

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 2025

ADJUSTMENT OF SOURCE WATER PROTECTION FUND COMPONENT TO
REFLECT NO CHANGE IN COMPONENT RATE
FOR FISCAL YEAR 2025

ADJUSTMENT OF DEBT SERVICE COST COMPONENT TO
REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED
FOR FISCAL YEAR 2025

ADJUSTMENT OF NJEIFP DEBT COMPONENT TO
REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED
FOR FISCAL YEAR 2025

ADDITION OF CAPITAL FUND COMPONENT RATE FOR INITIAL AND DELAYED
WATER PURCHASE CONTRACT CUSTOMERS FOR FISCAL YEAR 2025

Effective Date: July 1, 2024

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 (3/12/24)</u>	Exhibit H
<u>Draft Resolution Adopting Rate Adjustments</u>	Exhibit I
<u>Draft Resolution Adopting FY2025 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) 2025 (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 FY2025 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 FY2025.

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, 2023 to cover the operating expenses of the System for FY2024. The FY2024 sales base was 19.443 mgd, and was projected to remain the same in FY2025 in the November 2023 Basis and Background Statement. In FY2025, the O&M rate component will remain at \$445.82, representing no change versus FY2024.

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 2023 Initial Proposal.

The Source Water Protection Fund Component of the rate for FY2025 of \$15.00/mg is no change over FY2024, and will not change relative to staff's November 2023 proposal.

The rate component for FY2025 of \$24.93/mg for repayment of debt to the NJEIFP will not change relative to staff's November 2023 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 FY2025, 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 FY2024, and no change relative to staff's November 2023 proposal.

Rate Setting Procedure:

The formal rate adjustment proposal was authorized at the Authority's November 6, 2023 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 2023 proposal (included in Exhibit B) was available for review on the Authority's web site on October 27, 2023.

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 2, 2024 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, 2023 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 4, 2024. One member of the public, representing New Jersey American, was in attendance. Minutes of the pre-public hearing meeting are set forth in Exhibit E.

A public hearing was conducted on February 1, 2024 at 11:00 a.m., via the Microsoft Teams meeting platform. One member of the public, representing New Jersey American, was 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 12, 2024 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 6, 2024 meeting.

A draft resolution for the approval of the FY2025 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, 2024. This reflects no change versus the FY2024 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 FY2025, and is no change from the Initial Proposal.

The O&M Component for FY2025, \$445.82/mg, reflects no change to the FY2024 rate and there is no change from the Initial Proposal. The proposed operating expense budget for FY2025 is \$302,557 more than FY2024, due primarily to increases in salary and fringe and fuel expenses. The proposed Capital Equipment Budget is \$32,000 lower than in FY2024. 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 \$90,200 in FY2024 to \$225,400 in FY2025. Staff anticipates virtually no change in the net budget requirement for the O&M Component during FY2025, consistent with the Initial Proposal.

The FY2025 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 \$824,500.

With the allocation of appropriate Headquarters General and Administrative costs to the System, the projected operating costs for FY2024 indicate that an O&M rate component of \$445.82/mg is required commencing July 1, 2024. This represents no increase relative to FY2023 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 FY2025 rate is \$15.00/mg, which represents no change relative to FY2024 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 water travel 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 FY2025, 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 FY2025, 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 FY2024 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 FY2025 combined rate of \$1,124.67, which is no change from the FY2024 rate and no change from the Initial Proposal.

The proposed FY2025 Debt Service Assessment of \$438.92/mg commencing July 1, 2024, reflects no change in the rate compared to FY2024, 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 FY2025, 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 FY2024.

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 4, 2024. One member of the public was in attendance.

The Authority held a public hearing on February 1, 2024. One member of the public was 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 FY2025. I find the FY2025 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 FY2025 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 FY2025 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 FY2025 for repayment of debt to the NJEIFP. I find the FY2025 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 FY2025. I find the FY2025 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. 2598 dated 11/6/23 authorized \$824,500 in unanticipated revenues to be appropriated into the Rate Stabilization Fund, all of which would be used in the FY2025 MRS budget.¹ The resolution adopting the final rates will authorize \$824,500 in unanticipated revenues to be appropriated into the Rate Stabilization Fund for use in FY2025.
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 FY2025 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 FY2025 O&M rate component of \$445.82/mg for initial water purchase contracts and delayed 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 FY2025 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.

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

6. The Authority should adopt a FY2025 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 FY2025 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 FY2025 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 FY2025 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 FY2025 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 7/1/23-6/30/24	Initial Proposed Rates Per MG 7/1/24-6/30/25	Recommended Rates Per MG 7/1/24-6/30/25
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

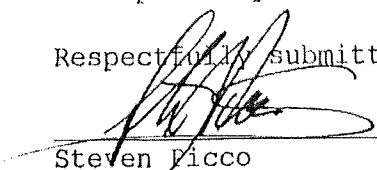
Delayed Water Purchase Contracts

Dated July 1, 2001, October 1, 2002, and January 1, 2005

Component	Current Rates Per MG 7/1/23-6/30/24	Initial Proposed Rates Per MG 7/1/24-6/30/25	Recommended Rates Per MG 7/1/24-6/30/25
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, 2024 are hereby recommended for adoption by the Authority.

Respectfully submitted,


 Steven Picco
 Hearing Officer
 March 12, 2024

Resolution Proposing Rate
Adjustments

Exhibit A

RESOLUTION OF THE NEW JERSEY WATER SUPPLY AUTHORITY

NO.: 2598

DATE OF ADOPTION: November 6, 2023

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, 2024; 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, 2024 to June 30, 2025; 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, 2024 to June 30, 2025; 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, 2024 to June 30, 2025; 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, 2024 to June 30, 2025; 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, 2024 to June 30, 2025; 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, 2024 to June 30, 2025.

BE IT FURTHER RESOLVED that the following actions are authorized:

1. Transfer \$181,750 in Overdraft Revenue into the General Fund (Rate Stabilization). Appropriate \$642,750 in prior year year-end fund balances from the Operating Fund into the Rate Stabilization Fund.

2. Apply \$824,500 appropriated into the General Fund (Rate Stabilization) to the Operating Fund for Fiscal Year 2025.

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 2025

ADJUSTMENT OF SOURCE WATER PROTECTION FUND COMPONENT TO REFLECT NO CHANGE IN COMPONENT RATE FOR FISCAL YEAR 2025

ADJUSTMENT OF DEBT SERVICE COST COMPONENTS TO REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED FOR FISCAL YEAR 2025

ADJUSTMENT OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM DEBT COMPONENT TO REFLECT BOND YEAR PAYMENTS DUE AND REQUIRED FOR FISCAL YEAR 2025

ADJUSTMENT OF CAPITAL FUND COMPONENT RATE FOR INITIAL AND DELAYED WATER PURCHASE CONTRACT CUSTOMERS TO REFLECT NO CHANGE FOR FISCAL YEAR 2025

Effective Date: July 1, 2024

Approved: 11/6/2023

Contents

PART I – EXPLANATION OF PROPOSED REVISED RATE STRUCTURE.....	4
Overview of Rate Proposal for Fiscal Year 2025	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 2025 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.....	18
Proposed Fiscal Year 2025 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 2025 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, 2022 – June, 2023 Fiscal Year 2023 G&A Expenses Split.....	34
Schedule 16 - Estimate of Interest Income	37
Schedule 17 - Unanticipated Revenue	38
Schedule 18 - Fund Balances as of 6/30/23	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	52
Appendix I. Report of Mercadien PC – Allocation of Headquarters General and Administrative Expenses – FY 2025	i
Appendix II. Report of Mercadien PC – Allocation of Headquarters General and Administrative Expenses – Audited FY 2023 Expenditures	ii

PART I – EXPLANATION OF PROPOSED REVISED RATE STRUCTURE

Overview of Rate Proposal for Fiscal Year 2025

(July 1, 2024 - June 30, 2025)

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, 2024.

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 (FY2024) Rates Per MG 7/1/2023 – 6/30/2024	Proposed (FY2025) Rates Per MG 7/1/2024 – 6/30/2025
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 (FY2024) Rates Per MG 7/1/2023 – 6/30/2024	Proposed (FY2025) Rates Per MG 7/1/2024 – 6/30/2025
Operations & Maintenance Component	\$445.82	\$445.82
Source Water Protection Fund Component	15.00	15.00
Debt Service Cost Component	438.92	438.92
NJEIFP Debt Component	24.93	24.93
Capital Fund Component	200.00	200.00
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, 2023 to cover the operating expenses of the System for FY2024. The FY2024 sales base was 19.443 million gallons per day (mgd). The Authority anticipates that the applicable raw water O&M sales base for FY2025 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 \$3,161,717 in O&M component revenue required during FY2025 with an O&M rate component of \$445.82 per million gallons, no change from FY2024, starting on July 1, 2024 (Schedule 20, page 41). The proposed operating expense budget for FY2025 is \$302,557 higher than FY2024 and the proposed Capital Equipment Budget, net of depreciation reserve, is \$32,000 less than FY2024. In FY2025 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 FY2024. In FY2025 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 \$86,605 to the SMMUA Water Treatment Plant and Transmission System for actual FY2023 salary and fringe expenses. This amount will be applied to the CY2024 SMMUA budget (Schedule 15, pages 34-36).

Miscellaneous revenue and interest income in FY2025 is projected to increase by \$370,520 relative to FY2024, reflecting an increase in the use of year end surplus available from FY2023 (Schedule 17, page 38), as well as higher interest earnings (Schedule 16, page 37). Overdraft revenue of \$181,750 is available from 2023.

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 FY2024. 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 FY2025.

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 FY2025 is required to cover debt service payments in accordance with the schedule and is no change from the FY2024 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 FY2025.

For Initial Water Purchase Contract customers in FY2025, 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 FY2024. 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 FY2025 is \$1,124.67 per million gallons, representing no change relative to the FY2024 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, 2024 through June 30, 2025. 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, 2024, January 10, 2025, April 10, 2025 and July 10, 2025.

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 4, 2024.

A public hearing on the proposed rate adjustment is scheduled at 11:00 a.m. on Thursday, February 1, 2024. The public hearing record is estimated to close on March 11, 2024.

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 6, 2024 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 FY2023 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 FY2025 budget based on the FY2023 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, 2023. The percentages used to provide the basis for the salary allocation for FY2025 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 appear 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 fringes (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 FY2025.

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 FY2025.

Overview of Projected Operational Expenses

The Authority's proposed FY2025 Manasquan Reservoir Total Expense budget is \$335,557 more than the current FY2024 budget. The allocation of Authority Headquarters General and Administrative Expenses in FY2025 is increasing by \$33,000 versus FY2024. The Capital Equipment budget for FY2025 is \$32,000 less than FY2024. There will be no FY2025 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 \$370,520. These factors contribute to a flat FY2025 O&M Component requirement relative to FY2024 (\$3,161,717 vs. \$3,161,689) (Budget Summary on page 19).

Total O&M Direct Expenses are increasing by \$113,535 from FY2024, largely due to increases in insurance expenses and electricity. General and Administrative Expenses allocated to the Reservoir System are decreasing by \$24,831 as compared to FY2024, driven mostly by projected decreases in fuel and major vehicle repair costs.

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 expired on June 30, 2023. The FY2025 budget incorporates all union negotiated step increases in the expired union contracts and assumes a 4% cost of living increase in both FY2024 and FY2025. 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 one management employee. Also included is a 4% annual cost of living increase for the one member of Authority management who is not represented by a union. The Authority is budgeting 61 percent of the Salary budget for fringe benefits in FY2025, exclusive of retiree medical.

Pension expense payable to the state of New Jersey on April 1, 2024 is anticipated to be approximately \$300,000 for the Manasquan System. The Authority has budgeted \$321,000 for this line item in FY2025. 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 \$336,675 in FY2025 as compared to FY2024, and the portion allocated to the Reservoir System is increasing by approximately \$213,853, based on estimated work effort on each system for all positions. In FY2025, 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 FY2025 is 27, which is the same as FY2024 (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 FY2025. Indications from state level negotiations point to significant increases in health care premiums in calendar year 2024 (for active employees, 5.7% increase in medical premiums and 19.9% increase in prescription premiums; for retirees, 7.3% overall increase). 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 2023 premiums, the Authority has budgeted the aforementioned state recommended for CY2024. For CY2025, 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 \$88,660 increase in insurance expenses for FY2025, 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 FY2025 total \$933,000 of which \$805,000 is charged to the Manasquan Reservoir System and \$128,000 is charged to the Manasquan Water Treatment Plant (Schedule 13, page 32). The FY2025 budget also includes the reconciliation of the FY2023 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 FY2025 are \$225,400. This reflects an increase of \$135,200 relative to FY2024 and is based upon an interest rate of 2.5 percent for short-term investments (See Schedule 16, page 37).

Reserve Contributions

Consistent with FY2024, there will be no FY2025 contribution to the Insurance Reserve or the Pumping Reserve. During FY2025, 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 FY2025. There was a supplemental contribution of \$350,000 to the Renewal and Replacement Fund in FY2017 that is not required in FY2025. 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 FY2025.

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 FY2025.

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, 2023 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, 2023 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 FY2025.

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 FY2025.

PART II – DETAILED SUPPORTING INFORMATION

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Table 1 - Summary of Proposed Fiscal Year 2025 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, 2024 to June 30, 2025

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%
NJEIFP Debt Component	\$24.93	\$24.93	\$0.00	0.00%
Capital Fund Component	\$525.00	\$525.00	\$0.00	0.00%
Total Rate	\$1,010.75/mg	\$1,010.75/mg	\$0.00/mg	0.00%

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, 2024 to June 30, 2025

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
FY2005-FY2024**

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	Percent Increase (Decrease)
July 1, 2005	295.41	15	584.6			\$895.01	-2.89%
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%

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Table 3 - Rate History of Water Charges per Million Gallons of Raw Water - Delayed
FY2010-FY2024

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	Percent Increase (Decrease)
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%

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule of Events

(N.J.A.C. 7:11-4.1 et.seq.)

To become effective July 1, 2024

2023

- SEPTEMBER 27 Advise Water Users of informal meeting.
- OCTOBER 26 Informal meeting with Water Users – 11:00 AM.
- NOVEMBER 6 Board reviews and approves proposed Rates.
- DECEMBER 14 Mail Official Notice to water customers, Rate Payer Advocate, interested parties and advertise in newspapers.

2024

- JANUARY 2 Publication in the New Jersey Register.
- 4 Pre-Public Hearing – 11:00 AM (within 45 days of Official Notice).
Deadline for responses to inquires received prior to pre-public hearing.
- 29 Deadline for receipt of comments to be addressed at Public Hearing
(15 days after pre-public hearing).
- FEBRUARY 1 Public Hearing Meeting. (Manasquan Administration Building) – 11:00
AM Deadline for responses to inquires received between pre-public and
public hearing.
- 16 Written responses to questions raised at Hearing (within 10
business days of the public hearing).
- MARCH 2 NJ Register Comment Period Ends.
- 11 Public Hearing record closes (25 business days after
Public Hearing).
- MAY 6 Board approval of FY 2025 Rates & Budget
- JULY 1 Effective date.

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Proposed Fiscal Year 2025 Budget Summary

(07/01/24-06/30/25)

	ADOPTED F/Y2024 <u>Reservoir Budget</u>	PROPOSED F/Y2025 <u>Reservoir Budget</u>
Proposed Operating Expense Budget (Schedule 1)	\$ 2,867,454	\$3,170,011
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System (Schedule 13)	<u>\$ 770,000</u>	<u>\$ 805,000</u>
Proposed Total Expense Budget	\$ 3,637,454	\$ 3,975,011
Proposed Capital Equipment Budget (Schedule 14)	\$ 32,000	\$ -
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/Y22 Salary and Fringe Expenses to be paid (from)/to WTP/TS Account (Schedule 15)	\$ 19,615	\$ 86,605
Adjustment for F/Y21 Salary and Fringe Expenses to be paid (from)/to WTP/TS Account	<u>\$ -</u>	<u>\$ -</u>
Total Budget Requirements	<u>\$ 3,839,069</u>	<u>\$ 4,211,617</u>
Interest Earnings on Funds (Except Renewal and Replacement and Depreciation Reserve Fund) (Schedule 16)	\$ (90,200)	\$ (225,400)
Unanticipated Revenue (Schedule 17)	<u>\$ (587,180)</u>	<u>\$ (824,500)</u>
Total Miscellaneous Revenue & Interest Income	<u>\$ (677,380)</u>	<u>\$ (1,049,900)</u>
Net Amount to be paid for O & M Component	<u>\$ 3,161,689</u>	<u>\$ 3,161,717</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 1 - Total Operations & Maintenance Budget
Fiscal Year 2025

	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	RESERVOIR %	AMOUNT RESERVOIR	WIP/TS %	AMOUNT WIP/TS
Director	157,900	109,895	-	-	-	267,795	50%	133,897	50%	133,898
Project Engineer II	120,500	83,866	-	-	-	204,366	70%	143,055	30%	61,311
Water Supply Tech.	74,000	51,885	-	550	-	126,435	62%	78,389	38%	48,046
Administrative Assistant	77,400	53,869	-	-	-	131,269	47%	61,695	53%	69,574
Supervisor Technical Facilities Maint	97,500	70,699	3,531	550	-	172,280	43%	74,079	57%	98,201
St. Water Supply Tech	84,900	59,845	536	550	-	145,831	35%	51,040	65%	94,791
Maintenance Worker I	53,000	37,270	-	550	-	90,820	93%	84,461	7%	6,359
Supervisor Operations	113,400	78,924	-	-	-	192,324	25%	48,080	75%	144,244
Equipment Operator	50,600	35,600	-	550	-	86,750	94%	81,544	6%	5,206
Foreman Bldg & Grounds Maint	84,900	59,845	536	550	-	145,831	85%	123,956	15%	21,875
Foreman Facilities Maintenance	84,900	63,045	5,134	550	-	153,629	47%	72,205	53%	81,424
Facilities Mechanic (3 Positions)	198,100	141,626	3,741	1,650	-	345,117	45%	155,301	55%	189,816
Supervisor Plant Operator	70,600	53,057	5,084	550	-	129,291	37%	47,836	63%	81,455
Maintenance Worker I Operations	46,400	32,676	-	550	-	79,626	92%	73,255	8%	6,371
Reservoir Sys Oper./Asst RSO (5 Positions)	266,400	214,002	36,432	2,750	1,900	521,484	95%	495,409	5%	26,075
Plant Operator (6 Positions)	425,900	340,896	60,606	3,300	-	830,702	1%	8,306	99%	822,396
TOTAL: (rounded)	<u>2,006,400</u>	<u>1,487,000</u>	<u>115,600</u>	<u>12,650</u>	<u>1,900</u>	<u>3,623,550</u>		<u>1,732,508</u>		<u>1,891,042</u>
TOTAL = 27 Positions										

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 3 - Reservoir System Operations and Maintenance Direct Expense Budget
Proposed F/Y 2025, Adopted F/Y 2024, and Actual F/Y 2020-2023

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 ADOPTED	FY '25 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	399	805	0	900	1,600	2,000
5220	Utilities -Electrical Service	70,058	76,270	80,402	94,912	86,725	92,100
5230	-Gas Service	6,415	7,664	10,528	10,677	11,700	12,450
5240	-Propane						
5250	Electricity for Pumping Station	206,599	239,940	250,569	393,169	305,000	356,000
5260	Fuel - Vehicular						
5270	Oil & Grease						
5280	Tires						
5290	Maintenance Supplies	9,671	9,198	13,306	11,072	14,700	14,700
5300	Maint. Supplies - Vehicular						
5310	Major Vehicle Service & Repair						
5320	Agricultural Supplies						
5330	Maintenance Equipment	42,721	40,500	41,535	55,755	51,500	51,500
5340	Serv. & Maintenance Contracts	39,953	5,742	27,789	8,994	46,650	35,000
5350	Equipment Rental	11,105	8,970	2,514	4,730	10,000	10,000
5360	Household - Safety Supplies	2,518	3,373	2,441	1,065	1,000	1,000
5370	Uniforms						
5380	Special & Professional Services	68,971	80,245	119,466	59,241	112,850	93,850
5390	Protective Services	259,993	292,378	319,005	372,502	381,416	470,076
5400	Telephone	9,285	10,244	12,270	13,959	9,008	9,008
5410	Postage & Freight Out						
5420	Data Processing						
5430	Printing & Office Supplies	714	566	1,232	4,402	2,000	2,000
5440	Scientific & Photographic	2,524	781	3,028	147	5,500	3,500
5450	Dues & Subscriptions						
5460	Advertising & Promotional		704	442	881	2,000	2,000
5470	Travel & Subsistence			59			
5480	Staff Training & Tuition Aid		255		202		
5490	Fees & Permits	31,680	31,840	33,260	36,166	38,000	38,000
5500	In - Lieu Taxes	36,756	36,756	36,756	36,756	38,300	38,300
5510	Sediment Removal	59,961		60,932	59,040	62,000	62,000
5520	Chemicals						
5525	Carbon Filter Replacement						
	Total Other Expenses	\$859,321	\$846,229	\$1,015,532	\$1,164,569	\$1,179,949	\$1,293,484
	Total Operating Expenses	\$859,321	\$846,229	\$1,015,532	\$1,164,569	\$1,179,949	\$1,293,484
	ANNUAL BUDGET	\$1,008,584	\$1,005,936	\$1,116,400	\$1,157,613	\$1,179,949	\$1,293,484

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 2025, Adopted F/Y 2024, and Actual F/Y 2020-2023

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 ADOPTED	FY '25 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	9,000	7,000
5220	Utilities -Electrical Service	255,320	260,159	301,059	371,127	306,800	410,000
5230	-Gas Service	24,720	24,304	37,514	28,361	38,000	38,000
5240	-Propane						
5250	Electricity for Pumping Station						
5260	Fuel - Vehicular						
5270	Oil & Grease	1,317	0	0	294	3,000	2,000
5280	Tires						
5290	Maintenance Supplies	6,983	10,506	8,054	9,079	7,100	7,700
5300	Maint. Supplies - Vehicular						
5310	Major Vehicle Service & Repair						
5320	Agricultural Supplies			723			
5330	Maintenance Equipment	32,057	49,941	100,640	92,771	105,500	105,500
5340	Serv. & Maintenance Contracts	35,593	18,958	43,963	41,540	57,938	45,000
5350	Equipment Rental	763	1,417	1,409	447	3,200	3,200
5360	Household - Safety-Supplies	1,260	3,925	1,948	1,995	2,000	2,000
5370	Uniforms						
5380	Special & Professional Services	23,710	28,170	22,713	34,496	34,800	35,000
5390	Protective Services	80,832	93,722	108,664	121,516	125,042	155,865
5400	Telephone	539	511	505	412	1,200	1,200
5410	Postage & Freight Out		103		7	300	300
5420	Data Processing						
5430	Printing & Office Supplies	2,343	4,964	3,973	6,679	9,800	9,800
5440	Scientific & Photographic	10,663	9,491	13,741	13,982	15,000	15,000
5450	Dues & Subscriptions						
5460	Advertising & Promotional	260	1,038	319	1,121	1,000	1,000
5470	Travel & Subsistence	12		70	190		
5480	Staff Training & Tuition Aid	0	355	621	352	1,320	1,320
5490	Fees & Permits	6,141	5,390	6,240	4,240	9,000	7,640
5500	In - Lieu Taxes	140	140	140	140	400	400
5510	Residual Removal	0	0	46,157	30,515	16,000	16,000
5520	Water Treatment Chemicals	132,813	143,893	123,107	187,692	166,680	225,000
5525	GAC Replacement		50,000	65,962	0	65,000	95,000
5528	Reimb of O&M Capital Expenditures	1,138	9,279	5,544	18,738		
	Total Other Expenses	\$618,647	\$722,957	\$896,933	\$966,601	\$978,080	\$1,183,925
	Total Operating Expenses	\$618,647	\$722,957	\$896,933	\$966,601	\$978,080	\$1,183,925
	ANNUAL BUDGET	\$855,400	\$864,000	\$909,916	\$891,139	\$978,080	\$1,183,925

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 2025, Adopted F/Y 2024, and Actual F/Y 2020-2023

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 ADOPTED	FY '25 PROPOSED
5110	Regular Salaries & Wages	\$1,744,737	\$1,699,456	\$1,715,778	\$1,713,663	\$1,868,575	\$2,020,950
5120	Overtime-Salaries & Wages	71,499	64,694	85,409	91,909	100,000	115,600
5130	New positions-Salaries & Wages						
5140	Seasonal Help-Salaries & Wages						
5150	Fringe Benefits	554,954	250,181	879,808	264,014	1,094,500	1,224,400
5160	Retiree Health Benefits	(184,085)	(106,171)	174,262	195,430	218,800	257,600
5168	Workers Comp. (Self-Insured)	701	0	823	1,692	5,000	5,000
	Total Salary, Wages & Fringe	\$2,187,807	\$1,908,160	\$2,856,080	\$2,266,708	\$3,286,875	\$3,623,550
	Budget - salary and fringe						
5200	Residences						
5210	Heating Fuel						
5220	Utilities -Electrical Service						
5230	-Gas Service						
5240	-Propane						
5250	Electricity for Pumping Station						
5260	Fuel - Vehicular	13,896	15,990	29,005	27,497	46,800	33,600
5270	Oil & Grease	3,628	1,596	8,207	8,390	8,300	8,300
5280	Tires	8,905	3,233	4,962	9,609	12,000	12,000
5290	Maintenance Supplies	7,890	10,186	12,697	24,306	15,000	27,300
5300	Maint. Supplies - Vehicular	9,703	16,194	9,124	9,746	20,000	11,600
5310	Major Vehicle Service & Repair	18,290	45,738	20,267	25,508	52,000	35,000
5320	Agricultural Supplies	1,787	6,161	3,999	5,577	9,100	8,100
5330	Maintenance Equipment	2,734	3,641	5,383	4,539	12,000	10,100
5340	Serv. & Maintenance Contracts	18,620	16,414	25,296	22,922	25,852	28,100
5350	Equipment Rental	2,411	2,365	2,550	2,594	4,300	4,300
5360	Household - Safety Supplies	11,830	9,399	12,394	9,646	13,700	13,700
5370	Uniforms						
5380	Special & Professional Services	7,395	8,361	7,138	8,092	12,900	10,000
5390	Protective Services						
5400	Telephone	5,714	6,152	6,116	6,091	7,200	7,200
5410	Postage & Freight Out	1,078	685	1,435	4,090	1,200	1,200
5420	Data Processing	2,427	2,575	3,099	2,715	5,000	5,000
5430	Printing & Office Supplies	2,528	2,380	4,717	2,316	7,400	5,960
5440	Scientific & Photographic	0	0	0	0	300	300
5450	Dues & Subscriptions	1,197	504	302	615	3,000	3,000
5460	Advertising & Promotional	459	74	697	0	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	10,000	8,400
5490	Fees & Permits	3,265	3,089	2,241	3,322	6,500	6,500
5500	In - Lieu Taxes						
5510	Residual Removal						
5520	Water Treatment Chemicals						
5525	GAC Replacement						
	Total Other Expenses	\$126,739	\$158,632	\$164,042	\$180,609	\$275,552	\$242,660
	Total Operating Expenses	\$2,314,546	\$2,066,792	\$3,020,122	\$2,447,317	\$3,562,427	\$3,866,210
	Budget- other expenses						
	TOTAL ANNUAL BUDGET						
	Reservoir System	\$65,013	\$96,524	\$96,876	\$108,584	\$168,851	\$144,019
	Treatment/Transmission System	\$61,726	\$62,108	\$67,166	\$72,026	\$106,701	\$98,641

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 2025

	Adopted F/Y24	Proposed F/Y25
1 HVAC/Dehumidifier Service	\$ 500	\$ 500
2 Instrumentation & Control System Service/Upgrade	3,000	3,000
3 Electrical Upgrade & Repair	14,000	2,350
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	2,400	2,400
	<u>2,400</u>	<u>2,400</u>
Total Service & Maintenance Contracts	<u>\$ 46,650</u>	<u>\$ 35,000</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 2025

		Adopted F/Y24	Proposed F/Y25
1	Electrical Service Contract	\$ 2,400	\$ 2,400
2	Instrumentation & Control System Service & Upgrade	8,000	6,000
3	Electrical Upgrade & Repair	4,000	3,000
4	Overhead Crane Service	2,500	2,500
5	Building Cleaning Service and Supplies	3,600	-
6	Fire & Intrusion Alarm Service	3,100	3,000
7	Air Compressor Service	500	-
8	Boiler Service	1,200	1,200
9	Auxiliary Generator Service	3,000	3,000
10	Lab Equipment Service	2,500	3,500
11	Backflow Preventor Service	500	-
12	UPS Battery PM Service and Batteries	6,000	3,600
13	Four Year Electrical Switchgear Testing Service	10,438	2,000
15	Internet Service	10,200	9,800
16	Network Routers	-	2,500
16	XLReporter Software Program Support	-	2,500
		\$ 57,938	\$ 45,000
	Total Service & Maintenance Contracts		

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 2025

		Adopted F/Y24	Proposed F/Y25
		<u> </u>	<u> </u>
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	1,752	-
6	SCADA Service Contract	-	2,000
7	Building Maintenance	6,000	6,000
8	Internet Service	2,000	2,000
9	Janitorial Service	8,000	10,000
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><u>\$ 25,852</u></u>	 <u><u>\$ 28,100</u></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 2025**

		<u>Adopted F/Y24</u>	<u>Proposed F/Y25</u>
1	Laboratory Services - Water Quality Sampling	\$ 10,000	\$ 10,000
3	Services-USGS Cooperative Agreement	34,000	40,000
4	Annual Trustee Fund	9,500	9,500
5	Dam Management-Surveying	2,500	2,500
6	Wetland Monitoring Management	8,000	8,000
7	Hydrilla Treatment and Water Quality Study	15,000	15,000
8	Engineering Services	4,000	4,000
9	Financial Advisory Services	4,850	4,850
10	USGS Gaging Station Squankum	25,000	-
	Total Special & Professional Services	\$ 112,850	\$ 93,850

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 2025

		Adopted F/Y24	Proposed F/Y25
1	Water Quality Sampling	\$ 17,200	\$ 14,900
2	Residual Quality Analysis	800	800
3	Consultant Services	4,000	4,000
4	USGA Allenwood Gage-Parameters	11,000	13,500
5	Underground Markout Service	1,800	1,800
	Total Special & Professional Services	\$ 34,800	\$ 35,000

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 2025

	<u>Adopted</u> <u>F/Y24</u>	<u>Proposed</u> <u>F/Y25</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	5,200	2,300
5 Pre-Employment Physicals	<u>1,200</u>	<u>1,200</u>
Total Special & Professional Services	<u>\$ 12,900</u>	<u>\$ 10,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 12 - Projected FY 2025 New Jersey Water Supply Authority Insurance Program

<u>Policy</u>	<u>Raritan Basin System</u>	<u>Manasquan Reservoir System</u>	<u>Manasquan Water Treatment Plant and Transmission System</u>	<u>Total Premium</u>
Property Limit \$150 million, Limit \$25m BI Deduct: \$100k all perils \$250k Deduct dams, dikes / \$1m Deduct Canal flood Earthen Dam Builders Risk	\$947,603	\$381,982	\$113,879	\$1,443,464
General/Products Liability Limit \$1 million Deduct: \$150k	\$145,040	\$12,931	\$2,534	\$160,505
Environmental Impairment Liability Limit \$10 million Deduct: \$100k	\$0	\$0	\$0	\$0
Workers' Compensation Limit \$1 million	\$159,505	\$20,495	\$24,059	\$204,059
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	\$454,982	\$40,565	\$7,950	\$503,497
Business Automobile Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$58,130	\$8,372	\$2,285	\$68,787
Management Liability Public Officials Liability Cyber Risk Fidelity & Crime Limit \$5 million/\$1million/\$1 million Deduct: \$100k/\$10k/\$50k	\$48,924 \$15,358 \$64,282	\$4,362 \$1,369 \$5,731	\$855 \$268 <u>\$4,035</u> \$5,158	\$54,141 \$16,995 <u>\$4,035</u> \$75,171
Travel Accident Limit \$2 million	\$0	\$0	\$0	\$0
Drone Coverage	\$1,056			\$1,056
UST	\$3,822			\$3,822
TOTAL:	<u>\$1,834,420</u>	<u>\$470,076</u>	<u>\$155,865</u>	<u>\$2,460,361</u>

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 2025 (7/1/24-6/30/25)

	Total Headquarters Charge	Manasquan Reservoir System	Manasquan WTP/TS
Budgeted-Appendix I, amount to be charged to Manasquan System for FY25 (7/1/24-6/30/25)	\$932,551	\$804,512	\$128,039
F/Y23 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y23 (7/1/22-6/30/23). Amounts paid during F/Y21 to Raritan Basin System.	\$749,000	\$646,000	\$103,000
Actual allocation based upon audited expenditures F/Y23 (7/1/22-6/30/23) - Appendix II	<u>\$749,946</u>	<u>\$646,961</u>	<u>\$102,985</u>
Adjustments F/Y23	<u>\$946</u>	<u>\$961</u>	<u>(\$15)</u>
Net Allocation for F/Y2025 Budget	<u><u>\$933,497</u></u>	<u><u>\$805,473</u></u>	<u><u>\$128,024</u></u>
Estimate	<u>\$933,000</u>	<u>\$805,000</u>	<u>\$128,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 14 - Proposed Capital Equipment Budget
Fiscal Year 2025

Description	(A)Addition (R)Replacemen	Year of Purchase Vehicle/Equipment	Dollar Value	%	Manasquan Reservoir	Manasquan WTP/TS	Reservoir	WTP/TS
							Depreciation Reserve	Depreciation Reserve
Chevy Colorado	R (617)		40,000	50/50	20,000	20,000	22,292	7,430
TOTAL			40,000		20,000	20,000	22,292	7,430
					*Per Resolution #861, dated 7/12/93 Asset Definition minimum is \$1,000.	0		
					Less Amount charged to Reservoir Depreciation Reserve	22,292		
					Less Amount charged to WTP/TS Depreciation Reserve		7,430	
					Total	(2,292)	12,570	
					Additional Depreciation Reserve		0	
					Estimate	\$0	\$12,570	

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 15 - July, 2022 – June, 2023 Fiscal Year 2023 G&A Expenses Split

EMPLOYEE TITLE	TOTAL	BUDGETED %		ACTUAL % (Timesheets)		VARIANCE UNDER (OVER)		
		(40)	(50)	(40)	(50)	(40)	(50)	
		RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	
			95%	5%	96%	4%		
ASST. RESERVOIR SYSTEM OPERATOR	37,828.30	35,936.89	1,891.41	36,315.17	1,513.13	(378.28)	378.28	
	275.00	261.25	13.75	264.00	11.00	(2.75)	2.75	
	3,593.33	3,413.66	179.67	3,449.60	143.73	(35.94)	35.94	
	6,814.60	6,473.86	340.74	6,542.01	272.59	(68.15)	68.15	
			0%	100%	0%	100%		
PLANT OPERATOR	52,588.32	525.88	52,062.44	0.00	52,588.32	525.88	(525.88)	
	550.00	5.50	544.50	0.00	550.00	5.50	(5.50)	
	5,428.96	54.31	5,374.65	0.00	5,428.96	54.31	(54.31)	
	8,710.19	87.11	8,623.08	0.00	8,710.19	87.11	(87.11)	
			2%	98%	2%	98%		
PLANT OPERATOR	60,964.88	609.67	60,355.21	1,219.30	59745.58	(609.63)	609.63	
	550.00	5.50	544.50	11.00	539.00	(5.50)	5.50	
	4,152.64	41.52	4,111.12	83.05	4,069.59	(41.53)	41.53	
	17,657.54	176.57	17,480.97	353.15	17,304.39	(176.58)	176.58	
			0%	100%	0%	100%		
PLANT OPERATOR	71,153.68	711.54	70,442.14	0.00	71,153.68	711.54	(711.54)	
	550.00	5.50	544.50	0.00	550.00	5.50	(5.50)	
	9,478.76	94.77	9,383.99	0.00	9,478.76	94.77	(94.77)	
	21,045.51	210.47	20,835.05	0.00	21,045.51	210.47	(210.47)	
			50%	50%	48%	52%		
FACILITES MECHANIC	70,985.04	35,492.52	35,492.52	34,072.82	36,912.22	1,419.70	(1,419.70)	
	550.00	275.00	275.00	264.00	286.00	11.00	(11.00)	
	50.86	25.43	25.43	24.41	26.45	1.02	(1.02)	
	19,548.17	9,774.07	9,774.10	9,383.12	10,165.05	390.95	(390.95)	
			95%	5%	100%	0%		
RESERVOIR SYSTEM OPERATOR	51,342.32	48,775.20	2,567.12	51,342.32	0.00	(2,567.12)	2,567.12	
	550.00	522.50	27.50	550.00	0.00	(27.50)	27.50	
	11,673.92	11,090.23	583.69	11,673.92	0.00	(583.69)	583.69	
	16,923.56	16,077.37	846.19	16,923.56	0.00	(846.19)	846.19	
			70%	30%	71%	29%		
PROJECT ENGINEER 11	87,315.38	61,120.78	26,194.60	61,993.92	25,321.46	(873.14)	873.14	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	17,956.66	12,569.66	5,387.00	12,749.23	5,207.43	(179.57)	179.57	
			47%	53%	48%	52%		
FOREMAN FACILITIES MAINT.	75,893.12	35,669.77	40,223.35	36,428.70	39,464.42	(758.93)	758.93	
	550.00	258.50	291.50	264.00	286.00	(5.50)	5.50	
	1,537.80	722.75	815.05	738.14	799.66	(15.39)	15.39	
	21,270.14	9,996.97	11,273.17	10,209.67	11,060.47	(212.70)	212.70	
			85%	15%	96%	4%		
FOREMAN BUILDING & GROUNDS MAINT - WSA	79,190.32	67,311.77	11,878.55	76,022.71	3,167.61	(8,710.94)	8,710.94	
	550.00	467.50	82.50	528.00	22.00	(60.50)	60.50	
	170.26	144.73	25.53	163.45	6.81	(18.72)	18.72	
	21,844.78	18,568.07	3,276.72	20,970.99	873.79	(2,402.93)	2,402.93	

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 15 (Continued) July, 2022 – June, 2023 Fiscal Year 2023 G&A Expenses Split

EMPLOYEE TITLE	TOTAL	BUDGETED %		ACTUAL % (Timesheets)		VARIANCE UNDER (OVER)		
		(40)	(50)	(40)	(50)	(40)	(50)	
		RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	
			6%	94%	6%	94%		
PLANT OPERATOR	TIME SPLIT							
	REGULAR	54,116.80	541.17	53,575.63	3,247.01	50,869.79	(2,705.84)	2,705.84
	CLOTH.	550.00	5.50	544.50	33.00	517.00	(27.50)	27.50
	O.T.	11,702.01	117.01	11,585.00	702.12	10,999.89	(585.11)	585.11
	FRINGE	19,325.12	193.27	19,131.85	1,159.51	18,165.61	(966.24)	966.24
			43%	57%	49%	51%		
SR. WATER SUPPLY	TIME SPLIT							
TECH. -WSA	REGULAR	79,190.32	34,051.85	45,138.47	38,803.26	40,387.06	(4,751.41)	4,751.41
	CLOTH.	550.00	236.50	313.50	269.50	280.50	(33.00)	33.00
	O.T.	56.76	24.41	32.35	27.81	28.95	(3.40)	3.40
	FRINGE	21,777.31	9,364.24	12,413.07	10,670.88	11,106.43	(1,306.64)	1,306.64
			11%	89%	11%	89%		
PLANT OPERATOR	TIME SPLIT							
	REGULAR	43,151.75	431.51	42,720.24	4,746.69	38,405.06	(4,315.18)	4,315.18
	CLOTH.	550.00	5.50	544.50	60.50	489.50	(55.00)	55.00
	O.T.	8,059.95	80.60	7,979.35	886.59	7,173.36	(805.99)	805.99
	FRINGE	5,959.52	59.60	5,899.92	655.55	5,303.97	(595.95)	595.95
			93%	7%	100%	0%		
MAINT. WORKER 1	TIME SPLIT							
	REGULAR	15,958.64	14,841.54	1,117.10	15,958.64	0.00	(1,117.10)	1,117.10
	CLOTH.	550.00	511.50	38.50	550.00	0.00	(38.50)	38.50
	O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	FRINGE	(4,356.03)	(4,051.11)	(304.92)	(4,356.03)	0.00	304.92	(304.92)
			47%	53%	50%	50%		
SUPERVISOR TECH.	TIME SPLIT							
ASST. & FAC. MAINT.	REGULAR	90,861.28	42,704.80	48,156.48	45,430.64	45,430.64	(2,725.84)	2,725.84
	CLOTH.	550.00	258.50	291.50	275.00	275.00	(16.50)	16.50
	O.T.	4,364.09	2,051.11	2,312.98	2,182.05	2,182.04	(130.94)	130.94
	FRINGE	26,950.98	12,666.96	14,284.02	13,475.49	13,475.49	(808.53)	808.53
			50%	50%	49%	51%		
FAC. MECHANIC	TIME SPLIT							
	REGULAR	50,593.52	25,296.76	25,296.76	24,790.82	25,802.70	505.94	(505.94)
	CLOTH.	550.00	275.00	275.00	269.50	280.50	5.50	(5.50)
	O.T.	36.19	18.10	18.09	17.73	18.46	0.37	(0.37)
	FRINGE	13,361.58	6,680.79	6,680.79	6,547.18	6,814.40	133.61	(133.61)
			50%	50%	56%	44%		
DIRECTOR MWS/D&R	TIME SPLIT							
CANAL OPERATIONS	REGULAR	143,325.22	71,662.63	71,662.59	80,262.12	63,063.10	(8,599.49)	8,599.49
	CLOTH.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	FRINGE	36,679.50	18,339.76	18,339.74	20,540.52	16,138.98	(2,200.76)	2,200.76
			95%	5%	99%	1%		
RESERVOIR SYSTEM	TIME SPLIT							
OPERATOR	REGULAR	48,798.56	46,358.63	2,439.93	48,310.57	487.99	(1,951.94)	1,951.94
	CLOTH.	550.00	522.50	27.50	544.50	5.50	(22.00)	22.00
	O.T.	8,571.58	8,143.00	428.58	8,485.86	85.72	(342.86)	342.86
	FRINGE	10,806.49	10,266.15	540.34	10,698.42	108.07	(432.27)	432.27
			50%	50%	50%	50%		
ADMIN. ASSISTANT	TIME SPLIT							
	REGULAR	72,300.40	36,150.20	36,150.20	36,150.20	36,150.20	0.00	0.00
	CLOTH.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	FRINGE	19,551.22	9,775.61	9,775.61	9,775.61	9,775.61	(0.00)	(0.00)

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 15 (Continued) July, 2022 – June, 2023 Fiscal Year 2023 G&A Expenses Split

EMPLOYEE TITLE	TOTAL	BUDGETED %		ACTUAL % (Timesheets)		VARIANCE UNDER (OVER)		
		(40)	(50)	(40)	(50)	(40)	(50)	
		RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	RESERVOIR	WTP/TS	
			25%	75%				
SUPERVISOR					33%	67%		
OPERATIONS MWSS-								
REGULAR	96,988.16	24,247.04	72,741.12	32,006.09	64,982.07	(7,759.05)	7,759.05	
CLOTH.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FRINGE	24,936.55	6,234.15	18,702.40	8,229.06	16,707.49	(1,994.91)	1,994.91	
			37%	63%	35%	65%		
SUPERVISING PLANT								
OPERATOR								
REGULAR	60,186.00	22,268.81	37,917.19	21,065.10	39,120.90	1,203.71	(1,203.71)	
CLOTH.	550.00	203.50	346.50	192.50	357.50	11.00	(11.00)	
O.T.	4,925.59	1,822.46	3,103.13	1,723.96	3,201.63	98.50	(98.50)	
FRINGE	18,642.39	6,897.70	11,744.69	6,524.84	12,117.55	372.86	(372.86)	
			92%	8%	97%	3%		
MAINT WORKER I								
REGULAR	49,709.92	45,733.13	3,976.79	48,218.62	1,491.30	(2,485.49)	2,485.49	
CLOTH.	550.00	506.00	44.00	533.50	16.50	(27.50)	27.50	
O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FRINGE	13,805.67	12,701.20	1,104.47	13,391.50	414.17	(690.30)	690.30	
			94%	6%	97%	3%		
EQUIPMENT								
OPERATOR								
REGULAR	47,301.12	44,463.04	2,838.08	45,882.09	1,419.03	(1,419.05)	1,419.05	
CLOTH.	550.00	517.00	33.00	533.50	16.50	(16.50)	16.50	
O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FRINGE	14,032.26	13,190.32	841.94	13,611.30	420.96	(420.98)	420.98	
			2%	98%	2%	98%		
PLANT OPERATOR								
REGULAR	56,864.96	568.65	56,296.31	1,137.30	55,727.66	(568.65)	568.65	
CLOTH.	550.00	5.50	544.50	11.00	539.00	(5.50)	5.50	
O.T.	9,173.15	91.72	9,081.43	183.46	8,989.69	(91.74)	91.74	
FRINGE	20,123.93	201.24	19,922.69	402.48	19,721.45	(201.24)	201.24	
			95%	5%	97%	3%		
ASST. RESERVOIR								
SYSTEM OPERATOR								
REGULAR	44,171.25	41,962.69	2,208.56	42,846.11	1,325.14	(883.42)	883.42	
CLOTH.	550.00	522.50	27.50	533.50	16.50	(11.00)	11.00	
O.T.	5,289.26	5,024.79	264.47	5,130.58	158.68	(105.79)	105.79	
FRINGE	12,494.85	11,870.12	624.73	12,120.00	374.85	(249.88)	249.88	
			50%	50%	50%	50%		
FAC. MECHANIC								
REGULAR	54,692.64	27,346.32	27,346.32	27,346.32	27,346.32	0.00	0.00	
CLOTH.	550.00	275.00	275.00	275.00	275.00	0.00	0.00	
O.T.	40.18	20.09	20.09	20.09	20.09	0.00	0.00	
FRINGE	14,791.53	7,395.76	7,395.77	7,395.76	7,395.77	(0.00)	(0.00)	
			95%	5%	91%	9%		
ASST. RESERVOIR								
SYSTEM OPERATOR								
REGULAR	37,439.12	35,567.16	1,871.96	34,069.60	3,369.52	1,497.56	(1,497.56)	
CLOTH.	550.00	522.50	27.50	500.50	49.50	22.00	(22.00)	
O.T.	3,603.61	3,423.42	180.19	3,279.29	324.32	144.13	(144.13)	
FRINGE	26,016.85	24,716.02	1,300.83	23,675.33	2,341.52	1,040.69	(1,040.69)	
			62%	38%	91%	9%		
WATER SUPPLY								
TECH								
REGULAR	68,376.88	42,393.67	25,983.21	62,222.96	6,153.92	(19,829.29)	19,829.29	
CLOTH.	550.00	341.00	209.00	500.50	49.50	(159.50)	159.50	
O.T.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FRINGE	18,707.21	11,598.48	7,108.73	17,023.56	1,683.65	(5,425.08)	5,425.08	
		(60)	(40)	(50)	(40)	(50)	(40)	(50)
REGULAR	1,701,287.90	842,743.62	858,544.28	909,889.08	791,398.82	(67,145.46)	67,145.46	
CLOTH.	12,375.00	6,509.25	5,865.75	6,963.00	5,412.00	(453.75)	453.75	
O.T.	91,908.90	36,404.11	55,504.79	38,772.11	53,136.79	(2,368.00)	2,368.00	
FRINGE	465,378.08	232,034.41	233,343.67	248,672.69	216,705.39	(16,638.28)	16,638.28	
GRAND TOTAL	2,270,949.88	1,117,691.39	1,153,258.49	1,204,296.88	1,066,653.00	(86,605.49)	86,605.49	

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 16 - Estimate of Interest Income

Fiscal Year 2025 Budget

Fund/Reserve	TD Bank Funds	
Operating	\$6,650,000	
Reserve for O & M	1,605,000	
General Reserve (Rate Stabilization Fun	41,000	
Pumping Reserve	155,000	
Self-Insurance Reserve	218,000	
Sediment Reserve	346,000	
Estimated Total	\$9,015,000	
	\$9,015,000 x2.50% =	\$225,375
	Total	\$225,375
	Estimate	\$225,400

Note: Long-term investment earnings are being used to fund depreciation reserve.

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 17 - Unanticipated Revenue

	<u>Amount</u>																												
F/Y2023 Net Year-End Balance	\$ 527,750																												
Excess D/S Coverage FY2025	\$ 115,000																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Overdraft</u></th> <th style="text-align: left; border-bottom: 1px solid black;"><u>Invoice No.</u></th> <th style="text-align: left; border-bottom: 1px solid black;"><u>Inv. Date</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>NJ American</td> <td>MM-415</td> <td>Sep-22</td> <td style="text-align: right;">\$ 8,102</td> </tr> <tr> <td></td> <td>MM-419</td> <td>Oct-22</td> <td style="text-align: right;">\$ 125,377</td> </tr> <tr> <td></td> <td>MM-433</td> <td>Jan-23</td> <td style="text-align: right;">\$ 5,021</td> </tr> <tr> <td></td> <td>MM-436</td> <td>Jan-23</td> <td style="text-align: right;">\$ 26,961</td> </tr> <tr> <td></td> <td>MM-437</td> <td>Feb-23</td> <td style="text-align: right;">\$ 7,969</td> </tr> <tr> <td></td> <td>MM-425</td> <td>Nov-22</td> <td style="text-align: right;">\$ 8,320</td> </tr> </tbody> </table>	<u>Overdraft</u>	<u>Invoice No.</u>	<u>Inv. Date</u>	<u>Amount</u>	NJ American	MM-415	Sep-22	\$ 8,102		MM-419	Oct-22	\$ 125,377		MM-433	Jan-23	\$ 5,021		MM-436	Jan-23	\$ 26,961		MM-437	Feb-23	\$ 7,969		MM-425	Nov-22	\$ 8,320	
<u>Overdraft</u>	<u>Invoice No.</u>	<u>Inv. Date</u>	<u>Amount</u>																										
NJ American	MM-415	Sep-22	\$ 8,102																										
	MM-419	Oct-22	\$ 125,377																										
	MM-433	Jan-23	\$ 5,021																										
	MM-436	Jan-23	\$ 26,961																										
	MM-437	Feb-23	\$ 7,969																										
	MM-425	Nov-22	\$ 8,320																										
Available for use in FY25	\$ 181,750																												

Additional Sources

Total Available	\$ 824,500
Estimate for FY25	\$ 824,500
Available for Future Years	\$ -

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

Schedule 18 - Fund Balances as of 6/30/23

Final

	REVENUE FUND	OPERATING ACCOUNT	OPERATING FUND	O & M RESERVE	LONG TERM INVESTMENTS O & M RESERVE	TOTAL
BALANCE 6/30/23 (Does not include Debt Service payment)	\$ 41,511	\$ 1,548,783	\$ 6,777,349	\$ 605,000	\$ 998,916	\$ 9,971,559
Add: NJ-American, JCP&L expenses for June 2023			\$ 35,046			35,046
Deduct: Accrued expenses to be paid as of 6/30/23			(43,452)			(43,452)
Deduct: June 10th billing, received			(122,852)			(122,852)
Adjusted Balances 6/30/23	\$ 41,511	\$ 1,548,783	\$ 6,646,091	\$ 605,000	\$ 998,916	\$ 9,840,301
 INCOME						
Operating Transfer	(310,000)		310,000			-
Receipt of WTP/TS G&A expenses for the month of June 2023, estimated 7/31/23 billing			250,000			250,000
 EXPENSES						
O & M Expenses - (A/P-6/30/23) includes accrued payroll thru 6/30/23			(195,968)			(195,968)
Capital items to be purchased by 6/30/23			-			-
Payment of Headquarters overhead expenses - to be paid 7/01			(161,500)			(161,500)
Contributions to Various Reserves- 7/23			(37,500)			(37,500)
ADJUSTED BALANCE AT 6/30/23	\$ (268,489)	\$ 1,548,783	\$ 6,811,123	\$ 605,000	\$ 998,916	\$ 9,695,333
Less: O & M Reserve Balance (Goal is 3 months O & M Expenses as dictated by Bond Resolution)						(917,364)
Balance of projected funds available						\$ 8,777,970
 Use of Available Funds						
Unanticipated revenues (overdrafts in FY23 to be available to the General Fund for FY25) NJ American Water						\$ (8,102)
Appropriate FY24 net fund balance into the General Fund (Rate Stabilization) to be used for rate stabilization						(587,180)
Balance of funds to be used for future years						\$ 8,182,688

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 2025

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 2025

Funds Required for F/Y2025 Budget

Total Budget Requirements	\$	4,209,617
Miscellaneous Revenues	\$	(1,047,900)
Net Budget Requirement	\$	3,161,717
Less - Quarterly O&M payment on July 10, 2023 (cash received in July for water used in April, May and June of 2023 based on \$445.82/mg)	\$	(788,795)
Additional Revenue required from last three (3) Quarterly payments in F/Y2024 to cover Operations & Maintenance expenses through 6/30/24	\$	2,372,922

Computation of Operations & Maintenance Rate for Fiscal Year 2024

Required Operations & Maintenance Rate F/Y2023	$\frac{\$2,372,922}{5,322.52^*}$	=	\$	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
10/10/23, 1/10/24 and 4/10/24:

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 2025 \$ 578,463

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

Net Debt Service Obligation \$ 578,463

Coverage Requirement = Net Debt Service
Obligation x 20% \$ 115,693

Total to be Recovered by Rates \$ 694,155

Debt Service Rate Effective 7/01/23 \$ 694,155 = \$ 428.81mg
365 x 4.435/mgd = 1,618.78mg 1,618.78mg

Equalization Factor 10.11
\$ 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 2025	\$	175,967
Rate Equalization Adjustment		
Debt Service Rate Effective 7/01/2023	<u>\$ 175,967</u>	= \$ 24.80/mg
365 x 19.443/mgd =7,096.70mg	7,096.70mg	
Equalization Factor	\$0.13	
		\$ 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 2025
(7/1/24-6/30/25)

DEBT SERVICE COVERAGE	Budgeted F/Y2025
<u>Revenues</u>	
Uninterruptible Water Sales	\$ 7,357,372
Interest Income	\$ 225,400
Total Revenues	\$ 7,582,772
 <u>Expenses</u>	
O&M Costs	\$ 3,170,011
Overhead Allocation	\$ 803,000
Total O&M	\$ 3,973,011
Cash Available for Debt Service - A	\$ 3,609,761
Net Debt Service Expense	\$ 578,463
Debt Service Coverage Calculation - A/B	6.24
Cash After Debt Service A-B	\$ 3,031,299

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

Schedule 24 - Rehabilitation Reserve and Capital Improvement Program

Manasquan Reservoir Project Description	Renewal & Repl. Reserve	FY24	FY25	FY26	FY27	FY28+
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		\$140,000				
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			
Drill 8 Piezometer Wells Manasquan Dam		\$247,000				
Replace Septic System			\$125,000			
Connect 8 new piezometers to the res. Embankment			\$60,000			
Rehabilitation of T2 Transformer and Oil Change				\$40,000		
Replace Pumps (#1,,3,5)				\$150,000	\$250,000	\$160,000
Vapor Recovery System for Gasoline Storage Tank		\$25,000				
Replace 2 % KVA Breakers in Substation				\$55,000		
Replace Balance of Metal Roof on Admin Portion of RPS Building			\$130,000			
Total*	\$2,550,000	\$627,000	\$585,000	\$330,000	\$250,000	\$160,000
Renewal and Replacement Balance June 30, 2022	\$3,950,762					
Projected Balance End of Fiscal Year with annual regular deposit		\$3,443,762	\$2,978,762	\$2,768,762	\$2,638,762	\$2,478,762
*Minimum Balance Required		\$2,550,000	\$2,550,000	\$2,550,000	\$2,550,000	\$2,550,000
Revised Balance		\$893,762	\$428,762	\$218,762	\$88,762	-\$71,238
Additional Deposit Requirements		\$0	\$0	\$0	\$0	\$0

**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 2024-2028
Updated August 2023**

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 2024-2028

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.

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 2026. The system at the Administration building will also need to be replaced at that time.

Vapor Recovery System for Gasoline Storage Tank

Regulations going into effect in 2024 that may require improved vapor recovery of gasoline transferred or pumped, are necessitating the need for this project.

Drill 8 Piezometer Wells Manasquan Dam

By 2020 it was found that eight of the 35 piezometers measuring water depth in the dam and dike embankments are no longer functioning. Given that the eight are buried, they cannot be replaced. Eight new wells need to be drilled at various depths to handle one piezometer each on the downstream slope of the Manasquan Dam.

A Consultant's design, construction drawings and specifications for locating and installing eight piezometer wells was completed in 2022. Included in this project was supervision of the well driller on a limited basis. Also included was the proper sealing of the eight existing wells that have been abandoned. The project was put out to bid and only one well driller responded. The price from the contractor is the amount shown in the budget.

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.

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 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.

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 2025.

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.

Replace Two 5 KVA Breaker in Substation

Two of the breakers have to be replaced due to age and leaking contactor vacuum bottles.

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.

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.

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, 2024

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, [2023] 2024	\$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/ [2023]2024 to	(Coverage 120%)
6/30/[2024]2025	\$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/[2023]2024 to	\$525.00
6/30/[2024]2025	

(d) (No change.)

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

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/[2023]2024 to	\$200.00
6/30/[2024]2025	

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/[2023]2024 to	
6/30/[2024]2025	\$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/[2023]2024 to	
6/30/[2024]2025	\$24.93

**Appendix I. Report of Mercadien PC – Allocation of Headquarters General and
Administrative Expenses – FY 2025**

**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, 2025

**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, 2025. 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 2025 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 2025 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 2025 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, 2023, 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.

Mercadim, P.C.
Certified Public Accountants

Hamilton, New Jersey

November 2, 2023

**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, 2025**

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	\$ -	\$ 88,000	-	-	-	-	-	-	-	-	-	\$ 88,000
	TELEPHONE HQ	-	-	-	-	40,000	-	-	-	-	-	-	40,000
36	SAFETY	237,690	-	(5,000)	-	-	-	-	-	-	-	-	232,690
37	SECURITY	1,159,550	-	-	-	-	-	-	-	-	-	-	1,159,550
14	HUMAN RESOURCES	522,000	-	(3,950)	-	-	-	-	-	(10,000)	-	-	508,050
16	PURCHASING	576,485	-	-	-	(40,000)	-	-	(20,000)	-	-	-	336,735
17	INFORMATION SYSTEMS	282,300	-	-	-	-	-	-	-	-	-	-	282,300
15	CONTRACTS & RISK MGMT.	2,299,160	-	(45,000)	(1,503,671)	-	-	-	-	-	(18,700)	-	731,789
13	FINANCIAL MGMT.	1,199,960	-	(2,730)	-	-	-	-	-	-	-	-	1,197,230
34	AUTO SHOP	299,000	-	-	-	-	-	-	20,000	-	-	-	498,750
35	AUTO SHOP-CANAL	288,640	-	-	-	-	-	-	-	-	-	-	288,640
10	EXEC OFFICE	295,897	4,673	-	-	-	-	-	-	-	-	-	300,570
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	10,111,852	(92,673)	56,680	1,503,671	-	-	-	-	10,000	18,700	(19,682)	11,588,548
		17,252,534	-	-	-	-	-	-	-	-	-	(19,682)	17,232,852
40-60	MANASQUAN SYSTEM	6,343,619	-	-	-	-	-	-	-	-	-	19,682	6,363,301
		\$ 23,596,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,596,153

See Independent Accountants' Report on Applying Agreed-Upon Procedures.

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, 2025

DEPT. #	DEPT. COST CENTER	REVISED COST CENTER COSTS	SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	100 % RARITAN O&M	# OF EMPLOYEES	# OF P.O.s	# OF COMPUTERS	M&D CONTRACTS	O&M BUDGET	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE	ALLOCATED COST CENTER COSTS
	BUILDING HQ	\$ 88,000	\$ (88,000)												
	TELEPHONE HQ	40,000	-	\$ (40,000)											
36	SAFETY	232,890	591	435	\$ (233,716)										
37	SECURITY	1,159,550	3,327	1,739	18,133	\$ (1,192,749)									
14	HUMAN RESOURCES	508,050	3,936	1,739	6,044	-	\$ (519,769)								
16	PURCHASING	356,735	4,688	1,304	4,030	-	9,696	\$ (356,953)							
17	INFORMATION SYSTEMS	262,300	681	435	2,015	-	4,998	13,146	\$ (283,775)						
15	CONTRACTS & RISK MGMT.	791,768	2,878	870	4,030	-	9,696	7,837	9,154	\$ (766,554)					
13	FINANCIAL MGMT.	1,197,230	8,398	2,699	12,089	-	29,987	5,899	27,462	-	\$ (1,283,674)				
34	AUTO SHOP	486,750	13,227	870	4,030	-	9,696	15,094	9,154	-	33,626	\$ (584,737)			
35	AUTO SHOP-CANAL	286,640	-	870	2,015	-	4,998	16,938	9,154	-	19,460	-	\$ (342,075)		
10	EXEC OFFICE	300,570	11,622	3,478	2,015	-	4,998	1,770	9,154	-	20,265	-	-	\$ (353,872)	
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	11,588,546	38,252	25,551	126,930	1,192,749	314,858	155,734	151,042	652,662	781,306	584,737	342,075	334,409	\$ 16,319,983
40-60	MANASQUAN SYSTEM	6,363,301	-	52,395	-	-	129,842	139,545	88,855	73,862	429,017	-	-	19,463	7,276,170
		\$ 23,586,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,586,153

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

**SCHEDULE OF FORECASTED COST ALLOCATION FACTORS
YEAR ENDING JUNE 30, 2025**

ALLOCATION OF:		REQUIRED STATISTICS										
DEPT. #	ALLOCATION BASIS:	BUILDING HQ	TELEPHONES	SAFETY	HUMAN	PURCHASING	INFORMATION	CONTRACTS &	FINANCE	AUTO SHOP	AUTO SHOP	EXEC. OFF
		SQ. FT.	# OF	# OF	# OF	# OF	# OF	RISK MGMT	O&M	# OF	# OF	TIME
	DEPT./COST CENTER	#	TELEPHONES	EMPLOYEES	EMPLOYEES	P.O.'S	COMPUTERS	CONTRACTS	FUNCTIONAL	VEHICLES	VEHICLES	ESTIMATE
	BUILDING HQ											
	TELEPHONE HQ											
36	SAFETY	100	1									
37	SECURITY	563	4	9								
14	HUMAN RESOURCES	666	4	3								
16	PURCHASING	827	3	2	2							
17	INFORMATION SYSTEMS	149	1	1	1	156						
15	CONTRACTS & RISK MGMT.	487	2	2	2	93	2					
13	FINANCIAL MGMT.	1,421	6	6	6	70	6	-				
34	AUTO SHOP	2,238	2	2	2	179	2	-	\$ 498,750			
35	AUTO SHOP-CANAL	-	2	1	1	201	2	-	288,640			
10	EXEC OFFICE	1,967	8	1	1	21	2	-	300,570			
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARIAN SYSTEM)	5,473	59	63	63	1,860	33	182	11,868,548	47	47	95
40-60	MANASQUAN SYSTEM	-	-	26	26	1,656	15	19	6,363,301	-	-	6
		14,890	92	116	104	4,236	62	202	\$ 19,039,809	47	47	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, 2025**

	ALLOCATION BASIS					ALLOCATED COSTS
	1	2	3	4	5	
COSTS	TIME STUDY	\$ VALUE OF VEHICLES	\$ VALUE OF EQUIPMENT	TIME STUDY	\$ VALUE OF WATER CONTRACTS	
GENERAL & ADMINISTRATIVE						
SALARIES & FRINGES	\$ 3,623,550	\$ (3,623,550)				
VEHICLE RELATED	100,500	\$ (100,500)				
MAINT. SUPPLIES & RELATED	91,600	-	\$ (91,600)			
OFFICE & MISC.	50,560	-	-	\$ (50,560)		
H.Q. OVERHEAD	932,551	-	-	-	\$ (932,551)	
RESERVOIR (40)	1,293,484	74,079	45,672	24,174	804,512	\$ 3,974,429
TREAT./TRANS. (50)	1,183,925	26,421	45,928	26,386	128,039	3,301,741
	\$ 7,276,170	\$ -	\$ -	\$ -	\$ -	\$ 7,276,170

See Independent Accountants' Report on Applying Agreed-Upon Procedures.

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

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2025**

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.

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

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2025**

NOTE 1 GENERAL (CONTINUED)

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.

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, 2025

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 2025 labor projection 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 the fiscal year 2025 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 2023 Expenditures**

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

EXAMINATION REPORT AND FINANCIAL SCHEDULES

June 30, 2023

**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, 2023, 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.

Mercadien, P.C.
Certified Public Accountants

Hamilton, New Jersey

November 2, 2023

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

SCHEDULE OF COST CENTER EXPENSE RECLASSIFICATION
YEAR ENDED JUNE 30, 2023

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	\$ -	\$ 75,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,421
	TELEPHONE HQ	-	-	-	-	55,129	-	-	-	-	-	-	55,129
36	SAFETY	201,560	-	-	-	-	-	-	-	-	-	-	201,560
37	SECURITY	1,056,416	-	-	-	-	-	-	-	-	-	-	1,056,416
14	HUMAN RESOURCES	449,851	-	-	(4,849)	-	-	-	-	(1,018)	-	-	443,984
16	PURCHASING	487,752	-	(139,392)	-	-	(55,129)	(20,065)	-	-	-	-	283,166
17	INFORMATION SYSTEMS	214,036	-	-	-	-	-	-	-	-	-	-	214,036
15	CONTRACTS & RISK MGMT.	2,019,587	-	-	(29,698)	(1,489,484)	-	(101,778)	-	(18,669)	-	-	379,838
13	FINANCIAL MGMT	956,821	-	-	(2,022)	-	-	-	-	-	-	-	954,799
34	AUTO SHOP	240,095	-	139,392	-	-	-	20,065	-	-	-	-	399,552
35	AUTO SHOP-CANAL	183,371	-	-	-	-	-	-	-	-	-	-	183,371
10	EXEC OFFICE	272,608	7,286	-	-	-	-	-	-	-	-	-	279,894
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	8,204,426	(82,707)	-	36,669	1,489,484	-	101,778	1,018	18,669	(18,125)	(18,125)	9,751,132
		14,296,623	-	-	-	-	-	-	-	-	(18,125)	(18,125)	14,278,698
40-60	MANASQUAN SYSTEM	5,274,307	-	-	-	-	-	-	-	-	18,125	-	5,292,432
		\$ 19,570,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,570,930

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, 2023

ALLOCATION BASIS															
DEPT. #	DEPT./COST CENTER	REVISED 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	ALLOCATED COST CENTER COSTS
	BUILDING HQ	\$ 75,421	(75,421)												
	TELEPHONE HQ	55,129	-	\$ (55,129)											
36	SAFETY	201,560	507	599	\$ (202,666)										
37	SECURITY	1,056,416	2,852	2,397	15,724	\$ (1,077,389)									
14	HUMAN RESOURCES	443,884	3,374	2,397	5,241										
16	PURCHASING	283,166	4,189	1,798	3,494		\$ (454,995)								
17	INFORMATION SYSTEMS	214,036	785	599	1,747		8,750	\$ (301,987)							
15	CONTRACTS & RISK MGMT.	379,938	2,467	1,198	3,494		4,375	11,100	\$ (232,612)						
13	FINANCIAL MGMT	954,769	7,186	3,895	10,463		8,750	6,617	7,504	\$ (409,666)					
34	AUTO SHOP	389,652	11,336	1,188	3,484		26,280	4,981	22,511		\$ (1,028,817)				
35	AUTO SHOP-CANAL	183,371	-	1,188	1,747		8,750	12,736	7,504		25,868	\$ (470,438)			
10	EXEC OFFICE	279,894	9,981	4,784	1,747		4,375	14,301	7,504		11,872		\$ (224,368)		
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	9,751,132	32,782	35,366	110,070	1,077,389	4,375	1,494	7,504		18,121			\$ (327,890)	
40-60	MANASQUAN SYSTEM	5,292,432	-	-	45,425		275,822	132,341	123,808	370,465	631,311	470,438	224,368	311,485	\$ 13,546,577
		\$ 19,570,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,024,253
		\$ 19,570,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,570,680

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

**SCHEDULE OF COST ALLOCATION FACTORS
YEAR ENDED JUNE 30, 2023**

		REQUIRED STATISTICS										
DEPT. #	ALLOCATION OF: ALLOCATION BASIS:	BUILDING HQ SQ. FT. #	TELEPHONES # OF TELEPHONES	SAFETY # OF EMPLOYEES	HUMAN RESOURCES # OF EMPLOYEES	PURCHASING # OF P.O.'S	INFORMATION SYSTEMS # OF COMPUTERS	RISK MGMT MGD CONTRACTS	FINANCE O&M FUNCTIONAL COST	AUTO SHOP # OF VEHICLES	AUTO SHOP CANAL # OF VEHICLES	EXEC. OFF TIME ESTIMATE
	DEPT./COST CENTER											
	BUILDING HQ											
	TELEPHONE HQ											
36	SAFETY	100	1									
37	SECURITY	563	4	9								
14	HUMAN RESOURCES	666	4	3								
16	PURCHASING	827	3	2	2							
17	INFORMATION SYSTEMS	149	1	1	1	156						
15	CONTRACTS & RISK MGMT.	487	2	2	2	83	2					
13	FINANCIAL MGMT	1,421	6	6	6	70	6					
34	AUTO SHOP	2,238	2	2	2	179	2		\$ 399,552			
35	AUTO SHOP-CANAL	-	2	1	1	201	2		183,371			
10	EXEC OFFICE	1,967	8	1	1	21	2		279,894			
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,472	59	63	63	1,860	33	182	9,751,132	47	47	95
40-50	MANASQUAN SYSTEM	-	-	26	26	1,656	15	19	5,292,432	-	-	5
		14,890	92	116	104	4,236	62	202	\$ 15,906,361	47	47	100 %

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, 2023

	ALLOCATION BASIS					ALLOCATED COSTS
	1 TIME STUDY	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 TIME STUDY	VALUE OF WATER CONTRACTS	
COSTS						
GENERAL & ADMINISTRATIVE						
SALARIES & FRINGES	\$ 2,962,271	\$ (2,962,271)				
VEHICLE RELATED	80,750	\$ (80,750)				
MAINT. SUPPLIES & RELATED	69,584	-	\$ (69,584)			
OFFICE & MISC.	30,275	-	-	\$ (30,275)		
H.Q. OVERHEAD	749,946	-	-	-	\$ (749,946)	
RESERVOIR	1,164,726	59,521	34,695	16,093	646,961	\$ 3,496,645
TREAT./TRANS.	966,701	21,229	34,889	14,182	102,985	2,527,608
	\$ 6,024,253	\$ -	\$ -	\$ -	\$ -	\$ 6,024,253

See Independent Accountants' Report.

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

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2023**

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.

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

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2023**

NOTE 1 GENERAL (CONTINUED)

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.

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, 2023**

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 2023.
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 2023.
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 1, 2024

**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, 2024

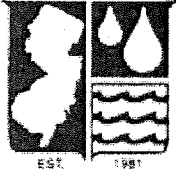
THIS IS TO CERTIFY that the attached notice of public hearing in the above matter was mailed to the Secretary of State, the Division of the Ratepayer Advocate, the news media maintaining a press office at the State House Complex, the Board of Public Utilities and the Authority's Contractual Water Purchasers on December 19, 2023. Notice was also advertised in the following newspapers:

Asbury Park Press	December 21, 2023
The Star-Ledger	December 21, 2023
The Times (Trenton)	December 21, 2023

The notice of public hearing also appeared in the January 2, 2024 issue of the New Jersey Register along with the text of the proposed amendments.



Marc Brooks
Executive Director
February 1, 2024



NEW JERSEY WATER SUPPLY AUTHORITY

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

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, 2024.

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 2, 2024. 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 4, 2024 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 1, 2024 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 mrollman@njwsa.org, or by calling 908-638-6121 ext. 242.

Written comments may be submitted until March 11, 2024 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

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#:0010802980

Sales Rep: NJ LegalRepNJ
 Account Number:1160910
 AD#: 0010802980

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
12/21/2023	Notices NJ	NEW JERSEY WATER SUPPLY AUTHORITY Notice of Rate Proposal	FY2025 Manasquan Rate Advertisement	
			Ad Size	
			1 x 153 L	
			Affidavit Fee - 12/21/2023	\$100.00
			Basic Ad Charge - 12/21/2023	\$131.58
			Total	\$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>12/26/2023</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 12/21/2023

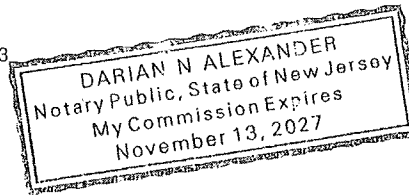


Principal Clerk of the Publisher

Sworn to and subscribed before me this 26th day of December 2023



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, 2024.

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 2, 2024. 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 4, 2024 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 1, 2024 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 mrollman@njwsa.org, or by calling 908-638-6121 ext. 242.

Written comments may be submitted until March 11, 2024 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
12/21/23 \$131.58

Isabel Valente

From: NJ Advance Media Legal Advertising <legalads@support.njadvance-media.com>
Sent: Wednesday, December 13, 2023 11:47 AM
To: Isabel Valente
Subject: Re: [NJAM - I #815-84-541] 10802980 (SL) & 10802981 (TT) - 12/21 SL & TT NEW JERSEY WATER SUPPLY AUTHORITY MANASQUAN RATE PROPOSAL
Attachments: NJWSA 10802981.pdf; NJWSA 10802980.pdf

Hi Isabel.

As per your request, your Legal ad will run in The Star-Ledger and The Times of Trenton on December 21, 2023. 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: 10802980 (Star Ledger)
- Cost: \$231.58, includes ad cost & affidavit
- the ad number is: 10802981 (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, 3:00pm Tuesday, December 19, 2023.

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.

Thank you for choosing the Star Ledger,

Jeanette Kryzimalski
NJ Advance Media
Operations Coordinator, Inside Sales

Advertising Terms and Conditions

This confirms that any advertisements submitted by you are subject to the terms and conditions contained in the following link: <http://www.njadvancemedia.com/terms-and-conditions/>. By proceeding to submit the advertisements, you are acknowledging your agreement to these terms and conditions.

On Tue, 12 Dec 2023, ivalente@njwsa.org wrote:

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, 2024.

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 2, 2024. 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 4, 2024 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 1, 2024 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 mrollman@njwsa.org, or by calling 908-638-6121 ext. 242.

Written comments may be submitted until March 11, 2024 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
12/21/23 \$131.58

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



Times of Trenton

AD#:0010802981

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

Sales Rep: NJ LegalRepNJ
 Account Number:1160910
 AD#: 0010802981

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
12/21/2023	Notices NJ	NEW JERSEY WATER SUPPLY AUTHORITY Notice of Rate Proposal	FY2025 Manasquan Rate Advertisement	
			Ad Size	
			3 x 71 L	
			Affidavit Fee - 12/21/2023	\$30.00
			Basic Ad Charge - 12/21/2023	\$55.38
			Total	\$85.38

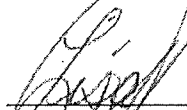
CLAIMANTS CERTIFICATION AND DECLARATION	
<p>I do solemnly declare and certify under the penalties of law that this bill or invoice is correct in all its particulars, that the goods have been furnished or services have been rendered as stated herein, that no bonus has been given or received by any person 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.</p>	
Date: <u>12/26/2023</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
<p>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.</p>	<p>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:</p>
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 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 12/21/2023

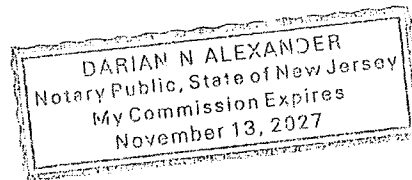


Principal Clerk of the Publisher

Sworn to and subscribed before me this 26th day of December 2023



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, 2024.

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 2, 2024. 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 4, 2024 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 1, 2024 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 mrollman@njwsa.org, or by calling 908-638-6121 ext. 242.

Written comments may be submitted until March 11, 2024 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

12/21/23 THE TIMES \$55.38

Isabel Valente

From: NJ Advance Media Legal Advertising <legalads@support.njadvance-media.com>
Sent: Wednesday, December 13, 2023 11:47 AM
To: Isabel Valente
Subject: Re: [NJAM - I #815-84-541] 10802980 (SL) & 10802981 (TT) - 12/21 SL & TT NEW JERSEY WATER SUPPLY AUTHORITY MANASQUAN RATE PROPOSAL
Attachments: NJWSA 10802981.pdf; NJWSA 10802980.pdf

Hi Isabel.

As per your request, your Legal ad will run in The Star-Ledger and The Times of Trenton on December 21, 2023. 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: 10802980 (Star Ledger)
- Cost: \$231.58, includes ad cost & affidavit
- the ad number is: 10802981 (Times of Trenton)
- Cost: \$85.38, includes ad cost & affidavit

325418M

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, 3:00pm Tuesday, December 19, 2023.

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.

Thank you for choosing the Star Ledger,

Jeanette Kryzimalski
NJ Advance Media
Operations Coordinator, Inside Sales

Advertising Terms and Conditions

This confirms that any advertisements submitted by you are subject to the terms and conditions contained in the following link: <http://www.njadvancemedia.com/terms-and-conditions/>. By proceeding to submit the advertisements, you are acknowledging your agreement to these terms and conditions.

On Tue, 12 Dec 2023, ivalente@njwsa.org wrote:

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, 2024.

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 NJEFP Debt Components of the rate; no change in the Operations and Maintenance Component of \$445.82 per million gallons; no change in the NJEFP 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 2, 2024. 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 4, 2024 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 1, 2024 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 mrollman@njwsa.org, or by calling 908-638-6121 ext. 242.

Written comments may be submitted until March 11, 2024 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

THE TIMES \$55.38
12/21/23

*** LocaliQ**
New York/New Jersey
GANNETT

Agency:

NJ Water Supply Authority
Po Box 5196
Clinton NJ 08809-0196
Acct: 1120379

Client:

NJ Water Supply Authority
Po Box 5196
Clinton NJ 08809-0196
Acct: 1120379

This is not an invoice

Order #	Advertisement / Description	Columns x Lines x Insertions	Rate per Lines	Cost
9631607	NEW JERSEY WATER SUPPLY AUTHORITY Notice of Rate Proposal – Manasquan Reserv	1 x 126.00 x 1	\$0.44	\$90.44
		Net Total Due:		\$90.44

PO #: _____

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: 12/21/2023

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 6312102, Cincinnati, OH 45263-1202

AFFIDAVIT OF PUBLICATION

Order Number : 9631607

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:

12/21/2023



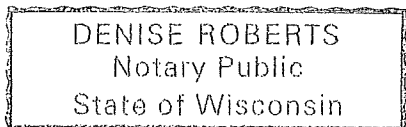
Legal Clerk



Notary Public State of Wisconsin County of Brown

4-6-27

My commission expires



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, 2024.

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 19.43 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 \$325.00 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 2, 2024. 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 4, 2024 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 1, 2024 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 mrollman@njwsa.org, or by calling 908-638-6121 ext. 242.

Written comments may be submitted until March 11, 2024 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
(\$90.44)

Isabel Valente

From: Gannett Legals Public Notices 2 <ganlegpubnotices2@gannett.com>
Sent: Wednesday, December 13, 2023 1:44 PM
To: Isabel Valente
Subject: RE: 9631607 MANASQUAN RATE PROPOSAL
Attachments: 9631607 Order_Confirmation_Liners.pdf

Hello,

Please find your order confirmation and proof of ad attached.

Your ad is set to run in The Asbury Park Press on 12/21/2023 for \$90.44.

The total cost is \$90.44 which includes an affidavit that can be mailed to you 7-10 business days after the last day of the ad printing. Please reply by 4pm 12/15 with any changes for the ad.

Your notice is scheduled to run, per your request, and will publish unless you advise otherwise.

In the future, be on the lookout for access to our online self-serve ads portal in your local publication to conveniently place future legal notices.

Thanks,

LaToya McDowell
Public Notice Representative



844-254-5256

From: Isabel Valente <ivalente@njwsa.org>
Sent: Tuesday, December 12, 2023 1:11 PM
To: NJ Advance Media Legal Advertising <legalads@support.njadvance-media.com>; Jeanette Kryzimalski <JKryzimalski@njadvancemediamedia.com>; LEGALS, APP <ALEGALS@gannettnj.com>
Subject: 9631607 MANASQUAN RATE PROPOSAL

Kindly publish the attached in your paper on

THURSDAY, DECEMBER 21, 2023

IN THE

STAR LEDGER (ACCOUNT # 1160910)

Ad Preview

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal - Meterless Remote System

The proposed rate increase is the result of a study conducted by the New Jersey Water Supply Authority (NJWSA) on behalf of the New Jersey Water Supply Authority. The study was conducted by the New Jersey Water Supply Authority and the New Jersey Water Supply Authority. The study was conducted by the New Jersey Water Supply Authority and the New Jersey Water Supply Authority. The study was conducted by the New Jersey Water Supply Authority and the New Jersey Water Supply Authority.

The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer.

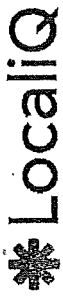
The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer.

The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer.

The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer.

The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer.

The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer. The proposed rates will result in a net increase of \$1.00 per month for the average residential customer.



New York/New Jersey

GANNETT

Order Confirmation

Not an Invoice

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:	12/13/2023
Order Number:	9631607
Prepayment Amount:	\$ 0.00

Column Count:	1.0000
Line Count:	126.0000
Height in Inches:	0.0000

Print	Product	#Insertions	Start - End	Category
	ASB Asbury Park_Press	1	12/21/2023 - 12/21/2023	Public Notices
	ASB local.app.com	1	12/21/2023 - 12/21/2023	Public Notices

Order Confirmation Amount	\$90.44
---------------------------	---------

Mayor Joseph Altomonte
Borough of Matawan
201 Broad Street
Matawan, NJ 7747

Mr. Jeffry Bertrand
Township of Wall
2700 Allaire Road
Wall , NJ 7719

Mr. Michael Broncatello
NJDWSC
One F.A. Orechio Drive
Wanaque, NJ 7465

Mr. Scott Carew
Borough of Matawan
201 Broad Street
Matawan, NJ 7747

Mr. Matthew Csik
New Jersey American Water
149 Yellowbrook Road, Ste. 109
Farmingdale, NJ 7727

Mayor Donald Fetzer
Borough of Sea Girt
P.O. Box 296
4th Avenue
Sea Girt, NJ 8750

Ms. Dawn Harriman
Borough of Sea Girt
P.O. Box 296
4th Avenue
Sea Girt, NJ 8750

Mr. Andrew Huisman
Borough of Lake Como
1740 Main Street
Lake Como, NJ 7719

Ms. Robbin Kirk
Borough of Spring Lake
Fifth & Warren Avenues
Spring Lake, NJ 7762

Ms. Susan McClure
Division of Rate Counsel
140 E. Front St.
P.O. Box 003
Trenton, NJ 8625

Mayor Rose Araneo
Borough of Keyport
70 W. Front Street
Keyport, NJ 7735

Mayor Edward Bonanno
Borough of Avon-By-The-Sea
301 Main Street
Avon, NJ 7717

Mayor Gerald Buccafusco
Borough of Belmar
P.O. Box A
601 Main Street
Belmar, NJ 7719

Ms. Michele Clark
Borough of Keyport
70 West Front Street
Keyport, NJ 7735

Ms. Erin Emblar
New Jersey American Water
1 Water Street
Camden, NJ 8102

Mr. Eric Frye
Borough of Matawan
201 Broad Street
Matawan, NJ 7747

Jamie Hawn
New Jersey American Water
1 Water Street
Camden, NJ 8102

Mr. Brian Jacobus
American Water
1 Water Street
Camden, NJ 8102

Mr. Oleg Kostin
New Jersey American Water
P.O. Box 102
Bound Brook, NJ 8805

Mr. Darren McConnell
Borough of Red Bank
90 Monmouth St., Ste. 1
Red Bank, NJ 7701

Mr. Joe Barris
Monmouth County Planning Board
One East Main Street
Freehold, NJ 7728

Mr. Jeffrey Bowlby
New Jersey American Water
149 Yellowbrook Road, Ste. 109
Farmingdale, NJ 7727

Mayor Christopher Campion
Borough of Spring Lake Heights
555 Brighton Avenue
Spring Lake Heights, NJ 7762

Ms. April Claudio
Borough of Belmar
P.O. Box A
601 Main Street
Belmar, NJ 7719

Mayor Timothy Farrell
Township of Wall
2700 Allaire Road
Wall , NJ 7719

Ms. Janine Gillis
Borough of Spring Lake Heights
555 Brighton Avenue
Spring Lake Heights, NJ 7762

Mayor Kevin Higgins
Borough of Lake Como
1740 Main Street
Lake Como, NJ 7719

Mr. Michael Kammer
State of New Jersey, BPU
44 S. Clinton Avenue
P.O. Box 350
Trenton, NJ 8625

Mr. Brian Lipman
Div. of the Rate Counsel
140 E. Front St.
P.O. Box 003
Trenton, NJ 8625

Ms. Kerry McGuigan
Borough of Avon-By-The-Sea
301 Main Street
Avon, NJ 7717

Mayor Jennifer Naughton
Borough of Spring Lake
Fifth & Warren Avenues
Spring Lake, NJ 7762

Ms. Lindsey Olson
New Jersey American Water
661 Shrewsbury Avenue
Shrewsbury, NJ 7702

Mr. Abe Silverman
State of New Jersey, BPU
44 S. Clinton Avenue
P.O. Box 350
Trenton, NJ 8625

Mayor Thomas Nicol
Borough of Brielle
P.O. Box 445
601 Union Lane
Brielle, NJ 8730

Mayor William Portman
Borough of Red Bank
90 Monmouth St., Ste. 1
Red Bank, NJ 7701

The Hon. Tahesha Way
Department of State
125 W. State Street
P.O. Box 300
Trenton, NJ 8625

Mr. Thomas Nolan
Borough of Brielle
P.O. Box 445
601 Union Lane
Brielle, NJ 8730

Mr. Robert Schaefer
New Jersey American Water
167 J.F.K. Parkway
Short Hills, NJ 7078

Ms. Dina Zahorsky
Borough of Spring Lake
Fifth & Warren Avenues
Spring Lake, NJ 7762

Michelle Rollman

From: Michelle Rollman
Sent: Tuesday, December 19, 2023 11:56 AM
To: Michelle Rollman
Subject: NJWSA NOTICES OF RATE PROPOSALS
Attachments: Notice FY2025 Proposed RBS Rates.pdf; Notice FY2025 Proposed MRS Rates.pdf

Pursuant to the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., administrative agencies are required to distribute notice of proposed rulemaking activities to the news media maintaining a press office at the State House Complex. In satisfaction of this requirement, the New Jersey Water Supply Authority is forwarding to you the attached two notices of rate proposals.

Please find attached the New Jersey Water Supply Authority Notice of Rate Proposal for the Raritan Basin System as well as the Notice of Rate Proposal for the Manasquan Reservoir System.

Many thanks and Happy Holidays,
Michelle Rollman

Michelle Rollman
Finance and Accounting Analyst
New Jersey Water Supply Authority
Clinton Administration Building
1851 State Route 31
P.O. Box 5196
Clinton, NJ 08809
P: (908) 638-6121 x242
F: (908) 638-5241
mrollman@njwsa.org

From: [HCD News](#)
To: [Michelle Rollman](#)
Subject: Automatic reply: NJWSA NOTICES OF RATE PROPOSALS
Date: Tuesday, December 19, 2023 11:57:06 AM

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

placead@njadvancemedia.com.

From: postmaster@cvcmail.onmicrosoft.com
To: news12nj@news12.com
Subject: Delivered: External E-mail - NJWSA NOTICES OF RATE PROPOSALS
Date: Thursday, January 25, 2024 10:50:20 AM
Attachments: [External E-mail - NJWSA NOTICES OF RATE PROPOSALS.msg](#)

Your message has been delivered to the following recipients:
news12nj@news12.com <<mailto:news12nj@news12.com>>
Subject: External E-mail - NJWSA NOTICES OF RATE PROPOSALS

Michelle Rollman

From: postmaster@cvcmail.onmicrosoft.com
To: news12nj@news12.com
Sent: Tuesday, December 19, 2023 11:57 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



External E-mail -
NJWSA NOTICE...

Michelle Rollman

From: postmaster@onclusive.com
To: NewJersey@applanner.com
Sent: Tuesday, December 19, 2023 11:58 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@thirteen.onmicrosoft.com
To: aronm@njtvonline.org
Sent: Tuesday, December 19, 2023 11:58 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

aronm@njtvonline.org

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@thirteen.onmicrosoft.com
To: aronm@njtvonline.org
Sent: Tuesday, December 19, 2023 11:58 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

aronm@njtvonline.org

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@advancelocal.net
To: news@njtimes.com
Sent: Tuesday, December 19, 2023 11:58 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@townsquaremedia.com
To: newsjerz@nj1015.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@advancelocal.net
To: bjohnson@njadvancemedia.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@advancelocal.net
To: bjohnson@njadvancemedia.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@townsquaremedia.com
To: eric.scott@townsquaremedia.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@advancelocal.net
To: slivio@njadvancemedia.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@advancelocal.net
To: news@hcdemocrat.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@advancelocal.net
To: tmartello@njadvancemedia.com
Sent: Tuesday, December 19, 2023 11:57 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



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@ap.org
To: matalini@ap.org
Sent: Tuesday, December 19, 2023 11:57 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

matalini@ap.org

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: Mail Delivery System <MAILER-DAEMON@dispatch1-us1.ppe-hosted.com>
To: newstips@pressofac.com; wkeough@pressofac.com; briang.thompson@nbcuni.com;
wcaudesk@nbcuni.com; editor@trentonian.com; info@1010winsmail.com; jalt@thedailyjournal.com;
newsroom@dailyrecord.com; desk@cbs2ny.com; bjordan@gannettnj.com;
susann.l.mcgoldrick@abc.com; mcalpin@northjersey.com; stile@northjersey.com
Sent: Tuesday, December 19, 2023 11:57 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
mxa-00292f01.gslb.pphosted.com[148.163.158.191]:25: 250 2.0.0 3v17d0bk7v-1
Message accepted for delivery

<wkeough@pressofac.com>: delivery via
mxa-00292f01.gslb.pphosted.com[148.163.158.191]:25: 250 2.0.0 3v17d0bk7v-1
Message accepted for delivery

<briang.thompson@nbcuni.com>: delivery via
mxb-00176a04.gslb.pphosted.com[67.231.157.49]:25: 250 2.0.0 3v1t3nwdxy-1
Message accepted for delivery

<wcaudesk@nbcuni.com>: delivery via
mxb-00176a04.gslb.pphosted.com[67.231.157.49]:25: 250 2.0.0 3v1t3nwdxy-1
Message accepted for delivery

<editor@trentonian.com>: delivery via aspmx.l.google.com[108.177.122.26]:25:
250 2.0.0 OK 1703004993
g35-20020a81ae6300000b005e79a947ecbsi1020192ywk.357 - gsmtip

<info@1010winsmail.com>: delivery via smtp.google.com[142.250.105.26]:25: 250
2.0.0 OK 1703004993 c185-20020a254ec2000000b00dbcb5cd36aasi9129629ybb.554
- gsmtip

<jalt@thedailyjournal.com>: delivery via
us-smtp-inbound-1.mimecast.com[205.139.110.141]:25: 250
SmtipThread-5559761-1703004993416@us-mta-682.us.mimecast.lan Received OK
[097eUW62O1eEBSZNXI4_ZQ.us682]

<newsroom@dailyrecord.com>: delivery via
us-smtp-inbound-2.mimecast.com[207.211.30.141]:25: 250
SmtipThread-6129046-1703004993675@us-mta-653.us.mimecast.lan Received OK
[VutkxuruM-CiNsHv9PJM_g.us653]

<desk@cbs2ny.com>: delivery via
mxa-00262c01.gslb.pphosted.com[148.163.148.230]:25: 250 2.0.0 3v2ypny1ws-1
Message accepted for delivery

<bjordan@gannettnj.com>: delivery via
us-smtp-inbound-2.mimecast.com[207.211.30.141]:25: 250
SmtThread-6129053-1703004993881@us-mta-653.us.mimecast.lan Received OK
[9Eu9N3hJPWOAg00aUW-uKg.us653]

<susann.l.mcgoldrick@abc.com>: delivery via
mxh-00278502.gslb.pphosted.com[205.220.164.148]:25: 250 2.0.0 3v1rfupmuq-1
Message accepted for delivery

<mcalpin@northjersey.com>: delivery via
us-smtp-inbound-2.mimecast.com[205.139.110.141]:25: 250
SmtThread-5559764-1703004993496@us-mta-682.us.mimecast.lan Received OK
[jzQdhvA2PRyEv10ZNKaR6g.us682]

<stile@northjersey.com>: delivery via
us-smtp-inbound-2.mimecast.com[205.139.110.141]:25: 250
SmtThread-5559764-1703004993496@us-mta-682.us.mimecast.lan Received OK



Message Headers

[jzQdhvA2PRyEv10ZNKaR6g.us682]

Michelle Rollman

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Darin Shaffer
Sent: Tuesday, December 19, 2023 11:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

Darin Shaffer (dshaffer@njwsa.org)

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Michelle Rollman
Sent: Tuesday, December 19, 2023 11:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

Michelle Rollman (mrollman@njwsa.org)

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Marc Brooks
Sent: Tuesday, December 19, 2023 11:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

Marc Brooks (mbrooks@njwsa.org)

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Susan Buckley
Sent: Tuesday, December 19, 2023 11:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

Susan Buckley (sbuckley@njwsa.org)

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Susan Buckley
Sent: Tuesday, December 19, 2023 11:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

[Susan Buckley \(sbuckley@njwsa.org\)](mailto:sbuckley@njwsa.org)

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@njwsa.org>
To: Robin Greg
Sent: Tuesday, December 19, 2023 11:56 AM
Subject: Delivered: NJWSA NOTICES OF RATE PROPOSALS

Your message has been delivered to the following recipients:

Robin Greg (rgreg@njwsa.org)

Subject: NJWSA NOTICES OF RATE PROPOSALS



NJWSA NOTICES
OF RATE PROPO...

Michelle Rollman

From: postmaster@ap.org
To: TRE-TrentonNJBureauMailbox@ap.org
Sent: Tuesday, December 19, 2023 11:58 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



NJWSA NOTICES
OF RATE PROPO...

From: Mail Delivery System
To: newstips@pressofac.com; wkeough@pressofac.com; briang.thompson@nbcuni.com; wcaudesk@nbcuni.com; editor@trentonian.com; info@1010winsmail.com; jalt@thedailyjournal.com; newsroom@dailyrecord.com; desk@cbs2ny.com; bjordan@gannettnj.com; susann.l.mcgoldrick@abc.com; mcalpin@northjersey.com; stile@northjersey.com
Subject: Relayed: NJWSA NOTICES OF RATE PROPOSALS
Date: Thursday, January 25, 2024 10:51:54 AM
Attachments: Message Headers.msg

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
mx-a-00292f01.gslb.pphosted.com[148.163.158.191]:25: 250 2.0.0 3v17d0bk7v-1
Message accepted for delivery

<wkeough@pressofac.com>: delivery via
mx-a-00292f01.gslb.pphosted.com[148.163.158.191]:25: 250 2.0.0 3v17d0bk7v-1
Message accepted for delivery

<briang.thompson@nbcuni.com>: delivery via
mx-b-00176a04.gslb.pphosted.com[67.231.157.49]:25: 250 2.0.0 3v1t3nwdxy-1
Message accepted for delivery

<wcaudesk@nbcuni.com>: delivery via
mx-b-00176a04.gslb.pphosted.com[67.231.157.49]:25: 250 2.0.0 3v1t3nwdxy-1
Message accepted for delivery

<editor@trentonian.com>: delivery via aspmx.l.google.com[108.177.122.26]:25:
250 2.0.0 OK 1703004993
g35-20020a81ac6300000b005e79a947ecbsi1020192ywk.357 - gsmtip

<info@1010winsmail.com>: delivery via smtp.google.com[142.250.105.26]:25: 250
2.0.0 OK 1703004993 c185-20020a254ec200000b00dbcb5cd36aasi9129629ybb.554
- gsmtip

<jalt@thedailyjournal.com>: delivery via
us-smtp-inbound-1.mimecast.com[205.139.110.141]:25: 250
SmtipThread-5559761-1703004993416@us-mta-682.us.mimecast.lan Received OK
[097eUW62O1eEBSZNX14_ZQ.us682]

<newsroom@dailyrecord.com>: delivery via
us-smtp-inbound-2.mimecast.com[207.211.30.141]:25: 250
SmtipThread-6129046-1703004993675@us-mta-653.us.mimecast.lan Received OK
[VutkxuruM-CiNsHv9PJM_g.us653]

<desk@cbs2ny.com>: delivery via
mx-a-00262c01.gslb.pphosted.com[148.163.148.230]:25: 250 2.0.0 3v2ypny1ws-1
Message accepted for delivery

<bjordan@gannettnj.com>: delivery via
us-smtp-inbound-2.mimecast.com[207.211.30.141]:25: 250
SmtipThread-6129053-1703004993881@us-mta-653.us.mimecast.lan Received OK
[9Eu9N3hJPWOAg00aUW-uKg.us653]

<susann.l.mcgoldrick@abc.com>: delivery via
mx-b-00278502.gslb.pphosted.com[205.220.164.148]:25: 250 2.0.0 3v1rfupmuq-1
Message accepted for delivery

<mcalpin@northjersey.com>: delivery via
us-smtp-inbound-2.mimecast.com[205.139.110.141]:25: 250
SmtipThread-5559764-1703004993496@us-mta-682.us.mimecast.lan Received OK
[jzQdhvA2PRyEv10ZNKaR6g.us682]

<stile@northjersey.com>: delivery via
us-smtp-inbound-2.mimecast.com[205.139.110.141]:25: 250
SmtipThread-5559764-1703004993496@us-mta-682.us.mimecast.lan Received OK
[jzQdhvA2PRyEv10ZNKaR6g.us682]

New Jersey Register Notice

Exhibit D

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 the proposed amendments affect only the Authority's water rates charged to purchasers. 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 upon the affordability of housing and there is no likelihood the rules will evoke a change in the average costs associated with housing. The Authority finds 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 the proposed amendments will impose no impact because it is unlikely 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 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 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:

Period	Allocation	Rate/Million Gallons
(State fiscal year unless otherwise indicated)		
State fiscal year [2024] 2025	Million Gallons per Day (MGD)	\$203.00

- 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.

Period	Allocation	Rate/Million Gallons
(State fiscal year unless otherwise indicated)		
State fiscal year [2024] 2025	Million Gallons per Day (MGD)	\$109.00

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

Period	Allocation	Rate/Million Gallons
(State fiscal year unless otherwise indicated)		
State fiscal year [2024] 2025	Million Gallons per Day (MGD)	\$33.00

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

Period	Allocation	Rate/Million Gallons
(State fiscal year unless otherwise indicated)		
State fiscal year [2024] 2025	Million Gallons per Day (MGD)	\$20.00

(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 the exception to the calendar requirement.

DEP Docket Number: 3-23-11.

Proposal Number: PRN 2024-005.

Take notice that, 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 4, 2024, at 11:00 A.M. and a public hearing on February 1, 2024, 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-notices.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 2, 2024, 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. 3-23-11
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) 2025. 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 by July 1, 2024.

The general rate schedule for operations and maintenance (O&M) covers the System's operation expenses. 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 2025. The O&M component sales base of 19.443 million gallons per day (MGD) will remain the same for FY 2025.

The debt service component for FY 2024 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 2025. 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 2025. 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 2025 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 2025 rate for delayed water purchase contract customers (\$200.00 per MG, no change from FY 2024), 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 the System's water quality and quantity. 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 to cover FY 2018 program costs. To cover FY 2025 costs, 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 2025, and the sales base will remain constant at 19.443 MGD for FY 2025.

For initial water purchase contract customers, the FY 2025 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 2024. 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. 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 2025 is \$1,124.67 per million gallons, representing no change relative to the FY 2024 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 necessary, vital water supply to keep pace with Monmouth County's continuing population growth while reducing the water purveyors' dependence on regionally stressed groundwater resources.

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 proposed amendments provide adequate financing for the System's upkeep and operation and will result in a positive environmental impact. Sixty percent of Monmouth County's water supply was previously derived from stressed groundwater resources. The System partially alleviates the reliance on the existing groundwater supply and meets the needs of a developing area. This water supply system has an important and positive environmental impact because it reduces stress on the region's valuable groundwater resources by providing an alternate surface water supply. By reducing reliance on groundwater, saltwater intrusion will be slowed, and present groundwater levels will be preserved.

The System's 30 million gallon per day water supply helps to protect the region's threatened groundwater resources from further depletion. In addition, the 770-acre Manasquan Reservoir protects waterfowl and regional wildlife through several protected wetland sites.

The continued financing of the source water protection fund will have a positive environmental impact by providing greater protection to Manasquan Basin's water quality and quantity 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 Authority's procedures. 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 water rates for System customers. 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 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 Authority to purchase 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 Authority's water rates charged to purchasers. 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 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, by P.L. 2008, c. 46, the Authority has evaluated the proposed amendments for the purposes of determining their impact, if any, on housing affordability. The Authority has determined the proposed amendments will impose an insignificant impact on the affordability of housing and it is unlikely that the rules will evoke a change in the average costs associated with housing. The Authority finds 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 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, under the State Development and Redevelopment Plan. The Authority finds 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 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>	<u>Rate/Million Gallons (based upon a 19.443 mg per day sales base)</u>
July 1, [2023] 2024	\$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 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>	<u>Rate/Million Gallons (Coverage 120 percent)</u>
[7/1/2023] 7/1/2024 to [6/30/2024] 6/30/2025	\$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>	<u>Rate/Million Gallons</u>
[7/1/2023] 7/1/2024 to [6/30/2024] 6/30/2025	\$525.00

(d) (No change.)

(e) Capital Fund Assessment—delayed water purchase contract customers:

<u>Period</u>	<u>Rate/Million Gallons</u>
[7/1/2023] 7/1/2024 to [6/30/2024] 6/30/2025	\$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>
[7/1/2023] 7/1/2024 to [6/30/2024] 6/30/2025	\$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>
[7/1/2023] 7/1/2024 to [6/30/2024] 6/30/2025	\$24.93

HUMAN SERVICES

(a)

COMMISSION FOR THE BLIND AND VISUALLY IMPAIRED

Organizational and General Policy Provisions of the Commission for the Blind and Visually Impaired Proposed Readoption with Amendments: N.J.A.C. 10:91

Authorized By: Sarah Adelman, Commissioner, Department of Human Services.

Authority: N.J.S.A. 30:1-12, 30:6-1 et seq., and 52:14B-3(1) et seq.; 29 U.S.C. §§ 3101 et seq.; and 34 CFR Parts 74, 76, 77, 79, 80, 82, 85, 86, 361, 363, 395, and 397.

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

Proposal Number: PRN 2024-007.

Submit written comments by March 2, 2024, to:

Kevin Harris
New Jersey Commission for the Blind and Visually Impaired
153 Halsey Street
#600
Newark, NJ 07101
Email: kevin.harris@dhs.nj.gov

The agency proposal follows:

Summary

Pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 10:91 were scheduled to expire on November 17, 2024. As the Commission for the Blind and Visually Impaired (Commission) filed this notice of readoption with the Office of Administrative Law prior to that date, the expiration date was extended 180 days to May 16, 2025, pursuant to N.J.S.A. 52:14B-5.1.c(2). N.J.A.C. 10:91 establishes the organization and general policy provisions for all service programs administered within the Commission, including education, independent living, business enterprise program, and prevention services. Vocational Rehabilitation and the Independent Living-Older Blind programs are also administered at the agency, pursuant to the Workforce Innovation and Opportunity Act (the Act), 29 U.S.C. §§ 3101 et seq., for which the State obtains funding pursuant to the Act in order to administer and establish a broad network of services for individuals who are blind, visually impaired, and deaf-blind.

The chapter includes seven subchapters that are described below.

N.J.A.C. 10:91-1, Purpose and scope of Commission services, provides an overview of the Commission programs, the purpose and scope of the various programs, the definitions that are utilized throughout the chapter, the legal authority to provide services, and the composition and functions of the Commission's advisory boards.

N.J.A.C. 10:91-2, Eligibility standards for Commission services, describes the eligibility standards required for individuals to qualify for services including adaptive living skills and prevention services, educational services, vocational rehabilitation, the requirements for an eye report, residency requirements, the requirements for notification of ineligibility for the above-mentioned programs, and the presumption of eligibility for Commission services.

N.J.A.C. 10:91-3, Financial standard, is a description of the financial needs standard and survey and how it is applied to programs for adaptive living skills, education, and vocational rehabilitation services. The subchapter also requires the utilization of the Commission as a last dollar resource.

N.J.A.C. 10:91-4, Description of services, explains Commission services available to New Jersey residents, applicants, and eligible clients.

N.J.A.C. 10:91-5, Case management practices, describes case processes, including referral procedures, intake procedures, individual client service plans, purchase of services, referral to provider agencies, the release of information and access to records, communicable diseases, reporting institutional abuse of elderly persons, reporting suspected child abuse or neglect, as well as critical incidents involving clients.

N.J.A.C. 10:91-6, Client appeal rights, provides a description of how clients can seek redress including the recording of concerns by clients, administrative review, and the contested case process.

N.J.A.C. 10:91-7, Medical policies and fee schedules, includes a description of the Commission's medical policies and the fee schedule for medical practitioners who provide services for Commission clients.

Proposed Specific Amendments

Amendments are proposed at N.J.A.C. 10:91-1.2 that will add a new definition for "medical professionals." The Commission may seek to consult with licensed physicians and practitioners in the field regarding appropriate exceptions to the fees designated in the fee schedule and to consult on appropriate services and relevant medical matters. Amendments are also proposed at N.J.A.C. 10:91-7.1 that will update the Commission's fee schedule to increase the amount paid to the low vision panel members (the eye doctors who provide low vision services to Commission clients). The fee schedule currently reflects that low vision practitioners' fees for services rendered are the following: Low Vision exam \$150.00, Comprehensive Low Vision exam \$175.00, and Low Vision follow-up exam \$35.00. In 2023, the State of New Jersey Budget provided an appropriation increasing low vision provider fees. As of July 1, 2023, the fees for low vision services rendered are the following: Low Vision exam \$250.00, Comprehensive Low Vision exam \$275.00, and Low Vision follow-up exam \$65.00. The proposed regulatory updates to the Fee Schedule will codify the fee increases. Additionally, at N.J.A.C. 10:91-7.1(c), the Commission is proposing to amend "Commission's Medical Consultant" to "the Commission, in consultation with necessary medical professionals."

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

Social Impact

During State Fiscal Year 2023, the Commission provided services to a total of 8,685 individuals including infants, children, youth (14-21), working-aged adults, and seniors to provide a full array of services to ensure that individuals who are blind, visually impaired, and deaf-blind, throughout their life-span, may fully participate at their schools, jobs, and communities. Consequently, individuals with vision loss are better equipped to complete their K-12 education, obtain certifications and degrees in higher education, enter the workforce, and lead independent, productive lives, and become fully integrated into their community.

Additionally, during this period, the Commission provided eye health screenings for 17,928 individuals. These screenings are conducted for underserved populations in order to detect conditions, such as, diabetic retinopathy, which can lead to vision loss. Those in need of additional treatment are referred to appropriate providers for additional services. The goal of the prevention program is to prevent blindness or visual impairment, whenever possible.

The rules proposed for readoption with amendments will enable the Commission to provide better compensation to the low vision panel

Minutes of Pre-Public Hearing
Meeting

Exhibit E

MINUTES

Pre-Public Hearing Meeting - January 4, 2024

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, 2024

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, Paul McKeon - Director Manasquan and D&R Canal, and Darin Shaffer-Chief Engineer. Oleg Kostin from New Jersey American was also in attendance.

Ms. Buckley reviewed the rates for Fiscal Year 2025 and the associated components. There will be no rate increases for the fiscal year. Mr. Brooks reviewed the proposed capital program. Mr. Kostin asked several question about health and fringe benefits. There being no further questions, the meeting was adjourned at 11:35 a.m.

Transcript of Public Hearing

Exhibit F

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

PUBLIC HEARING
NEW JERSEY WATER SUPPLY AUTHORITY

IN RE:

NEW JERSEY AMERICAN WATER
COMPANY, REGARDING APPLICATION
NO. RBS-1B (EXTENSION) FOR
UNINTERRUPTIBLE WATER SUPPLY FROM
THE MANASQUAN RESERVOIR WATER
SUPPLY SYSTEM.

BEFORE: STEVE PICCO, Hearing Officer
DATE: THURSDAY, FEBRUARY 1, 2024

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 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 1, 2024,
commencing at 11:01 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

A P P E A R A N C E S:

SUSAN BUCKLEY, Director, Finance and
Administration

MARC BROOKS, Executive Director

PAUL McKEON

DARIN SHAFFER

OLEG A. KOSTIN

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 minutes	7
P-2	Certification	8
S-1	Basis and Background Document	16

1 HEARING OFFICER PICCO: On behalf of
2 the New Jersey Water Supply Authority. I would
3 like to welcome everybody to the meeting. My
4 name is Steve Picco. I'm a Commissioner on the
5 Authority. I'm a Chairman of the Authority's
6 Audit Committee and a member of the Personnel,
7 Finance and Capital Committee. I'm serving as
8 the Hearing Officer for today's public hearings.

9 Several members of the Authority's
10 staff are joining us today. Mark Brooks is the
11 Executive Director. Susan Buckley is the
12 Director of Finance and Administration. Paul
13 McKeon is the Director of Manasquan Water Supply
14 and Canal Operations. And Darin Shaffer is our
15 Chief Engineer.

16 It's requested that at this time
17 everybody present please state your name and
18 affiliation. If you'd like to make a statement
19 today, please let me know and there'll be a
20 comment period designated at the end of the
21 presentations. So --

22 MS. BUCKLEY: Oleg, can you state
23 your name and your affiliation, please?

24 MR. KOSTIN: Sure. My name is Oleg
25 Kostin, O-l-e-g K-o-s-t-i-n. I'm Director of

1 Operations from New Jersey American Water.

2 MS. BUCKLEY: Okay. That's good.
3 We only have to do the external attendees. You
4 can go ahead.

5 HEARING OFFICER PICCO: The
6 Authority has adopted a rate adjustment
7 procedures that are found in the New Jersey
8 Administrative Code Section 7:11-4.16 and 17.
9 And those procedures provide for close contact
10 with our water customers, the State Division of
11 Ratepayer Advocate and other interested parties
12 for any rate adjustment proposal. These
13 procedures are designed to demonstrate the
14 Authority's commitment to maintaining an active
15 dialogue with the public welcoming the input of
16 interested parties and providing a forum for
17 that input.

18 Official notice of the proposed rate
19 adjustments for Fiscal Year 2025 was mailed to
20 the water users and all interested parties on
21 the 19th of December 2023, published in the New
22 Jersey Register on January 2nd, '24. On January
23 4, '24, the required pre-public hearing meeting
24 with our contractual water users and interested
25 parties was conducted. There was one attendee

1 at the pre-public hearing.

2 Ms. Buckley, we have minutes from
3 the pre-public hearing -- meeting at this
4 January 4th?

5 MS. BUCKLEY: Yes, Mr. Chairman. I
6 would like to enter the January 4, 2024
7 pre-public hearing minutes into the record as
8 Exhibit P-1.

9 HEARING OFFICER PICCO: Please do
10 so.

11 (Pre-public hearing minutes marked
12 P-1 for Identification.)

13 MS. BUCKLEY: Steve, you have
14 another question for me.

15 HEARING PICCO: Yeah. We have
16 Certification of the Publication and mailing
17 notification of the public hearing for everybody
18 present so we can enter it into the record.

19 MS. BUCKLEY: Yes, Mr. Chairman, we
20 have Certification that Notice of this public
21 hearing was mailed to the Secretary of State,
22 the Division of Ratepayer Advocate, the news
23 media maintaining a press office at the State
24 House Complex, the Board of Public Utilities,
25 the Authority's Contractual Water Purchasers and

1 other interested parties on December 19th, 2023
2 and advertised in the Asbury Park Press, The
3 Star Ledger and The Times of Trenton on December
4 21, 2023. I would like to enter this
5 Certification into the record as Exhibit P-2.

6 HEARING OFFICER PICCO: All right.
7 Please mark the Certification as P-2.

8 (Certification marked P-2 for
9 Identification.)

10 HEARING OFFICER PICCO: And would
11 you now present the Authority's opening
12 statement?

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

1 proposed rate of \$1,124.67 per million gallons
2 for Delayed Water Purchase Contracts represents
3 no change versus the current rate. The
4 Authority anticipates the rates will be adopted
5 effective July 1st, 2024.

6 The General Rate Schedule for
7 Operations and Maintenance was last adjusted
8 effective back in July 1, 2023 to cover the
9 operating expenses of the System for Fiscal year
10 2024. For the current Fiscal Year, there is no
11 change in the Operations and Maintenance rate of
12 \$432.87 per million gallons and there is no
13 change in the projected sales base. Projected
14 expense increases (primarily in salary, fringe,
15 and insurance expense) are being offset by the
16 overdraft revenues and budget surplus from prior
17 periods as well as excess debt service raised as
18 a requirement of the Authority's bond
19 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 Fiscal Year 2024. Debt service related to
24 Delayed Water Purchase Customers is essentially
25 flat versus Fiscal Year '24, and the debt

1 service component reflects 120 percent debt
2 service coverage.

3 A capital fund rate component was
4 established in Fiscal Year 2021 in the Manasquan
5 System for Initial Water Purchase Contracts
6 \$525.00 per million gallons and Delayed Water
7 Purchase Contracts \$200.00 per million gallons
8 to provide for long-term capital needs that will
9 allow for the proper maintenance, rehabilitation
10 and/or replacement of the system facilities.
11 The Authority is proposing no change to the
12 capital fund components.

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

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

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

13 Independent auditors have reviewed
14 the Authority's Fiscal Year 2023 allocation
15 calculation that results in an adjustment to be
16 netted against the Fiscal Year 2025 budgeted
17 allocation. A copy of the Auditor's report on
18 the allocation of the headquarters' general and
19 administrative costs is included in the rate
20 proposal package for each system.

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

1 amounts and the portions allocated to each of
2 the three systems.

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

9 After all appropriate allocations
10 from the Raritan Basin System and to the Water
11 Treatment Plant and Transmission System, the
12 projected operating costs for Fiscal Year 2025
13 indicate that an Operations and Maintenance rate
14 component of \$445.82 per million gallons will be
15 required starting July 1, 2024. This represents
16 no increase over the prior Fiscal Year. The
17 Operations and Maintenance component sales base
18 remains at 19.443 million gallons per day.

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

1 (subsequently reduced to 5.93 percent in Fiscal
2 Year 1997 for payments due August 1998 and
3 after), and the payment for the interim
4 completion loan of \$7,416,000 at an interest
5 rate of 7.16 percent (which was also later
6 reduced to 6.24 percent in Fiscal Year 1992).

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

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

1 this purpose.

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

11 On July 1, 2024 the Debt Service
12 Component for Delayed Water Purchase Contracts
13 will be \$445.82 per million gallons, no change
14 from the prior Fiscal Year. The debt for the
15 Initial Water Purchase Contracts has been paid
16 in full. There is no change in the sales base
17 for either Initial or Delayed customers.

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

1 Year 2016, and the rate increased to \$15.00 per
2 million gallons in Fiscal Year 2018. The
3 Authority proposes that the rate remain the same
4 at \$15.00 per million gallons in Fiscal year
5 2025 to adequately fund source water protection
6 efforts.

7 The Authority established the NJEIFP
8 Debt Component in Fiscal Year 2012 to pay debt
9 service on bonds issued in May of 2012 at 75
10 percent zero interest and 25 percent market
11 interest by the New Jersey Environmental
12 Infrastructure Financing Program to build a
13 structure over the Intake Pumps and Traveling
14 Water Screens. The Authority proposes that this
15 rate component remain the same at \$24.93 per
16 million gallons in Fiscal Year 2025.

17 The total proposed rate on July 1,
18 2024, for contracts effective as of July 1,
19 1990, will be \$1,010.75 per million gallons, no
20 change versus the prior Fiscal Year. The total
21 proposed rate on July 1, 2024 for Delayed Water
22 Purchase Contracts will be \$1,124.67 per million
23 gallons, no change versus the prior Fiscal Year.

24 The Authority's procedure for rate
25 adjustments is found in the New Jersey

1 Administrative Code at N.J.A.C. 7:11-4.13
2 thereafter ("The Regulations"). These rate
3 adjustment procedures require the Authority to
4 give official notice and an explanation
5 outlining the need for proposed rate adjustments
6 to various entities at least six (6) months
7 prior to the proposed effective date.

8 The Authority's Commissioners
9 formally proposed the publication of the rate
10 adjustment for Fiscal Year 2025 at their regular
11 monthly business meeting on November 6, 2023.
12 The Basis and Background Statement was posted on
13 the Authority's Website on October 27, 2023.
14 Mr. Picco, I request that this Basis and
15 Background Document be entered into the record
16 as Exhibit S-1.

17 HEARING OFFICER PICCO: All right.
18 Marked. Please do so.

19 (Basis and Background Document
20 marked S-1 for Identification.)

21 MS. BUCKLEY: The Authority's rate
22 adjustment procedures provide that the
23 contractual water customers and interested
24 parties be provided the opportunity to meet with
25 Authority staff at a pre-public hearing meeting

1 in order to be presented with an explanation of
2 the formal proposal. This pre-public hearing
3 meeting must be scheduled within forty-five (45)
4 days after the official notices of a proposed
5 rate adjustment is sent. A "Notice of Public
6 Hearing" was mailed on December 19, 2023 to
7 contractual water customers and other interested
8 parties informing them of the pre-public and
9 public hearings scheduled for January 4 and
10 February 1, 2024 respectively via Microsoft
11 Teams.

12 Additionally, on December 21, 2023
13 notice of the Pre-Public Hearing and this Public
14 Hearing was published in the Asbury Park Press,
15 the Times (Trenton) and The Star Ledger. Notice
16 of the proposed rate adjustment and the public
17 hearing schedule also appeared in the January
18 2nd, 2024 issue of the New Jersey Register. The
19 Pre-Public hearing was conducted on January 4,
20 2024, and there was one attendee.

21 The Authority's regulations state
22 that interested parties may submit written
23 questions for inclusion in the hearing record,
24 and if submitted no later than 15 days prior to
25 the public hearing, Authority staff, at today's

1 meeting, must provide answers to the questions.
2 The Authority will also provide a complete
3 response to any questions received subsequent to
4 the 15-day deadline and up to and including
5 March 11th, 2024, the closing date for the
6 hearing record. In addition, any party may
7 direct questions and follow-up to Authority
8 staff at the public hearing. In the event a
9 response cannot be immediately given today,
10 written response shall be prepared within ten
11 (10) business days of this public hearing and a
12 copy of that written response shall be provided
13 to all contractual water customers, the Division
14 of Ratepayer Advocate, the Board of Public
15 Utilities and attendees at the meeting
16 requesting the same and the responses shall be
17 made a part of the hearing record. Comments
18 received before the close of the New Jersey
19 Register comment period on March 2nd, 2024 will
20 also be entered into the record.

21 Finally, within ten (10) working
22 days after receipt of the answer, contractual
23 water customers, the Division of the Ratepayer
24 Advocate, the Board of Public Utilities and
25 attendees will be permitted to respond in

1 writing to the answers of the staff for the
2 record.

3 After the hearing record is closed
4 and the New Jersey Register comment period
5 expires, a Hearing Officer's report, which shall
6 include findings of fact and specific responses
7 to all issues and questions raised during the
8 public hearing proceedings, will be prepared and
9 submitted to the entire Authority prior to the
10 Authority taking final action on the proposal.

11 Mr. Picco, that concludes the
12 Authority's opening statement.

13 HEARING OFFICER PICCO: Okay. Take
14 a breath and then -- have we received any
15 written or verbal communications for inclusion
16 in the record?

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

19 HEARING OFFICER PICCO: Any
20 additional proposed rule changes not associated
21 with the changes to the existing rates?

22 MS. BUCKLEY: No, there are not.

23 HEARING OFFICER PICCO: Next on the
24 agenda is staff answers to questions raised
25 prior to today's hearing, have there been any

1 questions raised?

2 MS. BUCKLEY: No, there have not.

3 HEARING OFFICER PICCO: Okay. We're
4 now prepared to enter oral statements, written
5 statements or any other supporting evidence by
6 all interested parties in the record. At this
7 time I'd invite anyone who would like to make
8 such a statement to state your name and
9 affiliation. Okay. Let the record reflect I've
10 not received any statements from any members of
11 the public.

12 We'll now entertain questions and
13 hear responses from the Authority's staff. Does
14 any member of the public have questions for
15 staff?

16 Okay. Hearing none, the -- after
17 the New Jersey Register comment period closes on
18 the 2nd of March and the hearing office --
19 hearing record is closed on March 11th. I, as
20 the Hearing Officer, will prepare a report, my
21 findings based solely on the record of the
22 proceedings, which shall include findings of
23 fact and specific responses to all issues and
24 questions raised during these proceedings. My
25 report, will be submitted to the Authority and

1 presented to the Authority's Board for final
2 action on the proposal. Written comments may be
3 submitted until the end of the public comment
4 period which is March 11th, 2024.

5 I anticipate that the Authority will
6 take final action on these rates at a regular
7 business meeting on or about June 3rd, 2024.

8 The Authority appreciates all in
9 attendance. And this public hearing is hereby
10 adjourned.

11 MS. BUCKLEY: Thank you.

12 (Concluded at 11:28 a.m.)
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.
LICENSE NO. 30XI00203200

DATE

J.H. BUEHRER & ASSOCIATES

	9:7	21:9	5:10	commitment (1)
\$	adjustment (8)	attendee (2)	Buckley (13)	6:14
\$1,010.75 (3)	6:6,12;11:15;16:3,10,22;17:5,16	6:25;17:20	5:11,22;6:2;7:2,5,13,19;8:13;16:21;19:17,22;20:2;21:11	Committee (2)
8:22,25;15:19	adjustments (3)	attendees (3)		5:6,7
\$1,124.67 (2)	6:19;15:25;16:5	6:3;18:15,25	budget (3)	communications (1)
9:1;15:22	Administration (1)	Audit (1)	9:16;10:19;11:25	19:15
\$10.00 (1)	5:12	5:6	budgeted (1)	complete (1)
14:25	Administrative (5)	audited (1)	11:16	18:2
\$15.00 (4)	6:8;11:3,7,19;16:1	11:12	build (1)	completion (4)
14:20,24;15:1,4	adopted (2)	auditing (1)	15:12	13:4,9,18;14:7
\$17,460,000 (1)	6:6;9:4	11:5	business (3)	Complex (1)
14:3	advertised (1)	auditors (2)	16:11;18:11;21:7	7:24
\$200.00 (1)	8:2	11:9,13		component (17)
10:7	Advocate (4)	Auditor's (1)	C	9:20;10:1,3;12:4,6,6,7,8,14,17,19;13:23;14:12,19,24;15:8,15
\$24.93 (1)	6:11;7:22;18:14,24	11:17		components (2)
15:15	affiliation (3)	August (2)	calculated (1)	10:12,15
\$3.0 (1)	5:18,23;20:9	13:2,7	12:20	Concluded (1)
14:9	against (1)	Authority (29)	calculation (1)	21:12
\$432.87 (1)	11:16	5:2,5;6:6;8:14,18;9:4;10:11,13,17,24;13:7,16,24;14:2,18,23;15:3,7,14;16:3,25;17:25;18:2,7;19:9,10;20:25;21:5,8	11:15	concludes (1)
9:12	agenda (1)	Authority-owned (1)	5:22;6:4;7:18	19:11
\$438.92 (1)	19:24	10:25	Canal (1)	conducted (2)
9:22	ahead (1)	Authority's (18)	5:14	6:25;17:19
\$445.82 (2)	6:4	5:5,9;6:14;7:25;8:11;9:18;11:1,9,14,23;15:24;16:8,13,21;17:21;19:12;20:13;21:1	Capital (5)	consists (1)
12:14;14:13	allocated (2)	average (2)	5:7;10:3,8,12;12:6	12:4
\$525.00 (1)	11:21;12:1	13:9;14:8	Certification (5)	constructed (1)
10:6	allocation (5)		7:16,20;8:5,7,8	10:25
\$6.187 (1)	11:6,11,14,17,18	B	Chairman (4)	consultant (1)
13:11	allocations (1)	back (1)	5:5;7:5,19;19:17	11:23
\$63,600,000 (1)	12:9	9:8	change (11)	contact (1)
12:25	allow (1)	Background (3)	8:24;9:3,11,13,22;10:11,13;14:13,16;15:20,23	6:9
\$7,416,000 (1)	10:9	16:12,15,19	changes (2)	contract (2)
13:4	amend (1)	base (3)	19:20,21	13:20,22
\$9,505.40 (1)	8:14	9:13;12:17;14:16	charge (1)	Contracts (9)
13:17	amendments (1)	based (2)	12:3	8:23;9:2,21;10:5,7;14:12,15;15:18,22
\$90,147.57 (1)	8:20	11:22;20:21	Charges (1)	contractual (6)
13:17	American (1)	Basin (2)	8:15	6:24;7:25;16:23;17:7;18:13,22
	6:1	10:20;12:10	Chief (1)	contributed (1)
A	amounts (1)	Basis (3)	5:15	13:25
Account (1)	12:1	16:12,14,19	Clinton (1)	copy (2)
13:13	and/or (1)	behalf (1)	11:2	11:17;18:12
accountability (1)	10:10	5:1	close (3)	cost (1)
10:19	anticipate (1)	Board (4)	6:9;11:8;18:18	10:19
action (3)	21:5	7:24;18:14,24;21:1	closed (2)	costs (5)
19:10;21:2,6	anticipates (1)	bond (2)	19:3;20:19	11:7,19,21;12:5,12
active (1)	9:4	9:18;13:12	closes (1)	coupon (2)
6:14	appeared (1)	bonds (7)	20:17	13:10;14:8
actual (1)	17:17	13:12,15;14:4,6,7,10;15:9	closing (1)	cover (5)
11:11	appreciates (1)	both (1)	18:5	8:17;9:8;12:4,20,23
addition (1)	21:8	10:21	Code (2)	coverage (2)
18:6	appropriate (1)	breath (1)	6:8;16:1	10:2;13:14
additional (1)	12:9	19:14	comment (5)	current (7)
19:20	Asbury (2)	Brooks (1)	5:20;18:19;19:4;20:17;21:3	8:24;9:3,10;11:9;13:8,17;14:6
Additionally (1)	8:2;17:14		Comments (2)	customers (8)
17:12	assess (1)		18:17;21:2	6:10;9:24;13:25;14:17;16:23;17:7;18:13,23
adequately (1)	11:4		Commissioner (1)	
15:5	Assessment (1)		5:4	
adjourned (1)	12:22		Commissioners (1)	
21:10	Assessments (1)		16:8	
adjust (1)	8:15			
11:10	associated (2)			
adjusted (1)	13:21;19:20			
	attendance (1)			

<p style="text-align: center;">D</p> <p>Darin (1) 5:14</p> <p>date (2) 16:7;18:5</p> <p>day (2) 12:18;13:20</p> <p>days (4) 17:4,24;18:11,22</p> <p>deadline (1) 18:4</p> <p>Debt (21) 8:15;9:17,20,23,25; 10:1,14;12:6,7,19,21, 22,23;13:13,14,21,23; 14:11,14;15:8,8</p> <p>December (5) 6:21;8:1,3;17:6,12</p> <p>dedicating (1) 14:20</p> <p>Delayed (8) 9:2,21,24;10:6; 13:19;14:12,17;15:21</p> <p>demonstrate (1) 6:13</p> <p>designated (1) 5:20</p> <p>designed (1) 6:13</p> <p>developed (1) 11:5</p> <p>dialogue (1) 6:15</p> <p>direct (1) 18:7</p> <p>Director (4) 5:11,12,13,25</p> <p>distinct (1) 10:18</p> <p>Division (4) 6:10;7:22;18:13,23</p> <p>Document (2) 16:15,19</p> <p>due (2) 12:21;13:2</p> <p>during (2) 19:7;20:24</p>	<p>enter (4) 7:6,18;8:4;20:4</p> <p>entered (2) 16:15;18:20</p> <p>entertain (1) 20:12</p> <p>entire (1) 19:9</p> <p>entities (1) 16:6</p> <p>Environmental (1) 15:11</p> <p>equitably (1) 11:4</p> <p>escrow (1) 13:24</p> <p>essentially (1) 9:24</p> <p>established (4) 10:4;12:23;14:18; 15:7</p> <p>event (1) 18:8</p> <p>everybody (3) 5:3,17;7:17</p> <p>evidence (1) 20:5</p> <p>excess (1) 9:17</p> <p>Executive (1) 5:11</p> <p>Exhibit (3) 7:8;8:5;16:16</p> <p>existing (1) 19:21</p> <p>expenditures (1) 11:12</p> <p>expense (2) 9:14,15</p> <p>expenses (2) 8:17;9:9</p> <p>expires (1) 19:5</p> <p>explanation (2) 16:4;17:1</p> <p>external (1) 6:3</p>	<p>5:7,12</p> <p>Financing (1) 15:12</p> <p>findings (4) 11:10;19:6;20:21, 22</p> <p>firm (1) 11:5</p> <p>Fiscal (29) 6:19;8:18,19,20,21, 21;9:9,10,23,25;10:4; 11:9,12,14,16;12:12, 16;13:1,6;14:14,19, 25;15:2,4,8,16,20,23; 16:10</p> <p>flat (1) 9:25</p> <p>follow-up (1) 18:7</p> <p>formal (1) 17:2</p> <p>formally (1) 16:9</p> <p>forty-five (1) 17:3</p> <p>forum (1) 6:16</p> <p>found (2) 6:7;15:25</p> <p>fringe (1) 9:14</p> <p>full (1) 14:16</p> <p>fully (1) 13:13</p> <p>fund (5) 10:3,12;12:6;14:19; 15:5</p> <p>funded (1) 13:13</p> <p>funds (1) 13:24</p>	<p>hear (1) 20:13</p> <p>HEARING (41) 5:1,8;6:5,23;7:1,3, 7,9,11,15,17,21;8:6, 10;16:17,25;17:2,6, 13,14,17,19,23,25; 18:6,8,11,17;19:3,5,8, 13,19,23,25;20:3,16, 18,19,20;21:9</p> <p>hearings (2) 5:8;17:9</p> <p>held (1) 13:24</p> <p>hereby (1) 21:9</p> <p>House (1) 7:24</p>	<p>16:23;17:7,22;20:6</p> <p>interim (1) 13:3</p> <p>into (5) 7:7,18;8:5;16:15; 18:20</p> <p>invite (1) 20:7</p> <p>issue (1) 17:18</p> <p>issued (3) 13:17;14:2;15:9</p> <p>issues (2) 19:7;20:23</p>
J				
<p>January (7) 6:22,22;7:4,6;17:9, 17,19</p> <p>Jersey (11) 5:2;6:1,7,22;10:16; 15:11,25;17:18; 18:18;19:4;20:17</p> <p>joining (1) 5:10</p> <p>July (10) 8:19;9:5,8;12:15, 23;13:16;14:11; 15:17,18,21</p> <p>June (2) 8:19;21:7</p>				
K				
<p>KOSTIN (2) 5:24,25</p> <p>K-o-s-t-i-n (1) 5:25</p>				
L				
<p>last (1) 9:7</p> <p>later (2) 13:5;17:24</p> <p>least (1) 16:6</p> <p>Ledger (2) 8:3;17:15</p> <p>life (1) 13:15</p> <p>loan (6) 12:24;13:4,8,18,18; 14:6</p> <p>located (1) 11:2</p> <p>long-term (1) 10:8</p>				
M				
<p>mailed (3)</p>				
<p style="text-align: center;">E</p> <p>effective (5) 9:5,8;12:23;15:18; 16:7</p> <p>efforts (1) 15:6</p> <p>either (1) 14:17</p> <p>end (2) 5:20;21:3</p> <p>Engineer (1) 5:15</p>	<p>facilities (1) 10:10</p> <p>fact (2) 19:6;20:23</p> <p>factors (1) 11:11</p> <p>February (1) 17:10</p> <p>final (3) 19:10;21:1,6</p> <p>Finally (1) 18:21</p> <p>Finance (2)</p>	<p style="text-align: center;">G</p> <p>gallons (19) 8:23,25;9:1,12,22; 10:6,7;12:14,18; 13:20;14:13,20,25,25; 15:2,4,16,19,23</p> <p>General (4) 9:6;11:2,7,18</p> <p>given (1) 18:9</p> <p>good (2) 6:2;8:13</p>	<p style="text-align: center;">I</p> <p>Identification (3) 7:12;8:9;16:20</p> <p>immediately (1) 18:9</p> <p>include (2) 19:6;20:22</p> <p>included (1) 11:19</p> <p>includes (1) 11:24</p> <p>including (1) 18:4</p> <p>inclusion (2) 17:23;19:15</p> <p>increase (1) 12:16</p> <p>increased (1) 15:1</p> <p>increases (1) 9:14</p> <p>Independent (1) 11:13</p> <p>indicate (1) 12:13</p> <p>informing (1) 17:8</p> <p>Infrastructure (1) 15:12</p> <p>Initial (6) 8:23;10:5;12:24; 13:23;14:15,17</p> <p>input (2) 6:15,17</p> <p>insurance (3) 9:15;11:21,25</p> <p>Intake (1) 15:13</p> <p>interest (4) 12:25;13:4;15:10, 11</p> <p>interested (9) 6:11,16,20,24;8:1;</p>	<p style="text-align: center;">L</p>

6:19;7:21;17:6 mailing (1) 7:16 maintaining (4) 6:14;7:23;10:17; 12:5 Maintenance (5) 9:7,11;10:9;12:13, 17 management (1) 11:23 managing (1) 10:18 Manasquan (7) 5:13;8:16;10:4,21; 14:3,5,22 March (5) 18:5,19;20:18,19; 21:4 Mark (2) 5:10;8:7 marked (4) 7:11;8:8;16:18,20 market (1) 15:10 May (5) 14:2;15:9;17:22; 18:6;21:2 McKeon (1) 5:13 media (1) 7:23 meet (1) 16:24 meeting (9) 5:3;6:23;7:3;16:11, 25;17:3;18:1,15;21:7 member (2) 5:6;20:14 members (2) 5:9;20:10 methodology (1) 11:6 Microsoft (1) 17:10 million (21) 8:22,25;9:1,12,22; 10:6,7;12:14,18; 13:11,20;14:9,13,20, 24,25;15:2,4,16,19,22 minutes (3) 7:2,7,11 Monmouth (1) 10:24 monthly (1) 16:11 months (1) 16:6 morning (1) 8:13 Municipal (1) 10:24 must (3)	13:14;17:3;18:1 N name (5) 5:4,17,23,24;20:8 need (2) 11:10;16:5 needs (1) 10:8 net (2) 13:10;14:8 netted (1) 11:16 New (11) 5:2;6:1,7,21;10:16; 15:11,25;17:18; 18:18;19:4;20:17 news (1) 7:22 Next (1) 19:23 NJAC (1) 16:1 NJEIFP (3) 10:14;12:7;15:7 none (1) 20:16 Notes (7) 13:9,9,18,18,21; 14:7,7 notice (6) 6:18;7:20;16:4; 17:5,13,15 notices (1) 17:4 notification (1) 7:17 November (1) 16:11 O October (1) 16:13 office (2) 7:23;20:18 OFFICER (12) 5:1,8;6:5;7:9;8:6, 10;16:17;19:13,19, 23;20:3,20 Officer's (1) 19:5 Official (3) 6:18;16:4;17:4 offset (1) 9:15 Oleg (2) 5:22,24 O-l-e-g (1) 5:25 one (2) 6:25;17:20	only (1) 6:3 opening (2) 8:11;19:12 operates (1) 8:18 operating (5) 9:9;10:17;11:8; 12:5,12 Operations (6) 5:14;6:1;9:7,11; 12:13,17 opportunity (1) 16:24 oral (1) 20:4 order (2) 11:4;17:1 outlining (1) 16:5 outside (1) 11:5 outstanding (1) 12:21 over (2) 12:16;15:13 overall (2) 8:22,25 overdraft (1) 9:16 own (1) 10:19 P P-1 (2) 7:8,12 P-2 (3) 8:5,7,8 package (2) 11:20,24 paid (2) 13:22;14:15 Park (2) 8:2;17:14 part (1) 18:17 parties (9) 6:11,16,20,25;8:1; 16:24;17:8,22;20:6 party (1) 18:6 Paul (1) 5:12 pay (1) 15:8 payment (1) 13:3 payments (3) 12:21,24;13:2 per (19) 8:22,25;9:1,12,22; 10:6,7;12:14,18;	13:20;14:13,20,24,25; 15:1,4,15,19,22 percent (10) 10:1;12:25;13:1,5, 6,10,15;14:8;15:10,10 period (5) 5:20;18:19;19:4; 20:17;21:4 periods (1) 9:17 permitted (1) 18:25 Personnel (1) 5:6 PICCO (14) 5:1,4;6:5;7:9,15; 8:6,10;16:14,17; 19:11,13,19,23;20:3 Plant (2) 10:23;12:11 please (6) 5:17,19,23;7:9;8:7; 16:18 portion (1) 13:8 portions (1) 12:1 posted (1) 16:12 prepare (1) 20:20 prepared (3) 18:10;19:8;20:4 pre-public (10) 6:23;7:1,3,7,11; 16:25;17:2,8,13,19 present (5) 5:17;7:18;8:11; 13:10;14:9 presentations (1) 5:21 presented (2) 17:1;21:1 press (3) 7:23;8:2;17:14 primarily (1) 9:14 prior (9) 9:16;12:16;14:14; 15:20,23;16:7;17:24; 19:9,25 procedure (1) 15:24 procedures (5) 6:7,9,13;16:3,22 proceedings (3) 19:8;20:22,24 proceeds (1) 13:12 Program (1) 15:12 projected (3) 9:13,13;12:12	proper (1) 10:9 property (1) 10:25 proposal (6) 6:12;11:20,24;17:2; 19:10;21:2 proposed (13) 6:18;8:19,22;9:1; 11:25;15:17,21;16:5, 7,9;17:4,16;19:20 proposes (2) 15:3,14 proposing (3) 8:14;10:11,13 protect (1) 14:21 Protection (5) 10:15;12:8;14:19, 24;15:5 provide (6) 6:9;10:8;11:10; 16:22;18:1,2 provided (2) 16:24;18:12 provides (1) 11:2 providing (1) 6:16 public (19) 5:8;6:15;7:17,20, 24;17:5,9,13,16,25; 18:8,11,14,24;19:8; 20:11,14;21:3,9 Publication (2) 7:16;16:9 published (2) 6:21;17:14 Pumps (1) 15:13 Purchase (12) 8:23;9:2,21,24; 10:5,7;13:19,22,25; 14:12,15;15:22 Purchasers (1) 7:25 purpose (1) 14:1 Q quality (1) 14:21 quantity (1) 14:21 R raised (5) 9:17;19:7,24;20:1, 24 Raritan (2) 10:20;12:10
--	---	---	---	--

<p>rate (31) 6:6,12,18;8:22,24; 9:1,3,6,11,21;10:3,15; 11:19,24;12:13,20,25; 13:5,23;15:1,3,15,17, 21,24;16:2,5,9,21; 17:5,16</p> <p>Ratepayer (4) 6:11;7:22;18:14,23</p> <p>Rates (4) 8:15;9:4;19:21; 21:6</p> <p>receipt (1) 18:22</p> <p>received (4) 18:3,18;19:14; 20:10</p> <p>recommendations (1) 11:22</p> <p>record (15) 7:7,18;8:5;16:15; 17:23;18:6,17,20; 19:2,3,16;20:6,9,19, 21</p> <p>reduced (3) 13:1,6;14:23</p> <p>references (1) 8:20</p> <p>reflect (1) 20:9</p> <p>reflects (1) 10:1</p> <p>refunded (2) 13:8;14:4</p> <p>Refunding (1) 14:4</p> <p>Register (5) 6:22;17:18;18:19; 19:4;20:17</p> <p>regular (2) 16:10;21:6</p> <p>Regulations (2) 16:2;17:21</p> <p>rehabilitation (1) 10:9</p> <p>related (1) 9:23</p> <p>remain (3) 13:14;15:3,15</p> <p>remains (1) 12:18</p> <p>replacement (1) 10:10</p> <p>report (4) 11:17;19:5;20:20, 25</p> <p>represents (3) 8:24;9:2;12:15</p> <p>request (1) 16:14</p> <p>requested (1) 5:16</p> <p>requesting (1)</p>	<p>18:16</p> <p>require (1) 16:3</p> <p>required (2) 6:23;12:15</p> <p>requirement (1) 9:18</p> <p>Reserve (1) 13:13</p> <p>Reservoir (5) 8:17;10:21;14:3,5, 22</p> <p>resolutions (1) 9:19</p> <p>respectively (2) 13:19;17:10</p> <p>respond (1) 18:25</p> <p>response (4) 18:3,9,10,12</p> <p>responses (4) 18:16;19:6;20:13, 23</p> <p>results (1) 11:15</p> <p>revenue (3) 10:19;14:4,6</p> <p>revenues (1) 9:16</p> <p>reviewed (1) 11:13</p> <p>right (2) 8:6;16:17</p> <p>risk (1) 11:23</p> <p>rule (1) 19:20</p>	<p>17:5</p> <p>Service (18) 8:15;9:17,20,23; 10:1,2,14;11:3;12:6, 19,22,24;13:13,14,21, 23;14:11;15:9</p> <p>serving (1) 5:7</p> <p>Several (1) 5:9</p> <p>Shaffer (1) 5:14</p> <p>shall (5) 18:10,12,16;19:5; 20:22</p> <p>showing (1) 11:25</p> <p>six (1) 16:6</p> <p>solely (1) 20:21</p> <p>Source (5) 10:14;12:7;14:18, 23;15:5</p> <p>Southeast (1) 10:24</p> <p>specific (2) 19:6;20:23</p> <p>staff (9) 5:10;11:1;16:25; 17:25;18:8;19:1,24; 20:13,15</p> <p>Star (2) 8:3;17:15</p> <p>starting (1) 12:15</p> <p>state (10) 5:17,22;6:10;7:21, 23;13:8,17;14:6; 17:21;20:8</p> <p>statement (5) 5:18;8:12;16:12; 19:12;20:8</p> <p>statements (3) 20:4,5,10</p> <p>Steve (2) 5:4;7:13</p> <p>stream (1) 10:20</p> <p>structure (1) 15:13</p> <p>submit (1) 17:22</p> <p>submitted (4) 17:24;19:9;20:25; 21:3</p> <p>subsequent (1) 18:3</p> <p>subsequently (1) 13:1</p> <p>summary (1) 11:24</p> <p>Supply (9)</p>	<p>5:2,13;10:16,21,22; 12:4;14:3,5,22</p> <p>support (1) 11:3</p> <p>supporting (1) 20:5</p> <p>Sure (1) 5:24</p> <p>surplus (1) 9:16</p> <p>Susan (1) 5:11</p> <p>System (19) 8:17,17;9:9;10:5, 10,20,21,23;11:5,8, 20,22;12:5,10,11,22; 14:4,5,22</p> <p>systems (4) 10:18,22;11:4;12:2</p>	<p>users (2) 6:20,24</p> <p>Utilities (4) 7:24;10:24;18:15, 24</p>	
				V	
				<p>value (2) 13:10;14:9</p> <p>various (1) 16:6</p> <p>verbal (1) 19:15</p> <p>versus (5) 8:24;9:3,25;15:20, 23</p> <p>via (1) 17:10</p>	
			T	W	
			<p>table (1) 11:25</p> <p>Teams (1) 17:11</p> <p>ten (2) 18:10,21</p> <p>term (2) 13:11;14:9</p> <p>thereafter (1) 16:2</p> <p>there'll (1) 5:19</p> <p>three (3) 10:18;11:3;12:2</p> <p>Times (2) 8:3;17:15</p> <p>today (3) 5:10,19;18:9</p> <p>today's (3) 5:8;17:25;19:25</p> <p>total (4) 12:3,20;15:17,20</p> <p>Transmission (2) 10:23;12:11</p> <p>Traveling (1) 15:13</p> <p>Treatment (2) 10:23;12:11</p> <p>Trenton (2) 8:3;17:15</p>	<p>Water (39) 5:2,13;6:1,10,20, 24;7:25;8:16,23;9:2, 21,24;10:5,6,14,16, 21,22,22;12:3,7,10; 13:19,22,25;14:3,5, 12,15,19,22,23;15:5, 14,21;16:23;17:7; 18:13,23</p> <p>waters (1) 14:21</p> <p>Website (1) 16:13</p> <p>welcome (1) 5:3</p> <p>welcoming (1) 6:15</p> <p>within (3) 17:3;18:10,21</p> <p>working (1) 18:21</p> <p>writing (1) 19:1</p> <p>written (6) 17:22;18:10,12; 19:15;20:4;21:2</p>	
	S			Y	
	<p>S-1 (2) 16:16,20</p> <p>salary (1) 9:14</p> <p>Sale (1) 8:16</p> <p>sales (3) 9:13;12:17;14:16</p> <p>same (3) 15:3,15;18:16</p> <p>savings (2) 13:11;14:9</p> <p>Schedule (3) 8:14;9:6;17:17</p> <p>scheduled (2) 17:3,9</p> <p>Screens (1) 15:14</p> <p>Secretary (1) 7:21</p> <p>Section (1) 6:8</p> <p>sent (1)</p>	<p>state (10) 5:17,22;6:10;7:21, 23;13:8,17;14:6; 17:21;20:8</p> <p>statement (5) 5:18;8:12;16:12; 19:12;20:8</p> <p>statements (3) 20:4,5,10</p> <p>Steve (2) 5:4;7:13</p> <p>stream (1) 10:20</p> <p>structure (1) 15:13</p> <p>submit (1) 17:22</p> <p>submitted (4) 17:24;19:9;20:25; 21:3</p> <p>subsequent (1) 18:3</p> <p>subsequently (1) 13:1</p> <p>summary (1) 11:24</p> <p>Supply (9)</p>		U	
			<p>untreated (1) 10:22</p> <p>up (1) 18:4</p> <p>update (1) 8:20</p> <p>upon (1) 11:22</p>	<p>Year (30) 6:19;8:18,19,20,21, 21;9:9,10,23,25;10:4; 11:9,12,14,16;12:12, 16,20;13:2,6;14:14, 19;15:1,2,4,8,16,20, 23;16:10</p> <p>years (2) 13:12;14:10</p>	
				Z	

zero (1) 15:10	11:14;16:11,13;17:6, 12	6:8 75 (1) 15:9		
0	2024 (15) 7:6;9:5,10,23; 12:15;14:11;15:18, 21;17:10,18,20;18:5, 19;21:4,7			
028 (1) 13:20	2025 (7) 6:19;8:18;11:16; 12:12;15:5,16;16:10			
1	21 (2) 8:4;17:12			
1 (9) 8:19;9:8;12:15,23; 14:11;15:17,18,21; 17:10	24 (4) 6:22,23;8:21;9:25			
10 (2) 18:11,21	25 (3) 8:21;13:12;15:10			
11:28 (1) 21:12	27 (1) 16:13			
11th (3) 18:5;20:19;21:4	2nd (4) 6:22;17:18;18:19; 20:18			
120 (2) 10:1;13:14	3			
15 (2) 14:10;17:24	3.78 (1) 14:8			
15-day (1) 18:4	30th (1) 8:19			
17 (1) 6:8	3rd (1) 21:7			
19 (1) 17:6	4			
19.443 (1) 12:18	4 (4) 6:23;7:6;17:9,19			
1990 (2) 12:23;15:19	4.83 (1) 13:10			
1992 (1) 13:6	45 (1) 17:3			
1997 (1) 13:2	4th (1) 7:4			
1998 (1) 13:2	5			
19th (2) 6:21;8:1	5.93 (1) 13:1			
1st (1) 9:5	6			
2	6 (2) 16:6,11			
2004 (1) 14:20	6.24 (1) 13:6			
2005 (2) 13:7;14:5	7			
2006 (1) 13:16	7.15 (1) 12:25			
2012 (2) 15:8,9	7.16 (1) 13:5			
2016 (3) 14:2,7;15:1	7:11-4.13 (1) 16:1			
2018 (1) 15:2	7:11-4.16 (1)			
2021 (1) 10:4				
2023 (9) 6:21;8:1,4;9:8;				

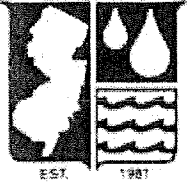
Correspondence and Testimony

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 12, 2024

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 FY2025 rate proposal were received by the Authority subsequent to the public hearing of February 1, 2024 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 6, 2024 meeting. There will be no change to any component of the rates as proposed at the November 6, 2023 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 FY2025 (starting July 1, 2024) and results in no change versus FY2024.

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 FY2025 (starting July 1, 2024) and results in no change versus FY2024.

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM
FISCAL YEAR 2025 (7/1/24-6/30/25)

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, 2024 (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, 2024; and

WHEREAS, by Resolution No. 2598 adopted on November 6, 2023 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, 2024 (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 2023, and published in the Asbury Park Press, the Star Ledger and the Times (Trenton) on December 21, 2023, and also appeared in the New Jersey Register on January 2, 2024 with a 60-day comment period ending March 2, 2024; and

WHEREAS, a pre-public hearing meeting was conducted on the proposed amendments on January 4, 2024; and

WHEREAS, the Authority conducted a public hearing on the proposed amendments on February 1, 2024 with the record remaining open through March 11, 2024; 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 2025 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, 2024:

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, 2024 to June 30, 2025; 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, 2024 to June 30, 2025.

3. Amend N.J.A.C. 7:11-4.6(b) (Source Water Protection Fund Component) to reflect the period of July 1, 2024 to June 30, 2025 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, 2024 to June 30, 2025 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, 2024 to June 30, 2025 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, 2024 to June 30, 2025 and maintain the rate of \$200.00 per million gallons.

BE IT FURTHER RESOLVED that the following actions are authorized:

1. Transfer \$181,750 in Overdraft Revenue from the Operating Fund into the General Fund (Rate Stabilization). Appropriate \$642,750 of prior year-end fund balances from the Operating Fund into the Rate Stabilization Fund.
2. Apply \$824,500 appropriated into the General Fund (Rate Stabilization) to the Operating Fund for Fiscal Year 2025.

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 2025 (July 1, 2024 - June 30, 2025).

WHEREAS, the Executive Director proposed a budget for Fiscal Year 2025 that was provided to the Authority Members on May 6, 2024; and

WHEREAS, the Authority has previously considered the proposed budget as part of the Rate Adjustment procedure for Fiscal Year 2025, and the adopted rate schedule for Fiscal Year 2025 is based upon the proposed budget requirements in the amount of \$8,405,164 including required debt service coverage.

NOW THEREFORE, be it resolved that the Authority approves a budget of \$8,405,164 for the Fiscal Year beginning July 1, 2024 through June 30, 2025.

Draft Resolution Adopting FY2025
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 2025 (July 1, 2024 - June 30, 2025).

WHEREAS, the Executive Director proposed a budget for Fiscal Year 2025 that was provided to the Authority Members on May 6, 2024; and

WHEREAS, the Authority has previously considered the proposed budget as part of the Rate Adjustment procedure for Fiscal Year 2025, and the adopted rate schedule for Fiscal Year 2025 is based upon the proposed budget requirements in the amount of \$8,405,164 including required debt service coverage.

NOW THEREFORE, be it resolved that the Authority approves a budget of \$8,405,164 for the Fiscal Year beginning July 1, 2024 through June 30, 2025.