



NEW JERSEY WATER SUPPLY AUTHORITY

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Minutes of the Meeting of the
New Jersey Water Supply Authority
January 6, 2025

A regular meeting of the New Jersey Water Supply Authority was convened on January 6, 2025 at 2:00 P.M. via teleconference.

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

Deputy Attorney General Kathrine Hunt read the statement required by the "Open Public Meetings Act". Executive Director Marc Brooks took the roll call of the Authority members.

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

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Robert Barth, D&R Canal Watch
Jay Halsted, Hunterdon Sailing Club
Isabel Kasdin, New Jersey Cultural Trust
Oleg Kostin, New Jersey American Water

Marc Brooks, Executive Director
Susan Buckley, Director Finance and Administration
Stephen Gates, Chief Engineer
Paul McKeon, Director Manasquan Water Supply System/D&R Canal Operations
Anthony Colasurdo, Director Manasquan Water Supply System/D&R Canal Operations
Kenneth Klipstein, Director Watershed Protection Programs
Rita Shaw, Controller
Dorota Neulinger, Supervisor, Financial Services
Robin Greg, Finance & Accounting Analyst
Jared Berger, Geospatial Analyst
Kathrine Hunt, Deputy Attorney General
Laura Wilton, Associate Counsel, Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Domber opened the meeting by asking for the approval of the minutes of the December 2, 2024 meeting. Mr. Picco moved for the approval of the minutes as prepared, and this motion was seconded by Ms. Blew. The minutes of the December 2, 2024 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Brooks stated that everybody has a copy of his report. Mr. Brooks stated that a drought warning which was declared on November 13 by Governor Murphy is still in effect and noted that reservoir levels are recovering slowly.

Mr. Brooks stated that the Authority has been coordinating with NJDEP and water customers to do all that can be done to maximize storage in the region.

Mr. Brooks stated that in Clinton, December precipitation was 4.83 inches, which is 1 inch above average.

Mr. Brooks noted that as of this morning, the combined storage for Round Valley and Spruce Run was at 80.5 percent of capacity, compared to a combined historic average storage of 89.1 percent for that date. Mr. Brooks stated that separately, although slowly recovering, Spruce Run remains very low at 39.5 percent of capacity. Mr. Brooks noted that Round Valley Reservoir is at 88.6 percent capacity.

Mr. Brooks stated that in Manasquan, December rainfall was 4.11 inches, which is 0.92 inches below average. Mr. Brooks stated that the Manasquan Reservoir capacity this morning was at 2.76 BG, which is 59.2 percent capacity.

Mr. Brooks discussed that nice progress has been made on pumping in Manasquan and noted that if the rainfall stays consistent, the slope of the recovery curve suggests that the reservoir will be refilled before the typical summer release period.

COMMUNICATION/CORRESPONDENCE

Mr. Brooks stated that there were no items of communication correspondence.

UNFINISHED BUSINESS

Mr. McKeon reported on the Manasquan Reservoir System and the Manasquan Water Treatment Plant/Transmission System. Mr. McKeon noted that as Mr. Brooks stated, steady progress has been made in refilling the Manasquan reservoir and stated that the water quality in the river has been relatively good. Mr. McKeon noted that there were no operational anomalies at the treatment plant and overall, it has been a normal month.

Before Mr. Gates presented his report, Mr. Brooks noted that this would likely be Mr. McKeon's last meeting before he retires February 3, the day of the next meeting. Mr. Brooks noted that Mr. Colasurdo was named as Mr. McKeon's replacement. The Board members congratulated both Mr. McKeon and Mr. Colasurdo.

Mr. Gates reported on the Raritan Basin System. Mr. Gates stated that the continued, regular precipitation over the last several weeks has resulted in releases of 0 MGD at Round Valley and 2.5 MGD at Spruce Run. Mr. Gates noted that these are minimal releases, typical for this time of year when Spruce Run is not spilling, where the 2.5 MGD release is satisfying the Clinton minimum passing flow requirement while downstream water supply needs and minimum passing flow requirements at Manville and Bound Brook are being satisfied by natural streamflow.

Mr. Gates stated that recent rain events have resulted in the Spruce Run Reservoir level recovering approximately 3 feet and 5.8 percent capacity from the data presented in the written report. Mr. Gates noted that Spruce Run Reservoir is currently up 4.41 feet from the historic low on December 10 and down 20.71 feet from full pool to elevation 252.29 and 39.5 percent of storage capacity at 4.4 billion gallons.

Mr. Gates noted that releases from Round Valley were temporarily instated on December 19, at a rate of 100 MGD to address an emergent downstream customer need. Mr. Gates stated that the release was suspended again on December 27. The pool is currently down 8.45 feet to elevation 376.55 and 88.6 percent capacity at 48.8 billion gallons.

Mr. Gates stated that canal operations are currently normal for this time of year.

Mr. Gates reported on the Spruce Run Administration Building Fuel Oil Underground Storage Tank Removal. Mr. Gates stated that the contractor is scheduled to mobilize tomorrow, January 7 with excavation, tank removal, and DCA inspection anticipated to be complete by the end of the day Wednesday, January 8. Mr. Gates stated that the contractor will then continue with assisting the LSRP with

NJDEP sampling requirements before backfilling and restoring the area.

Mr. Gates reported on the Round Valley Embankment Rehabilitation Project. Mr. Gates stated that major work is complete at all three of the Round Valley Reservoir embankments and the contractor has demobilized for winter. Mr. Gates stated that minor items may need to be addressed in Spring after a final walkthrough, including turf maintenance, instrumentation and monitoring equipment, and some final paving work, but that won't resume until March or April.

Mr. Gates reported on the Spruce Run Foundation Grouting Project. Mr. Gates stated that the Authority is awaiting authorization to award from the NJDEP I-Bank Municipal Finance and Construction Element. We are anticipating contractor award in January and mobilization within the first quarter of calendar year 2025.

Mr. Gates reported on the South Branch Pump Station Traveling Water Screen Replacement Project. Mr. Gates stated that the contractor has completed installation and preliminary function testing of the traveling water screens and has demobilized until full scale wet testing can be performed at the onset of the pumping season. Mr. Gates noted that an advertisement for bids for electrical testing and maintenance at the pump station was placed on December 30 to perform a comprehensive evaluation, assessment, and maintenance of electrical equipment within the station. Mr. Gates explained that the 2023/2024 pumping season to refill Round Valley Reservoir from the reduced construction pool resulted in nearly 18 billion gallons of water being pumped through the station with significant hours being placed on the equipment. This contract will help to ensure that the equipment is ready to provide safe and reliable operation in anticipation of pumping in April.

Mr. Gates stated that there is one change order in his report and offered to answer any questions.

Mr. Klipstein reported on the Watershed Management Program. Mr. Klipstein stated that he had nothing to add to his report. Mr. Klipstein stated that the Authority is happy to see rainfall back into a normal range and that the stress on the system has been challenging from the Watershed perspective. Mr. Klipstein offered to answer any questions.

NEW BUSINESS

Mr. McKeon provided the background information on the resolution authorizing the award of a contract for preparing and surface coating areas under support cone inside steel vessels 3,4,5, and 6 located at

the water treatment plant of the Manasquan Water Supply System, Wall Township, Monmouth County, New Jersey, WSA C25021W.

Mr. McKeon stated that the Manasquan Water Treatment Plant has six steel vessels that contain 20,000 pounds of granular activated carbon (GAC) for the removal of synthetic compounds. Mr. McKeon explained that the vessels are 30 years old and a recent inspection of the underdrain system of four of the six vessels reveals that the coating system in those areas is 90 percent failed. Mr. McKeon further explained that this has led to extensive corrosion and tuberculation in the underdrains which is contributing to flow restrictions through the vessels that staff has been observing. Mr. McKeon stated the surface grinding, sand blasting and recoating with an epoxy coating system will extend the life and restore flow capacity through the vessels.

Mr. McKeon stated that the Authority solicited bids from six qualified contractors and advertised in the usual media on October 31, 2024. Mr. McKeon noted that notice of the Invitation for Bids was also posted on the Authority's website.

Mr. McKeon noted that two (2) bids were received in response to the solicitation and were evaluated for legal responsiveness. Mr. McKeon stated that the low bid from Brave Industrial Paint LLC, of Long Branch, New Jersey was received in the amount of \$131,410. Mr. McKeon stated that a second bid close to that amount was also received. Mr. McKeon stated that staff reviewed the bids for content and adherence to technical specifications and that the low bidder, Brave Industrial Paint, LLC, was found to be in compliance with the specifications and requirements. Mr. McKeon requested that the Board authorize a contract for this work and stated that an appropriate resolution has been prepared for Board consideration.

Mr. Picco moved the resolution authorizing the Executive Director to enter into a contract with Brave Industrial Paint LLC, of Long Branch, New Jersey for furnish all labor, equipment and materials necessary for interior repairs to GAC holding vessels 3,4 5, and 6 at the Manasquan Water Treatment Plant, Wall Township, Monmouth County, New Jersey for a lump sum of \$131,410. Ms. Blew seconded the motion. All Authority members approved the resolution.

Mr. Colasurdo provided the background information on the resolution authorizing the award of a contract for the replacement of 120,000 pounds of Granular Activated Carbon at the Manasquan Water Treatment Plant, Wall Township, Monmouth County, New Jersey, WSA C2520W.

Mr. Colasurdo stated that the SMMUA board requested that staff alter the existing schedule and replace an additional 120,000 pounds

of GAC as soon as possible to confirm the result of a feasibility study conducted in 2024 to address PFAS removal at the plant. Mr. Colasurdo noted that the project was advertised in the Star Ledger, the Times, and the Asbury Park Press on October 29, 2024. Notice of Invitation for Bid was also posted on the Authority website and New Jersey Business Opportunities website. Mr. Colasurdo stated that bid documents were emailed to eight bidders and that four bids were received in response to the solicitation.

Mr. Colasurdo explained that the bid estimate was \$252,000 based on previous bids of similar scope. Mr. Colasurdo stated that the public bid opening was held on November 20, 2024.

Mr. Colasurdo stated that the bid results are tabulated as follows:

1. The low bid was \$244,800
2. The highest bid was \$385,313

Mr. Colasurdo stated that staff reviewed the bids for content, adherence to the technical specifications and completeness and that the bid from Carbon Activated Corporation was found to be in compliance with the requirements of the technical specifications and legal requirements. Mr. Colasurdo stated that staff recommends that the Authority enter into a contract with Carbon Activated Corporation of Blasdell, New York for the replacement of 120,000 pounds of granular activated carbon at the Manasquan Water Treatment Plant for a lump sum price of \$244,800.

Mr. Colasurdo explained that it should be noted that this is a budgeted activity, requested to be completed by the Southeast Monmouth Municipal Utilities Authority using year 2025 budgeted funds and surplus funds from prior years positive operations budget variances. Mr. Colasurdo stated that an appropriate resolution is included for Board consideration.

Mr. Brooks noted that the memorandum contains a typographical error indicating a lump sum amount of \$244,000.00, and that it should indicate the amount of \$244,800, which Mr. Colasurdo stated. Mr. Brooks noted that the resolution is correct, indicating the lump sum amount of \$244,800.

Mr. Domber requested a re-vote after the clarification from Mr. Brooks. It was confirmed that the resolution is correct and that the Motion and Second provided may stand.

Mr. Picco moved the resolution authorizing the Executive Director to enter into a contract with Carbon Activated Corporation of Blasdell, New York to furnish all labor, equipment and materials necessary for Granular Activated Carbon Replacement at the Manasquan Water Treatment Plant, Wall Township, Monmouth County, New Jersey for a lump sum of \$244,800.00. Mr. Havens seconded the motion. All Authority members approved the resolution.

Ms. Shaw presented the Unaudited Financial Statements for the three months ending September 30, 2024. Bond Resolution requires the Authority to prepare and distribute unaudited financial statements to interested parties within 45 days of the end of each quarter. The financial statements have been distributed to all interested parties and are available on the Authority website.

Ms. Shaw stated that the Financial Statements show favorable results of operations for the first quarter of FY2025. There is net income of \$3.5 million compared to \$3.8 million for the same period last year. Ms. Shaw stated that total Operating Revenue increased 2.7 percent from \$8.9 million to 9.1 million at September 30, 2024, due to an increase in Overdraft Revenue. Ms. Shaw noted that Operating expenses at September 30, 2024, totaling \$6.9 million, are slightly below budget at 23.4 percent of total budgeted expenses for the fiscal year and are 8.9 percent higher than the same time last fiscal year due to contractual increases in salary and fringe benefits as well as high operations and maintenance expenses, driven in part by inflation. Ms. Shaw noted that Non-operating Revenue at September 30, 2024, increased by 27.6 percent to \$1.7 million due to an increase in Investment and Interest Income and an increase in Other Income. Ms. Shaw stated that Non-operating expenses at September 30, 2024, increased 260.5 percent to \$352,000 due to an increase in the interest component of debt service associated with the Round Valley NJIB 2023 loan. Ms. Shaw offered to answer any questions and no Board action was required.

Mr. Gates provided the background information on the resolution authorizing the award of a Purchase Order for a replacement Ford F250 4X4 pickup truck with a plow for the Raritan Basin Water Supply System, Canal Field Office, Mercer County, New Jersey.

Mr. Gates stated that as is typical with vehicle purchases, Authority staff utilized NJSTART, the State of New Jersey's eProcurement portal, to identify a vehicle meeting the necessary specifications. NJSTART contains "Master Blanket Purchase Orders" also known as Term Contracts or State Contracts with pre-qualified vendors procured by the Division of Purchase and Property through a centralized procurement process that satisfies the State's fair and open procurement requirements. Mr. Gates stated that Authority staff reviewed available equipment on NJSTART and recommends that the

Authority issue a Purchase Order in the amount of \$62,019.00 to Winner Ford, Inc., of Cherry Hill, New Jersey for a replacement Ford F250 4x4 pickup truck with a plow. Mr. Gates noted that an appropriate resolution has been prepared for Board consideration.

Ms. Blew moved the resolution authorizing the Executive Director to issue a Purchase Order to Winner Ford, Inc., of Cherry Hill, New Jersey in the amount of \$62,019.00 for a replacement Ford F250 4X4 pickup truck with a plow for the Raritan Basin System Water Supply System, Canal Field Office, Mercer County, New Jersey. Mr. Picco seconded the motion. All Authority members approved the resolution.

Mr. Gates provided the background information on the resolution authorizing the award of a Purchase Order for a replacement Ford F250, extended cab, 4X4 pickup truck with a plow and tailgate spreader for the Raritan Basin Water Supply System, Canal Field Office, Mercer County, New Jersey.

Mr. Gates stated that Authority staff went through the same procurement process as the previously presented resolution for an additional replacement pickup truck for the Canal Field Office. Mr. Gates stated that Authority staff reviewed the State Contract offerings from Winner Ford on NJSTART and recommends that the Authority issue a Purchase Order in the amount of \$67,123.00 to Winner Ford, Inc., of Cherry Hill, New Jersey for a replacement Ford F250, extended cab, 4x4 pickup truck with a plow and tailgate spreader. Mr. Gates noted that an appropriate resolution has been prepared for Board consideration.

Ms. Blew moved the resolution authorizing the Executive Director to issue a Purchase Order to Winner Ford, Inc., of Cherry Hill, New Jersey in the amount of \$67,123.00 for a replacement Ford F250, extended cab, 4X4 pickup truck with a plow and tailgate spreader for the Raritan Basin System Water Supply System, Canal Field Office, Mercer County, New Jersey. Mr. Iacullo seconded the motion. All Authority members approved the resolution.

COMMITTEE REPORTS

- (a) Personnel - no report
- (b) Finance - no report
- (c) Audit - no report
- (d) Public Participation - no report
- (e) Capital Projects - no report
- (f) Insurance - no report
- (g) Watershed Lands Acquisition - no report

PUBLIC COMMENT

Mr. Halsted, representing the Hunterdon Sailing Club, noted that as a 20-year member, he is familiar with the reservoir levels and operations. Mr. Halsted stated that water is essential to the club's sailing activities and asked if water levels will be maintained during the Spruce Run Grouting Project and noted that he would like to inform the other members of the club. Mr. Brooks responded that there is every intention of operating the reservoir as normal during the project.

EXECUTIVE SESSION

There was no need for an Executive Session.

ADJOURN

Mr. Picco moved to adjourn the meeting. Ms. Blew seconded the motion. All Authority members approved the motion. The meeting was adjourned at 2:28 P.M.

I hereby certify this to be a true and original copy of the January 6, 2025 New Jersey Water Supply Authority meeting minutes.



Robin Greg
Finance & Accounting Analyst