



Executive Director
James Mueller

PASSAIC VALLEY WATER COMMISSION
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Executive Director Report
July 26, 2023
Board Meeting

1) Operational Issues and Highlights

- Emergency Generator Project – on July 14, 2023 substantial completion was achieved for the \$28.5M construction of the emergency generators at the Little Falls site. The generators are now operating in auto transfer mode to activate in the event of a power outage in Little Falls. This successful project completion drastically improves site resiliency and mitigates PVWC operational risk especially given increasing extreme weather events due to climate change. Thanks to **Julie Alesandrelli**, Supervising Engineer, and **Pat Porcaro**, Chief Engineer for taking over the project and leading it to completion as prior staff involved retired or left the company. Also, special recognition to **Bob Lorfink**, Pumping and Power; **Ralph Rocco**, consultant; **Wendy Simone** and the **Purification Dept**; and **Mike Marotta** and the **Maintenance Dept** for technical input and support during a multitude of plant shutdowns necessary to advance construction over the last year.

Engineering

- Levine Tanks Construction Management consultant contract – proposals for the Levine CM contract were received on July 11th and a recommendation of award is included as part of the July 26, 2023 Board meeting agenda. CM Contract value is \$5.2M
- Levine Storage tanks construction – the design is pending approval by the DEP dam safety group and the Passaic County Planning Board. Approvals are expected by September and the construction is expected to bid in the Fall 2023. Construction is estimated at \$30M.
- Great Falls Historic Buildings – bids for the Great Falls Buildings were opened on July 13th and a recommendation for award is included as part of the July 26, 2023 Board meeting agenda. Contract value is \$2.1M.
- LFWTP Residual Thickening upgrade – the design is pending approval with Passaic County Planning Board in order to advertise the Residuals Project for bid. We anticipate approval in late August. Contract is estimated at \$30M.
- Auditorium Stairs – the Auditorium Stair project will be advertised in the last week of July 2023.

Information Technology

- Document Management Services - Phase 1 (\$65,812) of the PVWC document management program continues to ramp up with the firm Foveonics scheduled to be on site July 25, 2023, to begin the process of cleaning and digitizing personnel files currently stored in approximately 60 boxes in the Clifton basement.
- Website Redesign - Signed Agreement letter along with purchase order delivered by Procurement on 6/6/2023 with the firm, Granicus. The contract is valued at \$354,020 with a three year duration ending May 23, 2026. The project kick-off meeting was held July 10, 2023 between Granicus and the IT Dept.



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- SharePoint Deployment - As of June 23, 2023 an additional 4000 files are being shared on the platform, bringing our total to 91.39K SharePoint files. The IT Dept continues to work with various departments to enable Sharepoint functionality while we develop a broader plan for a company-wide platform.

Organizational Development and Human Resources

- Interviews for the Assistant Engineer Civil with the intent of having a candidate(s) to fill both open positions.
- Review of benefit Plan and Administrator performance through the first half year.
- Reviewing capabilities of other Payroll/HRIS vendors that may provide higher value to the Commission.

Purchasing

- All staff who wear a uniform have now been measured. As such, we are now prepared to move forward in a new direction with uniform services that will best address the needs of PVWC employees so that we can put our best face forward. We have worked with each department to ensure their uniform needs are being properly addressed. On June 28, 2023, the Board awarded 3-year contract to Cintas, who we are happy to report will now be our new provider of uniforms.
- We have completed a Vendor List, which will provide us with the necessary information to review the status of each vendor's Business Registration Certificate to ensure that all vendors are properly certified to do business with PVWC.

Finance

- A meeting was scheduled with the Local Finance Board on July 12th, to review our application to issue bonds for current and upcoming projects. This meeting was successful and we are moving forward with the bond offering.
- We had members of our staff sit in on a leadership development training by Admiral Bill McRaven – everyone in attendance gained from his perspective and wisdom.
- We're continuing to evaluate and hone our internal control processes to be sure they remain effective.

Distribution

- Annual flushing program – approximately 2060 hydrants have been flushed in Clifton, Paterson and Passaic since April 2023. Hydrant flushing will begin in the remaining retail cities over the next several months. We will develop a monthly trend to track progress in future reports.
- Hydrant Replacements – as of July 11, 2023, 562 hydrants have been replaced via contract, which is about 56% of the contract total of 1000 hydrants. We will develop a monthly trend to track progress in future reports.

Environmental Health & Safety

- Completion of 8 Noise studies (dosimetry) to date at LFWTP and Remote Pump Station Locations – Studies will be used to evaluate need/requirement for hearing conservation programs in these locations. Previous studies were performed 10+ yrs. ago.



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- An overall assessment of defibrillators and first aid capabilities was conducted for the Clifton and Little Falls facilities and recommended equipment upgrades are included on the July 26, 2023 Board meeting agenda.
- Trenching/Shoring Excavation Competent persons course (outside consultant to proctor) scheduled for all Distribution teams (4) over two full days in July, classroom portion with final exam and field exercise with practical required for successful completion.
- New SOP for distribution crews rolled out dealing with trench safety and minimization of “gray area” decisions in field. Crews will be required to photo-document their shoring protection each day for each jobsite, ensuring trench safety is followed completely, mitigating risk.

Communications & Intergovernmental Coordination

- Rave reverse 911 - The system is up and running as of the beginning of July 2023 and being used to support notifications to customers regarding PVWC activities impacting the local community (e.g. water main breaks, office closures, the lead service line replacement program). Out of 80,000 retail accounts, there are currently 2,000 signed up with approximately 25,000 additional accounts being imported into the RAVE system. We continue to work with customer service, the owner cities and retail areas to get the word out to encourage customers to sign up.
- The 2023 Consumer Confidence Reports (CCRs) were mailed to customers on June 30th thereby meeting the July 1st deadline. The CCRs have also been posted on the website and are being mailed to the schools.
- Communications met with Customer Service about changing front line phone messages. We are in the process of writing a new script. There will be one person’s voice for English and Spanish (instead of 3 different and distinct voices). When a customer is on hold, we will have a continuous loop of music and messages. We will use the opportunity to let customers know about different services PVWC is offering for customers such as Pay by Text, Sign Up for Free Lead Line replacement, LIHWAP, etc.
- We posted on social media a congratulatory message for employees who were cited by customers for doing a great job and in some cases, for going above and beyond to help. Kudos to **Christine Vozzella, Brian Gunderman, Juan Monroig, and Eddie Soriano**, all of whom are continuing to make us **PVWC PROUD!**

Pumping and Power

- PVWC’s 5 dams received either their formal or annual inspections during this month. The inspections were completed with the assistance of our consultant, French & Parrello. The DEP’s Bureau of Dam Safety also participated in the inspections.
- The Pumping Department assisted in the power outage created by the heavy weather and lightning strike on June 25, 2023.

Customer Service

- Otilia Espino, Assistant Supervisor, was able to help a customer understand a complex billing correction, using one of our newest features, video chat. In providing her feedback, Otilia stated the video chat helped calm the customer down, their tone was completely different. It was more engaging than just a phone call.
- PVWC received more positive feedback from a customer in Lodi pertaining to **Brian Gunderman** and his co-worker **Juan Monroig** from our Distribution Department. They went to her residence to help

the customer with water pressure issues. Great job Brian and Juan for making this customer’s experience with PVWC a positive one!

2) Organizational Highlights – Succession Planning

- The organizational restructuring in Little Falls involving the Laboratory and Purification departments continues to work well. An assessment of laboratory functions and staffing is being undertaken by Cornwell Engineering through an existing on-call contract to identify areas for improvement and optimization.
- Each Department Head continues to hold regular weekly/bi-weekly staff meetings and the Executive Director attends on a rotating basis to discuss any key issues and organizational strategies.
- Performance evaluations have been rolled out for the staff level reporting directly to Dept Heads and formal reviews are being conducted this month. These evaluations are tailored to each team member’s responsibilities with the goal of increasing communication, productivity and job satisfaction.

New Hires: The following staff has joined PVWC over the last month. This new hire will be introduced at next week’s Board meeting.

| <u>Names</u> | <u>Start Date</u> | <u>Department</u> |
|-------------------------------|-------------------|-------------------|
| Jahir Keeling (Summer Intern) | 7/10/23 | Engineering |

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 continues replacement of lead line in all cities with a summary listed below as of July 11, 2023.

We continue to evaluate getting the word out to the public regarding availability of the on-line virtual inspection program to determine unknown pipe material. We are developing step-by-step “how to” videos and initiating town hall style meetings to facilitate public education around the need for these inspections and empower individuals in the community.

A stop work order was instituted after a 2-alarm fire occurred on June 16, 2023 after work had been completed on the lead service replacement at that location. PVWC staff worked with Pacific Construction (contractor) and CDM Smith (construction manager) to assess all protocols related to the replacement of lead service lines and have instituted changes as warranted to mitigate against electrical hazards. Work resumed on July 5, 2023.



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Data Date: 7/11/2023

| Passaic Valley Water Commission Lead Service Line Tracking Summary | | | | | |
|---|---------------|--------------|---------------|------------------|---------------|
| | CLIFTON | PASSAIC | PATERSON | PROSPECT PARK | TOTAL |
| Inspections | | | | | |
| Remaining Unknowns LSLR Program ⁽¹⁾ | 572 | 323 | 645 | 12 | 1,552 |
| Total Inspection Completed | 549 | 350 | 275 | 33 | 1,207 |
| <i>LSLR Inspection Lead Verified ⁽²⁾</i> | 57 | 14 | 23 | 9 | 103 |
| <i>LSLR Inspection Unable to Verify ⁽³⁾</i> | 40 | 17 | 32 | 1 | 90 |
| <i>LSLR Inspection, Non Lead Verified</i> | 436 | 319 | 220 | 23 | 998 |
| <i>Submitted Photo Inspection</i> | 16 | 1 | 5 | - | 22 |
| Total Inspections Attempted by Address | 1,653 | 968 | 897 | 130 | 3,648 |
| Test Pit Program, Non Lead Verified | 2,028 | 911 | 1,980 | 44 | 4,963 |
| Test Pit Program, Lead Verified | 38 | 22 | 90 | 1 | 151 |
| % Found to Be Lead | 10% | 4% | 8% | 27% | 9% |
| Replacements | | | | | |
| Contract 22-B-8 Remaining ⁽⁴⁾ | 1,473 | 690 | 2,536 | 62 | 4,761 |
| Replaced Lead Service Lines | 379 | 402 | 414 | 99 | 1,294 |
| Verified Non Lead by Test Pit | 48 | 84 | 137 | 29 | 298 |
| % Complete | 22% | 41% | 18% | 67% | 25% |
| <i>Completed Pavement Restoration</i> | 20 | 12 | 9 | 8 | 49 |
| <i>Pending Pavement Restoration</i> | 36 | 25 | 31 | 9 | 101 |
| <i>Completed Sidewalk Restoration</i> | 66 | 168 | 290 | 37 | 561 |
| <i>Pending Sidewalk Restoration</i> | 29 | 51 | 130 | 16 | 226 |
| <i>Completed Lawn Restoration</i> | 342 | 331 | 213 | 133 | 1,019 |
| <i>Pending Lawn Restoration</i> | 105 | 84 | 97 | 20 | 306 |
| <i>Completed Interior Restoration</i> | 53 | 138 | 166 | 3 | 360 |
| <i>Pending Interior Restoration</i> | 8 | 33 | 29 | 3 | 73 |
| NON LEAD | 20,829 | 7,532 | 20,708 | 1,099 | 50,168 |
| Total | 22,874 | 8,545 | 23,889 | 1,173 | 56,481 |

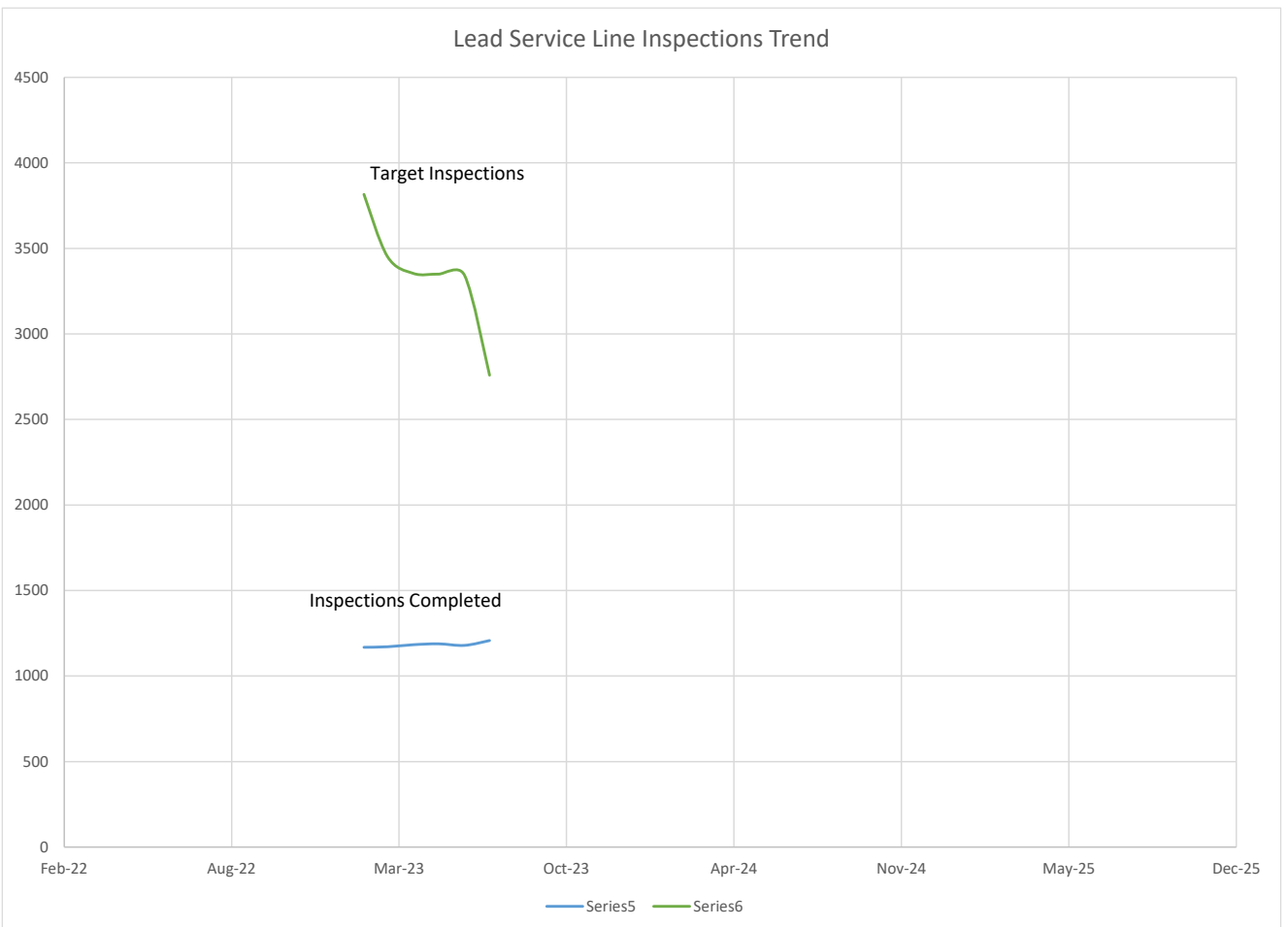
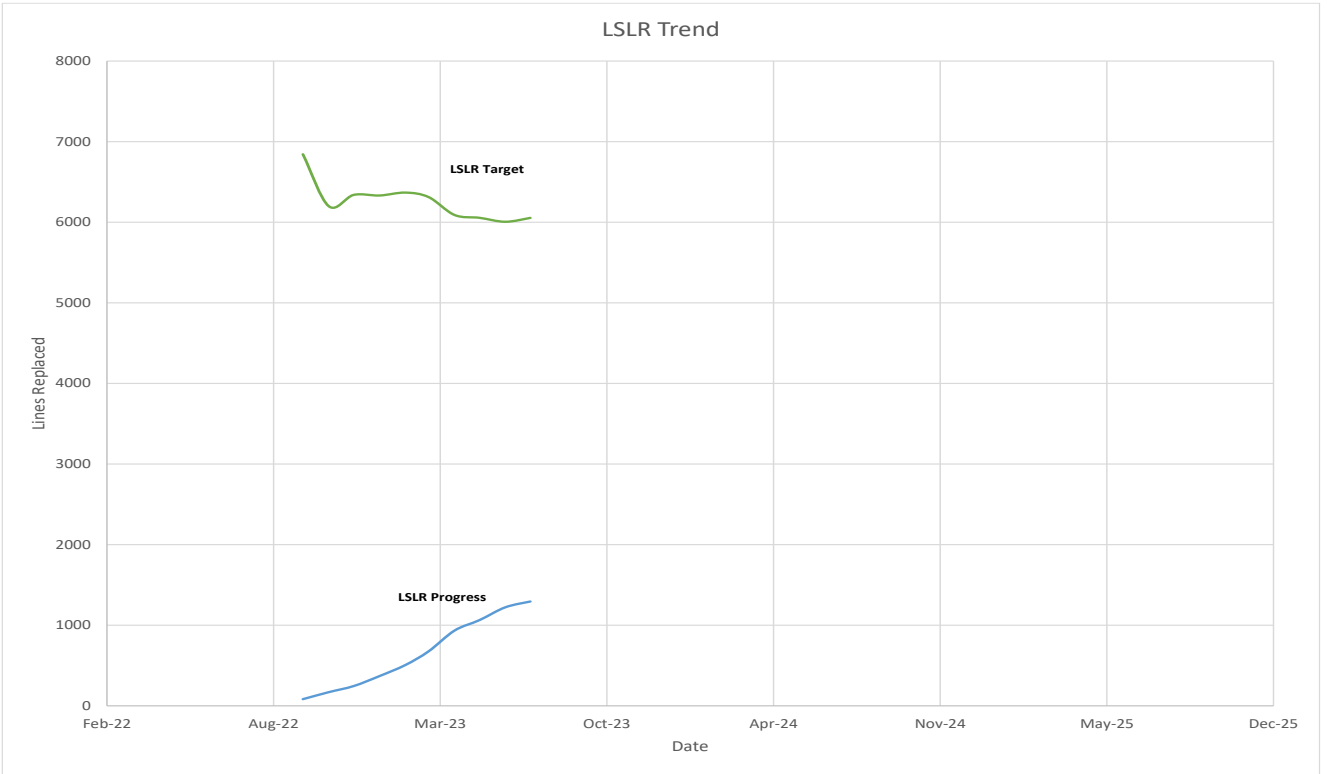
Notes:

(1) denotes the number of unknown service lines remaining to be inspected

(2) denotes the number of lead and galvanized steel assigned to Contract 22-B-8

(3) denotes the number of lines not able to be visually verified assigned to Contract 22-B-8

(4) denotes the number of remaining service lines to be replaced under Contract 22-B-8



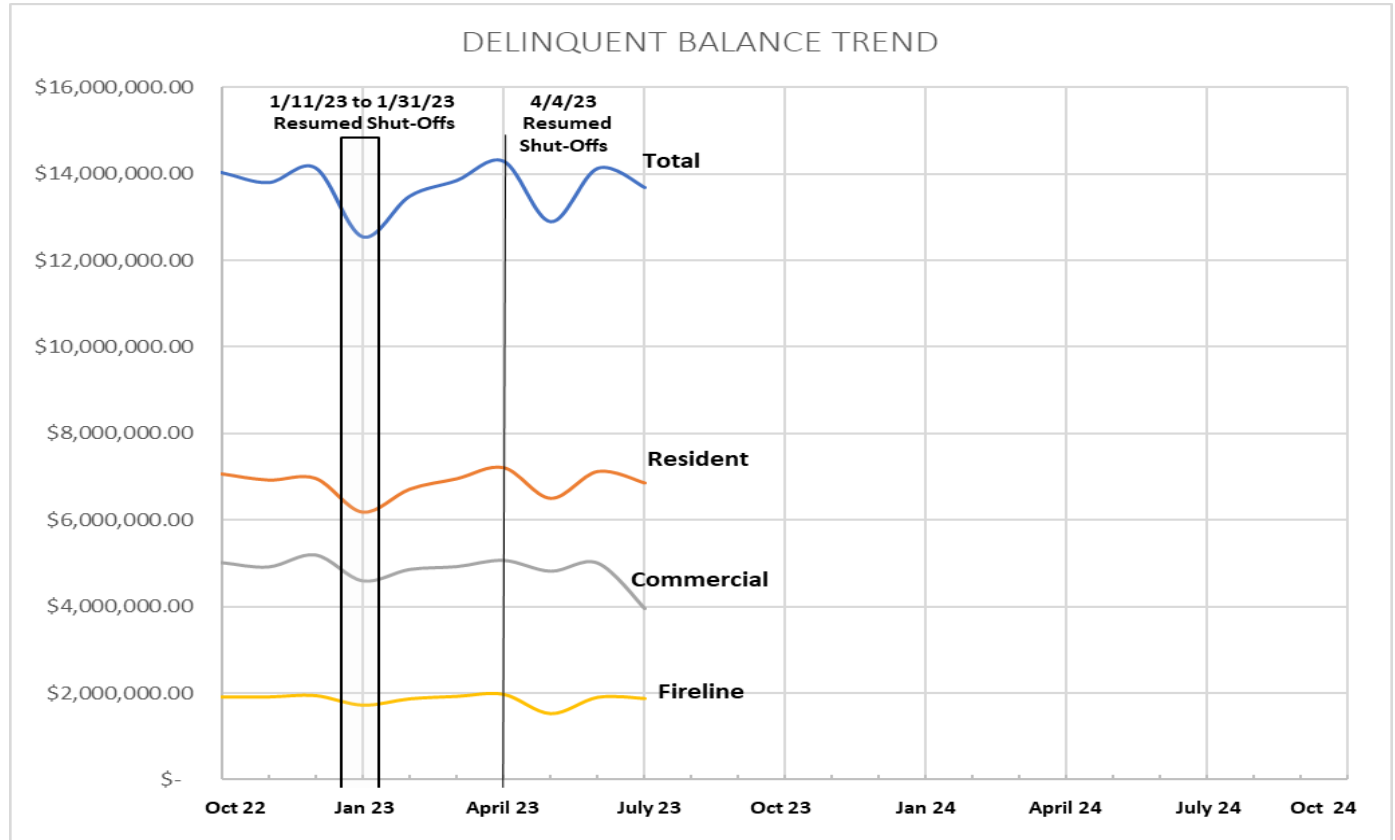


4) Delinquent Accounts

As of January 30, 2023, PVWC ceased shut-offs due to the cold weather. 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) maintained a written policy known as the Winter Termination Program (WTP) by which regulated electric or gas utility companies could not discontinue service to certain households which ended on March 15, 2023. We resumed shut offs on April 4, 2023.

A summary table of delinquent accounts and the associated trends are provided below and on the next page. See attachment A for delinquent accounts greater than \$40,000.

| Retail System - Delinquent Account Summary | | | | | |
|--|----------------------|-------------|--------------|-------------|--------------------|
| Account Type | \$ | % \$ | # Accounts | % Accounts | \$/Account |
| Account Type | \$ | % \$ | # Accounts | % Accounts | \$/Account |
| Residential | \$ 6,846,580 | 50% | 7,291 | 77% | \$ 939.05 |
| Small Commercial-< 2' | \$ 2,913,916 | 21% | 1,479 | 16% | \$ 1,970.19 |
| Fireline | \$ 1,868,808 | 14% | 269 | 3% | \$ 6,947.24 |
| Commercial-up to 6" mtr. | \$ 1,043,853 | 8% | 259 | 3% | \$ 4,030.32 |
| Industrial- 6" & above | \$ 888,750 | 6% | 53 | 1% | \$ 16,768.87 |
| Municipal | \$ 123,146 | 0.9% | 61 | 0.6% | \$ 2,018.79 |
| Total | \$ 13,685,053 | 100% | 9,412 | 100% | \$ 1,454.00 |





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5) External Communications

- Quarterly status meetings are being held with the Mayors and/or key staff from the following retail systems. The meeting agenda covers the lead service line replacement program status, unauthorized hydrant access/misuse, LIHWAP and shutoffs.
 - a. Clifton Scheduled for 7/20/23; 10/16/23.
 - b. Passaic Currently being scheduled for July/August.
 - c. Paterson Scheduled for 11/8/23; 8/8/23.
 - d. North Arlington Was held on 6/26/23.
 - e. Prospect Park Scheduled for 9/25/23; 12/4/23.
 - f. Lodi Scheduled for 9/12/23.
- Two town halls were held for Clifton and Paterson. We are working on scheduling town halls for the Passaic, Lodi, N. Arlington and Prospect Park.
 - a. Clifton City Hall – Was held on 6/27/23 6 PM - 7:30 PM
 - b. Calvary Baptist Church, Paterson - 575 East 18th St. Was held on 6/28/23 6 PM – 7:30 PM
 - c. Passaic, Prospect Park, N. Arlington and Lodi are all in the process of being scheduled.

Attachment A – Top delinquent accounts greater than \$40,000

| | Customer # | Account # | Account Status | Customer Name | Service Address | Town | Account Type | Collection Status | A/R Balance |
|-----------|----------------|---------------|-----------------|--|--|------------------------|-----------------------------------|--------------------------------|---------------------|
| 1 | 0201763 | 159162 | Active | EAST NEWARK CENTER, LLC | 255 GRANT AVENUE | EAST NEWARK | Industrial- 6" & above | Shut-Off List | \$494,039.37 |
| 2 | 0271903 | 118920 | Active | AMERICAN FABRIC PROCESSORS | 555 E 31ST STREET | PATERSON | Commercial-up to 6" mtr | Shut-Off List | \$215,231.17 |
| 2a | 271903 | 118922 | Active | AMERICAN FABRIC PROCESSORS | 555 E 31ST STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$628.28 |
| 2b | 271903 | 118924 | Active | AMERICAN FABRIC PROCESSORS | 555 E 31ST STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$418.66 |
| 3 | 0273800 | 032470 | Active | PB NUTCLIFF, LLC | 811 ROUTE 3 EAST #2 | CLIFTON | Industrial- 6" & above | Shut-Off List | \$124,396.24 |
| 4 | 0122967 | 069168 | Active | MODA FURNITURE | 125 SOUTH STREET | PASSAIC | Small Commercial- < 2' | Disconnected | \$99,667.20 |
| 4a | 125839 | 69140 | Active | CONTEMPO REALTY, LLC | 125 SOUTH STREET | PASSAIC | Fireline | Final Notice (Notice 3) | \$3,341.14 |
| 5 | 0011555 | 097214 | Active | GALAXIE CHEM CORP | 6-34 PIERCY STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$84,639.48 |
| 6 | 0011555 | 097236 | Finalled | GALAXIE CHEM CORP | 28 PIERCY STREET | PATERSON | Commercial-up to 6" mtr | Collections Okay | \$49,976.77 |
| 7 | 0011555 | 097236 | Finalled | GALAXIE CHEM CORP | 28 PIERCY STREET | PATERSON | Commercial-up to 6" mtr | Collections Okay | \$49,976.77 |
| 7a | 11547 | 97222 | Active | GALAXIE CHEMICAL | 18 PIERCY STREET | PATERSON | Residential | Shut-Off List | \$10,467.75 |
| 7b | 11413 | 90760 | Active | GALAXIE CHEMICAL, CORP. | 15-17 E MAIN STREET | PATERSON | Residential | Shut-Off List | \$10,344.46 |
| 8 | 0122427 | 104492 | Finalled | FABRICOLOR MFG. CORP | 24 VAN HOUTEN STREET | PATERSON | Industrial- 6" & above | Collections Okay | \$80,537.92 |
| 9 | 0184395 | 154628 | Active | MIRIAM MONTESEDOCA | 290 BELLEVILLE TPK | NORTH ARLINGTON | Residential | Disconnected | \$70,501.18 |
| 10 | 0124761 | 101890 | Active | PATERSON COMM. DEVELOPMENT | 2 MARKET STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$67,397.20 |
| 10a | 52917 | 182732 | Finalled | GREAT FALLS DEV. CORP. | 2 MARKET STREET | PATERSON | Small Commercial- < 2' | Collections Okay | \$0.00 |
| 10b | 52917 | 101888 | Active | GREAT FALLS DEV. CORP. | 2 MARKET STREET | PATERSON | Small Commercial- < 2' | Shut-Off List | \$35,097.75 |
| 11 | 0124657 | 105482 | Active | CENTER CONTRACTING, CORP. | 59-61 WARREN STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$61,379.78 |
| 11a | 124657 | 105480 | Active | CENTER CONTRACTING, CORP. | 59 WARREN STREET | PATERSON | Small Commercial- < 2' | Disconnected | \$4,930.88 |
| 11b | 124657 | 98002 | Active | CENTER CONTRACTING, CORP. | 72 PUTNAM STREET | PATERSON | Fireline | Shut-Off List | \$7,416.53 |
| 11c | 124657 | 98000 | Active | CENTER CONTRACTING, CORP. | 72 PUTNAM STREET | PATERSON | Industrial- 6" & above | Delinquent Letter (Notice 1) | \$30.08 |
| 12 | 0290436 | 174352 | Active | 325-333 GRAND ST PROPERTIES LLC | 325 GRAND STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$54,875.36 |
| 12a | 290435 | 83366 | Active | 325-333 GRAND ST PROPERTIES LLC | 333 GRAND STREET | PATERSON | Residential | Disconnected | \$2,108.55 |
| 13 | 0125363 | 125152 | Active | GEORGE DIMITRIJEVIC | 345 N 6TH STREET | PROSPECT PARK | Fireline | Final Notice (Notice 3) | \$51,451.89 |
| 13a | 13297 | 125150 | Active | GEORGE DIMITRIJEVIC | 345 N 6TH STREET | PROSPECT PARK | Residential | Disconnected | \$8,620.35 |
| 14 | 0227833 | 173682 | Active | ENVIROCORP LOGISTICS SERVICES | 95-105 PASSAIC STREET | PASSAIC | Fireline | Final Notice (Notice 3) | \$43,905.39 |
| 14a | 188973 | 158386 | Active | ENVIROCORP.LUD.DERV. | 95-105 PASSAIC STREET #1 | PASSAIC | Industrial- 6" & above | Shut-Off List | \$33,557.91 |
| 15 | 0302361 | 149538 | Active | GOTHAM CLEANERS | 200 CLIFTON BOULEVARD #3 | CLIFTON | Small Commercial- < 2' | Collections Okay | \$43,609.77 |
| 15a | 0240283 | 149540 | Finalled | GRAPHIC EXPRESS | 200 CLIFTON BOULEVARD #6 | CLIFTON | Small Commercial- < 2' | Collections Okay | \$133.73 |
| 15b | 0325680 | 149540 | Active | SUNBELT RENTALS INC | 200 CLIFTON BOULEVARD #6 | CLIFTON | Small Commercial- < 2' | Collections Okay | \$142.93 |
| 15c | 0172255 | 149532 | Active | FRIMPEKS | 200 CLIFTON BOULEVARD #2 | CLIFTON | Small Commercial- < 2' | Collections Okay | \$160.29 |
| 15d | 0287364 | 149536 | Active | ZIGGY SNACK FOODS, LLC | 200 CLIFTON BOULEVARD #5 | CLIFTON | Small Commercial- < 2' | Collections Okay | \$278.42 |
| 15e | 0172257 | 149534 | Active | ZIGGY SNACK FOOD LLC. | 200 CLIFTON BOULEVARD | CLIFTON | Small Commercial- < 2' | Collections Okay | \$314.05 |
| 15f | 0155673 | 007436 | Active | J & L REAL CLIFTON LLC. | 200 CLIFTON BOULEVARD | CLIFTON | Fireline | Collections Okay | \$406.31 |
| 15g | 0155673 | 007434 | Active | J & L REAL CLIFTON LLC. | 200 CLIFTON BOULEVARD | CLIFTON | Fireline | Collections Okay | \$609.74 |
| 16 | 0233821 | 105492 | Active | PUTNAM DEVELOPMENT, CORP. | 71 WARREN STREET | PATERSON | Fireline | Final Notice (Notice 3) | \$43,322.89 |
| 17 | 0175911 | 030490 | Active | PIAGET ENTERPRISES INC. | 208 PIAGET AVENUE | CLIFTON | Fireline | Final Notice (Notice 3) | \$42,775.25 |
| 17a | 175911 | 30488 | Active | PIAGET ENTERPRISES INC. | 208 PIAGET AVENUE | CLIFTON | Small Commercial- < 2' | Disconnected | \$9,463.12 |
| 18 | 0265723 | 098550 | Active | EL TAHAN CHILDREN LLC | 137 - 143 E RAILWAY AVENUE FIRELINE | PATERSON | Fireline | Final Notice (Notice 3) | \$42,633.88 |
| 18a | 265723 | 98546 | Active | EL TAHAN CHILDREN LLC | 137 - 143 E RAILWAY AVENUE FIRELINE | PATERSON | Small Commercial- < 2' | Collections Okay | \$0.00 |
| 19 | 0211561 | 163504 | Active | TOWNSHIP OF SADDLE BROOK | 296 MIDLAND AVENUE | SADDLE BROOK | Municipal | Shut-Off List | \$40,769.74 |
| 19a | 211559 | 163502 | Active | TOWNSHIP OF SADDLE BROOK | 296 MIDLAND AVENUE | SADDLE BROOK | Fireline | Final Notice (Notice 3) | \$5,640.76 |
| | | | | | | | | | \$1,895,198.94 |

Bold Accounts indicate delinquencies greater than \$40,000.

Non-bold line items include other accounts associated with the delinquent account or the address.