



Passaic Valley says sewer rates won't change

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At least one budget item won't go up this year for many cash-strapped North Jersey towns — their sewer charges.

The [Passaic](#) Valley Sewerage Commission, which treats sewage for 48 North Jersey communities, unveiled its 2013 budget Friday, leaving user charges unchanged from 2012.

"We took into consideration the current economic challenges that face our participating municipalities," Michael DeFrancisci, the commission's executive director, said in a statement. "All expenditures were systematically reviewed in an effort to hold or reduce expenses."

The budget grows less than 1 percent, to \$159.2 million, with the increases driven largely by payments on loans the commission took out in 2010 to pay for structural improvements at its 140-acre plant in Newark.

The commission handles sewage for about 1.4 million customers in most of the towns and cities that lie on either side of the [Passaic](#) River in Passaic, Bergen, Essex and Hudson counties, including [Paterson](#) and Newark.

The commission charges the towns based on how much sewage they send to the commission's facility for treatment; many of those towns pass the bill on to residents. While the overall charges assessed to the towns won't increase, the bill for individual towns might go up if they send more sewage to the commission for treatment than they did last year.

Most of the commission's budgeted revenue — about 80 percent — comes from those user fees the commission charges the 48 towns.

The commission also expects to generate about \$20 million through its liquid waste acceptance program, a \$500,000 increase over last year. The program, started in 1996, accepts non-hazardous liquid waste from outside the commission's sewer service area. The program currently handles about 200 trucks per day, as well as two barges and two ships per week. The liquid waste comes from about a dozen states, from Maine to Virginia.

The largest chunk of budget expenses — \$42 million — involve wages, though these will be reduced by about \$500,000 in 2013, because many retirees will be replaced with lower-paid personnel.

Health plan costs — \$13.2 million — were reduced by \$600,000 from last year because the commission switched to the state health benefits program, which offers cheaper plans, said commission spokeswoman Hollie Gilroy.

The new budget provides a 75 percent increase in money for structural improvements, to \$1.2 million. That will cover such planned maintenance projects as security system upgrades, air conditioning system replacements, concrete repairs, storage tank painting and electrical upgrades.

Sandy's hard lesson

The commission also faces \$250 million worth of damage repairs due to superstorm Sandy, as well as hardening the facility against future storms. About 75 percent of that work should be covered by the federal government. The commission will likely have to issue bonds to cover the rest.

Sandy pushed a 12-foot surge of bay water through the facility, flooding a network of tunnels and equipment and causing sewer lines to back up. As a result, billions of gallons of raw or partially treated sewage flowed into the [Passaic River](#) and New York Harbor for three weeks while the commission worked to bring the facility back online.

The commission went through a major overhaul in 2011, when [Governor Christie](#) forced the resignation of six sitting commissioners and declared a "state of emergency" at the

problem-plagued agency. Christie said the commission was rife with patronage and corruption. Day-to-day spending decisions were left in the hands of [Wayne J. Forrest](#), whom Christie put in charge.

During his two years as executive director, Forrest cut nearly 200 jobs from the commission payroll and reduced the budget by \$3 million, which allowed sewer rates to drop by 2 percent. DeFrancisci, the former [Little Falls](#) mayor, took over the commission last summer.

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