

NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION

PUBLIC COMMISSION MEETING

WEDNESDAY, MAY 22, 2019

The monthly Public Meeting of the Commission was called to order by Chairman Howard L. Burrell on Wednesday, May 22, 2019 at 9:01 a.m., One F.A. Orechio Drive, Wanaque, New Jersey.

Chairman Howard L. Burrell, Vice Chairman Charles P. Shotmeyer and Commissioners Alan S. Ashkinaze, Jerome P. Amedeo, Donald C. Kuser, Robert C. Garofalo and James L. Cassella were recorded present. Also present were Timothy J. Eustace, Executive Director, Todd R. Caliguire, Deputy Executive Director, William Schaffner, Chief Financial Officer, Bhavini A. Doshi, Esq., Commission Counsel from the law firm of McManimon, Scotland & Baumann, LLC and Edmund Caulfield, Senior Counsel of the Governor's Authorities Unit.

At this time, Commission Counsel Bhavini Doshi administered the oath of office to newly appointed Commissioner James L. Cassella.

Chairman Burrell asked everyone to stand and recite the Pledge of Allegiance.

Pursuant to the requirements of N.J.S.A. 10:4-6, et seq., Commission Secretary Kim Diamond acknowledged compliance with the statute. Commission Secretary Diamond advised that the provisions of the Open Public Meetings Act have been complied with as to the posting of notice in a public place reserved for such announcement and transmittal to the mass media for publication.

Commission Secretary Kim Diamond read the following resolution:

***WHEREAS**, Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances; and*

***WHEREAS**, the public body is of the opinion that such circumstances recently exist.*

***NOW, THEREFORE, BE IT RESOLVED**, by the Commissioners of the North Jersey District Water Supply Commission of the State of New Jersey as follows:*

- 1. The public shall be excluded from discussions of the hereinafter-specified subject matters; the general natures of the subject matters to be discussed are Personnel, Pending Litigation and Contracts;*
- 2. It is anticipated at this time that the above stated subject matters will be ratified during the Public Meeting to follow or as soon thereafter as the reason for discussing the matters in the Executive Conference no longer exists.*
- 3. This Resolution shall take effect immediately.*

Commissioner Ashkinaze offered a motion to adopt the resolution regarding Section 8, Chapter 231, P.L. 1975 of the Open Public Meetings Act; seconded by Commissioner Amedeo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser and Garofalo voting in the affirmative. The Public Meeting was recessed at 9:06 a.m.

Chairman Burrell reconvened the Public Meeting at 9:59 a.m. and noted that no representatives from the member municipalities were present to address the issue of the proposed temporary sales agreement with the Borough of Glen Ridge for available water from the Wanaque South Project.

PUBLIC COMMISSION BUSINESS**ACTION REQUIRED:**

Vice Chairman Shotmeyer offered a motion to approve the Public Commission Meeting Minutes of April 25, 2019; seconded by Commissioner Garofalo and approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser and Garofalo voting in the affirmative. Commissioner Cassella abstained.

Commissioner Amedeo offered a motion to approve the Public Work Session Minutes of April 25, 2019; seconded by Commissioner Ashkinaze and approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser and Garofalo voting in the affirmative. Commissioner Cassella abstained.

Commissioner Kuser offered a motion to approve the Purchase Requisitions over \$5000 Report for May 2019 in the amount of \$44,176.17; seconded by Commissioner Amedeo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo and Cassella voting in the affirmative.

UNFINISHED BUSINESS:

None

NEW BUSINESS:**Commission Invoices:**

- a. **Various Invoices from Arcadis US, Inc. for Contract #2013 – Construction Admin Services – Basins 5 & 6 in the amount of \$23,619.57**
Paul Serillo, Director of Facilities and Michael Dox, Plant Electrical Engineer approved invoice 3(a) for payment.
- b. **Invoice #2022-13 from Alpine Painting & Sandblasting for Contract #2022 – Task #3-6 Filters, Surface Wash & Pipe Gallery in the amount of \$80,901.05**
Maria Alliegro, Director of Engineering and Chris Clamser, Project Engineer approved invoice 3(b) for payment.
- c. **Invoice #25 from Stone Hill Construction for Contract #1096 – Clarifier System Rehabilitation in Basins 5 & 6 in the amount of \$293,655.76**
Paul Serillo, Director of Facilities and Michael Dox, Plant Electrical Engineer approved invoice 3(c) for payment.
- d. **Invoice #329019 from Premier Services/USIC, LLC for Contract #2019 – Underground Locating in the amount of \$4,789.28**
Maria Alliegro, Director of Engineering and James Stachura, Sr. Project Engineer approved invoice 3(d) for payment.
- e. **Various Invoices from PFM Asset Management LLC – Fees for Oversight of Asset Management Program in the amount of \$2,083.33**
William Schaffner, Chief Financial Officer and Michael Broncatello, Comptroller approved invoice 3(e) for payment.
- f. **Invoice #INV159068 from E.H. Wachs for Contract #2026 – Valve Maintenance Skid in the amount of \$76,159.72**
Paul Serillo, Director of Facilities and James Michels, Manager PISM approved invoice 3(f) for payment.
- g. **Invoice #0766512 from GZA GeoEnvironmental for Contract #1061 – Shooting Range Site Remediation in the amount of \$4,700.00**
Maria Alliegro, Director of Engineering and Les Malyskyy, Engineering Project Manager approved invoice 3(g) for payment.

h. Invoice #87940534R from McPhee Electric (formerly JBL) for Contract #1092 – Electrical Upgrades to LLPS in the amount of \$112,416.50

Paul Serillo, Director of Facilities and Michael Dox, Plant Electrical Engineer approved invoice 3(h) for payment.

i. Invoice #1040-08 & 1040-09 from Joseph M. Sanzari, Inc. for Contract #1040 – Design and Build Perimeter Retaining Structure in RTF lagoon – FINAL PAYMENTS in the amount of \$302,108.95

Maria Alliegro, Director of Engineering and James Stachura, Sr. Project Engineer approved invoice 3(i) for payment.

j. Various Invoices from Princeton Hydro LLC for Contract #1097 – Reservoir & Watershed Management Consulting in the amount of \$34,270.83

Lewis Schneider, Director of Treatment/Lab & Compliance and Maureen Kneser, Lab Manager approved invoice 3(j) for payment.

k. Invoice #23835 from Public Strategies Impact LLC for Community/Media Relations Consulting in the amount of \$4,250.00

Tim Eustace, Executive Director approved invoice 3(k) for payment.

l. Various Invoices from Jacobs Engineering Group, Inc. for Contract #1090 – General Consulting Engineering Services in the amount of \$24,105.16

Maria Alliegro, Director of Engineering, Michael Dox, Plant Electrical Engineer, Chris Clamser, Project Engineer and Les Malytskyy, Engineering Project Manager approved invoice 3(l) for payment.

Vice Chairman Shotmeyer offered a motion to approve invoices 3(a) through 3(l); seconded by Commissioner Ashkinaze and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing the Online Sale of Surplus Vehicles and Equipment

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING THE ONLINE SALE OF SURPLUS VEHICLES
AND EQUIPMENT**

WHEREAS, pursuant to N.J.S.A. 58:5-1 et seq., the North Jersey District Water Supply Commission (“Commission”) is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, pursuant to the broad power conferred in N.J.S.A. 58:5-7, the Commission is empowered to dispose of all such property as may no longer be necessary for the uses and purposes for which the Commission was created; and

WHEREAS, the staff of the Commission has identified certain vehicles and equipment (Exhibit “A” attached) that are no longer necessary for the provision of potable water supplies to its member municipalities in accordance with its statutory responsibilities; and

WHEREAS, the Commission desires to dispose of such surplus vehicles and equipment pursuant to a publicly advertised process in order to obtain the fair market value for such vehicles and equipment for the benefit of its member municipalities; and

WHEREAS, the sale and disposition of such surplus vehicles and equipment is necessary for the Commission's efficient operations and the protection of its water supply facilities; and

WHEREAS, the Commission had previously authorized the sale of surplus vehicles and equipment through GovDeals, a state contract online government surplus auction website; and

WHEREAS, the Commission desires to sell the surplus vehicles and equipment identified

on Exhibit A through GovDeals.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that the Commission hereby approves and authorizes the sale and disposition of surplus vehicles and equipment identified on Exhibit A attached hereto through GovDeals as follows:

- (1) The sale of the surplus property shall be conducted through GovDeals pursuant to State Contract A-83453/T2581 in accordance with its terms and conditions.
- (2) The sale will be conducted online and the address of the auction site is govdeals.com.
- (3) The sale is being conducted pursuant to Local Finance Notice 2008-9; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Commissioner Ashkinaze offered a motion to adopt the resolution authorizing the online sale of surplus vehicles and equipment; seconded by Commissioner Garofalo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing Amendment No. 2 to Contract #1096 with Stone Hill Contracting Company, Inc. for the Clarifier System Rehabilitation in Basins 5 and 6

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING AMENDMENT NO. 2 TO CONTRACT #1096
WITH STONE HILL CONTRACTING COMPANY, INC. FOR THE CLARIFIER
SYSTEM REHABILITATION IN BASINS 5 AND 6**

WHEREAS, the North Jersey District Water Supply Commission (“Commission”) is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, the Commission previously determined there was a need to retain a team of qualified firms to provide the design and construction for the Clarifier System Rehabilitation for Basins 5 and 6 (the “Design and Build Services”); and

WHEREAS, this project is funded through the New Jersey Infrastructure Bank, formerly NJEIT (“NJIB”); and

WHEREAS, the Commission publicly advertised a request for qualifications and proposals for the Design and Build Services, and received proposals from interested parties; and

WHEREAS, on or about May 25, 2016, the Commission adopted a resolution awarding Stone Hill Contracting Company, Inc. (“Stone Hill”) a contract for the provision of the Design and Build Services (“Contract #1096”); and

WHEREAS, the original contract amount for Design and Build Services was an amount not to exceed \$8,233,356.00, but in June 2018, the Commission authorized Amendment No. 1 to Contract #1096 in the amount of \$673,741.40, increasing the total contract amount to \$8,907,097.40; and

WHEREAS, as part of the equipment selection process during the design phase, an overall credit of \$72,937.00 became due to the Commission; and

WHEREAS, in July 2018, due to discrepancies with field conditions, additional investigation and analysis were performed by the design engineer (a “datum study”) to provide a remedy to these discrepancies, the cost of which was \$114,851.87; and

WHEREAS, the aforementioned additional investigation and analysis will result in a net increase to Contract #1096 in the amount of \$41,914.87 (“Amendment No. 2”), bringing the total contract amount to \$8,949,012.27; and

WHEREAS, Commission staff have examined the additional work done by the design engineers and Amendment No. 2 to Contract #1096 and have determined that the services and fees set forth therein are

reasonable, necessary and appropriate, and have recommended that the Commission approve Amendment No. 2 to Contract #1096; and

WHEREAS, the award of this Amendment No. 2 to Contract #1096 is necessary for the efficient operation of the Commission; and

WHEREAS, upon issuance of final approval by the NJIB and/or the NJDEP, the Chief Financial Officer of the Commission will certify that the funds are available for this Amendment No. 2 to Contract #1096.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that Amendment No. 2 to Contract #1096 with Stone Hill is hereby approved in the not-to-exceed lump sum amount of \$41,914.87; and

BE IT FURTHER RESOLVED, that this conditional approval of Amendment No. 2 to Contract #1096 is subject to the review and approval of the NJIB and/or the NJDEP; and

BE IT FURTHER RESOLVED that the Executive Director and General Counsel of the Commission are hereby authorized to prepare Amendment No. 2 to Contract #1096 in the amount of \$41,914.87 in accordance with the Stone Hill proposal and this resolution, with all other terms and conditions of Contract #1096, as amended, to remain unchanged; and

BE IT FURTHER RESOLVED that, upon issuance of approval by the NJIB and/or NJDEP, the Chairman or Vice Chairman of the Commission is hereby authorized to execute Amendment No. 2 to Contract #1096 and the Secretary of the Commission is authorized to attest to the signature of either the Chairman or the Vice Chairman; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Commissioner Ashkinaze offered a motion to adopt the resolution authorizing Amendment No. 2 to Contract #1096 with Stone Hill Contracting Company, Inc. for the Clarifier System Rehabilitation in Basins 5 and 6; seconded by Commissioner Garofalo and unanimously approved with Chairman Burrell, Vice Chairman Burrell and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing Change Order No. 1 to Contract #2045 with Statewide Fence Contractors, LLC

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING CHANGE ORDER NO. 1 TO CONTRACT
#2045 WITH STATEWIDE FENCE CONTRACTORS, LLC**

WHEREAS, the North Jersey District Water Supply Commission (“Commission”) is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, the Commission previously determined there was a need to retain a contractor for work relating to perimeter security fencing at the Commission’s Headworks Facility (the “Perimeter Fencing Services”); and

WHEREAS, on or about March 8, 2019, the Commission publicly advertised and solicited bids for the Perimeter Fencing Services, and on April 10, 2019 received three (3) bids in response to the solicitation; and

WHEREAS, on or about April 25, 2019, the Commission adopted Resolution 1851 awarding Statewide Fence Contractors, LLC (“Statewide”) a contract for the provision of Perimeter Fencing Services for a not-to-exceed sum of \$126,600.00 (“Contract #2045”); and

WHEREAS, the Commission has further reviewed the project and concluded that the facility would be better served by providing the crash-rated fencing along the Commission’s remaining northern frontage on Ringwood Avenue and along the southern side of the Wanaque Reformed Church Parking lot, rather than a gate at the base of Raymond Dam (collectively, “Change Order No. 1”); and

WHEREAS, at the request of the Commission, Statewide submitted a proposed Change Order No. 1 to Contract #2045, which would result in a total net increase of \$22,548.00 to the contract cost, bringing the total cost of Contract #2045 to a new amount of \$149,148.00; and

WHEREAS, Commission staff have examined Statewide's proposed Change Order No. 1 to Contract #2045 and have determined that the services and fees set forth therein are reasonable, necessary and appropriate, and have recommended that the Commission approve Change Order No. 1 to Contract #2045; and

WHEREAS, the award of this Change Order No. 1 to Contract #2045 is necessary for the efficient operation and security of the Commission; and

WHEREAS, the Chief Financial Officer of the Commission has certified that the funds are available for this Change Order No. 1 to Contract #2045.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that Change Order No. 1 to Contract #2045 with Statewide, is hereby approved, bringing the total authorized contract cost to a not-to-exceed amount of \$149,148.00; and

BE IT FURTHER RESOLVED that the Executive Director and General Counsel are hereby authorized to modify Contract #2045 with Change Order No. 1, in accordance with Statewide's proposal and this resolution, with all other terms and conditions of Contract #2045 to remain unchanged; and

BE IT FURTHER RESOLVED that the Chairman or Vice Chairman of the Commission is hereby authorized to execute Change Order No. 1 to Contract #2045, and the Secretary of the Commission is authorized to attest to the signature of either the Chairman or the Vice Chairman; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Commissioner Ashkinaze offered a motion to adopt the resolution authorizing Change Order No. 1 to Contract #2045 with Statewide Fence Contractors, LLC; seconded by Commissioner Garofalo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing a Tax Appeal Settlement with the Township of Little Falls with Respect to 115 Paterson Avenue, Block 89, Lot 6 within the Township for the 2016 through 2019 Tax Years

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING A TAX APPEAL SETTLEMENT WITH THE
TOWNSHIP OF LITTLE FALLS WITH RESPECT TO 115 PATERSON
AVENUE, BLOCK 89, LOT 6 WITHIN THE TOWNSHIP FOR THE 2016
THROUGH 2019 TAX YEARS**

WHEREAS, the North Jersey District Water Supply Commission ("Commission") is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, the Commission is the owner of certain property located at 115 Paterson Avenue, which is identified as Block 89, Lot 6 on the tax maps of the Township of Little Falls (the "Township"); and

WHEREAS, the Commission filed an appeal to the Tax Court of New Jersey for the said premises for the 2016 through 2019 tax years seeking to reduce the assessed value of the premises (presently approximately \$1.2 million), and the Township filed a counterclaim in certain of those years; and

WHEREAS, the parties have engaged in settlement negotiations to try and resolve all appeals across all outstanding tax years; and

WHEREAS, as a result of those settlement negotiations, a settlement has been reached on the follow terms with respect to the subject premises:

SETTLEMENT PROPOSAL FOR ALL OUSTANDING TAX YEARS

- 2016 tax year – the Commission will withdraw the appeal for that year without reduction in the assessed value of the premises.
- 2017 tax year – an assessment reduction to \$900,000.00 to be made (part of a 3 year staggered reduction).
- 2018 tax year – an assessment reduction to \$750,000.00 to be made (part of a 3 year staggered reduction).
- 2019 tax year – an assessment reduction to \$500,000.00 to be made (part of a 3 year staggered reduction).
- 2020 tax year assessment – the assessment of the premises is to be set at \$300,000.00, about the value of one buildable acre of the subject property.
- The Township will withdraw any and all counterclaims for the 2016 through 2019 tax years; and

WHEREAS, the assessment of the premises going forward in 2020 will be \$300,000, a substantial reduction from the current assessment of \$1.2 million, which considers the constraints on 4 of the 5 acres of the premises (*e.g.*, steep slopes of 15% grade or more; wetlands; frontage issues; etc.); and

WHEREAS, the “phase in” portion of the settlement from 2017 to 2019 is intended to achieve a refund of about \$46,947.00 in taxes previously paid by the Commission with respect to the premises; and

WHEREAS, the Commission’s General Counsel and its Appraisal Consultant, Norman J. Goldberg, SRA, CRE, GAA, IFAS, have recommend the settlement to the Commission in light of the foregoing; and

WHEREAS, the Board of Commissioners of the Commission is of the opinion that the said settlement is in the best interests of the Commission, all for the reasons aforesaid.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission, that the settlement in this matter as set forth herein above be and the same approved by the Board, and the Commission’s General Counsel is authorized and directed to effectuate the said settlement, including the execution of all documents reasonably necessary to achieve that end, including by way of example and not limitation, the preparation, filing and execution of appropriate forms of Stipulation of Settlement with the Tax Court of New Jersey; and

BE IT FURTHER RESOLVED that this approval is expressly conditioned on the Township of Little Falls also approving of the settlement terms by formal action by the Township Council; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Vice Chairman Shotmeyer offered a motion to adopt the resolution authorizing a tax appeal settlement with the Township of Little Falls with respect to 115 Paterson Avenue, Block 89, Lot 6 within the Township for the 2016 through the 2019 tax years; seconded by Commissioner Ashkinaze and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing a Temporary Sales Agreement with the Borough of Glen Ridge for Available Water from the Wanaque South Project

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING A TEMPORARY SALES AGREEMENT WITH
THE BOROUGH OF GLEN RIDGE FOR AVAILABLE WATER FROM THE
WANAQUE SOUTH PROJECT**

WHEREAS, the North Jersey District Water Supply Commission (“Commission”) is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, pursuant to the Water Transmission Facilities Act, N.J.S.A. 58:5-33 et seq., the State declared its public policy to foster and promote the treatment, filtration and use of water supplies developed

by the State, and granted the Commission powers to enable it, amongst other things, to finance, construct and to place into operation, operate and use facilities deemed necessary and incident to the treatment, filtration, transmission and distribution of potable water from raw water made available by the State to municipalities and persons pursuant to the provisions of the New Jersey Water Supply Law of 1958, N.J.S.A. 58:22-1 et seq.; and

WHEREAS, in 1982, the Commission, in a collaborative effort with United Water New Jersey (now SUEZ Water and hereinafter referred to as “SUEZ”), undertook the financing of an expansion of the Commission’s water supply system for the purpose of developing an additional 79 million gallons per day (“MGD”) supply of raw water (the “Wanaque South Project”); and

WHEREAS, on or about April 13, 1982, the Commission entered into a certain service contract regarding the provision of water from the Wanaque South Project (the “South Service Contract”), by and between the Commission and the City of Bayonne (now represented by the Bayonne Municipal Utilities Authority), the Township of Bloomfield, the Township of Cedar Grove, the Town of Kearny, the City of Newark, the Township of Nutley, and the Township of Wayne (collectively, the “Wanaque South Municipalities”), pursuant to which the Commission sets rates with respect to all water it supplies to the Wanaque South Municipalities; and

WHEREAS, pursuant to Article 7, Section 704 of the South Service Contract, the Commission may “enter into an agreement with any municipality” for the sale of excess available water from the Wanaque South Project, provided that the Commission has “obtained sufficient assurance of additional quantities of water from the State”; and

WHEREAS, on or about June 14, 2013, the New Jersey Department of Environmental Protection (“NJDEP”) issued a final determination to the Commission increasing the safe water yield attributable to the Wanaque South Project by 8.5 million gallons per day (the “Increase”); and

WHEREAS, on or about November 24, 2013, the Commission notified the Wanaque South Municipalities of the Increase, and inquired as to whether any of the Wanaque South Municipalities were interested in increasing their supply of water from the Commission; and

WHEREAS, the Township of Wayne (“Wayne”) and the Township of Bloomfield (“Bloomfield”) petitioned the Commission to permanently increase their respective supplies – specifically, with Wayne requesting a 0.5 MGD increase and Bloomfield requesting a 0.59 MGD increase (that would subsequently be increased an additional 0.41 MGD through an option for a total increase of 1.0 MGD); and

WHEREAS, these petitions were subsequently approved by resolution of the Board of Commissioners of the Commission on April 22, 2015 for Wayne and on April 22, 2015 and on March 22, 2017 for Bloomfield, respectively; and

WHEREAS, subsequent to the petitions of Wayne and Bloomfield, the Township of Montclair (“Montclair”), a non-Wanaque South municipality, petitioned the Commission to temporarily purchase available water from the Wanaque South Project in the amount of 1.0 MGD, which petition was approved by resolution of the Board of Commissioners of the Commission on August 26, 2015; and

WHEREAS, on April 12, 2019, the Borough of Glen Ridge (“Glen Ridge”), another non-Wanaque South municipality, petitioned the Commission to purchase, on a temporary basis, available water from the Wanaque South Project in the amount of .03 MGD; and

WHEREAS, Commission staff, having reviewed the petition by Glen Ridge, recommends entering into a ten (10) year sale agreement with Glen Ridge, with a right to renew the sale agreement for up to three (3) consecutive five-year terms; and

WHEREAS, during the term of the temporary sale agreement, Glen Ridge will pay the applicable water rate charged to the Wanaque South Municipalities, plus a ten percent (10%) premium charged to non-Wanaque South Municipalities; and

WHEREAS, also during the first ten (10) year term of the temporary sale agreement, Glen Ridge shall have the option of purchasing a permanent membership interest in the Wanaque South Project, and if Glen Ridge so exercises this option, it will be permitted to allocate up to fifty percent (50%) of the premium payments it makes in excess of the rate charged to the Wanaque South Municipalities towards the costs of joining the Wanaque South Project; and

WHEREAS, this temporary sale agreement will otherwise be subject to the same terms and conditions applicable to Wanaque South Municipalities as set forth in the South Service Contract; and

WHEREAS, notice regarding this resolution and the proposed terms and conditions herein was provided to the Wanaque South Municipalities on April 30, 2019; and

WHEREAS, no South Municipalities objected to the sale of excess water supply to Glen Ridge from the Wanaque South Project or the proposed terms and conditions associated therewith.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that a temporary sale agreement with Glen Ridge for available water from the Wanaque South Project is hereby authorized; and

BE IT FURTHER RESOLVED, that the available water that Glen Ridge is purchasing through the temporary sale agreement is .03 MGD, with the rate charged to be the same as other municipalities within the Wanaque South Project plus a ten percent (10%) premium; and

BE IT FURTHER RESOLVED, that the Executive Director and General Counsel are hereby authorized to prepare the temporary sale agreement as described within this resolution; and

BE IT FURTHER RESOLVED, that the Executive Director and General Counsel are hereby authorized to prepare an amendment to Schedule A of the South Service Contract reflecting the sale of .03 MGD to the Borough of Glen Ridge, and that all other terms and conditions of the South Service Contract shall remain in full force and effect; and

BE IT FURTHER RESOLVED that the Chairman or Vice Chairman of the Commission is hereby authorized to execute the temporary sale agreement and any other documents necessary to effectuate this resolution, and the Secretary of the Commission is authorized to attest to the signature of either the Chairman or the Vice Chairman; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Commissioner Ashkinaze offered a motion to adopt the resolution authorizing a temporary sales agreement with the Borough of Glen Ridge for available water from the Wanaque South Project; seconded by Commissioner Garofalo and approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing the Award and Execution of a Contract to Lerch, Vinci & Higgins, LLP for Work Associated with the Audit of Annual Financial Statements

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING THE AWARD AND EXECUTION
OF A CONTRACT TO LERCH, VINCI & HIGGINS, LLP
FOR WORK ASSOCIATED WITH THE AUDIT OF
ANNUAL FINANCIAL STATEMENTS**

WHEREAS, the North Jersey District Water Supply Commission (“Commission”) is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, the Commission has determined that it is necessary to retain the services of a contractor which possesses the necessary expertise to prepare an audit of the Commission’s annual financial statements for each of its projects (the “Auditing Services”); and

WHEREAS, the Commission is empowered by law to appoint and employ professionals, technical advisors and experts as the Commission may determine to be necessary for its efficient operation; and

WHEREAS, the Commission has been empowered pursuant to its enabling legislation — specifically N.J.S.A. 58:5-20 — to solicit proposals in writing and award contracts after public advertisement; and

WHEREAS, on or about March 8, 2019, the Commission publicly advertised a Request for Proposals and Qualification Statements for work associated with Auditing Services in accordance with requirements and specifications set forth therein (“RFP #002-2019”), and subsequently received four proposals from interested firms on or about April 2, 2019; and

WHEREAS, the Commission's evaluation committee reviewed and evaluated the proposals and determined that the proposal from Lerch, Vinci & Higgins, LLP ("Lerch, Vinci & Higgins") in the not-to-exceed contract amount of \$92,000.00 for a two-year term, representing \$46,000.00 per year (the "Proposal"), was the most qualified, responsible, and responsive proposal for the Auditing Services, and has recommended that Lerch, Vinci & Higgins be awarded a contract in accordance with the Commission's enabling legislation and applicable State law; and

WHEREAS, the initial contract term shall be two (2) years, and includes the annual audit of the Commission's financial statements for the fiscal years ending December 31, 2018 and December 31, 2019, and the Commission may, in its sole discretion, extend the contract for up to two (2) additional, consecutive, one (1) year terms under the same terms and conditions; and

WHEREAS, the Commission desires to retain the services of Lerch, Vinci & Higgins to perform the Auditing Services in accordance with the Commission's requirements as set forth in RFP #002-2019, the Proposal, and any applicable laws, rules or regulations; and

WHEREAS, the award of this contract is necessary for the Commission's efficient water treatment operations, the protection of the Commission's water supply facilities, and the health, safety and welfare of the public; and

WHEREAS, the Chief Financial Officer of the Commission has certified that the funds will be available for this contract.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that a contract for Auditing Services be awarded to Lerch, Vinci & Higgins as the most qualified, responsive, and responsible proposal in accordance with the Commission's enabling legislation and applicable State law, for an amount not to exceed \$92,000.00 for a two-year term (\$46,000.00 per year); and

BE IT FURTHER RESOLVED that the Executive Director and General Counsel are hereby authorized to prepare a contract for the Auditing Services, incorporating the Commission's requirements as set forth in RFP #002-2019, the Proposal, and any applicable law, rule or regulation; and

BE IT FURTHER RESOLVED that the Chairman or Vice Chairman of the Commission is hereby authorized to execute such a contract and the Secretary of the Commission is authorized to attest to the signature of either the Chairman or Vice Chairman; and

BE IT FURTHER RESOLVED that a copy of this resolution and the contract shall be maintained in the Office of the Executive Director and made available for public inspection.

Commissioner Ashkinaze offered a motion to adopt the resolution authorizing the award and execution of a contract to Lerch, Vinci, Higgins, LLP for work associated with the audit of annual financial statements; seconded by Commissioner Amedeo and approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing Change Order No. 1 to Purchase Order No. 19-00256 with Coastal Technical Sales for Hypochlorite Tanks

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING CHANGE ORDER NO. 1 TO PURCHASE
ORDER NO. 19-00256 WITH COASTAL TECHNICAL SALES FOR
HYPOCHLORITE TANKS**

WHEREAS, the North Jersey District Water Supply Commission ("Commission") is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, the Commission previously determined there was a need to replace four (4) fiberglass tanks which store its sodium hypochlorite disinfectant after a test in accordance with New Jersey Department of Environmental Protection ("NJDEP") standards; and

WHEREAS, in accordance with N.J.S.A. 58:5-20 and Section 1, Subsection I of the Commission's Purchasing Policies and Procedures Manual, and based upon the recommendation of the Commission's staff,

the Executive Director and Chief Financial Officer of the Commission determined that the internal damage to the sodium hypochlorite tanks constituted an emergency warranting the immediate replacement of the sodium hypochlorite tanks without the necessity of engaging in public advertisement and bidding; and

WHEREAS, after a prior potential vendor could not provide the adequate design of new high-density polyethylene hypochlorite tanks (“HDPE Tanks”), the Commission staff requested a proposal from Coastal Technical Sales, Inc. (“Coastal”) for the replacement of the tanks; and

WHEREAS, Coastal provided a price quote of \$47,040.00 for the provision of each new HDPE Tank for a total of \$188,160.00 for all four (4) HDPE Tanks (the “Proposal”); and

WHEREAS, on or about January 23, 2019, the Commission adopted Resolution 1837 authorizing the retention of Coastal to provide four (4) new HDPE Tanks as an emergency, for an amount not to exceed \$302,177.14, which included the Proposal, plus freight, installation costs, and a five-year warranty (“Purchase Order No. 19-00256”); and

WHEREAS, the Commission has further reviewed the Proposal and concluded that to further protect the material within the HDPE tanks from freezing during extreme weather events, the tanks would be better served by providing each tank with a 6-inch manufactured flange fitting designed to accept an immersion heating system at a later date if the material starts to freeze (collectively, the “Change Order No. 1”); and

WHEREAS, Coastal submitted a proposed Change Order No. 1 to Purchase Order No. 19-00256, which would result in a total net increase of \$1,360.00, bringing Purchase Order No. 19-00256 to a new total not-to-exceed amount of \$303,537.14; and

WHEREAS, Commission staff have examined Coastal’s proposed Change Order No. 1 to Purchase Order No. 19-00256 and have determined that the services and fees set forth therein are reasonable, necessary and appropriate, and have recommended that the Commission approve Change Order No. 1 to Purchase Order No. 19-00256; and

WHEREAS, the award of Change Order No. 1 to Purchase Order No. 19-00256 is necessary for the efficient operation and security of the Commission; and

WHEREAS, the Chief Financial Officer of the Commission has certified that the funds are available for Change Order No. 1 to Purchase Order No. 19-00256.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that Change Order No. 1 to Purchase Order No. 19-00256 with Coastal Technical Sales, Inc. is hereby approved, bringing the total authorized contract to a not-to-exceed amount of \$303,537.14; and

BE IT FURTHER RESOLVED that the Executive Director and General Counsel are hereby authorized to modify Purchase Order No. 19-00256 with Change Order No. 1, in accordance with Coastal’s proposal and this resolution, with all other terms and conditions of Purchase Order No. 19-00256 to remain unchanged; and

BE IT FURTHER RESOLVED that the Executive Director of the Commission is hereby authorized to execute Change Order No. 1 to Purchase Order No. 19-00256, and the Secretary of the Commission is authorized to attest to the signature of the Executive Director; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Commissioner Ashkinaze offered a motion to adopt the resolution authorizing Change Order No. 1 to Purchase Order No. 19-00256 with Coastal Technical Sales for hypochlorite tanks; seconded by Commissioner Kuser and approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Resolution – Authorizing and Ratifying the Second Renewal Option and Authorizing a Three Month Temporary Extension to Contract #1097 with Princeton Hydro for Reservoir and Watershed Consulting Services

Commission Secretary Kim Diamond read the following resolution:

**RESOLUTION OF THE NORTH JERSEY DISTRICT WATER SUPPLY
COMMISSION AUTHORIZING AND RATIFYING THE SECOND RENEWAL**

**OPTION AND AUTHORIZING A THREE MONTH TEMPORARY EXTENSION
TO CONTRACT #1097 WITH PRINCETON HYDRO FOR
RESERVOIR AND WATERSHED CONSULTING SERVICES**

WHEREAS, the North Jersey District Water Supply Commission (“Commission”) is a public body corporate duly organized and existing under and by virtue of the laws of the State of New Jersey, exercising public and essential governmental functions and providing for the public health and welfare, and is engaged in developing raw water sources, storing water and distributing a reliable supply of potable water to its participating municipalities; and

WHEREAS, the Commission previously determined there was a need to retain the services of a general environmental consulting firm to review, advise and recommend actions to preserve the pristine water quality of the Commission’s watershed and reservoirs (the “Reservoir and Watershed Consulting Services”); and

WHEREAS, on or about February 10, 2016, the Commission publicly advertised a request for qualifications and proposals for the Reservoir and Watershed Consulting Services (“RFP #003-2016”), and received proposals from interested parties thereafter; and

WHEREAS, on or about March 23, 2016, the Commission adopted a resolution awarding RFP #003-2016 to Princeton Hydro (“Princeton”) for a not-to-exceed contract amount of \$61,180.00 (“Contract 1097”); and

WHEREAS, on or about May 24, 2017, the Commission adopted a resolution authorizing Change Order No. 1 to Contract #1097 to permit Princeton to apply copper sulfate treatments to the Wanaque Reservoir to mitigate a bloom of diatom algae and ensure the water quality of the Wanaque Reservoir; and

WHEREAS, on or about June 28, 2017, the Commission adopted a resolution authorizing Change Order No. 2 to Contract #1097 to permit Princeton to apply alum and polyaluminum chloride treatments to the Wanaque Reservoir and undertake a tracer dye study, and exercising its first renewal option for a one (1) year extension under the same terms and conditions as outlined in Contract #1097; and

WHEREAS, on or about September 29, 2017, the Commission adopted a resolution authorizing Change Order No. 3 to Contract #1097 to undertake a modeling analysis regarding the impact of the diversion of river water during summer months on the Wanaque Reservoir’s phosphorous concentration; and

WHEREAS, Commission staff is requesting to exercise and ratify the second and final renewal option under Contract #1097 to extend Contract #1097 until June 28, 2019 in order to complete the Reservoir Management Plan, and obtain other needed services including, but not limited to, additional copper sulfate treatments, alum and polyaluminum chloride treatments, to undertake a nitrate study, and to pay outstanding invoices, all at a not-to-exceed cost of \$71,000.00; and

WHEREAS, the Commission will require more time to develop and issue a new request for proposals for Reservoir and Watershed Consulting Services at the conclusion of Contract #1097, and so to avoid a lapse in Reservoir and Watershed Consulting Services, Commission staff is requesting a temporary ninety (90) day extension of the contract after June 28, 2019 until September 28, 2019 (“Contract End Date”); and

WHEREAS, at the Commission’s discretion and as may be required until the Contract End Date, Princeton Hydro may provide additional Reservoir and Watershed Consulting Services including, but not limited to, copper sulfate treatments, alum and polyaluminum chloride treatments, a nitrate study, and general consulting on reservoir and watershed management (the “Continued Services”); and

WHEREAS, any Continued Services must be performed within the current not-to-exceed contract amount of \$71,000.00 for the final one-year extension of Contract #1097; and

WHEREAS, the renewal and extension of Contract #1097 is necessary for the efficient operation of the Commission; and

WHEREAS, the Chief Financial Officer of the Commission has certified that the funds are available for the renewal and extension of Contract #1097.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Jersey District Water Supply Commission that Contract #1097 with Princeton Hydro is hereby renewed and extended to September 28, 2019 at a not-to-exceed cost of \$71,000.00, representing the second and final one-year renewal option of the contract plus an additional three (3) months temporary extension to avoid a lapse in services while a new request for proposals for Reservoir and Watershed Consulting Services is developed and issued; and

BE IT FURTHER RESOLVED that the Executive Director and General Counsel are hereby authorized to prepare the renewal and extension under the same terms and conditions as Contract #1097 other than the new not-to-exceed cost amount of \$71,000.00; and

BE IT FURTHER RESOLVED that the Chairman or Vice Chairman of the Commission is hereby authorized to execute the such a renewal and extension of Contract #1097, and the Secretary of the Commission is authorized to attest to the signature of either the Chairman or the Vice Chairman; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be maintained in the Office of the Executive Director and made available for public inspection.

Vice Chairman Shotmeyer offered a motion to adopt the resolution authorizing and ratifying the second renewal option and authorizing a three month temporary extension to Contract #1097 with Princeton Hydro for reservoir and watershed consulting services; seconded by Commissioner Ashkinaze and approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Wanaque North Operating Account:

Upon Chief Financial Officer Schaffner's certification of the attached bills and payroll transfers as being proper and accurate, Commissioner Kuser offered a motion to approve the Wanaque North Operating Account in the amount of \$6,848,603.91 for May 2019; seconded by Commissioner Garofalo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Wanaque South Operating Account:

Upon Chief Financial Officer Schaffner's certification of the attached bills and payroll transfers as being proper and accurate, Commissioner Kuser offered a motion to approve the Wanaque South Operating Account in the amount of \$862,055.66 for May 2019; seconded by Commissioner Garofalo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Wanaque South Joint Venture Operating Account:

Upon Chief Financial Officer Schaffner's certification of the attached bills and payroll transfers as being proper and accurate, Commissioner Kuser offered a motion to approve the Wanaque South Joint Venture Operating Account in the amount of \$498,130.15 for May 2019; seconded by Commissioner Garofalo and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

There being no further business, Commissioner Ashkinaze offered a motion to adjourn the meeting at 10:06 a.m.; seconded by Commissioner Kuser and unanimously approved with Chairman Burrell, Vice Chairman Shotmeyer and Commissioners Ashkinaze, Amedeo, Kuser, Garofalo and Cassella voting in the affirmative.

Respectfully submitted,

Kim Diamond
Commission Secretary