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1987

PUBLIC HEARING

before

ASSEMBLY INDEPENDENT AND REGIONAL AUTHORITIES COMMITTEE

A record of testimony on
Assembly Bills 2047, 2048, and 2570

(Flood Control Bills)

May 26, 1987
Wayne Municipal Building
Wayne, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman William "Pat" Schuber, Chairman
Assemblywoman Marion Crecco
Assemblyman Paul DiGaetano

ALSO PRESENT:

Assemblyman Nicholas R. Felice
District 40

Edward P. Westreich
Office of Legislative Services
Aide, Assembly Independent and Regional
Authorities Committee

* * * * *

Hearing Recorded and Transcribed by
Office of Legislative Services
Public Information Office
Hearing Unit
State House Annex
CN 068
Trenton, New Jersey 08625



GENERAL ASSEMBLY OF NEW JERSEY
ASSEMBLY MAJORITY OFFICE
2ND FLOOR, STATE HOUSE ANNEX

CN-098

TRENTON, NEW JERSEY 08625

(609) 292-5339

CHUCK HARDWICK
SPEAKER

BRADLEY S. BREWSTER
EXECUTIVE DIRECTOR

May 26, 1987

Ms. Virginia E. Haines
Clerk of the General Assembly
State House Annex
Trenton, NJ 08625

Dear Ms. Haines:

Please be advised that the Assembly Independent and Regional Authorities Committee is authorized to hold a public hearing on Assembly Bill No. 2048 in Wayne, New Jersey, on May 26, 1987, notwithstanding that under R.140 of the Rules of the Assembly public hearings are generally required to be conducted in the State House, Trenton.

Thank you for your kind attention to this matter.

Very truly yours,

Chuck Hardwick

ASSEMBLY, No. 2047

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 20, 1986

By Assemblymen MILLER, ZECKER, LOVEYS, MARTIN, FELICE
and KERN

AN ACT creating the Passaic River Basin Flood Control Authority;
defining its functions, powers and duties; creating a Passaic
River Basin Flood Control Local Government Committee; de-
fining its functions, powers and duties; and making an appropria-
tion.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the "Passaic
2 River Basin Flood Control Authority Act."

1 2. It is declared to be in the public interest and to be the policy
2 of the State to foster and promote by all reasonable means the
3 management of the flood plain area of the Passaic River Basin
4 so as to minimize flood losses and to prevent the degradation of
5 scenic and historic values, and thus to reduce, and, where possible,
6 ultimately abate the menace to the economic vitality of the region
7 and the public health, safety and general welfare resulting from
8 this flooding and degradation. The recurring flooding conditions
9 in the Passaic River Basin tend to be intermunicipal or intercounty
10 in nature, creating the need for a new organizational structure
11 capable of assisting these entities in resolving their mutual prob-
12 lems. It is the purpose and object of this act to further and im-
13 plement this policy by:

14 a. Establishing a Passaic River Basin Flood Control Authority
15 to prepare, in cooperation with other governmental agencies, a
16 comprehensive flood control plan for the Passaic River Basin, to

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted May 28, 1987.

17 review plans for flood control submitted by other governmental
 18 agencies, to acquire such real property and to plan, acquire, con-
 19 struct, maintain, operate or improve such works as may be neces-
 20 sary to a comprehensive flood control system, to enter into agree-
 21 ments with other governmental agencies regarding the acquisition
 22 of real property and the planning, construction, maintenance,
 23 operation or improvement of works necessary to a comprehensive
 24 flood system, to assist the State and local units in enforcing and
 25 meeting the requirements of flood control laws, rules, regulations
 26 and ordinances, and to prevent the degradation of the scenic and
 27 historic qualities of the Passaic river and its tributaries;

28 b. Providing for the financing of the operations of the authority
 29 by empowering it to accept gifts and federal and State aid; and

30 c. Providing for local government participation in the actions
 31 and operations of the authority by establishing a local government
 32 committee.

1 3. As used in this act:

2 a. "Authority" means the Passaic River Basin Flood Control
 3 Authority created by this act.

4 b. "Basin" means the geographic area encompassing the fol-
 5 lowing municipalities: in Bergen county, Allendale, Elmwood
 6 Park, Fair Lawn, Franklin Lakes, Garfield, Glen Rock, Has-
 7 bronck Heights, Ho-Ho-Kus, Lodi, Lyndhurst, Mahwah, May-
 8 wood, Midland Park, Montvale, North Arlington, Oakland,
 9 Paramus, Ramsey, Ridgewood, Rochelle Park, Rutherford,
 10 Saddle Brook, Saddle River, South Hackensack, Upper Sad-
 11 dle River, Waldwick, Wallington, Washington, Wood-Ridge,
 12 Woodcliff Lake and Wyckoff; in Essex county, Belleville, Bloom-
 13 field, Caldwell, Cedar Grove, East Orange, Fairfield, Glen Ridge,
 14 Livingston, Millburn, Montclair, Newark, North Caldwell, Nutley,
 15 Orange, Roseland, South Orange, Verona, West Caldwell and
 16 West Orange; in Hudson county, East Newark, Harrison and
 17 Kearny; in Morris county, the town of Boonton, the township of
 18 Boonton, Butler, the borough of Chatham, the township of Chat-
 19 ham, Denville, Dover, East Hanover, Florham Park, Hanover,
 20 Harding, Jefferson, Kinnelon, Lincoln Park, Madison, the bor-
 21 ough of Mendham, the township of Mendham, Mine Mill, Mont-
 22 ville, Morris, Morris Plains, Morristown, Mount Arlington, Moun-
 23 tain Lakes, Parsippany-Troy Hills, Passaic, Pequannock, Ran-
 24 dolph, Riverdale, the borough of Rockaway, the township of Rocka-
 25 way, Roxbury and Victory Gardens; in Passaic County, Bloom-
 26 ingdale, Clifton, Haledon, Hawthorne, Little Falls, North Hale-
 27 don, Passaic, Paterson, Pompton Lakes, Prospect Park, Ring-

28 wood, Totowa, Wanaque, Wayne, West Milford and West Pater-
 29 son; in Somerset county, Bernards, Bernardsville, Far Hills and
 30 Warren; in Sussex county, Hardyston, Sparta and Vernon; and
 31 in Union county, Berkeley Heights, New Providence and
 32 Summit.

33 c. "Commissioner" means the Commissioner of the Department
 34 of Environmental Protection.

35 d. "Committee" means the Passaic River Basin Flood Control
 36 Local Government Committee established by section 9 of this act.

37 e. "Construction" means, in addition to the usual meaning
 38 thereof, acts of construction, reconstruction, replacement, exten-
 39 sion, improvement and betterment.

40 f. "Department" means Department of Environmental Protec-
 41 tion.

42 g. "Flood" means an overflow or inundation coming from a
 43 river or other body of water.

44 h. "Flood control" means the prevention of flood damage by
 45 means of natural detention areas or detention areas returned to
 46 their natural state, warning systems, storage reservoirs, natural
 47 or restored detention areas, dikes, diversions, dams, spillways,
 48 levees, revetments, drains, ditches or channel improvements such
 49 as widening, deepening, straightening, clearing, sloping, building,
 50 filling in and all other alterations.

51 i. "Flood control system" means the plants, structures and
 52 other real and personal property acquired, constructed or oper-
 53 ated or to be acquired, constructed or operated by the authority
 54 for the purposes of flood control and such other plants, structures,
 55 conveyances and any other real and personal property, and rights
 56 therein, and appurtenances necessary, useful or convenient for
 57 flood control.

58 j. "Governmental agency" means a municipality, a county, the
 59 State, the federal government, or any instrumentality, agency or
 60 subdivision thereof.

61 k. "Local unit" means any county or municipality comprising
 62 the committee.

63 l. "Project" means any work relating to flood control as under-
 64 taken by the authority.

65 m. "Real property" means lands and improvements thereon,
 66 or any rights or interests therein.

1 4. a. There is established ~~in~~ the Department ~~of~~ a public body
 2 corporate and politic with corporate succession, to be known as the
 3 "Passaic River Basin Flood Control Authority." The authority is
 4 constituted as an instrumentality of the State, exercising public

5 and essential governmental functions to provide for the public
6 health and welfare, and the exercise by the authority of the
7 powers conferred by this act shall be deemed and held to be an
8 essential governmental function.

9 b. The authority shall consist of 15 members appointed by the
10 Governor after consultation with the committee and with the
11 advice and consent of the Senate for terms of four years, except
12 that of the members of the authority first appointed by the Gov-
13 ernor, four shall serve for one year, four shall serve for two years,
14 four shall serve for three years, and three shall serve for four
15 years. The members so appointed shall be selected from residents
16 of the Passaic River Basin and shall be chosen so that, to the
17 extent practicable, all geographic areas of the basin are repre-
18 sented and that experts in engineering, planning, the environment,
19 and municipal and county government are represented. At least
20 one member shall be selected from each of the eight counties which
21 encompass the Passaic River Basin: Bergen, Essex, Hudson, Mor-
22 ris, Passaic, Somerset, Sussex and Union. No member of the com-
23 mittee may be appointed to the authority. Each member shall hold
24 office for the term of his appointment and until a successor has been
25 appointed and qualified. A member shall be eligible for reappoint-
26 ment. Any vacancy in the membership occurring other than by
27 expiration of term shall be filled in the same manner as the original
28 appointment but for the unexpired term only.

29 c. Each member may be removed from office by the Governor,
30 for cause, after a public hearing, and may be suspended by the
31 Governor pending the completion of the hearing. Each member
32 before entering the duties of office shall take and subscribe an
33 oath to perform these duties faithfully, impartially and justly to
34 the best of the member's ability. A record of these oaths shall
35 be filed in the office of the Secretary of State.

36 d. No member, officer or employee of the authority shall have
37 or acquire any interest, direct or indirect, in the flood control sys-
38 tem or in any property included or planned to be included in the
39 flood control system or in any contract or proposed contract for
40 materials or services to be furnished or used by the authority, but
41 the holding of any office or employment in the government of any
42 county or municipality, except as provided in subsection b. of this
43 section, or any other law of the State, shall not be deemed a dis-
44 qualification for membership in or employment by the authority.

45 e. The chairperson, who shall be the chief executive officer of the
46 authority, shall be elected by the members of the authority from
47 its membership. The authority shall elect a secretary and a

48 treasurer, and the same person may be elected to serve both as
49 secretary and treasurer. The powers of the authority shall be
50 vested in the members thereof in office from time to time, and nine
51 members of the authority shall constitute a quorum at any meeting
52 thereof. Action may be taken and motions and resolutions adopted
53 by the authority at any meeting thereof by the affirmative vote of
54 at least a majority of the members present, except as indicated
55 in section 10 of this act. No vacancy in the membership of the
56 authority shall impair the right of the remaining members to
57 exercise all the powers and perform all the duties of the authority.

58 f. Each member and the treasurer of the authority shall execute
59 a bond to be conditioned upon the faithful performance of the
60 duties of the member or treasurer, as the case may be, in such
61 form and amount as may be prescribed by the department. The
62 bonds shall be filed in the office of the Secretary of State. At all
63 times thereafter, the members and the treasurer of the authority
64 shall maintain the bonds in full force and effect. All costs of the
65 bonds shall be borne by the authority.

66 g. The members of the authority shall serve without compensa-
67 tion, but the authority shall reimburse its members for actual
68 expenses necessarily incurred in the discharge of their duties.

1 5. a. The authority is directed to prepare, in consultation with
2 the department and with other governmental agencies, a com-
3 prehensive flood control plan for the basin, which shall be directed
4 toward the control of floods but shall give due consideration to
5 the related areas of water quality, water supply, and the scenic
6 and historic qualities of the basin. The authority shall, prior to
7 adoption, hold an advertised public hearing on the plan in each
8 constituent county and the plan shall be available for public in-
9 spection at the office of the authority and at the office of the clerk
10 of each local unit.

11 b. A copy of any proposal to adopt, amend or repeal a zoning
12 ordinance, a flood control ordinance, a master plan or an official
13 map by any county or municipality, which would affect any land
14 in the basin shall be forwarded to the authority for review and
15 comments; however, the approval of the authority shall not be
16 required prior to adoption or amendment.

17 c. The authority is directed, subject to the limitations of this
18 act and in conformance with its flood control plan, to acquire, in
19 its own name, by purchase, gift, condemnation or otherwise, real
20 property and flood control structures to implement, construct,
21 operate, maintain and use a flood control system. The system shall
22 be designed to provide an effective, environmentally protective

23 and satisfactory method for promoting the purposes of the
24 authority.

25 d. Any real property acquired by the authority for use as natural
26 detention areas or constructed dry detention basins may be turned
27 over to the respective county park agencies for development as
28 park land or for preservation as open space and for maintenance.

29 e. The authority shall submit an environmental impact state-
30 ment to the department for approval before undertaking or agree-
31 ing to undertake any construction of a flood control system and
32 affirmatively demonstrate compliance with all State and local
33 environmental protection requirements. The authority shall pre-
34 pare the statement in accordance with guidelines established by
35 the department and the statement shall include the record of a
36 public hearing to be held at such time and place as shall be con-
37 venient for residents of the area in which the project is proposed
38 to be located. The authority shall make available prior to the
39 hearing information concerning the project to any interested party
40 who wishes to submit comments at the public hearing.

41 f. The authority is directed, when in its judgment its flood
42 control system or any part thereof will benefit, to regulate within
43 the basin any bodies of water which are potential sources of flood-
44 ing, subject to any other provision of law which is applicable. The
45 authority shall assist the department in delineating and marking
46 flood hazard areas and shall assist in enforcing any of the rules
47 or regulations promulgated by the department and any flood control
48 ordinance adopted by a constituent municipality. In the develop-
49 ment of the flood control system, the authority is further directed
50 to concern itself with the special water pollution problems arising
51 after the occurrence of heavy rains.

1 6. Except as otherwise limited by this act, the authority has the
2 power:

3 a. To sue and be sued;

4 b. To make and enter into all contracts and agreements neces-
5 sary or incidental to the performance of its duties and the exercise
6 of its powers under this act;

7 c. To have an official seal and alter the seal at pleasure;

8 d. To make and alter bylaws for its organization and internal
9 management and for the conduct of its affairs and business, which
10 bylaws shall be available for inspection at the office of the authority
11 and at the office of the clerk of each constituent municipality;

12 e. To draw up and adopt an annual budget subject to the pro-
13 visions of section 10 of this act;

14 f. To make, amend, repeal and enforce resolutions for carrying
15 its powers into effect;

16 g. To maintain an office at such places within the State as it
17 may determine;

18 h. To acquire, lease as lessee or lessor, rent, hold, use and dis-
19 pose of real or personal property for its purposes;

20 i. To borrow money;

21 j. To procure insurance against any losses in connection with
22 its property, operations or assets in such amounts and from such
23 insurers as it deems desirable;

24 k. To invest moneys of the authority not required for immediate
25 use in such obligations, securities and other investments as are
26 permitted by law for municipalities, counties and school districts;

27 l. To appoint and employ an executive director and such addi-
28 tional officers who need not be members of the authority and ac-
29 countants, financial advisors or experts and such other officers,
30 agents and employees as it may require and determine their quali-
31 fications, terms of office, duties and compensation, all without
32 regard to the provisions of Title ~~*[11]*~~ **11A** of the ~~*[Revised]*~~
33 **New Jersey** Statutes, except that it is the express intent of the
34 Legislature that the authority within its discretion shall utilize, to
35 the fullest extent feasible, the services of the officers, personnel and
36 consultants of the constituent counties and municipalities;

37 m. To contract for and to accept any gifts, grants or loans of
38 funds or property, or financial or other aid in any form from the
39 United States of America, or any agency or instrumentality
40 thereof, or from the State or any agency, instrumentality or polit-
41 ical subdivision thereof, or from any other source, and to comply,
42 subject to the provisions of this act, with the terms and conditions
43 thereof;

44 n. To acquire, for the purposes of flood control and subject to
45 the provisions of any other law, in the name of the authority by
46 purchase or otherwise, on such terms and conditions and in such
47 manner as it may deem proper, or except with respect to property
48 owned by the federal government, the State, or its political sub-
49 divisions, by the exercise of the power of eminent domain, any
50 land and other property within the basin, which it may deem
51 ~~*[clearly]*~~ necessary for any of its projects **or purposes**, and
52 any rights, title and interest in this land and other property, in-
53 cluding, if there is no prudent and feasible alternative, public lands,
54 reservations, highways or parkways, owned by, or in which the
55 State or any county, municipality, public corporation, or other
56 political subdivision of the State has any right, title or interest, or

57 parts thereof, or rights therein, and any fee simple absolute or any
 58 lesser interest in private property, and any fee simple absolute or
 59 any lesser interest in easements upon, or the benefit of restrictions
 60 upon, abutting property to preserve and protect these projects *or
 60A *to effectuate these purposes. The authority shall develop a program*
 60B *under which it may make offers to, or solicit, through advertise-*
 60C *ment or other means, offers from property owners in the basin for*
 60D *any flood control purposes or projects of the authority under this*
 60E *act. The authority may, in conjunction with its powers under this*
 60F *subsection, buy any land or buildings it deems necessary to control*
 60G *flooding or to fulfill any of its other responsibilities under this act;*
 60H *provided, however, that if the authority intends to make an offer to*
 60I *purchase a building used as the primary residence of an individual*
 60J *on the effective date of this act, the authority shall base its offer*
 60K *upon the cost that an individual would incur in purchasing a com-*
 60L *parable residence which is not the subject of a declaration of taking*
 60M *filed with the clerk of the Superior Court by the authority or other*
 60N *governmental agency, and which is located within a comparable*
 60O *area in the same county which is not subject to flooding*;*

61 o. To enter on any lands, waters or premises for the purpose
 62 of making surveys, borings, soundings and examinations for the
 63 purposes of the authority;

64 p. To do and perform any acts and things authorized by this
 65 act under, through, or by means of, its officers, agents or employees;

66 q. To establish and enforce rules and regulations for the use or
 67 operation of its projects or the conduct of its activities, and pro-
 68 vide for the policing and the security of its projects;

69 r. In addition to the other powers conferred by this act or by
 70 any other law, and not in limitation thereof, the authority, in
 71 connection with the construction or operation of any of its projects,
 72 improvements, or activities, shall have power to make reasonable
 73 regulations for the installation, construction, maintenance, repair,
 74 renewal, relocation or removal of tracks, pipes, mains, conduits,
 75 cables, wires, towers, poles, or any other equipment and appliances.
 76 Whenever the authority determines that in any project, improve-
 77 ment or operation it is necessary that facilities, which are, or here-
 78 ~~after may be, located in, on, along, over, or under real property~~
 79 including public lands, waters, parks, roads, streets, highways,
 80 playgrounds and reservations, should be relocated in the real prop-
 81 erty, including public lands, waters, parks, roads, streets, highways,
 82 playgrounds and reservations, or should be removed therefrom,
 83 the public utility owning or operating these facilities shall relocate
 84 or remove the same in accordance with the order of the authority;
 85 except that the cost and expense of this relocation or removal,

86 including the cost of installing these facilities in a new location and
87 the cost of any lands or any rights or interest in lands or any other
88 rights acquired to accomplish this relocation or removal, less the
89 cost of any lands or any rights or interests in lands or any other
90 rights of the public utility paid to the public utility in connection
91 with the relocation or removal of this property, shall be paid by
92 the authority and may be included in the cost of these projects,
93 improvements or operations. In case of any relocation or removal
94 of facilities, the public utility owning or operating the same, its
95 successors or assigns, may maintain and operate these facilities,
96 with the necessary appurtenances, in the new location for as long
97 a period, and upon the same terms and conditions, as it had the
98 right to maintain and operate these facilities in their former
99 location;

100 s. ***[Undertake]*** **To undertake** the construction of bridge im-
101 provements and to engage in dredging and desnagging activities
102 and projects on the Passaic river or at any inlet, estuary or
103 tributary waterway thereof, or on any inland waterway adjacent to
104 any inlet, estuary or tributary waterway of the Passaic river which
105 may be necessary for flood control and to prevent or repair damage
106 caused by erosion or storm; except that the municipality and county
107 in which this work is undertaken shall acquire and make available
108 without cost to the authority all lands, easements and rights of way
109 required in connection with this work. All work shall be done under
110 contract with and under the supervision of the authority, subject
111 to the provisions of any other law of this State; and

112 t. To do any things necessary or convenient to carry out its
113 purposes in accordance with the powers expressly given and
114 granted by this act.

1 7. The authority may establish the reserves, funds or accounts
2 as may be necessary or desirable to further the accomplishment
3 of the purposes of the authority or to comply with the provision
4 of any agreement made by or any resolution of the authority.

1 8. Upon the exercise of the power of eminent domain, the com-
2 pensation to be paid thereunder shall be ascertained and paid in
3 the manner provided by ***[the "Eminent Domain Act of 1971," P. L.**
4 **1971, c. 361 (C. 20:3-1 et seq.)]*** **law**, and the authority is
5 authorized to file with the clerk of the Superior Court a declaration
6 of taking **in the manner provided by law**.

1 9. a. There is established a Passaic River Basin Flood Control
2 Local Government Committee, the membership of which shall
3 consist of the mayor or chief executive of each municipality in the
4 basin, or a designated alternate, who shall be a member of the
5 municipal environmental commission in those municipalities where

6 these commissions have been established, and the chairpersons of
7 the Bergen, Essex, Hudson, Morris, Passaic, Somerset, Sussex and
8 Union county planning boards, or their designated alternates.

9 b. The committee shall hold its first meeting as soon as possible
10 after the effective date of this act.

11 c. A majority of the membership of the committee shall con-
12 stitute a quorum for the transaction of committee business. Action,
13 except as otherwise specifically provided herein, may be taken and
14 motions and resolutions adopted by the committee at any meeting
15 thereof by the affirmative vote of a majority of the full member-
16 ship of the committee. The committee shall elect from its member-
17 ship a liaison subcommittee consisting of 11 members. It is the
18 purpose of the liaison subcommittee to act as liaison between the
19 authority and the committee.

20 d. The committee shall meet regularly as it may determine, and
21 may also meet at the call of the executive director of the authority.

22 e. The committee shall appoint a chairperson from among its
23 members and such other officers as may be necessary.

24 f. Members of the committee shall serve without compensation,
25 and each member shall serve only so long as the member holds
26 the office which entitles the member to committee membership or,
27 if the member is an alternate, only so long as the official who desig-
28 nated the member remains in office. The committee may reimburse
29 its members for necessary expenses incurred in the discharge of
30 their duties.

1 10. a. The authority shall conduct a public hearing concerning
2 the proposed annual budget at least 60 days prior to the final adop-
3 tion thereof.

4 b. The authority shall submit its proposed annual budget to the
5 committee for review, at least 45 days prior to the final adoption
6 thereof.

7 c. The committee shall review the proposed annual budget sub-
8 mitted to it by the authority pursuant to this section and shall in-
9 dicate its position in writing to the authority. The committee may
10 reject or modify the proposed annual budget by an affirmative vote
11 of a majority of the full committee. The authority shall not adopt,
12 ~~pursuant to this section, the proposed annual budget if it was~~
13 formally rejected by the committee.

14 d. Failure of the committee to state its position within 45 days
15 of the receipt of the proposed annual budget so referred to the com-
16 mittee shall be deemed to constitute approval thereof.

17 e. Upon approval by the committee and adoption by the author-
18 ity, the authority shall submit this annual budget to the depart-

19 ment for inclusion in the plan the department provides annually
20 to the Legislature under sections 26 and 27 of P. L. , c. .
21 (C.) (now pending before the Legislature as Assembly
22 Bill No. 2048 of 1986).

1 11. Any governmental entity, notwithstanding any contrary pro-
2 vision of law, except any requiring notice or public hearing, may
3 lease, lend, grant or convey to the authority at its request upon
4 such terms and conditions as the governing body or other proper
5 authority of the governmental entity may deem reasonable and
6 fair and without the necessity for any advertisement, order of
7 court or other action or formality, other than the ordinance,
8 resolution or regular action thereof, any real property or interest
9 therein which may be necessary to the effectuation of the purposes
10 of this authority.

1 12. Every project, when constructed and placed in operation,
2 shall be maintained and kept in good condition and repaired by
3 the authority and shall be subject to all orders and applicable acts,
4 rules and regulations of the department. Every project shall be
5 operated by such operating employees as the authority may employ
6 or pursuant to a contract or lease with a governmental agency or
7 person.

1 13. Any governmental agency or combination thereof may co-
2 operate with the authority in the acquisition or construction of a
3 project and shall enter into such agreements with the authority as
4 are necessary with a view to effective cooperative action and safe-
5 guarding of the respective interests of the parties thereto, which
6 agreements shall provide for such contributions by the parties
7 thereto in such proportion as may be agreed upon and such other
8 terms as may be mutually satisfactory to the parties including,
9 without limitation, the authorization of the construction of the
10 project by one of the parties acting as agent for all of the parties
11 and the ownership and control of the project. Any governmental
12 agency may provide such contribution as is required under such
13 agreements by the appropriation of money or, if otherwise au-
14 thorized by law to issue bonds or levy taxes or assessments and
15 issue bonds in anticipation of the collection thereof, by the issuance
16 of bonds or by the levying of taxes or assessments and the issuance
17 of bonds in anticipation of collection thereof, and by the payment
18 of the appropriated money or the proceeds of the bonds to the
19 authority pursuant to the agreements.

1 14. On or before the last day of February in each year the
2 authority shall make an annual report of its activities for the
3 preceding calendar year to the Governor, to the Legislature, to the

4 governing bodies of Bergen, Essex, Hudson, Morris, Passaic,
5 Somerset, Sussex and Union counties and to the governing body
6 of each constituent municipality. Each report shall set forth a
7 complete operating and financial statement covering its operations
8 during the year and shall include a description and analysis of the
9 progress of flood control within the basin. The authority shall
10 cause an audit of its books and accounts to be made at least once
11 in each year by certified public accountants and the cost thereof
12 shall be considered an expense of the authority and a copy thereof
13 shall be filed with the Director of the Division of Budget and Ac-
14 counting in the Department of the Treasury.

1 15. All officials and agencies of the State and of the concerned
2 counties and municipalities are authorized to render any of such
3 services to the authority as may be within the area of their respec-
4 tive governmental functions as fixed or established by law, and as
5 may be requested by the authority. The cost and expense of the
6 services shall be met and provided for by the authority.

1 16. No contract on behalf of the authority shall be entered into
2 for the doing of any work, or for the hiring of equipment or
3 vehicles, where the sum to be expended exceeds the sum of \$7,500.00,
4 unless the authority shall first publicly advertise for bids therefor,
5 and shall award the contract to the lowest responsible bidder;
6 except that advertising shall not be required where the contract
7 to be entered into is one for the supplying of any product or the
8 rendering of any service by a public utility subject to the jurisdic-
9 tion of the Board of Public Utilities and the tariffs and schedules
10 of the charges made, charged, or exacted by the public utility for
11 any products to be supplied or services to be rendered are filed
12 with the board. This section shall not prevent the authority from
13 having any work done by its own employees, nor shall it apply to
14 repairs, or to the furnishing of materials, supplies or labor, or the
15 hiring of equipment or vehicles, when the safety or protection of
16 its or other public property or the public convenience require, or
17 the exigency of the authority's service will not admit this advertise-
18 ment. In this case, the authority shall declare, by a resolution
19 passed by the affirmative vote of a majority of its members, the
20 exigency or emergency to exist, and set forth in the resolution the
21 nature thereof and the approximate amount to be expended.

1 17. All projects and other property of the authority are declared
2 to be public property devoted to an essential public and govern-
3 mental function and purpose and shall be exempt from all taxes
4 and special assessments of the State or any political subdivision
5 thereof; except that when any part of the project site not occupied
6 or to be occupied by facilities of the project is leased by the

7 authority to another whose property is not exempt and the leasing
8 of which does not make real estate taxable, the estate created by
9 the lease and the appurtenances thereto shall be listed as the prop-
10 erty of the lessee thereof and be assessed and taxed as real estate.

1 18. This act shall be construed liberally to effectuate the legis-
2 lative intent and the purposes of the act for the performance of
3 each act herein authorized and all powers herein granted shall be
4 broadly interpreted to effectuate the intents and purposes of this
5 act and not as a limitation of powers.

1 19. The authority may hold discussions with existing sewerage
2 authorities and such other entities that may be established, with
3 the objective of proposing legislation providing for a merger or
4 consolidation of the authorities.

1 **20. Subject to the provisions of section 5 of this act, each muni-*
2 *cipality in the basin, not later than the 180th day after the effective*
3 *date of this act, shall adopt, in conformity with the requirements of*
4 *this section, a flood control ordinance. If, on the effective date of*
5 *this act, a municipality in the basin has a flood control ordinance in*
6 *effect, the municipality shall adopt any revisions thereto as may be*
7 *necessary to ensure that, not later than the 180th day after the*
8 *effective date of this act, the ordinance conforms to the require-*
9 *ments of this section. Each flood control ordinance adopted under*
10 *this section shall conform to all relevant federal and State laws,*
11 *rules and regulations concerning flood control and shall be designed*
12 *to: reduce flood damage, including damage to life and property;*
13 *minimize storm water runoff from any property where this runoff*
14 *will increase flood damage; reduce soil erosion from any property*
15 *site; assure the structural adequacy of existing flood control facili-*
16 *ties; induce water recharge into the ground to the extent practi-*
17 *cable; prevent, to the maximum extent possible, increases in*
18 *ground, water or groundwater pollution; maintain the adequacy of*
19 *river, stream and other drainage or runoff channels, and limit land*
20 *use and construction in a manner so as to prevent exacerbation of*
21 *existing flood areas and to avoid the creation of new flood areas.**

1 ***[20.]** **21.** a. There is appropriated to the department from
2 the General Fund, \$500,000.00, or so much thereof as may be
3 necessary, to coordinate flood control activities with the authority.

4 b. There is appropriated to the authority from the General Fund,
5 \$6,500,000.00, not more than five percent of which shall be used for
6 administrative costs connected with flood control projects.

1 ***[21.]** **22.** Once the funds appropriated to the authority under
2 section ***[20.]** **21.** of this act are expended, the commissioner

3 shall submit with the annual budget request of the department an
4 amount determined in conjunction with the authority for the provi-
5 sion of the operating expenses of the authority for the upcoming
6 fiscal year.

1 ~~["22."]~~ *23.* This act shall take effect immediately.

FLOOD AND DROUGHT CONTROL

Creates the Passaic River Basin Flood Control Authority to plan
and implement flood control strategies, creates a Local Govern-
ment Committee which must approve the authority's annual bud-
get; appropriates \$7,000,000.00.

ASSEMBLY, No. 2048

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 20, 1986

By Assemblymen MILLER, ZECKER, LOVEYS, MARTIN,
FELICE and KERN

AN ACT to authorize the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of \$75,000,000.00 for the purpose of providing economic assistance to the Passaic River Basin Flood Control Authority; authorizing the issuance of refunding bonds; providing the ways and means to pay the interest on the bonds and refunding bonds and also to pay and discharge the principal thereof; providing for the submission of this act to the people at a general election; and providing an appropriation therefor.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the "Passaic
2 River Basin Flood Control Bond Act of ***[1986]*** *1987*."

1 2. a. It is declared to be in the public interest and to be the
2 policy of the State to foster and promote by all reasonable means
3 the management of the flood plain area of the Passaic River Basin
4 so as to minimize flood losses and to prevent the degradation of
5 scenic and historic values, and thus to reduce, and, where possible,
6 ultimately abate the menace to the economic vitality of the region
7 and the public health, safety and general welfare resulting from
8 this flooding and degradation.

9 b. It is further declared to be in the public interest of the State
10 that the State provide economic assistance to the Passaic River
11 Basin Flood Control Authority, created under P. L. . . . , c. . . .
12 (C. . . .) (now pending before the Legislature as Assembly

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted May 28, 1987.

13 Bill No. 2047 of 1986), in its infancy stage, to further the purposes
14 set forth in subsection a. of this section.

1 3. As used in this act:

2 a. "Authority" means the Passaic River Basin Flood Control
3 Authority created under P. L. , c. (C.) (now
4 pending before the Legislature as Assembly Bill No. 2047
5 of 1986);

6 b. "Bonds" means the bonds authorized to be issued, or issued,
7 under this act;

8 c. "Commission" means the New Jersey Commission on Capital
9 Budgeting and Planning;

10 d. "Commissioner" means the Commissioner of Environmental
11 Protection;

12 e. "Construction" means, in addition to the usual meaning,
13 thereof, acts of construction, reconstruction, replacement, exten-
14 sion, improvement and betterment;

15 f. "Cost" means the expense incurred in connection with:
16 the development, acquisition by purchase, lease or otherwise,
17 construction, reconstruction, improvement, rehabilitation, reloca-
18 tion, renewal, establishment, or repair of any structure or real
19 property necessary for any project authorized under P. L. ,
20 c. (C.) (now pending before the Legislature as
21 Assembly Bill No. 2047 of 1986), the procurement of engineering,
22 inspection, planning, legal, financial or other professional services;
23 the obtainment of a bond registrar and an authenticating agent;
24 the issuance of bonds, or any interest or discount thereon; the
25 administrative, organizational, operating or other expenses inci-
26 dent to the completion of any project authorized under that act;
27 the establishment of a reserve fund for working capital, operating,
28 maintenance or replacement expenses and for the payment or
29 security of principal or interest on bonds, as the Director of the
30 Division of Budget and Accounting in the Department of the
31 Treasury may determine; and reimbursement to the General Fund,
32 or to any other fund from which moneys may have been trans-
33 ferred to the General Fund, of any moneys advanced to the fund
34 created by this act or of any moneys expended for or in connection
35 with any project authorized under P. L. (C.)
36 (now pending before the Legislature as Assembly Bill No. 2047
37 of 1986);

38 g. "Department" means the Department of Environmental Pro-
39 tection;

40 h. "Project" means any work relating to flood control as under-
41 taken by the authority.

1 4. The commissioner shall adopt, pursuant to law, the rules and
2 regulations necessary to carry out the provisions of this act. The
3 commissioner shall review and consider the findings and recom-
4 mendations of the commission in the administration of the pro-
5 visions of this act.

1 5. Bonds of the State of New Jersey are authorized to be issued
2 in the aggregate principal amount of \$75,000,000.00. All of the
3 moneys which become available pursuant to this act are dedicated
4 to the authority and shall be used for the purpose of funding the
5 cost of any project authorized by the authority under P. L.,
6 c. (C.) (now pending before the Legislature as
7 Assembly Bill No. 2047 of 1986).

1 6. The bonds authorized under this act shall be serial bonds,
2 term bonds, or a combination thereof, and shall be known as
3 "Passaic River Basin Flood Control Bonds." These bonds shall be
4 issued from time to time as the issuing officials herein named shall
5 determine, and may be issued in coupon form, fully-registered
6 for or book-entry form. These bonds shall be subject to redemp-
7 tion prior to maturity and shall mature and be paid not later than
8 35 years from the date of issuance.

1 7. The Governor, the State Treasurer and the Director of the
2 Division of Budget and Accounting in the Department of the
3 Treasury, or any two of these officials, herein referred to as
4 "the issuing officials," are authorized to carry out the provisions
5 of this act relating to the issuance of bonds, and shall determine
6 all matters in connection therewith subject to the provisions
7 of this act. If an issuing official is absent from the State or
8 incapable of acting for any reason, the powers and duties of that
9 issuing official shall be exercised and performed by the person
10 authorized by law to act in an official capacity in the place of
11 that issuing official.

1 8. Bonds issued in accordance with the provisions of this act
2 shall be direct obligations of the State of New Jersey, and the
3 faith and credit of the State are pledged for the payment of the
4 interest thereon when due and for the payment of the principal
5 thereof at maturity. The principal of and interest on the bonds
6 shall be exempt from taxation by the State or by any county,
7 municipality or other taxing district of the State.

1 9. The bonds shall be signed in the name of the State by the
2 Governor or by his facsimile signature, under the Great Seal of
3 the State, which seal may be by facsimile or by way of any other
4 form of reproduction on the bonds, and attested by the manual

5 or facsimile signature of the Secretary of State, or an assistant
 6 Secretary of State, and shall be countersigned by the facsimile
 7 signature of the Director of the Division of Budget and Account-
 8 ing in the Department of the Treasury and may be manually
 9 authenticated by an authenticating agent or bond registrar, as the
 10 issuing officials shall determine. Interest coupons, if any, attached
 11 to the bonds shall be signed by the facsimile signature of the di-
 12 rector. The bonds may be issued notwithstanding that an issuing
 13 official signing them or whose manual or facsimile signature ap-
 14 pears thereon has ceased to hold office at the time of issuance or
 15 at the time of the delivery of the bonds to the purchaser thereof.

1 10. a. The bonds shall recite that they are issued for the pur-
 2 poses set forth in section 5 of this act, that they are issued pur-
 3 suant to this act, and that this act was submitted to the people
 4 of the State at the general election held in the month of No-
 5 vember, **["1986"]** "1987" and that this act was approved by a ma-
 6 jority of the legally qualified voters of the State voting thereon at
 7 the election. This recital shall be conclusive evidence of the validity
 8 of the bonds and of the authority of the State to issue them. Any
 9 bonds containing this recital shall, in any suit, action or pro-
 10 ceeding involving their validity, be conclusively deemed to be
 11 fully authorized by this act and to have been issued, sold, exe-
 12 cuted and delivered in conformity herewith and with all other
 13 provisions of laws applicable hereto, and shall be incontestable
 14 for any cause.

15 b. The bonds shall be issued in the denominations and in the
 16 form or forms, whether coupon, fully-registered or book-entry,
 17 and with or without provisions for the interchangeability thereof,
 18 as may be determined by the issuing officials.

1 11. When the bonds are issued from time to time, the bonds of
 2 each issue shall constitute a separate series to be designated by
 3 the issuing officials. Each series of bonds shall bear the rate or
 4 rates of interest as may be determined by the issuing officials,
 5 which interest shall be payable semiannually; except that the
 6 first and last interest periods may be longer or shorter, in order
 7 that intervening semiannual payments may be at convenient dates.

1 12. The bonds shall be issued and sold at such price or prices
 2 and under such terms, conditions and regulations, as the issuing
 3 officials may prescribe, after notice of the sale, published at least
 4 once in at least three newspapers published in New Jersey, and at
 5 least once in a publication carrying municipal bond notices and
 6 devoted primarily to financial news, published in New Jersey or in

7 the city of New York, the first notice to appear at least five days
 8 prior to the day of bidding. The notice of sale may contain a
 9 provision to the effect that any or all bids in pursuance thereof
 10 may be rejected. In the event of rejection or of failure to receive
 11 any acceptable bid, the issuing officials, at any time within 60 days
 12 from the date of the advertised sale, may sell the bonds at a
 13 private sale at such price or prices and under such terms and
 14 conditions as the issuing officials may prescribe. The issuing of-
 15 ficials may sell all or part of the bonds of any series as issued
 16 to any State fund or to the federal government or any agency
 17 thereof, at a private sale, without advertisement.

1 13. Until permanent bonds are prepared, the issuing officials
 2 may issue temporary bonds in such form and with such privileges
 3 as to their registration and exchange for permanent bonds as
 4 may be determined by the issuing officials.

1 14. The proceeds from the sale of the bonds shall be paid to the
 2 State Treasurer and shall be held by him in a separate fund, which
 3 shall be known as the "Passaic River Basin Flood Control Bond
 4 Fund." The proceeds of this fund shall be deposited in such
 5 depositories as may be selected by the State Treasurer to the
 6 credit of the fund.

1 15. a. The moneys in the "Passaic River Basin Flood Control
 2 Bond Fund" are specifically dedicated and shall be applied to
 3 the costs of the purposes set forth in section 5 of this act, and
 4 all such moneys are appropriated for those purposes, and no
 5 such moneys shall be expended for those purposes, except as other-
 6 wise authorized in this act without the specific appropriation
 7 thereof by the Legislature, but bonds may be issued as herein pro-
 8 vided, notwithstanding that the Legislature has not adopted an
 9 act making a specific appropriation of any of the moneys. Any
 10 act appropriating moneys from the "Passaic River Basin Flood
 11 Control Bond Fund" shall identify the specific project or projects
 12 to be funded with those moneys.

13 b. At any time prior to the issuance and sale of bonds under
 14 this act, the State Treasurer is authorized to transfer from avail-
 15 able money in any fund of the treasury of the State to the credit
 16 of the "Passaic River Basin Flood Control Bond Fund" the sum
 17 or sums as the State Treasurer may deem necessary. The sum
 18 so transferred shall be returned to the same fund of the treasury
 19 by the State Treasurer from the proceeds of the sale of the first
 20 issue of bonds.

21 c. Pending their application to the purposes provided in this

22 act, the moneys in the "Passaic River Basin Flood Control Bond
23 Fund" may be invested and reinvested as are other trust funds
24 in the custody of the State Treasurer, in the manner provided
25 by law. Net earnings received from the investment or deposit of
26 the "Passaic River Basin Flood Control Bond Fund" shall be
27 paid into the "Passaic River Basin Flood Control Bond Fund."

1 16. If any coupon bond or coupon or registered bond is lost,
2 mutilated or destroyed, a new bond or coupon shall be executed
3 and delivered of like tenor, in substitution for the lost, mutilated
4 or destroyed bond or coupon, upon the owner furnishing to the
5 issuing officials such evidence satisfactory to them of the loss,
6 mutilation or destruction of the bond or coupon; the ownership
7 thereof; and the security, indemnity and reimbursement for ex-
8 penses connected therewith, as the issuing officials may require.

1 17. The accrued interest received upon the sale of the bonds
2 shall be applied to the discharge of a like amount of interest upon
3 the bonds when due. Any expense incurred by the issuing officials
4 for advertising, engraving, printing, clerical, authenticating, regis-
5 tering, legal or other services necessary to carry out the duties
6 imposed upon them by the provisions of this act shall be paid from
7 the proceeds of the sale of the bonds by the State Treasurer, upon
8 the warrant of the Director of the Division of Budget and Ac-
9 counting in the Department of the Treasury, in the same manner
10 as other obligations of the State are paid.

1 18. Bonds of each series issued hereunder shall mature, in-
2 cluding any sinking fund redemptions, not later than the 35th
3 year from the date of issue of the series, and in such amounts as
4 shall be determined by the issuing officials. The issuing officials
5 may reserve to the State by appropriate provision in the bonds
6 of any series the power to redeem any of the bonds prior to
7 maturity at the price or prices and upon the terms and conditions
8 as may be provided in the bonds.

1 19. The issuing officials may issue refunding bonds in an amount
2 not to exceed the amount necessary to effectuate the refinancing of
3 all or any bonds issued pursuant to this act, at any time and from
4 time to time, for the purpose of refinancing any bond or bonds
5 issued pursuant to this act, subject to the following provisions.

6 a. Refunding bonds may be issued at such time prior to the
7 maturity or redemption of the bonds to be refinanced thereby as
8 the issuing officials shall determine;

9 b. Each series of refunding bonds may be issued in a sufficient
10 amount to pay or to provide for the payment of the principal of

11 the bonds to be refinanced thereby, together with any redemption
12 premium thereon, any interest accrued or to accrue on such bonds
13 to be refinanced to the date of payment of such outstanding bonds,
14 the expense of issuing such refunding bonds and the expenses, if
15 any, of paying such bonds to be refinanced;

16 c. No refunding bonds shall be issued unless the issuing officials
17 shall first determine that the present value of the aggregate prin-
18 cipal of and interest on such refunding bonds is less than the
19 present value of the aggregate principal of and interest on the
20 bonds to be refinanced thereby; provided, for the purposes of this
21 limitation, present value shall be computed using a discount rate
22 equal to the yield of such refunding bonds, and yield shall be
23 computed using an actuarial method based upon a 360-day year
24 with semiannual compounding and upon the price or prices
25 paid to the State by the initial purchasers of such refunding
26 bonds;

27 d. Any refinancing authorized hereunder may be effected by
28 the sale of the refunding bonds and the application of the proceeds
29 thereof to the immediate payment of the principal of the bonds
30 to be refinanced thereby, together with any redemption premium
31 thereon, any interest accrued or to accrue on such bonds to be
32 refinanced to the date of payment of such bonds, the expenses of
33 issuing the refunding bonds and the expenses, if any, of paying
34 such bonds to be refinanced, or, to the extent not required for such
35 immediate payment, shall be deposited, together with any other
36 moneys legally available therefor, in trust with one or more
37 trustees or escrow agents, which trustees or escrow agents shall
38 be trust companies or national or state banks having powers of
39 a trust company, located either within or without the State, to be
40 applied solely to the payment when due of the principal of, re-
41 demption premium, if any, and interest due and to become due
42 on the bonds to be refinanced on or prior to the redemption date
43 or maturity date thereof, as the case may be. Any such proceeds
44 or moneys so held by such trustees or escrow agents may be in-
45 vested in government securities, including government securities
46 issued or held in book-entry form on the books of the Department
47 of Treasury of the United States: provided, such government
48 securities shall not be subject to redemption prior to their ma-
49 turity other than at the option of the holder thereof. Except as
50 otherwise provided in this subsection, neither government se-
51 curities nor moneys so deposited with such trustees or escrow
52 agents shall be withdrawn or used for any purpose other than,

53 and shall be held in trust for, the payment of the principal of,
54 redemption premium, if any, and interest on the bonds to be
55 refinanced thereby; provided that any cash received from such
56 principal or interest payments on such government securities de-
57 posited with such trustees or escrow agents, to the extent such
58 cash will not be required at any time for such purpose shall be
59 paid over to such trustees or escrow agents, and to the extent
60 such cash will be required for such purpose at a later date, shall,
61 to the extent practicable and legally permissible, be reinvested in
62 government securities maturing at times and in amounts sufficient
63 to pay when due the principal of, redemption premium, if any,
64 and interest to become due on the bonds to be refinanced on and
65 prior to such redemption date or maturity date thereof, as the
66 case may be, and interest earned from such reinvestments to the
67 extent not required for the payment of bonds shall be paid over
68 to the State, as received by such trustees or escrow agents. Not-
69 withstanding anything to the contrary contained herein: (1) such
70 trustees or escrow agents shall, if so directed by the issuing of-
71 ficials, apply moneys on deposit with such trustees or escrow
72 agents pursuant to the provisions of this section and redeem or
73 sell government securities so deposited with such trustees or
74 escrow agents and apply the proceeds thereof to the purchase
75 of the bonds which were refinanced by the deposit with such
76 trustees or escrow agents of such moneys and government se-
77 curities and immediately thereafter cancel all such bonds so pur-
78 chased or the purchase of different government securities; pro-
79 vided, however, that the moneys and government securities on
80 deposit with such trustees or escrow agents after such purchase
81 and cancellation of such outstanding bonds or such purchase of
82 different government securities shall be sufficient to pay when due
83 the principal of, redemption premium, if any, and interest on all
84 other bonds in respect of which such moneys and government se-
85 curities were deposited with such trustees or escrow agents on or
86 prior to the redemption date or maturity date thereof, as the case
87 may be: and (2) in the event that on any date, as a result of any
88 purchases and cancellations of such bonds or any purchases of
89 different government securities as provided in this subsection,
90 the total amount of moneys and government securities remaining
91 on deposit with such trustees or escrow agents is in excess of
92 the total amount which would have been required to be deposited
93 with such trustees or escrow agents on such date in respect of
94 the remaining bonds for which such deposit was made in order

95 to pay when the principal of, redemption premium, if any, and
96 interest on such remaining bonds, such trustees or escrow agents,
97 shall, if so directed by the issuing officials, pay the amount
98 of such excess to the State. Any amounts held by the State
99 Treasurer in a separate fund or funds for the payment of the
100 principal of and interest on bonds to be refinanced, as provided
101 herein, shall, if so directed by the issuing officials, be transferred
102 by the State Treasurer for deposit with one or more trustees or
103 escrow agents as provided herein to be applied to the payment
104 when due of the principal of, redemption premium, if any, and
105 interest to become due on such bonds to be refinanced, as provided
106 in this section, or be applied by the State Treasurer to the pay-
107 ment when due of the principal of and interest on refunding bonds
108 issued hereunder to refinance such bonds. The State Treasurer is
109 authorized to enter into any contract or contracts with one or
110 more trust companies or national or state banks, as provided
111 herein, to act as trustees or escrow agents as provided herein,
112 subject to the approval of the issuing officials.

113 e. Notwithstanding the provisions of section 12 hereof, any
114 series of refunding bonds issued pursuant to this section shall
115 mature at any time or times not later than five years following
116 the latest scheduled final maturity date, determined without re-
117 gard to any redemptions prior thereto, of any of the bonds to be
118 refunded thereby, and in no event later than 35 years following
119 the date of issuance of such series of refunding bonds, and such
120 refunding bonds may be sold at public or private sale at such
121 prices and under such terms, conditions and regulations as the
122 issuing officials may prescribe. Refunding bonds shall be entitled
123 to all the benefits of this act and subject to all its limitations
124 except as to sale provisions and to the extent therein otherwise
125 expressly provided.

126 f. Upon the decision by the issuing officials to issue refunding
127 bonds pursuant to this section, and prior to the sale of those bonds,
128 the issuing officials shall transmit to the "[Joint Appropriations
129 Committee's Subcommittee on Transfers]" *Joint Budget Over-*
130 *sight Committee*, or its successor, a report that a decision has
131 been made, reciting the basis on which the decision was made,
132 including an estimate of the debt service savings to be achieved
133 and the calculations upon which the issuing officials relied when
134 making the decision to issue refunding bonds. The report shall
135 also disclose the intent of the issuing officials to issue and sell the
136 refunding bonds at public or private sale and the reasons therefore.

137 g. The "[Joint Appropriations Committee's Subcommittee on
138 Transfer]" **Joint Budget Oversight Committee**, or its successor,
139 shall have authority to approve or disapprove the sales of refunding
140 bonds as included in each report submitted in accordance with sub-
141 section f. of this section. The subcommittee, or its successor, shall
142 notify the issuing officials in writing of the approval or disapproval
143 as expeditiously as possible.

144 h. No refunding bonds shall be issued unless the report has
145 been submitted to and approved by the "[Joint Appropriations
146 Committee's Subcommittee on Transfers]" **Joint Budget Over-
147 sight Committee**, or its successor, as set forth in subsection g. of
148 this section.

148A i. Within 90 days after the sale of the refunding bonds, the
149 issuing officials shall notify the "[Subcommittee on Transfers]"
150 **Joint Budget Oversight Committee**, or its successor, of the result
151 of that sale, including the prices and terms, conditions and regula-
152 tions concerning the refunding bonds, the actual amount of debt
153 service savings to be realized as a result of the sale of refunding
154 bonds, and the intended use of the proceeds from the sale of those
155 bonds.

155A j. The subcommittee, or its successor, shall, however, review
156 all information and reports submitted in accordance with this
157 section and may, on its own initiative, make observations and
158 recommendations to the issuing officials, or to the Legislature,
159 or both, as it deems appropriate.

1 20. Any bond or ~~issued~~ issued hereunder shall no longer be
2 deemed to be outstanding, shall no longer constitute a direct obli-
3 gation of the State of New Jersey and the faith and credit of the
4 State, shall no longer be pledged to the payment of the principal
5 of and interest on such bonds, and such bonds shall be secured
6 solely by and payable solely from moneys and government secur-
7 ities deposited in trust with one or more trustees or escrow agents,
8 which trustees and escrow agents shall be trust companies or
9 national or state banks having powers of a trust company, located
10 either within or without the State, as provided herein, whenever
11 there shall be deposited in trust with such trustees or escrow agents
12 ~~as provided herein~~ ~~the moneys or government securities, in-~~
13 cluding government securities issued or held in book-entry form
14 on the books of the Department of Treasury of the United States,
15 the principal of and interest on which when due will provide money
16 which, together with the moneys, if any, deposited with such
17 trustees or escrow agents at the same time, shall be sufficient to pay
18 when due the principal of, redemption premium, if any, and interest

19 due and to become due on such bonds on or prior to the redemption
20 date or maturity date thereof, as the case may be; provided, such
21 government securities shall not be subject to redemption prior to
22 their maturity other than at the option of the holder thereof. The
23 State of New Jersey hereby covenants with the holders of any
24 bonds for which government securities or moneys shall have been
25 deposited in trust with such trustees or escrow agents as provided
26 in this section that, except as otherwise provided in this section,
27 neither the government securities nor moneys so deposited with
28 such trustees or escrow agents shall be withdrawn or used by the
29 State for any purpose other than, and shall be held in trust for, the
30 payment of the principal of, redemption premium, if any, and
31 interest to become due on such bonds; provided that any cash
32 received from such principal or interest payments on such govern-
33 ment securities deposited with such trustees or escrow agents, to
34 the extent such cash will not be required at any time for such
35 purpose, shall be paid over to the State as received by such trustees
36 or escrow agents free and clear of any trust, lien, pledge or assign-
37 ment securing such bonds; and to the extent such cash will be
38 required for such purpose at a later date, shall, to the extent
39 practicable and legally permissible, be reinvested in government
40 securities maturing at times and in amounts sufficient to pay when
41 due the principal of, redemption premium, if any, and interest to
42 become due on such bonds on and prior to such redemption date
43 or maturity date thereof, as the case may be, and interest earned
44 from such reinvestments shall be paid over to the State, as received
45 by such trustees or escrow agents, free and clear of any trust, lien
46 or pledge securing such bonds. Notwithstanding anything to the
47 contrary contained herein: a. such trustees or escrow agents shall,
48 if so directed by the issuing officials, apply moneys on deposit with
49 such trustees or escrow agents pursuant to the provisions of this
50 section and redeem or sell government securities so deposited with
51 such trustees or escrow agents and apply the proceeds thereof to
52 (1) the purchase of the bonds which were refinanced by the deposit
53 with such trustees or escrow agents of such moneys and govern-
54 ment securities and immediately thereafter cancel all bonds so
55 purchased, or (2) the purchase of different government securities;
56 provided, however, that the moneys and government securities on
57 deposit with such trustees or escrow agents after such purchase
58 and cancellation of such bonds or such purchase of different
59 government securities shall be sufficient to pay when due the
60 principal of, redemption premium, if any, and interest on all other

61 bonds in respect of which such moneys and government securities
 62 were deposited with such trustees or escrow agents on or prior to
 63 the redemption date or maturity date thereof, as the case may be;
 64 and b. in the event that on any date, as a result of any purchases
 65 and cancellations of bonds or any purchases of different govern-
 66 ment securities as provided in this sentence, the total amount of
 67 moneys and government securities remaining on deposit with such
 68 trustees or escrow agents is in excess of the total amount which
 69 would have been required to be deposited with such trustees or
 70 escrow agents on such date in respect of the remaining bonds for
 71 which such deposit was made in order to pay when due the princi-
 72 pal of, redemption premium, if any, and interest on such remaining
 73 bonds, such trustees or escrow agents shall, if so directed by the
 74 issuing officials, pay the amount of such excess to the State free
 75 and clear of any trust, lien, pledge or assignment securing such
 76 refunding bond.

1 21. Refunding bonds issued pursuant to section 19 of this act
 2 may be consolidated with bonds issued pursuant to section 6 of this
 3 act or with bonds issued pursuant to any other act for purposes
 4 of sale.

1 22. To provide funds to meet the interest and principal payment
 2 requirements for the bonds issued under this act and outstanding,
 3 there is appropriated in the order following:

4 a. Revenue derived from the collection of taxes under the "Sales
 5 and Use Tax Act," P. L. 1966, c. 30 (C. 54:32B-1 et seq.), or so
 6 much thereof as may be required; and

7 b. If, at any time, funds necessary to meet the interest and
 8 principal payments on outstanding bonds issued under this act,
 9 are insufficient or not available, there shall be assessed, levied and
 10 collected annually in each of the municipalities of the counties of
 11 this State, a tax on the real and personal property upon which
 12 municipal taxes are or shall be assessed, levied and collected, suffi-
 13 cient to meet the interest on all outstanding bonds issued here-
 14 under and on the bonds proposed to be issued under this act in
 15 the calendar year in which the tax is to be raised and for the pay-
 16 ment of bonds falling due in the year following the year for which
 17 the tax is levied. The tax shall be assessed, levied and collected in
 18 the same manner and at the same time as other taxes upon real
 19 and personal property. The governing body of each municipality
 20 shall pay to the treasurer of the county in which the municipality
 21 is located, on or before December 15 in each year, the amount of
 22 tax herein directed to be assessed and levied, and the county
 23 treasurer shall pay the amount of the tax to the State Treasurer
 24 on or before December 20 in each year.

25 If on or before December 31 in any year, the issuing officials, by
 26 resolution, determine that there are moneys in the General Fund
 27 beyond the needs of the State, sufficient to meet the principal of
 28 bonds falling due and all interest payable in the ensuing calendar
 29 year, the issuing officials shall file the resolution in the office of the
 30 State Treasurer, whereupon the State Treasurer shall transfer
 31 the moneys to a separate fund to be designated by him, and shall
 32 pay the principal and interest out of that fund as the same shall
 33 become due and payable, and the other sources of payment of the
 34 principal and interest provided for in this section shall not then be
 35 available, and the receipts for the year from the tax specified in
 36 subsection a. of this section shall be considered part of the General
 37 Fund, available for general purposes.

1 23. Should the State Treasurer, by December 31 of any year,
 2 deem it necessary, because of insufficiency of funds collected from
 3 the sources of revenues as provided in this act, to meet the interest
 4 and principal payments for the year after the ensuing year, then
 5 the State Treasurer shall certify to the Director of the Division of
 6 Budget and Accounting in the Department of the Treasury the
 7 amount necessary to be raised by taxation for those purposes,
 8 which is to be assessed, levied and collected for and in the ensuing
 9 calendar year. The director shall, on or before March 1 following,
 10 calculate the amount in dollars to be assessed, levied and collected
 11 in each county as herein set forth. This calculation shall be based
 12 upon the corrected assessed valuation of each county for the year
 13 preceding the year in which the tax is to be assessed, but the tax
 14 shall be assessed, levied and collected upon the assessed valuation
 15 of the year in which the tax is assessed and levied. The director
 16 shall certify the amount to the county board of taxation and the
 17 treasurer of each county. The county board of taxation shall
 18 include the proper amount in the current tax levy of the several
 19 taxing districts of the county in proportion to the ratables as
 20 ascertained for the current year.

1 24. For the purpose of complying with the provisions of the
 2 State Constitution, this act shall be submitted to the people at the
 3 general election to be held in the month of November, ***[1986]***
 4 *1987*. To inform the people of the contents of this act, it shall be
 5 the duty of the Secretary of State, after this section takes effect,
 6 and at least 15 days prior to the election, to cause this act to be
 7 published in at least 10 newspapers published in the State and to
 8 notify the clerk of each county of this State of the passage of this
 9 act, and the clerks respectively, in accordance with the instructions

10 of the Secretary of State, shall have each of the ballots printed
11 as follows:

12 If you approve the act entitled below, make a cross (X), plus
13 (+), or check (✓) mark in the square opposite the word "Yes."

14 If you disapprove the act entitled below, make a cross (X),
15 plus (+), or check (✓) mark in the square opposite the word
16 "No."

17 If voting machines are used, a vote of "Yes" or "No" shall be
18 equivalent to these markings respectively.

		PASSAIC RIVER BASIN FLOOD CONTROL BOND ISSUE
	Yes.	Should the "Passaic River Basin Flood Control Bond Act of [1986] *1987*" which authorizes the State of issue bonds in the amount of \$75,000,000.00 for the purpose of funding the cost of any project authorized by the Passaic River Basin Flood Control Authority: providing the ways and means to pay the interest on these bonds and also to pay and discharge the principal thereof, be approved?
	No.	INTERPRETIVE STATEMENT Approval of this act would authorize the sale of \$75,000,000.00 in bonds to be used to fund any project authorized by the Passaic River Basin Flood Control Authority.

19 The fact and date of the approval or passage of this act, as the
20 case may be, may be inserted in the appropriate place after the
21 title in the ballot. No other requirements of law as to notice or
22 procedure, except as herein provided, need be adhered to.

23 The votes cast for and against the approval of this act, by ballot
24 or voting machine, shall be counted and the result thereof returned
25 by the election officer, and a canvass of the election had in the
26 same manner as is provided for by law in the case of the election
27 of a Governor, and the approval or disapproval of this act so
28 determined shall be declared in the same manner as the result of
29 an election for a Governor, and if there is a majority of all votes
30 cast for and against it at the election in favor of the approval of
31 this act, then all the provisions of this act not made effective
32 theretofore shall take effect forthwith.

1 25. There is appropriated the sum of \$5,000.00 to the Depart-
2 ment of State for expenses in connection with the publication of
3 notice pursuant to section 24 of this act.

1 26. The commissioner shall submit to the State Treasurer and
2 the commission with the department's annual budget request a
3 plan adopted in conjunction with the authority for the expenditure
4 of funds from the "Passaic River Basin Flood Control Fund"
5 for the upcoming fiscal year. This plan shall include the following
6 information: a performance evaluation of the expenditures made
7 from the fund to date; a description of programs planned during
8 the upcoming fiscal year; a copy of the regulations in force govern-
9 ing the operations of programs that are financed, in part or in
10 whole, by funds from the "Passaic River Basin Flood Control
11 Bond Fund;" and an estimate of expenditures for the upcoming
12 fiscal year.

1 27. Immediately following the submission to the Legislature of
2 the Governor's annual budget message, the commissioner shall
3 submit to the General Assembly Energy and Natural Resources
4 Committee, the Senate Energy and Environment Committee, or
5 their successors, and the *~~Subcommittee on Transfers of the~~
6 ~~Joint Appropriations~~* **Joint Budget Oversight** Committee, or
7 its successor, a copy of the plan called for under section 26 of
8 this act, together with such changes therein as may have been
9 required by the Governor's budget message.

1 28. No less than 30 days prior to entering into any contract,
2 lease, obligation, or agreement to effectuate the purposes of this
3 act, the commissioner shall report to and consult with the *~~Sub-~~
4 ~~committee on Transfers of the Joint Appropriations~~* **Joint*
5 *Budget Oversight** Committee, or its successor.

1 29. This section and sections 24 and 25 shall take effect upon the
2 enactment into law of P. L. , c. (C.) (now
3 pending before the Legislature as Assembly Bill No. 2047 of 1986)
4 and the remainder of this act shall take effect as and when provided
5 in section 24.

FLOOD AND DROUGHT CONTROL

Authorizes issuance of \$75,000,000.00 in general obligation bonds
for flood control projects recommended by the proposed Passaic
River Basin Flood Control Authority, created by Assembly Bill
No. 2047 of 1986.

ASSEMBLY, No. 2570

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1986

By Assemblymen ZECKER and MILLER

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, ***[1986]*** *1987* and regulating the disbursement thereof," approved June ***[28, 1985]*** *30, 1986* (P. L. ***[1985]*** *1986*, c. ***[209]*** *41*).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. In addition to the sums appropriated under P. L. ***[1985]***
2 *1986*, c. ***[209]*** *41*, there is appropriated out of the General
3 Fund the following sum for the purpose specified:

STATE AID

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management

43 Environmental Quality—State Aid

4 08-4855 Water Enforcement \$17,000,000

5 State Aid:

6 Beattie's dam replacement project

7 on Passaic river, township of

8 Little Falls, Passaic county (\$17,000,000)

1 2. This act shall take effect immediately.

FLOOD AND DROUGHT CONTROL

Appropriates \$17,000,000.00 in State aid to DEP to finance the removal and replacement of Beattie's dam, and associated water control projects, at Little Falls, Passaic county.

EXPLANATION—Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *that* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted May 28, 1987.

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mjz: 1-50
di: 51-69

ASSEMBLYMAN WILLIAM "PAT" SCHUBER (Chairman): Good evening, ladies and gentlemen. This is a special meeting of the General Assembly's Independent and Regional Authorities Committee. I am Assemblyman Schuber, and I am the Chairman of the Committee. My district is District 38 in central Bergen County.

With me tonight is Assemblyman Paul DiGaetano of District 36 and Assemblyman Nick Felice of District 40. We expect the arrival of Assemblywoman Marion Crecco from Essex County also.

Tonight's meeting is a special meeting for the purpose of hearing testimony on three bills: A-2407, sponsored by Assemblymen Miller and Zecker, which would designate the Passaic River Basin Flood Control Authority Act, create the Passaic River Basin Flood Control Authority, and appropriate \$7 million; A--2408, Assemblymen Miller and Zecker again, designated the Passaic River Basin Flood Control Bond Act, would provide for a \$75 million bond issue for assistance to the Passaic River Basin Flood Control Authority; and, finally, A-2570, sponsored by Assemblymen Zecker and Miller, which appropriates \$17 million to remove and replace Beattie's Dam. These bills are also sponsored in the Senate by Senator Bubba.

Tonight's hearing will be for the purpose of eliciting testimony with regard to those three bills. The testimony of those who wish to testify -- those on the list we have taken here -- will be transcribed by the OLS staff from Trenton. It will be made into a booklet and will be delivered to the members of the Legislature.

Without further ado, I would be remiss if I did not thank Mayor Messercola and the members of the Wayne Council for their kind permission to utilize the City Hall tonight for the purpose of this particular meeting. So often in the legislative process, the committees tend to meet in Trenton. This is normally done on session days, because obviously it is

convenient for all of the members. But we do not, with the frequency we should, get out into the field to hold our meetings and hearings in the districts where they should really be held, and where we have an opportunity to hear from the citizens. That is what this is an attempt to do tonight.

We will ask that you bear with us as we go along. All of those who wish to testify will have the opportunity to do so. Without any further ado, let me ask if the sponsors of the bills would please come to the front and begin the testimony with a brief explanation of the bills -- Assemblyman Newton Miller, Assemblyman Gerald Zecker, and Senator Joseph Bubba.

A S S E M B L Y M A N N E W T O N E. M I L L E R: Mr. Chairman, may I first of all say thanks to you and to your Committee for taking the time out of your busy schedules to hold a special meeting here in Wayne, in the area that is directly affected by our concern here tonight, which is floods.

As you say, it isn't too often that we get out into the field to do these things. I think this is where we should be. The fact that ordinarily we have these sessions in Trenton just didn't make sense to me. When you said these bills were coming up, I asked that you have the meeting here so that the people involved could be heard, and could be a part of the scene and part of the action here this evening.

As you pointed out, we have three bills. The one that I would like to talk about is Assembly Bill 2047. I think the best way, so that everyone is abreast of what is going on, is to read, not all of this, but the portion of this which I think is apropos: "This act shall be known and may be cited as the 'Passaic River Basin Flood Control Authority Act.'" Now, may I stop there to say that this has nothing to do with a tunnel or with buy-outs or whatever. This has to do with organization.

"It is declared to be in the public interest and to be the policy of the State to foster and promote by all reasonable means the management of the flood plain area of the Passaic

River Basin so as to minimize flood losses and to prevent the degradation of scenic and historic values, and thus to reduce, and, where possible, ultimately abate the menace to the economic vitality of the region and the public health, safety and general welfare resulting from this flooding and degradation. The recurring flooding conditions in the Passaic River Basin tend to be intermunicipal or intercounty in nature, creating the need for a new organizational structure capable of assisting these entities in resolving their mutual problems. It is the purpose and object of this act to further and implement this policy by:

"a. Establishing a Passaic River Basin Flood Control Authority to prepare, in cooperation with other governmental agencies, a comprehensive flood control plan for the Passaic River Basin, to review plans for flood control submitted by other governmental agencies, to acquire such real property and to plan, acquire, construct, maintain, operate or improve such works as may be necessary to a comprehensive flood control system, to enter into agreements with other governmental agencies regarding the acquisition of real property and the planning, construction, maintenance, operation or improvement of works necessary to a comprehensive flood system, to assist the State and local units in enforcing and meeting the requirements of flood control laws, rules, regulations and ordinances, and to prevent the degradation of the scenic and historic qualities of the Passaic River and its tributaries;

"b. Providing for the financing of the operations of the authority by empowering it to accept gifts and federal and State aid; and

"c. Providing for local government participation in the actions and operations of the authority by establishing a local government committee."

The Basin, by the way, consists of 111 communities, all of which are listed in this bill. When we talk about the

Commissioner, we are referring to the Commissioner of the Department of Environmental Protection. When we talk about the Committee, we mean the Passaic River Basin Flood Control Local Government Committee established by section 9 of the Act.

"'Department' means Department of Environmental Protection. 'Flood control' means the prevention of flood damage by means of natural detention areas or detention areas returned to their natural state, warning systems, storage reservoirs, natural or restored detention areas, dikes, diversions, dams, spillways, levees, drains, ditches or channel improvements such as widening, deepening, straightening, clearing, sloping, building, filling in and all other alterations.

"'Flood control system' means the plants, structures and other real and personal property acquired, constructed or operated or to be acquired, constructed or operated by the authority for the purposes of flood control and such other plants, structures, conveyances and any other real and personal property, and rights therein, and appurtenances necessary, useful or convenient for flood control.

"'Governmental agency' means a municipality, a county, the State, the federal government, or any instrumentality, agency or subdivision thereof."

Further, "There is established in the department a public body corporate and politic, with corporate succession, to be known as the 'Passaic River Basin Flood Control Authority.' The authority is constituted as an instrumentality of the State, exercising public and essential governmental functions to provide for the public health and welfare, and the exercise by the authority of the powers conferred by this act shall be deemed and held to be an essential governmental function.

"The authority shall consist of 15 members appointed by the Governor after consultation with the committee and with

the advice and consent of the Senate for terms of four years. The members so appointed shall be selected from residents of the Passaic River Basin and shall be chosen so that, to the extent practicable, all geographic areas of the basin are represented and that experts in engineering, planning, the environment, and municipal and county government are represented. At least one member shall be selected from each of the eight counties which encompass the Passaic River Basin: Bergen, Essex, Hudson, Morris, Passaic, Somerset, Sussex and Union. No member of the committee may be appointed to the authority."

I am trying to pick out the highlights.

"The chairperson, who shall be the chief executive officer of the authority, shall be elected by the members of the authority from its membership. The powers of the authority shall be vested in the members thereof in office from time to time, and nine members of the authority shall constitute a quorum. An affirmative vote of at least a majority of the members present shall count.

"The authority is directed to prepare, in consultation with the department" -- that's the DEP -- "and with other governmental agencies, a comprehensive flood control plan for the basin, which shall be directed toward the control of floods but shall give due consideration to the related areas of water quality, water supply, and the scenic and historic qualities of the basin." And, of course, they shall "hold an advertised public hearing on the plan in each constituent county and the plan shall be available for public inspection at the office of the authority and at the office of the clerk of each local unit."

ASSEMBLYMAN SCHUBER: As I understand it, there would be a local government committee within the--

ASSEMBLYMAN MILLER: Right.

ASSEMBLYMAN SCHUBER: This committee would also have the power-- Recognizing that we would be creating a public authority here if this bill should pass, this Committee would give the localities a certain amount of home rule with regard to what is going on in this area, even though it is a public authority, by allowing them to veto the authority's budget and other different types of actions that the authority may take. Is that correct?

ASSEMBLYMAN MILLER: Yes. As a matter of fact, Mr. Chairman, it goes on in here to explain how the committee is formed. I think I can just summarize that by saying: The committee shall consist of one member from each of the municipalities. "There is established a Passaic River Basin Flood Control Local Government Committee" -- each unit shall have its own committee -- "the membership of which shall consist of the mayor or chief executive of each municipality in the basin, or a designated alternate, who shall be a member of the municipal environmental commission in those municipalities where these commissions have been established," and, of course, the chairpersons of the planning boards of each of the counties.

ASSEMBLYMAN SCHUBER: Would it be fair to say that the gist of this particular legislation is simply that we recognize there is a problem in this particular area with regard to flooding, which crosses municipal lines, and that therefore it becomes a problem too great to be handled by one particular municipality, or even two together, so the necessity is for the creation of a public authority which will give it the financial ability to raise the proper money to do what has to be done, because they are expensive projects? At the same time, I guess it would be fair to say, would it not, that you recognize the fact that the municipalities must have a fair say in what is going to go on here? As you give them that veto power within the local government committees, there is a local control on a public authority. Is that correct?

ASSEMBLYMAN MILLER: It is correct, and it goes a step further, if I may, Mr. Chairman, and that is-- Say, for example, that Wayne and Lincoln Park get together to dredge the river. They do a good job and the water goes through faster, but within two years the hole they dug is filled up again. It becomes a catch basin because the debris coming down from upstream fills this in. Now, upstream couldn't care less about what happens down here, because they are out of the floodway and the waterway, and they don't have these problems. But, they still give us the problem. They are not about to dredge their streams to get rid of the sediment, so somebody someplace has to have the authority to start some sort of a program that will start from the headwaters and work its way down. This would come under their authority.

But, getting back to the membership of the committee, as I said, each municipality shall have a person as a member of that committee. They shall select a liaison subcommittee consisting of 11 members. It is the purpose of that liaison subcommittee to act as liaison between the authority and the committee, the authority being the commission, and the committee being the members of each of the communities.

"The authority shall conduct a public hearing concerning the proposed annual budget at least 60 days prior to the final adoption thereof.

"The authority shall submit its proposed annual budget to the committee for review, at least 45 days prior to the final adoption thereof.

"The committee shall review the proposed annual budget submitted to it by the authority pursuant to this section and shall indicate its position in writing to the authority. The committee may reject or modify the proposed annual budget by an affirmative vote of a majority of the full committee. The authority shall not adopt, pursuant to this section, the proposed annual budget if it was formally rejected by the committee."

ASSEMBLYMAN SCHUBER: Any flood project would be reflected in the budget. Is that correct?

ASSEMBLYMAN MILLER: That's right. As a matter of fact, this budget then, after being approved or rejected by the committee made up of all these towns, would then go to DEP and become a part of their budget presented to the Appropriations Committee for approval.

One little thing that should be recognized is: "Failure of the committee to state its position within 45 days of the receipt of the proposed annual budget so referred to the committee shall be deemed to constitute approval thereof." You have to do something here to keep this thing from dragging because, as you know, we do have time schedules to meet when it comes to budget preparations and whatnot. So, we had to do something to see to it that there was some action, or reaction, to whatever is proposed to the committee.

That basically-- Oh, I'll go into one thing more in section 20: "There is appropriated to the department from the General Fund, \$500,000.00, or so much thereof as may be necessary, to coordinate flood control activities with the authority. There is appropriated to the authority from the General Fund, \$6,500,000.00, not more than 5% of which shall be used for administrative costs connected with flood control projects."

There has to be some financing on this, in order to get this thing moving. There is another bill here -- Assembly Bill 2048 -- which has, as its main objective, a \$75 million bond issue that would then go to this authority for its use in the operation of the authority.

Now, let me just digress for a moment. That is the content of the bill, as written. Let me point something out to you. We have, of course, people living in the flood plain who would very much like to get out of the flood plain, but they have a problem. The problem is, what they are offered for

their dwellings right now is the 1984 value, as I understand it, and the market value is higher to start with. But, even there, if they were to get the fair market value of their dwellings as they are today, the next question would be, "Where do we go?" There isn't much of anything they can do. At the dollars they would get for their homes, where do they go for the same dollars, or for a little more, for housing? It is a problem.

So, part of my thinking on the authority would be, some day, some time -- 5, 10, 15 years out -- that piece of property is going to be put on the market for sale. At that particular point in time, this authority should have the right of first refusal to buy that property at the fair market value as offered at that point, so that they can wipe out the house, set the property aside -- put it in the bank, if you will -- and then eventually take the property, if they have enough of it, and turn it over to counties for park purposes. That is one area I think this \$75 million will work toward. That does not necessarily mean you have to spend \$75 million in one year, but it does mean that at least the fund would be there to get started on this. As far as the financing of this, that is later on after the \$75 million, there might have to be another bond issue. I don't know. That is something down the road, but right now, as I see it, we have to do something to pull the pieces together.

I have been at this since 1950, and the Army Corps has been at this since 1900 I guess, or 1903, with some seven plans, and nothing seems to materialize. I think that what we are doing here is bringing us under one roof, so that whatever community is involved, it will work through a central authority to try to work -- so we work in unison to pull the pieces together to resolve-- This is not going to resolve the problem overnight, but I think it is time we decided that we have to get some direction. Lord knows, dealing with DEP and other

agencies in this State is such a fragmented approach. There are so many things, and so much red tape to go through to handle this, that I think if we had an authority-- If I had my way, they would build -- or have their offices, at least, right in the flood plain someplace, so that when it did rain they would have to get in a rowboat, and they would get a taste of what is going on. They have to be a part of this thing. (applause)

Of course, with the authority being made up of people from the area, I think that is a positive direction. We have too many politicians, if you will, or bureaucrats, and all they can see is dollar signs. They don't see the guy in the rowboat; they don't see the person who is out at three or four o'clock in the morning trying to rescue people. They know about the loss of life, but it is not a part of their lives. I think we need the people who are directly involved with the actual negative aspects of flooding to become involved, so that they can put some positive stuff to this thing to try to help to straighten it out. That is the purpose of A-2047 basically.

ASSEMBLYMAN SCHUBER: You know that the Speaker's mandate to this particular Committee has been the fact that we allowed too many independent authorities to proliferate, and all of the financial capacity they give. We are really trying to ride herd over those, to make sure they are more responsive to the public and are more financially sound.

But, the reason I came here tonight is simply the fact that living so close by in a neighboring county, you know, I am very familiar with the problems that have taken place in this particular area. While they are vivid to me from reading the papers and seeing them on television, they are not vivid from the point of view of the uncertainty and the tragedy and the sorrow that goes with losing your own home, or never knowing if you are going to lose it in the next flood, or losing your business, or whatever the case may be, and never being fully compensated.

Beyond that is the fact that my review of the situation would indicate that this has been studied to death for more than a century. To me, if there was ever a classic case-- I thought working with the Division of Motor Vehicles was classic inaction, but this is classic inaction. My personal opinion is, I can't see any other way to handle the problem here than by the creation of some type of authority such as is proposed here. It calls for it; it cries for it. The question is, we have to be able to fashion it right so that it meets the problem here. We have to make sure that the money is going to be spent for the programs the public wants in this area. That is why it becomes an exception to our rule to stop the proliferation of public authorities, because I do think there is a need for it in this particular area, based on what I have seen.

If there is anything we would like to see come out of this tonight -- if there is anything -- it is the fact that this has been studied enough. I think we know that something has to be done. Let's hope that this can do it.

ASSEMBLYMAN MILLER: May I also point out, Mr. Chairman, that they just came through with an authority for the shore, to take care of the whole shore front under an authority. If they can do it for the shore, hey, let's do it for the Passaic River Basin.

ASSEMBLYMAN SCHUBER: The problems here, I think, have been greater than they have been at the shore.

ASSEMBLYMAN MILLER: Absolutely, and longer.

ASSEMBLYMAN SCHUBER: And longer. Gerry, what do you want to add to this with regard to some of the bills, and then I will let Senator Bubba give us some indication of his thoughts.

A S S E M B L Y M A N G E R A L D Z E C K E R: I think you can quickly identify a Newt Miller drafted bill to a Gerry Zecker drafted bill. Newt's is -- how many pages? -- 27

pages. The bill that Newt and I created on this one is two pages.

I will read the statement, mostly for the audience: "This bill would appropriate \$17 million to the Department of Environmental Protection from the General Fund for the purpose of providing State aid to the township of Little Falls, Passaic County, to finance the removal of Beattie's Dam on the Passaic River and the replacement of it with a taintor type flood gate, the removal of a rock ledge upstream from the dam, and the dredging of the immediate area."

Now, the Army Corps of Engineers -- I'm glad you mentioned that -- has been studying this for some 87 years. You know, the joke around this area is, "We hope by the time they have their 100th anniversary that some money will be spent actually solving the problem, and stopping the studies." I don't know today -- we can't get the information -- how much has been spent on studies.

The proposal we have for the Beattie's Dam area is something, quite frankly, that was suggested by members of a committee that was created in Little Falls to address their problem, but it is a proposal that goes right to the heart of the problem. The Beattie's Dam provides a bottleneck in the Passaic River. That bottleneck backs water up. That water backs up not only into Little Falls, but it backs up into Wayne and into all of the surrounding communities.

Newt and I have gone into the Governor's office on this. Tom said, "Newt, Gerry, do not create a project that is going to pass the problem down to the lower communities." So, we would not have his support if it went in that direction.

What this does, Pat, and Committee members, is create a dam that does not exist there right now. Taintor gates lift from the bottom on up. The taintor gate proposal will also have to be involved further down the river. The Great Falls Dam, which is also called the Sum (phonetic spelling) Dam, and

the Dundee Dam further down the Passaic River, will also have to be installed with this type of taintor gate, but not across the whole dam. These are gates, again, that lift from top to bottom, and allow the water to flow out faster.

We funded this-- The original proposal was somewhere in the area of \$14 million to satisfy the problems of Beattie's Dam, but there are Federal moneys that are available -- that will be available -- and the State's contribution will be on a matching fund basis. Those moneys are not fixed yet, but we have been advised by Congressman Roe's office that, you know, it looks pretty good; that the type of funding that will be necessary from the Federal level will be forthcoming. The State's share will be on a percentage basis, probably somewhere in the area of 25%.

The reason we financed this with \$17 million is because it would take care of the problems, not only of the Beattie's Dam, but we would be able to create a taintor gate at the Sum Dam -- the Great Falls -- and also down at the Dundee Dam. Now, what that will do, in the initial stages of a flood, is, we will be able to get the water further down the Passaic River quicker. Right now, the Beattie's Dam-- I believe the background to it is about two feet from the lip of the dam. There is really no retention there. A little bit back from the dam is a rock ledge that causes blockage.

With this bill we created what we call the Beattie's Dam Water Management Project. This generally addresses-- This is the Beattie's Dam. This shows you where the neck of the bottle is. This rock ledge is right behind it. We have been advised that if this taintor gate approach was used on the three dams, but in particular on the Beattie's Dam, that it probably would have a positive effect in channelizing the Passaic River for about 5.5 miles behind the Beattie's Dam. What that means is that there wouldn't be a silt build-up. You know, the Governor's office is a little bit concerned about

dredging -- where you are going to dredge one year, and it is going to fill up. As Newt said, it is going to fill up the next year.

What the taintor gates do, because they open from the open on up-- The silt is passed down into, hopefully, the tidal waters of the Passaic River, and is carried out to sea. So, this is a reasonable proposal -- a reasonably priced proposal. While \$17 million sounds high, when you are talking about a \$10.4 billion State budget, it's pocket change. When you talk about the kind of money that is lost in Little Falls and West Paterson and Totowa and Wayne during every major flood, it would seem that it would be just a matter of a few short years before the State's investment in this would be more than paid off.

There are technical problems that will arise from this. We will need the cooperation of the Passaic Valley Water Commission. We will also need the cooperation of the Army Corps of Engineers. That cooperation has not been that quick in coming. The Army Corps of Engineers is more or less geared to the project with the tunnel. This project doesn't seem big enough for them, but we feel it is something where shovels can be put into the ground. It would provide relief. If ultimately there is a tunnel plan, fine. This would still alleviate a problem that exists right now. Even if the tunnel were put in, these taintor gates would serve a purpose in eliminating a lot of floods that this district has been plagued with for many, many years.

Thank you. (applause)

ASSEMBLYMAN SCHUBER: Thank you, Assemblyman Zecker. Senator Bubba?

SENATOR JOSEPH L. BUBBA: Thank you, Mr. Chairman. I want to say, before I begin my statement, that I think tonight Assemblyman Felice, Assemblyman DiGaetano, Pat Schuber, and Marion Crecco are going to make history in this

area. I am excited; I am trembling a little bit with excitement over the fact that five years ago -- five long years ago -- when I sat down and wrote this legislation, with the help of Vic McDonald, who sits to your left up there, we just-- It was just an insurmountable task to get somebody to pay attention. To have somebody understand that we have serious problems in this area, and that you would take your time to come up here, I think is an indication of your willingness to help people. I just applaud you for that.

We have found that there has not been a great willingness on the part of the Senate majority to deal with this issue in this area. Since I have tried to assist in any section of the State with their problems, such as shore protection -- and I am very quick to vote in support of that -- I would ask those Senators to reciprocate by helping us with our severe problem, and that is the flooding.

We have gotten a little bit of cooperation, but not nearly the cooperation that I applaud Assemblyman Miller and Assemblyman Zecker for getting tonight. This is history making, that the Assembly should have a Committee meeting in the Township of Wayne tonight on these issues. I thank you for that.

Let me just read my statement. As the original sponsor of the bills in the Senate, again I commend you for being here, and for scheduling these bills for consideration today. It is my sincere hope that your actions today will mark the beginning of flood control for the harried residents of the Passaic River Basin.

As you are well aware, the residents of the Passaic River Basin have been plagued by flooding and ineffective government action for more than a century and a half. Floods have destroyed hundreds of millions of dollars worth of property, and have taken numerous lives. The April '84 flood alone took three lives, and caused some \$300 million in

property damage. And that was a minor flood, compared to the catastrophic floods of the past.

To sum up the situation, homes and businesses have been destroyed, lives shattered, and great suffering endured. All throughout this long period of suffering and destruction, government agencies have studied, examined, and debated the causes of and solutions to the recurring nightmare. Since 1936 alone, the Federal government, through the United States Army Corps of Engineers, has spent tens of millions of dollars fruitlessly studying these problems in the Passaic River Basin. The permanent studying -- as you mentioned before, Mr. Chairman -- must come to an end. We must begin to end the flooding now. A-2047 and A-2048, with their Senate counterparts S-105 and S-106, would give New Jersey the means of solving the Passaic River Basin flood problem.

Under these bills, the Passaic River Flood Control Authority would be created to implement a flood control plan. The authority, as mentioned, would be composed of representatives of all the geographic regions that are encompassed by the River Basin, so that everyone who is affected by flooding would have input. This authority would also serve as a central agency for flood assistance and information for the residents of the Passaic Basin. Citizens having flood related problems, questions, or suggestions could deal, finally, with a single central agency, not the bewildering myriad of State, county, and local offices that are simply incapable of dealing with a problem of this magnitude.

In addition to a geographically represented authority, these bills would guarantee that each and every municipality touched by the Passaic River would have a voice in the operation of the authority. The Passaic River Valley Flood Control local government committees' approval power over the operating budget of the authority would provide an ironclad guarantee that only a consensus of flood control plans that had

widespread local support could be adopted. All points of view in the Passaic River Basin would participate in the formulation of this comprehensive flood plan for the Basin, thereby diminishing the chances of selfish parochial interests thwarting flood control.

While the adoption of an ultimate flood control plan would rest with the representatives of the people of the Basin, these bills recognize that the flooding problems of the Basin are more than just regional. They affect every single resident of the State. As the 1977 report of the County and Municipal Government Study Commission stated, nearly one -- listen to this -- nearly one out of every four New Jersey residents live within the Passaic River Basin. Thus, 25% of our New Jersey people are directly affected by recurrent flooding. While 25% of the population is immediately and directly affected by the Passaic River flooding problem, the remaining 75% are affected in an indirect, but also quite dramatic way. Whenever the Passaic River leaves its banks and destroys property, all New Jersey residents are affected. Insurance losses associated with the destroyed homes and businesses are spread out among all those who live in and outside the Basin. Losses in government revenue due to inoperative businesses and lost wages must be made up by residents of other areas of New Jersey. The repair and replacement of damaged water and sewer systems and other utilities further reduce the amount of money available for similar projects in other parts of the State. Assets used to repair the damages inflicted on the residents of the Passaic River Basin are assets that are unavailable for the rest of New Jersey.

It is because of the truly statewide nature of this problem that I believe that these bills are the proper method to fund and solve the Passaic River Basin's disastrous flooding problem. The people of New Jersey have repeatedly demonstrated their compassion for their neighbors, and I am quite confident

that given the opportunity, they will rally behind their neighbors in the Passaic Basin and support this badly needed solution to the flooding problem.

I thank you very, very warmly and humbly for the opportunity of addressing you today, and strongly urge that you release these bills so we can get them enacted as promptly as possible.

I want to call attention to Rosanne Persichilli and Vic McDonald, who worked together to work out the amendments to these bills and make the Senate and Assembly versions similar. I might point out that the Assembly version has been amended to put into it the legislation that I introduced in the Senate; that is, to raise the property value of the properties being sold to the market value of when they are being sold, rather than the '84 value, as the Federal legislation indicated.

Also, I might bring to your attention that there is a codicil in this bill that if the Natural Resources Trust Fund is established, and that Trust Fund funds this authority, then the \$75 million bond issue may not be necessary. So, we have the wherewithal within the structure of this bill to utilize that money, rather than the bonding bill.

I am sorry I took so long to develop my presentation, but I certainly appreciate your time and effort. (applause)

ASSEMBLYMAN SCHUBER: We appreciate it. Thank you, Senator Bubba. I would indicate to you that we are also very appreciative of the members of the staff who are with us tonight -- Mr. Westreich from OLS, Ms. Persichilli from the Majority Staff in the Assembly, and Mr. McDonald from the Minority Staff in the Senate. They have been a great deal of help to us in the review and preparation of the materials for this hearing tonight.

I would indicate for the record, too, before we see if there are any questions from the Committee members, that I have received a letter from Assemblyman Loveys -- Ralph Loveys of

the Twenty-Sixth District -- which also represents parts of Passaic and Morris Counties, which will become part of the record. The letter indicates that he supports the concept of an authority to oversee flood control in the Passaic River Basin, and he implores the Committee to support the proposals put forth in the legislation that is on the agenda, sponsored by Senator Bubba and Assemblymen Miller and Zecker. That letter is from Assemblyman Loveys, who couldn't be with us tonight.

Do any members of the Committee have any questions for our legislative delegation? Assemblyman Felice?

ASSEMBLYMAN FELICE: If I may, I would like to make a comment about the analysis of all the records, over the last 30 or 40 years especially. There is an old saying -- referring to the professional engineer -- that given enough time and money, you can do almost anything. Well, I think we have given it enough time. I think it is up to the State and the Federal government to get the money up so we can start the projects. The technology is there. It isn't that we have to search and invent new ways. Anyone who has been down to New Orleans, or along the Mississippi-- These very same programs we are talking about now are in effect, and have been working for the last 58 years.

So, I think it is a question now of actually getting the shovels into the ground and getting started on a project. Both approaches, engineering-wise, are very sound and basic approaches. Each one would complement the other, depending on the type of flooding. I commend the sponsors of the bills for their patience and their diligence, especially since having been a mayor like most of us in the Legislature, and having served with all of the 14 communities in my district involved in this Basin, I know what it is like. I know, in a small way, the hardship and the pain and sorrow of these people, who have given their life savings to their homes and to their

properties. I know what this means to them. I commend the sponsors and the Chairman for getting this in the heart of where it should be. I guess you are right, Newt. I think all of the people who are involved in any project should have to be in the middle of it, and I think you would see a lot more action.

Again, I commend you people for getting this off the ground.

ASSEMBLYMAN SCHUBER: Assemblyman DiGaetano?

ASSEMBLYMAN DiGAETANO: Thank you very much, Mr. Chairman. Other members of the Committee, and my colleagues seated before us, I want you to know that representing some of the lower communities, as was mentioned before -- my district is the City of Passaic and 12 communities in Bergen County -- I had serious reservations -- I still have serious reservations -- about this flood tunnel project, because I am not convinced yet that it doesn't just take one problem from one area and shift it to another area.

However, having studied hydrology in my aerospace engineering courses, I know that the taintor gate proposal is nothing new. It is something that -- the technology for it at least -- has been around for about 30 or 40 years. It is unfortunate that they haven't implemented this sooner. But, I am very much in favor of these bills tonight, ladies and gentlemen, because I see this as something that can be done now. I don't know if the flood tunnel will ever see its completion. I don't know if it will ever see its beginning. This is something I see as very doable in the State and, as mentioned earlier, it is something that can be begun almost immediately.

It is my understanding that the greatest portion of the engineering is already done for these areas and, provided the funding is put into place, work can be commenced almost immediately. So, regardless of whether there is money for

buy-out, whether there is money for this proposed tunnel, or some other proposed tunnel all the way out to the bay, it certainly seems prudent at this time for the State of New Jersey to undertake some program, and to take some positive action to alleviate some of the terrible conditions that you good people have had to live under and, in many cases, some very tragic occurrences which happened as a result of flood waters in the State of New Jersey.

So, I am very pleased to be here tonight as a representative of some of the lower communities to support these bills. As I said earlier, the flood tunnel I am not convinced on yet, but these I am. I salute you gentlemen for coming up with something that can be done, and something that we can put into effect almost immediately.

Thank you.

ASSEMBLYMAN SCHUBER: I would indicate for the record that Assemblywoman Crecco has joined us. Marion, do you have any questions you would like to ask the sponsors?

ASSEMBLYWOMAN CRECCO: I have no questions, but I do want to make a comment to my colleagues and Senator Bubba. I just want to say I am very pleased to be here to vote on these bills dealing with the severe problem that has been here for so long. I am happy to see that this legislation includes local representation, because too often these independent authorities have dictated their policies, with no regard for the municipalities. This I like, and I am very glad to be able to vote on this.

ASSEMBLYMAN SCHUBER: Before we move on to the other witnesses, I would just indicate that I commend Senator Bubba and Assemblymen Zecker and Miller for bringing these matters to our attention legislatively. I have taken the time to review it myself with the members of the Committee and the staff members, and its importance to this area. We hope that as a result of the hearing that takes place tonight we will be able

to do this for you and bring some hopeful, long-last, meaningful relief to the area.

ASSEMBLYMAN MILLER: Mr. Chairman?

ASSEMBLYMAN SCHUBER: Yes?

ASSEMBLYMAN MILLER: One thing I should have mentioned and didn't, Mr. Chairman, is that this authority really goes beyond flood. It becomes more or less a water management type of thing, because part of the authority's responsibility will be to locate areas for retention basins -- even if the retention basins are located above our dams -- to hold this water back so it doesn't come down in one swoop, but comes down gradually, to help reduce the impact we have downstream.

So, on that basis, that again is part of-- We don't have a flood problem or a drought problem; we have a water management problem. I think this is the first step in that direction, to try to control what is going on.

I think the other thing that should be pointed out is that we down here in this area, are in the waterway and the wetlands -- the flood way -- and we have people who own property who can't build on it. They can't sell it, and they are paying taxes. They have had their property confiscated, and there seems to be nothing they can do about it. In the meantime, we have people way upstream who are contributing to the problem, and they can't be touched because they are out of the waterway, out of the flood plains, out of the wetlands. So, it just dumps down.

I think something has to happen through an authority to try to balance this thing out a little bit, so that we are not hit as heavily as we have been, and to try to control it.

ASSEMBLYMAN SCHUBER: Well, we recognize that. I was reading an editorial here that is almost 15 or 16 years old. It is from The Record, I believe. One of the local mayors at the time was commenting that they were up to their necks in studies and over their heads in water. You know, I think the

time for all that is gone. We hope that as a result of what we can do tonight for you, we can at least alleviate that.

Quite frankly, it is not our policy to start up new authorities any more, really, where we can avoid it, but, again, we cannot be blind to the fact that there are certain areas -- certain problems which come about, that cry out for this type of an establishment. I see this as one of those cases.

Again, we thank you for being with us tonight to present to us and to the public this important legislation. I would ask you, as a courtesy, if you would like to join us here at the dais, while we take on some other testimony? We would be more than happy to have you. Senator Bubba, won't you join us? Assemblyman Miller, Assemblyman Zecker?

Prior to this evening, we had some inquiries from those who wish to testify. Let me start with those folks, if they are here. We had Gabe Bellantoni, Vice Chairman of the Flood Prevention Board for Little Falls, who would like to speak on A-2570. Is that correct, sir? (affirmative response from audience) Why don't you come to the podium here. I think we have this set up for you. I believe it is all hooked up to the OLS mike.

As everyone comes to the podium, even though I have a list of names here, if you would please give us your name again and who you represent, we would appreciate it.

G A B R I E L B E L L A N T O N I: I am Gabe Bellantoni, from the Little Falls Flood Prevention Board. Mr. Chairman, members of the Assembly, Senator Bubba: I would like to make a statement here on behalf of A-2570.

We have been flooding for over 100 years in the Passaic River Basin. Although there is tremendous property loss and personal suffering, nothing is ever done to correct it. We spend millions of dollars after the damage is done, and then we sit around waiting for the next flood to happen. We

never seem to learn from the past. It always seems that a great tragedy must happen and lives must be lost in order for us to move or to act.

This is as true today as it was 75 years ago, after the flood of record in 1903. There was a great public outcry, and the politicians promised to do something then. So, we can all testify today that nothing has been done.

Now we are in a far more threatening situation, because should a flood of that magnitude hit us today, it would cost the government and the taxpayers a billion dollars, and God knows how many lives would be lost. The people who live in the flood plain are victims of the reckless and uncontrolled building that has been allowed to go on in the wetlands. Some of them never had water in their homes until just recently. They are victims of poor water management over the past 100 years. They are victims of greed; they are victims of progress. They had no control over what happened to them.

My colleagues and I from the Little Falls Flood Prevention Board are convinced that the interim plan is the best solution to stop the nuisance flooding in our area. It will protect us from a 50-year flood. It is a reasonable plan, and not expensive at all if you weigh it against the property loss that is incurred by the annual flooding.

Placing taintor gates at the Beattie's Dam will give us control over the flood waters. Control means just that. The river above the dam will not dry and smell as some suggest, because the gates would be in their normal raised position for 98% of the time. When the spring floods are threatening and the Passaic River is rising, the gates would be controlled with the help of a computerized early warning system, thereby releasing the water downstream in a controlled manner, without creating any problems to the communities below.

I would like to point out that Totowa and West Paterson will not suffer from additional water going through

the gates, if the river is properly dredged below Beattie's Dam, where silt and vegetation has accumulated for years, and has decreased its storage capacity.

Before any work is done on the dam, the Army Corps of Engineers will have to file an Environmental Impact Statement, which will determine if there will be any negative effects downstream. We do not have the luxury of time on our side. We must take the initiative and start doing something now, so that 50 years from now our grandchildren won't have to go through the same scenario. There has been too much money spent on studies. We have had enough meetings. There has been far too much procrastination. We need some positive action now.

Approving the bills sponsored by Assemblyman Gerald Zecker, Assemblyman Newton Miller, and Senator Joseph Bubba will be a step in that direction. Thank you.

ASSEMBLYMAN SCHUBER: Do any members of the Committee have any questions for Mr. Bellantoni? (no response) Hearing none, thank you, sir. We appreciate it very much.

Phyllis Dillon, Chairman of the Flood Prevention Board of Little Falls. Welcome.

P H Y L L I S D I L L O N: Good evening, ladies and gentlemen. I must comment on the efforts you folks have been undertaking lately. When I heard Assemblymen Zecker and Miller, I almost thought someone had given you an advance copy of my notes, but I am glad we all agree. I would like to read a statement about how I feel. We have been working for three years -- since '84 -- on flood prevention. We have also been in favor of the tunnel. However, we need help now. There is no question about it.

I would like to address the opposition to the Passaic/Pompton Dual Diversionary Tunnel Plan. The residents in the lower Basin have valid reason to oppose -- as it now stands -- the proposal for the tunnel plan. The possibility of very high walls may stun their aesthetic senses. It would

mine. However, if you have ever lived through a week of rising water in your house, and watched your belongings sit in the water because they could not be moved, you might beg for a wall or levee to hold back that water.

Additionally, the tunnel plan would not be finished for over 15 years. With opposition and litigation promised by the lower Basin residents, that may stretch to 20 or 50 years, or to eternity.

Let's look at an alternative to the tunnel plan that would clearly help the residents above Beattie's Dam, and not be detrimental to the residents below Beattie's Dam. Removal of the rock ledge that spans the river right before the Beattie's Dam is the first step. Secondly, the actual dam must be renovated to include the taintor gates, which can be operated either manually or automatically when the river reaches a predetermined level. Thirdly, the river should be dredged above the dam.

Keep in mind that renovation of Beattie's Dam without the installation of gates on the other five dams -- or, a total of five dams in the Passaic River Basin -- will be less effective. All five dams must have gates. With the early warning system that will be in place by December, 1987, monitoring of the water level will be a relatively simple matter. We must remember through all of this, that water management is the key word. Solving a flooding problem without concerning ourselves about drought is irresponsible. That is why the interim plan is the most feasible way to go.

With the interim plan, in times when all conditions are prime for a potential flood, the gates would be open and the water would pass through the Basin before the water reached flood stage. Conversely, at a time when there is little rain, snow, etc., the gates would remain closed to keep as much water as possible from flowing out into the Hackensack River.

The next step is to encourage DEP to stop permitting construction in the flood plain. Since the devastating flood of '84, several huge buildings have been built in the flood plain, stealing valuable storage retention areas, and uprooting trees and vegetation that held the water. Incidentally, this vegetation is essential for relieving both drought and flooding.

We need to work together to solve the flooding problem in Little Falls and the surrounding communities upstream, without pushing our problems on our neighbors downstream. Indiscriminate development of the wetlands is jeopardizing the balance of our environment. If we do nothing about it, we, in fact, are helping to destroy our own environment; we are destroying our own communities; we are destroying ourselves.

Thank you.

ASSEMBLYMAN SCHUBER: Thank you very much, Ms. Dillon. Does anyone have any questions?

ASSEMBLYMAN MILLER: I have a comment, Pat.

ASSEMBLYMAN SCHUBER: Yes, Assemblyman Miller?

ASSEMBLYMAN MILLER: I think, in keeping with your comments, this authority would work very well with the downstream communities which have a concern about the tunnel, because the authority is not being generated for the purpose of Little Falls on up. It is being put together for the purpose of the whole Basin. At least this way you don't go to the Army Corps of Engineers with your problem; you go to the authority, which in turn would be the people to become involved to try to straighten that problem out.

MS. DILLON: I have a question on that. What is the estimated time for this authority to be organized, and will we have to wait until after it is organized and they get all of their appropriations before anything is done with the interim plan, if, in fact, they do accept the interim plan?

ASSEMBLYMAN MILLER: Well, see, the original plan for the Beattie situation can be handled outside the authority, the

way the bill has been drafted. However, if the authority is put together, then it would come under the supervision of the authority. Now, how long will it take? I have a commitment to move this stuff through, if at all possible, by the end of June, to get it over on the Senate side. These bills have been through one committee on the Senate side -- on Senator Bubba's side -- and it is in the Appropriations and Finance Committee over there right now. What amendments will be made tonight can be made on the Senate side, and at that particular point-- Really, if they wanted to, they could have this thing through come early September. It could be in and ready to go. Now, from that point on, you would have to start sitting down and getting the committee together from all the towns, which may be the biggest problem, by the way -- getting all these towns represented to make the necessary recommendations to the Governor for the membership of the authority itself.

Again, rest assured that I will get myself deeply involved at that time. If I can just taste this thing at that point, you rest assured that I will set everything else aside just to take care of this one particular problem. If I go out of public office with one thing in mind -- my feet don't get wet any more when it rains. (applause)

ASSEMBLYMAN SCHUBER: Thank you, Assemblyman Miller. We will now hear from Pauline Sheehan, who is the former Chairman of the Flood Prevention Board of Little Falls.

P A U L I N E S H E E H A N: My name is Pauline Sheehan. I live at 22 Riverview Circle in Little Falls. First of all, we are presenting 5000 signatures supporting A-2570. These signatures were collected in 1985, after the flood of 1984. I would like to read the petition I have here:

"We petition our Governor and congressional and State legislators for approval and funding of the Army Corps' plans for the replacement of Beattie's Dam with flood gates, the removal of the rock ledge, and channelization as an interim step to the tunnel plan for flood control."

Okay, now I would like to read my own personal statement: The flood of 1984 flooded areas that were never flooded before. We were devastated in Little Falls by the flood. We were forced out of our homes for five days. My daughter was crying hysterically, not knowing what to do, what was going to happen next. My son, an infant at the time, was crying, too. The trauma I went through will never be forgotten.

The flood waters that rose out of the rivers were contaminated with raw sewage that came into our homes. The homes had been there for 30 years, and never in 30 years had the people been forced to leave their homes, not being allowed back in until the flood waters had receded.

The developing of wetlands and filling in of flood plains are altering the flood storage area. The water must now drain directly into the rivers, altering the flow. Beattie's Dam backs up the flood waters, causing the effects of development of wetlands and flood plains to be worse. The new low-lying area is my back yard. What happened to my riparian rights which are being stepped on? My municipality and the State are supposed to protect my rights. Why am I flooding more frequently now?

A developer can come in, develop, and build illegally, without first obtaining a Stream Encroachment Permit, altering the flood storage area. Then they go to the DEP and pay a minimal fine; for example, Khubani Enterprises in Fairfield, which is building 40 homes, and selling them for approximately \$400,000 at today's prices, and paying a minimal fine of \$200,000. Then the DEP tells me: "I feel that the Division of Water Resources has addressed your concern for an increase in flood damage potential to the extent practical."

Their practical solutions have caused my home to be devalued by \$50,000 to \$100,000. Why must I pay such a price as an individual, and the developer profit substantially?

People are dying in the flood waters. Homes and lives are being destroyed. Why must we worry when it rains that our homes will float away or someone will die in the flood waters?

Please consider A-2570 and vote on releasing this bill to the Assembly tonight. Please protect my riparian rights and do what is right to correct the problem, instead of doing what is practical at someone else's expense.

Thank you.

ASSEMBLYMAN SCHUBER: Thank you very much.

SENATOR BUBBA: I want to thank you, Pauline, for coming forward and speaking. I want to thank you for all the work that you and a lot of people in this room did with respect to gathering those petitions several years ago. I think the point to be noted by Pauline's comments is clear. The problem is not the same; the problem has gotten worse. It can only continue to worsen as we progress.

ASSEMBLYMAN SCHUBER: We will now have Gloria Kolodziej, of Clifton. Please forgive me on my pronunciation. I apologize in advance.

M A Y O R G L O R I A J. K O L O D Z I E J: I would trade you right now, Chairman Schubert, for a name that is easy to spell and easy to pronounce.

ASSEMBLYMAN SCHUBER: Thank you, and welcome.

MAYOR KOLODZIEZ: I do want to thank your Committee for having this meeting here in Wayne, since most of us who have given public testimony before have had to travel down to Trenton, and it does pose a lot of problems for constituents who want to address their legislators.

I have availed myself of this invitation to participate in this legislative hearing, particularly on Assembly Bills 2047, 2048, and 2570. By the sponsors' own definition, these bills are a starting point in the resolution of a problem. At the onset, I want to make it perfectly clear that I -- and I believe everyone in this room -- want the flood

victims to be free of the fear of floods. We want them to have relief now.

However, we, the public, have been given various plans to consider, and we must sift through those various plans and put forth an end, or an accomplishment, as we peruse these various documents. Most of the testimony tonight is going to center around Assembly Bill 2570, which I kind of view as being similar to spot improvements that we have been given to look at in many other instances in local government. A spot improvement, in my opinion-- I listened to Assemblyman DiGaetano speak about having these on the books for many years and now, all of a sudden, what was feasible five years ago is the appropriate thing to do. Obviously, somebody has been dragging their feet.

I believe that these improvements in Assembly Bill 2570 can be accomplished without the mechanism of an authority. I suppose that if I have an objection today, it is on the concept of, why an authority? I was given a document that was delivered to my home today by police courier, that was a backup on a document provided by the sponsors of these bills. They state that an authority, such as the Port Authority, the Turnpike Authority, or the Highway Authority do not cost the taxpayers in New Jersey any money. In that same sentence, they allude to users' fees as being the means to support this authority, if the funding referred to by Senator Bubba is not forthcoming.

In essence, I find that people who wish to use tunnels, bridges, airports, and anything controlled by our existing authorities, really have the help of a lot of out-of-state people. So, the salvation to the taxpayers of our State is not that we have authorities, but that the out-of-state residents contribute to that pot which supports them.

My question is: Who will support the pot that will make the Passaic River Basin Water Management Authority work? In essence, I draw the conclusion that it is we, the users, who, if I follow that logic through, will find our water rates increased by the suppliers who are going to be assessed this additional money. We will again be taxed through that form -- our water bill.

I have a problem with autonomous authorities. Autonomous means independent. I like that word, since I consider myself an independent, but it has come to signify to someone, in my position especially, the exclusion of public input. In listening to some of the preliminary dialogue, it seems that the public will only have that input with regard to public budget hearings. Even when I take into consideration the establishment of the local government committee, there are almost 111 communities involved in this water management situation, and it hardly seems feasible to put together a local government committee that is going to encompass 111 communities.

I look at the other two bills, and I ask myself questions such as these: How much flood control capacity will be gained by the dredging? How much of the billions of gallons of waters generated by the flood-creating rains will be retained as a result of that dredging?

Two of those bills propose lowering the water level of the reservoirs and maintaining an 80% capacity. To this proposal, we are adding a \$70 million pipe line which would be built from Round Valley and Spruce Run Reservoirs to supply Wanaque during the drought periods. This supposedly would offset the water loss created by the 80% capacity.

I want to know if our goal is water management. Are there engineering studies that will verify that this is the desirable arrangement, and does that take into consideration the growth projections for the regions that Round Valley and Spruce Run were built to service? I don't think there is

anyone here who would be reluctant to spend money when they know it will suffice us, not only for our generation, but the generation to come. If you look at some of the planning documents which have been made available to you legislators, you will see that the growth area is exactly where Round Valley and Spruce Run are going to have to service.

The proposals put forth today are just that. As we are told, they are proposals. There are expenditures that total right now \$99 million of taxpayers' money. The authority -- again, that is what I am addressing -- we are told, will have a director and a commissioner. I would like to know how and who will name these commissioners and directors, what their salaries will be, and what some of the other results of this would be, such as the communities that are serviced by aquifers? Whatever we do in managing our water, it certainly would not be right to deprive another community of their water source. I don't think anyone who is going to testify tonight would support that either.

I guess what I am saying is, I, too, can support A-2570 as something that can be done immediately, which should have been done several years ago. But, at this point in time, without further documentation, I don't know if another authority is what the State of New Jersey needs.

ASSEMBLYMAN SCHUBER: If you would hold it for one second, I just want to clear up one thing. I think there is a misconception here. This legislation, as I read the bill, does not provide for any user fees whatsoever. We should make that clear. This bill, as I understand it, would provide for the utilization of funding from the Treasury, number one, which means that the whole State of New Jersey would pay -- number one.

Number two, it would provide the money from a bond issue, issued by the authority. The bond issue would not have the same bonding capacity as the other authorities you

mentioned because, you know, those other authorities do have user type fees. This authority would not have those. Plus, it would also utilize money from the Natural Resources Trust Fund -- utilization of Federal moneys for that purpose.

I share some of your concerns with independent authorities. That is why I chair this Committee. I don't see them on this particular legislation. That is why I made the statement early on about the need for it here, because that is not the way-- The user fee argument you set up is not what is going to happen with this particular authority. It will be set up just for the purpose of not doing that.

We can debate the issue of whether there should be a public authority here or not. That is something the Legislature has dealt with all along. However, I just find that the problem here cries out for that type of a solution. I don't see any other one in the offing that would make it.

The one thing I wanted to clear up was the funding aspect of this. Believe me, there is no one here who has been more opposed to some of the authority fundings, like the Port Authority and the Turnpike Authority, than myself.

MAYOR KOLODZIEJ: Unfortunately, in the City of Clifton, we are dealing with a document called the "Passaic River Basin Water Management Authority," submitted by Assemblyman Newton Miller, Assemblyman Gerald Zecker, and Senator Joseph Bubba. It will be an item for discussion in this coming week on our Council agenda. This is what we are working from. The funding that you speak of now is--

ASSEMBLYMAN ZECKER: Mr. Chairman--

ASSEMBLYMAN SCHUBER: But, that is not the bills before us on a--

MAYOR KOLODZIEJ: No, this basically is in reference to the bills we are dealing with, because it all came in the same packet.

ASSEMBLYMAN SCHUBER: I appreciate that, but I am addressing myself to these three bills here. As I indicated from what I see here, they would not provide the type of danger to the taxpayer which you are indicating. It would not be within the purview of the authority -- as I see it -- being established here.

MAYOR KOLODZIEJ: All right, but these fundings you speak of, are they going to be the carrots that are held at the end of the stick, which are never delivered? Those of us who have been on the promised end of funding-- That was never delivered, even though we were on the list of needs. Is this going to be another instance, because I don't believe in telling people what they want to hear? I am a result-oriented person. If you are telling me that this funding is available from those levels--

ASSEMBLYMAN SCHUBER: Believe me, I could be home in Bogota tonight, if I were not a result-oriented person.

MAYOR KOLODZIEJ: All right. This funding that you speak of will--

ASSEMBLYMAN SCHUBER: My feeling is that we are here to accomplish a purpose.

MAYOR KOLODZIEJ: All right.

ASSEMBLYMAN SCHUBER: This legislation, as I read it and understand it, does not do what you say it would do. Rather, it would take care of funding another way. I think it will accomplish the purpose. Again, I am sitting here and looking at editorials that go back to the founding of some of the newspapers in this area, you know, dealing with the same problem. What we are trying to do here today, I think, by the legislation that has been given to us by Senator Bubba, Assemblyman Zecker, and Assemblyman Miller, is address that problem. Hopefully, there is finally a legislative Committee that has come here to take testimony on this, and to try to release to the rest of our membership a meaningful solution. I think this will do that.

MAYOR KOLODZIEJ: All right. The testimony, then, should reflect that I can support the improvements associated with Assembly Bill 2570. However, I will reserve decision on the other two until you can show me that funding in my hand.

ASSEMBLYMAN SCHUBER: Thank you very much.

ASSEMBLYMAN ZECKER: May I?

ASSEMBLYMAN SCHUBER: Yes.

ASSEMBLYMAN MILLER: I think I ought to clear the air here, Mayor, I sent that out, after sitting down and batting it around with my two colleagues. If you read the very first page, I think it states right in there that there is nothing in concrete. These were just ideas to sit down and come up with something to stimulate some thought which would result in what we have here this evening.

Gerry and I met with the Governor and his counsel some time back. We presented him with a verbal description of what we were trying to accomplish and what our thoughts were. He said, "Give it to me in black and white. Let me see some of your thoughts, and let's see what we can do." Based upon that, we put together what I call my "white paper," if you will, on ideas. There are some ideas in there that will never see the light of day, but we had to cover all bases so that everybody who read this would have something to look at and something to chew on, which, of course, resulted in different ideas.

As far as autonomy is concerned with this authority, my gosh, if you want autonomy, take DEP. They are the people you are dealing with today, and if you want to talk about being autonomous-- They are God on a pedestal. You can't really get things done with these people. (applause) At least with an authority, especially if we can get them located in this area and they are people from this area, I think we could have a common language, if you will. We would understand each other.

As far as their election or their appointment is concerned, the local people -- the local communities -- are the

ones who will have the input, and who, in turn, will elect their 11 representatives to be the touch point between the committee and the authority. This same group will decide which candidates should be given to the Governor for consideration for appointment to the authority. I think they will have all the contact in the world, which is something they never had before, because you can't get to DEP with a name, or whatever. In fact, you are lucky if you can get to the DEP. You are lucky if you can find a phone number to call them on.

We just kind of think this is a step in the right direction. I would say that as far as salary is concerned, commissioners work without salary. If there is an executive director, they have the right to set salary on that. Again, the budget must be approved by the committee, and the committee can make the determination about whether a salary is too high or too low, or whatever. Should it have been done five years ago? No, it should have been done 50 years ago, or when we had floods back in '68 -- the '68 flood, if you want a flood -- and before that. At least we have gotten to the position, because of the dialogue we have had, of accomplishing something.

I would ask you, Mayor, if this isn't the approach, what is the approach?

SENATOR BUBBA: Hear, hear.

ASSEMBLYMAN MILLER: Come up with a suggestion or something. (applause)

ASSEMBLYMAN SCHUBER: Let me just clarify for the record, if I may, please, that on the issue of funding here-- Certainly, it is not our intention to pass something just to pass it, without some consideration for the ramification of the cost. I would indicate that if you read the bill, it indicates very clearly -- it was drafted this way -- that there would be appropriated from the General Fund -- from the General Treasury -- \$500,000 for flood control activities, and there would be appropriated, furthermore, another \$6.5 million from the

General Fund -- which means the State Treasury -- and there would be-- The companion bill that is part of the hearing tonight would authorize the issuance of \$75 million in general obligation State flood control bonds. That would be the other means of funding. It would also allow the authority to contract for, and accept, any grants or loans of funds or property or finance or any other aid from the United States of America or any of its instrumentalities, or from the State or any of its instrumentalities.

So, the purpose is to generate an authority that will be able to garner not only money from the State Treasury, but also money from various and sundry -- from the Federal government and its agencies, and other State agencies. Nowhere in the bill-- The bill is completely devoid of any authority. A public authority can only have the authority the Legislature gives it to implement any types of user fees. The bill does not have that at all. So I think the record should indicate that.

Our next witness will be W. Jay Wanczyk, Township of Pequannock. Did I get that correct?

W. J A Y W A N C Z Y K: Close enough.

ASSEMBLYMAN SCHUBER: Was that close enough? Okay, thank you.

MR. WANCZYK: Members of the Senate and the Assembly, concerned elected representatives, and citizens of the Passaic River Basin: My name is W. Jay Wanczyk. I am Assistant Town Manager of the Town of Pequannock. Our Township Council is having their regular meeting tonight and could not be here. Therefore, I am speaking on behalf of the township.

On June 10, 1986, our Township Council adopted a resolution supporting S-105, establishment of the Passaic River Basin Flood Control Authority. We continue in that support today. While our township also supports the active pursuit of the Army Corps' dual inlet tunnel, we recognize that there are

interim projects not listed here, which will offer some relief to the flood problem, and which may be implemented in a shorter period of time. We also recognize that the Passaic River Basin Flood Control Authority would make an ideal implementing agency for the local aspects of the tunnel project, and many of the other interim projects, such as the Little Falls project we have heard about tonight.

The township will review and add information on these bills received during the past two weeks, and will submit additional comments in writing relating to the formulation, responsibilities, and structure of the authority.

However, very briefly I would like to make a few points which I believe to be worth mentioning at this time. First, the authority membership, as discussed, must be broadly based and offer meaningful participation in authority policy making by the municipalities. Secondly, our goal must be the adoption of a storm water management program throughout the entire 955 miles of the Passaic River Basin. We could stop flood plain and floodway development today, and still see floods of increasing intensity for the same amount of rainfall in future years, if the storm water question is not addressed as a responsibility of the authority.

The regulation of the Wanague and Montville Reservoirs will not alone solve or protect against the 100-year floods, but it would offer some relief, according to both the Army Corps of Engineers and the New Jersey Institute of Technology Study. Consideration of regulations for the City of Newark/Pequannock Watershed Reservoirs at Oak Ridge, Charlottesburg, Canistear, and Clinton should also be included as a part of the authority's goals.

With regard to buy-outs, coordination of the buy-out programs would be welcomed. Pequannock has been particularly successful in the buy-out program, having had now 13 homes bought out, with eight more pending. However, one of the

things we keep hearing from people who have not accepted the buy-out is that we need alternative housing. A possible responsibility of the Passaic River Basin Authority could be coordination of the available Mount Laurel units throughout New Jersey, which would fit the requirements of our floodway buy-out participants.

We can also look toward the Susquehanna River Basin Authority formed in Pennsylvania about 10 to 15 years ago. Their great success in dealing with that area's very similar flood problems was in establishing their own authority. We really should take a look at their successes, because they were faced with many of the same problems we had.

With regard to financing, we agree that the financing for the authority should be broadly based across the State and/or entire Basin, but especially the State, when we consider that 25% of the State's residents are directly living or working in the Passaic River Basin, and the other 75% are affected socially and economically.

A final note is that many of the previous plans we have all read about and studied were not adopted during the past 50 or 80 or 90 years due to differing opinions of the local municipalities, or changes in State policy. One plan in the 1950s included storm detention or dry reservoirs. The plan was essentially ready to go, and then a new Governor in 1960 wanted the plan changed to include water storage because we had just had droughts. More years passed, and then our 1968 flood. Since then, three more plans in the early 1970s, all rejected due to local discord or lack of strong-stated administrative policies. Sixteen years later, our 1984 flood.

Let's all heed the lesson of history and work toward the goal of protection from all floods, at least up to the 100-year level, and remove this burden from the shoulders of our residents. The Passaic River Basin Flood Control Authority appears to be a major step in the right direction.

Thank you.

ASSEMBLYMAN SCHUBER: Please indicate to Mayor Schmidt (sic) that we are in receipt of a copy of his resolution -- which you have given us -- in support of the legislation. It will become part of the record.

MR. WANCZYK: Thank you.

ASSEMBLYMAN SCHUBER: Thank you very much. Our next witness will be Charles Romain, Mayor of Pompton Lakes.

M A Y O R C H A R L E S C. R O M A I N, J R.: Mr. Chairman, members of the Committee, honored guests: Unlike my colleague of Clifton-- I am sure that the Mayor of Clifton, if she were the Mayor of Pequannock, or the Mayor of Pompton Lakes, or the Mayor of Wayne, or the Mayor of Little Falls, or the Mayor of Lincoln Park, she would be singing a different song. Like the old Indian saying, "When you walk a mile in my moccasins, then judge what I do," if she walked a mile in our boots, perhaps she could judge what we are doing.

SENATOR BUBBA: Hear, hear.

MAYOR ROMAIN: I am here tonight from the residents of Pompton Lakes specifically endorsing the project. We think the formation of the commission is the best that the State can do at this time.

In 1984, in June, the Mayors of the Central Passaic Basin formed a committee. As Chairman of that committee, we set four different goals to hopefully be able to conquer. We have done pretty well with some of them. The first goal that has been conquered, so to speak, is the early warning system, which will be implemented in December. The second one was the reservoir bill, which has gotten a good start on us. We are now at the position where the studies have indicated it is in our favor, although nothing definitive has been done. The third one is endorsing the Flood Control Commission, which hopefully will be done this evening after we finish speaking, and the fourth is the dual inlet tunnel plan. I am sure that is the hardest nut to crack, so to speak, because of the opposition which exists in the lower region.

My concerns for the commission deal with two things: The first is word setting, and the hierarchy of who is going to be above, particularly sitting in DEP. I realize the State Constitution says they have to sit somewhere; they can't sit off by themselves. I think this is probably an area that I see as the worst place for them to sit. I speak that way only because when we first got into the flood business, so to speak, to the extreme we did in 1984, we found that the same person in the State who was in charge of flooding was also in charge of droughting. We found out that the parochial issues of the State were simply that-- Drought was number one, and flood control was number 20. Nothing was in-between.

At all ends, every time we addressed the Commissioner, we addressed his Water Resource Management, or we addressed anyone else, it was always that drought was number one. I feel that because of this issue they will not be responsive to the needs of the committee if DEP has any veto power over the budget, or if they have any veto power over the projects that are thought up by the committee once it is started. I don't know. Assemblyman, perhaps you can let me know there. Is there a veto power DEP would have -- or the Commissioner -- over the work of this--

ASSEMBLYMAN SCHUBER: If I may, Mayor, maybe I can clear this up. There is an amendment tonight that will remove it from DEP. (applause) Is that instant action, or what?

MAYOR ROMAIN: Democracy in action. Thank you.

ASSEMBLYMAN SCHUBER: Thank you very much. We appreciate it. Andrew Woods, Councilman from West Paterson. Welcome.

COUNCILMAN ANDREW WOODS: Thank you. I am appearing tonight on behalf of Mayor Alfred Baumann and the Council of West Paterson. I would like to commend you and your colleagues for appearing here this evening, and Assemblyman Zecker, Assemblyman Miller, and Senator Bubba for their work on these bills.

First of all, we support the concept of the authority. The only thing I was sent up here this evening to object to is Assembly Bill 2570. We are below the Beattie's Dam. It could, the way we read it, and without more engineering data which we hope will be forthcoming, have a devastating effect on West Paterson and our neighbor Totowa, but I will let them speak for themselves. We are not fully convinced that the bottleneck you are removing from Little Falls would help West Paterson. The silt you are removing from Little Falls is going to wind up in West Paterson. If you don't dredge what you are dredging in Little Falls out of West Paterson and Totowa, and all the way down to the Great Falls, we are going to have big problems in West Paterson.

Outside of that, we approve of everything that is being done. Thank you.

ASSEMBLYMAN SCHUBER: Thank you, sir. We appreciate it.

SENATOR BUBBA: Mr. Chairman?

ASSEMBLYMAN SCHUBER: Yes, Senator Bubba?

ASSEMBLYMAN ZECKER: Mr. Chairman?

ASSEMBLYMAN SCHUBER: One at a time.

SENATOR BUBBA: Councilman Woods, I thank you very, very much for your comments. As you know, we have been in touch on a daily basis to talk about the problem. That is why the authority, because when an idea is developed, to solve a problem in one area, we don't want to create a problem in another area. Every one of your concerns ought to be addressed, and will be addressed. We thank you for bringing those to our attention, as you have in the past. We assure you that they will receive a high priority from us.

COUNCILMAN WOODS: Thank you.

ASSEMBLYMAN ZECKER: Mr. Chairman?

ASSEMBLYMAN SCHUBER: Yes, Assemblyman Zecker?

ASSEMBLYMAN ZECKER: Councilman Woods, this project will not be allowed, will not have the Governor's support -- he would veto it -- unless we solve the problem that is created below the river. It involves removal of the silt. It involves installation of taintor gates on the Sum Dam -- the Great Falls -- and also into the Dundee Lake through the Dundee Dam. We have been told not to create a project that is going to pass a problem down below. I just give you the guarantee that that is not our intention, and it will not be done. Hopefully, when we come back to you with all of the engineering surveys, you will truly be in support of the whole proposal.

It is probably going to involve, quite honestly, the creation, in other districts, of this type of a proposal, you know, up river, going up toward the New York State border.

COUNCILMAN WOODS: We don't want a solution up river that is going to give us a problem down river. Okay?

ASSEMBLYMAN ZECKER: Right. So, it is probably going to involve a series of proposals such as this. But, the whole thing is, the Beattie's Dam is the bottleneck. It has to be addressed, as does the Great Falls and the Dundee Dam. That is the one message the Governor gave us: "Do not create a problem down river," and we are not.

COUNCILMAN WOODS: Thank you. But, one of my other hats is Emergency Management Director in West Paterson. I am one of the guys out there at four o'clock in the morning, in the boats, in the boats, getting people out, and everything. We really don't need these problems. We try to avoid them, so anything you can do to avoid them, we will go along with you.

Thank you.

ASSEMBLYMAN SCHUBER: Thank you, sir. I neglected before, when Mayor Romain spoke-- I see that Mr. Krom, the Administrator from Pompton Lakes, also put his name down to testify. Did you want to add something, sir? (affirmative response)

D O N A L D K R O M: To follow a man like our Mayor, Charles Romain-- That is a rough one, I'll tell you. I have been involved in this for the last 66 years. I was born and reared in Little Falls, and I have seen all of the improvements on the river, and all the projects that were projected over the years. I saw a merry-go-round replaced by a factory, which had been an amusement park. I won't name the municipality. I saw another place where they trained horses and they raised flowers; now there is a shopping center there. All of these things have happened.

I think it is time we get down to the nitty-gritty of the problem. That gentleman up there on the wall-- I rode with him in a car in Pompton Lakes, with our past Commissioner of Commerce and Economic Development. He represents us in Congress today. He could help us with our problems. He has the ability to bring funding to the area. Let's help him to give us the funding we need to do these projects.

There are many things that he and all of us can get together on. This page here with 4, 5, and 6-- It tells us just what has to be done. The main thing is to get together. There are commissions that have very successfully cured problems. We had droughts in the Passaic River Basin. We had reservoirs built. I am old enough to remember the lines going into the ground from the North Jersey District Water Supply. I saw the improvements made to the Passaic County Water Commission. I have seen other reservoirs built that don't have pipes to them yet. All of these things have happened.

We need some help in the flooding areas. I have been with the boots on many, many times. I have been with Senator Bubba prior to his being elected to office in the State area. He was Mayor of Wayne at the time. We have all seen the problems. We have seen them all develop. We have all tried to come up with some solutions. We have some solutions here. Let's all get together and make them work, because taintor

gates will work, dredging will work. They all have some sort of solution to our problems, I feel.

One of our Assemblymen spoke before about the tunnel plan. I think we need that too. And, if we get the other plans, maybe we won't have the volume of water going through that tunnel to affect them downstream. We will let it down easy. If we did the same thing with all of the water we retain in our area for the City of Newark, Jersey City, all of the Hackensack area, and a good portion of Bergen County-- The Meadowlands would not have any development without the water we keep in our upper area to give everyone a drink. There are other things that have to be handled down there in the Meadowlands -- sanitation. It is building New Jersey. New Jersey and us can make it all work. Let's make it work together, and get all of these plans under way, because it has to work. I would like to see it happen in my life span, and that is coming into its waning days.

Thank you.

ASSEMBLYMAN FELICE: Mr. Chairman?

ASSEMBLYMAN SCHUBER: Yes?

ASSEMBLYMAN FELICE: I may not be as old, but I can remember when the Passaic River was so clean you could swim in it, and they had public beaches. I hope someday in our lifetime we can see that again. But, you know, part of the problem you hit upon. I think a lot of us looking at the flooding, the DEP, and the drought-- Part of the problem is that too many communities in the counties did not have a master plan to regulate the local and county planning boards, so homes in many areas should never have been built. I think that is what we have to go back to.

ASSEMBLYMAN MILLER: I am not as old as Nick, but my father used to tell me about the clean rivers too. (laughter)

ASSEMBLYMAN SCHUBER: Thank you, Newt. Our next witness is Jack Marques of Wayne.

J A C K M A R Q U E S: Mr. Chairman, ladies and gentlemen: I have no prepared statement. I am a flood victim, a water rat, or whatever you want to call it. I have lived in the flood-prone area for the last 30 years. I would not live there if I had another choice. You are talking about buy-out programs and fair prices. What is a fair price for a home that gives you what you need for you and your family? When you sell it, they give you maybe a down payment on another home somewhere else. Now you are living free and easy, outside of the flood problems, but if you sell that home and buy one somewhere else, you are going to have a load on your back. Most times you won't know if you are going to be able to pull through.

So, forget about these buy-out programs. Let's concentrate on what we are talking about here tonight. Let's do something for guys like me, and others, who don't dare to speak up. I feel that we have been pushed around long enough. Since 1968, we lost nine lives. In 1984, we lost two or three. You put that into dollar value, and you will see how much that is.

Let's talk about flood insurance premiums -- the flood policies we buy -- the furniture we lose, mopping up, and whatever we have to do after a flood. Sometimes it happens twice a year; sometimes three times. It happened three times not too long ago.

A lot of you gentlemen may not even live in a flood area. You don't know what it is to get out of your house at one o'clock in the morning, or at one o'clock in the afternoon. When you return, what do you have to mop up? Whatever you can salvage-- You are lucky if you can salvage anything.

I think we have done enough studies; we have enough plans; we have enough of everything. If we put the money together that we spent for studies and surveys and whatnot, we could pay for 10 plants to eliminate this problem.

Now, I give Mr. Zecker credit, and all of you, for trying to do something, but try to do it quickly. Like this gentleman here, I don't have much time left over, and maybe I won't get to see it, but give me a chance. Do something.

Thank you very much.

ASSEMBLYMAN SCHUBER: I would indicate to you, Mr. Marques, that we appreciate your comments, especially as a victim of the problem we are trying to address tonight. Obviously, I am not telling you anything you don't know when I tell you there is no way we can equate, by this legislation, or any other legislation, the return of the value of a human life. There is no way we can do that. We can hope that we can prevent that from ever happening again that we would even have to consider that.

I would indicate to you with regard to the problems of the purchase of property -- which is an economic loss to yourself and to many of the residents -- that this authority would have the power, again, to purchase buildings used as primary residences of individuals, and it would base its offer upon the cost that that individual would incur when purchasing a comparable residence, as opposed to some of the other formulas which so often denigrate the value of what you know to be so valuable. We would hope that this legislation, with the proper amendments we have tonight, would address at least that portion of the problem.

Our next witness will be Severino J. Alvarez, I think. Is that correct, sir?

SEVERINO J. ALVAREZ: Yes. I didn't prepare anything. I just came here--

ASSEMBLYMAN SCHUBER: Why don't you give us your name and your address, please?

MR. ALVAREZ: My name is Severino J. Alvarez. I used to live at 44 Greenwood Avenue in Wayne. I did not prepare anything. I just came here because I lost everything I owned

in 1984. So far I haven't been able to get myself back together since then. Hopefully, this thing will work.

I am not very good at speaking, so this is kind of ridiculous for me.

ASSEMBLYMAN SCHUBER: That's all right.

MR. ALVAREZ: I just want it to work, because since 1984 everything has been going downhill. It is getting better as the years go by, but-- I lost everything I owned in 1984. It was a really bad thing, and it still is for me.

ASSEMBLYMAN SCHUBER: Where was your home?

MR. ALVAREZ: I lived at 44 Greenwood Avenue. It was a ground floor apartment. It was not a place that got flooded before. When they built 23 up, they made that a dam, so my house got all the water.

ASSEMBLYMAN SCHUBER: What did you lose?

MR. ALVAREZ: Everything, everything. You name it, I lost it, except lives. I had a little baby at the time -- my wife, me. The only things we were left with were the clothes on our backs. That was it, nothing else. It is a bad thing, especially when you are a young couple and you are trying to make it. Then this thing happens to you. It destroys you, but we are together, and that is the main thing.

That is all I wanted to say. Hopefully this plan will work. I want something to work. Do it quickly. Don't wait 15 or 20 years or something to put it into effect. Do it now, so that this doesn't happen to someone like me maybe five years down the road. It's no good; it's no good for anybody.

ASSEMBLYMAN SCHUBER: Senator Bubba?

SENATOR BUBBA: Mr. Alvarez, you came up here saying you were not a very good public speaker. Let me tell you something. You were very, very eloquent. It is voices like yours which create the emotion and the action which we are about to do tonight. I thank you very much for sharing that very bad experience with us. God bless you.

MR. ALVAREZ: Thank you.

ASSEMBLYMAN SCHUBER: Our next witness will be Helen DeRoche (phonetic spelling) of Deerfield Road.

UNIDENTIFIED SPEAKER FROM AUDIENCE: She left.

ASSEMBLYMAN SCHUBER: Okay, we will move on. William Detko? Why don't you tell us where you live, sir?

W I L L I A M D E T K O: I am William Detko, 79 River Road, Wayne.

ASSEMBLYMAN SCHUBER: Thank you.

MR. DETKO: The Hoffman Grove area. Do people know what Hoffman Grove is? It is 133 families. I think we were hit the worst of anybody in every flood there was. You can go back, way back. I remember when Newt Miller sat over there. Right, Newt? (no response) He sees our point. He sees our views. He knows that has happened to us time and time again. I have had the buildings myself there since '55, and I am still there. A lot of people bring up, "Why do you stay there? Why are you still living there? Why don't you get out?" Where? You have to go where you can afford it. That is the simple answer.

Right now, most of the people in the Hoffman Grove area are senior citizens. When they move out, young people come in. They can't get in fast enough. Why? Because they can't afford anything outside. They can't afford rents of \$700 or \$800. So, they get themselves \$10,000 and they get into the Grove. They buy, then rot away. So, if the State thinks it can come in and buy, the kids are getting there ahead of it. You are not going to get rid of us that easily. The people are not going to sell. It's that simple. They can't afford anything else outside of that area, and they want to stay in Wayne. It's that simple.

My wife and I sit out here every Wednesday. Come here any Wednesday. These people who are here now-- If we had this many every Wednesday, I am sure the Council would look differently on our position.

What you are planning on is great. As a matter of fact, the Passaic Water Commission right now has 6000 signatures, Newt, to help you through this setup here of getting these bills passed, which will help. They are going to collect many more, if they can get a hold of them.

But, we need something, something to move this deal through. I understand that the Army Corps of Engineers has spent anywhere from \$35 million to \$40 million just studying. Boy, I'm telling you, that money could have been used to save a lot of our properties which were lost.

Instead, all they did is study. And, they're still studying today. And the answers still aren't there because by the time they get through to refine their plan about what they want to do with the tunnel, and by the time Congress approves it, then Congress is going to appropriate money for them to finalize the plan. And by the time they get moving -- 20 years; forget it. You're not going to see it.

I won't see it. Twenty years from now, I'm not worried about it. I'm lucky if I'm going to be here 20 years from now. Just about everybody in this place is going to be lucky if they're going to be around to see that tunnel around here. As my wife says, put all the Army Corps of Engineers in the tunnel, and plug it up. (laughter and applause) That's where they belong. Because they've done us no good. All they've done is burn up the money.

We had Fordham down here one day taking pictures, and my wife says, "Oh, I see you're using part of that \$40 million." They looked at us and they took off. They were using no film, and they had nothing else to do. This was their studying they were doing.

And I think the only thing that's going to be the answer is the commission -- the Port Authority-- Or not the Port Authority, the Passaic Valley authority, to get this on the road to do something.

We've got a mayor right now, and we had Phil Rizzuto (phonetic) between them; and they pushed -- were dredging.

The funniest part: people down river worry about if we get our answers they're going to get our problems. Not necessarily. We've been dredging every so often. As a matter of fact, after the six day flooding -- remember that? We had dredgers there. We didn't have a flood for seven years after that. And the guy didn't complete the dredging. Now this man is up there now doing dredging. We had a few floods that I could have sworn we were going to go under -- that was before the '84 flood -- and it just got to the point where it stopped and went down. And the reason why? Because of the dredging that was being done, we didn't get the nuisance floods then.

So, it shows that dredging does help. And nobody down river got flooded doing it, neither. And they've still been dredging all along; down river still didn't get flooded out, but we did. We need help. We need it now, not later. Building the way it's going on is tremendous. Go over to Fairfield, along the mountain area -- go up Central Avenue along the mountain, and look down below: acres upon acres of land leveled off and filled in with tons and tons of dirt. They're building as fast as they can do it. Who do you think is going to pay for it? We're going to pay.

We've got a load of retention basins -- ponds, pools -- all over Wayne. When they build, hold back the waters so it don't flood. I'll tell you something: the engineers have got it backwards. They hold back the waters before the floods. But their retention basins release the water when it floods. So what happens? The waters go up. The water shouldn't be reserved in the reverse. The water's left, the basins stay empty until it floods, and then fill up, and then it may help. But if somebody doesn't help-- The way the engineers have got it planned right now, all it does is hold back the water.

I presented this last week to our engineers in town here. Do you know they couldn't give me an answer? I tried to find an answer as to why we're holding back the water before the river rises. Packanack Lake admits they release the water, because they're scared that water will go over their dam and wash them out. And then of course if the dam breaks, God help us.

But this is the problem we have down here. This water authority may very well be the answer to what we need. It's going to be a difficult thing; it might take two or three years. But, we have a couple of answers that have been brought up -- quite a few years ago. Bert Tucker, for one, brought up about the taintor gates. That was brought up quite a few years ago -- seven, eight years I would say. And nothing was done then. If you go back to tunneling-- That was brought up way back -- people brought up about putting a tunnel in to take the pressure off the river and get it down there fast enough.

The Army Corps of Engineers haven't got the answer. Why? If you realize what they did the first time, the tunnels are going to dump into Newark Bay. Then they reversed it, and they cut it short -- Nutley. Then after that they decided Newark Bay again. Now, they're back to Nutley again. The towns down there -- the Mayor down in Nutley is going crazy. He doesn't know what the hell they want to do themselves. And, you can't blame them. I know damn well, if I know all the water's going to come pouring down into my area, I'm sure as hell going to worry about my town. So, you can't blame the man. I don't blame him one damn bit.

But the thing is, we can get an answer up here. We're moving that rock ledge. Bob Roe got the bill passed. Get that rock ledge out of there, put on retainer gates on the dam. So, certainly if you can control the water coming from the dam, and from the rivers, and release it before it has a chance to flood, it can be controlled so it doesn't flood below. So then, we would have an answer, and at least would have relief.

The thing is, we've got to have some kind of relief. We don't want to move.

ASSEMBLYMAN SCHUBER: Right. No, I think our intent on the legislation tonight is to prevent that from happening for you. And, I think that, as you've indicated, the authority that would be created by this legislation would go a long way to help you in that situation.

MR. DETKO: That's what we need. We need something that's going to be there, so that it can help us out now, and not 20, 30 years from now.

ASSEMBLYMAN SCHUBER: We agree with you.

MR. DETKO: How long do you think that you can get this authority going? That's the one thing. How many years? Do you think you can get it going in two years?

ASSEMBLYMAN SCHUBER: Our hope would be once it passed that it wouldn't take that long to do.

MR. DETKO: And the State would start to appropriate the money for it, right?

ASSEMBLYMAN SCHUBER: Well, that would have to be done, sure. The start-up money is automatic under the bill. The start-up money is automatic; it goes with the bill.

MR. DETKO: Well, I hope that somehow or another that it is going to help, because we need it. We need it now, and not 20 years from now.

ASSEMBLYMAN SCHUBER: We appreciate that.

MR. DETKO: Thank you.

ASSEMBLYMAN SCHUBER: Let's see, I have three more witnesses. I have Freeholder DuHaime? Is that right?

R I C H A R D A. D u H A I M E: My name is Richard DuHaime. I'm a Freeholder in Passaic County. Thank you very much, Chairman, for giving me the opportunity to come up and speak before your group here tonight.

I don't think that too many people can understand the frustration of a county official, when their constituents are

calling them on the phone, inviting them to meetings, asking them to help. And the county official looks at them, goes and talks to them, and goes to their meetings, and says, "I cannot help, because you have to go to the State."

Then they go to the State, and the State says, "Well you have to go to the Federal Government." And then the Federal Government comes back and says, "No, you have to go to the State." And then the State comes back, says, "No, talk to your county. Talk to your municipality, etc., etc." It has been going on much too long. The people are frustrated; they're desperate. It is an unfortunate situation that must cease.

There must be a central area of control. Unfortunately, there seems to be some among us that do not understand that. But, we have to have some type of an authority that can dictate what will happen to protect the people that live in this area.

Now, I want you to know that the county has gone on record in support of Senator Bubba's bill in 1985. It passed the county Freeholders Board unanimously -- 7 to 0, and I will ask the Freeholders in 1987 to reaffirm that support with this Assembly bill. No longer can we have the human suffering that we have had in this county and in our sister counties.

And, I want to commend Senator Bubba. I want to commend you, Assemblyman Miller and Assemblyman Zecker. And, I know that Assemblyman Felice and Assemblyman DiGaetano care a great deal about this county and a great deal about this area. I commend them for caring about their constituents, and coming up with ideas that will help them.

Thank you very much.

ASSEMBLYMAN SCHUBER: Thank you. The next witness I have is Donald P. Hetchka, from Clifton.

D O N A L D P. H E T C H K A: Mr. Chairman, my name is Donald Hetchka. I'm a former Freeholder in Passaic County.

ASSEMBLYMAN SCHUBER: Thank you. Welcome.

MR. HETCHKA: The signatures that were presented to you tonight were prepared in 1985, as I understand it. While they're not stale, they're old. And those 5000 people are still concerned. I find it ironic that, as you so aptly put it, an authority is a way to answer this problem. As you say, they're not too popular, but that's the way we should do it now. And I find it more ironic, in Passaic County, that this authority is being proposed when authorities in Passaic County haven't been too popular. Perhaps rightfully so, in one instance, but in other instances attacked unnecessarily.

The problem is that the people who float around in the river really don't have the time to indulge in the niceties of authorities. You know, and anyone in the Legislature knows, that these things don't happen overnight. It's sad but true, but the same people that were listening to the arguments in 1985 are listening to them today -- the same three legislators. I'm sorry that it rained, and I'm sure these people in this room are sorry that it rained so hard that the floods came back, but they did. And there's no guarantee they won't come back in the Fall or next Spring.

So there's a sense of urgency. And I'm happy that Assemblyman Miller says that, well, by June we ought to have this thing moving ahead. And I think you should be held to that, Mr. Assemblyman. I think the people in this room are talking about not wanting to float around anymore. They're tired. And if you can establish an authority that moves in Passaic County, while it isn't the popular thing, go right ahead and do it. Go right ahead and do it; do it now; do what you should have done a few years ago; do it, so that in September, when these people start to worry about the Fall rain, they don't have to say that, "God, I wish something would happen to give us some relief."

And this business of an authority, while it may be all-encompassing, with 113 or so representatives, one half of that group representing a quorum, and one half of that group having to act and vote -- that's 60-some people. We know the attendance records at some of these advisory commissions on authorities. I don't know whether you'll ever get that many people in a room. I don't know whether they'll ever be able to act.

So, I suggest to you that you should be given all the free reign that you want now, now. Now. You want it now. I'm not going to talk about, any more, what could have happened since 1985. But, you want it now. So you ought to get it now. And you ought to go out and do it now. So that, in September, when these people start to worry about the rain, something happens.

Thank you very much.

ASSEMBLYMAN SCHUBER: I think that the record should also be straight on this issue, also sir, that I, as a minority member of this Committee in 1985, remember very strongly that these gentlemen asked the previous Committee to release this bill, and they wouldn't do it. And I think that should be made clear to you, that after that election, when there was a change, that this Committee decided that this was an issue that had to be addressed, and has decided to do so here. And so, I think that should be clear for the record also.

Assemblyman Miller?

ASSEMBLYMAN MILLER: You know, I didn't want to get into this, Don, but -- I hesitate even to bring it up-- In 1985, as Pat just pointed out, these bills were introduced. But you know, the political makeup is such that if you're not in the majority, your bills don't get heard. They don't see the light of day. That's the name of the game as far as politics in Trenton is concerned. Our bills did not see the light of day.

So, I agree with you 100%, that if the people in charge back in '85 had done what they were supposed to do, we would have this thing through and on its way by now.

SENATOR BUBBA: Hear, hear.

ASSEMBLYMAN SCHUBER: I'd like to have now our next witness, Councilman James Russo of Wayne.

J A M E S R U S S O: Thank you, Mr. Chairman. My name is James Russo, and I'm the Councilman in Ward 1 in Wayne Township. If you're not familiar with it, it's where 95% of the flooding occurs in Wayne Township.

January 1st of 1984 I was elected to the Council. And I knew all along at that time that flooding was a problem in Wayne Township in Ward 1. But in April of 1984, it became real to Jim Russo. What a real problem it was. And I, as many of you on television, on radios, and in newspaper accountings, saw the physical devastation, the property damage. But I also viewed something maybe you weren't privy to. And that was the psychological damage, and the lack of self-esteem, and the lack of pride.

When the waters come up, it destroys homes, and even lives. But to me, the real damage is done when the waters recede. It takes with it the most valuable asset a community has: the self-esteem and the pride of its residents. Now, we can rebuild the houses, through a lot of charity work, and a lot of insurance money. But I believe we can also rebuild the self-esteem, and we can rebuild the pride in the community.

This kind of legislation begins to do it. And it's going to take a bipartisan effort. You can't have politics. And I would like to remind everyone that when the waters come up, they don't know if it's a Republican house, they don't know if it's a Democratic house, and they don't know if it's an Independent house.

I can speak for the people of Wayne Township, but I can assure you that if I went to Lincoln Park, if I went to

Pequannock, if I went to Pompton Lakes, Little Falls, or anywhere -- West Paterson where the flooding occurs -- I'd find the same situation: people who have lost their self-esteem and their pride. We need your help, be it Republican, or Democrat, or Independent, to rebuild that esteem and pride.

Thank you.

ASSEMBLYMAN SCHUBER: Thank you. Our next speaker is Steven Samuels, of Wayne.

S T E V E N M . S A M U E L S: Ladies and gentlemen, Assemblymen and Senators, my name is Steven M. Samuels, and I live in Wayne. I'm going to give you a first-hand account of a flood. I walked home, when I got home from work that day, when I got called -- I work for the New Jersey Department of Transportation -- I was up in (indiscernable). All day I seen that water running down the Ramapo River up by 202 and 17 -- I was working up in that area -- wondering where that water was going. When is my wife going to call? Ten minutes to three I got the call. I jumped in the truck. I said, "I'm going home." I said to call home. I said, "I'm going home," to the man who was working with me. I flew down 17. Twenty minutes after 4 I was on Haul Road (phonetic spelling) with no boots on or nothing. I walked through water this deep (gestures to indicate depth) to get to my house. My wife, my two sons had cinder blocks and made a dam, because my-- Ground level around where the area was where the water had come in, blocking out water. My house was dry; my patio was dry. When I got there, I got into the kitchen, and I said to my wife, "Get my pair of dungarees." My two sons came in, not knowing that the dam -- that was dirt there and all -- water started coming out, right into the basement -- I've got a partial basement. Water came up. I got changed, I went and got my boots. When I went into the bedroom, that water was coming up through the floors. I got a neighbor across the street -- Mr. Garcia, who was sitting back here before -- and he came with a boat. I put my wife, my

two sons, and myself, and Mr. Garcia put the dog and the cat in the boat, and I pulled them out; we walked them around and we got them to safety. Water over my boots we were walking through.

I never ran from a flood before, but I ran that day. I don't know what made me run. I got in that car; I said, "Hon, I'm going, I'm not going to look back." I went down to -- good thing I have a mother-in-law to go down and settle and stay. When I came back, I thought I was going to have two, three feet of water at the most. Six feet of water had gone right through the house. My pickup truck was under. My camper was under. I was sick. Good thing my wife was there.

The flood goes down. I went up there again, put my boots on. A news reporter came, and wanted to talk to me. She wanted to know about how it was going to affect me. I said, I don't know, lady. I said I don't know what's going to happen. She wanted to see the expression on my face. I said, you got boots? Come on with me, you'll get the same expression I did. But when I opened that door -- managed to push that door open with 2 1/2 feet of water by the door -- I was sick. My bird died. He was under. I forgot to open the cage.

UNIDENTIFIED MEMBER OF COMMITTEE: Bird?

MR. SAMUELS: That's right, a parakeet. He was under, and he was dead. Everything was topsy-turvy. I didn't have one thing left in that house. I lived in a camper 8 months -- an 18 foot camper, after we got it cleaned up. The town -- nobody wants to know you. Nobody's coming to help. I'll tell you, you're devastated. You don't know what to do. My house is still not fixed. I had \$47,500 worth of damage. I was out of work 2 1/2 months; it's a good thing I had vacation days and sick days to carry me over for that period. To top it off, when I went back to work I was bumped out of the position I had. A \$5000 cut in pay. I was under psychiatric care.

Now, I'm going to get away from that flood. I'm coming back now for the buy-out. I was one of the lucky ones in Wayne. Forty-four people put in for it; 26 people got picked. I was one of them. I was glad. "Oh, I'm going to get out of this area." The other day I got called down: "Yes, Mr. Samuels, we're glad to see you. We want to buy your house out." I said, okay. What's going on? He starts laying down all the sale laws. And my house was appraised. I never even found out what I was going to get for my house. You want to buy me out, what am I going to get? He say, "Well, as an '84 price," he says, "\$58,000. Then we take off the insurance. You had \$10,000 insurance the first flood." He says, "That's deductible. Then you had the second flood that came in May, and you had \$1500 more damage. That's deductible. Then we pay your mortgage off." I said, "Man. Where am I going to go live? What kind of money is that?" I said, "I'm sorry, I'm not selling."

This is how the government is treating us. They're not treating us right. Then he says, "I'm going to send you a letter, saying that you were here." I said don't give me the letter, send it to the President of the United States -- everyone of the letters that the people don't sell, and let him know where we're going to go live.

This is what we all are looking for. We can't afford to go anyplace else. I'm living in a house that's not even finished yet. I don't like to live like that. But I am. I have to live like that.

But this plan that Newt, Gerry, and Mr. Bubba have is a beautiful plan. At least I see something. Now, Newt used to know me when I used to come to the council meetings. I was the terror of the hills. Jim Russo can vouch for me too, how I was. Man, I'm telling you, if I was in that state now, you guys would be running all over the place. I'd start banging heads together. But now I'm happy, because somebody's doing something for me.

And this is what we need. We need to be assured that we have somebody backing us -- that the people that are in authority there to give us what we have, don't live in these flood areas to know what these floods are. This last flood, I was tormented to watch my wife almost panic-stricken, because that waters coming in. Up at 2 o'clock in the morning and went down to check the river. All or nothing, but it's raining as heavy as can be. I stayed up until 4:30 with my son. I said Lenny, if anything happens, give me a call. At 7 o'clock, he says, "Dad, the water's starting to come in." We got our camper and everything, and we got out with the camper. At least we managed to get some out this time. But I had water all around my house. But thank the Lord, there was no water in my house this time. I slept in my house that Sunday night. But I didn't know where I was going to sleep, because my wife -- somebody had to sleep in the camper, and there was only room for two, because we packed all the clothes we could pack in there, and all the things that we had. But still I was going to lose a lot of stuff if that water had hit again. And where would I be? Back to square one.

But now you guys are on your way, and I wish you a lot of luck. Thank you

ASSEMBLYMAN SCHUBER: Thank you very much. That was our last recorded witness. I would indicate at this time that we appreciate everybody who has come out tonight and those who have testified to help the Committee. If I might just for two seconds -- not to give a civics lesson, but just to indicate the process -- just as you folks belong to organizations--

J O S E P H G A L L O: Can I say something?

ASSEMBLYMAN SCHUBER: Yes, come on down.

MR. GALLO: (speaker is speaking away from microphones, some testimony is inaudible) My name is Joe Gallo, and I live in (inaudible), and I have a business in Fairfield--

ASSEMBLYMAN SCHUBER: Excuse me, sir, we can't transcribe you if you don't come to the podium.

MR. GALLO: You can't hear me?

ASSEMBLYMAN SCHUBER: I can hear you, but we can't transcribe you until you come to the podium.

MR. GALLO: All right. My name is Joe Gallo. I live in Montville -- these things are no good -- and I have a business in Fairfield, and I moved from North Arlington, New Jersey, which is on the Passaic River, to West Paterson 40 years ago -- to West Paterson. Then I went to Fairfield 30 years ago. So, I'm very familiar with the situation. And, I get a big kick out of what's going on here tonight, because the situation has got to be put in perspective. We're going-- You people are asking us people to buy something, and you don't really address the real problem. The real problem is the uplands.

Now, you have the hills up here of Montville -- and if anybody's familiar with Montville, they're building like crazy. And the water that they're going to let down in the next five years, if they continue to build, will never be controlled by the program these gentlemen are putting up right now. They're building there, and all that water's coming down to Fairfield. On the other side we've got West Caldwell and Caldwell that are building all their hills, and all that water's coming into the river. And none of the water that's coming from Lincoln Park; none of the water that's coming from upland Little Falls -- if you're familiar with Little Falls -- is water that's creating the floods.

The floods are being created upland. And, we have no control over these people. You're not making any effort to tell these people to stop getting the water down and stop creating these floods. You're going to never get this bill through. It's impossible, in engineering, to get this bill through. We have the ball rolling to get the engineers, and

the government to spend all kinds of money to alleviate this problem with the tunnels. We've all been battling away. And now we're going to deplete any effort that we're going to get from the government by coming up with our own plans.

Now, I'm in favor of an authority. Good. If you could organize the communities. If you can get Little Falls, and if you can get Fairfield, and you can get Wayne, you people are politically nuts. You fight; you never organize together. Every chance you get -- Pequannock, Lincoln Park, -- every one of these communities you have been politically bickering ever since I came to this area. And, it goes on at every flood. In the meantime, these people are flooded, and they come here with their sad stories. And then they get on television, and you think they're enjoying themselves the way they act on television. That's a terrible shame. I was looking at television the last time; you looked like you were enjoying those floods out there. And I know it's not true.

SENATOR BUBBA: Mr. Chairman, we don't have to--

MR. GALLO: No, no, the man goes over here and says that Fairfield is giving floods to Wayne. Now that is so wrong--

ASSEMBLYMAN SCHUBER: Well, Mr. Gallo, we're not here to debate who's causing the floods. We're here to debate--

MR. GALLO: Well, I mean, the man is--

ASSEMBLYMAN SCHUBER: Sir, hold it. Wait. I run the meeting.

MR. GALLO: Okay.

ASSEMBLYMAN SCHUBER: We're here to--

MR. GALLO: The issue is plain and simple. I am--

ASSEMBLYMAN SCHUBER: Sir, I'm running the meeting.
Sir--

MR. GALLO: I am not in favor-- You are dangerously hurting any chances we are going to have for real action by making this Committee function and go against what the flood is

going-- Now, you have all kinds of people that are bucking for the tunnels. The tunnels is the thing; let the State -- let the government handle it. Let the government handle it. Let the government have the authority, and let us not get in, because we will not be able to organize the communities in any way, shape, or manner to cooperate in building anything temporary. And we will have nothing but a Band-Aid situation: We're just going to do the thing-- It's not going to work.

I know a lot of you people come here and think so. It is not going to work. Stick with the plan. Let the government do it. You people -- the communities -- cannot get together and do it, and the politicians can never do it.

Thank you.

ASSEMBLYMAN SCHUBER: Thank you, sir. All right, you can have your own colloquies outside. (Chairman is responding to discussion taking place in audience)

As I was indicating before, so that I would indicate the process to you-- Just as you folks might belong to different organizations, the Legislature works the same way, to the extent that everything is done by Committee. All bills are screened by Committees prior to a vote on the floor. And that's the purpose of the hearing tonight. What action will be taken tonight, if these bills are released will then go to the Speaker of the General Assembly who then hopefully will list them for a vote. And if they are passed tonight it would be our intention to ask the Speaker to list these as soon as possible.

So, with that explanation, I will close the hearing, and I will ask the Committee members themselves if they have any questions on any of the bills. If not, we will take up Assembly Bill 2047 first, by Assemblyman Miller, of which we have amendments that were indicated before in testimony, which has been submitted to all the members. Is there a motion on the amendment? (Motion is moved and seconded)

Motion is made by Assemblyman DiGaetano, seconded by Mr. Felice on the amendments.

MR. WESTREICH: Assemblyman Felice?

ASSEMBLYMAN FELICE: Yes.

MR. WESTREICH: Assemblywoman Crecco?

ASSEMBLYWOMAN CRECCO: Yes.

MR. WESTREICH: Assemblyman DiGaetano?

ASSEMBLYMAN DIGAETANO: Yes.

MR. WESTREICH: Assemblyman Schubert?

ASSEMBLYMAN SCHUBERT: Yes. Is there a motion to release bill A-2047 as amended? (Motion moved and seconded)

All right, this is the bill which would designate the Passaic River Basin Flood Control Authority Act and create the Passaic River Basin Flood Control Authority and appropriate \$7 million. Is the motion made and seconded on the question?

MR. WESTREICH: Assemblyman Felice?

ASSEMBLYMAN FELICE: Yes.

MR. WESTREICH: Assemblywoman Crecco?

ASSEMBLYWOMAN CRECCO: Yes.

MR. WESTREICH: Assemblyman DiGaetano?

ASSEMBLYMAN DIGAETANO: Yes.

MR. WESTREICH: Assemblyman Schubert?

ASSEMBLYMAN SCHUBERT: Yes. The bill is released to the floor.

Assembly Bill A-2048 by Assemblyman Miller. This would designate the Passaic River Flood Control Bond Act. It provides for a \$75 million bond issue for assistance to the Passaic River Basin Flood Control Authority. Are there any amendments to this bill?

MR. WESTREICH: Yes, there are.

ASSEMBLYMAN FELICE: Mr. Chairman, there are some technical amendments--

MR. WESTREICH: Which have been submitted to the members. (Motion moved and seconded) Second on the amendments.

ASSEMBLYMAN FELICE: Just change the dates, Mr. Chairman. The amendments just change the year.

ASSEMBLYMAN SCHUBER: On the amendment.

MR. WESTREICH: Assemblyman Felice?

ASSEMBLYMAN FELICE: Yes.

MR. WESTREICH: Assemblywoman Crecco?

ASSEMBLYWOMAN CRECCO: Yes.

MR. WESTREICH: Assemblyman DiGaetano?

ASSEMBLYMAN DIGAETANO: Yes.

MR. WESTREICH: Assemblyman Schubert?

ASSEMBLYMAN SCHUBER: Yes. (Bill moved) Move A-2048 as amended. Moved by Mr. DiGaetano, seconded by Mr. Felice. On the question.

MR. WESTREICH: Assemblyman Felice?

ASSEMBLYMAN FELICE: Yes.

MR. WESTREICH: Assemblywoman Crecco?

ASSEMBLYWOMAN CRECCO: Yes.

MR. WESTREICH: Assemblyman DiGaetano?

ASSEMBLYMAN DIGAETANO: Yes.

MR. WESTREICH: Assemblyman Schubert?

ASSEMBLYMAN SCHUBER: Yes. Assembly Bill A-2048 is released to the floor of the General Assembly.

A-2570, Assemblymen Zecker and Miller's bill, appropriating \$17 million to remove and replace Beattie's Dam. (Moved and seconded) There are technical amendments. On the amendments.

MR. WESTREICH: Assemblyman Felice?

ASSEMBLYMAN FELICE: Yes.

MR. WESTREICH: Assemblywoman Crecco?

ASSEMBLYWOMAN CRECCO: Yes.

MR. WESTREICH: Assemblyman DiGaetano?

ASSEMBLYMAN DIGAETANO: Yes.

MR. WESTREICH: Assemblyman Schubert.

ASSEMBLYMAN SCHUBER: Yes. Move the bill as amended, seconded by Mr. Felice.

On the question.

MR. WESTREICH: Assemblyman Felice?

ASSEMBLYMAN FELICE: Yes.

MR. WESTREICH: Assemblywoman Crecco?

ASSEMBLYWOMAN CRECCO: Yes.

MR. WESTREICH: Assemblyman DiGaetano?

ASSEMBLYMAN DIGAETANO: Yes.

MR. WESTREICH: Assemblyman Schubert?

ASSEMBLYMAN SCHUBER: Yes. Assembly Bill A-2570 is released to the floor of the General Assembly.

ASSEMBLYMAN FELICE: Mr. Chairman, I would like to let you know right here -- and all the people that are here -- as a member of leadership, as the Assistant Majority Leader, I will do everything in my power to push these bills given to the Speaker of the Assembly, and will be posted as soon as possible. (Applause)

ASSEMBLYMAN SCHUBER: And with that, I would offer again my thanks to the citizens of the various areas -- to the citizens of the communities who have come out tonight, and the public officials. We again thank the Mayor of Wayne and the public officials here for the utilization of the school. Again, we thank Senator Bubba, Assemblyman Newt Miller, and Assemblyman Zecker for their sponsorship of this legislation.

ASSEMBLYMAN MILLER: Mr. Chairman, I just want to say, thanks to you and the Committee for coming out. I think it's just great for you people to take the time out to come out here and present this, instead of these people going to Trenton. Maybe many of them could not make it.

I think you've seen the process working the way it should work, and the way we hope it will continue to work, until we get this thing through to fruition. Thanks.

ASSEMBLYMAN SCHUBER: Thank you. This meeting is concluded. Thank you.

(HEARING CONCLUDED)

