

Executive Director Report by Jim Mueller
February 22, 2023
Board Meeting

1) Operational Issues

EH&S:

- All safety orientation training has been conducted for 13 new hires – 10 in Distribution, and three (3) in Maintenance, as well as four (4) laboratory interns.
- SOPs are under development for O&M of diesel underground storage tanks in Clifton, regulatory permitting, incident reporting communications protocol and stop-work authority for PVWC staff in case of unsafe contractor working conditions.
- Ergonomic work station assessments are underway to prevent repetitive motion injuries

Pump Station:

- PVWC's contractor, Siemens, has started the second round of the inspection, testing, calibration, and maintenance of the electrical systems at the Little Falls site. Equipment tested this month includes the Ozone Substation and the 480 V low voltage outdoor yard and interior switchgear.
- Assisted in solving the sheared injector problem and leaks in the Botany Pump Station on January 24th and the lessons learned review on February 2nd.

Engineering:

- Progress continues to be made to advance the reservoir storage projects:
 - Levine Tanks Project – PVWC is working with Passaic County to finalize Planning Board approval. Additionally, permit applications have also been submitted to the NJDEP and are waiting for approval. Construction is anticipated to be bid in late Spring/early Summer.
 - New Street Tanks Project – investigatory borings were taken at various locations at New Street to assist in design of the planned storage tanks.
 - Storage Evaluation Study – PVWC continues to work with Arcadis on extensive modeling to determine the optimum PVWC storage required while considering impacts from reservoir construction, potential transmission main failures and plant outages.

Customer Service:

- Customer service representatives have begun to periodically tour PVWC worksites to understand what is being done in the field to assist in communicating with customers on various programs.
- Developing a program for in-person appointments for PVWC customers to assist on troubleshooting issues, discussing payment plans and other subsidies that may be available.

Purification:

- Completed the annual clean outs of all the ozone contactors preparing for summer months.
- NJ DEP completed the CPE training at our facility – Area wide optimization program (AWOP) identified areas where process improvements could be considered.
- All LFWTP / Remotes treatment & chemical disinfection regulatory requirements were met in January 2023.

Laboratory:

- Elected 2 Young Professionals (YPs) from the lab to represent PVWC at the upcoming AWWA-WEF YP Summit in Sacramento in March.
- Collaborated with Purification on developing a joint SOP for maintaining online analyzers and sensors throughout the filter plant and remote sites to increase cooperation and accountability.

Purchasing:

- Initiated development of SOPs and workflows of the procurement process for all contracts.
- Worked with IT to implement corrections to our Naviline Operating System (HTE) and add/delete Users. Identified Employees from Each Department who will be responsible to work on Naviline to enter requisitions and field purchase orders, as well as assigned each Department Head the responsibility of approving each requisition and field purchase order for their department.

Information Technology:

- First Quarter Standard Operating Procedures list being compiled for review.
- Pending presentation for Executive Director approval of migration to AT&T first net; large savings for PVWC.
- Pending presentation for Executive Director approval of Document Handling solution vendor.

2) Organizational Highlights – Succession Planning

- Finalizing the table of organization for PVWC and each Department to be included as part of the final strategic plan. The draft strategic plan was distributed last month without the table of organization.
- A virtual Town Hall meeting was held company-wide Thursday, January 26th to discuss and present the organizational vision for PVWC. I will be meeting with each Department as part of the regular group meetings to discuss the strategic plan and next steps.
- Performance evaluations were sent to each of the Department Heads to be completed on a quarterly basis. We are targeting rolling out performance evaluations for additional staff during the second quarter of 2023.

New Hires: The following staff have joined PVWC over the last month. These new hires will be introduced at the February 22, 2023 Board meeting.

<u>Names</u>	<u>Start Date</u>	<u>Department</u>
Ruth E. Deleon	1/30/23	Maintenance
Patsy J. Caggiano, Jr.	1/30/23	Maintenance
Michael Guerriero	2/6/223	Distribution
Marcello Mannina	2/20/23	Maintenance

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

Position	Status
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)	Interviews concluded – recommendation will be covered in closed session.
General Supervisor Water Distribution	Recommendation will be covered in closed session.

3) Regulatory Issues

Lead Service Line Replacement Status:

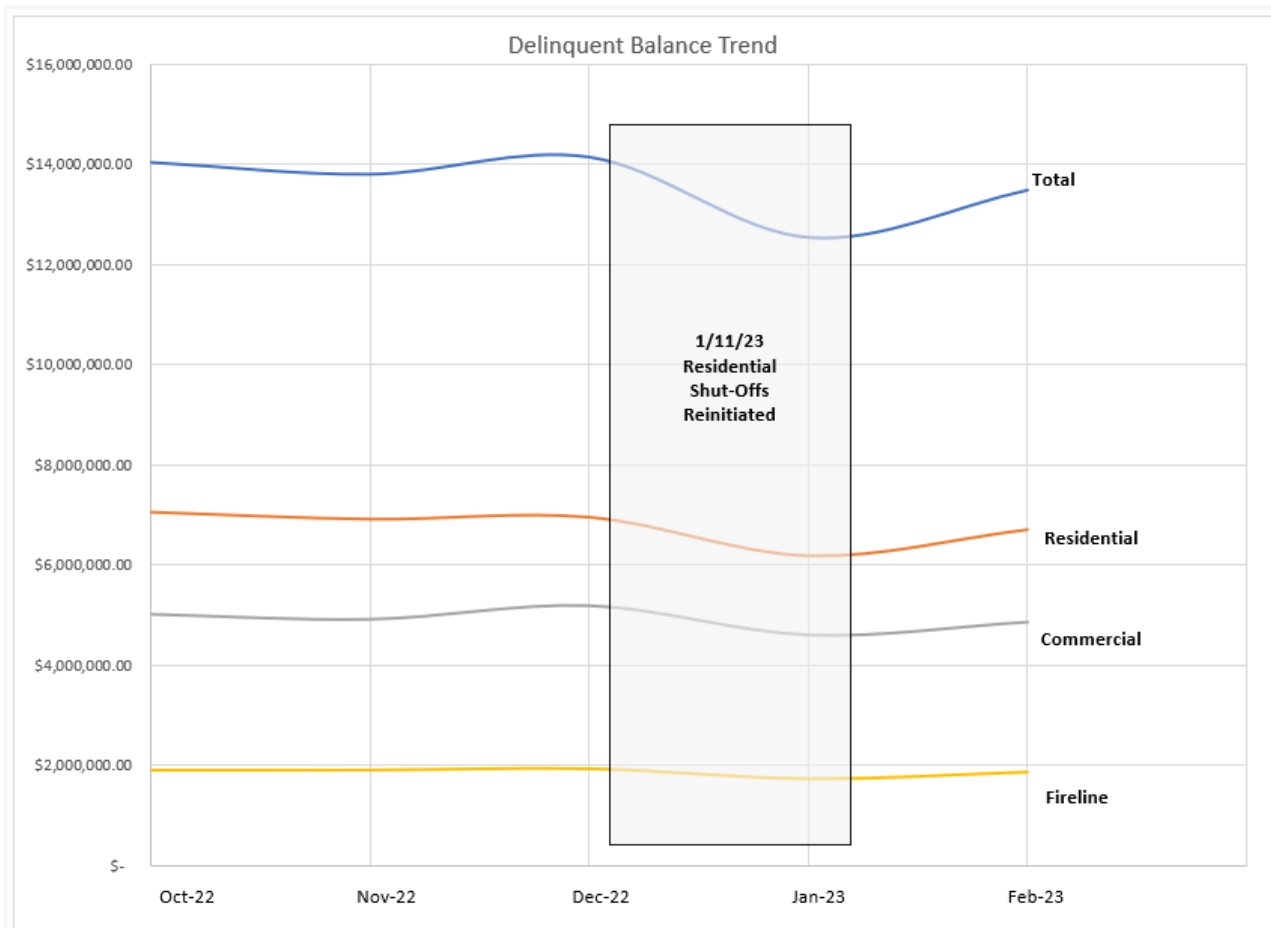
The contract with Pacific Construction (Contract 22-B-8) started in July 2022 and the contract with CDM-Smith for CM and service line inspections began in the Spring. The overall program is estimated at \$36M and we have received 77% principal forgiveness (\$27M) from the NJ I-Bank. Work has begun on replacement of lead line in all cities with a summary listed below as of February 10, 2023.

Passaic Valley Water Commission					
Lead Service Line Tracking Summary					
	CLIFTON	PASSAIC	PATERSON	PROSPECT PARK	TOTAL
Inspections					
Remaining Unknowns LSLR Program ⁽¹⁾	791	634	1,202	21	2,648
Total Inspection Completed	527	340	268	33	1,168
LSLR Inspection Lead Verified ⁽²⁾	53	12	20	9	94
LSLR Inspection Unable to Verify ⁽³⁾	40	15	29	1	85
LSLR Inspection, Non Lead Verified	434	313	219	23	989
Total Inspections Attempted by Address	1,640	930	883	130	3,583
Test Pit Program, Non Lead Verified	1,879	646	1,562	43	4,130
Test Pit Program, Lead Verified	48	22	72	1	143
% Found to Be Lead	10%	4%	7%	27%	8%
Replacements					
Contract 22-B-8 Remaining ⁽⁴⁾	1,845	948	3,006	64	5,863
Replaced Lead Service Lines	91	198	118	98	505
Verified Non Lead by Test Pit	15	46	17	29	107
% Complete	5%	20%	4%	66%	9%
Completed Pavement Restoration	8	1	1	8	18
Pending Pavement Restoration	4	9	4	9	26
Completed Sidewalk Restoration	9	56	32	31	128
Pending Sidewalk Restoration	7	24	71	20	122
Completed Lawn Restoration	83	136	-	120	339
Pending Lawn Restoration	26	64	39	27	156
Completed Interior Restoration	20	58	38	2	118
Pending Interior Restoration	2	5	2	2	11
NON LEAD	20,255	6,960	19,680	1,088	47,983
Total	22,891	8,542	23,888	1,173	56,494

4) Delinquent Accounts

As of January 30, 2023, PVWC ceased shut-offs due to the cold weather. We will begin shut-offs again this March however. We are currently discussing calling customers who have delinquent accounts and asking them for payment and/or offering them a payment plan. We continue to work with the Low Income Household Water Assistance Program and the NJ Winter Termination Program. The NJ Board of Public Utilities (BPU) maintains a written policy known as the Winter Termination Program (WTP) by which regulated electric or gas utility companies cannot discontinue service to certain households through March 15, 2023.

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. We continued shutoffs through the month of December but needed to pause due to the cold weather and the holidays. On January 11, 2023, we resumed residential shutoffs which were discontinued January 30th due to cold weather. Below is the trend of the delinquent account balances since October 2022 with an overlay of the residential shutoff period.



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.
 - a. Clifton 1/11/23
 - b. Passaic Scheduled for 2/28/23
 - c. Paterson 2/9/23
 - d. North Arlington 1/30/23
 - e. Prospect Park Scheduled for 2/27/23
 - f. Lodi 2/16/23
- b) Work continues on media campaigns to support various ongoing PVWC programs:
 - a. Interview with Q104, Shelli Sonstein was held on January 17, 2023 for "Get the Lead Out" lead pipe replacement program
 - b. Exclusive press event for Paterson Lead Service Line Replacement with News 12 was held on January 26, 2023.
 - c. Press event held with Paterson and the newly formed Financial Empowerment Center (FEC) to highlight PVWC no-interest payment plans, LIHWAP subsidies and Paterson FEC resources for customers.
- c) Extensive news coverage by NBC news, ABC news, News 12, NJN Spotlight and WPIX regarding the critical number of PVWC delinquent accounts and balances, the need for PVWC to reinstate shutoffs and State aid available.
- d) PVWC is coordinating with the City of Paterson and the newly formed Financial Empowerment Center (FEC) to enhance messaging and education on customer subsidies and payment options.