



Executive Director
James Mueller

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

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Executive Director Report September 27, 2023 Board Meeting

1) Operational Issues and Highlights

Project Highlight:

1) The computerized maintenance management system (CMMS) for work orders and inventory tracking throughout the company will go-live on 9/25/23. Final training is occurring the week ending 9/22/23. While it is expected that there will be a learning curve and ramp-up period, it is anticipated that inventory control will improve drastically and work order performance will be more transparent. This will support the continued modernization of PVWC's organizational structure, business processes and infrastructure.

2) There was a catastrophic failure of a valve on a 36" discharge line at the Little Falls PS on the afternoon of 8/7/23. It was a violent flow of water that flooded the entire basement in minutes and overflowed on to the 1st floor of the PS knocking out pumping and power for hours. Due to the quick response of our operational and maintenance staff the leak was stopped within 2 hours and the water began to be pumped down. Limited pumping operations resumed by 11pm Monday night due to the amazing skill and tireless dedication of PVWC staff. Normal operations were achieved by Friday 8/11/23. The emergency interconnection with Newark was utilized during that week to augment PVWC's supply.

Pumping & Power

For the month of August, PVWC pumped 2.6 billion gallons of water with a daily monthly average of 85MGD and max day of 107 MGD. Over 1.1 billion gallons came from Wanaque (42%) and 1.5 billion gallons was treated by the LFWTP from the Passaic River (58%). The interconnection with Newark was utilized during the week of 8/7/23 when the valve failed within the pumping station.

Engineering

- FEMA Update – PVWC staff received an email on from on August 30, 2023 stating that "... FEMA will prioritize response and urgent recovery efforts without interruption. However, **FEMA will pause new Public Assistance obligations not essential for lifesaving and life-sustaining activities, as well as Hazard Mitigation obligations.** Payment for these projects will resume once the DRF is sufficiently funded...

Definition: *Immediate Needs includes, Individual Assistance, Public Assistance Categories A and B (debris removal and emergency protective measures) supporting ongoing lifesaving and life sustaining activities, mission assignments necessary for ongoing response activities, currently needed state management costs, and joint field office (JFO) and recovery office operations. Note that funding is not being eliminated for projects in the restricted categories, but merely delayed until additional funding is available. The attached funding guidance provides additional detail on the nature of these temporary restrictions.*

To date PVWC has received \$2.4M from FEMA and is owed almost \$818,000 in additional funds for costs incurred. We will continue to work with FEMA as funding becomes available and restrictions ease.



Passaic Valley Water Commission

- Levine Reservoir Storage Tank Project
 - The County Planning Board conditionally approved PVWC's design for the Levine storage tanks.
 - There is one outstanding permit required from NJDEP that staff are working through with the dam safety group.
 - We are working with the NJ IBank to incorporate all requirements into the bid documents since there is NJEIT funding allocated.

Information Technology

- CCMS Go Live is scheduled for 9/25/23.
- Started eLearning for PVWC employees. 38 user accounts have been created thus far. The top learners are Otilia Espino, Nancy Rivera, Silvana Bisesi, Daniel Blanco and Lilia Negrete.
- Foveonics completed scanning ODHR's files on 9/22/23.
- Bi-Weekly meetings have been scheduled to discuss the website redesign.

Organizational Development and Human Resources

- YTD hires is 23 and number of vacancies remaining to be filled is five (5) for positions in multiple departments. There were two (2) separations from our ODHR and EHS Departments.
- ODHR staff are collaborating on logistics for a company-wide luncheon celebrating Hispanic Heritage Month after the 9/27/23 Board meeting in Little Falls. All Commissioners and company staff are invited. The luncheon time of 11:30-1:30 is set to accommodate shift workers and to ensure company operations will not be impacted so staff can attend in a staggered manner as approved by department heads.

Purchasing

- We welcomed a new member of our staff, Susan Rodriguez, who has nicely filled out the Procurement Team. Susan will be overseeing payment of Purchase Orders and is currently being trained and doing an outstanding job thus far.
- We provided guidance and aided in the emergency procurement of valves and actuators for the Little Falls Water Treatment Plant.
- Arranged for procurement training through Rutgers for our employees so that they would be familiar with the Rules and Regulations promulgated by the New Jersey Local Public Contracts Law so that they would be better prepared when entering requisitions and looking to procure goods and services for the needs of PVWC.

Finance

- We are targeting early October for the bond issuance and are working diligently with our financial advisor and team to pull all necessary documents together. The project total is approximately \$116M and total bond value is authorized at \$130M to cover all fees and other costs.
- Budget meetings with each PVWC department are underway to develop a 10-year budget plan and five year water rate schedule based on prioritized needs and cost of service.

Maintenance

- There were 282 work orders initiated through maintenance in August and 239 completed (85%). The

construction on the parking lot in Clifton has begun and is approximately 50% complete. The gas tank replacement and monitoring work is proceeding and is approximately 95% complete.

Distribution

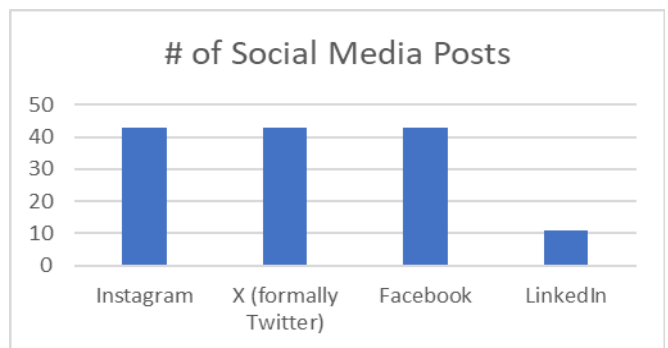
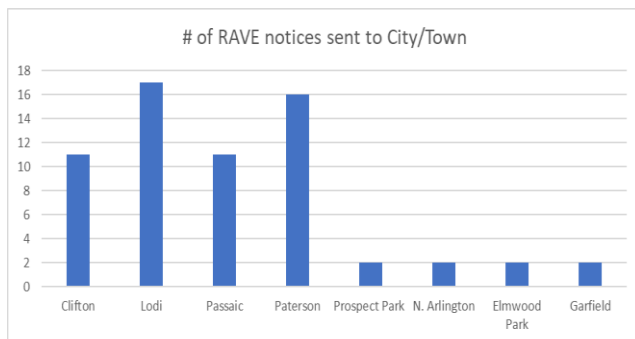
- In August 2023:
 - 702 hydrants have been flushed and 75 hydrants have been repaired (16 of these hydrants were repaired inhouse)
 - 10 water main breaks occurred with eight (8) repaired inhouse and two (2) repaired by contractors. PVWC continues to coordinate with the towns and PSEG to restrict contractors from accessing hydrants illegally to minimize breaks. This a topic at every quarterly meeting and continues to be a work in progress.
 - 230 meters were changed and 58 curb boxes were dug to support valve replacements and shutoffs.

Environmental Health & Safety

Joe Aldighieri has taken over the EH&S functions temporarily until a new department head is identified. A quarterly safety meeting was held on Wednesday 9/20/23 with union staff to review any issues or concerns. Action item logs are kept of each meeting to document discussion items and to ensure issues are addressed in a timely manner.

Communications & Intergovernmental Coordination

- Website
 - We have met with each department to assess their needs and we have met with the Legal Dept. to see if there is anything that we are legally responsible to keep or to add to the site. We have chosen the pages Granicus will migrate to the new website however we will be able to make changes to those pages so that they will reflect the changes we want for the new look. Also, Granicus sent an email to some employees asking them to choose a heading and to pull topics under the appropriate headings. We have a meeting with them on 9/20/23 to discuss the results.
- RAVE
 - We have been actively trying to get people to sign up for RAVE. We have put notices to sign up on our website, posted notice in the customer area up front and we take the notice with the QR code to Town Hall meetings to try to get customers signed up at those meetings. At the Lodi Town Hall we signed up a few additional people.

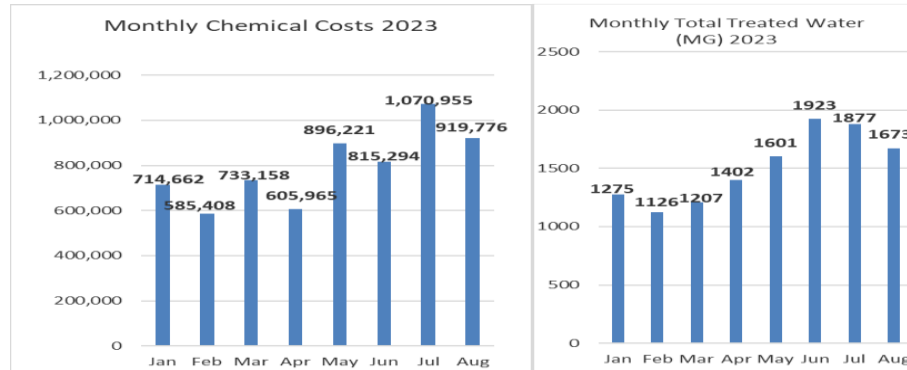


Purification/Laboratory

There were two unplanned shutdowns and one planned shutdown at out LFWTP.

August 2023 Costs include:

- Chemical Costs: \$499,050
- Residual Costs: \$348,742
- Reservoirs + Botany + Prospect Pk Treatment: \$71,984



Customer Service

- Video chatting - has not been requested/necessary since June, when Otilia used for the 1st time.
- In-person appointments should be ready to launch in October 2023 when the finishing touches are completed on the private and secure office space are completed.
- The feedback survey Kiosk is anticipated to rollout within the next month or so as parts are being delivered.

2) Organizational Highlights – Succession Planning

- Our new ODHR director will be starting on 10/2/23. She has started attending virtual weekly meetings with the executive director and the ODHR team to come up to speed on various issues and initiatives.
- Performance evaluations for Q2 are completed for the department heads. They have also completed their performance evaluations for their direct report staff. This comprises 15% of the existing staff. Evaluations continue to roll out for the next level of staff for Q3 with all staff expected to receive their tasks and standards by the end of 2023.
- EEO training was given by general counsel Yaacov Brisman in June 2023 for all department heads and the executive director. This training is rolling out to staff in the company in a top-down manner staggered following the rollout of the performance evaluations from top-down. Every staff member in PVWC will have a task included in their performance evaluation for EEO and EH&S.



New Hires: The following staff have joined PVWC over the last two months. These new hires will be introduced at next week’s Board meeting.

<u>Names</u>	<u>Start Date</u>	<u>Department</u>
Henry Hernandez, Senior MIS	7/31/23	IT
Manjitha (Monty) Dasgupta Chattopadhyay, Environmental Compliance Officer	7/31/23	Laboratory
Dhruv Patel, Data Base Administrator	8/21/23	IT

3) Regulatory Issues

Lead Service Line Replacement Status:

The contract with Pacific Construction (Contract 22-B-8) started in July 2022 and the contract with CDM-Smith for CM and service line inspections began in the Spring. The overall program is estimated at \$36M and we have received 77% principal forgiveness (\$27M) from the NJ I-Bank. Work continues replacement of lead line in all cities with a summary listed below as of September 13, 2023.

We continue to evaluate getting the word out to the public regarding availability of the on-line virtual inspection program to determine unknown pipe material. We are developing step-by-step “how to” videos and initiating town hall style meetings to facilitate public education around the need for these inspections and empower individuals in the community. We are also reinvigorating our canvasser program and looking to hire local residents to assist getting the word out to neighbors to allow access for inspections of unknown lines and replacement of lead lines. We have also doubled the number of contractor crews from two (2) to four (4) crews working on lead service line replacements and are including electrician supervision for proper grounding procedures. There were 1,062 Right of Entry Agreements were collected under the test pit program and by PVWC, about 700 by Pacific Construction with a total exceeding 1,700.



Passaic Valley Water Commission

Data Date: 9/13/2023

Passaic Valley Water Commission Lead Service Line Tracking Summary					
	CLIFTON	PASSAIC	PATERSON	PROSPECT PARK	TOTAL
Inspections					
Remaining Unknowns LSLR Program ⁽¹⁾	566	314	639	12	1,531
Total Inspection Completed	533	350	276	33	1,192
<i>LSLR Inspection Lead Verified ⁽²⁾</i>	57	14	23	9	103
<i>LSLR Inspection Unable to Verify ⁽³⁾</i>	40	17	32	1	90
<i>LSLR Inspection, Non Lead Verified</i>	436	319	221	23	999
<i>Submitted Photo Inspection</i>	40	22	2	1	65
Total Inspections Attempted by Address	1,653	968	900	130	3,651
Test Pit Program, Non Lead Verified	2,028	911	1,980	44	4,963
Test Pit Program, Lead Verified	224	99	213	8	544
% Found to Be Lead	11%	4%	8%	27%	9%
Replacements					
Contract 22-B-8 Remaining ⁽⁴⁾	1,324	688	2,389	62	4,463
Replaced Lead Service Lines	507	404	528	99	1,538
Verified Non Lead by Test Pit	68	84	161	29	342
% Complete	30%	41%	22%	67%	30%
<i>Completed Pavement Restoration</i>	21	12	9	8	50
<i>Pending Pavement Restoration</i>	40	25	40	9	114
<i>Completed Sidewalk Restoration</i>	68	169	293	40	570
<i>Pending Sidewalk Restoration</i>	52	51	214	15	332
<i>Completed Lawn Restoration</i>	364	344	235	133	1,076
<i>Pending Lawn Restoration</i>	196	72	148	21	437
<i>Completed Interior Restoration</i>	75	140	173	3	391
<i>Pending Interior Restoration</i>	9	33	42	3	87
NON LEAD	20,979	7,508	20,835	1,099	50,421
Total	22,869	8,510	23,863	1,173	56,415

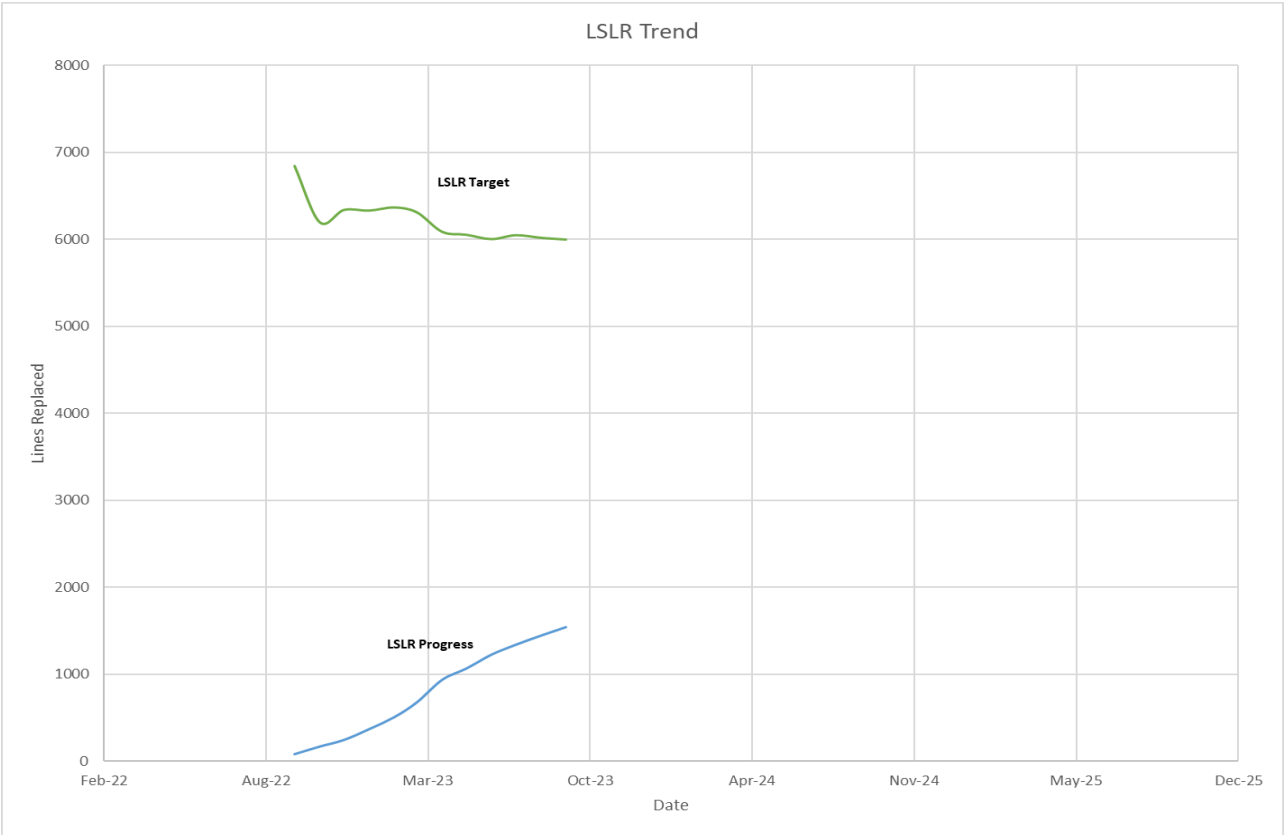
Notes:

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

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

(3) denotes the number of lines not able to be visually verified assigned to Contract 22-B-8

(4) denotes the number of remaining service lines to be replaced under Contract 22-B-8



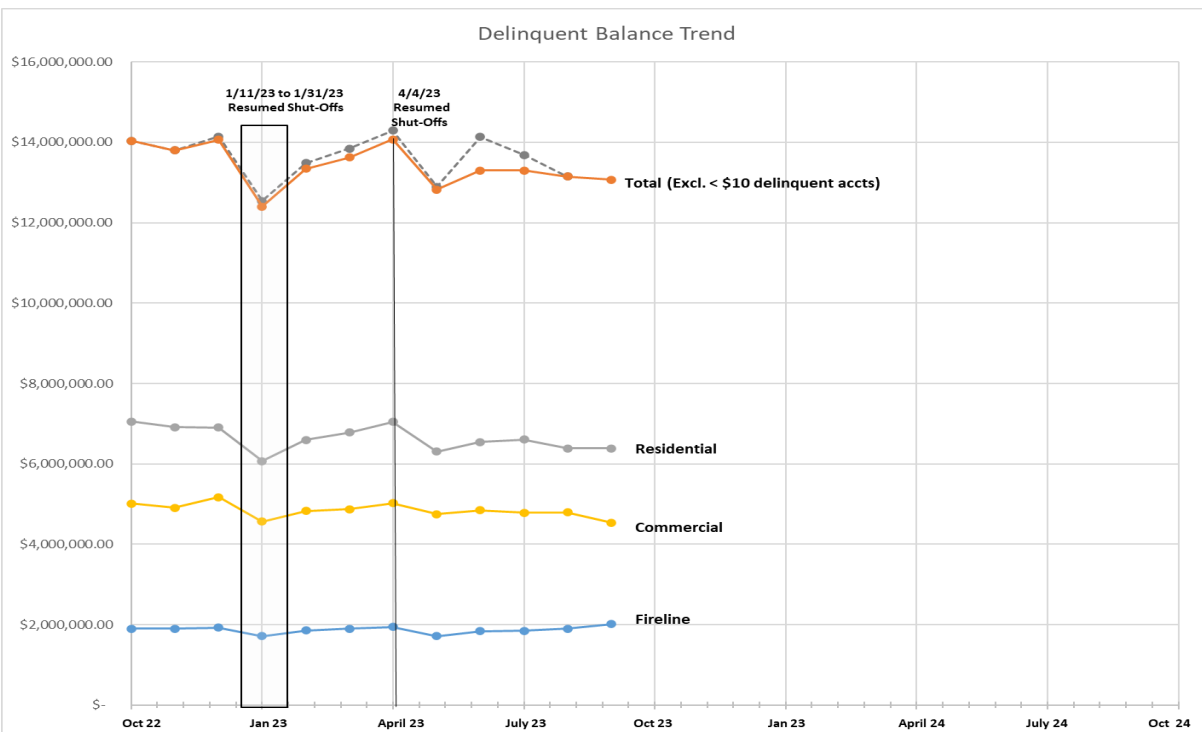
4) Delinquent Accounts

As of January 30, 2023, PVWC ceased shut-offs due to the cold weather. We continue to work with the Low-Income Household Water Assistance Program and the NJ Winter Termination Program. The NJ Board of Public Utilities (BPU) maintained a written policy known as the Winter Termination Program (WTP) by which regulated electric or gas utility companies could not discontinue service to certain households which ended on March 15, 2023. We resumed shut offs on April 4, 2023. With Customer Service working together with our Distribution department, the balances have gone down significantly.

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

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

Retail System - Delinquent Account Summary (does NOT include EP & GF)					
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Account Type	\$	% \$	# Accounts	% Accounts	\$/Account
Residential	\$ 6,390,376	49%	5,691	75%	\$ 1,122.89
Small Commercial-< 2'	\$ 2,979,708	23%	1,290	17%	\$ 2,309.85
Fireline	\$ 2,014,315	15%	267	4%	\$ 7,544.25
Commercial-up to 6" mtr	\$ 1,112,456	9%	235	3%	\$ 4,733.86
Industrial- 6" & above	\$ 448,276	3%	54	1%	\$ 8,301.41
Municipal	\$ 122,962	0.9%	54	0.7%	\$ 2,277.07
Total	\$ 13,068,093	100%	7,591	100%	\$ 1,721.52



Notes:

- 1) There are 609 accounts with \$862,243 under payment arrangements included in the trend above. The net delinquent amount is approximately \$12.2M. Payment plan information is now being captured monthly and will be trended going forward.
- 2) The trend will exclude accounts with less than \$10 delinquent balance because the current amount owed vastly outweighed the delinquent amount (illustrated by the grey dashed line in the graph above).



5) External Communications

- Quarterly status meetings are being held with the Mayors and/or key staff from the following retail systems. The meeting agenda covers the lead service line replacement program status, unauthorized hydrant access/misuse, LIHWAP and shutoffs.
 - a. Clifton Scheduled for 10/16/23.
 - b. Passaic Currently being scheduled.
 - c. Paterson Scheduled for 11/8/23; 8/8/23.
 - d. North Arlington Scheduled for 10/30/23.
 - e. Prospect Park Scheduled for 9/25/23; 12/4/23.
 - f. Lodi Was held on 9/12/23.
- We are continuing our town hall meetings and are working on scheduling town halls for Passaic, N. Arlington and Prospect Park.
 - a. Clifton City Hall – held on 6/27/23 6 PM - 7:30 PM
 - b. Calvary Baptist Church, Paterson - held on 6/28/23 6 PM – 7:30 PM
 - c. Lodi Municipal Library – held on 8/24/23 5 PM -6:30 PM
 - d. Passaic, Prospect Park and N. Arlington are all in the process of being scheduled.

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

	Customer #	Account #	Account Status	Customer Name	Service Address	Town	Account Type	Collection Status	A/R Balance
1	0201763	159162	Active	EAST NEWARK CENTER, LLC	255 GRANT AVENUE	EAST NEWARK	Industrial- 6" & above	Shut-Off List	\$513,832.64
2	0271903	118920	Active	AMERICAN FABRIC PROCESSORS	555 E 31ST STREET	PATERSON	Commercial-up to 6" m	Shut-Off List	\$217,745.00
2a	271903	118922	Active	AMERICAN FABRIC PROCESSORS	555 E 31ST STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$668.40
2b	271903	118924	Active	AMERICAN FABRIC PROCESSORS	555 E 31ST STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$1,630.89
3	0273800	032470	Active	PB NUTCLIFF, LLC	811 ROUTE 3 EAST #2	CLIFTON	Industrial- 6" & above	Disconnected	\$161,340.94
4	0122967	069168	Active	MODA FURNITURE	125 SOUTH STREET	PASSAIC	Small Commercial-< 2'	Disconnected	\$102,257.67
4b	125839	69140	Active	CONTEMPO REALTY, LLC	125 SOUTH STREET	PASSAIC	Fireline	Final Notice (Notice 3)	\$4,345.04
5	0011555	097214	Active	GALAXIE CHEM CORP	6-34 PIERCY STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$87,265.29
6	0011555	097236	Finalled	GALAXIE CHEM CORP	28 PIERCY STREET	PATERSON	Commercial-up to 6" m	Collections Okay	\$50,981.31
6a	11547	97222	Active	GALAXIE CHEMICAL	18 PIERCY STREET	PATERSON	Residential	Shut-Off List	\$38.11
6b	11413	90760	Active	GALAXIE CHEMICAL, CORP.	15-17 E MAIN STREET	PATERSON	Residential	Shut-Off List	\$0.00
7	0122427	104492	Finalled	FABRICOLOR MFG. CORP	24 VAN HOUTEN STREET	PATERSON	Industrial- 6" & above	Collections Okay	\$82,156.73
8	0122583	090314	Active	ST. JOSEPH'S REGIONAL MEDICAL CENTER	84 GETTY AVENUE	PATERSON	Commercial-up to 6" m	Shut-Off List	\$77,333.85
9	0124761	101890	Active	PATERSON COMM. DEVELOPMENT	2 MARKET STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$69,678.17
9a	52917	182732	Finalled	GREAT FALLS DEV. CORP.	2 MARKET STREET	PATERSON	Small Commercial-< 2'	Collections Okay	\$0.00
9b	52917	101888	Active	GREAT FALLS DEV. CORP.	2 MARKET STREET	PATERSON	Small Commercial-< 2'	Shut-Off List	\$36,132.46
10	0124657	105482	Active	CENTER CONTRACTING, CORP.	59-61 WARREN STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$63,540.39
10a	124657	105480	Active	CENTER CONTRACTING, CORP.	59 WARREN STREET	PATERSON	Small Commercial-< 2'	Disconnected	\$5,069.50
10b	124657	98002	Active	CENTER CONTRACTING, CORP.	72 PUTNAM STREET	PATERSON	Fireline	Shut-Off List	\$6,326.83
10c	124657	98000	Active	CENTER CONTRACTING, CORP.	72 PUTNAM STREET	PATERSON	Industrial- 6" & above	Delinquent Letter (Notice 1)	-\$0.52
11	0290436	174352	Active	325-333 GRAND ST PROPERTIES LLC	325 GRAND STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$56,905.89
11a	290435	83366	Active	325-333 GRAND ST PROPERTIES LLC	333 GRAND STREET	PATERSON	Residential	Disconnected	\$2,264.86
12	0295674	003700	Active	ALLWOOD MEDICAL MANAGMENT LLC	4 BRIGHTON ROAD	CLIFTON	Industrial- 6" & above	Shut-Off List	\$54,442.83
13	0236559	174394	Active	ST. JOSEPH'S REGIONAL MEDICAL CENTER	703 MAIN STREET	PATERSON	Commercial-up to 6" m	Shut-Off List	\$53,560.46
14	0125363	125152	Active	GEORGE DIMITRIJEVIC	345 N 6TH STREET	PROSPECT H	Fireline	Final Notice (Notice 3)	\$53,055.51
14a	13297	125150	Active	GEORGE DIMITRIJEVIC	345 N 6TH STREET	PROSPECT P	Residential	Disconnected	\$8,831.07
15	0302361	149538	Active	GOTHAM CLEANERS	200 CLIFTON BOULEVARD #3	CLIFTON	Small Commercial-< 2'	Collections Okay	\$52,860.83
15a	0325680	149540	Active	SUNBELT RENTALS INC	200 CLIFTON BOULEVARD #6	CLIFTON	Small Commercial-< 2'	Collections Okay	\$288.57
15b	0172255	149532	Active	FRIMPEKS	200 CLIFTON BOULEVARD #2	CLIFTON	Small Commercial-< 2'	Collections Okay	\$175.17
15c	0287364	149536	Active	ZIGGY SNACK FOODS, LLC	200 CLIFTON BOULEVARD #5	CLIFTON	Small Commercial-< 2'	Collections Okay	\$0.00
15d	0172257	149534	Active	ZIGGY SNACK FOOD LLC.	200 CLIFTON BOULEVARD	CLIFTON	Small Commercial-< 2'	Collections Okay	\$229.73
15e	0155673	007436	Active	J & L REAL CLIFTON LLC.	200 CLIFTON BOULEVARD	CLIFTON	Fireline	Collections Okay	\$406.31
15f	0155673	007434	Active	J & L REAL CLIFTON LLC.	200 CLIFTON BOULEVARD	CLIFTON	Fireline	Collections Okay	\$609.74
16	0227833	173682	Active	ENVIROCORP LOGISTICS SERVICES	95-105 PASSAIC STREET	PASSAIC	Fireline	Final Notice (Notice 3)	\$45,325.81
16a	188973	158386	Active	ENVIROCORP.LUD.DERV.	95-105 PASSAIC STREET #1	PASSAIC	Industrial- 6" & above	Shut-Off List	\$24,966.10
17	0233821	105492	Active	PUTNAM DEVELOPMENT, CORP.	71 WARREN STREET	PATERSON	Fireline	Final Notice (Notice 3)	\$44,729.57
18	0121985	097234	Active	SHERMAN SCOTT	28 PIERCY STREET	PATERSON	Small Commercial-< 2'	Shut-Off List	\$40,589.18

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

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