

## PASSAIC VALLEY WATER COMMISSION MEETING OF

OCTOBER 19, 2017

(OPEN SESSION)

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

GERALD G. FRIEND, President

JEFFREY LEVINE, Vice President

IDIDA RODRIGUEZ, Treasurer

DAVID BLUMENTHAL, Secretary

RIGO SANCHEZ

ROBERT L. VANNOY

JOSEPH KOLODZIEJ

## A L S O        P R E S E N T :

JOSEPH A. BELLA, Executive Director

GEORGE T. HANLEY, Counsel

YAACOV BRISMAN, Assistant Counsel

JAMES G. DUPREY, Director of Engineering

YITZ WEISS, Comptroller

LOUIS AMODIO, Administrative Secretary

1 PRESIDENT FRIEND: We have a quorum.

2 MR. AMODIO: On the roll.

3

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

8

9 MR. AMODIO: Commissioners Blumenthal and  
10 Vannoy will be ten minutes late.

11 You have a quorum.

12 The time is 9:37.

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

21 Would you please rise.

22 Commissioner Kolodziej.

23

24 (Pledge of Allegiance)

25

1 MR. AMODIO: We have a member of the  
2 public who wishes to be heard.

3 MR. SOO: David Soo, Paterson Friends of  
4 Great Falls.

5 Can I be heard from a seated position? Is  
6 that all right?

7 Okay. I'm going to talk about something  
8 that may be a very serious matter and it relates  
9 to the water tanks that are being proposed at  
10 Levine, Great Notch --

11  
12 (Whereupon, Commissioner Blumenthal is  
13 present at 9:38)

14  
15 MR. SOO: And Verona. A total of 77  
16 million gallons of finished reservoir storage is  
17 what's being proposed. I found a State Statute or  
18 New Jersey Administrative Code 7:19-6.7. System  
19 Pressure and Storage. And the way this works, and  
20 I don't know if you can see it, they have two  
21 columns. One for system type and a second column  
22 is the percentage of required storage. Now, it  
23 says that the minimum storage percentage is of the  
24 average daily demand. So let's just skip ahead  
25 where I found your average daily demand or

1 distribution is 83 million gallons a day. And I  
2 took that off of your operational overview and  
3 service area page on your web site.

4 Now, based on my understanding and looking  
5 at your documents, so say, for example, if you had  
6 a single prime source with no interconnections, no  
7 auxiliary power of the water sources, you'd have  
8 to store a hundred percent of your daily demand.  
9 And then it goes all the way down to multiple  
10 sources from interconnections auxiliary power  
11 provided at the water system. And then they have  
12 a couple of asterisks. Auxiliary power must be  
13 able to supply at least 50 percent of the average  
14 daily production, which your proposal is to do 81  
15 million gallons a day of backup, so that's more  
16 than 50 percent of the 83. And then the combined  
17 interconnections must be able to supply 50 percent  
18 of the average production contract commitment  
19 required.

20 So based on the feasibility study, it  
21 cited I think about 170 million gallons of, this  
22 is not a marked up copy, I recall it's about...  
23 Come on page, turn... So I think you have, based  
24 on the feasibility study 122.5 million gallons of  
25 interconnections, which is certainly more than the

1 50 percent of your average daily, average  
2 production.

3 All right. So which category that puts  
4 you in is eight --

5 MR. AMODIO: You have one minute.

6 MR. SOO: All right. Same as above and  
7 distributing more than 50 million gallons a day.  
8 So that means your storage requirement is  
9 20 percent of the minimum storage percentage of  
10 average daily demand, which at 83 million gallons  
11 I think is like 16.6 million gallons of storage.  
12 So you're proposing for the public, 77 million.  
13 But the law, this is law, says 16.6, based on my  
14 calculations. I could be wrong. But that also  
15 means, and my understanding is the initial cost of  
16 this proposed project was about 130 something  
17 million dollars and it's been my recollection is  
18 it's creeping about five percent a year, which  
19 would put, let's just say for round numbers at  
20 about \$150 million at this point.

21 MR. AMODIO: Time is up Mr. Soo.

22 MR. SOO: Just 15 seconds?

23 PRESIDENT FRIEND: Finish up, 15 seconds.

24 MR. SOO: So there's a differential in  
25 cost between only building a minimum requirement

1 and what you're proposing is about \$120 million  
2 differential, because what you're proposing can be  
3 divided by five. So you divide the cost by five  
4 and I know that's a very rough number. But is it  
5 in fact possible that the obligation for this  
6 project is only 16.6 million gallons instead of  
7 spending, approximately, \$150 million, there need  
8 only be \$30 million.

9 Mr. Chairman, that concludes my...

10 PRESIDENT FRIEND: Thank you.

11 Anybody else?

12 MR. AMODIO: Anybody else from the public?

13 Motion to close the public portion?

14 COMMISSIONER BLUMENTHAL: Motion.

15 COMMISSIONER SANCHEZ: Second.

16 MR. AMODIO: On the roll.

17  
18 (Roll call was taken, all Commissioners  
19 present respond in the affirmative. Commissioners  
20 Levine and Vannoy are not present yet)

21  
22 MR. AMODIO: The time is 9:46 a.m.

23 Moving on. You have committee reports.

24 PRESIDENT FRIEND: Finance have anything  
25 to report?

1 MR. WEISS: Cash on hand is \$33 million,  
2 \$33.1 million.

3 Our accounts receivable \$16.5 million.

4 30 days or less accounts receivable is  
5 \$15.3 million. That's 93 percent.

6 Accounts payable is 4.1 million.

7 Our cash might seem high, but that's  
8 because we had budgeted a lot of money for capital  
9 projects out of cash and we're still catching up  
10 with those capital projects for the year, so in  
11 terms of that we're where we need to be.

12 Collections are strong. We reviewed the  
13 preliminary budget with the finance committee last  
14 month. We're almost finalized for the budget.  
15 We're not completely finalized. We still need to  
16 fine tune it and we need to sit down with Joe  
17 Bella to make sure that everything is correct and  
18 we will have the budget for approval for the  
19 November meeting.

20 At Commissioner Rodriguez's suggestion, I  
21 was in touch with the Division of Local Government  
22 Services. I told them where we're at in terms of  
23 our budget process. They were very happy that we  
24 were as far along as we were and they said they  
25 look forward to getting it next month.





1 understand that but please make it for next  
2 meeting because Commissioner Vannoy is on board  
3 now.

4 PRESIDENT FRIEND: Is there going to be  
5 additional cost?

6 MR. AMODIO: That's what is going to be  
7 discussed. That's part of the discussion.

8 PRESIDENT FRIEND: Okay. There's a  
9 communication that between Personnel and the, like  
10 I say, our insurance provider that they were  
11 capable of doing it. Am I wrong? Or did I see  
12 something that I didn't think I saw or did I?

13 MR. BELLA: They basically advised us that  
14 it's best for the payroll company to do it.

15 MR. AMODIO: Right, because they produce  
16 the ones for employees so they would be the best  
17 ones to provide.

18 MR. BELLA: I just have to feed them the  
19 information.

20 PRESIDENT FRIEND: Like Rigo said, by next  
21 month.

22 COMMISSIONER SANCHEZ: Please do so.

23 PRESIDENT FRIEND: Well, okay. I mean, it  
24 really becomes a matter of urgency because we're  
25 now coming to the end of 2017. If we didn't do it

1 for 2015, we didn't do it for 2016, you know, are  
2 we going to be prepared to do it for 2017?

3 MR. BELLA: It will get done.

4 PRESIDENT FRIEND: Okay. All right.

5 MR. WEISS: As far as finance goes, one  
6 last thing. As you're going through the bill list  
7 you might see three large refunds. Those were for  
8 some industrial companies, customers that we had  
9 overbilled. The refunds are correct even though  
10 they are large, we had actually overbilled them  
11 and we refunded them for the overbilling.

12 MR. AMODIO: Please note that item (b)  
13 under Comptroller's Report, the Budget Resolution  
14 is being removed at this time.

15 Moving onto personnel. Commissioner  
16 Vannoy, I just want to let you know, you weren't  
17 here: Javier Velasquez, Daniel Rosol, Luis D.  
18 Rodriguez, Zackary Miranda, Timothy Scott, and  
19 Johnny Rodriguez would like their discussion to be  
20 in open. The rest asked for closed.

21 COMMISSIONER VANNOY: Okay. We have a  
22 number of people coming off the Civil Service  
23 list. We have one promotion. One lateral change  
24 and two new hires we want to discuss.

25 COMMISSIONER SANCHEZ: One is a

1 replacement from the previous agenda?

2 COMMISSIONER VANNOY: Exactly. One is a  
3 replacement --

4 COMMISSIONER RODRIGUEZ: Right.

5 PRESIDENT FRIEND: Is it necessary to  
6 discuss any of them? Does anybody have an issue  
7 with anything or can we just approve it as it is  
8 without going into closed session?

9 Okay. Do you want to have a motion then  
10 to accept the recommendation?

11 MR. AMODIO: Yes.

12 COMMISSIONER SANCHEZ: So move.

13 MR. AMODIO: Motion by Commissioner  
14 Sanchez.

15 COMMISSIONER SANCHEZ: Second by  
16 Commissioner Vannoy.

17 MR. AMODIO: On the roll.

18  
19 (The following items under Personnel were  
20 approved:

21 Promotion:

22 a. Geraldine Sperling to Permanent Chemist  
23 2 (as per CSC).

24 Current Salary: \$86,609.00.

25 Proposed Salary: No change in salary.

1                   b. Franklin Santana to Permanent Water  
2                   Repairer 2 (as per CSC).

3                               Current Salary: \$63,754.08.

4                               Proposed Salary: No change in salary.

5                   c. Javier Velasquez to Permanent Water  
6                   Treatment Plant Operator (as per CSC).

7                               Current Salary: \$67,409.97.

8                               Proposed Salary: No change in salary.

9                   d. Johnny Rodriguez to Permanent Water  
10                   Treatment Plant Operator (as per CSC).

11                               Current Salary: \$68,741.72.

12                               Proposed Salary: No change in salary.

13                   e. Timothy Scott to Permanent Water  
14                   Treatment Plant Operator (as per CSC).

15                               Current Salary: \$62,986.56.

16                               Proposed Salary: No change in salary.

17                   f. Daniel Rosol to Permanent Water  
18                   Treatment Plant Operator (as per CSC).

19                               Current Salary: \$58,381.98.

20                               Proposed Salary: No change in salary.

21                   g. Zackary Miranda to Permanent Water  
22                   Treatment Plant Operator (as per CSC).

23                               Current Salary: \$56,848.40.

24                               Proposed Salary: No change in salary.

25                   h. Mayer Rosenberg to Supervising

1 Electrician.

2 Current Salary: \$84,136.00.

3 Proposed Salary: \$96,000.00.

4 Lateral Title Change.

5 a. Kevin McKay to Carpenters Helper.

6 Current Salary: \$59,638.18.

7 Proposed Salary: \$60,237.00 (TOR).

8 New Hires.

9 a. Luis Daniel Rodriguez Keyboarding  
10 clerk 1.

11 Proposed Salary: \$53,981.20 TOR.

12 Proposed Range: \$15,015.00 - \$53,981.20.

13 b. Rashawn Artis as Laborer.

14 Proposed Salary: \$37,000.00 annually.

15 Proposed Range: \$16,307.20 - \$58,531.20.)

16

17 (Roll call was taken, all Commissioners

18 present respond in the affirmative. Commissioner

19 Levine is not present)

20

21 MR. AMODIO: Approved.

22 Moving onto the Executive Director's

23 report.

24 MR. BELLA: I might as well start off with

25 maybe briefly addressing David Soo's comment.

1                   And, you know, and the comments that Rich Cowen  
2                   sent over, which were based on there.

3  
4                   (Commissioner Levine is present at 9:53  
5                   a.m.)

6  
7                   MR. BELLA: I'll be brief with this.

8                   First thing I'd like to say about that is  
9                   no right minded water utility professional would  
10                  agree to that. It absolutely makes no sense and  
11                  it's dangerous. It's dangerous for its public  
12                  health and public safety. I would never recommend  
13                  it for a utility of our size and complexity. That  
14                  would be absolutely incompetent to make that  
15                  recommendation and negligent.

16                  We have the highest population densities  
17                  probably in the country and cities. These things  
18                  are here to be able to fight fires and provide  
19                  water to the individual homes, businesses on a  
20                  reliable basis.

21                  Remember one of the things, and I've said  
22                  this and this has been my sort of mantra through  
23                  my entire career is quality, reliability, and the  
24                  rates to be able to do that at a reasonable price.

25                  Reliability is a product that we provide.

1 We don't see it. We don't touch it. We don't  
2 smell it. It's not tangible but it's there and  
3 that reliability mitigates risk which normal  
4 people just don't see. You can say what you want  
5 to say about the State, they agree, not only  
6 agree, they required us to have much more storage  
7 because of this, reasonable people making  
8 reasonable assessments of our needs. And it's  
9 just not us, it was reviewed many, many times by  
10 the State and consultants. It's really important  
11 to me to emphasize this and this is nothing  
12 personal or anything like that. This is about  
13 what's prudent and what's important for us.

14 The other thing is, you know, we're just  
15 in a position where this Commission and the owner  
16 cities need to be able to address these kind of  
17 issues, infrastructure, reliability, quality. If  
18 you had, we'll say four hours or five hours or  
19 even seven hours of storage in your system, even  
20 with interconnections, which by the way  
21 interconnections work both ways. All right.  
22 Sometimes, in the case of Hurricane Sandy, we were  
23 supplying other utilities so, therefore, without  
24 our ability to store water and to be able to  
25 respond to that, it would have been almost

1 impossible. Many, many, hundreds of thousands,  
2 possibly millions of people without water.

3 So it's all been considered for years and  
4 some of these numbers go back to 25 years ago when  
5 we did our original master plan. I could never,  
6 ever, recommend 16 million gallons of storage for  
7 a system of our size and complexity.

8 COMMISSIONER RODRIGUEZ: And, Joe, the  
9 question I have, because, you know, you're  
10 floating around \$120 million. And I want to be  
11 very careful because are you referring to the  
12 Levine Reservoir or to the total system? These  
13 projects, these reservoir projects, the reservoir  
14 covering, which are mandated, there's no getting  
15 around it, and we're not even looking for that  
16 because the objective of this Water Commission has  
17 always been to provide the highest quality  
18 drinking water for all its ratepayers. And I  
19 mean, I think we've got feasibility studies and  
20 we've got other kinds of studies and, you know,  
21 this has been something that's been on the board  
22 for a long, long time and I as a Commissioner on  
23 this Board acquiesce to the experience and more  
24 importantly to the knowledge that our Executive  
25 Director has when it comes to these kind of



1 projects. This is for the safety.

2 I mean, many want to deny climate change,  
3 but I mean, we've had situations here where we've  
4 had a hurricane ourselves. And am I correct,  
5 Commissioner Sanchez, we dealt with Hurricane  
6 Irene with our state of the art facility for  
7 things that we couldn't place to any of these  
8 natural acts of nature. And so I, you know, I see  
9 your concern and I understand it. Eventually,  
10 something has to be done, has to be done about  
11 covering these waters and making them safer for  
12 our public and our ratepayers, our annual  
13 ratepayers.

14 MR. BELLA: I really think that the time  
15 to be diddling with things is over. I mean, these  
16 things, we need to move forward on this issue.  
17 This is something that's really important and our  
18 ratepayers and our consumers more importantly, our  
19 consumers are depending on us.

20 I appreciate your comment.

21 PRESIDENT FRIEND: I'd just like to  
22 address the cost factor just because you reduce  
23 something by 80 percent doesn't mean your cost is  
24 going to go down 80 percent.

25 MR. SOO: I think I paraphrased that.

1                   PRESIDENT FRIEND: You have basic  
2                   engineering costs and legal fees and all other  
3                   types of costs, so if you reduced it by  
4                   80 percent, maybe you would reduce your overall  
5                   cost, you're lucky if you reduce 25 or 30 percent,  
6                   not 80 percent. I'm a layman. I don't have any  
7                   facts in front of me but I know from dealing with  
8                   matters in the past with municipalities and what  
9                   have you, the cost just doesn't go down 80 percent  
10                  because you're billing 20 percent of what you  
11                  anticipated.

12                 Okay. Moving on.

13                 MR. AMODIO: Okay.

14                 PRESIDENT FRIEND: Anything else, Joe?

15                 MR. BELLA: That's it.

16                 MR. AMODIO: Thank you. We have two  
17                 requests from staff, executive staff. Request to  
18                 advertise RFP, Project 17-P-72 "Special Labor  
19                 Counsel For Investigations" and Project 17-P-74  
20                 "Design Construction Phase Professional Services  
21                 For Replacement Air Handling Equipment For PVWC's  
22                 Lab".

23                 Do I have a motion?

24                 COMMISSIONER SANCHEZ: So move.

25                 COMMISSIONER VANNOY: Second.

1 MR. AMODIO: Motion by Commissioner  
2 Sanchez.

3 Second by Commissioner Vannoy.

4 COMMISSIONER LEVINE: Abstain.

5

6 (Roll call was taken, all Commissioners  
7 respond in the affirmative. Commissioner Levine  
8 Abstained)

9

10 MR. AMODIO: Okay. Thank you.

11 Next, closed session. Do I have a motion?

12 COMMISSIONER BLUMENTHAL: Motion.

13 COMMISSIONER SANCHEZ: Second.

14 MR. AMODIO: WHEREAS, Section 8 of the  
15 Open Public Meetings Act permits the exclusion of  
16 the public from meeting in certain circumstances;  
17 and

18 WHEREAS, the public body is of the opinion  
19 that such circumstances no presently exist;

20 NOW, THEREFORE, BE IT RESOLVED, by the  
21 Commissioners of Passaic Valley Water Commission.

22 1. The public shall be excluded from the  
23 discussion of the hereinafter subject specified  
24 matters; the general nature of the subject matters  
25 being: Financial, Insurance, Personnel,

1           Contracts, Negotiations, Security and Law,  
2           Personnel, Administration, and any other matters  
3           that may be discussed in camera.

4                     2. It is anticipated at this time that  
5           the above-stated subject matters will be ratified  
6           during public meeting following or as soon  
7           thereafter for the reason for discussion no longer  
8           exists.

9                     3. This Resolution shall take effect  
10          immediately.

11                    Second by Commissioner Sanchez.

12                    On the roll.

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

16  
17                    MR. AMODIO: The time is 10:02 a.m.

18                    Please close the doors.

19  
20   \*\*\*

21  
22                    MR. AMODIO: The time is 10:58.

23                    We have the minutes of Passaic Valley in  
24          camera and regular sessions meetings held on  
25          September 14, 2017.

1 Do I have a motion?

2 COMMISSIONER SANCHEZ: So move.

3 COMMISSIONER VANNOY: Second.

4 MR. AMODIO: On the roll.

5

6 (Roll call was taken, all Commissioners

7 respond in the affirmative)

8

9 MR. AMODIO: Thank you.

10

11 Does the Chair accept, receive, and file

12

13 miscellaneous purchase orders from Gregg Lucianin,  
Purchasing Agent, from the period September 4th to  
October 8, 2017?

14

Chairman?

15

COMMISSIONER KOLODZIEJ: Yes, he does.

16

MR. AMODIO: Thank you.

17

Resolutions. Would you like to do one

18

roll call?

19

COMMISSIONER SANCHEZ: Yes, please.

20

MR. AMODIO: Okay.

21

The first Resolution, which is 17-P-60,

22

"Professional Services for Public Outreach

23

Participation of the Water Storage Improvement

24

Projects". It's 70,000 per year for two years.

25

(b) Resolution of PVWC Accepting "USAI

1 Grant" in the amount of \$150,000.00 from the  
2 Office of Homeland Security and Preparedness.

3 (c) Resolution Superseding previously  
4 approved Resolution 17-97 for procurement of  
5 Builders Risk Insurance for Contract No. 15-B-25  
6 "Water Storage Improvements Phase 1-Standby  
7 Generators" the coverage has been revised to  
8 included available and recommended Terrorism  
9 Coverage (which increases the total amount set  
10 forth in the previously approved resolution by  
11 \$574.) for a revised total of \$22,948.00.

12 (d) Contract Extension: Contract 15-B-15  
13 "Furnish and Deliver Repair Clamps and Couplings  
14 for Pipe" Recommendation to award a Two year  
15 contract extension with Waterworks Supply Company  
16 of Pompton Plains, NJ in the amount not to exceed  
17 \$175,685.84.

18 (e) Resolution: Reject and Re-Bid Contract  
19 No. 17-B-18 "Furnish and Deliver Pre-Mixed  
20 Concrete".

21 (f) Resolution: Reject and Re-Solicitation  
22 Project No. 17-P-71 "Professional Services for  
23 Source Water Inventory Assessment".

24 Any questions?

25 Do I have a motion?

1 COMMISSIONER SANCHEZ: So move.

2 COMMISSIONER RODRIGUEZ: Second.

3 MR. AMODIO: On the roll.

4

5 (Roll call was taken, all Commissioners

6 respond in the affirmative)

7

8 COMMISSIONER KOLODZIEJ: As amended, yes.

9 MR. AMODIO: Thank you.

10 We have New Business.

11 Summary of disbursements and payrolls

12 through October 19, 2017, in the amount of

13 \$8,256,218.10.

14 Motion?

15 COMMISSIONER SANCHEZ: So move.

16 COMMISSIONER BLUMENTHAL: Second.

17 MR. AMODIO: Motion by Commissioner

18 Sanchez.

19 Second by Commissioner Blumenthal.

20 On the roll.

21 COMMISSIONER VANNOY: Abstain on American

22 Hose.

23 COMMISSIONER SANCHEZ: Abstain on Montana.

24

25 (Roll call was taken, all Commissioners

1                   respond in the affirmative)

2

3                   MR. AMODIO: Thank you.

4                   There are no recommendations from closed  
5 session.

6                   Anybody have anything under Good and  
7 Welfare?

8                   COMMISSIONER SANCHEZ: What about  
9 Personnel? We're doing that?

10                  MR. AMODIO: We did it.

11                  PRESIDENT FRIEND: Do you have any  
12 questions?

13                  COMMISSIONER LEVINE: No, I'm fine.

14                  MR. AMODIO: We want to wish Joe Bella and  
15 his family --

16                  COMMISSIONER SANCHEZ: Peace and comfort.  
17 We're with you, Joe.

18                  MR. BELLA: I appreciate it. He was a  
19 great father.

20                  COMMISSIONER VANNOY: He turned out a  
21 great son.

22                  MR. AMODIO: Motion to adjourn.

23                  COMMISSIONER BLUMENTHAL: Motion.

24                  COMMISSIONER KOLODZIEJ: Second.

25                  MR. AMODIO: On the roll.



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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

MR. AMODIO: Time is 11:01.

Next meeting's scheduled for November  
30th; Thursday, November 30th, next meeting.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

C E R T I F I C A T E

I, LYNANN DRAGONE, License No. XI01388, a Certified Court Reporter and Notary Public of the State of New Jersey, certify that the foregoing is a true and accurate transcript of the hearing at the time and the date hereinbefore set forth.

I further certify that I am neither attorney nor Counsel for, nor employed by any of the parties to the action in which this hearing was taken.

I further certify that I am not an employee of anyone employed in this case, nor am I financially interested in this action.

---

LYNANN DRAGONE, CCR  
Certified Court Reporter