

Executive Director Report by Jim Mueller
December 21, 2022
Board Meeting

1) Operational Issues

Distribution System Long-term Pipe Replacement

I am asking for Board approval of four (4) engineering service contracts to cover the following geographic areas: 1) Paterson/Prospect Park; 2) Clifton stand-alone zones; 3) Clifton/Passaic shared zones; and 4) North Arlington and Lodi. Each contract will be awarded at a not-to-exceed cost of \$200,000 for a total cost of \$800,000 (4 x \$200,000) and will be tasked with evaluating conditions and alternatives, developing a prioritization plan and executing an initial phase of replacement work for aging distribution pipes.

Planned Plant Shutdown:

On **December 14th** the Little Falls Water Treatment Plant was shutdown hydraulically to facilitate the following work:

- Connect new electronic valves to our SCADA system as per Contract 22-B-3 PCO-03.
- Remove the current chase water feed line, and connect a new line with a flowmeter and bypass as per Contract 22-B-3 PCO-02.

On **December 15th** there was an electrical outage to transfer load on to Transformer #2 that was successfully completed. This work allowed the 14 day load test to start for the Stone Hill Generator project. Additional switchgear maintenance work is being performed on the thickener process area that will require a localized shutdown for that process to be run off of generator power.

All work was successfully performed under a coordinated incident command structure and the plant was put back in operation after each shutdown.

Laboratory

- Continue evaluating staffing needs, filling existing vacancies and hiring interns to pipeline for the future.
- Provide sampling support for Veolia water sharing to Lodi system, as well as water main break and water quality complaints.
- Initiating multi-department coordination for next phase of lead and copper compliance
- Initiated internal bidding process and external request for client quotes for the unregulated contaminant monitoring rule 5 (UCMR5) for all unregulated PFAS compounds

EH&S:

- Clifton gasoline storage tank replacement – Spring 2023 new tank delivery expected and installation can begin.
- JIF safety facility inspection successfully completed on 6 different remote sites, minor corrections noted on signage which are being addressed immediately.
- Purchasing new shoring boxes, air monitors and ozone meters to support Distribution and Purification operations.
- Initiated quarterly meetings with the union on safety and environmental issues on December 6, 2022. Issues were identified with facility cleaning, fleet vehicles, sampling residences and remote sampling. Corrective measures are being implemented to address.

Customer Service:

- A training binder of standard operating procedures (SOP's) was finalized by Lindsay Kelly and Otilia Espino to reinforce proper procedures with existing staff and train new staff.

Information Technology:

- A Cybersecurity compliance assessment has been performed by the NJCCIC – a summary of the results will be presented in closed session as part of this meeting.
- The Municipal Excess Liability assessment for the Joint Insurance fund has been completed.
- PVWC is on track to replace all legacy SCADA network switches by early 2023.

2) Organizational Highlights – Succession Planning

New Hires: The following staff have joined PVWC over the last month. These new hires will be introduced at next weeks Board meeting.

<u>Names</u>	<u>Start Date</u>	<u>Department</u>
Gabriel Velasquez	12/5/22	Customer Service
Eduardo Soriano	12/5/22	Customer Service

The Director positions approved by the Board in February and March 2022 are all posted with the current status provided in the table below.

<u>Position</u>	<u>Status</u>
Director, Organizational Development and Human Resources (ODHR)	The top candidate, Otto Garcia started July 5, 2022.
Director, Laboratory and Water Quality (LWQ)	The top candidate Jennifer Loudon started August 1, 2022.
Director, Environmental Health and Safety (EHS)	The top candidate, Brandon Fuld , started September 12, 2022.
Director, Information Technology (IT)	The top candidate, Landy Ducheine , started September 6, 2022.
Director, Communications and Intergovernmental Coordination (CIC)	Search process is ongoing.
General Supervisor Water Distribution	Position posted - interviews expected to commence in January 2023

3) Regulatory Issues

Lead service Line Replacement Status:

The contract with Pacific Construction (Contract 22-B-8) started in July 2022 and the contract with CDM-Smith for CM and service line inspections began in the Spring. The overall program is estimated at \$36M and we have received 77% principal forgiveness (\$27M) from the NJ I-Bank. Work has begun on replacement of lead lines in all cities with a summary listed below.

Data Date: 12/14/2022

Lead Service Line Tracking Summary

	CLIFTON	PASSAIC	PATERSON	PROSPECT PARK	TOTAL
Replacements					
Contract 22-B-8 Remaining ⁽⁴⁾	1,902	1,004	3,105	85	6,096
Replaced Lead Service Lines	17	145	2	80	244
Verified Non Lead by Test Pit	3	36	1	23	63
% Complete	1%	15%	0.1%	55%	5%
<i>Completed Pavement Restoration</i>	-	1	-	7	8
<i>Pending Pavement Restoration</i>	-	-	-	-	-
<i>Completed Sidewalk Restoration</i>	-	9	-	17	26
<i>Pending Sidewalk Restoration</i>	-	-	-	-	-
<i>Completed Lawn Restoration</i>	-	8	-	73	81
<i>Pending Lawn Restoration</i>	-	21	-	2	23
NON LEAD	20,145	6,751	19,529	987	47,412
Total	22,873	8,401	23,889	1,093	56,256

Delinquent Accounts

The shutoff moratorium was lifted on March 15, 2022 and since that time PVWC has signed on as part of the Low Income Household Water Assistance Program (status details are provided in the section below). PVWC has developed a shut-off strategy targeting non-residential accounts first since the LIHWAP program is just rolling out. Since the moratorium has been lifted 161 payment plans have been entered into totaling over \$340,000.

We began shutoffs of non-residential accounts on 8/22/22. Through 9/2/22 we collected \$132,600 from delinquent accounts either through full payment or agreement to payment plans. Due to discolored water issues in several zones in Clifton from 8/26/22 to 9/12/22, Distribution staff were diverted from shutoffs to hydrant flushing. On October 4, 2022 non-residential shutoffs resumed with an additional \$30,000 collected through 10/13/22 either as lump sum payments or through payment plans.

Retail System - Delinquent Account Summary

Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Residential	\$ 6,953,562	49%	6,948	77%	\$ 1,000.80
Small Commercial-< 2'	\$ 3,323,390	24%	1,447	16%	\$ 2,296.74
Fireline	\$ 1,934,413	14%	256	3%	\$ 7,556.30
Commercial-up to 6" mtr	\$ 985,115	7%	253	3%	\$ 3,893.74
Industrial- 6" & above	\$ 878,815	6%	61	1%	\$ 14,406.80
Municipal	\$ 64,016	0.5%	37	0.4%	\$ 1,730.16
Total	\$ 14,139,311	100%	9,002	100%	\$ 1,570.69

4) Low Income Household Water Assistance Program (LIHWAP)

- We have been communicating regularly with the NJ Department of Community Affairs and to date they have provided \$22,057 of payments for 36 customers. We will continue to work with the State and owner cities to get the word out locally about this opportunity.
- This program is being extended by the State into 2023 because there is still funding available. However, given the low response rate over the last six (6) months I am planning to initiate shut-offs in early 2023 weather permitting.

5) Communications and Intergovernmental Coordination

a) Quarterly status meetings have been held as follows with the Mayors and/or key staff from the following retail system: The meeting agenda covered the lead service line replacement program status, unauthorized hydrant access/misuse, LIHWAP and shutoffs.

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|--------------------|----------|
| a. Clifton | 10/11/22 |
| b. Passaic | 10/18/22 |
| c. Paterson | 10/25/22 |
| d. North Arlington | 11/21/22 |
| e. Prospect Park | 11/21/22 |

The next round of quarterly meetings are being scheduled for the first quarter of 2023 including Lodi.

- b) Work continues on “Get the Lead Out” media campaigns to support inspections and replacement of lead lines.
- c) Exclusive press event for Paterson groundbreaking with News 12 is scheduled for December 22, 2022.
- d) Plant tour performed for North Caldwell, Passaic County and PVWC Commissioners on December 6, 2022.
- e) We continue to communicate with the communities regarding the lifting of the shut-off moratorium including notes on monthly and quarterly bills, notes on delinquent notices, postcards sent to all postal patrons, bill stuffers and website/social media communications.