

PASSAIC VALLEY WATER COMMISSION MEETING OF  
OCTOBER 19, 2016  
(OPEN SESSION)

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

RIGO SANCHEZ, President

GLORIA KOLODZIEJ, Vice President

GERALD G. FRIEND, Treasurer

CHRYSTAL A. CLEAVES, Secretary

DAVID BLUMENTHAL (Absent)

JEFFREY LEVINE

ROBERT L. VANNOY

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 SANCHEZ: Let's go.

2 MR. AMODIO: On the roll.

3

4 (Roll call was taken, all Commissioners  
5 present respond in the affirmative. Commissioner  
6 Friend is not present yet. Commissioner  
7 Blumenthal is absent)

8

9 MR. AMODIO: Time is 12:08.

10 You have a quorum.

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

19 Will you please rise.

20 Commissioner Vannoy, please lead us in the  
21 Pledge of Allegiance.

22

23 (Pledge of Allegiance)

24

25 MR. AMODIO: We have members of the

1 public.

2 Bill Linteris.

3 MR. LINTERIS: Good afternoon. Bill  
4 Linteris representing Passaic County Board of  
5 Realtors.

6 I'd like to thank the Commission for the  
7 outreach they are doing for the New Street  
8 enhancements. We look forward to a state of the  
9 art solution so that everybody's happy, because  
10 for over a hundred years you've had a state of the  
11 art water system and you've been able to do a lot  
12 of things with it. At this point, we look forward  
13 to looking at the opportunities, challenges, and  
14 possible changes to the New Street development for  
15 the LT2 satisfaction. I really would like to see  
16 any suggestions that were made followed through on  
17 or at least see if they're viable or possible.

18 Thank you very much for your time and  
19 consideration. Have a great day.

20 MR. AMODIO: Next we have Carol Van  
21 Savage.

22 MS. VAN SAVAGE: Carol Van Savage also  
23 representing Passaic County Board of Realtors. I  
24 have attended the night meetings with the  
25 consulting firm looking for feedback or questions

1 and do appreciate those being held. I also thank  
2 the Commission for that and, hopefully, there was  
3 some good suggestions that came through that can  
4 be looked at.

5 Thank you.

6 PRESIDENT SANCHEZ: Thank you.

7 MR. AMODIO: Jeffrey Dye.

8 MR. DYE: Jeffrey Dye, member of the  
9 NAACP. I'm just here to watch this process.

10 PRESIDENT SANCHEZ: Can we go to close,  
11 please?

12 MR. AMODIO: Motion to close.

13 PRESIDENT SANCHEZ: How many attorneys do  
14 we have here?

15 Listen, there's a problem when we have so  
16 many attorneys together, there's a problem.

17 How many do we have?

18 MR. AMODIO: Can I have a motion to close?

19 COMMISSIONER VANNOY: So move.

20 COMMISSIONER KOLODZIEJ: Second.

21 MR. AMODIO: On the roll.

22

23 (Roll call was taken, all Commissioners  
24 present respond in the affirmative. Commissioner  
25 Friend is not present yet and Commissioner

1 Blumenthal is absent)

2

3 MR. AMODIO: Time is 12:12.

4 PRESIDENT SANCHEZ: George, who do we  
5 need first?

6 MR. HANLEY: I don't think anyone's for  
7 public.

8 MR. BELLA: Are we in closed session?

9 PRESIDENT SANCHEZ: We're going to go  
10 into.

11 MR. HANLEY: Are you going to do that now?

12 PRESIDENT SANCHEZ: Yes.

13 MR. HANLEY: Let's do the Resolution.

14 MR. AMODIO: I just have one question.

15 Jim Duprey, do we have a time limit for the  
16 procurement, for the electric?

17 MR. DUPREY: We're okay.

18 MR. AMODIO: Okay. Do I have a motion to  
19 close?

20 COMMISSIONER VANNOY: So move.

21 COMMISSIONER KOLODZIEJ: Second.

22 MR. AMODIO: By Commissioner Vannoy.

23 Whereas, Section 8 of the Open Public  
24 Meetings Act permits the exclusion of the public  
25 from a meeting in certain circumstances; and

1                   WHEREAS, the public body is of the opinion  
2                   that such circumstances presently exist;

3                   NOW, THEREFORE, BE IT RESOLVED, by the  
4                   Commissioners of Passaic Valley Water Commission:

5                   1. The public shall be excluded from the  
6                   hereinafter specified subject matters; the general  
7                   nature of the subject matters being: Financial,  
8                   Insurance, Personnel, Contracts, Negotiations,  
9                   Security, and Law and any other matter as may be  
10                  discussed in camera.

11                  2. It is anticipated at this time that  
12                  subject the above-stated subject matters will be  
13                  ratified during public meeting or as soon  
14                  thereafter as the reason for the discussion no  
15                  longer exists.

16                  3. This Resolution shall take effect  
17                  immediately.

18                  Second by Commissioner Kolodziej.

19                  On the roll.

20  
21                  (Roll call was taken, all Commissioners  
22                  present respond in the affirmative. Commissioner  
23                  Friend is not present yet. Commissioner is  
24                  Blumenthal absent)  
25

1 MR. AMODIO: Commissioners Blumenthal and  
2 Friend are not here yet.

3 Gentlemen, please close the doors.

4 The time is 12:13 p.m.

5

6 \*\*\*

7

8 MR. AMODIO: You have a quorum.

9 The time is 1:10 p.m.

10 We can go back to the beginning, if you'd  
11 like.

12 PRESIDENT SANCHEZ: What do we have?

13 MR. AMODIO: Well, we have Joe Bella's  
14 report.

15 We have the finance report.

16 PRESIDENT SANCHEZ: Can I get finance,  
17 please.

18 MR. WEISS: Cash on hand is 15.1 million.

19 Accounts payable is at 3.7 million.

20 Our accounts receivable is 18.7.

21 30 days accounts receivable is 17.6 which  
22 is 94.5 percent which is the same as it was this  
23 time last year.

24 Collections are strong.

25 Billing is strong.

1                   That's all I got.

2                   PRESIDENT SANCHEZ: Thank you.

3                   MR. WEISS: And we have the auditors here.

4                   The audit is out. We're going to be doing a

5                   Resolution to accept the audit.

6                   MR. AMODIO: If you'd like to bring them

7                   in quickly, we can do the Resolution.

8                   MR. WEISS: You want to give a quick

9                   overview?

10                  MR. McNINCH: Sure.

11                  I'm Rob McNinch; Ferraioli, Wielkotz.

12                  Just some financial highlights, modified clean

13                  opinion this year on the financials. The

14                  authority had a very good year. Net operating

15                  gain is 14 million. Our net position also

16                  increased about 12 million. Net position, that's

17                  almost like net worth at the entity. The

18                  Commission also reduced bond debt by about 12

19                  million. Refinance one issue to a lower rate so

20                  that will translate to some future savings down

21                  the road. One of the more noticeable differences

22                  here was an additional \$40 million liability which

23                  is a result, a change in the accounting standards

24                  and this has to do with addressing the

25                  underfunding of the State pension plan. New



1 accounting standard now makes every entity  
2 recognize their portion of the underfund paid, so  
3 a state like New Jersey or Illinois, it's a big  
4 number. In this case it's \$40 million. This is  
5 not something that you have to be concerned with  
6 for operating purposes. This is almost just a  
7 memo that makes the financial look kind of bad.

8 PRESIDENT SANCHEZ: All right. So what do  
9 you need?

10 MR. McNINCH: Three comments: The first  
11 one, fixed assets. We need to maintain an  
12 itemized fixed assets. Finance Department is  
13 working on that.

14 The funding of the bond service reserve.  
15 Finance office has been in contact with the  
16 trustee. I don't anticipate this being a problem  
17 in '16.

18 The last comment had to do with the  
19 Affordable Healthcare Act and compliance with  
20 that. Working forward to resolve, hopefully, in  
21 '16 year so that's something between Finance and  
22 Personnel come up with a solution.

23 Otherwise, though, it's a very good year  
24 for the Commission financially. And that was my  
25 quick overview here.

1                   Any questions on the report? I know we  
2                   kind of flew through that.

3                   COMMISSIONER KOLODZIEJ: I guess the only  
4                   thing that bothered me, it's been a long time  
5                   since we saw so many negatives, so to speak. We  
6                   were always told the negatives were partially  
7                   because we weren't equipped to do what we needed  
8                   to do.

9                   Will these be able to be corrected by the  
10                  next budget year?

11                  MR. McNINCH: I think all three of these  
12                  are very fixable.

13                  COMMISSIONER KOLODZIEJ: Okay. Good. So  
14                  it's a goal that's obtainable and it may or may  
15                  not happen but at least we're working towards  
16                  that.

17                  MR. McNINCH: That's the finance office.

18                  COMMISSIONER KOLODZIEJ: Finance is tough.

19                  MR. McNINCH: And fix them.

20                  COMMISSIONER KOLODZIEJ: Good. Good.

21                  PRESIDENT SANCHEZ: Thank you so much.

22                  MR. AMODIO: We have the Resolution.

23                  PRESIDENT SANCHEZ: Can we do a group  
24                  Resolution?

25                  MR. AMODIO: We can.

1 Do you want Joe's quick report?

2 MR. BELLA: Major issue facing us right  
3 now is the dry conditions and it's gotten to the  
4 point where tomorrow the State will probably have  
5 a public meeting to declare a drought warning and  
6 who knows where it goes.

7 We've done some computer models where  
8 we're going to end up and that kind of thing.  
9 We're modeling based on the drought of record  
10 which is 2001-2002 year. We should be okay. But  
11 we all know that the weather is the weather.  
12 We'll see where it goes.

13 So far it's very dry. I'll give you a  
14 quick rundown. Wanaque Reservoir combined about  
15 49 percent. Boonton is 58. Newark is 64. SUEZ  
16 is 46. And Point View is at 79 percent. So not  
17 bad, but unusually dry conditions. Some of the  
18 ante conditions were very good. In other words,  
19 there's good stream flows that's why we haven't  
20 gotten really hurt.

21 So right now we're helping the City of  
22 Newark. We're giving them about 12 million  
23 gallons a day and SUEZ about 10 million gallons.  
24 The State didn't order us to do that, but they  
25 sort of prodded us to do that, which we do. Some

1 of that will be brought back, we will take as a  
2 water bank that we can utilize later on. Some of  
3 it they'll pay us because of their regulations and  
4 that kind of thing, so the way they have to do the  
5 BPU, particularly, if it goes on for a very long  
6 period of time. Either way it works out well for  
7 us because banking water we get to offset some of  
8 the expensive treatment costs in the wintertime,  
9 so it works out.

10 Other than that, the plant's running well.  
11 Our distribution, we're getting a lot done. We're  
12 doing a lot of services which is really important  
13 because that's where we shut people off, so that's  
14 one of the reasons why our revenues or actually  
15 sales are good; revenues are good.

16 Other than that we're okay.

17 MR. AMODIO: Any questions?

18 COMMISSIONER FRIEND: You're saying SUEZ  
19 takes 10 million gallons a day from us?

20 MR. BELLA: They're taking them now.

21 COMMISSIONER FRIEND: We don't get paid?

22 MR. BELLA: There's a limit where we've  
23 told them at some point, you know, we'll bank it  
24 because it actually works in our favor because if  
25 we have a plant outage or if we do plant

1 maintenance or in the wintertime we can take water  
2 back, it slows down our plant and treatment costs  
3 go down. So we play that and at some point if it  
4 gets to be too much, that's probably around 250  
5 million gallons or something like that. So it's  
6 an offset. We've been doing it for years and  
7 years. We have a water bank -- I think I talked  
8 to you about that when you were the city manager  
9 or something, you and I had that discussion, if I  
10 remember correctly. It was a long, long time ago.  
11 Maybe it wasn't you.

12 COMMISSIONER FRIEND: I was never the city  
13 manager.

14 MR. BELLA: Not city manager. But we've  
15 been doing between us, Newark, and SUEZ we've been  
16 banking water back and forth. It works out really  
17 well because if you have a plant outage, you don't  
18 have to go out and say you got to buy a billion  
19 gallons of water, you don't have to break the  
20 budget. You can just take it back and it's worked  
21 out. We've been doing it for years, decades.

22 MR. AMODIO: Okay. If there are no other  
23 questions, we'll move on.

24 Passaic County Police Academy requested  
25 the use of Point View Reservoir.

1 COMMISSIONER KOLODZIEJ: So moved.

2 COMMISSIONER CLEAVES: Second.

3 MR. AMODIO: Motion by Commission  
4 Kolodziej.

5 Second by Commissioner Cleaves.

6

7 (Roll call was taken, all Commissioners  
8 present respond in the affirmative. Commissioner  
9 Blumenthal is absent. President Sanchez and  
10 Commissioner Vannoy are not in the room)

11

12 MR. AMODIO: Minutes of Passaic Valley in  
13 camera and Regular Session meetings held  
14 September 14th, 2016.

15 Motion?

16 COMMISSIONER KOLODZIEJ: So move.

17 COMMISSIONER CLEAVES: Second.

18 MR. AMODIO: By Commissioner Kolodziej.

19 Second by Commissioner Cleaves.

20 On the roll.

21

22 (Roll call was taken, all Commissioners  
23 present respond in the affirmative. Commissioner  
24 Blumenthal is absent. President Sanchez and  
25 Commissioner Vannoy are not in the room)

1  
2 MR. AMODIO: Does the Chair accept,  
3 receive, and file miscellaneous purchase orders  
4 placed by Linda Beckering for the period of  
5 September 3rd, 2016, to October 9th, 2016?

6 Vice Chair?

7 COMMISSIONER KOLODZIEJ: Yes.

8 MR. AMODIO: Thank you.

9 Moving onto Resolutions, we'll do one  
10 vote.

11 Contract #16-B-22 "Liquid Residuals  
12 Hauling Services" Recommendation to award  
13 three-year contract to Accurate Waste Removal  
14 Services, Inc., in the amount of \$3,798,000.00.

15 COMMISSIONER FRIEND: What is that, just  
16 for my own?

17 MR. BELLA: This is, when we treat water  
18 we produce a by-product. The stuff we're removing  
19 and the chemicals, that comes to residual water  
20 sludge and then we thicken five percent and then  
21 we haul it to Passaic Valley Sewerage Commission  
22 for them to dispose of it. We studied this on two  
23 separate occasions. This is the cheapest way to  
24 go.

25 MR. AMODIO: Resolution authorizing State

1 Contract purchase for two laptop computers to  
2 facilitate monitoring security cameras and upgrade  
3 PVWC's website and social media accounts remotely  
4 in cases of emergency. Purchase would be from  
5 Dell Marketing in the total amount of \$1,500.

6 Resolution authorizing a Shared Services  
7 Agreement with USGS Continuous Monitoring for  
8 Total Chlorophyll, Four Classes of Algae and  
9 Turbidity at Passaic River Below Two Bridges. The  
10 amount not-to-exceed \$47,640.00.

11 Resolution authorizing Shared Services  
12 Agreement with USGS for Continued Operation and  
13 Maintenance of Gaging Stations in the amount  
14 not-to-exceed \$60,580.00.

15 Contract #16-B-24 "Electric Service Supply  
16 for all Accounts" Recommendation to award to  
17 Constellation New Energy. Total amount  
18 not-to-exceed \$6,529,052.00. That's two years, I  
19 believe.

20 MR. DUPREY: Yes.

21 MR. AMODIO: Next we have a Resolution  
22 authorizing the updated personnel handbook.

23 MR. BRISMAN: Approval for distribution of  
24 the updated personnel handbook.

25 MR. AMODIO: Any questions?



1 PRESIDENT SANCHEZ: Move by Commissioner  
2 Vannoy.

3 Second by Commissioner Kolodziej.

4 MR. AMODIO: We're going to add to that  
5 the approval of the audit for the 2015 year.

6 COMMISSIONER KOLODZIEJ: So moved.

7 MR. AMODIO: On the roll.

8  
9 (Roll call was taken, all Commissioners  
10 present respond in the affirmative. Commissioner  
11 Blumenthal is absent)

12  
13 MR. AMODIO: Thank you.

14 New Business. We have summary of  
15 disbursements and payrolls through October 19th,  
16 2016, in the amount of \$5,620,931.45.

17 Do I have motion?

18 COMMISSIONER VANNOY: So moved.

19 COMMISSIONER CLEAVES: Second.

20 MR. AMODIO: By Commissioner Vannoy.

21 Second by Commissioner Cleaves.

22 On the roll.

23  
24 (Roll call was taken, all Commissioners  
25 present respond in the affirmative. Commissioner

1 Blumenthal is absent)

2 MR. AMODIO: Recommendations from closed  
3 session we took care of.

4 Is there anything under Good and Welfare?

5 Nothing. Okay.

6 Motion to adjourn.

7 COMMISSIONER CLEAVES: So moved.

8 MR. AMODIO: Thank you.

9 Time is 1:24.

10 Next meeting is scheduled for Wednesday,  
11 November 9th at 12:00 noon.

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C E R T I F I C A T E

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 hearing 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 hearing 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.

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LYNANN DRAGONE, CCR  
Certified Court Reporter