

On Wed, 11 Dec 2024, ivalente@njwsa.org wrote:

Kindly publish the attached in your paper on

MONDAY, DECEMBER 16, 2024

IN THE

STAR LEDGER (ACCOUNT # 1160910)

TRENTON TIMES (ACCOUNT # 1160910)

ASBURY PARK PRESS (ACCOUNT # 31579)

We are advised by the Attorney General's Office that the laws of the State of New Jersey (R. S. 35:2-3) provide that it is mandatory that there be published on every official advertisement a statement of the price of the advertisement. Accordingly, please make sure that this information is included on this advertisement.

Proof of publication, AFFIDAVIT REQUIRED, with the bill, should be promptly submitted to the Procurement Officer upon completion of publication. Payment will be made at the legal rate based on counted lines rather than measure. Please call me at (908) 638-6121 extension 230, if you have any questions. Thank you.

KINDLY ACKNOWLEDGE RECEIPT OF THIS EMAIL. THANK YOU!

Isabel Valente

Contracts Specialist

NEW JERSEY WATER SUPPLY AUTHORITY

1851 Route 31

Clinton, New Jersey 08809

WORK FROM HOME: Thursdays & Fridays

Communicate via Email: ivalente@njwsa.org

CONFIDENTIALITY NOTICE The information contained in this communication from the Office of the New Jersey Attorney General is privileged and confidential and is intended for the sole use of the persons or entities who are the addressees. If you are not an intended recipient of this e-mail, the dissemination, distribution, copying or use of the information it contains is strictly prohibited. If you have received this

communication in error, please immediately contact the Office of the New Jersey Water Supply Authority at (908) 638-6121 to arrange for the return of this information.

MRS

Mayor Joseph Altomonte
Borough of Matawan
201 Broad Street
Matawan, NJ 07747

Mr. Jeffry Bertrand
Township of Wall
2700 Allaire Road
Wall, NJ 07719

Mr. Michael Broncatello
NJDWSC
One F.A. Orechio Drive
Wanaque, NJ 07465

Mr. Scott Carew
Borough of Matawan
201 Broad Street
Matawan, NJ 07747

Mr. Matthew Csik
New Jersey American Water
149 Yellowbrook Road, Ste. 109
Farmingdale, NJ 07727

Mayor Donald Fetzer
Borough of Sea Girt
P.O. Box 296
4th Avenue
Sea Girt, NJ 08750

Ms. Dawn Harriman
Borough of Sea Girt
P.O. Box 296
4th Avenue
Sea Girt, NJ 08750

Mr. Andrew Huisman
Borough of Lake Como
1740 Main Street
Lake Como, NJ 07719

Ms. Robbin Kirk
Borough of Spring Lake
Fifth & Warren Avenues
Spring Lake, NJ 07762

Ms. Susan McClure
Division of Rate Counsel
140 E. Front St.
P.O. Box 003
Trenton, NJ 08625

Mayor Rose Araneo
Borough of Keyport
70 W. Front Street
Keyport, NJ 07735

Mayor Edward Bonanno
Borough of Avon-By-The-Sea
301 Main Street
Avon, NJ 07717

Mayor Gerald Buccafusco
Borough of Belmar
P.O. Box A
601 Main Street
Belmar, NJ 07719

Ms. Michele Clark
Borough of Keyport
70 West Front Street
Keyport, NJ 07735

Ms. Erin Emblar
New Jersey American Water
1 Water Street
Camden, NJ 08102

Mr. Eric Frye
Borough of Matawan
201 Broad Street
Matawan, NJ 07747

Jamie Hawn
New Jersey American Water
1 Water Street
Camden, NJ 08102

Mr. Brian Jacobus
American Water
1 Water Street
Camden, NJ 08102

Mr. Oleg Kostin
New Jersey American Water
P.O. Box 102
Bound Brook, NJ 08805

Mr. Darren McConnell
Borough of Red Bank
90 Monmouth St., Ste. 1
Red Bank, NJ 07701

Mr. Joe Barris
Monmouth County Planning Board
One East Main Street
Freehold, NJ 07728

Mr. Jeffrey Bowlby
New Jersey American Water
149 Yellowbrook Road, Ste. 109
Farmingdale, NJ 07727

Mayor Christopher Campion
Borough of Spring Lake Heights
555 Brighton Avenue
Spring Lake Heights, NJ 07762

Ms. April Claudio
Borough of Belmar
P.O. Box A
601 Main Street
Belmar, NJ 07719

Mayor Timothy Farrell
Township of Wall
2700 Allaire Road
Wall, NJ 07719

Ms. Janine Gillis
Borough of Spring Lake Heights
555 Brighton Avenue
Spring Lake Heights, NJ 07762

Mayor Kevin Higgins
Borough of Lake Como
1740 Main Street
Lake Como, NJ 07719

Mr. Michael Kammer
State of New Jersey, BPU
44 S. Clinton Avenue
P.O. Box 350
Trenton, NJ 08625

Mr. Brian Lipman
Div. of the Rate Counsel
140 E. Front St.
P.O. Box 003
Trenton, NJ 08625

Ms. Kerry McGuigan
Borough of Avon-By-The-Sea
301 Main Street
Avon, NJ 07717

Mayor Jennifer Naughton
Borough of Spring Lake
Fifth & Warren Avenues
Spring Lake, NJ 07762

Ms. Lindsey Olson
New Jersey American Water
661 Shrewsbury Avenue
Shrewsbury, NJ 07702

Mr. Abe Silverman
State of New Jersey, BPU
44 S. Clinton Avenue
P.O. Box 350
Trenton, NJ 08625

Mayor Thomas Nicol
Borough of Brielle
P.O. Box 445
601 Union Lane
Brielle, NJ 08730

Mayor William Portman
Borough of Red Bank
90 Monmouth St., Ste. 1
Red Bank, NJ 07701

The Hon. Tahesha Way
Department of State
125 W. State Street
P.O. Box 300
Trenton, NJ 08625

Mr. Thomas Nolan
Borough of Brielle
P.O. Box 445
601 Union Lane
Brielle, NJ 08730

Mr. Robert Schaefer
New Jersey American Water
167 J.F.K. Parkway
Short Hills, NJ 07078

Ms. Dina Zahorsky
Borough of Spring Lake
Fifth & Warren Avenues
Spring Lake, NJ 07762

Robin Greg

From: Microsoft Outlook
<MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Courier Post (ccomegno@camdengannett.com)
Sent: Thursday, December 19, 2024 9:54 AM
Subject: Undeliverable: NJWSA NOTICES OF RATE PROPOSALS

mx1-us1.ppe-hosted.com rejected your message to the following email addresses:

[Courier Post \(ccomegno@camdengannett.com\)](mailto:ccomegno@camdengannett.com) (ccomegno@camdengannett.com)

The recipient's email address isn't correct. Please check the email address and try to resend the message. If the problem continues, contact your email admin.

mx1-us1.ppe-hosted.com gave this error:

<ccomegno@camdengannett.com>: Recipient address rejected: Domain not found

Diagnostic information for administrators:

Generating server: BLAPR09MB6531.namprd09.prod.outlook.com

ccomegno@camdengannett.com

mx1-us1.ppe-hosted.com

Remote server returned '550 5.1.2 <ccomegno@camdengannett.com>: Recipient address rejected: Domain not found'

Original message headers:

ARC-Seal: i=1; a=rsa-sha256; s=arcselector10001; d=microsoft.com; cv=none;

b=C2LMaRI12DqPkVnixaaWGqrBcz/AhP53pqUNWQ4jbxAS22r/GxCDpfXWjDb3ZJzbMwp2YWU5VhBYPOaXSjWtOWe
z7On6GI4+RbhbEwFqJVpEjOqqi3iqExhFi15sXWOWCW/YTX1lbtjgIxJpS/4tDPzKriYv94f/sYqyf5LYUM+vI27k
XC3tcgu2o2Zy3yuDgQ7ZM6opFiZXg+2fO/28uiJHGwVkBONSuvPow+9dF07G+mxjHuJH/ZFvuTsahBLSbq8qDAIEu
IYnGZlaJdNCaLu4LWaXEDewxQYr3iS1cgUhV/3Uj98uaFgSqTDnZzo3Cv/ZKnFP68zHdymcSkiZkA==

ARC-Message-Signature: i=1; a=rsa-sha256; c=relaxed/relaxed; d=microsoft.com;
s=arcselector10001;

h=From:Date:Subject:Message-ID:Content-Type:MIME-Version:X-MS-Exchange-AntiSpam-
MessageData-ChunkCount:X-MS-Exchange-AntiSpam-MessageData-0:X-MS-Exchange-AntiSpam-
MessageData-1;

bh=F2LVWmFkfsKFyDw5jf/FNr9nKJVviwXyOCodzR8wamk=;

b=lmnitaBes8hVw2zWyx/Xuh/poijTipVW3Bp3QULX0h2Lr+iKn5wCCRMzrHzkc8ui+nkweJ2U6/YbfQCaoH9yBW0
987ogInclTXs/0TAIhPG8tvFc5phDyP86gFeuwQ13sLWLW/42jtX8QNdtGUP+hxj2a1Bhw6JtqUzdFXy2fChExUBs
JcgJioBajBgoFj3L+Xf6zJX03aTnxJIGITYnOoYaR67HWIiJoYcBYyCviJyabvjGrS1FZjwNZ1B5Dbfnv0P1UL8G6
Ai/YM8RfXni5/DASNmKpmg2NS4dMhE6sOU6YwaqwarVYYvP2ujoSRNP/hgrUQ1+xdfZGw03JhgNvg==

ARC-Authentication-Results: i=1; mx.microsoft.com 1; spf=pass

smtp.mailfrom=njwsa.org; dmarc=pass action=none header.from=njwsa.org;

dkim=pass header.d=njwsa.org; arc=none

Received: from DS0PR09MB11571.namprd09.prod.outlook.com (2603:10b6:8:16d::14)

=?us-ascii?Q?BFHt5P8Q6AqGLsbJpjoM3NxA9rVcq5mG9ot2+00wzXNKxAFDs7qkbewXArTm?=
=?us-ascii?Q?g7FwerU=3D?=
x-forefront-antispam-report:
CIP:255.255.255.255;CTRY:;LANG:en;SCL:1;SRV:;IPV:NLI;SFV:NSPM;H:DS0PR09MB11571.namprd09.p
rod.outlook.com;PTR:;CAT:NONE;SFS:(13230040)(366016)(1800799024)(7416014)(8096899003)(361
3699012)(38070700018);DIR:OUT;SFP:1101;
x-ms-exchange-antispam-messagedata-chunkcount: 1
x-ms-exchange-antispam-messagedata-0: =?us-
ascii?Q?OEstdoosbi/NzbyV5i+WbDj3P2Em/GyhpCOMBQuGAba7o9jRB4Bcz/fq9/rf?=
=?us-ascii?Q?xxjmDQuGWWsW/SxMo5csEPqlYJJqtW73WPOqlzJbEKMV+gNXoDhkrU3aiBeT?=
=?us-ascii?Q?5HQOPZtLhYsUUC4LZutvlf/8aYpt97p+s5iSmTtx3ldgCpR+xkw9fd9rAXa4?=
=?us-ascii?Q?1bsFGvmQqMUwSdKJ2vmBjFiI0GHw1lXg8jmhYOe1l1BVQB+aqRKqUUOfr53f?=
=?us-ascii?Q?HZCJD6Lvxl+cu9NCuX9Bc7R4N3UampFcL5oliJNVqlitGCO7JfASvvpHiKOi?=
=?us-ascii?Q?0QRz/cv6rLmV2pLBApfjJikhSEYOTWcdPwBnwxfZFenrxcF0/Ax54LXA+8Hv?=
=?us-ascii?Q?EMEYV2J96w/Nx8Uxsiiw9Gz0cuZr+eoOFYijXerOMyc07W5c/M86ceAlFkj/?=
=?us-ascii?Q?sYf1BKxrxfv/k0qCvu6tW8fpdZx4d0OOSBS1P/a/qXqPTZvxcD0CvL/DYnN?=
=?us-ascii?Q?LJPn90YImgoagG7TKnGFFFWHjS07g4b+4lu4YhE5WYI0q4LCw3cXflZij/Nl?=
=?us-ascii?Q?BN2f1W2JIYSmQYZCtq3qQzzStgnet+8VEmnDXtVN57e/CgAxcnbS4GpQg4I?=
=?us-ascii?Q?d39rNFjxlqHBffHd7GeMXmmC4wndd4MTcZasGO3Qlm4iEtbuor3nEQsT02U8?=
=?us-ascii?Q?/xlQ7v5vy5Wb1dw8AVf0IzdmJPOnuGC9zUnoTVJMehRUdSDQD77jD15LGcBj?=
=?us-ascii?Q?z6n8Alm3+lnXLvjVYU7HaRYXRtG3Vng1W5Bdc9YDb+Tlkm6f4cNL4QJzMLC?=
=?us-ascii?Q?JI fdfqrqHjMDzEd4qt9q5LsYW/rbDbV8RIAlk1nZYgWgGV9APugYvxn91PMZ?=
=?us-ascii?Q?QHL7Fx/wwwMPDVXBVDqaAp6evaPjMgWwE8QvlaCPhJWk9d/W4stSybSXpxn?=
=?us-ascii?Q?8ShzZHgLPOL8BDi3hb9Pg/8gjXp4glVKM0Jt4WEY+CkZsiXo6sPT3sEd/Cla?=
=?us-ascii?Q?eprDONnmue7HVcelOV3qh2RAC/+SrvFSCNDcpnPxnTnykyaRmW6Wn4ZS6rd?=
=?us-ascii?Q?UyYyN7CikvOGGF/p8KiP+IhLbS6sPo3OOM2s0sujA6cjBEi8G0pIyT9wdsgu?=
=?us-ascii?Q?uZVcN09BNHwUX5+87tD1/qZHbfmTKY0w2SN1/v35vsEj7FSrMzDb3rULu01b?=
=?us-ascii?Q?UXHtkRkluhvQoJiUxVlax8dAVCQNLX4o7DNkC3tu1lhWJZKBjeEigdWW2A8c?=
=?us-ascii?Q?yHJCssWEM+RwHfbFJZubjTUIInFDGcGzjOBTkHIO08viR0/7I5Z1TapSeOugd?=
=?us-ascii?Q?7sYeHRHtr9bYYfrNW8M8ce7GLZdI4BkCXkKc8pF4cdjYzhIQziMGsJeY8T6C?=
=?us-ascii?Q?CDzR5AQW8xnk5HQysP5fOYp9nDZ2beT14tJodmJ/zxiBa3dzv6BVt0GUf31W?=
=?us-ascii?Q?DE9KAVKczqfH/dOgAYnY72vMdHPLYe1xs5/3D3Q1Qcq9po6wSi9A+3CwhAoQ?=
=?us-ascii?Q?RmNiKcTcHgtqvTBFNBK5oNVwYcy+h8T20eXmrUyYFYxX7VpnWms/qvTCFmip?=
=?us-ascii?Q?vATrNulu00EuVWdySZ2awgdQBbRolZcqfuH7nq8xZs/MRmpLqK118zrPvJSG?=
=?us-ascii?Q?pXR3EJVFvoSTI1SgJRC=3D?=
Content-Type: multipart/mixed;
 boundary="_005_DS0PR09MB115717DABBDC696B9F2FB5E6EAA062DS0PR09MB11571na_"
MIME-Version: 1.0
X-OriginatorOrg: njwsa.org
X-MS-Exchange-CrossTenant-AuthAs: Internal
X-MS-Exchange-CrossTenant-AuthSource: DS0PR09MB11571.namprd09.prod.outlook.com
X-MS-Exchange-CrossTenant-Network-Message-Id: df494436-07c9-40bb-5670-08dd203d008a
X-MS-Exchange-CrossTenant-originalarrivaltime: 19 Dec 2024 14:54:13.0350
 (UTC)
X-MS-Exchange-CrossTenant-fromentityheader: Hosted
X-MS-Exchange-CrossTenant-id: 3f0b461e-0556-42a2-97ff-57f826ba095d
X-MS-Exchange-Transport-CrossTenantHeadersStamped: BLAPR09MB6531

Robin Greg

From: Mail Delivery System <MAILER-DAEMON@dispatch1-us1.ppe-hosted.com>
To: newstips@pressofac.com; wkeough@pressofac.com; desk@cbs2ny.com;
editor@trentonian.com; susann.l.mcgoldrick@abc.com; info@1010winsmail.com;
briang.thompson@nbcuni.com; wcaudesk@nbcuni.com; bjordan@gannettnj.com;
jalt@thedailyjournal.com; mcaldpin@northjersey.com; stile@northjersey.com;
newsroom@dailyrecord.com
Sent: Thursday, December 19, 2024 9:54 AM
Subject: Relayed: NJWSA NOTICES OF RATE PROPOSALS

This is the mail system at host dispatch1-us1.ppe-hosted.com.

Your message was successfully delivered to the destination(s) listed below. If the message was delivered to mailbox you will receive no further notifications. Otherwise you may still receive notifications of mail delivery errors from other systems.

The mail system

<newstips@pressofac.com>: delivery via
mxh-00292f01.gslb.pphosted.com[148.163.157.157]:25: 250 2.0.0 43m1rtb23g-1
Message accepted for delivery

<wkeough@pressofac.com>: delivery via
mxh-00292f01.gslb.pphosted.com[148.163.157.157]:25: 250 2.0.0 43m1rtb23g-1
Message accepted for delivery

<desk@cbs2ny.com>: delivery via
mxa-00262c01.gslb.pphosted.com[148.163.148.230]:25: 250 2.0.0 43mm9rgtxn-1
Message accepted for delivery

<editor@trentonian.com>: delivery via aspmx.l.google.com[74.125.132.26]:25: 250
2.0.0 OK 1734620063 8926c6da1cb9f-4e68c1abe4csi854379173.103 - gsmtip

<susann.l.mcgoldrick@abc.com>: delivery via
mxh-00278502.gslb.pphosted.com[205.220.164.148]:25: 250 2.0.0 43kmqhwj0r-1
Message accepted for delivery

<info@1010winsmail.com>: delivery via smtp.google.com[64.233.181.27]:25: 250
2.0.0 OK 1734620063 8926c6da1cb9f-4e68c216eddsi788703173.152 - gsmtip

<briang.thompson@nbcuni.com>: delivery via
mxa-00176a04.gslb.pphosted.com[67.231.157.49]:25: 250 2.0.0 43m8f4d4c7-1
Message accepted for delivery

<wcaudesk@nbcuni.com>: delivery via
mxa-00176a04.gslb.pphosted.com[67.231.157.49]:25: 250 2.0.0 43m8f4d4c7-1
Message accepted for delivery

<bjordan@gannettnj.com>: delivery via
us-smtp-inbound-2.mimecast.com[170.10.128.141]:25: 250
SmtipThread-556200-1734620064255@us-mta-547.us.mimecast.lan Received OK
[QvPgyAmQMiwqb5NfPeRWTw.us547]

<jalt@thedailyjournal.com>: delivery via
us-smtp-inbound-2.mimecast.com[205.139.110.221]:25: 250

Robin Greg

From: HCD News <H@advancelocal.com>
Sent: Thursday, December 19, 2024 9:55 AM
To: Robin Greg
Subject: Automatic reply: NJWSA NOTICES OF RATE PROPOSALS

Thank you for reaching out to NJ Advance Media. Because of the volume of emails received, we cannot respond to individual emails. While NJ Advance Media makes every attempt to publish items submitted, not all can be used online and in print.

If you have an item for the community or entertainment calendar, please visit <https://www.jerseysbest.com/events/>.

If you have questions regarding delivery of the newspaper and subscriptions, please visit

https://www.nj.com/interact/page/contact_us_information_user_services_and_more_on_njcom.html.

If you have questions regarding legal notices, please email njlegalads@support.njadvance-media.com.

If you are looking to publish an advertisement for a wedding, anniversary or birth, please email placoad@njadvancemedia.com.

Robin Greg

From: postmaster@cvcmail.onmicrosoft.com
To: news12nj@news12.com
Sent: Thursday, December 19, 2024 9:56 AM
Subject: Delivered: External E-mail - NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

news12nj@news12.com

Subject: External E-mail - NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@ap.org
To: mcatalini@ap.org
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

mcatalini@ap.org

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@townsquaremedia.com
To: newsjerz@nj1015.com
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

newsjerz@nj1015.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@ap.org
To: TRE-TrentonNJBureauMailbox@ap.org
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

TRE-TrentonNJBureauMailbox@ap.org

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@ap.org
To: TRE-TrentonNJBureauMailbox@ap.org
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

TRE-TrentonNJBureauMailbox@ap.org

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@onclusive.com
To: NewJersey@applanner.com
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

NewJersey@applanner.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@advancelocal.net
To: news@hcdemocrat.com
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

news@hcdemocrat.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@advancelocal.net
To: slivio@njadvancemedia.com
Sent: Thursday, December 19, 2024 9:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

slivio@njadvancemedia.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@advancelocal.net
To: tmartello@njadvancemedia.com
Sent: Thursday, December 19, 2024 9:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

tmartello@njadvancemedia.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@advancelocal.net
To: news@njtimes.com
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

news@njtimes.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@townsquaremedia.com
To: eric.scott@townsquaremedia.com
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

eric.scott@townsquaremedia.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@onclusive.com
To: NewJersey@applanner.com
Sent: Thursday, December 19, 2024 9:55 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

NewJersey@applanner.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: postmaster@advancelocal.net
To: bjohnson@njadvancemedia.com
Sent: Thursday, December 19, 2024 9:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

bjohnson@njadvancemedia.com

Subject: NJWSA NOTICES OF RATE PROPOSALS

Robin Greg

From: Stile, Charles <Stile@northjersey.com>
To: Robin Greg
Sent: Friday, December 20, 2024 4:29 PM
Subject: Not read: NJWSA NOTICES OF RATE PROPOSALS

Your message

To: Stile, Charles
Subject: NJWSA NOTICES OF RATE PROPOSALS
Sent: Thursday, December 19, 2024 9:54:13 AM (UTC-05:00) Eastern Time (US & Canada)

was deleted without being read on Friday, December 20, 2024 4:28:23 PM (UTC-05:00) Eastern Time (US & Canada).

New Jersey Register Notice

Exhibit D

Agriculture Industry Impact

In accordance with P.L. 1998, c. 48, which amends the Right to Farm Act, and in accordance with N.J.S.A. 52:14B-4(a)(2), which requires that an Agriculture Industry Impact statement be included in a notice of proposal, the Authority has evaluated this rulemaking to determine the nature and extent of the impact of the proposed amendments on the agriculture industry. Agriculture is impacted to the extent that farms and other agricultural users receive water allocations from the Department of Environmental Protection and contract with the New Jersey Water Supply Authority for the purchase of water, as a condition of the water allocation permit.

Regulatory Flexibility Statement

In accordance with the New Jersey Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., the Authority has determined that the proposed amendments will not impose reporting, recordkeeping, or other compliance requirements on small businesses because they affect only the rates charged to users for water purchased from the Authority. The water companies that contract to purchase water from the Authority and are impacted by these rules do not qualify as "small businesses" pursuant to N.J.S.A. 52:14B-16 et seq., because they all employ more than 100 full-time employees.

Housing Affordability Impact Analysis

In accordance with N.J.S.A. 52:14B-4, as amended effective July 17, 2008, at P.L. 2008, c. 46, the Authority has evaluated the proposed amendments for the purposes of determining their impact, if any, on the affordability of housing. The Authority has determined that the proposed amendments will impose no impact because there is no likelihood that the rules will evoke a change in the average costs associated with housing. The Authority finds that the proposed amendments do not change land use policies or the nature and scope of the rules.

Smart Growth Development Impact Analysis

In accordance with N.J.S.A. 52:14B-4, as amended effective July 17, 2008, at P.L. 2008, c. 46, the Authority has evaluated the proposed amendments for purposes of determining their impact, if any, on smart growth development. The Authority has determined that the proposed amendments will impose no impact because it is not likely that the rules will evoke a change in housing production within Planning Areas 1 or 2, or within designated centers, pursuant to the State Development and Redevelopment Plan. The Authority finds that the proposed amendments do not change land use policies or the nature and scope of the rules.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 2. SCHEDULE OF RATES, CHARGES, AND DEBT SERVICE ASSESSMENTS FOR THE SALE OF WATER FROM THE RARITAN BASIN SYSTEM

- 7:11-2.3 General rate schedule for operations and maintenance
 - (a) (No change.)
 - (b) General rate schedule for operations and maintenance:

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
(State fiscal year unless otherwise indicated)		
State fiscal year [2025]	Million Gallons	\$203.00
2026	per Day (MGD)	

- 7:11-2.4 Debt service assessments
 - (a) (No change.)

- (b) The following debt service assessment rate for the New Jersey Environmental Infrastructure Financing Program loans, based on a sales base of 182.339 million gallons per day, will be applied to all customers.

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
(State fiscal year unless otherwise indicated)		
State fiscal year [2025]	Million Gallons	\$109.00
2026	per Day (MGD)	

- 7:11-2.5 Capital Fund Component
 - (a)-(b) (No change.)
 - (c) Capital Fund Assessment

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
(State fiscal year unless otherwise indicated)		
State fiscal year [2025]	Million Gallons	\$33.00
2026	per Day (MGD)	

- 7:11-2.6 Source Water Protection Fund Component
 - (a) (No change.)
 - (b) Source Water Protection Fund Assessment

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
(State fiscal year unless otherwise indicated)		
State fiscal year [2025]	Million Gallons	\$20.00
2026	per Day (MGD)	

(a)

**NEW JERSEY WATER SUPPLY AUTHORITY
Schedule of Rates, Charges, and Debt Service
Assessments for the Sale of Water from the
Manasquan Reservoir Water Supply System
Proposed Amendments: N.J.A.C. 7:11-4.3, 4.4, 4.5,
4.6, and 4.7**

Authorized By: New Jersey Water Supply Authority, Shawn M. LaTourette, Chair, and Commissioner, Department of Environmental Protection.

Authority: N.J.S.A. 58:1B-7.

Calendar Reference: See Summary below for explanation of exception to the calendar requirement.

DEP Docket Number: 12-17-2024.

Proposal Number: PRN 2025-010.

In accordance with N.J.A.C. 7:11-2.14(a), the New Jersey Water Supply Authority (Authority) will hold a pre-public hearing meeting on January 9, 2025 at 11:00 A.M. and a public hearing on February 6, 2025 at 11:00 A.M. concerning this notice of proposal. Both the pre-public hearing meeting and public hearing will be conducted virtually through the Authority's video conferencing software, Microsoft Teams. Further information on accessing the pre-public hearing meeting and the public hearing will be posted on the Authority's website at <https://www.njwsa.org/public-notice.html> at least 15 days prior to the date of the meeting/hearing. Notice will also be sent to those who have subscribed to the Authority's rulemaking list service (listserv). To subscribe to the listserv, go to <https://www.njwsa.org/rate-proposals.html>.

Submit comments by March 22, 2025, electronically to the Authority at info@njwsa.org.

The Authority encourages electronic submittal of comments. In the alternative, comments may be submitted on paper to:

Marc Brooks
Executive Director

New Jersey Water Supply Authority
 Attention: DEP Docket No. 12-17-2024
 1851 State Highway 31
 PO Box 5196
 Clinton, NJ 08809

The Basis and Background document, which is available at the Authority's website, <http://www.njwsa.org>, explains in further detail the financial justification for the proposed rate schedule. The rules can also be viewed or downloaded from the Authority's website.

The agency proposal follows:

Summary

As the Authority has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

The Authority is proposing to amend its Schedule of Rates, Charges, and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System (System), to cover expenses for Fiscal Year (FY) 2026. The Authority operates on a July 1 to June 30 fiscal year. The amendments to specific aspects of the rate structure proposed in this rulemaking will result in no change to the overall rate of \$1,010.75 per million gallons (MG) for initial water purchase contract customers, and no change to the overall rate of \$1,124.67 per MG for delayed water purchase contract customers. The Authority anticipates the rates will be adopted and operative July 1, 2025.

The general rate schedule for operations and maintenance (O&M) covers the operation expenses of the System. This component, set forth at N.J.A.C. 7:11-4.3, and incorporated in the standby charge at N.J.A.C. 7:11-4.13, was last adjusted operative July 1, 2020 (FY 2021), when the amount was increased from \$432.87 to \$445.82 per MG. See 48 N.J.R. 19(a); 1065(a). The Authority is proposing no change to the operations and maintenance component of \$445.82 per MG for FY 2026. The O&M component sales base of 19.443 million gallons per day (MGD) will remain the same for FY 2026.

The debt service component for FY 2025 for delayed water purchase contract customers, set forth at N.J.A.C. 7:11-4.4(c), was based on a sales base of 4.435 MGD. There is no change in the delayed water purchase sales base for FY 2026. The Authority is proposing no change to the delayed water purchase contract customer debt service component, set forth at N.J.A.C. 7:11-4.4(b), of \$438.92 for FY 2026. The rate component will continue to allow the Authority to meet coverage of 120 percent of debt service required by the Authority's bond resolution. This rate is charged to all water purchasers who entered into a water purchase contract for uninterruptible service commencing subsequent to the System operation date.

A capital fund rate component was established in the Manasquan System in FY 2021 for initial water purchase contract customers (\$525.00 per MG) and delayed water purchase contracts (\$200.00 per MG) to provide for long-term capital needs that will allow for the proper maintenance, rehabilitation, and/or replacement of the system facilities. There will be no change in the FY 2026 rate for initial water purchase contract customers (\$525.00 per MG), found at N.J.A.C. 7:11-4.5(c), which will be charged to all uninterruptible service contracts executed prior to July 1, 1990, and to those water purchasers entering delayed water purchase contracts who pre-paid the total delayed water purchase surcharge at the commencement of the contract, rather than paying it over the contract term. The FY 2026 rate for delayed water purchase contract customers (\$200.00 per MG, no change from FY 2025), found at N.J.A.C. 7:11-4.5(e), will be charged to all water purchasers who entered into a water purchase contract for uninterruptible service commencing subsequent to the System operation date.

The Authority established a Source Water Protection Fund Component (N.J.A.C. 7:11-4.5) of \$15.00 per MG starting July 1, 2003. The Source Water Protection Fund Component provides administrative cost assistance for watershed planning and land acquisitions within the Manasquan Basin critical to the long-term protection of water quality and quantity in the System. The rate was reduced from \$15.00 per MG to \$10.00 per MG for FY 2016. A rate of \$10.00 per MG and existing fund surplus were sufficient to cover program costs for FY 2016 and FY 2017. In FY 2018, the Authority increased the rate to \$15.00 per MG in order to

cover program costs for FY 2018. To cover costs for FY 2026, the Authority proposes no change to the source water protection fund component rate of \$15.00 per MG, which can be found at N.J.A.C. 7:11-4.6(b).

The Authority proposes no change in the New Jersey Environmental Infrastructure Financing Program (NJEIFP) debt component of \$24.93 per MG, which is set forth at N.J.A.C. 7:11-4.7(b). The NJEIFP debt component was established to repay debt service to the New Jersey Environmental Infrastructure Trust for construction costs associated with the installation of a structure over the Manasquan Reservoir intake pump station. The debt service payment will remain stable in FY 2026 and the sales base will remain constant at 19.443 MGD for FY 2026.

For initial water purchase contract customers, the FY 2026 base contract O&M Rate (\$445.82), Source Water Protection Program Rate (\$15.00), NJEIFP Debt Rate (\$24.93), and Capital Fund Component (\$525.00) comprise the total base contract rate for raw water of \$1,010.75 per million gallons, and represents no change relative to FY 2025. This base contract rate is charged to all uninterruptible service contracts initially executed prior to July 1, 1990, the commencement date of Manasquan Reservoir System operations, and one delayed Water Purchase contract with Shorelands Water Company (subsequently acquired by New Jersey American), executed on July 1, 2006. In order for its customers to be assessed the base contract rate on the .028 MGD delayed contract, Shorelands Water Company prepaid the net present value of the difference between the initial water purchase contracts debt service schedule and the delayed water purchase contracts debt service schedule.

The total rate for delayed water purchase contract customers in FY 2026 is \$1,124.67 per million gallons, representing no change relative to the FY 2025 delayed water purchase rate. The O&M Component (\$445.82), the Source Water Protection Fund Component (\$15.00), the Debt Service Rate Component (\$438.92), the NJEIFP Debt Rate (\$24.93), and the Capital Fund Component (\$200.00) comprise the total rate.

Social Impact

The proposed amendments will have a positive social impact. The proposed amendments represent the Authority's efforts to ensure that rates for the untreated water purchased from the System are equitably assessed to all purchasers and are sufficient to provide the revenues required by the Authority.

The Manasquan Reservoir's four billion gallon capacity provides a needed water supply to keep pace with the continuing population growth in Monmouth County, while reducing the dependence of water purveyors on the stressed ground water resources of the region.

Economic Impact

The proposed adjustment to the rate schedule will result in no change to the overall water rate for initial water purchase contract customers and no change to the overall water rate for delayed water purchase contract customers. Based upon the average household usage of 400 gallons per day, the annual average impact per household will be \$0.00 for initial water purchase contract customers and \$0.00 for delayed water purchase contract customers. The rate will continue to ensure that necessary insurance coverage is maintained for all aspects of the Authority's operations, while also sustaining operations to meet and enhance the Authority's mission of managing the water supply. The regulatory amendments to the Schedule of Rates and Charges are in accordance with the Authority's statutory jurisdiction over System diversions that impact safe yield.

Environmental Impact

The adequate financing of upkeep and operation of the System, which is provided by the proposed amendments, will result in a positive environmental impact. Sixty percent of the water supply in Monmouth County was previously derived from stressed ground water resources. The System relieves the use of a portion of the existing ground water supply and meets the needs of a developing area. This water supply system has a very important and positive environmental impact since its operation reduces the stress on the valuable ground water resources of the region by providing an alternate surface water supply. By reducing the pumping of

ground water, saltwater intrusion will be limited, and present ground water levels will not be further reduced.

The 30 million gallon per day water supply that the System can provide helps to protect the region’s threatened ground water resources from further depletion. In addition, the 770-acre Manasquan Reservoir provides for the protection of waterfowl and wildlife in the region through several protected wetland sites for the rearing of waterfowl and wildlife.

The continued financing of the source water protection fund will have a positive environmental impact by providing greater protection to water quality and quantity in the Manasquan Basin through real estate acquisitions, coordinated government land management practices, and remedial projects.

Federal Standards Statement

N.J.S.A. 52:14B-1 et seq. (P.L. 1995, c. 65), requires administrative agencies that adopt, readopt, or amend any rule or regulation to which the law applies to provide a comparison with Federal law, and to provide further discussion and analysis (including a cost-benefit analysis) if the standards or requirements by the agency exceed standards or requirements imposed by Federal law.

These rules are promulgated pursuant to the procedures of the Authority. The Authority is an instrumentality of the State of New Jersey in, but not of, the Department of Environmental Protection. The Authority is charged with the operation and management of the State-owned raw water supply facilities within the State of New Jersey.

These amendments are not proposed pursuant to the authority of or in order to implement, comply with, or participate in any program established pursuant to Federal law. In addition, the amendments are not proposed pursuant to the authority of a State statute that incorporates or refers to Federal law, Federal standards, or Federal requirements. Therefore, no Federal standards analysis is required.

Jobs Impact

The proposed amendments are an annual revision to the Authority’s regulations covering rates for its water customers in the System. The implementation of these amendments is not anticipated to result in the generation or loss of jobs.

Agriculture Industry Impact

In accordance with P.L. 1998, c. 48, which amends the Right to Farm Act, and in accordance with N.J.S.A. 52:14B-4(a)2, which requires that an Agriculture Industry Impact statement be included in the notice of proposal, the Authority has evaluated this rulemaking to determine the nature and extent of the impact of the proposed amendments on the agriculture industry. Agriculture is impacted to the extent that farms and other agricultural users receive water allocations from the Department of Environmental Protection and contract with the Authority for the purchase of water as a condition of the water allocation permit. The proposed amendments do not change the overall water rate for both initial water purchase contract customers and delayed water purchase contract customers. Accordingly, no impacts on the agriculture industry are anticipated.

Regulatory Flexibility Statement

In accordance with the New Jersey Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., the Authority has determined that the proposed amendments will not impose reporting, recordkeeping, or other compliance requirements on small businesses because they only affect the rates charged to users for water purchased from the Authority. The municipalities and major water purveyors that contract to purchase water from the Authority and are impacted by these rules do not qualify as “small businesses” pursuant to N.J.S.A. 52:14B-16 et seq., because all employ more than 100 full-time employees.

Housing Affordability Impact Analysis

In accordance with N.J.S.A. 52:14B-4, as amended effective July 17, 2008, by P.L. 2008, c. 46, the Authority has evaluated the proposed amendments for the purposes of determining their impact, if any, on the affordability of housing. The Authority has determined that the proposed amendments will impose an insignificant impact because it is unlikely that the rules will evoke a change in the average costs associated with housing.

The Authority finds that the proposed amendments do not change land use policies or the nature and scope of the rules.

Smart Growth Development Impact Analysis

In accordance with N.J.S.A. 52:14B-4, as amended effective July 17, 2008, by P.L. 2008, c. 46, the Authority has evaluated the proposed amendments for purposes of determining their impact, if any, on smart growth development. The Authority has determined that the proposed amendments will impose an insignificant impact because it is unlikely that the rules will evoke a change in housing production within Planning Areas 1 or 2, or within designated centers, pursuant to the State Development and Redevelopment Plan. The Authority finds that the proposed amendments do not change land use policies or the nature and scope of the rules.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 4. SCHEDULE OF RATES, CHARGES, AND DEBT SERVICE ASSESSMENTS FOR THE SALE OF WATER FROM THE MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

- 7:11-4.3 Operations and maintenance expense component
 - (a)-(b) (No change.)
 - (c) Operations and maintenance expense component:

<u>Effective Date</u>	Rate/Million Gallons (based upon a 19.443 <u>mg per day sales base</u>)
July 1, [2024] 2025	\$445.82

- 7:11-4.4 Debt service cost component
 - (a) (No change.)
 - (b) A delayed water purchase surcharge will be assessed to all water purchasers who entered into a water purchase contract for an uninterrupted service commencing subsequent to the system operation date (delayed water purchase contract). This includes a purchaser [under] **pursuant to** an initial water purchase contract, which provides for an increase in the amount of uninterrupted service effective subsequent to the system operation date.
 - 1. The following debt service rate based on a sales base of 4.435 million gallons per day, applies to the delayed water purchase contract commencing July 1, 2001, October 1, 2002, and January 1, 2005.

<u>Period</u>	Rate/Million Gallons (<u>Coverage 120 percent</u>)
[7/1/2024] 7/1/2025 to [6/30/2025] 6/30/2026	\$438.92

- (c) (No change.)

- 7:11-4.5 Capital Fund Component
 - (a)-(b) (No change.)
 - (c) Capital Fund Assessment—initial water purchase contract customers:

<u>Period</u>	Rate/Million Gallons
[7/1/2024] 7/1/2025 to [6/30/2025] 6/30/2026	\$525.00

- (d) (No change.)
- (e) Capital Fund Assessment-delayed water purchase contract customers:

<u>Period</u>	<u>Rate/Million Gallons</u>
[7/1/2024] 7/1/2025 to [6/30/2025] 6/30/2026	\$200.00

- 7:11-4.6 Source water protection fund component
 (a) (No change.)
 (b) The source water protection fund component is as follows:

<u>Period</u>	<u>Rate/Million Gallons</u>
[7/1/2024] 7/1/2025 to [6/30/2025] 6/30/2026	\$15.00

- 7:11-4.7 New Jersey Environmental Infrastructure Financing Program debt component
 (a) (No change.)
 (b) The New Jersey Environmental Infrastructure Financing Program debt component is as follows:

<u>Period</u>	<u>Rate/Million Gallons</u>
[7/1/2024] 7/1/2025 to [6/30/2025] 6/30/2026	\$24.93

(a)

**AIR, ENERGY, AND MATERIALS SUSTAINABILITY
 DIVISION OF SUSTAINABLE WASTE MANAGEMENT**

**Solid Waste, Hazardous Waste, and Recycling
 Rules; Licensing of Solid and Hazardous Waste
 Services and Soil and Fill Recycling Services**

Proposed Amendments: N.J.A.C. 7:26-1.1, 1.4, 1.6, 1.7, 2.1, 2.4, 2.7, 2.8, 3.2, 3.6, 3A.16, 3A.27, 3A.38, 3A.39, and 3A.49; 7:26A-1.3, 1.4, 3.9, 3.17, 4.2, 4.5, 4.8, and 9.4; 7:26G-4.2 and 7.2; and 7:26H-1.6, 1.8, and 1.11

Proposed New Rules: N.J.A.C. 7:26N

Proposed Repeals: N.J.A.C. 7:26-16.15 through 16.20 and 16.24; and 16A

**Proposed Recodification with Amendments:
 N.J.A.C. 7:26-16.1 through 16.14 and 16.21, 16.22, and 16.23 as 7:26N-1.1, 1.4, 3.2, 3.4, 3.8, 3.5, 3.6, 4.1, 4.2, 7.3, 4.4, 4.3, 6.1, 5.2, 4.5, 4.6, and 4.7, Respectively**

Authorized By: Shawn M. LaTourette, Commissioner, Department of Environmental Protection.

Authority: N.J.S.A. 13:1B-3, 13:1D-9, 13:1E-1 et seq., and 13:1E-126 et seq.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

DEP Docket Number: 15-24-12.

Proposal Number: PRN 2025-005.

A public hearing concerning this notice of proposal will be held on Tuesday, February 25, 2025, at 9:00 A.M.. The public hearing will be conducted virtually through the Department of Environmental Protection’s (Department) video conferencing software, Microsoft Teams. A link to the virtual public hearing with telephone call-in option will be provided on the Department’s website at <https://dep.nj.gov/rules/notice-of-rule-proposals/>.

If you are interested in providing oral testimony at the virtual public hearing, please email the Department at jill.aspinwall@dep.nj.gov, no later than 5:00 P.M. on Friday, February 21, 2025, with your contact information (name, telephone number, email address, and if applicable,

name of organization on whose behalf you are speaking). You must provide a valid email address, so the Department can send you an email confirming receipt of your interest to testify orally at the hearing and provide you with a separate option for a telephone call-in line if you do not have access to a computer or mobile device that can connect to Microsoft Teams. This hearing will be recorded. It is requested (but not required) that anyone providing oral testimony at the public hearing provide a copy of any prepared remarks to the Department through email.

Submit comments by March 22, 2025, electronically at <http://www.nj.gov/dep/rules/comments>. Each comment should be identified by the applicable N.J.A.C. citation, with the commenter’s name and affiliation following the comment. The Department encourages electronic submittal of comments. In the alternative, comments may be submitted on paper to:

Attention: DEP Docket No. 15-24-12
 Office of Legal Affairs
 Department of Environmental Protection
 401 East State Street, 7th Floor
 Mail Code 401-04L
 PO Box 402
 Trenton, New Jersey 08625-0402

This notice of proposal may be viewed or downloaded from the Department’s website at <http://www.nj.gov/dep/rules>.

The agency proposal follows:

Summary

As the Department has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

The Department is proposing to amend the Solid and Hazardous Waste Licensing and Revocation rules (A-901 Rules) at existing N.J.A.C. 7:26-16 to expand the licensing program to the soil and fill recycling industry and incorporate other changes as required pursuant to P.L. 2019, c. 397, commonly referred to as the “Dirty Dirt Law.” As the proposed licensing program applies to the solid waste, recycling, and hazardous waste industries that are subject to several chapters (for example, N.J.A.C. 7:26, Solid Waste; 7:26A, Recycling Rules; 7:26G, Hazardous Waste; and 7:26H, Solid Waste Utility Regulations), the Department is proposing to recodify with amendments, existing N.J.A.C. 7:26-16, Solid and Hazardous Waste Licensing and Revocation—Disclosure Statements and Integrity Review, as new N.J.A.C. 7:26N, with its own penalty and enforcement provisions. As a result of this rulemaking, each industry will be subject both to its own chapter, as well as to the proposed A-901 Rules at N.J.A.C. 7:26N. The Department is also proposing to repeal N.J.A.C. 7:26-16A, Special Rules for Submission of Disclosure Statements by Existing Licensees and Applicants Whose Applications Were Pending Before the Department Prior to July 2, 1984, because the subchapter sets forth special provisions that were needed to phase in the requirements for certain licensees and applicants when the A-901 licensing program was first passed into law, which provisions are now obsolete.

As part of this rulemaking, the Department is also proposing amendments at N.J.A.C. 7:26, 26A, 26G, and 26H to conform the rules to the proposed new A-901 Rules, as further explained below. In conjunction with the proposed new rules and amendments, the Department proposes to amend the penalty provisions of the Recycling Rules at N.J.A.C. 7:26A-9, Civil Administrative Penalties and Requests for Adjudicatory Hearings.

In developing the proposed rules, in 2021 and 2022, the Department met virtually with stakeholders, including several licensed site remediation professionals, attorneys, and representatives of business concerns handling soil and fill materials. In May 2023, the Department met with various stakeholders, including contracting firms, trade associations, and county officials, to discuss amending the Recycling Rules at N.J.A.C. 7:26A to add requirements for facilities currently managing petroleum-contaminated soils and those who are managing the proposed Class B “recyclable soil and fill material.” Meeting records are available on the Department’s website at <https://dep.nj.gov/workgroups/>.

Licensing Requirements: General

In 1983, P.L. 1983, c. 392, was signed into law and became effective June 11, 1984. The law was proposed as Assembly bill number 901, or

Minutes of Pre-Public Hearing Meeting

Exhibit E

MINUTES

Pre-Public Hearing Meeting - January 9, 2025

Schedule of Rates, Charges and Debt Service Assessments
for the Sale of Water from the
Manasquan Reservoir Water Supply System
to become effective July 1, 2025

The Pre-Public Hearing Meeting was called to order by Susan Buckley-Director Finance and Administration, at 11:10 a.m. via Microsoft Teams.

Authority staff members present were Susan Buckley-Director Finance and Administration, Marc Brooks-Executive Director, Anthony Colasurdo - Director Manasquan and D&R Canal, and Stephen Gates-Chief Engineer. Also in attendance was Laura Wilton from the Governor's Authority Unit.

No members of the public or customer joined the call. The meeting was therefore adjourned at 11:15am.

Transcript of Public Hearing

Exhibit F

In The Matter Of:
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

February 6, 2025

*J.H. Buehrer & Associates
884 Breezy Oaks Drive
Toms River, NJ 08753
732-295-1975
contact@jhbuehrer.com*

Original File 02-06-25(JH).txt

Min-U-Script® with Word Index

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MANASQUAN RESERVOIR WATER SUPPLY SYSTEM
PUBLIC HEARING - FEBRUARY 6, 2025

BEFORE: STEVEN PICCO, Chairman

J.H. BUEHRER & ASSOCIATES
884 Breezy Oaks Drive
Toms River, New Jersey 08753
(732) 228-3784

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TRANSCRIPT of the Public Hearing in
the above-entitled matter, said hearing being
taken pursuant to Superior Court Rules of Civil
Practice and Procedure, by and before MARIBEL
SYPNIEWSKI, a Certified Court Reporter and
Notary Public of the State of New Jersey, VIA
MICROSOFT TEAMS on Thursday, February 6, 2025,
commencing at 11:00 in the morning.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES:

MARC BROOKS, Executive Director

SUSAN BUCKLEY, Director, Finance and Administration

ANTHONY COLASURDO, Director, Manasquan Water Supply and Canal Operations

STEPHEN GATES, Chief Engineer

MICHAEL ELENESKI [GOV], Authorities Unit

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

E X H I B I T S

NUMBER	DESCRIPTION	PAGE
P-1	Pre-Public Hearing Meeting Minutes	7
P-2	Certification	8
S-1	Basis and Background Document dated 11/4/24	19

1 Agenda Item I. Opening Statement by Hearing
2 Officer

3
4 MR. PICCO: On behalf of the New
5 Jersey Water Supply Authority, I would like to
6 welcome you here this morning. My name is
7 Steven Picco. I am a Commissioner on the
8 Authority Board and I am Chairman of the
9 Authority's Audit Committee and a member of the
10 Personnel, Finance and Capital Committees. I am
11 serving as Hearing Officer for purposes of this
12 public hearing.

13 Several members of the Authority's
14 staff are present today and I would like to
15 introduce them.

16 Mr. Marc Brooks is the Executive
17 Director.

18 Ms. Susan Buckley is the Director,
19 Finance and Administration.

20 Mr. Anthony Colasurdo is the
21 Director, Manasquan Water Supply and Canal
22 Operations.

23 Mr. Stephen Gates is the Chief
24 Engineer.

25 It is requested that everyone

1 present state your name and affiliation. If you
2 would like to make a statement today, there will
3 be a designated comment period later in the
4 meeting.

5 The Authority has adopted extensive
6 rate adjustment procedures found in the New
7 Jersey Administrative Code at N.J.A.C.
8 7:11-4.16 and 4.17, which provide for close
9 contact with our water customers, the State
10 Division of the Ratepayer Advocate and other
11 interested parties for the proposal of any rate
12 adjustment. These procedures demonstrate the
13 Authority's commitment to maintaining an active
14 dialogue with the public, welcoming the input of
15 interested parties and providing a forum for
16 that input.

17 Official notice of the proposed rate
18 adjustments for Fiscal Year 2026 was mailed to
19 the water users and all interested parties on
20 December 19, 2024 and published in the New
21 Jersey Register on January 21, 2025. On January
22 9, 2025 the required pre-public hearing meeting
23 with our contractual water customers and
24 interested parties was conducted. There were no
25 attendees at the pre-public hearing.

1 Ms. Buckley, do we have minutes from
2 the pre-public hearing meeting on January 9,
3 2025?

4 MS. BUCKLEY: Yes, Mr. Chairman, and
5 I would like to enter the January 9, 2025
6 Pre-Public Hearing Minutes into the record as
7 Exhibit P-1.

8 MR. PICCO: Please mark the
9 Pre-Public Hearing Meeting Minutes as Exhibit
10 P-1.

11 (Pre-Public Hearing Meeting Minutes
12 marked as P-1 for Identification.)

13 MR. PICCO: At this time, I will ask
14 Ms. Buckley if we have a Certification of the
15 publication and the mailing of notification of
16 this public hearing to present for the record.

17 MS. BUCKLEY: Yes, Mr. Chairman, we
18 have Certification that Notice of this public
19 hearing was mailed to the Secretary of State,
20 the Division of the Ratepayer Advocate, the news
21 media maintaining a press office at the State
22 House Complex, the Board of Public Utilities,
23 the Authority's Contractual Water Purchasers and
24 other interested parties on December 19, 2024
25 and advertised in the Asbury Park Press, The

1 Star Ledger and The Times (Trenton) on December
2 19, 2024. I would like to enter this
3 Certification into the record as Exhibit P-2.

4 MR. PICCO: Please mark this
5 Certification as Exhibit P-2.

6 (Certification marked P-2 for
7 Identification.)

8 MR. PICCO: Thank you, Ms. Buckley.
9 Ms. Buckley, will you now present the
10 Authority's opening statement?

11
12 Agenda Item II. Opening Statement by Ms.
13 Buckley

14
15 MS. BUCKLEY: Good morning. The
16 Authority is proposing to amend its Schedule of
17 Rates, Charges and Debt Service Assessments for
18 the Sale of Water from the Manasquan Reservoir
19 System (System), to cover expenses for Fiscal
20 Year (FY) 2026. The Authority operates on a
21 July 1 to June 30 fiscal year. The proposed
22 amendments update references to the fiscal year
23 from FY 2025 to FY 2026. The overall proposed
24 rate of \$1,010.75 per MG for Initial Water
25 Purchase Contracts (IWP) represents no change

1 versus the current rate of \$1,010.75 per MG.

2 The overall proposed rate of \$1,124.67 per MG

3 for Delayed Water Purchase Contracts (DWP)

4 represents no change versus the current rate.

5 The Authority anticipates the rates will be

6 adopted effective July 1, 2025.

7 The General Rate Schedule for

8 Operations and Maintenance was last adjusted

9 effective July 1, 2024 to cover the operating

10 expenses of the System for Fiscal Year 2025.

11 For the current fiscal year, there is no change

12 in the Operations and Maintenance rate of

13 \$432.87 per MG and there is no change projected

14 in the sales base. Projected expense increases

15 (primarily in salary, fringe, and insurance

16 expense) are being offset by overdraft revenues

17 and budget surplus from prior periods as well as

18 excess debt service raised as a requirement of

19 the Authority's bond resolutions.

20 The Debt Service component of the

21 rate for the Delayed Water Purchase Contracts

22 will be \$438.92 per million gallons, no change

23 from FY2025. Debt service related to Delayed

24 Water Purchase Customers is essentially flat vs.

25 FY25, and the debt service component reflects

1 120 percent debt service coverage.

2 A capital fund rate component was
3 established in FY2021 in the Manasquan System
4 for Initial Water Purchase Contracts
5 (\$525.00/mg) and Delayed Water Purchase
6 Contracts (\$200.00/mg) to provide for long-term
7 capital needs that will allow for the proper
8 maintenance, rehabilitation and/or replacement
9 of the system facilities. The Authority is
10 proposing no change to the capital fund
11 component.

12 The Authority is proposing no change
13 to the NJEIFP Debt Service and Source Water
14 Protection components of the rate.

15 The New Jersey Water Supply
16 Authority is operating, maintaining and managing
17 three distinct systems, each with its own
18 budget, cost accountability and revenue stream.
19 The Raritan Basin System and the Manasquan
20 Reservoir Water Supply System are both untreated
21 water supply systems. A Water Treatment Plant
22 and Transmission System for the Southeast
23 Monmouth Municipal Utilities Authority was
24 constructed on Authority-owned property.

25 The Authority's headquarters staff

1 located in Clinton provides general and
2 administrative support service for all three
3 systems. In order to equitably assess each
4 system, an outside auditing firm developed a
5 methodology for the allocation of the
6 headquarters general and administrative costs to
7 each operating system. After the close of each
8 fiscal year, the Authority's current auditors
9 provide their findings as to the need to adjust
10 any of the allocation factors and the actual
11 audited expenditures for the fiscal year.

12 Independent auditors have reviewed
13 the Authority's Fiscal Year 2024 allocation
14 calculation that results in an adjustment to be
15 netted against the Fiscal Year 2026 budgeted
16 allocation. A copy of the Auditor's report on
17 the allocation of the headquarters' general and
18 administrative costs is included in the rate
19 proposal package for each system.

20 Insurance costs are also allocated
21 to each system based upon the recommendations of
22 the Authority's risk management consultant.
23 Each rate proposal package includes a summary
24 table showing the proposed insurance budget
25 amounts and the portions allocated to each of

1 the three systems.

2 The total charge for the water
3 supply consists of a component to cover the
4 costs of operating and maintaining the System, a
5 Debt Service Component, Capital Fund Component,
6 a NJEIFP Debt Component and a Source Water
7 Protection Component.

8 After all appropriate allocations
9 from the Raritan Basin System and to the Water
10 Treatment Plant and Transmission System, the
11 projected operating costs for Fiscal Year 2026
12 indicate that an Operations and Maintenance rate
13 component of \$445.82 per million gallons will be
14 required starting July 1, 2025. This represents
15 no increase over the prior fiscal year. The
16 Operations and Maintenance component sales base
17 remains at 19.443 million gallons per day.

18 The Debt Service Component of the
19 total rate is calculated each year to cover the
20 payments due on the outstanding debt for the
21 System. The Debt Service Assessment was
22 established effective July 1, 1990 to cover debt
23 service payments on the initial loan of
24 \$63,600,000 at an interest rate of 7.15 percent
25 (subsequently reduced to 5.93 percent in Fiscal

1 Year 1997 for payments due August 1998 and
2 after), and the payment for the interim
3 completion loan of \$7,416,000 at an interest
4 rate of 7.16 percent (which was also later
5 reduced to 6.24 percent in Fiscal Year 1992).

6 In August of 2005, the Authority
7 refunded the current portion of the State Loan
8 Notes and the Completion Notes at an average
9 coupon of 4.83 percent and a net present value
10 savings of \$6.187 million. The term of the
11 bonds was 25 years. The bond proceeds also
12 fully funded the Debt Service Reserve Account
13 and debt service coverage must remain at 120
14 percent through the life of the bonds.

15 In July of 2006, the Authority
16 issued \$90,147.57 and \$9,505.40 current State
17 Loan Notes and Completion Loan Notes
18 respectively for a delayed water purchase
19 contract for .028 million gallons per day. The
20 debt service for the notes associated with this
21 water purchase contract was paid through the
22 Debt Service Component of the initial rate and
23 funds held in escrow by the Authority,
24 contributed by the water purchase customers for
25 this purpose.

1 In May of 2016, the Authority issued
2 \$17,460,000 of Manasquan Reservoir Water Supply
3 System Revenue Refunding Bonds which refunded
4 the 2005 Manasquan Reservoir Water Supply System
5 Revenue Bonds as well as the current State Loan
6 Notes and Completion Notes. The 2016 bonds have
7 an average coupon of 3.78 percent and a net
8 present value savings of \$3.0 million. The term
9 of the bonds is 15 years.

10 On July 1, 2025 the Debt Service
11 Component for Delayed Water Purchase Contracts
12 will be \$445.82 per million gallons, no change
13 from the prior fiscal year. The debt for the
14 Initial Water Purchase Contracts has been paid
15 in full. There is no change in the sales base
16 for either Initial or Delayed customers.

17 The Authority established a Source
18 Water Protection Fund Component in Fiscal Year
19 2004 dedicating \$15.00 per million gallons to
20 protect the quality and quantity of waters in
21 the Manasquan Reservoir Water Supply System.
22 The Authority reduced the Source Water
23 Protection Component from \$15.00 per million
24 gallons to \$10.00 per million gallons in Fiscal
25 Year 2016, and the rate increased to \$15.00 per

1 million gallons in Fiscal Year 2018. The
2 Authority proposes that the rate remain the same
3 at \$15.00 per million gallons in Fiscal Year
4 2026 to adequately fund source water protection
5 efforts.

6 The Authority established the NJEIFP
7 Debt Component in FY2012 to pay debt service on
8 bonds issued in May of 2012 at 75 percent zero
9 interest and 25 percent market interest by the
10 New Jersey Environmental Infrastructure
11 Financing Program to build a structure over the
12 Intake Pumps and Traveling Water Screens. The
13 Authority proposes that this rate component
14 remain the same at \$24.93 per million gallons in
15 Fiscal Year 2026.

16 The total proposed rate on July 1,
17 2025, for contracts effective as of July 1,
18 1990, will be \$1,010.75 per million gallons, no
19 change versus the prior fiscal year. The total
20 proposed rate on July 1, 2025 for Delayed Water
21 Purchase Contracts will be \$1,124.67 per million
22 gallons, no change versus the prior fiscal year.

23 The Authority's procedure for rate
24 adjustments is found in the New Jersey
25 Administrative Code at N.J.A.C. 7:11-4.13

1 thereafter ("The Regulations"). These rate
2 adjustment procedures require the Authority to
3 give official notice and an explanation
4 outlining the need for proposed rate adjustments
5 to various entities at least six (6) months
6 prior to the proposed effective date.

7 The Authority's Commissioners
8 formally proposed the publication of the rate
9 adjustment for Fiscal Year 2026 at their regular
10 monthly business meeting on November 4, 2024.
11 The Basis and Background Statement was posted on
12 the Authority's Website on October 30, 2024.
13 Mr. Picco, I request that this Basis and
14 Background Document be entered into the record
15 as Exhibit S-1.

16 The Authority's rate adjustment
17 procedures provide that the contractual water
18 customers and interested parties be provided the
19 opportunity to meet with Authority staff at a
20 pre-public hearing meeting in order to be
21 presented with an explanation of the formal
22 proposal. This pre-public hearing meeting must
23 be scheduled within forty-five (45) days after
24 the official notice of a proposed rate
25 adjustment is sent. A "Notice of Public

1 Hearing" was mailed on December 19, 2024 to
2 contractual water customers and other interested
3 parties informing them of the pre-public and
4 public hearings scheduled for January 9 and
5 February 6, 2025 respectively via Microsoft
6 Teams.

7 Additionally, on December 19, 2024
8 notice of the Pre-Public Hearing and this Public
9 Hearing was published in the Asbury Park Press,
10 The Times (Trenton) and The Star Ledger. Notice
11 of the proposed rate adjustment and the Public
12 Hearing schedule also appeared in the January
13 21, 2025 issue of the New Jersey Register. The
14 Pre-Public Hearing was conducted on January 9,
15 2025, and there were no attendees.

16 The Authority's regulations state
17 that interested parties may submit written
18 questions for inclusion in the hearing record,
19 and if submitted no later than 15 days prior to
20 the Public Hearing, Authority staff, at today's
21 meeting, must provide answers to the questions.
22 The Authority will also provide a complete
23 response to any questions received subsequent to
24 the 15-day deadline and up to and including
25 March 17, 2025, the closing date for the hearing

1 record. In addition, any party may direct
2 questions and follow-up to Authority staff at
3 the Public Hearing. In the event a response
4 cannot be immediately given today, a written
5 response shall be prepared within ten (10)
6 business days of this Public Hearing and a copy
7 of that written response shall be provided to
8 all contractual water customers, the Division of
9 Ratepayer Advocate, the Board of Public
10 Utilities and attendees at the meeting
11 requesting the same and the response shall be
12 made a part of the hearing record. Comments
13 received before the close of the New Jersey
14 Register comment period on March 22, 2025 will
15 also be entered into the record.

16 Finally, within ten (10) working
17 days after receipt of the answer, contractual
18 water customers, the Division of the Ratepayer
19 Advocate, the Board of Public Utilities and
20 attendees will be permitted to respond in
21 writing to the answers of the staff for the
22 record.

23 After the hearing record is closed
24 and the New Jersey Register comment period
25 expires, a Hearing Officer's report, which shall

1 include findings of fact and specific responses
2 to all issues and questions raised during the
3 Public Hearing proceedings, will be prepared and
4 submitted to the entire Authority prior to the
5 Authority taking final action on the proposal.

6 Mr. Picco, that concludes the
7 Authority's opening statement.

8 MR. PICCO: Please mark the Basis
9 and Background Document dated 11/4/24 as Exhibit
10 S-1.

11 (Basis and Background Document dated
12 11/4/24 marked S-1 for Identification.)

13 MR. PICCO: Ms. Buckley, have we
14 received any written or verbal communications
15 for inclusion in the Public Hearing record?

16 MS. BUCKLEY: No, Mr. Chairman, we
17 have not.

18 MR. PICCO: Ms. Buckley, are there
19 any additional proposed Rule changes not
20 associated with the changes to existing Rates?

21 MS. BUCKLEY: No, Mr. Chairman,
22 there are not.

23
24 Agenda Item III. Authority Staff Responses to
25 Prior Questions

1 MR. PICCO: Next on the agenda is
2 Authority staff answers to questions raised
3 prior to today's hearing. Ms. Buckley, has the
4 Authority received any questions prior to
5 today's hearing?

6 MS. BUCKLEY: No, Mr. Chairman, we
7 have not.

8 MR. PICCO: Thank you, Ms. Buckley.

9
10 Agenda Item IV. Presentation of Oral
11 Statements, Written Statements or Evidence by
12 all Interested Parties

13
14 MR. PICCO: Thank you, Ms. Buckley.
15 We are now prepared to enter oral statements,
16 written statements and/or any other supporting
17 evidence by all interested parties into the
18 record. At this time I would like to invite
19 anyone who would like to make a statement to
20 state your name and affiliation.

21
22 NO COMMENTERS

23
24 Let the record reflect that I have
25 not received any statements from any member of

1 the public.

2
3 Agenda Item V. Questions to Authority Staff

4
5 MR. PICCO: We will now enter
6 questions and - if possible today - hear the
7 responses by Authority staff. Does any member
8 of the public have questions for staff?

9
10 Agenda Item VI. Closing Statement of Hearing
11 Officer

12
13 MR. PICCO: After the New Jersey
14 Register comment period closes on March 22, 2025
15 and the hearing record is closed on March 17,
16 2025, I, as the Hearing Officer, will prepare a
17 report of my findings, based solely on the
18 record of the proceedings, which shall include
19 findings of fact and specific responses to all
20 issues and questions raised during these
21 proceedings. My Hearing Officer's report will
22 be submitted to the Authority and presented to
23 the Authority's Board for final action on the
24 proposal. Written comments may be submitted
25 until the end of public comment period on March

1 17, 2025.

2 I anticipate that the Authority will
3 take final action on these proposed Rates at a
4 regular monthly business meeting on or before
5 June 2, 2025.

6 The Authority appreciates your
7 attendance here today.

8 This Public Hearing is adjourned.

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, MARIBEL SYPNIEWSKI, a Certified Court Reporter and Notary Public of the State of New Jersey, do hereby certify that prior to the commencement of the examination, the witness was duly sworn by me to testify the truth, the whole truth and nothing but the truth.

I DO FURTHER CERTIFY that the foregoing is a true and accurate transcript of the testimony as taken stenographically by and before me at the time, place and on the date hereinbefore set forth, to the best of my ability.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.

MARIBEL SYPNIEWSKI, C.C.R.

DATE

J.H. BUEHRER & ASSOCIATES

	11:9	ASSOCIATES (1) 1:22	Brooks (1) 5:16	2:12
\$	adjusted (1) 9:8	attendance (1) 22:7	Buckley (17) 5:18;7:1,4,14,17; 8:8,9,13,15;19:13,16, 18,21;20:3,6,8,14	comment (5) 6:3;18:14,24;21:14, 25
\$1,010.75 (3) 8:24;9:1;15:18	adjustment (8) 6:6,12;11:14;16:2, 9,16,25;17:11	attendees (4) 6:25;17:15;18:10, 20	budget (3) 9:17;10:18;11:24	COMMENTERS (1) 20:22
\$1,124.67 (2) 9:2;15:21	adjustments (3) 6:18;15:24;16:4	Audit (1) 5:9	budgeted (1) 11:15	Comments (2) 18:12;21:24
\$10.00 (1) 14:24	Administration (1) 5:19	audited (1) 11:11	BUEHRER (1) 1:22	Commissioner (1) 5:7
\$15.00 (4) 14:19,23,25;15:3	Administrative (5) 6:7;11:2,6,18;15:25	auditing (1) 11:4	build (1) 15:11	Commissioners (1) 16:7
\$17,460,000 (1) 14:2	adopted (2) 6:5;9:6	auditors (2) 11:8,12	business (3) 16:10;18:6;22:4	commitment (1) 6:13
\$200.00/mg (1) 10:6	advertised (1) 7:25	Auditor's (1) 11:16	C	Committee (1) 5:9
\$24.93 (1) 15:14	Advocate (4) 6:10;7:20;18:9,19	August (2) 13:1,6	calculated (1) 12:19	Committees (1) 5:10
\$3.0 (1) 14:8	affiliation (2) 6:1;20:20	Authority (34) 5:5,8;6:5;8:16,20; 9:5;10:9,12,16,23; 13:6,15,23;14:1,17, 22;15:2,6,13;16:2,19; 17:20,22;18:2;19:4,5, 24;20:2,4;21:3,7,22; 22:2,6	canal (1) 5:21	communications (1) 19:14
\$432.87 (1) 9:13	against (1) 11:15	Authority-owned (1) 10:24	Canal (1) 5:21	complete (1) 17:22
\$438.92 (1) 9:22	Agenda (7) 5:1;8:12;19:24; 20:1,10;21:3,10	Authority's (17) 5:9,13;6:13;7:23; 8:10;9:19;10:25;11:8, 13,22;15:23;16:7,12, 16;17:16;19:7;21:23	Capital (5) 5:10;10:2,7,10;12:5	completion (4) 13:3,8,17;14:6
\$445.82 (2) 12:13;14:12	allocated (2) 11:20,25	average (2) 13:8;14:7	Certification (5) 7:14,18;8:3,5,6	Complex (1) 7:22
\$525.00/mg (1) 10:5	allocation (5) 11:5,10,13,16,17	B	Certified (1) 2:9	component (18) 9:20,25;10:2,11; 12:3,5,5,6,7,13,16,18; 13:22;14:11,18,23; 15:7,13
\$6.187 (1) 13:10	allocations (1) 12:8	Background (4) 16:11,14;19:9,11	Chairman (7) 1:9;5:8;7:4,17; 19:16,21;20:6	components (1) 10:14
\$63,600,000 (1) 12:24	allow (1) 10:7	base (3) 9:14;12:16;14:15	change (11) 8:25;9:4,11,13,22; 10:10,12;14:12,15; 15:19,22	concludes (1) 19:6
\$7,416,000 (1) 13:3	amend (1) 8:16	based (2) 11:21;21:17	changes (2) 19:19,20	conducted (2) 6:24;17:14
\$9,505.40 (1) 13:16	amendments (1) 8:22	Basin (2) 10:19;12:9	charge (1) 12:2	consists (1) 12:3
\$90,147.57 (1) 13:16	amounts (1) 11:25	Basis (4) 16:11,13;19:8,11	Charges (1) 8:17	constructed (1) 10:24
A	and/or (2) 10:8;20:16	behalf (1) 5:4	Chief (1) 5:23	consultant (1) 11:22
above-entitled (1) 2:6	Anthony (1) 5:20	Board (5) 5:8;7:22;18:9,19; 21:23	Civil (1) 2:7	contact (1) 6:9
Account (1) 13:12	anticipate (1) 22:2	bond (2) 9:19;13:11	Clinton (1) 11:1	contract (2) 13:19,21
accountability (1) 10:18	anticipates (1) 9:5	bonds (7) 13:11,14;14:3,5,6, 9;15:8	close (3) 6:8;11:7;18:13	Contracts (9) 8:25;9:3,21;10:4,6; 14:11,14;15:17,21
action (3) 19:5;21:23;22:3	appeared (1) 17:12	both (1) 10:20	closed (2) 18:23;21:15	contractual (6) 6:23;7:23;16:17; 17:2;18:8,17
active (1) 6:13	appears (1) 22:6	Breezy (1) 1:23	closes (1) 21:14	contributed (1) 13:24
actual (1) 11:10	appropriate (1) 12:8		closing (2) 17:25;21:10	copy (2) 11:16;18:6
addition (1) 18:1	Asbury (2) 7:25;17:9		Code (2) 6:7;15:25	cost (1) 10:18
additional (1) 19:19	assess (1) 11:3		Colasurdo (1) 5:20	costs (5) 11:6,18,20;12:4,11
Additionally (1) 17:7	Assessment (1) 12:21		commencing (1)	coupon (2) 13:9;14:7
adequately (1) 15:4	Assessments (1) 8:17			
adjourned (1) 22:8	associated (2) 13:20;19:20			
adjust (1)				

<p>Court (2) 2:7,9 cover (5) 8:19;9:9;12:3,19,22 coverage (2) 10:1;13:13 current (7) 9:1,4,11;11:8;13:7, 16;14:5 customers (9) 6:9,23;9:24;13:24; 14:16;16:18;17:2; 18:8,18</p>	<p>19:2;21:20 DWP (1) 9:3</p>	<p>F</p>	<p>9:23 FY25 (1) 9:25</p>	<p>12:15 increased (1) 14:25 increases (1) 9:14 Independent (1) 11:12 indicate (1) 12:12 informing (1) 17:3 Infrastructure (1) 15:10 Initial (6) 8:24;10:4;12:23; 13:22;14:14,16 input (2) 6:14,16 insurance (3) 9:15;11:20,24 Intake (1) 15:12 interest (4) 12:24;13:3;15:9,9 interested (10) 6:11,15,19,24;7:24; 16:18;17:2,17;20:12, 17 interim (1) 13:2 into (5) 7:6;8:3;16:14; 18:15;20:17 introduce (1) 5:15 invite (1) 20:18 issue (1) 17:13 issued (3) 13:16;14:1;15:8 issues (2) 19:2;21:20 Item (6) 5:1;8:12;19:24; 20:10;21:3,10 IV (1) 20:10 IWP (1) 8:25</p>
<p>D</p>	<p>E</p>	<p>facilities (1) 10:9 fact (2) 19:1;21:19 factors (1) 11:10 FEBRUARY (3) 1:7;2:11;17:5 final (3) 19:5;21:23;22:3 Finally (1) 18:16 Finance (2) 5:10,19 Financing (1) 15:11 findings (4) 11:9;19:1;21:17,19 firm (1) 11:4 Fiscal (23) 6:18;8:19,21,22; 9:10,11;11:8,11,13, 15;12:11,15,25;13:5; 14:13,18,24;15:1,3, 15,19,22;16:9 flat (1) 9:24 follow-up (1) 18:2 formal (1) 16:21 formally (1) 16:8 forty-five (1) 16:23 forum (1) 6:15 found (2) 6:6;15:24 fringe (1) 9:15 full (1) 14:15 fully (1) 13:12 fund (5) 10:2,10;12:5;14:18; 15:4 funded (1) 13:12 funds (1) 13:23 FY (3) 8:20,23,23 FY2012 (1) 15:7 FY2021 (1) 10:3 FY2025 (1)</p>	<p>G</p>	<p>gallons (13) 9:22;12:13,17; 13:19;14:12,19,24,24; 15:1,3,14,18,22 Gates (1) 5:23 General (4) 9:7;11:1,6,17 given (1) 18:4 Good (1) 8:15</p>
<p>date (2) 16:6;17:25 dated (2) 19:9,11 day (2) 12:17;13:19 days (4) 16:23;17:19;18:6, 17 deadline (1) 17:24 Debt (21) 8:17;9:18,20,23,25; 10:1,13;12:5,6,18,20, 21,22;13:12,13,20,22; 14:10,13;15:7,7 December (5) 6:20;7:24;8:1;17:1, 7 dedicating (1) 14:19 Delayed (8) 9:3,21,23;10:5; 13:18;14:11,16;15:20 demonstrate (1) 6:12 designated (1) 6:3 developed (1) 11:4 dialogue (1) 6:14 direct (1) 18:1 Director (3) 5:17,18,21 distinct (1) 10:17 Division (4) 6:10;7:20;18:8,18 Document (3) 16:14;19:9,11 Drive (1) 1:23 due (2) 12:20;13:1 during (2)</p>	<p>effective (5) 9:6,9;12:22;15:17; 16:6 efforts (1) 15:5 either (1) 14:16 end (1) 21:25 Engineer (1) 5:24 enter (4) 7:5;8:2;20:15;21:5 entered (2) 16:14;18:15 entire (1) 19:4 entities (1) 16:5 Environmental (1) 15:10 equitably (1) 11:3 escrow (1) 13:23 essentially (1) 9:24 established (4) 10:3;12:22;14:17; 15:6 event (1) 18:3 everyone (1) 5:25 Evidence (2) 20:11,17 excess (1) 9:18 Executive (1) 5:16 Exhibit (6) 7:7,9;8:3,5;16:15; 19:9 existing (1) 19:20 expenditures (1) 11:11 expense (2) 9:14,16 expenses (2) 8:19;9:10 expires (1) 18:25 explanation (2) 16:3,21 extensive (1) 6:5</p>	<p>H</p>	<p>H</p>	<p>H</p>
			<p>I</p>	<p>I</p>
			<p>Identification (3) 7:12;8:7;19:12 II (1) 8:12 III (1) 19:24 immediately (1) 18:4 include (2) 19:1;21:18 included (1) 11:18 includes (1) 11:23 including (1) 17:24 inclusion (2) 17:18;19:15 increase (1)</p>	<p>J</p>
				<p>January (7) 6:21,21;7:2,5;17:4, 12,14 Jersey (12) 1:24;2:10;5:5;6:7, 21;10:15;15:10,24; 17:13;18:13,24;21:13 JH (1) 1:22 July (10)</p>

8:21;9:6,9;12:14, 22;13:15;14:10; 15:16,17,20 June (2) 8:21;22:5	media (1) 7:21 meet (1) 16:19 meeting (11) 6:4,22;7:2,9,11; 16:10,20,22;17:21; 18:10;22:4 member (3) 5:9;20:25;21:7 members (1) 5:13 methodology (1) 11:5 MG (4) 8:24;9:1,2,13 MICROSOFT (2) 2:11;17:5 million (15) 9:22;12:13,17; 13:10,19;14:8,12,19, 23,24;15:1,3,14,18,21 minutes (4) 7:1,6,9,11 Monmouth (1) 10:23 monthly (2) 16:10;22:4 months (1) 16:5 morning (3) 2:12;5:6;8:15 Municipal (1) 10:23 must (3) 13:13;16:22;17:21	Notes (7) 13:8,8,17,17,20; 14:6,6 notice (7) 6:17;7:18;16:3,24, 25;17:8,10 notification (1) 7:15 November (1) 16:10	8:3,5,6 package (2) 11:19,23 paid (2) 13:21;14:14 Park (2) 7:25;17:9 part (1) 18:12 parties (10) 6:11,15,19,24;7:24; 16:18;17:3,17;20:12, 17 party (1) 18:1 pay (1) 15:7 payment (1) 13:2 payments (3) 12:20,23;13:1 per (17) 8:24;9:1,2,13,22; 12:13,17;13:19; 14:12,19,23,24,25; 15:3,14,18,21 percent (10) 10:1;12:24,25;13:4, 5,9,14;14:7;15:8,9 period (5) 6:3;18:14,24;21:14, 25 periods (1) 9:17 permitted (1) 18:20 Personnel (1) 5:10 PICCO (17) 1:9;5:4,7;7:8,13; 8:4,8;16:13;19:6,8,13, 18;20:1,8,14;21:5,13 Plant (2) 10:21;12:10 Please (3) 7:8;8:4;19:8 portion (1) 13:7 portions (1) 11:25 possible (1) 21:6 posted (1) 16:11 Practice (1) 2:8 prepare (1) 21:16 prepared (3) 18:5;19:3;20:15 pre-public (11) 6:22,25;7:2,6,9,11; 16:20,22;17:3,8,14	present (6) 5:14;6:1;7:16;8:9; 13:9;14:8 Presentation (1) 20:10 presented (2) 16:21;21:22 press (3) 7:21,25;17:9 primarily (1) 9:15 prior (11) 9:17;12:15;14:13; 15:19,22;16:6;17:19; 19:4,25;20:3,4 Procedure (2) 2:8;15:23 procedures (4) 6:6,12;16:2,17 proceedings (3) 19:3;21:18,21 proceeds (1) 13:11 Program (1) 15:11 projected (3) 9:13,14;12:11 proper (1) 10:7 property (1) 10:24 proposal (6) 6:11;11:19,23; 16:22;19:5;21:24 proposed (14) 6:17;8:21,23;9:2; 11:24;15:16,20;16:4, 6,8,24;17:11;19:19; 22:3 proposes (2) 15:2,13 proposing (3) 8:16;10:10,12 protect (1) 14:20 Protection (5) 10:14;12:7;14:18, 23;15:4 provide (6) 6:8;10:6;11:9; 16:17;17:21,22 provided (2) 16:18;18:7 provides (1) 11:1 providing (1) 6:15 PUBLIC (23) 1:7;2:5,10;5:12; 6:14;7:16,18,22; 16:25;17:4,8,11,20; 18:3,6,9,19;19:3,15; 21:1,8,25;22:8
L		O		
last (1) 9:8 later (3) 6:3;13:4;17:19 least (1) 16:5 Ledger (2) 8:1;17:10 life (1) 13:14 loan (6) 12:23;13:3,7,17,17; 14:5 located (1) 11:1 long-term (1) 10:6	name (3) 5:6;6:1;20:20 need (2) 11:9;16:4 needs (1) 10:7 net (2) 13:9;14:7 netted (1) 11:15 New (12) 1:24;2:10;5:4;6:6, 20;10:15;15:10,24; 17:13;18:13,24;21:13 news (1) 7:20 Next (1) 20:1 NJAC (2) 6:7;15:25 NJEIFP (3) 10:13;12:6;15:6 Notary (1) 2:10	Oaks (1) 1:23 October (1) 16:12 office (1) 7:21 Officer (4) 5:2,11;21:11,16 Officer's (2) 18:25;21:21 Official (3) 6:17;16:3,24 offset (1) 9:16 Opening (4) 5:1;8:10,12;19:7 operates (1) 8:20 operating (5) 9:9;10:16;11:7; 12:4,11 Operations (5) 5:22;9:8,12;12:12, 16 opportunity (1) 16:19 Oral (2) 20:10,15 order (2) 11:3;16:20 outlining (1) 16:4 outside (1) 11:4 outstanding (1) 12:20 over (2) 12:15;15:11 overall (2) 8:23;9:2 overdraft (1) 9:16 own (1) 10:17	party (1) 18:1 pay (1) 15:7 payment (1) 13:2 payments (3) 12:20,23;13:1 per (17) 8:24;9:1,2,13,22; 12:13,17;13:19; 14:12,19,23,24,25; 15:3,14,18,21 percent (10) 10:1;12:24,25;13:4, 5,9,14;14:7;15:8,9 period (5) 6:3;18:14,24;21:14, 25 periods (1) 9:17 permitted (1) 18:20 Personnel (1) 5:10 PICCO (17) 1:9;5:4,7;7:8,13; 8:4,8;16:13;19:6,8,13, 18;20:1,8,14;21:5,13 Plant (2) 10:21;12:10 Please (3) 7:8;8:4;19:8 portion (1) 13:7 portions (1) 11:25 possible (1) 21:6 posted (1) 16:11 Practice (1) 2:8 prepare (1) 21:16 prepared (3) 18:5;19:3;20:15 pre-public (11) 6:22,25;7:2,6,9,11; 16:20,22;17:3,8,14	
M	N	P		
mailed (3) 6:18;7:19;17:1 mailing (1) 7:15 maintaining (4) 6:13;7:21;10:16; 12:4 Maintenance (5) 9:8,12;10:8;12:12, 16 management (1) 11:22 managing (1) 10:16 MANASQUAN (8) 1:6;5:21;8:18;10:3, 19;14:2,4,21 Marc (1) 5:16 March (5) 17:25;18:14;21:14, 15,25 MARIBEL (1) 2:8 mark (3) 7:8;8:4;19:8 marked (3) 7:12;8:6;19:12 market (1) 15:9 matter (1) 2:6 May (5) 14:1;15:8;17:17; 18:1;21:24	P-1 (3) 7:7,10,12 P-2 (3)			

<p>publication (2) 7:15;16:8</p> <p>published (2) 6:20;17:9</p> <p>Pumps (1) 15:12</p> <p>Purchase (12) 8:25;9:3,21,24; 10:4,5;13:18,21,24; 14:11,14;15:21</p> <p>Purchasers (1) 7:23</p> <p>purpose (1) 13:25</p> <p>purposes (1) 5:11</p> <p>pursuant (1) 2:7</p>	<p>reflects (1) 9:25</p> <p>refunded (2) 13:7;14:3</p> <p>Refunding (1) 14:3</p> <p>Register (5) 6:21;17:13;18:14, 24;21:14</p> <p>regular (2) 16:9;22:4</p> <p>Regulations (2) 16:1;17:16</p> <p>rehabilitation (1) 10:8</p> <p>related (1) 9:23</p> <p>remain (3) 13:13;15:2,14</p> <p>remains (1) 12:17</p> <p>replacement (1) 10:8</p> <p>report (4) 11:16;18:25;21:17, 21</p> <p>Reporter (1) 2:9</p> <p>represents (3) 8:25;9:4;12:14</p> <p>request (1) 16:13</p> <p>requested (1) 5:25</p> <p>requesting (1) 18:11</p> <p>require (1) 16:2</p> <p>required (2) 6:22;12:14</p> <p>requirement (1) 9:18</p> <p>Reserve (1) 13:12</p> <p>RESERVOIR (6) 1:6;8:18;10:20; 14:2,4,21</p> <p>resolutions (1) 9:19</p> <p>respectively (2) 13:18;17:5</p> <p>respond (1) 18:20</p> <p>response (5) 17:23;18:3,5,7,11</p> <p>responses (4) 19:1,24;21:7,19</p> <p>results (1) 11:14</p> <p>revenue (3) 10:18;14:3,5</p> <p>revenues (1) 9:16</p>	<p>reviewed (1) 11:12</p> <p>risk (1) 11:22</p> <p>River (1) 1:24</p> <p>Rule (1) 19:19</p> <p>Rules (1) 2:7</p>	<p>Star (2) 8:1;17:10</p> <p>starting (1) 12:14</p> <p>State (10) 2:10;6:1,9;7:19,21; 13:7,16;14:5;17:16; 20:20</p> <p>Statement (8) 5:1;6:2;8:10,12; 16:11;19:7;20:19; 21:10</p> <p>Statements (5) 20:11,11,15,16,25</p> <p>Stephen (1) 5:23</p> <p>STEVEN (2) 1:9;5:7</p> <p>stream (1) 10:18</p> <p>structure (1) 15:11</p> <p>submit (1) 17:17</p> <p>submitted (4) 17:19;19:4;21:22, 24</p> <p>subsequent (1) 17:23</p> <p>subsequently (1) 12:25</p> <p>summary (1) 11:23</p> <p>Superior (1) 2:7</p> <p>SUPPLY (10) 1:6;5:5,21;10:15, 20,21;12:3;14:2,4,21</p> <p>support (1) 11:2</p> <p>supporting (1) 20:16</p> <p>surplus (1) 9:17</p> <p>Susan (1) 5:18</p> <p>SYPNIEWSKI (1) 2:9</p> <p>SYSTEM (20) 1:6;8:19,19;9:10; 10:3,9,19,20,22;11:4, 7,19,21;12:4,9,10,21; 14:3,4,21</p> <p>systems (4) 10:17,21;11:3;12:1</p>	<p>18:5,16</p> <p>term (2) 13:10;14:8</p> <p>thereafter (1) 16:1</p> <p>three (3) 10:17;11:2;12:1</p> <p>Thursday (1) 2:11</p> <p>Times (2) 8:1;17:10</p> <p>today (5) 5:14;6:2;18:4;21:6; 22:7</p> <p>today's (3) 17:20;20:3,5</p> <p>Toms (1) 1:24</p> <p>total (4) 12:2,19;15:16,19</p> <p>TRANSCRIPT (1) 2:5</p> <p>Transmission (2) 10:22;12:10</p> <p>Traveling (1) 15:12</p> <p>Treatment (2) 10:21;12:10</p> <p>Trenton (2) 8:1;17:10</p>
Q			S	U
<p>quality (1) 14:20</p> <p>quantity (1) 14:20</p>				
R				V
<p>raised (4) 9:18;19:2;20:2; 21:20</p> <p>Raritan (2) 10:19;12:9</p> <p>rate (31) 6:6,11,17;8:24;9:1, 2,4,7,12,21;10:2,14; 11:18,23;12:12,19,24; 13:4,22;14:25;15:2, 13,16,20,23;16:1,4,8, 16,24;17:11</p> <p>Ratepayer (4) 6:10;7:20;18:9,18</p> <p>Rates (4) 8:17;9:5;19:20; 22:3</p> <p>receipt (1) 18:17</p> <p>received (5) 17:23;18:13;19:14; 20:4,25</p> <p>recommendations (1) 11:21</p> <p>record (15) 7:6,16;8:3;16:14; 17:18;18:1,12,15,22, 23;19:15;20:18,24; 21:15,18</p> <p>reduced (3) 12:25;13:5;14:22</p> <p>references (1) 8:22</p> <p>reflect (1) 20:24</p>		<p>S-1 (3) 16:15;19:10,12</p> <p>salary (1) 9:15</p> <p>Sale (1) 8:18</p> <p>sales (3) 9:14;12:16;14:15</p> <p>same (3) 15:2,14;18:11</p> <p>savings (2) 13:10;14:8</p> <p>Schedule (3) 8:16;9:7;17:12</p> <p>scheduled (2) 16:23;17:4</p> <p>Screens (1) 15:12</p> <p>Secretary (1) 7:19</p> <p>sent (1) 16:25</p> <p>Service (18) 8:17;9:18,20,23,25; 10:1,13;11:2;12:5,18, 21,23;13:12,13,20,22; 14:10;15:7</p> <p>serving (1) 5:11</p> <p>Several (1) 5:13</p> <p>shall (5) 18:5,7,11,25;21:18</p> <p>showing (1) 11:24</p> <p>six (1) 16:5</p> <p>solely (1) 21:17</p> <p>Source (5) 10:13;12:6;14:17, 22;15:4</p> <p>Southeast (1) 10:22</p> <p>specific (2) 19:1;21:19</p> <p>staff (11) 5:14;10:25;16:19; 17:20;18:2,21;19:24; 20:2;21:3,7,8</p>	<p>summary (1) 11:23</p> <p>Superior (1) 2:7</p> <p>SUPPLY (10) 1:6;5:5,21;10:15, 20,21;12:3;14:2,4,21</p> <p>support (1) 11:2</p> <p>supporting (1) 20:16</p> <p>surplus (1) 9:17</p> <p>Susan (1) 5:18</p> <p>SYPNIEWSKI (1) 2:9</p> <p>SYSTEM (20) 1:6;8:19,19;9:10; 10:3,9,19,20,22;11:4, 7,19,21;12:4,9,10,21; 14:3,4,21</p> <p>systems (4) 10:17,21;11:3;12:1</p>	<p>untreated (1) 10:20</p> <p>up (1) 17:24</p> <p>update (1) 8:22</p> <p>upon (1) 11:21</p> <p>users (1) 6:19</p> <p>Utilities (4) 7:22;10:23;18:10, 19</p>
			T	
			<p>table (1) 11:24</p> <p>TEAMS (2) 2:11;17:6</p> <p>ten (2)</p>	<p>value (2) 13:9;14:8</p> <p>various (1) 16:5</p> <p>verbal (1) 19:14</p> <p>versus (4) 9:1,4;15:19,22</p> <p>VI (1) 21:10</p> <p>VIA (2) 2:10;17:5</p> <p>vs (1) 9:24</p>

	2:12		
W	120 (2) 10:1;13:13	3	
WATER (39) 1:6;5:5,21;6:9,19, 23;7:23;8:18,24;9:3, 21,24;10:4,5,13,15, 20,21,21;12:2,6,9; 13:18,21,24;14:2,4, 11,14,18,21,22;15:4, 12,20;16:17;17:2; 18:8,18	15 (2) 14:9;17:19 15-day (1) 17:24 17 (3) 17:25;21:15;22:1 19 (5) 6:20;7:24;8:2;17:1, 7	3.78 (1) 14:7 30 (2) 8:21;16:12	
waters (1) 14:20	19.443 (1) 12:17	4	
Website (1) 16:12	1990 (2) 12:22;15:18	4 (1) 16:10 4.17 (1) 6:8	
welcome (1) 5:6	1992 (1) 13:5	4.83 (1) 13:9	
welcoming (1) 6:14	1997 (1) 13:1	45 (1) 16:23	
within (3) 16:23;18:5,16	1998 (1) 13:1	5	
working (1) 18:16	2	5.93 (1) 12:25	
writing (1) 18:21	2 (1) 22:5	6	
written (7) 17:17;18:4,7;19:14; 20:11,16;21:24	2004 (1) 14:19 2005 (2) 13:6;14:4 2006 (1) 13:15 2012 (1) 15:8 2016 (3) 14:1,6,25 2018 (1) 15:1 2024 (9) 6:20;7:24;8:2;9:9; 11:13;16:10,12;17:1, 7 2025 (22) 1:7;2:11;6:21,22; 7:3,5;8:23;9:6,10; 12:14;14:10;15:17, 20;17:5,13,15,25; 18:14;21:14,16;22:1, 5 2026 (8) 6:18;8:20,23;11:15; 12:11;15:4,15;16:9	6 (4) 1:7;2:11;16:5;17:5 6.24 (1) 13:5	
Y		7	
Year (24) 6:18;8:20,21,22; 9:10,11;11:8,11,13, 15;12:11,15,19;13:1, 5;14:13,18,25;15:1,3, 15,19,22;16:9		7.15 (1) 12:24 7.16 (1) 13:4 7:11-4.13 (1) 15:25 7:11-4.16 (1) 6:8 732 (1) 1:25 75 (1) 15:8	
years (2) 13:11;14:9		8	
Z		884 (1) 1:23	
zero (1) 15:8		9	
0		9 (5) 6:22;7:2,5;17:4,14	
028 (1) 13:19	21 (2) 6:21;17:13		
08753 (1) 1:24	22 (2) 18:14;21:14 228-3784 (1) 1:25 25 (2) 13:11;15:9		
1			
1 (9) 8:21;9:6,9;12:14, 22;14:10;15:16,17,20			
10 (2) 18:5,16			
11/4/24 (2) 19:9,12			
11:00 (1)			

Correspondence and Testimony

Exhibit G

NO CORRESPONDENCE RECEIVED

Staff Memorandum to Hearing Officer

Exhibit H



NEW JERSEY WATER SUPPLY AUTHORITY

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

March 24, 2025

MEMORANDUM

TO: Mr. Steven Picco
Hearing Officer

FROM: Marc Brooks, Executive Director
New Jersey Water Supply Authority

SUBJECT: Proposed adjustments to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System (N.J.A.C. 7:11-4.1, et seq.)

Please be advised that no additional comments or inquiries on the Manasquan Reservoir System FY2026 rate proposal were received by the Authority subsequent to the public hearing of February 6, 2025 so that the public comments noted for the record at the hearing (none) represent a complete picture of public input.

Staff has analyzed the budget of the original rate package for any revisions that should be considered prior to final action of the Authority at the May 5, 2025 meeting. There will be no change to any component of the rates as proposed at the November 4, 2024 Authority meeting.

The total rate (O&M plus Debt Service, NJEIFP Debt Component, Source Water Protection Component and Capital Fund Component) of \$1,010.75 per million gallons will apply to all Initial water purchase customers in FY2026 (starting July 1, 2025) and results in no change versus FY2025.

The total rate (O&M plus Debt Service, NJEIFP Debt Component, Capital Fund Component and Source Water Protection Component) of \$1,124.67 per million gallons will apply to all Delayed water purchase customers in FY2026 (starting July 1, 2025) and results in no change versus FY2025.

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM
FISCAL YEAR 2026 (7/1/25-6/30/26)

REVISIONS TO ORIGINAL RATE PACKAGE

1.	No Changes	

Draft Resolution Adopting Rate
Adjustments

Exhibit I

RESOLUTION OF THE NEW JERSEY WATER SUPPLY AUTHORITY

NO.: _____

DATE OF ADOPTION: _____

TITLE: Resolution Adopting Revisions to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System, to become effective July 1, 2025 (regulations found at N.J.A.C. 7:11-4.1 et seq.)

WHEREAS, N.J.S.A. 58:1B-7g and 58:1B-19 provide for the New Jersey Water Supply Authority ("Authority") to fix and revise from time to time its rates, fees and charges; and

WHEREAS, the Authority has estimated its revenue requirements for the fiscal year beginning on July 1, 2025; and

WHEREAS, by Resolution No. 2646 adopted on November 4, 2024 the Authority proposed certain revisions to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System, to become effective July 1, 2025 (regulations found at N.J.A.C. 7:11-4.1 et seq.); and

WHEREAS, the proposal was mailed to all contractual water purchasers in December 2024, and published in the Asbury Park Press, the Star Ledger and the Times (Trenton) on December 19, 2024, and also appeared in the New Jersey Register on January 21, 2025 with a 60-day comment period ending March 22, 2025; and

WHEREAS, a pre-public hearing meeting was conducted on the proposed amendments on January 9, 2025; and

WHEREAS, the Authority conducted a public hearing on the proposed amendments on February 6, 2025 with the record remaining open through March 17, 2025; and

WHEREAS, the Authority's Hearing Officer, after having reviewed and considered the testimony received during the rate making process, did submit a Hearing Officer's Report to the Authority together with recommendations; and

WHEREAS, the Authority must provide for sufficient revenues and a rate structure to cover its costs.

NOW THEREFORE, be it resolved that the Authority adopts the Hearing Officer's Report entitled "Fiscal Year 2026 Proposed Amendments to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System;" and

BE IT FURTHER RESOLVED, that the Authority adopts the following amendments to the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System, found at N.J.A.C. 7:11-4.1 et seq. to become effective on July 1, 2026:

1. Amend N.J.A.C. 7:11-4.3(c) of the Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System to maintain a sales base of 19.443 million gallons per day and to maintain the Operations and Maintenance Expense component of \$445.82 for the period of July 1, 2025 to June 30, 2026; and
2. Amend N.J.A.C. 7:11-4.4(b) (Debt Service Component for delayed water purchase contracts) to maintain a sales base

of 4.435 million gallons per day and to maintain the rate of \$438.92 per million gallons for Delayed water purchase contracts for the period of July 1, 2025 to June 30, 2026.

3. Amend N.J.A.C. 7:11-4.6(b) (Source Water Protection Fund Component) to reflect the period of July 1, 2025 to June 30, 2026 and maintain the rate of \$15.00 per million gallons.

4. Amend N.J.A.C. 7:11-4.7(b) (NJEIFP Debt Component) to reflect the period of July 1, 2025 to June 30, 2026 and maintain the rate of \$24.93 per million gallons.

5. Amend 7:11-4.5(c)(Capital Fund Assessment for Initial water purchase contract customers) to reflect the period of July 1, 2025 to June 30, 2026 and maintain the rate of \$525.00 per million gallons. Amend 7:11-4.5(e)(Capital Fund Assessment for Delayed water purchase contract customers) to reflect the period of July 1, 2025 to June 30, 2026 and maintain the rate of \$200.00 per million gallons.

BE IT FURTHER RESOLVED that the following actions are authorized:

1. Transfer \$83,170 in Overdraft Revenue from the Operating Fund into the General Fund (Rate Stabilization). Appropriate \$709,250 of prior year-end fund balances from the Operating Fund into the Rate Stabilization Fund.
2. Apply \$792,420 appropriated into the General Fund (Rate Stabilization) to the Operating Fund for Fiscal Year 2026.

Draft Resolution Adopting FY2026
Budget

Exhibit J

RESOLUTION OF THE NEW JERSEY WATER SUPPLY AUTHORITY

NO. : _____

DATE OF ADOPTION: _____

TITLE: Resolution approving the Authority's Manasquan Reservoir System Budget for Fiscal Year 2026 (July 1, 2025 - June 30, 2026).

WHEREAS, the Executive Director proposed a budget for Fiscal Year 2026 that was provided to the Authority Members on May 5, 2025; and

WHEREAS, the Authority has previously considered the proposed budget as part of the Rate Adjustment procedure for Fiscal Year 2026, and the adopted rate schedule for Fiscal Year 2026 is based upon the proposed budget requirements in the amount of \$8,508,301 including required debt service coverage.

NOW THEREFORE, be it resolved that the Authority approves a budget of \$8,508,301 for the Fiscal Year beginning July 1, 2025 through June 30, 2026.