PASSAIC VALLEY WATER COMMISSION MEETING OF APRIL 17, 2013 (CLOSED SESSION)

COMMISSIONERS PRESENT:

RIGO SANCHEZ, President

JEFFREY LEVINE, Vice-President

MENACHEM BAZIAN, Treasurer

GLORIA KOLODZIEJ, Secretary

IDIDA RODRIGUEZ

THOMAS P. DeVITA

ALSO PRESENT:

ROBERT VANNOY

JOSEPH A. BELLA, Executive Director

GEORGE T. HANLEY, Counsel

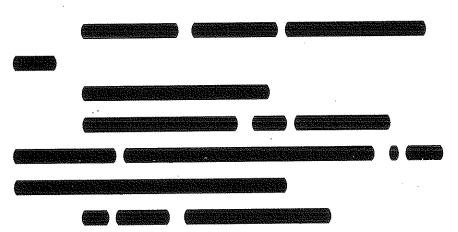
JAMES G. DUPREY, Director of Engineering

JAMES J. GALLAGHER, Personnel Director

YITZ WEISS, Comptroller

LOUIS AMODIO, Administrative Secretary

(CONFIDENTIAL)



PRESIDENT SANCHEZ: The reservoir is only for discussion, right?

MR. BELLA: It's all for discussion; even my recommendation not to do anything today that way give everybody time to go through the details.

COMMISSIONER DeVITA: Very confusing.

MR. BELLA: What? The Consent Order?

COMMISSIONER DeVITA: Yes.

PRESIDENT SANCHEZ: Tell us what you know, Joe.

MR. BELLA: The long and short of it is -COMMISSIONER VANNOY: Joe, one second.

MR. BELLA: This Consent Order is, I think, very favorable to us in the sense it basically left the outer, the largest project, the whole, you know, this whole issue to open ended. It does say that there's a, you know, 2023 end date is for the Great Notch, but it does allow, it

gives us a lot more time than we had expected and 1 it allows us pretty much flexibility and the 2 design and that kind of thing. 3 So other than that, nothing there is a big surprise except for the fact that they did give us 5 more time than I thought they would. 6 PRESIDENT SANCHEZ: Is there going to be 7 any cost change based on that? MR. BELLA: Well, the cost changes, of 9 course, they're going to change because, you know, 10 the value of money changes. 11 COMMISSIONER VANNOY: Obviously, we don't 12 know what we're doing yet. 13 MR. BELLA: Right. The important thing 14 is, this is key on this to me, is they're giving 15 us plenty of time to negotiate with Newark to do 16 with, you know, to try to come up with a joint 1.7 project, you know, keep more storage. 18 COMMISSIONER RODRIGUEZ: For the larger? 19 MR. BELLA: For the Great Notch portion. 20 The first two phases, of course, the 21 Levine Reservoir and the electrical upgrades, 22 that's phase one. And then the tank, they've got 23 us on a fairly tight leash on that. 24 COMMISSIONER RODRIGUEZ: Let me just on 25

. 3

Ω

the Levine Reservoir, Mr. President, if I may?

I'm going to proceed with caution here. I want to know not, and this is for discussion for another day, how engaged are we going to have the Historic, you know, the Historic Preservation?

Because I just want you to know that they are just sitting back and very proactively, this is not a criticism, I think this is very important for the preservation of the Great Falls area that these folks be engaged from beginning to end on the design that's going to take place there, because this is a very valuable piece of property and a very valuable area for the City of Paterson and Passaic County.

MR. BELLA: The State will be there and we'll have our consultants involved. We'll be there, of course.

Just to address that issue, we saw that as an issue a long time ago, so we went to the National Park ranger, you know, the head person there and talked to them. We actually invited them to the meeting with the State.

COMMISSIONER RODRIGUEZ: The ranger is the ranger. That's not the people that are there.

MR. BELLA: No, no.

COMMISSIONER RODRIGUEZ: I'm talking about 1 there is a committee formed. 2 MR. BELLA: Yeah. Yeah. 3 COMMISSIONER RODRIGUEZ: I'm talking about Bob Guarasci, Leonard Zax. I'm talking about people that are working there 24/7. That's all. MR. BELLA: I've already spoken to Bob Guarasci and Archimede; his last name is 8 Archimede, his first name is -- but, anyway --9 COMMISSIONER RODRIGUEZ: I spoke to Bob 10 this morning. 11 MR. BELLA: I'm sorry, Commissioner? 12 COMMISSIONER RODRIGUEZ: I said I spoke to 13 Bob Guarasci on other issues this morning and he 14 asked me about that. I really didn't want to 15 divulge anything. I told him to stay tuned. He's 16 going to be in contact with you. He's going to 17 send Joe a letter. He just wants to know. 18 MR. BELLA: And by the way, from the time 19 I talked to him --20 COMMISSIONER RODRIGUEZ: It was a long 21 time. 22 MR. BELLA: It was for a tour, nothing 23 really has changed. 24 COMMISSIONER RODRIGUEZ: Oh, okay. 25

MR. BELLA: Nothing has changed. It's been exactly the same as it was. That's why we haven't been bothering him.

But, clearly, this is a starting point.

Now that you have, I feel free to start really,
you know, doing those kinds of things once the

Commission has their chance to weigh in next month
and that's why we're doing it this way. We're
being conservative giving you a month to look at
it.

COMMISSIONER RODRIGUEZ: One last thing, Joe, and this is just an advisement. I'm not trying to pull the cart before the horse.

When we get ready to do these designs, it's really important, not only Community Outreach and public hearings, but the whole P.R. aspect of it. Whether we do it inhouse; architects, engineers do it, it doesn't matter to me. But I'd rather be proactive than reactive. That's it.

MR. BELLA: I agree with you one hundred percent.

PRESIDENT SANCHEZ: We've been saying that since day one. That's exactly my point. We need to get the people involved affected by this. So we need to engage.

MR. BELLA: I agree.

2

COMMISSIONER KOLODZIEJ: Right, right.

3

And I'm sure whatever their concern is, they

4 5

should be voicing it now. We can do something.

But I think you really need to hear from

Ç

Commissioner DeVita. We were summoned to appear

6

from the Clifton Municipal Council because of a

8

Resolution that's being circulated. And

9

Commissioner Vannoy had also said you spoke to

10

someone in Prospect Park who received the same

11

thing.

12

I would rather you summarize how our experience went and where it was when we finished.

13

COMMISSIONER DeVITA: Okay. I think from

14

a public relations standpoint.

15

COMMISSIONER KOLODZIEJ: Yes.

16 17

COMMISSIONER DeVITA: And to clarify

18

things. Joe was there, Commissioner Kolodziej and

19

I were there. We all gave some remarks. Joe gave

20

a presentation and slides. He now wants to buy I

21

think a six-foot TV.

22

what we're anticipating and what we're planning.

23

I think they heard one side of the story. I don't

I think there was a lot of confusion over

24

quite get that Resolution from the County Planning

Board, but whatever it is, it is, Woodland Park, everybody else.

But I think we clarified everything that we planned to do. Joe did. We all discussed it. How much impact it would actually have. I think the important thing was that Joe explained to people, this isn't just going to be a tank rising above the ground. It's going to be pretty much buried. There's going to be berms and landscape and everything else.

In actuality, when you look at the reservoir in Woodland Park, not that many people see that reservoir. And I think that's what we pointed out to them. There's not that many homes that are impacted by what's going to be there.

COMMISSIONER RODRIGUEZ: Where?

COMMISSIONER DeVITA: In Woodland Park.

There just aren't any. There's some. I said to
them, you drive up Rifle Camp Road.

COMMISSIONER RODRIGUEZ: I have the right response to that when you're done.

COMMISSIONER DeVITA: You drive up Rifle
Camp Road, you can't really see the reservoir from
the street when you drive.

But I think we clarified, relayed a lot of

fears that they have, a lot of concern.

PRESIDENT SANCHEZ: That's a great thing, Tom. What I think is it's overplayed, you know. People think we're going to have this monster thing in the middle and they won't be able to see from the driveway.

COMMISSIONER DeVITA: When they heard there was a big berm --

PRESIDENT SANCHEZ: So I think, that's why, like Commissioner Rodriguez is saying, engage these people. Say: Listen, that's not what we're doing.

They're pulling this for political reason.

They want to be hero. They want to manipulate opinions and stuff like that. That's not what we're doing. Wait a minute, we're going to sit down with you. We're going to explain it to you.

We're not going to be impacting you. We're going to do the right thing.

COMMISSIONER RODRIGUEZ: Well, our job is not to uphold property values, and this is what I told the Mayor of Woodland Park. Our job is not to say: Oh, you got a beautiful property with a pristine lake. That's not a lake. That's a reservoir.

9.

9.

12.

Our job is to provide the highest quality, safest drinking water to our residents and to our rate payers — to our residents rather. And it's not to say, well, you live by a lake. No, you don't live by a lake. That's a reservoir. We own it and our obligation is to the residents that drink water, not to people that own properties.

COMMISSIONER DeVITA: That's exactly what Commissioner Kolodziej said. She quoted you again.

COMMISSIONER RODRIGUEZ: I told him that and I told everyone that. I said: Listen, if you guys want to go in and bond with us, I said: We've gone to these conventions. They have these beautiful reservoir covers and you can make it beautiful and aesthetic for yourselves. I mean, they have reservoirs with tennis courts on top.

COMMISSIONER KOLODZIEJ: I think our visit was important because it was also an owner city and as an owner city, they also know what they can and they cannot do. But the best comment was from the Mayor, because he actually was kind of in favor, when he said: Okay. I am looking at aesthetics versus the safety of people's drinking water. And he said, using those two standards,

there's no doubt in his mind that there's no way to go but the safety of the drinking water. So that was kind of a turning point.

COMMISSIONER BAZIAN: Mr. President.

PRESIDENT SANCHEZ: Yes.

COMMISSIONER BAZIAN: I just want to respond to Commissioner Rodriguez.

To begin with, I agree with the statement of the Mayor of Clifton and I'm on record saying safety first. I also agree with Commissioner Rodriguez that our job is to provide water. Having said that, I think there is yet another responsibility that we have. We do have a responsibility to the property owners to some degree. Like it or not, their properties may be affected, if not, then they have nothing to say. I think we can't totally discount that.

There's no question that this is going to be a project that has to be done. The question is how. That's why there's an open process. That's why there's a review process. That's why we have public meetings. That's why all these things are going to happen.

Our first priority is safety. That doesn't mean that safety and the protection of

property cannot both go hand in hand.

J

- -

I agree with Commissioner Rodriguez on another thing. If we're talking about changing our plan and it's going to result in a significantly higher cost as a result of changing things for the property owners, then perhaps the city should also go in with us on the cost of the project. I get that.

But I don't think that we can just say:
We got to do safety, we're going to do it however
we're going to it. The property owners can't say
anything. Their properties are going to be
affected. I think we have a legal --

PRESIDENT SANCHEZ: I agree with you a hundred percent. Let me clarify this, for the record.

I think the intention of this Commission is to make sure that we're going to do the best we can for the property owners; that we intend to have the best quality water. That's the main concern that we have and all we have to do is to communicate that message.

We're going to say: Listen, we're not here to make this thing look ugly. We're going to do what we got to do and we're going to do the

best we can. 1 We don't want to be labeled in a negative 2 way. So that's the message we need to translate and translate to these people and make them feel comfortable that's what we intend to do. 5 COMMISSIONER VANNOY: Also, the message, too, they've overblown this right from the beginning and never gave us a chance to say what 8 we needed to say or to even communicate. I think 9 probably the papers and whatever assume tanks 10 and --11 PRESIDENT SANCHEZ: You have political 12 operator who take any chance and opportunity to 13 rouse people and to get --14 COMMISSIONER RODRIGUEZ: To make this 15 place look bad period. . 16 PRESIDENT SANCHEZ: Exactly. We are the 17 18 scapegoat for that now; so. COMMISSIONER DeVITA: Can I make one 19 comment? 20 One of the biggest things I think that we 21 communicated at the meeting was that this is not 22 just going to be a water tank. It's going to be 23 landscaped. It may have ponds around it. It's 24 going to be beautiful. And part of the whole 25

process is what it's going to look like. 1 think we were very clear. And I got some comments 2 from some people that were watching that they 3 really understood now, that it wasn't just... COMMISSIONER VANNOY: You just had that 5 meeting. Me and Joe met with several people, 6 Paterson folks, three or four months ago and tried 7 to instill it's not just a tank, it's going to be, 8 you know, something that's nice. People just 9 automatically think big blue tanks. 10 COMMISSIONER KOLODZIEJ: I just wanted to 11 do a little humor here. One of the council people 12 was quick to ask a question after much dialogue 13 and say: Where does Woodland Park store their 14 water. And the answer was: In a tank. So the 15 councilman said: It's good enough for them, but 16 . not good enough for Passaic Valley Water 17 Commission. 18 COMMISSIONER RODRIGUEZ: That's great. 19 COMMISSIONER BAZIAN: That is excellent. 20 PRESIDENT SANCHEZ: The thing is, I guess 21 the more we approach this, the more we should 22 engage more conversation. 23 COMMISSIONER DeVITA: We got homework. 24

COMMISSIONER VANNOY: When was the

4

1	extension?
2	MR. AMODIO: 2023.
****3"	COMMISSIONER VANNOY: We're not even
4	mandated.
5	MR. BELLA: Three years have gone by.
6	PRESIDENT SANCHEZ: We got killed before
7	we even
8	COMMISSIONER RODRIGUEZ: We didn't do the
9	right P.R. from the beginning.
10	PRESIDENT SANCHEZ: The funny thing, we
11	got people close to us who I think are going out
12	there and explaining the message.
13	COMMISSIONER DeVITA: I think the very
14	important thing is we were able to explain the
15	difference between New York's water and our water,
16	too, which is a significant difference. Their
17	water turns over everyday. Joe did a great job.
18	COMMISSIONER KOLODZIEJ: One of the other
19	important things that needs to be clarified, one
20	of the council people had said, well, she had
21	information from Passaic Valley Water Commission
. 22	that this would double our rates. So, again
23	COMMISSIONER RODRIGUEZ: Triple; I heard
24	quadruple.
25	COMMISSIONER KOLODZIEJ: She went on

record saying double. So first of all, I did a

double take and he had the answer right away. We

had all of that. You just heard -
PRESIDENT SANCHEZ: The bottom line, I

mean, I got phone calls from people, you know.

What happened here was that people just went and

snowball.

They're going to -
COMMISSIONER RODRIGUEZ: Snowball,

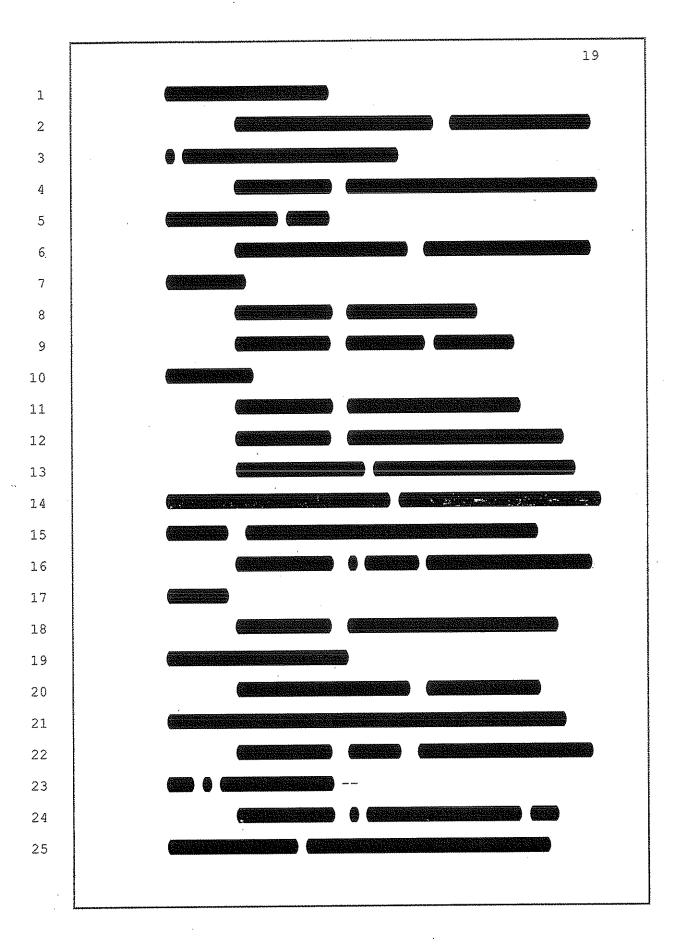
PRESIDENT SANCHEZ: People, you know, if that was me, I'd say, "What?" This is how they got people in the corner. So I guess we should...

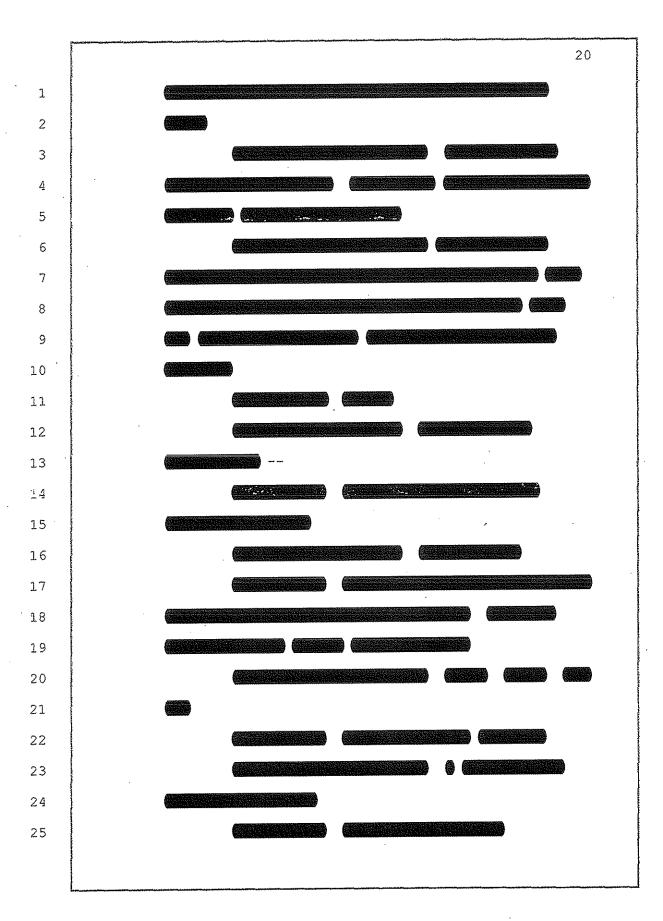
they say: Oh, they're going to put a tank there.

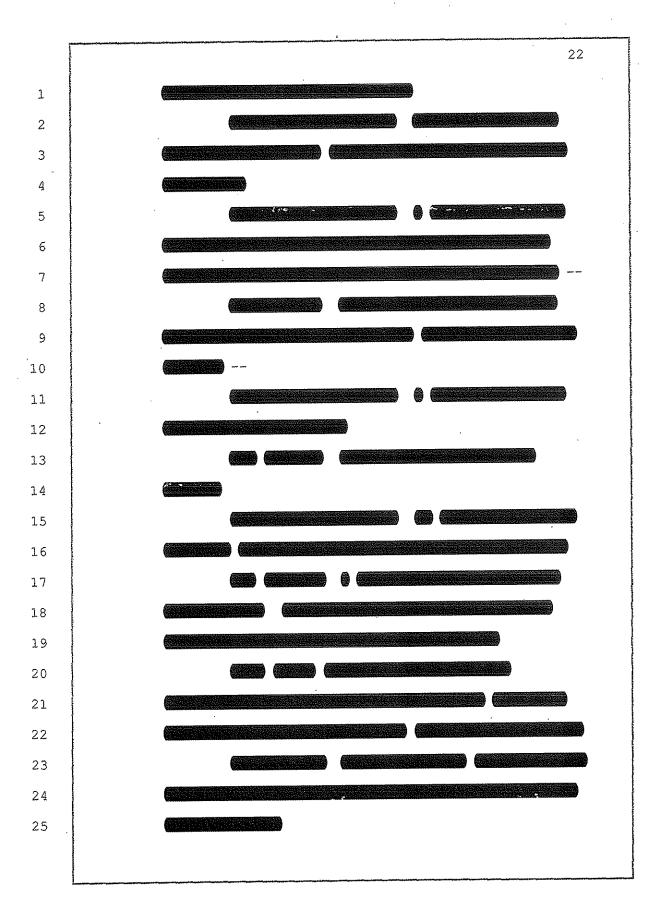
COMMISSIONER BAZIAN: Just one last point and I think this is a very good thing.

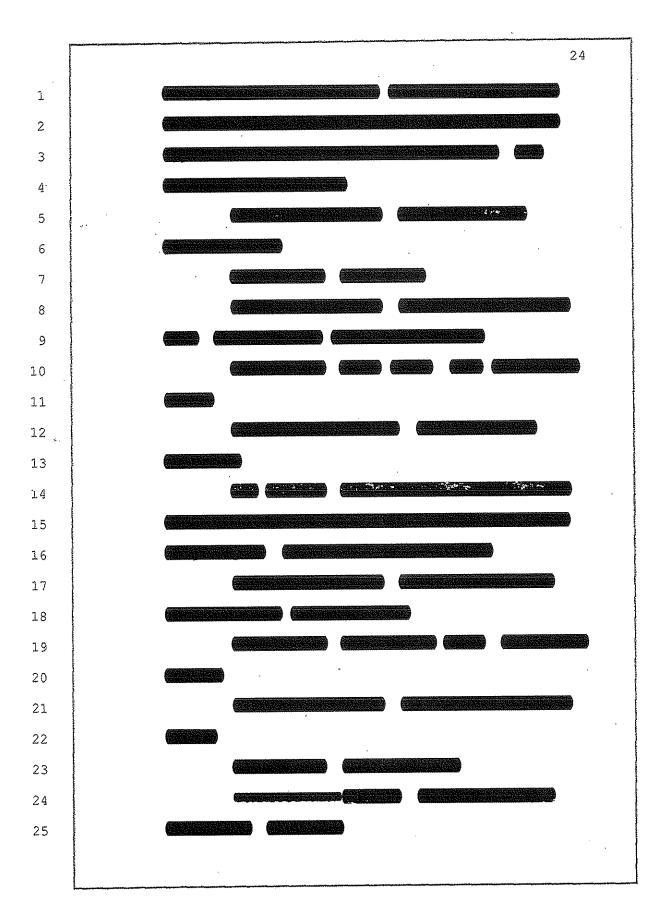
One of the things that we've been saying a lot, I know I mentioned on many occasions, is that the only way to fight bad information is with good information. And I've been advocating that we get out there. It seems to me to indicate that when we go out there and tell people exactly what is going on, it does seem to defuse the concerns and where we need to be. This is something we need to do more. And the effort.

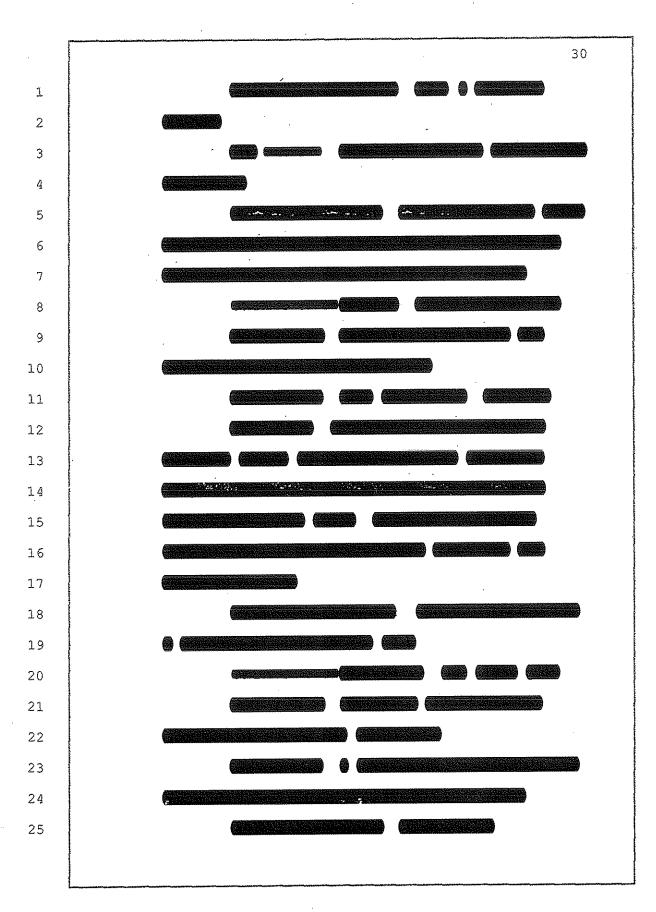
1	(Whereupon, Commissioner Levine is present
2	at 10:16)
3	
4	MR. BELLA: At the next meeting I'll have
5	a nice presentation for the Commissioners.
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

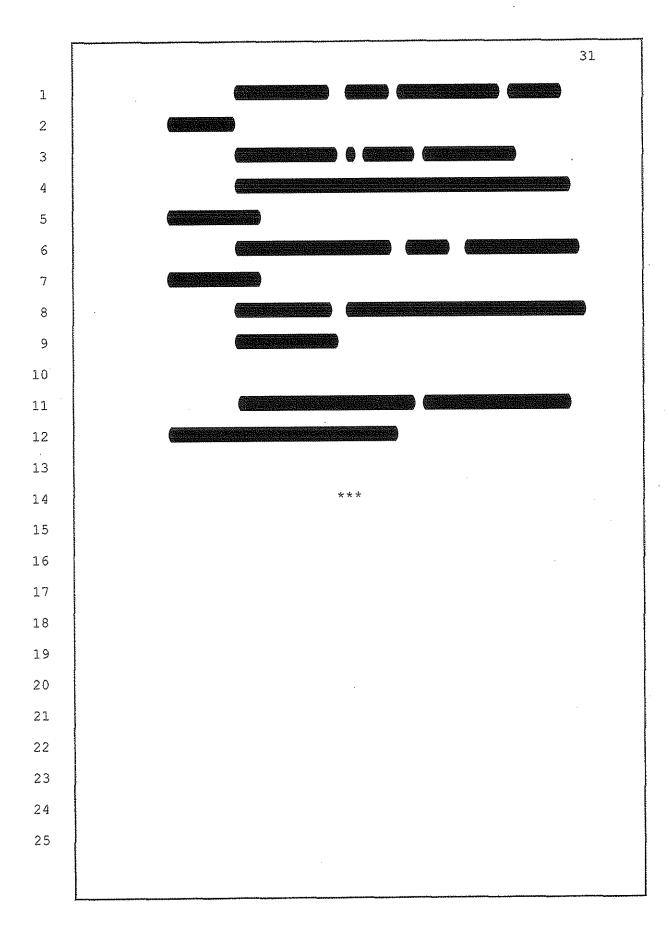












CERTIFICATE

I, LYNANN DRAGONE, License No. XIO1388, 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 meeting at the time and the date hereinbefore set forth.

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

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

LYNANN DRAGONE, CCR Certified Court Reporter