



NEW JERSEY WATER SUPPLY AUTHORITY

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Minutes of the Meeting of the New Jersey Water Supply Authority

June 5, 2023

A regular meeting of the New Jersey Water Supply Authority was convened on June 5, 2023 at 2:00 P.M. via teleconference and in the Conference Room of the New Jersey Water Supply Authority's Clinton Administration Building, located at 1851 Route 31, Clinton, New Jersey.

As designated by Shawn M. LaTourette, Commissioner New Jersey Department of Environmental Protection and Chair New Jersey Water Supply Authority, Linda Ofori, Assistant Director, Division of Water Supply, 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: Linda Ofori, Acting Chair
Susan Blew
Ellsworth Havens
Robert Iacullo
Steven Picco

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Robert Barth, D&R Canal Watch
Oleg Kostin, New Jersey American Water
Frank Marascia, New Jersey American Water
Kenneth Wigg

Authority Staff Present:

Marc Brooks, Executive Director
Susan Buckley, Director Finance & Administration
Darin Shaffer, Chief Engineer
Paul McKeon, Director Manasquan Water Supply System/D&R Canal

Kenneth Klipstein, Director Watershed Protection Programs
Rita Shaw, Controller
Julie Shelley, Contracts and Risk Manager
Dorota Neulinger, Principal Accountant
Heather Desko, Senior Watershed Protection Specialist
Kyle Clonan, Watershed Protection Specialist
Gerald Hoagland, Supervisor Information Technology
Michelle Rollman, Finance and Accounting Analyst
Kathrine Hunt, Deputy Attorney General
Thomas Holl, Associate Counsel, Authorities Unit
Laura Wilton, Associate Counsel, Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Ofori opened the meeting by asking for the approval of the minutes of the May 1, 2023 meeting. Mr. Iacullo moved for the approval of the minutes as prepared and this motion was seconded by Ms. Blew. The minutes of the May 1, 2023 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Brooks noted that everyone has a copy of his report. Mr. Brooks stated that precipitation at the Spruce Run rain gage was only 0.83 inches in May, which is 3.32 inches below average. Mr. Brooks noted that there has been no rain in June and that there is no organized rain in the ten-day forecast. Mr. Brooks stated that the Authority started releases on May 30, which is early, and noted his concern.

Mr. Brooks stated that Spruce Run is at 99.7 percent capacity, Round Valley is at 66 percent capacity, resulting in a combined capacity of 71.6 percent. Normal combined capacity for this date is 94.9 percent.

Mr. Brooks stated that the Authority has made an operational change to the release location from the Canal to the Millstone River. Releases are being made at a point downstream of Carnegie Lake, which is further upstream on the river than normal past practice. This operational change is an attempt to reduce the likelihood that the harmful algae bloom that occurred in the Millstone River last year will be repeated. The Authority hopes to increase velocity and decrease phosphorous and nitrogen concentrations in that stretch of the river, which is where the harmful algae bloom formed last year. Mr. Brooks noted the positive collaboration happening between the Authority, water customers and the NJDEP to prevent or abate the harmful algae bloom in future years.

Rainfall at the West Farms weather station in Manasquan was 1.23 inches in May, which was 2.67 inches below average. The Manasquan Reservoir is at 97.8 percent capacity.

COMMUNICATIONS/CORRESPONDENCE

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

UNFINISHED BUSINESS

Mr. McKeon provided a report on the Water Treatment Plant and the Manasquan Reservoir System. Mr. McKeon stated that everyone has a copy of his report. Mr. McKeon stated that operations have been normal. Mr. McKeon noted that there has been very little rain in the Manasquan system during the month of May, but that the Reservoir is full.

Mr. Shaffer reported on the Raritan Basin System. Mr. Shaffer stated that everyone has a copy of his report. Mr. Shaffer stated that the Authority has already started significant releases for the 2023 season, which is about a month earlier than normal due to a very dry May.

Mr. Shaffer stated that Canal operations are currently normal with some exceptions. The Authority is making adjustments to keep the Canal lowered in the vicinity of Landing Lane for construction purposes. The Authority is also making adjustments to combat any potential harmful algae blooms in the Millstone River. The Delaware River is at a level more typical of mid-summer, but the low river level is not adversely impacting operations at this time.

Mr. Shaffer reported on the Round Valley Reservoir Dams-Rehabilitation and Resource Preservation Project. Major earthwork at the Round Valley South Dam has benefitted from an extended period of near perfect weather for the work. The contractor has mobilized substantially more resources than last year and continues working two shifts on Monday through Friday, and one shift on Saturdays. The chimney drain and earthfill is expected to be at or above elevation 320 this week, which will likely allow the contractor to cease dewatering operations. The recently installed filtered drain will then function normally, relying on gravity flow, for the remainder of the construction. For the month of May, the contractor has generally exceeded their planned production rates, making up for some schedule slip that occurred early in the spring. It is expected that the major earthwork at the South Dam will be completed before the end of this year. Mr. Shaffer described the remaining work to be completed at the North Dam which continues at a slower pace.

Mr. Shaffer stated that reconstruction of the Landing Lane spillway has continued throughout the spring. The contractor has completed the concrete substructure and began installing the stone masonry that will be the final finish. The stone masonry mockup was reviewed and accepted by the NJDEP Historic Preservation Office and the D&R Canal Commission in May. The work is expected to be completed in July.

Mr. Shaffer discussed the South Branch Pump Station pump rehabilitation and equipment upgrades. The contractor expects to begin dismantling the four pump assemblies and move them off-site for refurbishment during June.

Mr. Shaffer stated that a pre-construction meeting is scheduled for next week to kick off the 6-Mile Run culvert rehabilitation project. The construction will likely start in July and take about six months to complete.

Mr. Klipstein reported on the Watershed Management Program. Mr. Klipstein stated that everyone has a copy of his report. Ms. Blew confirmed that the response given by Mr. Klipstein in his report satisfied her question from the May meeting regarding conflicting criteria for farmland easements.

Mr. Klipstein stated that the first hydrilla treatment of the season was conducted in Manasquan last week. Due to the success of prior applications, no treatments will be made in the canal this season.

Mr. Klipstein stated that a kick-off meeting was conducted on May 1 for the Manasquan aeration system design project. Sediments were collected on May 4. It was determined that additional analytical work on the sediment samples was required. The Chair of the Capital Projects Committee approved a contract amendment in the amount of \$2,500 for the supplemental analyses.

Mr. Klipstein noted that the Boat Steward Program at the Spruce Run Reservoir and the Manasquan Reservoir began on Memorial Day and that the program will begin at the Round Valley Reservoir later in the year. Mr. Klipstein discussed the numbers of surveys that were collected and summarized the responses. Mr. Klipstein expressed optimism that increased awareness and utilization of the cleaning stations will result in fewer aquatic invasive species being transported.

NEW BUSINESS

Ms. Shaw provided the background information on the unaudited financial statements for the nine months ending March 31, 2023. Ms.

Shaw noted that bond resolutions require the Authority to prepare and distribute unaudited financial statements to interested parties within 45 days of the end of each quarter. Ms. Shaw stated that 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 nine months ending March 31, 2023, there is net income of \$10.7 million compared to \$8.4 million for the same period last year. The change in net income is largely due to an increase in overdraft revenue due to the dry summer. Operating expenses at March 31, 2023, totaling \$18.8 million, are on budget at 75.1 percent of total budgeted expenses for the fiscal year and are 4.0 percent higher than the same time last fiscal year. Non-operating revenue at March 31, 2023, is \$1.8 million which is an increase of \$1.6 million from last year due to an increase in Interest Income and FEMA reimbursements related to the IDA flooding which are included in grant revenue. Ms. Shaw offered to answer any questions and stated that no Board action was required.

Mr. Clonan provided the background information on the resolution authorizing the Executive Director to enter into a "Sole Source" contract for the Purchase and Operations of two (2) boat cleaning stations for Spruce Run Reservoir, Clinton Township, Hunterdon County and Manasquan Reservoir, Howell Township, Monmouth County. Mr. Clonan discussed the January resolution authorizing the Executive Director to execute an agreement with the NJDEP to receive \$90,000 in allotted grant funding for the purchase of two waterless boat cleaning stations to prevent the spread of aquatic invasive species at the Manasquan and Spruce Run Reservoirs. While waiting for a final contract with the NJDEP, the Authority has received an "at-risk" letter which allows for reimbursement of costs if they are performed in accordance with the terms of the subsequently executed grant agreement. Staff has been assured by the NJDEP Grant Manager that the proposed purchase will be reimbursable up to the full \$90,000 and recommends that the Authority move forward with the purchase at the completion of the Governor's veto period. This timing will facilitate the delivery of the cleaning stations in time for use during the 2023 boating season.

Mr. Clonan reviewed the design and purpose of the waterless, self-powered, trailered boat cleaning stations and noted that the proposed vendor is the only known manufacturer of such systems. Mr. Clonan noted that the cost of the stations has increased since the original budget was developed and that the balance will be paid from the Raritan Basin and Manasquan Source Water Protection accounts.

Mr. Havens moved the resolution to authorize the Executive Director to enter into a purchase order agreement with CD3 General

Benefit Corporation in the amount of \$92,400 to purchase 2 (two) "CD3 Wayside Solar Trailer Mounting" Boat Cleaning Stations, contingent on the issuance of an "at-risk" letter or an executed grant agreement with NJDEP. Mr. Picco seconded the motion. All Authority members approved the resolution.

Mr. McKeon provided the background information on the resolution authorizing the award of construction contract WSA-B23022M for instrumentation improvements at the Manasquan Dam, Howell Township, Monmouth County. Mr. McKeon stated that the Manasquan Reservoir Dam and Dike are equipped with an instrumentation system that includes vibrating wire piezometers. Mr. McKeon noted that piezometers are instruments that monitor the water levels in wells placed in the dam itself. There were originally 44 such devices installed along the various stations of the Dam and Dike. Eight of the piezometers have failed over time and are not repairable.

Mr. McKeon stated that a consultant was engaged to prepare plans and technical specifications and a well drilling program to install eight new open well piezometers and decommission seven non-functioning stress cells at the Manasquan Dam. In the new configuration, these piezometers will be replaceable if they fail without having to re-drill the wells. The installation of the new piezometers will provide the Authority with real-time data that will be used to monitor the safety and performance of the dam and help staff make operational and maintenance decisions. Mr. McKeon described the bid process.

Ms. Blew moved the resolution authorizing the Executive Director to enter into a contract with Keller Industrial, Inc., of Rockaway, NJ for the installation of eight piezometer wells and the decommissioning of seven stress cells at the Manasquan Dam for a lump sum and unit price cost of \$246,600.00. Mr. Picco seconded the motion. All Authority members approved the resolution.

Mr. Shaffer provided the background information on the resolution authorizing the award of construction contract WSA-C23004 for Long Term Stabilization of the Delaware and Raritan Canal's Western Embankment from Station 156+00 to 207+00, Phase I, Stockton Borough, Hunterdon County. Mr. Shaffer stated that the Canal embankment in Stockton Borough has experienced partial slope failures and full breaches during several storm events over the past 18 years. Repairs performed under emergency conditions addressed these problems and restored Canal flow in the case of the breaches. The Authority subsequently retained a consulting engineer to design more permanent repairs. Phase I of this project is intended to restore the Canal embankment's prismatic shape, regrade the embankment's crest to eliminate low spots, and to aesthetically

restore the storm-damaged dry laid stone armoring that is missing on the river side slope at specific locations. Mr. Shaffer described the bid process, including one bid which was withdrawn.

Mr. Havens moved the resolution to authorize the Executive Director to enter into a construction contract with Vollers Excavating & Construction, Inc. from North Branch, New Jersey, for the Long-Term Stabilization of the Canal Western Embankment, Phase I, in Stockton Borough, New Jersey, for a lump sum and unit price cost not to exceed amount of \$1,598,686.00. 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 Committee - no report

PUBLIC COMMENT

There was no public comment.

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 of the motion. The meeting was adjourned at 2:35 P.M.

I hereby certify this to be a true and original copy of the June 5, 2023 New Jersey Water Supply Authority meeting minutes.

Michelle Rollman

Michelle Rollman
Finance and Accounting Analyst