

PASSAIC VALLEY WATER COMMISSION MEETING OF
JANUARY 22, 2014
(OPEN SESSION)

C O M M I S S I O N E R S P R E S E N T :

GLORIA KOLODZIEJ, President

ROBERT VANNOY, Vice-President

JEFFREY LEVINE, Treasurer

MENACHEM BAZIAN, Secretary

THOMAS P. DeVITA

RIGO SANCHEZ

CHRYSTAL A. CLEAVES

A L S O P R E S E N T :

JOSEPH A. BELLA, Executive Director

GEORGE T. HANLEY, Counsel

JAMES G. DUPREY, Director of Engineering

YITZ WEISS, Comptroller

LOUIS AMODIO, Administrative Secretary

1 MR. AMODIO: Commissioner Bazian is going
2 to be late. Commissioner Levine is not here.
3 Commissioner DeVita is not here yet.

4
5 (Roll call was taken, all Commissioners
6 present respond in the affirmative. Commissioners
7 Bazian, DeVita, and Levine are not present yet)

8
9 MR. AMODIO: Time is 12:25.

10 You have a quorum.

11 All of the requirements of the Open Public
12 Meetings Act have been met. Notices have been
13 furnished to all Commissioners; City Clerks of
14 Paterson, Passaic, and Clifton; North Jersey
15 Herald News; The Record - Passaic County edition
16 and the Commission's Executive Staff with a copy
17 posted at the main bulletin board at the Clifton
18 facility.

19 Will you please rise.

20 Commissioner Sanchez, if you would,
21 please.

22 We have members of the public here.

23 PRESIDENT SANCHEZ: State your name, who
24 you are, and what you are here for.

25 MR. GUARASCI: My name is Bob Guarasci. I

1 live in Paterson. I'm with New Jersey Community
2 Development Corporation and I'm here to talk about
3 the reservoir project.

4 PRESIDENT SANCHEZ: Okay. Do you want to
5 have a seat?

6 MR. GUARASCI: I would love to have a
7 seat.

8 PRESIDENT SANCHEZ: I'm sorry you're not
9 facing everybody.

10 You want to start?

11 MR. GUARASCI: You are ready?

12 PRESIDENT SANCHEZ: Please, you should
13 have been done by now.

14 MR. GUARASCI: Thank you, Members of the
15 Commission.

16 My name is Bob Guarasci. I'm CEO of the
17 New Jersey Community Development Corporation --

18 PRESIDENT SANCHEZ: The attorneys, if you
19 don't need to be here, can you let the members of
20 the public come in unless you want to be here.

21 MR. AMODIO: Are you all together?

22 MR. KELLY: I don't know who they are.

23 COMMISSIONER KOLODZIEJ: We have one on
24 the floor now.

25 MR. GUARASCI: My name is Bob Guarasci.

1 I'm CEO of New Jersey Community Development
2 Corporation. We are a nonprofit organization
3 representing the residents of the area surrounding
4 the Levine Reservoir. I'm here today to tell you
5 that we are concerned about this Commission's
6 plans to drain a reservoir and replace it with a
7 water holding tank at this site. There are
8 several points that I would like to make:

9 The ratepayers of this Commission have
10 been afforded little or no opportunity to provide
11 input into this process. There's been no
12 opportunity to ask questions in a public forum and
13 to get answers from Commission officials. Much of
14 your deliberations, we have learned, have occurred
15 only in executive session rather than in open
16 session. There needs to be more of a public
17 dialogue and we ask that a series of public forums
18 be held immediately.

19 We understand that this Commission
20 believes that it is under a State and Federal
21 mandate to drain the reservoirs.

22
23 (Whereupon, Commissioner DeVita is present
24 at 12:31 p.m.)
25

1 MR. GUARASCI: Yet the alternatives study
2 this body Commissioned did not adequately look at
3 alternatives, focusing only on types of water
4 holding tanks and not on other acceptable
5 alternatives, such as filtration and capping.

6 Other jurisdictions in similar situations
7 are waiting until the EPA provides additional
8 guidance on this entire issue, and have received
9 approvals to postpone action pending a more
10 comprehensive scientific review. Yet this
11 Commission has chosen to move full speed ahead
12 rather than engage the community and the
13 ratepayers in a discussion of this very complex
14 matter.

15 We are concerned that this project, though
16 estimated to cost \$120 million, will wind up
17 costing much more. Our concerns are similar to
18 those that our Governor had with respect to
19 building a new tunnel to New York City. Contracts
20 have already been awarded without competitive
21 bidding and on a time and material basis, which we
22 know is the most costly way to work with
23 professional service firms. In our own
24 experience, we can provide data that documents
25 that our water rates have risen between 90 percent

1 and 145 percent over the last eight years. This
2 is wildly unacceptable and the whole issue of past
3 rate increases, let alone future rate increases,
4 must be examined.

5 We are concerned that with respect to the
6 Levine Reservoir, this massive project would be
7 done within the historic district and adjacent to
8 the new national park, and that studies have been
9 advanced alleging consultation with all interested
10 parties, yet as an adjacent landowner and a member
11 of the federally appointed advisory commission for
12 the national park, no one, I repeat no one, has
13 ever approached me or asked for my input. So I
14 think we need to look into the validity of any
15 such study that has alleged for public
16 participation.

17 We are concerned that this Commission is
18 focusing on the wrong public health crisis. We
19 see no evidence that there is a crisis with
20 microorganisms in our emergency backup reservoirs.
21 It appears that these reservoirs provide only a
22 small fraction of water to people's homes.

23 Now, I would submit that if the Commission
24 is truly concerned about mitigating a public
25 health crisis, the resources that will be

1 dedicated to the reservoir project should be
2 redirected to the major effort to rid our water of
3 lead. I have to ask this question: How is it
4 even remotely acceptable that water fountains in
5 several Paterson schools are plastered with
6 warning labels informing students not to drink out
7 of them because of high lead content? Would this
8 ever be acceptable in neighboring towns like Fair
9 Lawn or Wayne? Of course not. With the dangers
10 of lead well known, it is nothing less than a
11 moral obligation for this Commission, as well as
12 all of us who care about environmental justice, to
13 devise a plan to stamp out this true public health
14 crisis.

15 We have many questions. In a moment one
16 of my colleagues will pose a few of them. But we
17 are also submitting an OPRA request to collect as
18 much information as we can, because of the absence
19 of public engagement and public information. And
20 I really do want you to understand one thing,
21 despite how this may sound today, we want to work
22 cooperatively with this Commission. We are not
23 your opponents. We are your fellow ratepayers.
24 We believe that the reservoir plan has been too
25 hastily conceived in light of how other

1 jurisdictions are handling this matter. We
2 believe that the epidemic of lead in the schools
3 and homes of low-income children is far greater a
4 public health crisis than microorganisms in the
5 reservoirs. We believe that the potential costs
6 of this project have to be carefully examined much
7 the way potential cost overruns of the proposed
8 Hudson River Tunnel were. I know that you agree
9 that we should not saddle the people this
10 Commission serves, and you know the demographics
11 of the residents we serve better than anyone.
12 They are people who work long days and often
13 paycheck to paycheck. Who is looking out for
14 their interest in terms of costs? And we believe,
15 I have to stress, in working collaboratively, and
16 I hope that you do as well.

17 So thank you. I appreciate the
18 opportunity to make this statement. And, frankly,
19 we appreciate an opportunity to engage in dialogue
20 in this matter.

21 PRESIDENT SANCHEZ: You know what, before
22 you move on with your questions, we're going to
23 consider what you have said. But let me ask you
24 something. When you said nobody had come to you,
25 are you meaning as an individual come to you and

1 tell you exactly what we're doing here? Is that
2 what you mean?

3 MR. GUARASCI: No, I'm talking in my
4 context as the founder and CEO of New Jersey
5 Community Development Corporation. We operate
6 schools, childcare facilities, housing for
7 homeless individuals less than 500 feet from the
8 reservoir. If that in and of itself doesn't
9 define as an interested party, I don't know what
10 does. And there are rules that make me an
11 interested party.

12 PRESIDENT SANCHEZ: Everyone this is
13 affected by is an interested party to us. Anybody
14 that lives in Passaic County, anybody that is a
15 ratepayer is an interested party in this. So we
16 have considered that.

17 In all fairness, we are open to any
18 inquiry you may have. We have put up information.
19 We are talking to the towns. So everybody that
20 will have wanted information has got it.

21 We're going to consider what you have to
22 say. You have made some comments about lead and
23 everything we should be doing. And I don't know
24 if you consider yourself an expert when it comes
25 to water treatment and all this talk -- are you an

1 expert in this field; water treatment, water
2 operation? Do you consider yourself an expert in
3 any of those fields besides the nonprofit and
4 everything you do? Do you consider yourself --

5 MR. GUARASCI: Well, the only thing I
6 could tell you directly, no, I do not consider
7 myself an expert in the science of lead. But I do
8 consider myself an expert in the matter of being
9 concerned about an undeniable public health crisis
10 that exists and how that affects the people and
11 children that I serve in my capacity.

12 And I don't know if this Commission has
13 ever engaged in significant debate, perhaps you
14 have, on the matter of lead in the water. And I
15 know that there are all sorts of ways to look at
16 this. Is it the public body's obligation or is it
17 the service that is going into individual homes?
18 Frankly, I don't care about that. I know that
19 children are ingesting lead and that is wrong.

20 PRESIDENT SANCHEZ: Joe, who has the
21 authority to kind of come up and say that this is
22 a water crisis, that we have a water crisis? Who
23 has that?

24 MR. HANLEY: We give disclosure on that
25 all the time, but I think Joe can explain that

1 better.

2 PRESIDENT SANCHEZ: Joe, who has authority
3 to declare a water emergency?

4 MR. HANLEY: Water emergency, the DEP.

5 PRESIDENT SANCHEZ: So are you telling us
6 the DEP, they haven't declared a water emergency?
7 Because you are saying that we have a water
8 emergency.

9 MR. GUARASCI: I am stating today that to
10 the extent there are stickers plastered on water
11 fountains in public schools in Paterson that tell
12 the students not to drink the water because of
13 lead content, I am calling that a crisis. That is
14 my definition of a crisis, so, yes.

15 COMMISSIONER VANNOY: Who posted stickers
16 in a case like this?

17 MR. BELLA: The school district. They
18 would test individual fountains and if those
19 fountains came up high for lead or something like
20 that, they would then do that.

21 And we've helped them test them. We've
22 been involved with that process right from the
23 inception.

24 COMMISSIONER VANNOY: Is it our
25 responsibility to make sure that they're working?

1 MR. BELLA: Well, our responsibility is to
2 treat the water in the best way that we can to
3 mitigate the lead situation.

4 Their responsibility is to replace the old
5 fountains, pipes, valves that might have piping or
6 lead fittings or brass fittings. That's the way
7 that's worked. You know, we recognize more so
8 than anyone how to deal with the lead issue.

9 COMMISSIONER VANNOY: I think it's
10 important to know that if they need to replace
11 what they're responsible for, which is the
12 fountains or that, that's one thing. Because then
13 that takes us off the hook, I don't want to say it
14 takes us off the hook, but we've done what we're
15 supposed to do, then, you know, it's different.

16 MR. BELLA: But that's pretty much...

17 PRESIDENT SANCHEZ: I see Commissioner
18 Kolodziej.

19 COMMISSIONER KOLODZIEJ: I have two
20 suggestions:

21 First of all, I think we need to put
22 together a smaller committee from us, the owner
23 cities and our administration, whoever you think
24 needs to be at that meeting.

25 But let me assure you that everyone in

1 this room, both administration and Commissioner
2 wise, are interested in environmental justice.
3 That's our charge. That's what our oath of office
4 is all about.

5 Today they are going to be adopting a
6 budget, because part of that budget becomes new
7 standards as far as lead and water. We are now
8 budgeting a great deal of money to continue to do
9 what we have been doing over the years.

10 Everything done by the Federal government
11 and the State of New Jersey has been to focus on
12 the quality of water. And those mandates from
13 those two higher authorities have pushed us into
14 almost a five-year hunt to get to what would be
15 the right balance.

16 So I think some of the points you made
17 were valid; some of them were inaccurate. It
18 doesn't matter. All of us have the same goal.

19 So I am going to suggest we put together a
20 smaller committee and meet with these
21 representatives of legal brains and we will go
22 from there.

23 MR. GUARASCI: Let me just say: It is not
24 my intent to impugn the motives or the integrity
25 of anyone sitting around this table, because I

1 don't doubt that you are genuine public servants
2 here to do the right thing. However, I think that
3 perhaps from a priority perspective, an error is
4 being made. And that's all I'm here to suggest.

5 If in the end analysis it is your judgment
6 that microorganisms in emergency backup reservoirs
7 constitute a greater public health crisis than
8 lead in the homes and schools, so be it. I would
9 have a different conclusion.

10 PRESIDENT SANCHEZ: I think what we're
11 trying to say: We all have a dialogue; you guys
12 as individuals, as a resident. We have to have a
13 dialogue to do the best we can and we intend to do
14 the best we can for the public. We are a public
15 entity who are here to serve the public to the
16 best of our ability. We got no personal agenda.

17 My suggestion is that we are open to have
18 an open dialogue with you people. So the basis
19 for this perception that we're doing certain
20 things are unfair. Because you represent an
21 entity that receive public funds, I can think
22 whatever I want because of your entity. In order
23 for me to say certain things, I have to ask
24 something concrete of it, otherwise, I'm not doing
25 myself any good by assuming something that might

1 be truth or not truth.

2 In this case, I'll show you there is no
3 crisis. There is a problem, like everything else.
4 That's what we're here for. But we're working
5 towards fixing any of those problems. And when it
6 comes to dialogue, we are offering you any
7 possible way of communication we're going to
8 establish now with the administration, with the
9 Commissioners. We want you to get as much
10 information as you want to have.

11 So we are not hiding anything. We are
12 doing the best we can and that's all we're here to
13 do.

14 MR. GUARASCI: Are you prepared to, as
15 you've done with the mayor and residents of
16 Woodland Park, are you prepared to commit to a
17 series of public hearings?

18 PRESIDENT SANCHEZ: Sure we are.

19 COMMISSIONER KOLODZIEJ: It's part of our
20 mandates.

21 MR. GUARASCI: With the citizens of
22 Paterson?

23 COMMISSIONER KOLODZIEJ: It's part of our
24 mandate.

25 MR. GUARASCI: Prior? Prior to the

1 conclusion of the design process?

2 PRESIDENT SANCHEZ: Sure we are. Sure we
3 are. We're going to try to include people
4 concerned and we're going to come up with the best
5 format. That's what we're working on. Nothing is
6 definite yet, I think.

7

8 (Whereupon, Commissioner Bazian is present
9 at 12:45 p.m.)

10

11 MR. GUARASCI: It would just seem to me
12 that it would be better to include us right now.
13 Frankly, it would have been better at the
14 beginning of the design process. I would prefer
15 to be included right now while the design process
16 is moving forward.

17

18 PRESIDENT SANCHEZ: If you look back at
19 the minutes, if you look back at the minutes,
20 every Commissioner here has the same concern you
21 have. Okay. We want to make sure that people,
22 and I thank you for that, because a lot of people
23 don't care. A lot of people just say things, but
24 they don't have the courage to come in and do
25 whatever they have to and deal with the concerns.
People just talk and don't do anything. At least

1 you took the time and you come down here and I
2 thank you for that. As a Commissioner and as
3 citizen of the City of Passaic, I thank you for
4 doing that.

5 My concern since day one has been, let's
6 find out what people are thinking about this and
7 let's get people involved. Let's have people
8 informed. And that's been my concern from day
9 one.

10 MR. GUARASCI: Can I say one thing?

11 PRESIDENT SANCHEZ: Sure.

12 MR. GUARASCI: This Commission, and I know
13 that because you ultimately do the right thing,
14 has headed down a path to commit to spending at
15 least \$120 million on this massive infrastructure
16 project. I don't want you ever to say that no one
17 from the public came before you and warned you
18 that this was not something that's justified. I
19 don't believe that it is in light of the comments
20 that I made earlier.

21 I think the whole process needs to be
22 slowed down. I think there needs to be
23 indisputable evidence that a crisis occurs with
24 respect to reservoirs. I think there needs to be
25 a cogent public argument made as to why we are

1 moving full speed ahead and those jurisdictions
2 like those in New York are waiting for the DEP to
3 come back with additional mandates and scientific
4 evidence. It's just things that I don't
5 understand.

6 PRESIDENT SANCHEZ: Listen, I'm trying to
7 tell you something. That's the perception you
8 might have, but I assure you that's not the case.
9 Listen, when it comes to spending people's money
10 here, this is the Board that has been more
11 concerned. We don't want to spend, not
12 \$120 million, we don't want to spend a \$120 if we
13 don't have to. Because at the end, we serve some
14 of the poorest communities in the country. And we
15 understand that. Every dollar counts. And we all
16 are aware of that. And we don't want to spend not
17 \$120 million; we don't want to spend \$120. That's
18 how conservative this Board is when it comes to
19 spending other people's money.

20
21 (Whereupon, Commissioner Levine is present
22 at 12:49 p.m.)

23
24 PRESIDENT SANCHEZ: The perception that
25 you have, I assure you, once you start the

1 dialogue with this administration, you're going to
2 realize the perception that is out there is wrong.
3 It's going to be an official thing that you
4 started the dialogue, that you're going to be
5 completely, in a way, I would say, embarrassed to
6 say what you say, because you sound like you're
7 completely sure of what you're saying and that's
8 not the case.

9 MR. GUARASCI: Well, I'm not embarrassed
10 and I'll tell you why: Because I know that there
11 is lead in water in Paterson and Passaic and other
12 jurisdictions served by this Commission. So I
13 will never be embarrassed to come before this
14 public body and say that that's a problem; never.

15 And I also would like to say that, you
16 know, maybe this hasn't come out in the way that I
17 originally intended. I'm not here to be your
18 adversary. I'm here to tell you that I am a
19 ratepayer. I'm here to tell you that I represent
20 more than 2,000 children and families that we
21 serve on a daily basis. And I think that the road
22 that you have gone down needs to be slowed down a
23 bit to give me and other interested parties an
24 opportunity to have the dialogue with you that to
25 date has not existed. That's all I'm saying.

1 PRESIDENT SANCHEZ: You want to establish
2 some type of meeting or something to come back and
3 sit with administration?

4 COMMISSIONER KOLODZIEJ: I'm making a
5 motion that we create the smaller committee.

6 COMMISSIONER VANNOY: I second that one.
7 That's more important.

8 COMMISSIONER KOLODZIEJ: Exactly. So we
9 can all be on the same page looking for the same
10 information rather than being in the blame game
11 being called in situations, apparently, still
12 needs to be discussed.

13 So that's my motion.

14 MR. GUARASCI: Apparently, that's not --

15 COMMISSIONER KOLODZIEJ: I'm making a
16 motion, Sir, please.

17 PRESIDENT SANCHEZ: It has been seconded.

18 MR. AMODIO: On the roll.

19 Commissioner Bazian.

20 COMMISSIONER BAZIAN: Excuse me, before we
21 vote, can I --

22 COMMISSIONER KOLODZIEJ: To address the
23 issues that have been raised; environmental
24 issues. They are the same issues that we are
25 going over. But I feel that the smaller forum

1 where we're talking to each other is more
2 important. When we get that information, then we
3 can take the next step which will be the public
4 hearings that we're mandated to hold as soon as
5 our plans are done.

6 So all it is to a smaller committee so we
7 can get that information.

8 COMMISSIONER BAZIAN: Thank you,
9 Commissioner.

10 I vote yes.

11 COMMISSIONER CLEAVES: I also have a
12 question.

13 The smaller committee will consist of
14 whom?

15 COMMISSIONER KOLODZIEJ: A Commissioner
16 from each town.

17 COMMISSIONER VANNOY: From each town.

18
19 (Roll call was taken, all Commissioners
20 respond in the affirmative)

21

22 MR. AMODIO: Motion approved.

23 We're going to get back to you.

24 COMMISSIONER KOLODZIEJ: Give us, through
25 our secretary, Mr. Amodio, give us some dates and

1 times that will be available to you and as the
2 meeting progresses, we'll look for some
3 volunteers, one from each of the owner cities, so
4 those two entities will be represented.

5 COMMISSIONER VANNOY: That is very
6 important. I don't think we'll have a problem
7 finding volunteers.

8 COMMISSIONER KOLODZIEJ: No. In fact, you
9 got two right here and one from Passaic.

10 COMMISSIONER BAZIAN: I find it
11 interesting that you're looking at me and there
12 are two Commissioners from Passaic.

13 MR. GUARASCI: Thank you. I think this
14 represents progress and my colleagues want to meet
15 collaboratively, but there are some serious
16 questions that have to be asked.

17 MR. BELLA: I'd just like to say something
18 since we're putting so much on the record.

19 I did extend and I did have for you a
20 floor plan. I would like that to be on the
21 record, and at that time we told them --

22 MR. GUARASCI: Yes, you did.

23 MR. BELLA: In fact, I even said we would
24 like to have them host some of the public meetings
25 at the time. And we discussed the lead and the

1 interaction between lead and the reservoirs. So I
2 just want that to be clear.

3 MR. GUARASCI: Yes.

4 MR. AMODIO: Thank you.

5 PRESIDENT SANCHEZ: You have questions?

6 MR. AMODIO: State your name.

7 MR. GONZALEZ: Eddie Gonzalez. I'm a
8 Paterson taxpayer.

9 My name is Eddie Gonzalez. Some of this
10 is going to sound a little redundant. You guys
11 covered a lot of points back and forth and I would
12 like to utilize the ink printed on these papers.

13 My name is Eddie Gonzalez and I serve as
14 Director of Community Outreach for NJCDC and like
15 Bob Guarasci, I too am a Paterson homeowner. I am
16 troubled by the fact that NJCDC -- as a property
17 owner, who manages schools, daycare centers, and
18 youth housing within only 500 feet of the
19 reservoir, has received no official notice nor
20 been given any evidence of any public meetings or
21 information distributed about this project. We
22 requested, and this goes back to what Mr. Joe
23 Bella was saying, we have requested information
24 that was at least a year and a half ago and have
25 received nothing since. In preparing for this

1 meeting, we have researched some of the meeting
2 minutes from the last eight months and have found
3 all discussions on this takes place in executive
4 session. That is shocking and I hope going
5 forward you will discuss this matter in public, as
6 you are a public body, and these are ratepayer
7 funds. This kind of open dialogue by a public
8 body needs to happen prior to continuing design
9 work and certainly prior to construction.

10 I have a few questions and some may have
11 already been answered.

12 And the first one: On December 24th,
13 there was an article in The Record where you
14 offered a series of public hearings in and around
15 Woodland Park in the design phase. We ask that
16 you commit, as you have just now committed, to
17 having the same type of meetings in Paterson
18 specifically.

19 In evaluating the worthiness of this
20 project and the immense cost, I would also like to
21 know the percent of water that flows into the
22 people's homes from the Levine Reservoir, since it
23 is described as an emergency reservoir. If the
24 percentage is tiny, then does it make sense to use
25 these funds for this project?

1 Also, what impact will ratepayers see on
2 their bills as a result of this project and how
3 sure are you that \$120 million estimated is
4 accurate and how can you assure us that it will
5 not be more?

6 If anyone cares to answer any of the
7 questions or save to the end, that's fine.

8 Also, why do 2.5 million gallon water
9 tanks at Levine costs \$37 million, yet two 15
10 million gallons of water tanks in other sites cost
11 the same amount to build?

12 What historic approvals are needed before
13 construction can be begin?

14 Does this undertaking require Federal 106
15 Review, and these can take years, how will this
16 affect the schedule?

17 I ask these questions because this is a
18 major publicly funded project for which scant
19 information has been provided to ratepayers.
20 Someone has to look out for the interest of these
21 individuals financially and otherwise. And I will
22 continue to do so.

23 And we do have Paterson representatives,
24 and I wish that they do become part of this
25 committee because I am a Paterson resident and I

1 would like to see those individuals specifically
2 on this committee as well.

3 And anyone can ask anymore questions and I
4 can repeat them.

5 MR. BELLA: Could you repeat them?

6 COMMISSIONER KOLODZIEJ: I think they're
7 addressed at committee level. Our minutes will
8 show what the questions are.

9 PRESIDENT SANCHEZ: We have the questions
10 and they're going to be answered at the committee
11 meeting.

12 Are you part of the group?

13 MR. SOO: No, I'm different. Pertaining
14 to the reservoir questions.

15 PRESIDENT SANCHEZ: Okay. And your name
16 is?

17 MR. SOO: My name is David Soo. I'm the
18 Executive Director of Paterson Friends of the
19 Great Falls which is a historic reservation
20 advocacy and watchdog organization. I've been a
21 fairly active member of the Paterson community for
22 many years in a bunch of different things.

23 I did receive a letter from E-2 Project
24 Management, LLC.

25 Are you all familiar with that

1 organization?

2 All right.

3 I have a letter here and they discuss the
4 proposed Passaic Valley Water Commission Levine
5 Reservoir Water Storage Improvement Project. They
6 specifically state that this project is an
7 undertaking requiring full Section 106 Review.

8 Does everybody know what that means?
9 Really know what it means?

10 The last elaborate 106 Review that I
11 participated in for a \$27 million project took
12 more than eight years review and was never
13 completed. It went through or was pushed to the
14 level of the President's Advisory Council on
15 historic preservation for full consultation. It
16 is a highly elaborate process. It is a very
17 lengthy process. It involves many parties. And
18 at that time we did not have an adjacent national
19 park.

20 So considering the Federal character of
21 this project, the Federally mandated project,
22 considering the lengthy and elaborate detailed
23 requirements of 106, I would strongly encourage
24 you to seek alternative sites; strongly encourage
25 you to seek alternative sites.

1 COMMISSIONER DeVITA: Sir, could we get a
2 copy of that letter?

3 MR. SOO: Yeah, sure. You can get a copy
4 before I leave.

5 So, you know, one of the things that I
6 tried to understand is, has the Commission
7 considered alternative sites for any of the
8 reservoirs or have you placed your design emphasis
9 on property which you control? That would be my
10 first question.

11 PRESIDENT SANCHEZ: All these questions, I
12 guess, are going to be --

13 COMMISSIONER VANNOY: Yeah, I think we
14 have to --

15 PRESIDENT SANCHEZ: There's a time limit
16 for public hearings and we're going over it.

17 What we're going to do is, we're going to
18 address all the questions. They're on the record.
19 We're going to address all the questions and we're
20 going to invite you back when we have the
21 committee ready, we're going to invite you guys to
22 come back and we're going to discuss it then. I
23 think that's the fair thing to do.

24 COMMISSIONER BAZIAN: Mr. President, may I
25 just make one comment, for the record?

1 First of all, my apologies. Obviously, I
2 walked in a little late so I didn't hear the
3 beginning of what was said and I will review the
4 minutes.

5 MR. GUARASCI: I neglected to pass out
6 what I said, so I can pass that around, if you
7 like.

8 COMMISSIONER BAZIAN: Thank you. That
9 would be very helpful.

10 Of the issues that I did hear, there was
11 one issue to me -- there were several issues that
12 are very, very important, but the issue of
13 transparency; what gets discussed in open session
14 versus what discussed in closed session and I
15 think that needs to be clarified.

16 I don't think there's anybody in this room
17 that is a bigger proponent, I know we're all
18 proponents of transparency, than myself. I note
19 that if you check out the Passaic Valley Water
20 Commission's web site, you will notice that our
21 agendas and minutes have been posted since, I want
22 to say, 2010 or 2011. And that was one thing that
23 I pushed for as chairman of our IT committee
24 because I believe in openness. Topics are
25 discussed in closed session when under the advice

1 of our general counsel, our attorney, and they
2 meet a certain level of criteria that says this
3 has been discussed in closed session because they
4 relate to contracts which, quite frankly, it does.
5 It could relate to personnel matters.

6 One of the things that I have asked on
7 many occasions is at what point are we going to
8 get input from the public. Because I agree with
9 you, I agree with you totally. If I was living
10 right next to there and this project was proposed
11 and I wasn't given an opportunity to speak my
12 mind, I'd be looking for the nearest flame
13 thrower. I would be very upset. And it's a
14 question that I've asked on many occasions and is
15 in our, as I understand, in our plan to go out.

16 The issue has been, if we're going to get
17 comments, what are we getting comments on.
18 Without something designed, without something that
19 we can show you, then what were we discussing? If
20 we are discussing the concept of tanks, what does
21 that mean? If we have a design: It's going to
22 look like this; it's going to be placed like this;
23 this is what you're going to see when you look out
24 of your window when you walk by what is now the
25 reservoir. Now we have something concrete to

1 discuss that you can say: Okay or not okay.

2 On the issue of cost, as a CPA, as someone
3 who considers himself to be a fiscal conservative,
4 I look at the figure of \$120 million and cringe.
5 Every dollar is important, especially, since I
6 represent a city along with my colleague, the
7 President, with, and forgive me if my figures are
8 a little off, but I think the average family
9 income is like 23, \$24,000, whereas measured
10 between the 2000 and 2010 censuses, the average
11 income per household went down. Dollars are
12 important. Our ratepayers are hurting.

13 This is not an idea that came before this
14 Board because someone came up and said: Hey,
15 let's spend \$120 million something. See, we have
16 a little bit of an issue too. There's a Federal
17 agency called the EPA. There's a State agency
18 called the Department of Environmental Protection,
19 or I should call it the DEP, and they are telling
20 us you have to do these things. I sometimes
21 wonder, we're kind of caught between God's little
22 acre east of the hard place and west of the rock.
23 Because we have the State telling us you have to
24 do this and we have residents telling us we have
25 concerns and they are concerns we all share.

1 I think Commissioner Kolodziej's idea to
2 discuss open and ongoing dialogue, so you are part
3 of the process, is important. And quite frankly,
4 the only thing I'm upset about is that we didn't
5 think of it earlier and I wasn't the one who
6 thought of it first, to be perfectly honest.

7 This is a process that has to happen
8 because this affects your home, your families,
9 your children, your neighbors. It also affects
10 our families. I drink the water out of the tap.
11 My children, my family drinks the water out of the
12 tap. So there are issues on both sides.

13 So I look forward to the discussions and I
14 look forward to the process. And at the end of
15 the day, we have to understand where we are all
16 coming from and come out with what makes the most
17 sense both from the quality of life issue and from
18 the public safety issue.

19 Thank you.

20 MR. GUARASCI: May I ask you one brief
21 question? Because in the context of transparency,
22 I don't know if you ever considered this, but
23 holding your public meetings during the daytime
24 hours makes it very difficult for ratepayers to
25 actually be present here. And have you ever

1 considered, like most public bodies do, municipal
2 councils, holding your meetings in the evening
3 which would afford ratepayers an opportunity to be
4 present I think much more easily than your current
5 structure?

6 PRESIDENT SANCHEZ: That's fine too. And
7 also to you, city Commissioner here, they can
8 extend an invitation to administration and they
9 could come over to a council meeting in the City
10 of Paterson. That makes it more open. We did
11 that in Clifton. We did that in Passaic. People
12 here are waiting for Paterson to make the
13 invitation. They'll be more than happy to come to
14 the meeting and any questions might be answered.

15 MR. BELLA: Yeah. We agreed to a series
16 of meetings at your place, at your choosing, and
17 the time and, you know, we intend to do that. Up
18 until, we had 30 percent of the design, which is
19 just a -- it was difficult to do. However, when
20 this happened, I called and left messages several
21 times at your place to set those things up. We
22 intended to follow through with that. We thought
23 that your place and you said that you thought it
24 was the best place to meet and I intended to
25 follow-up on that. When I talked about having

1 meetings, I intended, my thought was at your place
2 and at your choosing and your time.

3 MR. GUARASCI: We're happy to host them.
4 I would just like to state, for the record, I
5 truly didn't receive any of those messages. We
6 have trouble with our phone system from time to
7 time, perhaps accounted for, but I look forward to
8 it.

9 PRESIDENT SANCHEZ: All right. So you
10 heard great things about your conversation and
11 seems to me like you got great concerns, you know.
12 We'll reach out and we'll be happy to engage.

13 COMMISSIONER DeVITA: Can I make a
14 suggestion?

15 We're going to have a committee and we're
16 going to have meetings which is great. I think it
17 would be a very good idea, we heard from three
18 people about your concerns. I'm sure there are
19 other concerns. Can we get them in writing from
20 you so that instead of having a meeting and you
21 sit there and asking questions and we have to get
22 answers, we'll know ahead of time.

23 MR. GUARASCI: Yeah, we can. What we'll
24 do is, we are going to submit an OPRA request, not
25 in any adversarial fashion, but simply because

1 that's the way it gets done these days. And we
2 will also provide with a cover letter that
3 outlines in a precise form the specific questions
4 and concerns that are most pressing for us.

5 PRESIDENT SANCHEZ: Mr. Guarasci, for
6 myself, don't feel like I'm an adversary of yours,
7 but I believe in what I do. I believe what my
8 fellow Commissioners are doing, what the people
9 that work for this entity are doing. I'm a great
10 believer in that and I defend that with all my
11 passion. So don't think personally from me there
12 has been any -- my intent is not to challenge you
13 or to prove that you're wrong. My intent is to
14 tell you that we're doing everything we could to
15 do the right thing here.

16 MR. GUARASCI: I appreciate that.

17 MR. AMODIO: Anyone else?

18 PRESIDENT SANCHEZ: That includes you too,
19 Sir.

20 MR. SOO: Yes. The only thing I just want
21 to interject and maybe I'm reiterating myself. I
22 think in your planning process, you need to
23 consider alternative sites.

24 PRESIDENT SANCHEZ: We are doing that in
25 those hearings. We're going to talk about all

1 affirmed, is reappointed Commissioner of Passaic
2 Valley Water Commission representing the City of
3 Paterson)

4

5 PRESIDENT SANCHEZ: All right. Guys, what
6 else?

7

8 By the way, my fellow Commissioners before
9 me, I want to establish a time limit for this
public thing now.

10 COMMISSIONER KOLODZIEJ: Yes, definitely.

11 PRESIDENT SANCHEZ: Now. And we all
12 should know that for now on five minutes. Is that
13 fair to say?

14 COMMISSIONER KOLODZIEJ: The City of
15 Clifton does.

16 What do they do in Paterson?

17 PRESIDENT SANCHEZ: Five minutes. So from
18 now, Tom, since you are Democratic, can you make a
19 motion?

20 COMMISSIONER KOLODZIEJ: So moved to make
21 the public portion each speaker five minutes.

22 They can make an appointment to come --

23 PRESIDENT SANCHEZ: Exactly.

24 We have a motion on the floor.

25 MR. AMODIO: Do I have a second?

1 COMMISSIONER CLEAVES: Second.

2

3 (Roll call was taken, all Commissioners
4 respond in the affirmative)

5

6 MR. AMODIO: Motion approved; five minute
7 time limit for public.

8

9 COMMISSIONER KOLODZIEJ: That's a new
10 policy.

11 MR. AMODIO: That's our first new policy
12 for 2014.

13 Moving on. We have approval of the
14 December 18, 2013, minutes meeting. Do I have a
15 motion?

16 COMMISSIONER KOLODZIEJ: So moved.

17 MR. AMODIO: By Commissioner Kolodziej.

18 COMMISSIONER DeVITA: Second.

19 MR. AMODIO: By Commissioner DeVita.

20 On the roll.

21

22 (Roll call was taken, all Commissioners
23 present respond in the affirmative. Commissioners
24 Bazian and Levine are not in the room)

25

MR. AMODIO: Thank you.

1 Next. Does the Chair accept, receive, and
2 file miscellaneous purchase orders placed from
3 Linda Beckering from the period December 19th,
4 2013, to January 12, 2014.

5 Mr. President?

6 PRESIDENT SANCHEZ: Yes.

7 MR. AMODIO: Thank you.

8 Next. We have Summary of Disbursements
9 and Payrolls through January 22nd, 2014 in the
10 amount of \$5,574,414.98.

11 Do I have a motion?

12 COMMISSIONER KOLODZIEJ: So moved.

13 COMMISSIONER VANNOY: Second.

14 MR. AMODIO: On the roll.

15
16 (Roll call was taken, all Commissioners
17 present respond in the affirmative. Commissioners
18 Bazian and Levine are not in the room)

19
20 COMMISSIONER VANNOY: Abstain on American
21 Hose.

22 COMMISSIONER DeVITA: Abstain on Rachles
23 Michele and Vito's Towing.

24 MR. AMODIO: Thank you.

25 Time to move onto the reorg for the year

1 2014.

2 General Counsel will now take over the
3 Chair.

4 MR. HANLEY: Reorganization of the Passaic
5 Valley Water Commission for the year 2014 will
6 commence.

7 With the pleasure of the Commissioners, I
8 would like to accept nominations for President.

9 COMMISSIONER VANNOY: I nominate
10 Commissioner Kolodziej.

11 COMMISSIONER BAZIAN: Second.

12 MR. HANLEY: Any other nominations?

13 Hearing none, Mr. Amodio, please call the
14 roll.

15 MR. AMODIO: Nomination for Commissioner
16 Kolodziej for President for 2014.

17 Motion by Commissioner Vannoy.

18 Second by Commissioner Bazian.

19 On the roll.

20

21 (Roll call was taken, all Commissioners
22 respond in the affirmative)

23

24 MR. AMODIO: Congratulations,
25 Commissioner.

1 MR. HANLEY: Unanimous. Congratulations.

2 Would you like me to complete the

3 nominations?

4 COMMISSIONER KOLODZIEJ: Please.

5 MR. HANLEY: I will accept nominations for

6 Treasurer.

7 COMMISSIONER SANCHEZ: I have one. Jeff

8 Levine, please.

9 COMMISSIONER BAZIAN: Second.

10 MR. HANLEY: Are there any other

11 nominations?

12 Hearing none, could you please call the

13 roll?

14 MR. AMODIO: Yes.

15 Treasurer: Commissioner Levine.

16 Motion by Commissioner Sanchez.

17 Second by Commissioner Bazian.

18 On the roll.

19

20 (Roll call was taken, all Commissioners

21 respond in the affirmative)

22

23 MR. AMODIO: Congratulations,

24 Commissioner.

25 MR. HANLEY: We'll accept nominations for

1 Vice President.

2 COMMISSIONER BAZIAN: Mr. Chairman, I'd
3 like to nominate Commissioner Sanchez for Vice
4 President.

5 MR. HANLEY: Is there a second?

6 COMMISSIONER LEVINE: I'd like to nominate
7 Commissioner Vannoy also.

8 MR. HANLEY: All right. There's no second
9 for Sanchez.

10 COMMISSIONER DeVITA: I'll second.

11 COMMISSIONER BAZIAN: He nominated
12 Commissioner Vannoy.

13 MR. HANLEY: And there are two.

14 COMMISSIONER CLEAVES: And I second.

15 MR. HANLEY: And you second.

16 We have two nominations and two seconds.

17 MR. AMODIO: Okay.

18 MR. HANLEY: I'll call for a vote in the
19 order they were made.

20 MR. AMODIO: Commissioner Sanchez, Vice
21 President.

22 Motion by Commissioner Bazian.

23 Second by Commissioner DeVita.

24 On the roll.

25 COMMISSIONER BAZIAN: Yes.

1 COMMISSIONER VANNOY: No.

2 COMMISSIONER LEVINE: No.

3 COMMISSIONER CLEAVES: No.

4 COMMISSIONER KOLODZIEJ: No.

5 COMMISSIONER DeVITA: No.

6 PRESIDENT SANCHEZ: I guess no.

7 MR. AMODIO: Vice-President: Commissioner
8 Vannoy.

9 Motion by Commissioner Levine.

10 Second by Commissioner Cleaves.

11 On the roll.

12

13 (Roll call was taken, all Commissioners
14 respond in the affirmative)

15

16 MR. AMODIO: Next, Secretary.

17 PRESIDENT SANCHEZ: I have a nomination.

18 MR. HANLEY: Order, please. Order.

19 I'll accept nominations for Secretary.

20 PRESIDENT SANCHEZ: I have one, George.

21 Commissioner, my fellow from Passaic.

22 MR. HANLEY: Commissioner Bazian, is that
23 the one you mean?

24 PRESIDENT SANCHEZ: Yes.

25 MR. AMODIO: Second by Commissioner

1 DeVita.

2 MR. HANLEY: Are there other nominations
3 for Secretary?

4 Hearing none, you can call the roll.

5 MR. AMODIO: On the roll.

6

7 (Roll call was taken, all Commissioners
8 respond in the affirmative. Commissioner Levine
9 is out of the room)

10

11 MR. AMODIO: Congratulations, Commissioner
12 Bazian as Secretary.

13 MR. HANLEY: I'll turn the meeting over to
14 the new President, Kolodziej.

15 MR. AMODIO: You want to swear them all in
16 at once.

17 MR. HANLEY: I'll swear you all in at
18 once.

19

20 (Whereupon, Commissioner Kolodziej was
21 sworn in as President. Commissioner Vannoy was
22 sworn in as Vice President. Commissioner Levine
23 affirmed as Treasurer. Commissioner Bazian
24 affirmed as Secretary)

25 PRESIDENT KOLODZIEJ: In order to keep

1 things going, I want thank everybody for making
2 today go smooth. I know three years ago, we
3 adopted the policy on rotating the presidency.
4 This is the third year in a row, since Mr. Hanley
5 said we can't make this a formal policy, it's
6 always on the conscience of everybody.

7 And I just want to affirm, I believe that
8 the duty of a Chairperson President is just to
9 keep the meetings running smoothly. No one has
10 done it better than you, Commissioner Sanchez.
11 You set the bar very, very high this year and I
12 promise to follow in those footsteps to be
13 efficient, to be sensitive to the fellow
14 Commissioners here, and most of all, to keep our
15 voluntary policy of mutual respect.

16 Each of you brings something to the table
17 here that is needed for our great organization.
18 So as far as your committees, if you feel more
19 comfortable telling Louis, fine, or you can call
20 me and let me know what committees you prefer to
21 serve on. I will make it a policy of mine to have
22 each of the owner cities represented on each
23 committee because I think that helps with the mix
24 when we're discussing things.

25 From a new perspective, we have done such

1 wonderful work over the last three years because
2 we've all been on the same page, so if you would
3 extend me the courtesy of picking one objective
4 that you would like to see us accomplish this year
5 and either let Louis know or me know, I would
6 appreciate it. It will help me as a Chair to
7 expedite that.

8 And, Joe, if you would do the same thing
9 for administration, you and your administrative
10 team, pick one goal that you would think that
11 would be important and then I'll let you know the
12 results and either we're on the same page or
13 listen better to each other. But I think that
14 will help.

15 Rigo, you spent the whole year with us,
16 would you like to say anything?

17 COMMISSIONER SANCHEZ: I just want to
18 thank you all. I think looking back we had a
19 fairly good year with the union. We did so many
20 other things. And in all fairness, I want to
21 thank each of you for supporting me and helping
22 me. It was a great honor for me to serve as
23 President and, hopefully, we get to get things
24 going, keep great challenges that we have, focus
25 and just come to work and work together.

1 Thank you all.

2 COMMISSIONER KOLODZIEJ: Moving right
3 along to committee reports.

4 MR. AMODIO: Personnel committee. Anybody
5 like to do the personnel?

6 COMMISSIONER DeVITA: I wasn't here.

7 COMMISSIONER SANCHEZ: We came in. There
8 was a misunderstanding. Jeff. I spoke to Tom. I
9 sat down with Joe and Jim.

10 COMMISSIONER LEVINE: I told him I wasn't
11 going to be able to make it, my wife is giving
12 birth any day. I wasn't going to come today. I'm
13 up on -- that's why I can eat my sandwich and
14 getting out of here.

15 COMMISSIONER KOLODZIEJ: We'll keeping
16 moving.

17 COMMISSIONER LEVINE: It wasn't, you know,
18 Commissioner Sanchez nor anybody's fault, I said
19 for the next week and a half any committee
20 meetings for me to go...

21 COMMISSIONER SANCHEZ: I came in and spoke
22 with Jim and Joe. We called Tom. We spoke to
23 Tom. Tom was okay with it. I called Commissioner
24 Levine and he informed you, more or less, he
25 couldn't make it. So I called into Tom and

1 administration. That was discussed, so that's
2 what I need to say.

3 COMMISSIONER KOLODZIEJ: Moving right
4 along to finance.

5 COMMISSIONER BAZIAN: Thank you, Madam
6 President.

7 The finance committee, we reviewed,
8 obviously, the proposals for auditor. A
9 recommendation is to remain with the current
10 auditor. We did discuss the reasons to
11 potentially change auditors, but for now, given
12 the fact that we're in the process of a system
13 changeover and the fact that the auditor, the
14 current auditor had like a hundred dollar price
15 differential, it made sense to stay with what we
16 had.

17 Two other things discussed in the
18 committee meeting; one was we received an expense,
19 an O & M and expense detail by department which
20 gives us throughout the year how we're doing
21 financially. We use it to project where we're
22 going to be on the budget versus where we are
23 actually on the budget.

24 In discussion with the CFO, with Mr.
25 Weiss, some additions will be made to that report

1 so if we see that we're either over or under
2 budget on any particular thing, that doesn't
3 necessarily translate to cash over or under and of
4 course that is a piece of information that we
5 really need to have. So he's going to put a
6 little reconciliation on the bottom, so I guess we
7 can have that information a little bit clearer.

8 As always, we're keeping a very close eye
9 on the overtime. The overtime spreadsheet, we're
10 now looking a little bit of an apples and oranges
11 kind of situation because of the changes in the
12 union contract. So one other request that we made
13 of our CFO is going forward to try to not only
14 show dollars, because we're comparing this year to
15 last year and things like that, but also to break
16 down in terms of overtime hours, so we can see
17 exactly that gives us a more objective comparison.
18 And that is something that we're asking him to do.

19 The budget is on the agenda for final
20 approval.

21 And I think that's it.

22 Did I miss anything?

23 Thank you.

24 MR. AMODIO: Commissioner Kolodziej, if I
25 may?

1 If we could skip on. We have Jeff Enright
2 and Howard Eichenbaum here to discuss the
3 application to the Local Finance Board. Is that
4 correct, Gentlemen?

5 Is there any questions?

6 MR. ENRIGHT: Last year we came before the
7 Commission to send out the Local Finance Board an
8 application for roughly \$20 million in capital
9 improvements that included projects that the
10 Commission was looking to do in 2013 and '14.

11 We had delayed that at the recommendations
12 of your administration and now the project list
13 includes projects from 2014 and '15. The cost is
14 roughly the same; it's slightly less.

15 And we had sent down an application to the
16 Local Finance Board because we were due today for
17 a hearing, a month from now. And I think that's
18 pretty much it. We're just looking for -- part of
19 that process includes a Resolution from the
20 Commission that you are authorizing the
21 application and we need a certification for that
22 matter.

23 MR. EICHENBAUM: Howard Eichenbaum from
24 Gluck, Walrath.

25 Since the bonds are being issued and since

1 the Commission may be incurring some of its costs
2 prior to the issuance of the bonds, there's a
3 Resolution authorizing the reimbursement of those
4 costs from the tax bond proceeds. It's fairly
5 routine.

6 COMMISSIONER KOLODZIEJ: Both are on the
7 agenda?

8 MR. AMODIO: Yes, they are.

9 PRESIDENT KOLODZIEJ: I just have one
10 question.

11 There really has been no significant
12 changes except for some of the projects that were
13 longstanding to be approved?

14 MR. ENRIGHT: Yes. I believe some were
15 related to the reservoir were pulled out of the
16 finance.

17 COMMISSIONER BAZIAN: I'm sorry, Madam
18 President.

19 Do we have any idea what kind of rates
20 we're looking at?

21 MR. ENRIGHT: We're expecting maybe one
22 and a quarter to maybe one and a half on the front
23 end the year out to maybe four on the back end.
24 Rates have gone up and, you know, towards the end
25 of last year have seen them come back down a bit.

1 COMMISSIONER LEVINE: What are the bonds?

2 MR. ENRIGHT: We're doing 20.

3 COMMISSIONER LEVINE: Tax free?

4 MR. ENRIGHT: Tax exempt, yes.

5 We also worked with the Commission's rate
6 analyst, Howard Woods, to make sure that there was
7 no significant impact on the rate over the
8 issuance of the bonds or, you know, it doesn't
9 affect the Commissioners, that service coverage
10 ratio.

11 COMMISSIONER LEVINE: How big is the bond?

12 MR. ENRIGHT: About \$20 million.

13 COMMISSIONER LEVINE: What's the interest
14 rate?

15 MR. ENRIGHT: Probably around to about
16 three and a half average coupon.

17 COMMISSIONER LEVINE: Clippable the
18 coupons every month or?

19 MR. ENRIGHT: No, it's a semiannual
20 payment.

21 COMMISSIONER LEVINE: Semiannual. Okay.

22 COMMISSIONER DeVITA: We have two
23 separate.

24 MR. HANLEY: The coupons that he's
25 referring to which, of course, are mythical at

1 this point, that gets paid quarterly.

2 MR. ENRIGHT: Semiannually.

3 MR. HANLEY: Oh, that's semiannually.

4 Okay. Yes.

5 You were asking the question about the
6 bondholder, what they get paid.

7 COMMISSIONER LEVINE: No, I guess the
8 purchase end, semiannually.

9 COMMISSIONER DeVITA: Do we want to
10 approve these now?

11 MR. AMODIO: Yes.

12 MR. HANLEY: You're approving the
13 application now.

14 MR. AMODIO: And also --

15 MR. HANLEY: You don't actually -- you're
16 not able to actually approve a final issuance
17 until the Local Finance Board reviews it and
18 approves it and you're then required, if you'll
19 recall, to adopt a Resolution at that point that
20 agrees to whatever conditions they may impose.

21 COMMISSIONER DeVITA: This is a Resolution
22 to approve the application.

23 MR. AMODIO: I'm sorry, one minute,
24 Howard.

25 George, you're saying you don't need the

1 COMMISSIONER BAZIAN: Question: Those
2 expenses, do we have any cost how much those are
3 going to be?

4 MR. ENRIGHT: For professional or
5 reimbursement?

6 COMMISSIONER BAZIAN: Reimbursement. What
7 are we talking about dollars worth?

8 MR. EICHENBAUM: Once again, it depends
9 upon what the Commission expends, you know, going
10 forward or backward.

11 COMMISSIONER BAZIAN: Is there a norm or
12 any expectation?

13 COMMISSIONER SANCHEZ: Percentage wise.

14 MR. EICHENBAUM: You have to ask the CFO.
15 It's not a legal issue.

16 COMMISSIONER BAZIAN: It's not legal
17 issue; it's not a processing issue.

18 MR. EICHENBAUM: Theoretically, the
19 Commission can adopt this Resolution, spend all
20 \$20 million and then go to the market to do it.
21 It's rare somebody would do it. You don't
22 normally have that money in hand. It's just
23 basically to allow you to reimburse.

24 COMMISSIONER BAZIAN: I understand.

25 MR. EICHENBAUM: It could be zero.

1 COMMISSIONER BAZIAN: You're talking about
2 project expenses that are incurred prior to the
3 bond.

4 MR. EICHENBUAM: Correct.

5 COMMISSIONER BAZIAN: Now I understand.

6

7 (Roll call was taken, all Commissioners
8 respond in the affirmative)

9

10 MR. AMODIO: Gentlemen, what do you need
11 from me right now?

12 MR. ENRIGHT: Joe to sign and then I need
13 you to notarize.

14 COMMISSIONER KOLODZIEJ: IT committee.

15 COMMISSIONER BAZIAN: Nothing to report --
16 actually, Joe, I do have a question.

17 Joe always puts in his report that Jim
18 Gallagher is managing our IT and would report at
19 the meeting. May I suggest that that actually
20 happen? Because there are going to be certain
21 issues that I'm hoping that the committee will
22 talk up and talk about in the coming year in terms
23 of strategic and policy and things like that. But
24 Jim is in charge of the day-to-day and it would be
25 nice to have a report on that.

1 COMMISSIONER KOLODZIEJ: Okay. So in the
2 future, IT/Security will be Mr. Gallagher.

3 COMMISSIONER BAZIAN: If there's a
4 committee report.

5 PRESIDENT KOLODZIEJ: Yes. Legal affairs,
6 that's also you.

7 COMMISSIONER DeVITA: We didn't have a
8 meeting. There are certain things that have to be
9 discussed within the legal affairs committee with
10 George that we didn't do so far, so no report.

11 COMMISSIONER KOLODZIEJ: I just have a
12 suggestion if I'm off on a wrong tangent, let me
13 know.

14 Louis and I have been going through the
15 minutes and everything trying to pick out the
16 policies that we established over the years. To
17 put this gentleman through that kind of man hours
18 is cruel. So I would ask legal affairs to come up
19 with some way as to how to do that.

20 I know in the instance of IT and some of
21 the other committees, we hired somebody to do
22 that. They could do it faster. You suggested
23 that Commissioner Levine. It works much better,
24 much faster. And some of us have history of
25 policies and procedures, some don't.

1 So what's the most efficient way for us to
2 do that; not that Louis and I wouldn't want to
3 continue to do this.

4 COMMISSIONER DeVITA: To find the
5 policies?

6 COMMISSIONER KOLODZIEJ: To find the most
7 efficient way to get all of those policies and
8 codify them. That's what's so important, the
9 codification.

10 COMMISSIONER DeVITA: From our minutes?

11 COMMISSIONER KOLODZIEJ: Yeah. That's the
12 only ones that counts. Like the one we
13 voluntarily did today, they don't count. It's the
14 votes that were taken so that everybody
15 understands, especially new Commissioners, because
16 you have no idea what was established. And not
17 that those can't be changed, because they can, but
18 until we know what they are and what each one of
19 us is obligated under it.

20 COMMISSIONER BAZIAN: Would a law student
21 do?

22 COMMISSIONER DeVITA: Sure.

23 PRESIDENT KOLODZIEJ: You guys come up
24 with that.

25 Joe, Executive Director report.

1 MR. BELLA: Just to give you a brief. We
2 had a pretty rough month so far. The weather
3 really turned things upside down, so to speak.
4 We've had freeze ups, really unprecedented in the
5 last 20 years that I can think of. We've had some
6 problems with freeze ups in the plant. We had the
7 plant shut down for a few days. And, of course,
8 the impact on the distribution system has been
9 substantial. However, people are really working
10 hard to get things done in a way that doesn't
11 entail a whole lot of overtime, and particular
12 work at the plant.

13 We had a problem with some water bath
14 evaporators with contact with oxygen. When water
15 temperature gets very close to the freezing point,
16 it will flash freeze. We installed a boiler in
17 sort of almost an emergency basis, had boilers put
18 in there so that we won't have that problem. In
19 fact, today we're actually getting a point to
20 start it up and getting it to run. Hopefully, we
21 don't have that problem.

22 Other than that, I have to say that people
23 worked really well and worked hard to keep
24 everybody nice and cozy with water and without too
25 many problems. They've done a great job.

1 COMMISSIONER BAZIAN: Just curious with
2 the crazy weather that we're having, where are we
3 in terms of breaks in terms of this year January
4 versus last year January which was also a horrible
5 month?

6 MR. BELLA: That's right, actually, we're
7 ahead of last year.

8 COMMISSIONER BAZIAN: We've had more this
9 year?

10 MR. BELLA: So far.

11 COMMISSIONER BAZIAN: Last year January we
12 incurred a rather significant spike in overtime,
13 should we expect something similar?

14 MR. BELLA: Oh, yeah. The people have
15 done a really good job.

16 COMMISSIONER LEVINE: Still doing the
17 vouchers?

18 MR. BELLA: Yes, we do.

19 COMMISSIONER DeVITA: Just to remind, we
20 discussed six months ago or so some kind of
21 monument for Wendell.

22 MR. BELLA: Yeah, I've been meaning to
23 talk to you about that. I think the place for
24 that to be would be at the Morris County Pump
25 Station because he was the architect, so to speak,

1 of putting that together. And it's a substantial
2 structure and he really had a lot to do with it.

3 COMMISSIONER DeVITA: Okay. Whatever you
4 feel.

5 PRESIDENT KOLODZIEJ: Can you bring
6 something back?

7 COMMISSIONER DeVITA: We'll get a plaque
8 or something?

9 MR. BELLA: That will be great and we'll
10 do something.

11 PRESIDENT KOLODZIEJ: Bring us back your
12 vision at the next meeting.

13 I couldn't help, I guess I'm one of those
14 people who actually read Joe's report from cover
15 to cover. I'm not very technical, so a lot of
16 this is like different buzz words. The whole
17 discussion we had with the public on reduction on
18 lead and drinking water, I mean, we've been on top
19 of that where, again, this is a mandate that,
20 obviously, was important enough. We're meeting
21 that and going above that and I think there's been
22 a significant increase of what we need to budget
23 to make sure that we can stay within those
24 parameters which I think is within our budget.
25 All of those new mandates we have to meet now have

1 to be budgeted for. So it's amazing what mandates
2 are just glossed over and other mandates are like
3 woof, making a big deal. That's only my two
4 cents.

5 MR. BELLA: A lot going on.

6 PRESIDENT KOLODZIEJ: There is. And,
7 obviously, the Federal government, in my opinion,
8 and the State of New Jersey, my opinion, is not
9 going to loosen their standards for the quality of
10 water and that is our priority issue. So that's
11 my two cents, for what it's worth.

12 Okay. So we did that. I guess we're
13 ready to go into Executive Session.

14 MR. AMODIO: Comptroller's Report.

15 PRESIDENT KOLODZIEJ: Sorry.

16 MR. WEISS: No problem.

17 Cash on hand is 17.6 million.

18 Our accounts payable is 4 million.

19 Our accounts receivable is at 12.7
20 million. Thirty days or less accounts receivable
21 are at 11.9 million which is 94 percent.

22 You also got in front of you two
23 Resolutions. They're the Resolutions to adopt our
24 2014 budget and there is also another copy of the
25 budget submission Resolution. We got a

1 communication from the Division of Local
2 Government Services and they decided they would
3 like us to submit that again. We need to do them
4 separately.

5 PRESIDENT KOLODZIEJ: Can I have a motion
6 to adopt the 2014 budget?

7 COMMISSIONER BAZIAN: Move it.

8 MR. AMODIO: Motion by Commissioner
9 Bazian.

10 COMMISSIONER SANCHEZ: Second.

11 MR. AMODIO: By Commissioner Sanchez.

12 On the roll.

13

14 (Roll call was taken, all Commissioners
15 respond in the affirmative)

16

17 PRESIDENT KOLODZIEJ: I need the motion on
18 the Resolution that we have to resubmit to the
19 State.

20 So can I have a motion?

21 COMMISSIONER DeVITA: So moved.

22 MR. AMODIO: By Commissioner DeVita.

23 COMMISSIONER CLEAVES: Second.

24 MR. AMODIO: On the roll.

25 (Roll call was taken, all Commissioners

1 respond in the affirmative)

2

3 PRESIDENT KOLODZIEJ: Commissioner Bazian,
4 could we have your conversation brought to the
5 table so we understand what you mean?

6 COMMISSIONER BAZIAN: My apologies. I had
7 a question for Counsel as to whether a particular
8 issue that should be brought in closed or open
9 session.

10 PRESIDENT KOLODZIEJ: What did he say?

11 COMMISSIONER BAZIAN: He said it didn't
12 need to be brought up at all.

13 PRESIDENT KOLODZIEJ: Okay. I did hear
14 part of the conversation. It was an ongoing
15 issue. I'm assuming it's under control and we
16 know how to protect our interest.

17 MR. AMODIO: Resolution for closed
18 session.

19 Is there a motion.

20 COMMISSIONER VANNOY: So moved.

21 COMMISSIONER BAZIAN: Second.

22 MR. AMODIO: WHEREAS, Section 8 of the
23 Open Public Meetings Act permits the exclusion
24 from a meeting in certain circumstances;

25 WHEREAS, the public body is of the opinion

1 immediately.

2 Second by Commissioner Bazian.

3 MR. HANLEY: For the record, the three
4 personnel individuals were Rice noticed?

5 MR. AMODIO: Two are new hires and Joseph
6 Wright I have not received anything from
7 Personnel.

8 COMMISSIONER BAZIAN: Can we discuss it?

9 MR. HANLEY: You shouldn't discuss it at
10 all.

11 COMMISSIONER BAZIAN: I suggest we table
12 that till next month.

13 COMMISSIONER KOLODZIEJ: We cannot discuss
14 item number 3 under Personnel because it has not
15 been Rice noticed. So, obviously, 1 and 2, if we
16 are going into closed session that can be
17 discussed.

18
19 (Roll call was taken, all Commissioners
20 respond in the affirmative)

21

22

23

24

25

(Roll call was taken, all Commissioners

1 present respond in the affirmative. Commissioners
2 Sanchez and DeVita are absent)

3 MR. AMODIO: You have a quorum.

4 The time is 12:39.

5 PRESIDENT KOLODZIEJ: We discussed all the
6 background on the Resolutions on 9. Hearing no
7 further questions on that.

8 MR. AMODIO: Yes, we do.

9 The Resolution for the meetings is all
10 agreed the third Wednesday of the month at 9:30?

11 PRESIDENT KOLODZIEJ: I just made the
12 assumption. We're so used to the third Wednesday,
13 9:30 a.m. Okay.

14 MR. AMODIO: Okay. And then we have a
15 Resolution for the banks depository for the year
16 2014.

17 Resolution authorizing certain statutory
18 payments of claims and other claims regular in
19 nature.

20 Resolution authorizing investment of
21 funds.

22 Resolution for renewal of membership in
23 the NJUA JIF.

24 Resolution appointing Joseph Scibona of
25 Cupo Insurance Agency Risk Manager to the NJUA

1 JIF.

2 Do I have a motion?

3 COMMISSIONER VANNOY: Move.

4 MR. AMODIO: Motion by Commissioner
5 Vannoy.

6 COMMISSIONER CLEAVES: Second.

7 MR. AMODIO: Second by Commissioner
8 Cleaves.

9 On the roll.

10

11 (Roll call was taken, all Commissioners
12 present respond in the affirmative. Commissioners
13 Sanchez and Devita are absent)

14

15 MR. AMODIO: Thank you.

16 Motion approved, the group.

17 PRESIDENT KOLODZIEJ: Fifteen through 19
18 we've already gone through in discussion. Anybody
19 have any further discussion on any of those
20 Requests For Action?

21 MR. AMODIO: Hearing none; motion item 15.
22 Contract Extension Contract #12-B-15 "Information
23 Technology Support Services" --

24 COMMISSIONER BAZIAN: Yeah, I did.

25 MR. AMODIO: Let me finish.

1 Recommendations for a two-year extension
2 with current provider, Integrated Micro Systems,
3 Inc. of Haledon, New Jersey in the amount
4 not-to-exceed \$290,400.

5 Item 16. Emergency Resolution - Emergency
6 Mitigation of Potential Hazards to Health and
7 Safety of the public due to improperly completed
8 roadway, sidewalks, and curb repairs under
9 Contract #12-B-33, "Pavement and Sidewalk
10 Replacement" costs related to these emergency
11 goods and services in the amount of \$153,779.67.

12 17. Resolution approving and authorizing
13 execution of an agreement with New Jersey
14 Department of Transportation for Van Houten Avenue
15 to Route 46 drainage improvements, City of
16 Clifton.

17 Item 18. Contract #13-B-20 "New Ambient
18 Air Vaporizer System" Recommendations to award a
19 one-year contract to Allied Construction Group,
20 Inc. of Parlin, New Jersey in the amount of
21 \$1,653,200.00.

22 Item 19. Resolution awarding Project
23 #14-P-8 "Professional Services for Public Auditor"
24 Recommendation to award to Ferraioli,
25 Wielkotz, Cerullo & Cuva of Pompton Plains, New

1 Jersey in the amount of \$39,750.

2 Question?

3 COMMISSIONER BAZIAN: Yes. Two questions.

4 Question number one: What would the
5 effect be if we postpone this on the table? Would
6 there be a -- Contract #15, if we put this on hold
7 for a month, does that cause any problems?

8 My reasoning, Madam President, is this has
9 not been discussed at the IT committee nor was I
10 informed by Mr. Gallagher that there needed to be
11 a meeting.

12 PRESIDENT KOLODZIEJ: Answer to your
13 question.

14 MR. BELLA: We could probably extend it.

15 PRESIDENT KOLODZIEJ: Thirty days.

16 PRESIDENT KOLODZIEJ: All right.

17 Recommendation is to hold that for 30 days till we
18 get that --

19 COMMISSIONER BAZIAN: It will be discussed
20 at IT.

21 PRESIDENT KOLODZIEJ: Okay. So somebody
22 want to move 16 through 19?

23 COMMISSIONER VANNOY: So moved.

24 MR. AMODIO: By Commissioner Vannoy.

25 Do I have a second?

1 COMMISSIONER LEVINE: Second.

2 By Commissioner Levine.

3 (Roll call was taken, all Commissioners
4 present respond in the affirmative. Commissioners
5 Sanchez and DeVita are absent).

6

7 MR. AMODIO: Thank you.

8 Committee --

9 PRESIDENT KOLODZIEJ: No recommendations.
10 Committees we already did at the beginning
11 of the meeting. Tell Louis what you prefer to sit
12 on.

13 MR. AMODIO: Personnel has been tabled.

14 So we have nothing, no recommendations
15 from Executive Session.

16 Nothing under Good and Welfare.

17 PRESIDENT KOLODZIEJ: Motion to adjourn.

18 COMMISSIONER VANNOY: Motion to adjourn.

19 MR. AMODIO: Time is 2:44.

20 Next meeting is February 19th at
21 9:30 a.m.; Wednesday, February 19th, 9:30.

22

23 (Proceedings concluded)

24

25