

## NEW JERSEY CLEAN WATER COUNCIL

May 20, 2008  
Meeting Highlights

### **Location:**

NJDEP, 401 East State Street, 7<sup>th</sup> floor large conference room, Trenton, New Jersey.

### **Attendees:**

**Members:** Ferdows Ali, Robert Breslin, Stan Cach, Jim Cosgrove, Russ Furnari, Amy Goldsmith, Pamela Goodwin, Tony McCracken, James Requa, Jessica Sanchez, Chris Sturm, Dan Van Abs and Ray Zabihach

**Others:** Lisa Jackson, Nancy Wittenberg, Narinder Ahuja, Dennis Hart, Michele Putnam, Ed Post, Marie Banasiak - NJ Farm Bureau, William Dunn – Mt. Holly MUA & AEA, and Gerry Skrajewski

The meeting was convened by Russ Furnari at 9:15 a.m.

### **APPROVAL OF APRIL 2008 MEETING HIGHLIGHTS:**

Jim Cosgrove noted a few typos in the Minutes. Jim then made the motion to approve the April minutes, as corrected, and Jim Requa seconded the motion. The minutes were approved.

### **OLD BUSINESS:**

A pre-meeting, before the Commissioner's attendance, was held to talk about how to proceed with presenting the CWC's issues regarding last year's Public Hearing on Water Infrastructure to the Commissioner. Commissioner Lisa Jackson has already received the letter from Council Chair Russ Furnari and has been briefed on it. Discussion was held to further clarify a couple points addressed in the letter. It was decided that the Summary written on the last page of the letter would be used as the catalyst for the meeting with the Commissioner. The summary points were:

- Learn from past mistakes.
- Approach all water resource issues in an integrated, holistic way.
- Be innovative with options for planning and management, funding and financing.
- Evaluate options for possible unintended consequences.
- Think several generations (not just 20 years) ahead so as to meet challenges imposed by changing conditions.
- Educate and consult; be inclusive in process.

Commissioner Jackson joined the meeting and Russ thanked her for coming to meet with the CWC to discuss last year's Public Hearing topic of Water Infrastructure. Russ said that the hearing was positive from a perspective of excellent attendance and public participation. The Council Members and Guests introduced themselves. Russ highlighted the summary of his letter to initiate the discussion with the Commissioner. He asked for her thoughts on these issues and asked for her recommendation for this year's public hearing topic.

Commissioner Jackson opened her comments by noting that NYC had another water main break this morning. Because of problems like this that keep occurring, she said she was not surprised by the interest in this very critical topic - Water Infrastructure. She thanked the CWC for all their hard work and efforts in this important subject. The CWC's meeting summary, in terms of a management approach, is a smart way to start. Additional time and work needs to be spent on this very vital area of water infrastructure, and it will tie in with initiatives that are on-going, whether it's Water Quality Management Planning, Water Supply Master Plan, or Green House Gas recommendations. In a time when the real estate market is where it is, and there is an economically enforced slow-down in the development process, it is a good time to think about the type of investments that should be made and how to prioritize them from a state, public, and private investments point of view.

Learn from past mistakes – since water infrastructure is one of the older fields, we should know what not to do which is as important as what to do.

The Commissioner said she likes the idea of integrated and holistic management. How does the Department accomplish this and what emphasis and momentum can we build around it? The Department has made an approach in the Water Quality Management Planning Process to be County-based. There has been considerable success in moving forward with that model and the CWC might want to look at it.

The Commissioner said she likes the idea of innovation and integrating all the major planning initiatives into a vision, projecting over the next 20 – 30 years, of what we want our State to look like. NJ's water infrastructure will be a critical factor in all future planning initiatives. Strong leadership will be needed at the highest level; such as, quarterbacking, whereby any future planning will need to incorporate the coordination of the investments in NJ's water infrastructure with Federal, State, County and Municipal Government Sectors. It was recognized that asset management is being utilized currently in the State utilities; however, a push-back by the consumers is being realized because of the continuing increases in the utility rates. It was noted, therefore, other innovative and creative financing initiatives, as well as additional Federal and State funding, will be needed to realize the ultimate planning objectives. NJ communities are being challenged, not only with improving their water environmental infrastructure, but also maintaining their utilities, too. The Department could consider, for Local Government Units utilizing NJ's Environmental Infrastructure Financing Program (NJEIFP), providing a loan condition so that the loan recipient must commit to adopt a user charge system that provides for the operation, maintenance and replacement costs for their water environmental infrastructure.

Dennis Hart reported that in this country, the Federal government is spending 6/10 of one percent of our Gross Domestic Product (GDP) on Water and Sewer Infrastructure. During President Reagan's years, it was 1.2 percent, or twice the amount; and during President Kennedy's years, it was three times the amount. There are 80,000 miles of water and sewer pipe in the ground which was built before the Wall Street Crash of 1929. Every year under President Bush's Administration, the Federal Clean Water Act funding has been reduced. NJ's Taxpayers and Legislature have not invested in NJ's water environment infrastructure since 2003. The NJEIFP is running out of SRF funds. Note that NJ's Clean Water and Drinking Water needs, as of 2004, is \$20 billion.

There are needs which could be put into 3 categories: needs that utilities can afford; needs that utilities can't afford; and big ticket needs, such as, CSOs. We need a system to address all three different needs.

Areas of focus to consider for next year's Public Hearing:

- 1) Funding on the Federal and State level for Water Environment Infrastructure for urban areas where there is a huge need, as well as on-going investments;
- 2) How to make sure utilities are doing a good management job and how to pay for it;
- 3) Center-based development in the rural areas which are likely to be more sprawling at a lower density.  
How can we encourage the right kind of growth in concert with creative energy conservation sources?

There has been discussion of a water tax to preserve open space, and the public understands this need. However, people don't understand or necessarily want a tax for water infrastructure. The Community's residents and their consultants talk about how to revitalize a town environmentally. The Commissioner said that we need to have people think about water infrastructure the same way they think about roads/highways as a means to invest in our economy. The Commissioner referred to the Transportation Trust Fund and said that the Council should consider investigating their marketing initiative as a model to stimulate universal public interest and support in NJ's water infrastructure.

The CWC realizes that we need to consider long-term solutions to the water infrastructure problem because of the current financial crisis the State is experiencing. Residents aren't usually sensitive to their water infrastructure needs, i.e., it is taken for granted, whereas the business community does so in favoring to locate and develop where adequate water infrastructure exists.

Pam Goodwin attended a Seminar on climate change and sustainability, and she said the speaker, Professor Eric Wolfe from Princeton University, was excellent. Pam recommended that he speak at this year's Public Hearing or at a future CWC Meeting. The Council told Pam to check with Professor Wolfe on his availability.

The CWC could invite speakers from DCA and BPU to the Public Hearing to get practical viewpoints for the communities. Other topics discussed were: innovative financing; federal/state funding updates; asset management; asset growth; and what do we want NJ's towns to look like in the future.

A discussion was held regarding the major constraints and bureaucratic impediments that need to be overcome. Examples were given where: present governance program's rules restrict innovation; confronted by numerous regulations from DEP/DCA/BPU; and challenged with economic and financing hardships. It was agreed that strong leadership needs to exist in order to implement the desired, integrated, approved environmental infrastructure plan.

Russ informed the Council that he will not be at June's CWC Meeting because he has to attend Jury Duty. Chris Sturm, Amy Goldsmith, Jessica Sanchez, Jim Requa, Narinder Ahuja, and Russ will work on doing an outline for the Public Hearing and what to continue to explore regarding water infrastructure. Dan Van Abs will assist by reviewing the draft document.

#### **DEP UPDATES:**

Narinder said that two people, Bill Wolfe and Dennis Palmer, testified at the public hearing for the proposed NJPDES Rules. The Licensed Operator Rules were drafted and are being reviewed. Lastly, Narinder commended the CWC for their excellent accomplishments over the past year and their water infrastructure recommendations to the Commissioner.

**NEW BUSINESS:**

None

**ANNOUNCEMENTS:**

None

**ADJOURNMENT:**

The meeting was adjourned at 11:30 p.m. with a motion from Jessica Sanchez, and it was seconded by Ray Zabihach.

**\*\* The next meeting of the Clean Water Council will be on June 10, 2008, beginning at 10:00 A.M., at the NJ Environmental Infrastructure Trust, Building 6, Suite 201, 3131 Princeton Pike, Lawrenceville, NJ \*\***