



Executive Director
James Mueller

PASSAIC VALLEY WATER COMMISSION
1525 MAIN AVENUE • P.O. BOX 230
CLIFTON, NEW JERSEY 07011 • (973) 340-4300
CLIFTON FAX # (973) 340-4321

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Executive Director Report December 20, 2023 Board Meeting

1) Operational Issues and Highlights

Project Highlight:

In March 2023 a survey was sent out from the executive director to all employees soliciting feedback on quality-of-life issues in the offices and facilities in Clifton and Little Falls impacting the work environment. The survey results flagged issues with facility cleanliness; parking in Clifton; and the HVAC system in the Little Falls laboratory. **Mike Marotta**, chief operating officer, and staff have spent the better part of 2023 systematically addressing these issues by increasing and redistributing custodial staff between Clifton and Little Falls; completing the \$270,000 upgrade to the Clifton parking lot; and supporting **Julie Alesandrelli** in the engineering department, to complete the \$2M upgrade of the HVAC system in the lab.

In the last several weeks the custodial staff completed a thorough cleaning of the rugs in the Clifton Board room and the engineering conference room. This extensive rug cleaning was professionally executed in-house by **Rich Zangoglia, Stanley McDowell, Jr., Oneli Pimentel, Sammy Rivera, Jr., and Patsy Caggiano** in the maintenance department.

In early 2024 we will distribute a follow up quality-of-life survey to measure our progress and continue to address issues as warranted.

Information Technology

- Replacement AS400 Micro Computers have arrived.
- RFP for HTE/Naviline replacement awarded.
- 2 new positions have been approved.
- Virtual Chief Information Security Officer services contract awarded.
- E-Learning - 564 lessons have been viewed.
- Initial website design has been approved.

Purchasing

- Went out to bid for 22 Professional Service Contracts and 5 inventory contracts
- Completed 3rd Quarter Evaluations for the entire Procurement Team
- Kick started the vendor evaluation program and received our first evaluations from every department.
- Continuing staff training with regard to procurement regulations

Engineering

- Update FEMA Public Assistance Funding for Ida Disaster, DR4614:
 - We are working with FEMA to close out all remaining open Project Worksheets. The total eligible amount will be \$4,057,160.84. FEMA will cover 90% of this cost.
 - FEMA approved Project No. 1971 in the amount of \$572,818.16 to cover flushing the effected New Street Reservoir and distribution system.



Passaic Valley Water Commission

- FEMA approved Project No. 1994 in the amount of \$336,731.97 to cover the reconstruction of the wall and washed out driveway between the Great Notch Pump Station and regulator chamber.
- The Cities of Paterson and Clifton have submitted an amendment to their Project Worksheet to FEMA requesting reimbursement for services associated with assisting PVWC during the emergency event. The status of the City of Passaic’s application is unknown at this time.

Organizational Development and Human Resources

ODHR, under the leadership of the new director, Sydel Cohen, has made progress on the following initiatives:

- Coordinating open enrollment for 2024 health insurance effective February 1, 2024, as well as switching COBRA and FSA administrator.
- Initiating roll out of performance evaluations to ODHR staff for 2024 Q1.
- Finalizing policies for disciplinary and sick leave procedures that have been distributed to all department heads.
- Metrics:

ODHR Metrics					
Date	Monthly			Year-to-Date	
	# Vacancies	# Job Postings	# Interviews	# New Hires	# Separations
9/30/2023	5	1	1	31	9
10/31/2023	8	4	4	33	11
11/30/2023	11	0	2	34	12

Pumping & Power

- Exercised all four new emergency generators.
- Started preparation of next electrical outage plan.
- Participated in several discussions concerning the storage tank projects.
- Metrics:

Monthly Pumping & Power Metrics						
Date	Interconnection Flow (MG)	Total Monthly Volume (MG)	Monthly Average (MG)	Max Day Volume (MG)	Wanaque Flow (MG)	Filter Plant Flow (MG)
9/30/2023	5	2,466.86	82.23	94.63	1,043.30	1,423.56
10/31/2023	-	2,607.01	84.10	95.65	1,174.85	1,423.16
11/30/2023	-	2452.82	81.76	90.5	1155.1	1297.82

Finance

- On December 14, 2023 PVWC went to market for the bond offering. There were 63 purchasers who were bidding for PVWC’s bonds which is an extremely high number benefiting PVWC bond costs! That’s a huge testament to the strength of PVWC’s credit worthiness in the bond market. Most of the bonds will have a 5% coupon, and those maturing in 2044-2053 will have a 4% coupon. However, with the spread adjustments because of the interest in our debt, and the premiums on the bonds due to market conditions, the NIC (net interest cost) on the bonds overall came in at 3.95%. We initially projected total debt service of \$189m over the life of the bonds, and with pricing today, we came in at a total debt service of just under \$178m, for a savings of \$11m over the life of the bonds.



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- We will be awarding a contract with a vendor at this month’s Board meeting to develop a plan to upgrade our credit card and EFT processing systems.
- Below is the credit card and EFT revenues and fees:

2023 Credit Card and EFT Revenue and Fees							
Month	Credit Cards				EFT		
	# Transactions	Revenue (\$)	Fee	%	Revenue	Fee	%
January	10,914	\$ 2,801,604.10	\$ 22,473.79	0.80%	1,405,491.60	9,963.65	0.71%
February	10,677	\$ 2,474,507.60	\$ 19,030.42	0.77%	1,380,449.27	9,631.08	0.70%
March	10,686	\$ 2,381,799.35	\$ 18,042.25	0.76%	1,612,331.84	10,283.99	0.64%
April	6,746	\$ 1,789,146.32	\$ 14,041.04	0.78%	1,151,353.77	11,146.63	0.97%
May	10,180	\$ 2,663,554.31	\$ 22,634.04	0.85%	1,608,645.27	8,299.04	0.52%
June	8,232	\$ 2,079,694.69	\$ 18,361.70	0.88%	1,109,671.91	10,649.02	0.96%
July	9,267	\$ 2,368,470.99	\$ 18,191.24	0.77%	1,378,925.68	7,824.72	0.57%
August	11,815	\$ 3,090,646.48	\$ 22,117.08	0.72%	1,945,187.94	9,641.34	0.50%
September	7,979	\$ 2,107,217.25	\$ 17,395.55	0.83%	1,309,461.76	14,263.92	1.09%
October	10,507	\$ 2,531,890.99	\$ 18,432.86	0.73%	1,301,642.97	8,517.36	0.65%
November	8,077	\$ 2,301,180.90	\$ 19,375.26	0.84%	1,638,006.12	10,084.29	0.62%
December							
Totals	105,080	\$ 26,589,713	\$ 210,095	0.79%	15,841,168.13	133,403.93	0.84%

Distribution

Monthly Distribution Metrics									
Date	Hydrants			Main Breaks		Curb Boxes	Mark-outs		Meters
	Flushed	Contractor Repaired	In-House Repaired	In-house Repaired	Contractor Repaired	# Excavated	Total	Emergency	Replaced
9/30/2023	494	62	37	5	-	38	1899	95	284
10/31/2023	702	75	16	8	2	58	2524	112	230
11/30/2023	0	51	19	4	0	50	1931	109	317

Maintenance

- 234 work orders initiated.
- 210 work orders completed.

Communications & Intergovernmental Coordination

Rave: 24 alerts sent out in November

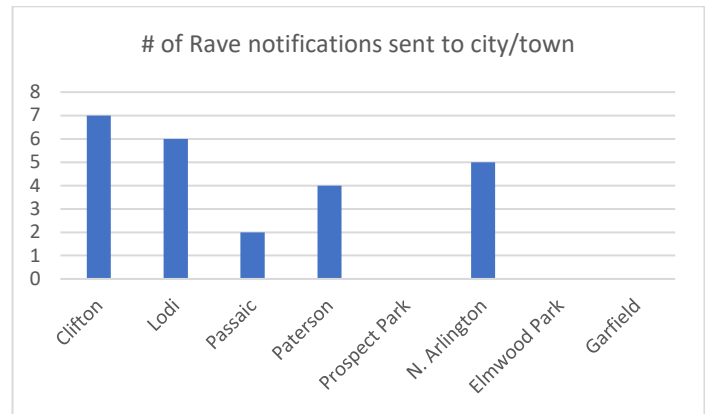
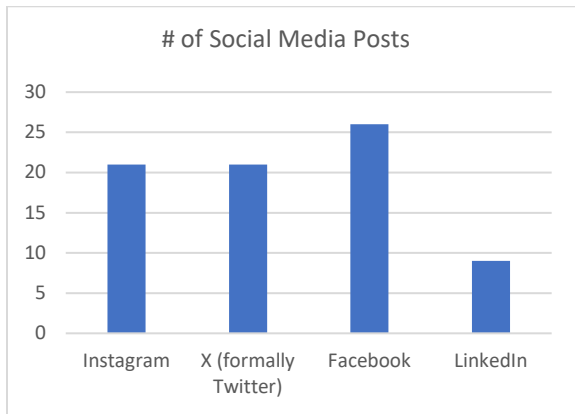
Press Releases: 4 press releases were published in November 2023

- 11/3: PVWC Encourages Customers to Sign Up For Free Notification System
- 11/3: PVWC Honored For Exceptional Utility Performance
- 11/22: PVWC Successfully Flushed More Than 5,000 Hydrants During 2023
- 11/30: Rehabilitation at the Great Falls

Critical Mention: Passaic Valley Water Commission was mentioned 14 times in the media between November 1 – November 30, 2023.



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** FB is higher because we started doing FB live streams in October 2023*

Mentions by Media Type

Powered by Critical Mention



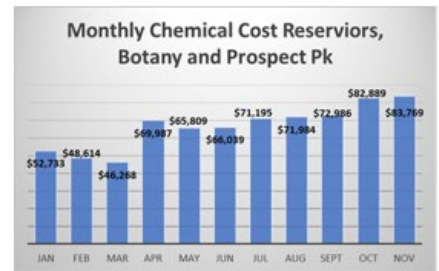
- 11/29: PVWC participated in the City of Passaic’s Utility Assistance fair and **Gabrielle Roman** from our Customer Service department assisted customers to sign up for our no interest payment plan and help answer billing questions.
- 11/30: PVWC held a press conference for the rehabilitation at the Great Falls at the Mary Ellen Kramer Park in Paterson. PVWC received over 200 reactions on Facebook and 16 comments – our most popular post to date.

Purification/Laboratory

There were no shutdowns at the LFWTP.

November 2023 Costs include:

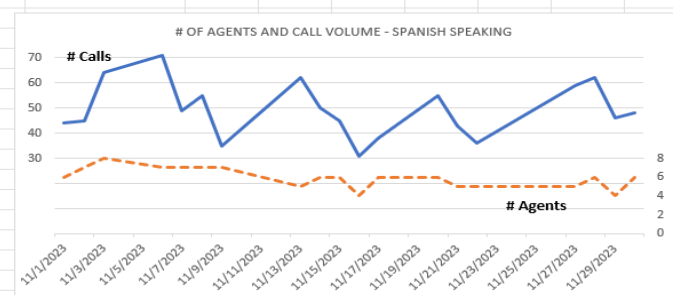
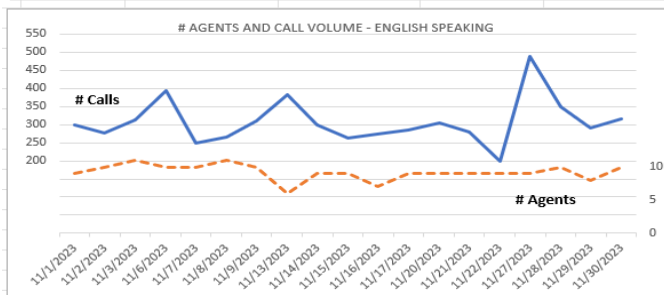
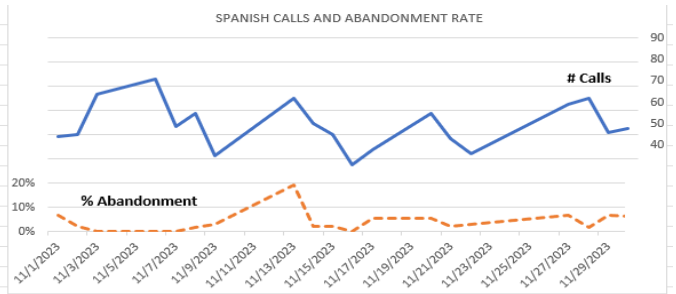
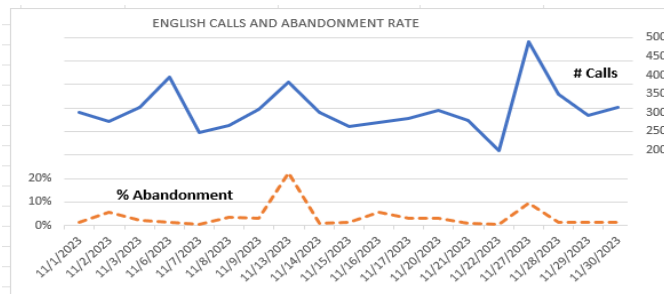
- Residual Costs: \$289,684
- Chemical Costs: \$497,933
- Reservoirs + Botany + Prospect Pk Treatment: \$83,769



- Collected 111 lead and copper samples for the monitoring period July – December 2023.
- Collected 590 coliforms throughout PVWC distribution system, (0) positive samples.

Customer Service

- Our Survey Kiosks are here and ready to take our customers’ feedback at our payment window. They are currently set up for English and Spanish, but we will explore adding more languages, if necessary.
- Currently many customers have expressed issues with registering with us on line to make payments and/or viewing their invoices. I have assigned two staff members to work on getting this resolved, Gabriel Valasquez and Gabrielle Roman. They Collaboratively worked with our vendor Invoice Cloud.



2) Organizational Highlights

- Performance evaluations – staff evaluations for Q3 are almost completed and being loaded into a shared folder. Almost half the staff throughout PVWC will have received at least one performance assessment once Q3 evaluations are completed. The job duty tasks and standards have been reviewed with the rest of the PVCWC staff. By January 2024 all staff throughout PVWC will have received at least one quarterly evaluation. Results are being quantified and tabulated each quarter and will be summarized for future presentation to the Personnel Committee and the Board. The goal is that all staff will receive four (4) quarterly evaluations for the first year, then move to semi-annual evaluations in year 2 and finally annual evaluations in year 3. New hires will continue to receive 30, 60 and 90 day evaluations to determine performance adequacy and best-fit.



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- **Succession Planning** - Detailed succession plans are under development for two operational departments: Distribution and Purification. These plans include updated organizational charts, analyses of the # years of experience vs license levels of existing staff, and career path planning to illustrate promotional opportunities based on experience and skills progression, professional licensing and corresponding civil service titles. Once succession plans are completed for Distribution and Purification the same process will be followed with the other PVWC departments. These succession plans are considered living documents that will evolve and be updated over time to adapt to future challenges and changing conditions.
 - We met with the Lab personnel talking about career path planning and credentials for civil service titles.

New Hires: None

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 December 6, 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.

Pacific Construction has been ramping up efforts to increase lead service line replacement production with four (4) crews now dedicated to replacements and one (1) dedicated to site restoration activities. We are now fast approaching our 2500th service line replaced under this contract and are on track to achieve our target of 6500 service lines replaced by 2025 in Paterson, Clifton, Passaic and Prospect Park.

Our inspection program to determine unknown material has made improvements with 120 inspections completed in the last month. This is due to the addition of local canvassers last month that have been able to gain access to impacted homes.



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Data Date: 12/6/2023

Passaic Valley Water Commission Lead Service Line Tracking Summary					
	CLIFTON	PASSAIC	PATERSON	PROSPECT PARK	TOTAL
Inspections					
Remaining Unknowns LSLR Program ⁽¹⁾	399	163	380	8	950
Total Inspection Completed	592	383	300	36	1,311
<i>LSLR Inspection Lead Verified</i> ⁽²⁾	57	14	23	9	103
<i>LSLR Inspection Unable to Verify</i> ⁽³⁾	40	17	32	1	90
<i>LSLR Inspection, Non Lead Verified</i>	436	319	221	23	999
<i>Submitted Photo Inspection</i>	40	22	2	1	65
<i>Canvass, Non Lead Verified</i>	15	8	17	2	42
<i>Canvass, Lead Verified</i>	1	3	2	-	6
<i>Canvass, Unable to Verify</i>	3	-	3	-	6
Total Inspections Attempted by Address	1,653	968	900	130	3,651
Test Pit Program, Non Lead Verified	2,028	911	1,980	44	4,963
Test Pit Program, Lead Verified	224	99	213	8	544
% Found to Be Lead	10%	4%	8%	25%	8%
Replacements					
Contract 22-B-8 Remaining ⁽⁴⁾	1,187	677	2,086	63	4,013
Replaced Lead Service Lines	751	518	946	100	2,315
Verified Non Lead by Test Pit	104	105	237	29	475
% Complete	42%	48%	36%	67%	41%
<i>Completed Pavement Restoration</i>	22	13	13	8	56
<i>Pending Pavement Restoration</i>	11	12	32	2	57
<i>Completed Sidewalk Restoration</i>	94	194	367	43	698
<i>Pending Sidewalk Restoration</i>	62	78	322	9	471
<i>Completed Lawn Restoration</i>	438	400	246	139	1,223
<i>Pending Lawn Restoration</i>	350	96	393	11	850
<i>Completed Interior Restoration</i>	111	146	277	4	538
<i>Pending Interior Restoration</i>	7	9	35	2	53
NON LEAD	21,285	7,656	21,399	1,100	51,440
Total	22,871	8,496	23,865	1,171	56,403

Notes:

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

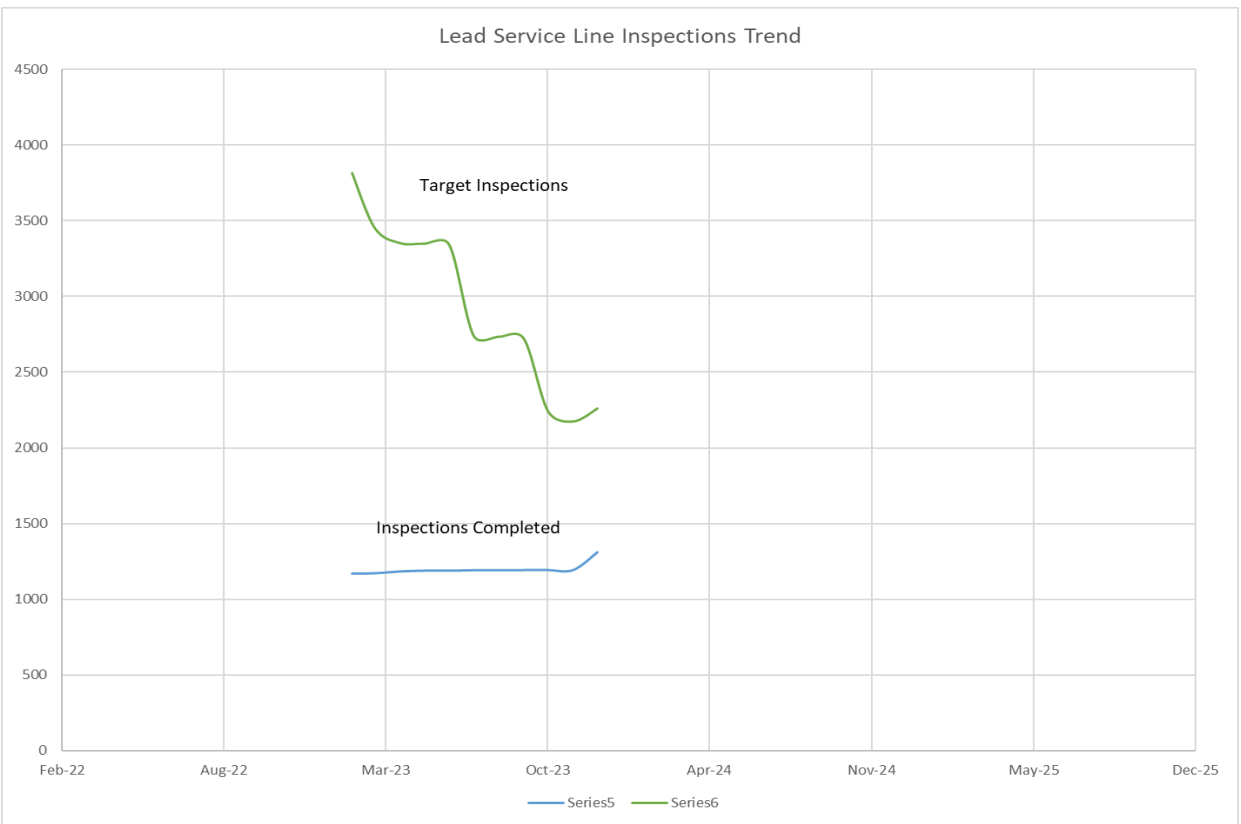
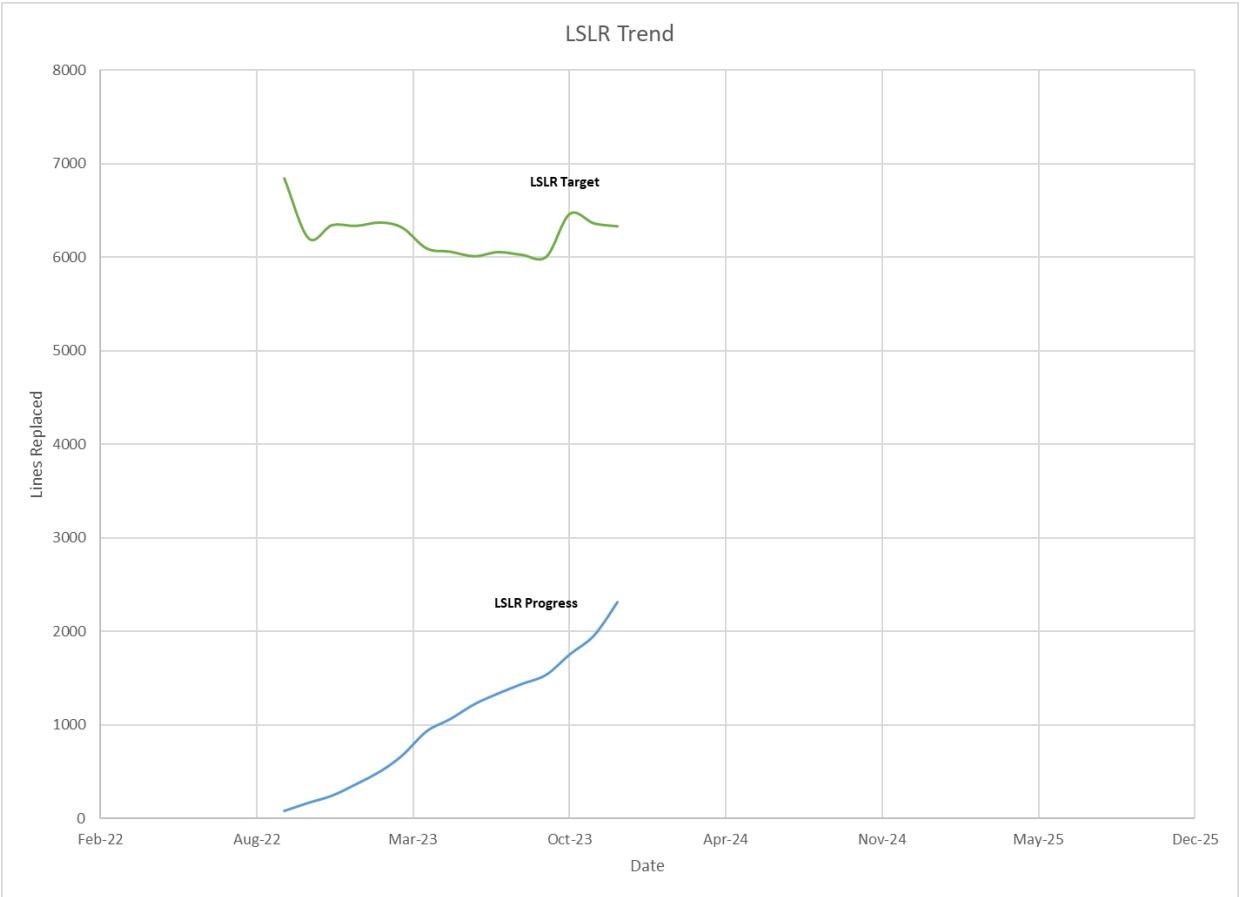
(2) denotes the number of lead and galvanized steel assigned to Contract 22-B-8

(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



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4) Delinquent Accounts

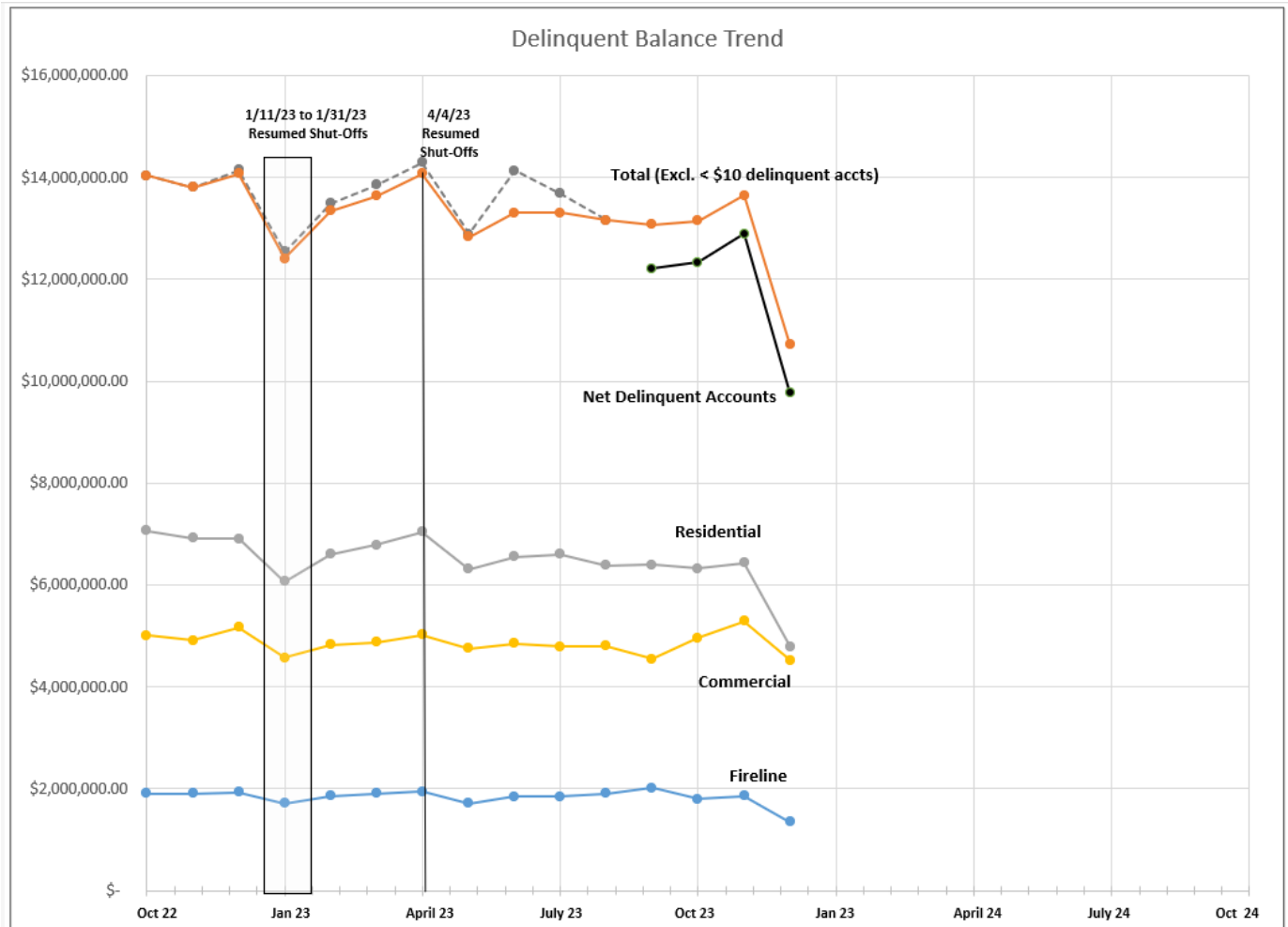
A summary table of delinquent accounts and the associated trends are provided below and on the next page. See attachment A for delinquent accounts greater than \$40,000.

*Excludes Accounts that have no outstanding balance past 30-60 days

Retail System - Delinquent Account Summary (does NOT include EP & GF)					
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Residential	6,320,399.00	48%	5,426	76%	\$ 1,164.84
Small Commercial-< 2'	2,868,352.00	22%	1,212	17%	\$ 2,366.63
Fireline	1,796,598.00	14%	224	3%	\$ 8,020.53
Commercial-up to 6" mtr	1,157,355.00	9%	225	3%	\$ 5,143.80
Industrial- 6" & above	936,417.00	7%	49	1%	\$ 19,110.55
Municipal	70,344.00	0.5%	36	0.5%	\$ 1,954.00
Total	13,149,465.00	100%	7,172	100%	\$ 1,833.44

Payment Arrangements (does NOT include EP & GF)					
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Residential	424,529.34	52%	402	81%	\$ 1,056.04
Small Commercial-< 2'	211,104.91	26%	75	15%	\$ 2,814.73
Fireline	147,021.18	18%	15	3%	\$ 9,801.41
Commercial-up to 6" mtr	3,709.18	0.5%	3	1%	\$ 1,236.39
Industrial- 6" & above	36,992.33	4%	3	1%	\$ 12,330.78
Municipal	0.00	0.0%	0	0%	#DIV/0!
Total	823,356.94	100%	498	100%	\$ 1,653.33

Net Delinquent (does NOT include EP & GF or payment plans)					
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Residential	\$ 5,895,870	48%	\$ 5,024	75%	\$ 1,173.54
Small Commercial-< 2'	\$ 2,657,247	22%	\$ 1,137	17%	\$ 2,337.07
Fireline	\$ 1,649,577	13%	\$ 209	3%	\$ 7,892.71
Commercial-up to 6" mtr	\$ 1,153,646	9%	\$ 222	3%	\$ 5,196.60
Industrial- 6" & above	\$ 899,425	7%	\$ 46	1%	\$ 19,552.71
Municipal	\$ 70,344	1%	\$ 36	1%	\$ 1,954.00
Total	\$ 12,326,108	100%	6,674	100%	\$ 1,846.88



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 In the process of being scheduled for early 2024.
 - b. Passaic In the process of being scheduled for early 2024.
 - c. Paterson Press conference was held on 11/30/23 for the Great Falls Architectural Rehabilitation Project.
 - d. North Arlington In the process of being scheduled for early 2024.
 - e. Prospect Park In the process of being scheduled for early 2024.
 - f. Lodi In the process of being scheduled for early 2024.
- We are continuing our town hall meetings and are working on scheduling town halls for Passaic, N. Arlington and Prospect Park.
 - a. Clifton City Hall – In the process of being scheduled for 2024.
 - b. Calvary Baptist Church, Paterson – In the process of being scheduled for 2024
 - c. Lodi Municipal Library – In the process of being scheduled for 2024.

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

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

Not bolded line items include other accounts associated with the delinquent account.

Customer #	Account #	Account Status	Customer Name	Service Address	Town	Account Type	Collection Status	A/R Balance
0201763	159162	Active	EAST NEWARK CENTER, LLC	255 GRANT AVENUE	EAST NEWARK	Industrial- 6" & above	Shut-Off List	\$533,856.78
0271903	118920	Active	AMERICAN FABRIC PROCESSORS	555 E 31ST STREET	PATERSON	Commercial-up to 6" mtr	Shut-Off List	\$229,873.36
271903	118922	Active	AMERICAN FABRIC PROCESSORS	555 E 31ST STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$649.55
271903	118924	Active	AMERICAN FABRIC PROCESSORS	555 E 31ST STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$446.20
0273800	032470	Active	PB NUTCLIFF, LLC	811 ROUTE 3 EAST #2	CLIFTON	Industrial- 6" & above	Disconnected	\$229,594.27
0122967	069168	Active	MODA FURNITURE	125 SOUTH STREET	PASSAIC	Small Commercial-< 2'	Disconnected	\$105,074.37
125839	69140	Active	CONTEMPO REALTY, LLC	125 SOUTH STREET	PASSAIC	Fireline	Final Notice (Notice 3)	\$5,769.35
0225497	097882	Active	RIVERVIEW TOWERS #1	105 PRESIDENTIAL BOULEVARD	PATERSON	Commercial-up to 6" mtr	Shut-Off List	\$100,634.63
0011555	097214	Active	GALAXIE CHEM CORP	6-34 PIERCY STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$90,331.80
0011555	097236	Finalled	GALAXIE CHEM CORP	28 PIERCY STREET	PATERSON	Commercial-up to 6" mtr	Collections Okay	\$52,006.03
11547	97222	Active	GALAXIE CHEMICAL	18 PIERCY STREET	PATERSON	Residential	Shut-Off List	\$10,987.22
11413	90760	Active	GALAXIE CHEMICAL, CORP.	15-17 E MAIN STREET	PATERSON	Residential	Shut-Off List	\$10,860.26
0122427	104492	Finalled	FABRICOLOR MFG. CORP	24 VAN HOUTEN STREET	PATERSON	Industrial- 6" & above	Collections Okay	\$83,808.08
0122583	090314	Active	ST. JOSEPH'S REGIONAL MEDICAL CENTER	84 GETTY AVENUE	PATERSON	Commercial-up to 6" mtr	Shut-Off List	\$77,197.83
0124761	101890	Active	PATERSON COMM. DEVELOPMENT	2 MARKET STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$72,396.38
52917	182732	Finalled	GREAT FALLS DEV. CORP.	2 MARKET STREET	PATERSON	Small Commercial-< 2'	Collections Okay	\$0.00
52917	101888	Active	GREAT FALLS DEV. CORP.	2 MARKET STREET	PATERSON	Small Commercial-< 2'	Shut-Off List	\$37,505.74
0225501	097884	Active	RIVERVIEW TOWERS #2	124-145 PRESIDENTIAL BOULEVARD	PATERSON	Commercial-up to 6" mtr	Shut-Off List	\$67,652.00
0124657	105482	Active	CENTER CONTRACTING, CORP.	59-61 WARREN STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$66,137.05
124657	105480	Active	CENTER CONTRACTING, CORP.	59 WARREN STREET	PATERSON	Small Commercial-< 2'	Disconnected	\$5,293.12
124657	98002	Active	CENTER CONTRACTING, CORP.	72 PUTNAM STREET	PATERSON	Fireline	Shut-Off List	\$9,014.62
124657	98000	Active	CENTER CONTRACTING, CORP.	72 PUTNAM STREET	PATERSON	Industrial- 6" & above	Delinquent Letter (Notice 1)	-\$32.20
0290436	174352	Active	325-333 GRAND ST PROPERTIES LLC	325 GRAND STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$59,371.16
13297	125150	Active	GEORGE DIMITRIJEVIC	345 N 6TH STREET	PROSPECT PARK	Residential	Disconnected	\$9,143.32
0125363	125152	Active	GEORGE DIMITRIJEVIC	345 N 6TH STREET	PROSPECT PARK	Fireline	Final Notice (Notice 3)	\$54,906.80
0302361	149538	Active	GOTHAM CLEANERS	200 CLIFTON BOULEVARD #3	CLIFTON	Small Commercial-< 2'	Disconnected	\$48,820.20
0325680	149540	Active	SUNBELT RENTALS INC	200 CLIFTON BOULEVARD #6	CLIFTON	Small Commercial-< 2'	Collections Okay	\$307.46
0172255	149532	Active	FRIMPEKS	200 CLIFTON BOULEVARD #2	CLIFTON	Small Commercial-< 2'	Collections Okay	\$377.62
0287364	149536	Active	ZIGGY SNACK FOODS, LLC	200 CLIFTON BOULEVARD #5	CLIFTON	Small Commercial-< 2'	Collections Okay	\$282.30
0172257	149534	Active	ZIGGY SNACK FOOD LLC.	200 CLIFTON BOULEVARD	CLIFTON	Small Commercial-< 2'	Collections Okay	\$454.86
0155673	007436	Active	J & L REAL CLIFTON LLC.	200 CLIFTON BOULEVARD	CLIFTON	Fireline	Collections Okay	\$406.31
0155673	007434	Active	J & L REAL CLIFTON LLC.	200 CLIFTON BOULEVARD	CLIFTON	Fireline	Collections Okay	\$609.74
0233821	105492	Active	PUTNAM DEVELOPMENT, CORP.	71 WARREN STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$46,364.42
0121985	097234	Active	SHERMAN SCOTT	28 PIERCY STREET	PATERSON	Small Commercial-< 2'	Shut-Off List	\$42,355.34
0132197	127154	Active	CUSTOM LAMINATIONS, INC.	932 MARKET STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$42,241.48
0037097	091970	Active	MOHAMMAD ODATALLA	165 MARKET STREET	PATERSON	Small Commercial-< 2'	Disconnected	\$41,181.07