

PASSAIC VALLEY WATER COMMISSION MEETING OF
SEPTEMBER 14, 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: Call the meeting to
2 order.

3 MR. AMODIO: On the roll. Commissioner
4 Levine and Vannoy are not here yet.

5
6 (Roll call was taken, all Commissioners
7 present respond in the affirmative)

8
9 MR. AMODIO: The time is 9:32 a.m.
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. Would you please please rise.

19 Commissioner Rodriguez, would you please
20 lead us.

21
22 (Pledge of Allegiance)

23
24 MR. AMODIO: I don't believe there are any
25 members of the public.

1 If you'd like to go onto committee
2 meetings. Any committee reports?

3 Finance, no report?

4 MR. WEISS: Finance did not meet but we're
5 going to be meeting on Tuesday.

6 MR. AMODIO: Thank you.

7 Personnel, Commissioner Vannoy is not
8 here.

9 Commissioner Kolodziej, special projects,
10 do you have anything to report?

11 COMMISSIONER KOLODZIEJ: Special projects
12 had a meeting last week. We discussed five items.
13 One was an update on the North Jersey situation.
14 There was a meeting with inhouse and outsource
15 legal on Monday. I'm sure we'll get updated on
16 that in closed session.

17 Legal is also working out the details on a
18 MOU between us and Newark. It's a shared services
19 over Great Notch.

20 The Levine Reservoir EPA Section 106
21 review we're waiting on a letter coming back. The
22 first letter went out in June. Comments were
23 submitted, so the second letter is the one that
24 we're anxious to review.

25 We discussed the standby emergency

1 generators and builder's risk insurance. Went out
2 and got three quotes. There will be a
3 recommendation on this agenda to hire someone to
4 cover us for that.

5 And the last item we discussed was the
6 CH2M Hill contract amendment. I'm assuming that
7 we will discuss that further in closed session as
8 well.

9 MR. AMODIO: Thank you.

10 Again, personnel, Commissioner Sanchez.

11 COMMISSIONER SANCHEZ: Can you wait for
12 Bobby to come in. He's on the way he says.

13 MR. AMODIO: Okay. Moving on.
14 Executive Director's report.

15 MR. BELLA: Well, probably the most
16 important thing I'm going to talk about North
17 Jersey, the progress we made there. But in
18 general, the overall scene has been quite tame.
19 Quite a lot of rain. It's been cool, so it
20 doesn't bode well for sales. But in general,
21 we're doing pretty good and we're pretty close to
22 what we project.

23 We have a few projects that are really
24 ongoing, which we'll talk about that in closed
25 session.

1 The tower, the water tower in Lodi is
2 going very well.

3 Other than that, we're pretty much on
4 track.

5 MR. AMODIO: Any questions?

6 COMMISSIONER SANCHEZ: Quick question to
7 you.

8 This small water utility, I don't know if
9 we have enough capacity or more capacity. Has
10 anybody, like, approached us about taking our
11 water system, not taking over, but --

12 MR. BELLA: Operation.

13 COMMISSIONER SANCHEZ: Operation with
14 them?

15 MR. BELLA: No, we haven't, but there are
16 a few around and I think that it's something
17 that's going to develop as time moves forward.
18 There's a couple of laws on the book now that talk
19 about violations and what to do if there's
20 violations, so that might start generating a
21 little more activity.

22 You have to remember a lot of these towns
23 don't like to give up their water systems because
24 they're revenue producers for them so they'll do
25 what they can do. But we've tracked a few, a few

1 of things over time. Some of them came due. We
2 did a lot of work on some and they decided not to
3 do it. So it's kind of a mixed bag. But it's
4 certainly something to track and it's real good
5 point.

6 COMMISSIONER SANCHEZ: You don't think
7 they'll go to United Water or anything like that?

8 MR. BELLA: They could. They could. You
9 know, United Water or whatever they are, they have
10 a lot of political wherewithal. The Commission is
11 fully capable of operating most any system
12 including United Water or SUEZ.

13 COMMISSIONER RODRIGUEZ: Well, they're
14 public utilities too. They usually go out to bid.

15 MR. BELLA: They go out to bid in
16 accordance with the law.

17 MR. HANLEY: I was just going to respond,
18 not in disagreement or support, but the way I see
19 it, you know, this new statute that New Jersey has
20 passed, I forwarded a copy to you, you probably
21 already know about it, safe water and it imposes
22 standards, you know. The privates, I guess,
23 pushed this because they want to impose the same
24 standards on public utilities with private
25 utilities which will increase the level of

1 requirements for them, the MUAs and the smaller
2 systems.

3 Personally, just from what I know from
4 working with Joe and Jim and everybody, they're
5 not going to be able to do that in the long run.
6 Now the enforcer mechanisms are still unclear, but
7 long term, they're going to be met with an issue,
8 I'm sure, many of these smaller towns, which they
9 already are, in some ways, they will not be able
10 to meet those standards without help. So I think
11 long term that's the market that we have attempted
12 to be in. It's going to broaden considerably over
13 time. Even some of the MUAs.

14 MR. BELLA: We've had this discussion
15 before.

16 COMMISSIONER RODRIGUEZ: Um hm.

17 MR. BELLA: It's something to keep track
18 and watch.

19 COMMISSIONER SANCHEZ: I just recently saw
20 in the paper all these small water utilities
21 knowing that all --

22 MR. BELLA: Some of the problems with
23 that, it's a good discussion, not just the wall
24 but taking one of these small utilities, they will
25 always be financial users, the way we make rates.

1 The way the public utilities make rates, they take
2 that, they have to invest, you got 250 customers
3 and they have to invest \$3 million. They don't
4 care because it goes into their rate base that
5 causes their rates to go up. Now they're getting
6 return on that \$3 million where we're always
7 trying to keep our rates as low as possible. So
8 you don't have that advantage of, okay, no
9 problem, we'll spend the money and then put the
10 rates up. We spend the money because it's the
11 right thing to do. They're spending money
12 because, you know, it's some operators, because
13 it's the right thing to do. Some others just to
14 do it to get it into the rate base. So in a
15 sense, years ago, before our time, the State
16 basically forced us to take over a couple of small
17 utilities in West Milford and it's very difficult
18 to operate smaller systems like that.

19 COMMISSIONER RODRIGUEZ: It's an older
20 system.

21 MR. BELLA: West Milford. And we looked
22 at that nine ways, I mean, over the years, I'm
23 talking about our relationship goes back 20 years.
24 The way we make rates would be very difficult to
25 buy a system like that and not have our ratepayers

1 subsidize in.

2 COMMISSIONER RODRIGUEZ: And that's what's
3 going to happen. You're absolutely right.

4 MR. BELLA: Because the systems are in
5 such disrepair. They haven't made the
6 investments. They're completely depreciated.

7 COMMISSIONER RODRIGUEZ: That's why they
8 want the water from North Jersey, because they're
9 trying to acquire all those water systems from
10 Passaic, Bergen to Sussex County and they
11 committed to West Milford that they will bring
12 another 200,000 customers that they don't have
13 and they're going to have the water to supply them
14 back to back.

15 MR. AMODIO: Anything else?

16 Next we have North Jersey Elks request for
17 PVWC's garage to conduct their annual emergency
18 drill that is scheduled for September 28, 2017.
19 We have a hold harmless and insurance. We do this
20 annually and have allowed them to use the
21 facility.

22 Any questions?

23

24 (Commissioner Vannoy is present at 9:41
25 a.m.)

1 MR. AMODIO: Can I have a motion?

2 COMMISSIONER KOLODZIEJ: So move.

3 MR. AMODIO: Motion by Commissioner
4 Kolodziej.

5 Second?

6 COMMISSIONER BLUMENTHAL: Second.

7 MR. AMODIO: Second by Commissioner
8 Blumenthal.

9 MR. AMODIO: On the roll.

10

11 (Roll call was taken, all Commissioners
12 present respond in the affirmative. Commissioner
13 Vannoy abstained and Commissioner Levine is not
14 present yet)

15

16 MR. AMODIO: Thank you.

17 Controller's Report.

18 MR. WEISS: Cash on hand is 24.9 million.

19 Accounts receivable is at 19.8 million.

20 Our 30 days or less accounts receivable is

21 18.8 million, which is 95 percent. That's the
22 same it was at last year, which is great.

23 Our accounts payable is 4.6 million.

24 Cash might seem a little bit high, that's
25 because we're funding, if you might recall, we're

1 funding, a lot of our capital program this year is
2 funded out of cash. We're a little bit behind on
3 the capital program that's why the cash seems a
4 little higher than normally it would be.

5 We have a finance committee meeting
6 scheduled Tuesday. We're going to start reviewing
7 the budget. The budget is little bit more that
8 halfway done. We met with most of the department
9 heads already. We have some preliminary numbers,
10 which is good. We're also going to be discussing
11 our cash management plan going forward. Got some
12 tweets to help us maximize more returns.

13 You've also got in front of you a copy of
14 the Corrective Action Plan. That's going to be
15 going down to the Division of Local Government
16 Services after the meeting. This is what we're
17 required to issue after we get the management
18 report from our auditors every year.

19 PRESIDENT FRIEND: Question on that
20 Corrective Action Plan. I see some of the things
21 are repeat from last year's Corrective Action Plan
22 and I thought we were talking about hiring
23 somebody specifically to handle the Affordable
24 Health Act forms that were required to be filed
25 because I see we're still not producing those and

1 sending them to the appropriate party. So I
2 thought, like I say, last year I thought we were
3 going to hire somebody specifically to do that.

4 MR. WEISS: That was discussed, but I
5 don't know if there was ever any final decision
6 made on that.

7 PRESIDENT FRIEND: Okay. And I think this
8 communication may be just an oversight, but
9 probably should have gone to Human Resources as
10 well so that they're aware of what they're
11 supposed to be doing. But where are they in terms
12 of working on these, producing these forms?

13 MR. WEISS: I can't answer that.

14 Joe, do you want to talk to that?

15 PRESIDENT FRIEND: The health forms that
16 are required to be sent out. I think, if I recall
17 last year, there was talk that we could be subject
18 to penalty for each form if they're not filed.

19 MR. WEISS: Correct.

20 PRESIDENT FRIEND: So now we're going into
21 the second year, that I'm aware of, that we
22 haven't complied with the law.

23 MR. BELLA: I'll speak and get that
24 straightened out.

25 COMMISSIONER RODRIGUEZ: That's a really

1 valid point. Think about it. Can we ask Jim? I
2 mean, he is the Director of Personnel, where he's
3 at in this process.

4 COMMISSIONER SANCHEZ: Do you feel like we
5 need somebody just for that, Yitzchak? What's the
6 situation?

7 COMMISSIONER RODRIGUEZ: I thought Brown &
8 Brown was going to help.

9 COMMISSIONER SANCHEZ: That was my
10 thinking on that.

11 PRESIDENT FRIEND: I thought the person
12 would be a little more involved even in terms even
13 if any of the employees had questions about their
14 coverage and things of that nature.

15 COMMISSIONER SANCHEZ: What I recall was
16 that supposedly Brown & Brown was going to be on
17 hand.

18 MR. BELLA: How's that working? Fairview
19 was brought in after -- Brown & Brown, when I
20 think we originally were talking about bringing
21 Brown & Brown in to handle just the medical
22 coverage. Fairview handles all our other stuff.

23 MR. HANLEY: That was rejected.

24 MR. BELLA: That's right.

25 PRESIDENT FRIEND: This isn't about the

1 coverage, it's about the forms.

2 COMMISSIONER RODRIGUEZ: Filing of the
3 forms.

4 PRESIDENT FRIEND: Like we do a W-2 at the
5 end of the year for every employee or 1099, this
6 is a form that has to be similar in nature, I
7 presume that has to be --

8 COMMISSIONER SANCHEZ: Who do you think
9 should do that? Should we hire somebody just to
10 do that?

11 MR. WEISS: We can. We can.

12 COMMISSIONER SANCHEZ: How much work is
13 involved?

14 MR. WEISS: There's significant work
15 involved because it involves analyzing the
16 coverage that we offer for each employee and the
17 coverage for all of their family members.

18 COMMISSIONER SANCHEZ: Can you reach out
19 to Fairview and find out if that's something they
20 could do. I mean, we left something open for
21 extra work. We have a stipend. Isn't that in the
22 contract?

23 MR. AMODIO: I think so.

24 COMMISSIONER SANCHEZ: Can you find out if
25 this is something they could do? How much it is.

1 Can you find out?

2 MR. WEISS: We can find out. It's more of
3 a personnel function. I don't want to overstep my
4 bounds.

5 COMMISSIONER RODRIGUEZ: Yeah, that's why
6 I recommended that we call Jim.

7 COMMISSIONER SANCHEZ: Can we call Jim in?

8 MR. BELLA: Sure.

9 COMMISSIONER RODRIGUEZ: He should be
10 really on top of it. We could be penalized.

11 COMMISSIONER SANCHEZ: I mean, this is
12 something the Commission do what we need to do.
13 Maybe it's part of the contract, we don't know or
14 something a stipend they could get paid for and
15 just get it done.

16 PRESIDENT FRIEND: Did we hire a new
17 person in Personnel this year?

18 MR. BELLA: Yes, we did.

19 PRESIDENT FRIEND: And what was that
20 person's function?

21 MR. BELLA: Administrative assistant.
22 She's doing a great job. Cleaning up a lot of
23 situations that were, you know --

24 COMMISSIONER RODRIGUEZ: Previously.

25 MR. BELLA: She's doing an excellent job.

1 PRESIDENT FRIEND: Okay. But is this
2 something that she can handle as well then?

3 COMMISSIONER RODRIGUEZ: I think
4 insurance, I mean, when Brown & Brown came in
5 front of us about four or five years ago when I
6 was here, this was one of the caveats they offered
7 to do once the, I don't remember exactly because I
8 don't remember exactly the conversation, but this
9 was something they had committed to do for us.
10 And I think it has to be insurance, that's a
11 specialty to pull out those forms. And they have
12 them, they have the program for that. Fairview
13 should have it. I think it has to be somebody
14 with a certification in insurance, I think.

15 MR. WEISS: It has to be someone who has
16 access to our health care individually and people
17 and their family.

18 COMMISSIONER RODRIGUEZ: But the filing,
19 they do the filing and transmitted --

20 MR. WEISS: Filings can be done by
21 anybody, really. Gathering the information --

22 COMMISSIONER RODRIGUEZ: I don't know that
23 our person full time, that's a lot.

24 PRESIDENT FRIEND: Jim, the question's
25 come up in terms of what the the status of the

1 forms that are required to be filed by the
2 Affordable Health Care Act.

3 MR. GALLAGHER: I'm sorry?

4 PRESIDENT FRIEND: The annual forms for
5 the employees.

6 MR. GALLAGHER: They were sent by the
7 insurance company the beginning of the year.

8 PRESIDENT FRIEND: They were sent out?

9 MR. GALLAGHER: They were done by the
10 insurance company.

11 MR. WEISS: Not the ones that are by the
12 insurance company. These are the ones that PVWC
13 is required to file.

14 MR. GALLAGHER: I'm not sure I'm following
15 which ones you're looking for.

16 PRESIDENT FRIEND: It's a Form 1094 and
17 1095C.

18 MR. GALLAGHER: The 1095C goes to the
19 employee. That was sent out by the insurance
20 company.

21 PRESIDENT FRIEND: Okay.

22 COMMISSIONER RODRIGUEZ: Okay. I think
23 the question is: Is it the employee's
24 responsibility to fill it out and send it back?
25 We're just trying to figure that out.

1 MR. GALLAGHER: It's something they have
2 to file with their income tax. That's something
3 that goes --

4 PRESIDENT FRIEND: So did we do that for
5 2015 and 2016?

6 MR. GALLAGHER: We've done it the last two
7 years. The insurance company has done it. Now
8 the State of New Jersey will do it.

9 PRESIDENT FRIEND: The State of New Jersey
10 is going to do it now?

11 MR. GALLAGHER: Because we're insured by
12 the State of New Jersey.

13 PRESIDENT FRIEND: Okay. So every time an
14 employee's situation changes, the State of New
15 Jersey's getting informed of that, in other words,
16 one less dependent, one more dependent, type of
17 coverage?

18 MR. GALLAGHER: Yes.

19 PRESIDENT FRIEND: Okay. So then why is
20 it showing up by our auditors that it's not being
21 done?

22 MR. GALLAGHER: I'm unaware of it. I have
23 no idea what we're really talking about. I'm just
24 making sure that as far as I know the
25 responsibility was that we reported -- that the

1 employees' reports were sent out.

2 COMMISSIONER SANCHEZ: Mr. President, if
3 you don't mind, can you? I think the insurance
4 committee, I think Commissioner David, can we have
5 Fairview come in and give us a clear opinion what
6 it is that needs to be done and can we have that
7 by next meeting?

8 PRESIDENT FRIEND: Yeah, sure, because if
9 it is being done, then the auditors should remove
10 it from the list of corrective action that's
11 required. If it's not being done, then we've got
12 to look into how it is going to be done.

13 MR. WEISS: Just to clarify. There are
14 two different 1095 Forms that are filed. One of
15 them is filed by the insurance company directly
16 and one of them is required to be filed by the
17 entity.

18 PRESIDENT FRIEND: By the employer.

19 MR. WEISS: Right. So the ones that were
20 filed by insurance, Jim is a hundred percent
21 correct. The ones filed by our insurer were sent
22 out by them. The ones that were required to be
23 sent in by us were not filed.

24 PRESIDENT FRIEND: Okay. Are the forms
25 the same or are they different?

1 MR. WEISS: No, it's different
2 information.

3 PRESIDENT FRIEND: Different information?

4 MR. WEISS: Yes.

5 COMMISSIONER BLUMENTHAL: So the one
6 that's corrective action is referring to the
7 latter.

8 MR. WEISS: Correct.

9 COMMISSIONER BLUMENTHAL: Within the
10 entity, who should be filing these.

11 MR. BELLA: That was Personnel.

12 MR. GALLAGHER: That was never Personnel.

13 MR. BELLA: I don't think so.

14 MR. GALLAGHER: That was --

15 MR. BELLA: We told you that.

16 MR. GALLAGHER: We were responsible for
17 the employee version.

18 MR. BELLA: That's what we're talking
19 about.

20 MR. GALLAGHER: That was done. The
21 employees were sent their information.

22 COMMISSIONER RODRIGUEZ: Okay.

23 PRESIDENT FRIEND: But I think they're
24 talking about two different things.

25 MR. GALLAGHER: I'm assuming --

1 PRESIDENT FRIEND: One is sending the
2 employee information and the other is filing it
3 with the appropriate governmental authority.

4 MR. GALLAGHER: That I'm unaware of.

5 PRESIDENT FRIEND: Am I correct, Yitz? Is
6 that the issue that it has to be filed with the
7 government?

8 COMMISSIONER KOLODZIEJ: IRS.

9 MR. WEISS: And provided to the employees.

10 PRESIDENT FRIEND: And provided to the
11 employees.

12 MR. GALLAGHER: The employees all get
13 their information.

14 PRESIDENT FRIEND: Okay. With all due
15 respect, the insurance committee isn't going to
16 get any more knowledge than we have right now
17 unless the Administration meets with our insurance
18 carrier, whoever is sending out the one form, and
19 Human Resources, who, obviously, or it's indicated
20 they should be sending out something they're not
21 and gets a report back to us.

22 MR. GALLAGHER: I can only send out what I
23 know that needs to be sent out. I'm unfamiliar
24 with that aspect of it.

25 PRESIDENT FRIEND: Whether we should ask

1 our auditor to followup then or who --

2 COMMISSIONER RODRIGUEZ: Well, was this
3 recommendation, Wielkocz that they made?

4 MR. WEISS: Yes.

5 COMMISSIONER RODRIGUEZ: So I guess in
6 doing our audit --

7 PRESIDENT FRIEND: They found it wasn't
8 done.

9 COMMISSIONER RODRIGUEZ: They found it
10 wasn't done. PVWC did not file the 2015 annual
11 forms required for the Affordable Care Act. Forms
12 like 1094, 1095 are generally electronically
13 submitted by payroll companies to the IRS with
14 information provided by Human Resources, which
15 means we provide that information to his
16 department.

17 Yitz, that information goes from Personnel
18 to your department.

19 MR. WEISS: It could go or it could go to
20 our payroll company.

21 COMMISSIONER RODRIGUEZ: Yeah, but it has
22 to go via you because you're the ones that deal
23 with payroll. Right? That's what I'm asking.

24 MR. WEISS: Yes.

25 MR. BELLA: We need --

1 COMMISSIONER RODRIGUEZ: All it needs to
2 do is I guess a meeting and corrective action.

3 PRESIDENT FRIEND: I think we need a
4 report from Administration at the next Board
5 meeting in terms of: Have we been doing it;
6 haven't we been doing it; who's supposed to do it;
7 and, you know, make sure that it is being done.
8 That's why it would have been good if Jim had
9 gotten a copy of this letter. I'm sure if he read
10 it, he would've said: Hey, that's not my or I am
11 doing it.

12 I think once before I said that there's
13 not enough communication amongst our department
14 heads in terms of what everybody is doing or isn't
15 doing and, you know, we got to increase the list
16 of ccs on different issues, especially, if it
17 involves a department, so...

18 MR. BELLA: Okay.

19 PRESIDENT FRIEND: But for the next
20 meeting, let's get a report back in terms of who's
21 supposed to do it. If it's being done; not being
22 done; why it's not being done. I thought we
23 addressed it last year, but let's move on and get
24 a report. Is that okay, Rigo, for you without
25 going into insurance?

1 COMMISSIONER SANCHEZ: All we want is it
2 done. I don't care how it gets done.

3 MR. BELLA: Okay.

4 PRESIDENT FRIEND: I think it's more an
5 administrative matter than the insurance
6 committee.

7 COMMISSIONER VANNOY: Exactly.

8 MR. BELLA: Okay. No problem.

9 PRESIDENT FRIEND: Okay.

10 Anybody else have any questions on any of
11 the reports before we move on?

12 MR. AMODIO: Commissioner Vannoy, would
13 you like to give an update on personnel?

14 Just to let you know, I only have two Rice
15 notices back. Mr. Brisman didn't send back the
16 Rice notice.

17 MR. BRISMAN: I didn't get it, I don't
18 think, but I'll sign it now.

19 MR. AMODIO: I don't have it. I have one
20 for Bruce Melnick. He'd like his discussion held
21 in closed session and Shakir Rhodes said open
22 session. That's all I have. I have nothing.

23 MR. BRISMAN: I waive my rights.

24 PRESIDENT FRIEND: You mean we didn't Rice
25 you?

1 MR. BRISMAN: No.

2 PRESIDENT FRIEND: All right. I guess
3 we'll talk about it in closed session.

4 Do you know why he wants to address this?

5 MR. AMODIO: He doesn't say.

6 MR. BELLA: What he's saying is talk about
7 it however you want in closed session.

8 PRESIDENT FRIEND: Okay.

9 COMMISSIONER VANNOY: We have one
10 promotion, two salary adjustments, and one new
11 hire.

12 MR. AMODIO: Okay.

13 COMMISSIONER RODRIGUEZ: Was that from the
14 agenda from last, you know?

15 COMMISSIONER VANNOY: The one new hire is
16 something we took off at the last meeting. We're
17 now putting it back on.

18 PRESIDENT FRIEND: Anybody have any
19 questions or without going into closed session, we
20 can discuss it.

21 Okay. Moving on.

22 MR. AMODIO: Motion for closed session.

23 COMMISSIONER VANNOY: So move.

24 COMMISSIONER SANCHEZ: Second.

25 MR. AMODIO: Motion by Commissioner

1 Vannoy.

2 Commissioner Vannoy offers the following
3 Resolution for adoption:

4 WHEREAS, Section 8 of the Open Public
5 Meetings Act permits the exclusion of the public
6 from a meeting in certain circumstances; and.

7 WHEREAS, the public body is of the opinion
8 that such circumstances presently exist;.

9 NOW, THEREFORE, BE IT RESOLVED by the
10 Commissioners of Passaic Valley Water Commission:

11 1. The public shall be excluded from
12 discussion of the hereinafter specified subject
13 matters; the general nature of the subject matters
14 being: Financial, Insurance, Personnel,
15 Contracts, Negotiations, Security, Law, Personnel,
16 Administration and any other matters as may be
17 discussed in camera.

18 2. It is anticipated at this time that
19 the above-stated subject matters will be ratified
20 during public meeting following or as soon
21 thereafter as reason for the discussion no longer
22 exists.

23 3. This Resolution shall take effect
24 immediately.

25 Second by Commissioner Sanchez.

1 On the roll.

2

3 (Roll call was taken, all Commissioners
4 present respond in the affirmative. Commissioner
5 Levine is not present yet)

6

7 MR. AMODIO: The time is 10:01.

8 Please close the doors.

9

10 ***

11

12 MR. AMODIO: On the roll.

13

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

16

17 MR. AMODIO: Time is 10:41 a.m.

18 You have a quorum.

19 We'll move on to the Consent Agenda.

20 We have the minutes of Passaic Valley
21 Water Commission in camera session and Regular
22 Public Meetings held on August 16th, 2017, and
23 Special Meeting held on August 23rd, 2017.

24 Do I have a motion?

25 COMMISSIONER VANNOY: So move.

1 MR. AMODIO: By Commissioner Vannoy.

2 Second?

3 COMMISSIONER RODRIGUEZ: I second.

4 MR. AMODIO: By Commissioner Rodriguez.

5 On the roll.

6 COMMISSIONER KOLODZIEJ: Abstain.

7

8 (Roll call was taken, all Commissioners
9 respond in the affirmative. Commissioner
10 Kolodziej abstained. Commissioner Sanchez is not
11 in the room)

12

13 MR. AMODIO: Thank you.

14 Does the Chair accept, receive, and file
15 Miscellaneous Purchase Orders placed by Gregg
16 Lucianin, Purchasing Agent, for the period from
17 August 7, 2017, to September 3rd, 2017.

18 COMMISSIONER KOLODZIEJ: Move it.

19 MR. AMODIO: No need to move. The Chair
20 has to accept, receive, and file.

21 Chairman, do you accept, receive, and
22 file?

23 PRESIDENT FRIEND: Yes.

24 MR. AMODIO: Move onto Resolutions.

25 Would the Board like to do one roll call?

1 PRESIDENT FRIEND: Before we start, I just
2 have a general comment and question perhaps.

3 One, two, three, four, five contract
4 extensions for a period of two years. At the end
5 of the two-year contract, it was extended the
6 contract for another two years here and one of the
7 contracts was close to \$3 million and another one
8 was 931,000. Do we look into the market and see
9 whether or not we might do better to go out to
10 rebid or are we better sticking with these
11 contracts and just extending them? I mean, how do
12 we know that it's not available at a lower price?

13 MR. DUPREY: Well, Commissioners, one of
14 the things that's an indicator also is this
15 implicit price deflator index, which under the
16 previous contracts they would have been allowed to
17 apply if we did a contract extension. Usually,
18 around now it would be like a two to three percent
19 increase. What we did to negotiate with them is
20 we said if they accept the two-year extension it
21 has to be at zero percent. So what we've done is
22 our upside risk is much greater than our downside
23 risk and you also avoid the possibility of
24 hearings and bid protests and, you know, all of
25 that. And what they really agreed to do is to

1 just continue under the same conditions and we
2 don't see really out in the market that would
3 indicate that things would be dropping and if
4 anything, they tend to always go up. So it seems
5 in our best interest.

6 PRESIDENT FRIEND: Okay. Followup
7 question to that then.

8 Are any of these items or contractors, are
9 they under State contract and are we allowed to
10 buy under State contract?

11 MR. DUPREY: They were not under State
12 contract. They were publicly bid. Sometimes you
13 see in the commodities that they're either not
14 available under the State contract, they may not
15 be competitive in this area when it's not a State
16 contract so what we do is and what we did two
17 years ago was, we went out to public bid and, you
18 know, we just collected the bids and evaluated
19 them. We had good response and all of that. And
20 so in our opinion, you know, the State contracts
21 wouldn't be that applicable to what we're trying
22 to do.

23 PRESIDENT FRIEND: One last. Some of
24 these items, fire hydrants and what have you, I'm
25 sure they're purchased by our competitors as well

1 and municipalities and things of that nature, do
2 we do any comparison to see what other contractors
3 or even our contractor may be charging other
4 purchasers for the same items?

5 MR. DUPREY: Yeah, we haven't recently,
6 but generally because we're such a large entity,
7 we would expect our unit price would be much more
8 appealing. They're going to offer a lower price
9 because they're buying volume.

10 MR. BELLA: It's hard to do that because
11 of volume differences, but more importantly, you
12 know, the timing issues, like our contract's two
13 years old, theirs might be six months old, that
14 kind of thing. And the other thing is rarely do
15 you get everybody buying the same quantities and
16 the same item. I mean, it's a tough thing to do.

17 COMMISSIONER RODRIGUEZ: Let me ask a
18 question because you raised a really valid point.
19 Is this the first time we've done extensions like
20 this?

21 MR. BELLA: No, we've done it.

22 MR. DUPREY: We've done it.

23 COMMISSIONER RODRIGUEZ: We've done it
24 before?

25 MR. BELLA: Oh, yes.

1 MR. DUPREY: Many, many occasions.

2 COMMISSIONER RODRIGUEZ: Okay.

3 MR. BELLA: It's all governed by the State
4 community service. They set that number what is
5 the maximum you can increase that amount and
6 that's what Jim was saying, it was two or
7 three percent, I forgot what it was, this time and
8 they've all agreed. You know, we know the metals
9 market has increased.

10 PRESIDENT FRIEND: But the next time we're
11 going to do an extension of an existing contract,
12 maybe we can do a little research and --

13 COMMISSIONER RODRIGUEZ: It should come in
14 front of finance.

15 PRESIDENT FRIEND: -- Come back and say we
16 looked into this and we looked into that and we
17 are getting the best value for our money.

18 COMMISSIONER RODRIGUEZ: It should come in
19 front of finance. We should know ahead of time.

20 MR. BELLA: Okay.

21 MR. AMODIO: Any further questions?

22 Do I have a motion?

23 PRESIDENT FRIEND: Motion on the group?

24 COMMISSIONER RODRIGUEZ: I make a motion.

25 MR. AMODIO: By Commissioner Rodriguez.

1 COMMISSIONER KOLODZIEJ: Second.

2 MR. AMODIO: Second by Commissioner
3 Kolodziej.

4 On the roll.

5

6 (The following Resolutions were approved:

7 (a) Contract Extension: Contract 15-B-11

8 "Furnish and Deliver Fire Hydrants"

9 Recommendation to award a two-year contract
10 extension with HD Supply Waterworks, LTD of
11 Edison, NJ in the amount not to exceed
12 \$931,523.35.

13 (b) Contract Extension: Contract 15-B-12

14 "Sodium Hypochlorite" Recommendation to award a
15 two-year contract extension with Univar USA, Inc.
16 of Middletown, Pa, in the amount not to exceed
17 \$862,650.00.

18 (c) Contract Extension: Contract 15-B-14

19 "Trench Spoils, Asphalt and Concrete Removal and
20 Disposal Services" Recommendation to award a
21 two-year contract extension with JR Haftek Co., of
22 Paterson, NJ in the amount not to exceed
23 \$990,000.00.

24 (d) Contract Extension: Contract 15-B-16

25 "Removal and Disposal of Process Residuals"

1 Recommendation to award a two-year contract
2 extension with Spectraserv, Inc. of South Kearny,
3 NJ in the amount not to exceed \$2,684,240.00.

4 (e) Contract Extension: Contract 15-B-37
5 (Re-bid) "Residuals Thickening Aid Polymer"
6 Recommendation to award a two-year contract
7 extension with Polydyne, Inc. Of Riceboro, Ga in
8 the amount not to exceed \$179,400.00.

9 (f) Contract 17-B-7 "Electronic Payment
10 System (Including Credit/Debit Cards and
11 E-Commerce) for Commission's Billing and
12 Collection System" Recommendation to award a
13 two-year contract to Card Choice Merchant
14 Services, LLC of Fairfield, NJ in the amount not
15 to exceed \$558,673.46.

16 (g) Resolution for PVWC to bind coverage
17 with C.N.A. for Builder's Risk insurance for
18 Contract 15-B-25 "Water Storage Improvements Phase
19 1 - Standby Emergency Generators")

20
21 (Roll call was taken, all Commissioners
22 respond in the affirmative)

23
24 MR. AMODIO: Thank you.

25 Next we have New Business.

1 Summary of disbursements and payrolls
2 through September 14th, 2017, in the amount of
3 \$6,578,105.41.

4 Do I have a motion?

5 COMMISSIONER BLUMENTHAL: Move it.

6 MR. AMODIO: Motion by Commissioner
7 Blumenthal.

8 COMMISSIONER RODRIGUEZ: Second.

9 MR. AMODIO: Second by Commissioner
10 Rodriguez.

11 On the roll.

12
13 (Roll call was taken, all Commissioners
14 respond in the affirmative)

15
16 MR. AMODIO: Thank you.

17 COMMISSIONER LEVINE: Can I ask a
18 question? Maybe this is for Yitz. Can you just
19 explain, maybe you did this already. Why Garfield
20 and Fairfield are late past due? Do you know what
21 their problem is with their collection?

22 MR. WEISS: That's a question for Joe.

23 PRESIDENT FRIEND: I think Garfield is
24 down.

25 COMMISSIONER LEVINE: Why do they owe us

1 so much?

2 PRESIDENT FRIEND: Joe, Jeff has a
3 question.

4 COMMISSIONER LEVINE: Why Fairfield and
5 Garfield owe us money past due?

6 MR. BELLA: Garfield, they've contended
7 this one bill forever and --

8 COMMISSIONER LEVINE: We're still selling
9 them water?

10 MR. BELLA: Oh, yeah. They had a leak and
11 they said, you know, they basically --

12 COMMISSIONER SANCHEZ: Shut them off,
13 Levine.

14 PRESIDENT FRIEND: Just shut off the
15 municipal building.

16 COMMISSIONER LEVINE: Some of the
17 attorneys should look into that. Somebody should
18 look into that.

19 MR. BELLA: I'll have George look into it.

20 COMMISSIONER LEVINE: What about
21 Fairfield?

22 MR. BELLA: Fairfield, sometimes they just
23 get out of sync with -- there's no problems with
24 Fairfield or sometimes they get a cash crunch and
25 catch up.

1 COMMISSIONER LEVINE: That's fine.

2 Garfield, I know we're not going to shut
3 them off. I didn't know if they were buying from
4 us anymore and add another pipeline to someone
5 else. Shouldn't the attorney be handling that?
6 Past 90 days, you know.

7 MR. BELLA: It's been a long time.

8 COMMISSIONER LEVINE: Yeah, I know, that's
9 what I'm saying.

10 MR. BELLA: I called them, you know. Yeah,
11 we'll have the attorney.

12 PRESIDENT FRIEND: Ask them where the
13 turnoff switch is for City Hall.

14 MR. AMODIO: Moving on.

15 Recommendation from Executive Conference.

16 We have the Personnel agenda. Any
17 questions?

18 Is there a motion?

19 COMMISSIONER SANCHEZ: So move.

20 COMMISSIONER VANNOY: Second.

21 MR. AMODIO: Motion by Commissioner
22 Sanchez.

23 Second by Commissioner Vannoy.

24 On the roll.

25

1 (The following items on Personnel were
2 approved:

3 1. Promotion:

4 a. Ignazio Iruato to Senior Plumber.

5 Proposed Salary: \$77,876.96.

6 Proposed Salary Range: \$54,995.20 -
7 \$81,752.00.

8 2. Salary Adjustment:

9 Bruce Melnick as Supervising Water
10 Treatment Plant Repairer (Agreed by Union).

11 Proposed Salary: \$76,862.08.

12 Proposed Salary Range: \$50,003.20 -
13 \$84,219.20.

14 3. Salary Adjustment:

15 a. Yaacov Brisman as Legal Assistant.

16 Proposed Salary: \$62,200.00.

17 Proposed Salary Range: \$50,000 -

18 4. New Hires:

19 a. Shakir Rhodes as Laborer 1.

20 Proposed Salary \$37,000.00 annually.

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

22
23 (Roll call was taken, all Commissioners
24 respond in the affirmative)
25

1 MR. AMODIO: Under Good and Welfare.

2 Commissioner Levine was reappointed for four years
3 starting this January.

4 PRESIDENT FRIEND: Congratulations.

5 COMMISSIONER RODRIGUEZ: Congratulations.

6 MR. AMODIO: Anything else under Good and
7 Welfare?

8 Okay. That would be it.

9 Next meeting is scheduled for Thursday,
10 October 19th at 9:30 a.m.

11 Motion to dismiss.

12 COMMISSIONER BLUMENTHAL: Motion.

13 COMMISSIONER VANNOY: Second.

14 MR. AMODIO: Motion by Commissioner
15 Blumenthal.

16 Second by Commissioner Vannoy.

17 Any objections? Hearing none, the time is
18 10:48.

19

20 (Proceedings concluded)

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C E R T I F I C A T E

I, LYNANN DRAGONE, License No. XIO1388, a
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of New Jersey, certify that the foregoing is a true and
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