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STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
LOCAL FINANCE BOARD

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MONTHLY MEETING AGENDA \*

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Conference Room No. 129  
101 South Broad Street  
Trenton, New Jersey  
Wednesday, February 12, 2014

B E F O R E: THOMAS NEFF-CHAIRMAN  
IDIDA RODRIGUEZ-MEMBER  
JAIME FOX-MEMBER  
TED LIGHT-MEMBER  
FRANCIS BLEE-MEMBER

ALSO PRESENT:  
PATRICIA MC NAMARA-EXECUTIVE  
SECRETARY  
EMMA SALAY-DEPUTY EXECUTIVE SECRETARY

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1                   (Transcript of proceedings, February 12,  
2   2014, commencing at 10:50 a.m.)

3                   MR. NEFF: All right. The first  
4   item on the agenda is nine consent applications as  
5   as listed on the agenda. I'm not going to read  
6   them. The agenda will be reflected in the  
7   transcript. So take a motion on the first nine  
8   consent motions.

9                   MR. BLEE: Motion.

10                  MS. RODRIGUEZ: Second.

11                  MS. MC NAMARA: Point Pleasant  
12   Beach Borough should be the Borough of Point  
13   Pleasant.

14                  MR. NEFF: Okay. Number Three on the  
15   agenda should read Point Pleasant Borough, not  
16   Point Pleasant Beach Borough. So we have a motion  
17   on that?

18                  MR. LIGHT: Frank and Idida  
19   seconded.

20                  MR. NEFF: Take a roll call.

21                  MS. MC NAMARA: Mr. Neff?

22                  Mr. NEFF: Yes.

23                  MS. MC NAMARA: Ms. Rodriguez?

24                  MS. RODRIGUEZ: Yes.

25                  MS. MC NAMARA: Mr. Blee?

1 MR. BLEE: Yes.

2 MS. MC NAMARA: Mr. Fox?

3 MR. FOX: Yes.

4 MS. MC NAMARA: Mr. Light?

5 MR. LIGHT: Yes.

6 MR. NEFF: Then there are two other  
7 items on consent. Tax appeal matters, Pohatcong  
8 Township, \$1.45 million Proposed Refunding Bond  
9 Ordinance and Brick Township MUA, \$14.5 million  
10 Proposed Renewal of Notes and Proposed Project  
11 Financing. Take a motion on those?

12 MR. BLEE: Motion.

13 MR. NEFF: I'll second it. Roll  
14 call.

15 MS. MC NAMARA: Mr. Neff?

16 MR. NEFF: Yes.

17 MS. MC NAMARA: Ms. Rodriguez?

18 MS. RODRIGUEZ: Yes.

19 MS. MC NAMARA: Mr. Blee?

20 MR. BLEE: Yes.

21 MR. FOX: Yes.

22 MS. MC NAMARA: Mr. Light?

23 MR. LIGHT: Yes.

24 MR. NEFF: North Hudson Sewerage  
25 Authority is deferred until next month. Next up

1 is Passaic Valley Water Commission, our one and  
2 only application for today, which I think is the  
3 first ever.

4 (Yitzhak Weiss, Joseph Bella, Jeff  
5 Enright, being first duly affirmed or sworn  
6 according to law by the Notary.)

7 MR. WEISS: Yitzhak Weiss,  
8 W-e-i-s-s.

9 MR. BELLA: Joseph Bella, B-e-l-l-a.

10 MR. ENRIGHT: Jeff Enright.

11 MR. EICHENBAUM: Howard Eichenbaum.  
12 Good morning. My name is Howard Eichenbaum. I'm an  
13 attorney with Gluck, Walrath, bond counsel for the  
14 Passaic Valley Water Commission.

15 We are here today for an  
16 application for project financing for  
17 approximately twenty-four and a half million  
18 dollars of capital expenditures to various  
19 elements of the water system.

20 We've got the executive director,  
21 the CFO, the financial advisor here if there are  
22 any questions.

23 MR. NEFF: Okay, just one matter.  
24 We had received--the Board had received  
25 correspondence from somebody named Robert

1 Guarasci, spelled G-u-a-r-a-s-c-i.

2 MR. FOX: "Guarasci."

3 MR. NEFF: I'm just going to read  
4 into the transcript what he had written to us. I  
5 will ask you a quick question about it for the  
6 record.

7 It says: "Dear Mr. Neff, I  
8 reviewed the documents submitted by the Passaic  
9 Valley Water Commission to the Local Finance Board  
10 requesting approval for \$24.5 million in bonds and  
11 reviewed the documents to determine if proceeds  
12 from these bonds could be used by the PVWC to  
13 advance their \$120 million plan to replace local  
14 reservoirs with water holding tanks.

15 "We have strong objections to this  
16 plan and are particularly concerned that the PVWC  
17 Reservoir Replacement Plan has advanced without  
18 any public discussion and consideration of  
19 alternatives, as other communities around the  
20 country have done".

21 "The executive summary presented to  
22 the Local Finance Board states funds could be used  
23 for improvements and to repair the open finished  
24 water reservoirs. That is similar to language in  
25 the PVWC Resolution from January 22nd, 2014,

1 authorizing the request to the Local finance  
2 Board. Which states funds could be used from the  
3 improvements to the reservoirs. Our original  
4 concern was that bond proceeds could be used for  
5 reservoir replacement projects.

6 "However, I just received a call  
7 from Howard Eichenbaum, an attorney at Gluck,  
8 Walrath, who is representing the PVWC in their  
9 application before the Local Finance Board. Mr.  
10 Eichenbaum informed me that funding for components  
11 of the reservoir replacement project was  
12 previously included in earlier requests for bond  
13 funds, but that this earlier application was not  
14 advanced.

15 "Mr. Eichenbaum assured me that the  
16 current bond application before the Local Finance  
17 Board does not include any funding for the  
18 reservoir replacement project, and that any  
19 reference to the project in the material is in  
20 error.

21 "To clarify this matter, I would  
22 suggest that the Local Finance Board make it a  
23 condition amending its resolution before approval.  
24 To include language that makes it clear that these  
25 bond proceeds will not be used for any component

1 of the PVWC plan to replace reservoirs with water  
2 holding tanks."

3 I had written back and said I don't  
4 think that's necessary, because the application  
5 doesn't indicate as much. And I indicated to him  
6 that I would read his comments back and ask if you  
7 could verify for the record that these funds  
8 aren't being used in the manner which he was  
9 concerned?

10 MR. EICHENBAUM: What he stated is  
11 correct. I spoke with him yesterday. I told him  
12 and I followed up with an email to explain to him.  
13 He was appreciative and he said he would be  
14 reaching out to you as well.

15 MR. NEFF: All right. I just wanted  
16 to make that clear for the record. So he has some  
17 comfort that what's happening is not what he is  
18 concerned what might be happening.

19 With that, anybody have a motion to  
20 move the matter?

21 MR. BLEE: Motion to approve.

22 MR. FOX: Second.

23 MR. NEFF: Roll call.

24 MS. MC NAMARA: Mr. Neff?

25 MR. NEFF: Yes.

1 Ms. MC NAMARA: Ms. Rodriguez?  
2 MS. RODRIGUEZ: Abstain.  
3 MS. MC NAMARA: Mr. Blee?  
4 MR. BLEE: Yes.  
5 MS. MC NAMARA: Mr. Fox?  
6 MR. FOX: Yes.  
7 MS. MC NAMARA: Mr. Light?  
8 MR. LIGHT: Yes.  
9 MR. NEFF: Okay, thanks.  
10 MR. EICHENBAUM: Thank you.  
11 MR. NEFF: I need a motion to  
12 adjourn.  
13 MS. RODRIGUEZ: So moved.  
14 MR. NEFF: Second.  
15 MS. MC NAMARA: All in favor?  
16 (Upon a unanimous affirmative  
17 response, the matter stands adjourned at 11:00  
18 a.m.)  
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C E R T I F I C A T E

I, CHARLES R. SENDERS, a Certified Shorthand Reporter and Notary Public of the State of New Jersey, do hereby certify that prior to the commencement of the examination, the witness was duly sworn by me to testify to the truth, the whole truth and nothing but the truth.

I DO FURTHER CERTIFY that the foregoing is a true and accurate transcript of the testimony as taken stenographically by and before me at the time, place and on the date hereinbefore set forth, to the best of my ability.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.

C:\TINYTRAN\Charles Senders.bmp

CHARLES R. SENDERS, CSR NO. 596

DATED: February 14, 2014

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