STATE OF NEW JERSEY

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DIVISION OF WATERSHED MANAGEMENT

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Clean Water for New Jersey: Public Perspectives:

on Critical Issues for the Next Five Years :

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GUY J. RENZI & ASSOCIATES
824 West State Street, Trenton, New Jersey 08618
(609) 989-9199 TOLL FREE (800) 368-7652
www.renziassociates.com

GUY J. RENZI & ASSOCIATES

M O D E R A T O R S:

PAMELA GOODWIN, ESQ., Moderator & Chair

EUGENE GOLUB, Ph.D., Co-Moderator

P A N E L M E M B E R S:

MAUREEN MCMANIMON

MONIQUE PURCELL

DAVID PRINGLE

TIM DILLINGHAM

ELLEN GULBINSKY

ABIGAIL FAIR

ANTHONY RUSSO

NANCY WITTENBERG

RICHARD PLAMBECK

NEIL GOLDFINE

STATE OF NEW JERSEY

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DIVISION OF WATERSHED MANAGEMENT

P.O. Box 418

Trenton, New Jersey 08625-0418

A G E N D A

A G E N D A (Continued)

A G E N D A (Continued)

CHAIRWOMAN GOODWIN: Good morning ladies and gentlemen and welcome. My name is Pamela Goodwin and I am the newly elected chair of the New Jersey Clean Water Council.

For those of you who are unfamiliar with our Council, we are a creature of statute. Our purpose is to serve as volunteers in advising the Commissioner of the Department of Environmental Protection on issues related to water quality in the State of New Jersey. We are, some of us like myself, citizen representatives and others are representatives of stakeholder groups.

Our primary charge in addition to addressing issues as they come up from time to time is to hold an annual public hearing and to solicit the views of the public as to issues of concern with respect to water issues in the state of New Jersey.

As you can see from the brochure for this year's public hearing, we're actually asking you to help us identify those crucial issues in the next five to ten years which you think will confront the state because those are the issues we as a Council would like to confront as well.

May I now ask the members of the Council who are in this room to please stand and to tell those who are here who you are and who you represent.

Why don't we start over here.

Dan?

MR. VAN ABS: Dan Van Abs, New Jersey Water Supply Authority, public member.

MR. REQUA: Jim Requa, Office of Smart Growth, Department of Community Affairs.

MS. COLLIER: Carol Collier, Executive Director of the Delaware River Basin Commission.

MR. HAWKINS: Georgia Hawkins, Executive Director of New Jersey Future, public member.

MR. FURNARI: Russ Furnari, PSE&G, and I represent the State Chamber of Commerce.

MR. McCRACKEN: Tony McCracken, Assistant Planning Director for Somerset County and also a member of the Clean Water Council.

MR. PITTORE: Pat Pittore of the New Jersey Department of Labor. I work for a development representing the Commissioner of Labor.

MR. NEELY: Lou Neely representing the League of Municipalities. Thank you.

CHAIRWOMAN GOODWIN: Thank you very much.

As I mentioned, this is a public hearing and it is a required public hearing for purposes of the Clean Water Council, but it is also a joint public hearing today. At the behest of both the Clean Water Council and the New Jersey Water Supply Advisory Council, we thought that issues of water quality as well as water quantity, as well as the way in which we supply water quality and water quantity were not things that should be disparately addressed.

And so now I would like to welcome my co-moderator, Mr. Eugene Golub -- I'm sorry, Dr. Eugene Golub. I apologize.

DR. GOLUB: Not a problem.

AUDIENCE MEMBER: He's been called worse.

DR. GOLUB: Thank you, Pam.

Yeah, I've been called worse.

The Water Supply Authority has by statute responsibility for advising the DEP and the Commissioner on issues related to water

supply, and very specifically in guiding the preparation and presentation of the water supply plan.

There aren't too many members of the Council. We have Council and advisor, I'd ask them to stand up. We also, by the way, represent specific stakeholders, each of us. I represent ACADEN (pho).

MR. COHEN: I'm Dave Cohen and I'm his vice chair, and I represent Industry and Commerce.

MS. FILLIPONE: Ella Fillipone, F-i-l-l-i-p-o-n-e, and I represent Watershed.

DR. GOLUB: And, Dan, would you stand up?

Dan is one of our advisors that joins the Council at all our meetings.

MR. VAN ABS: Pinch hitter.

DR. GOLUB: I wish everyone a very pleasant day, and it should be informative.

Thank you, Pam.

CHAIRWOMAN GOODWIN: Thank you, Dr. Golub.

Our keynote speaker needs little recognition -- or well, he get's lots of

recognition but needs little introduction in this room. Commissioner Campbell has had a very, very extensive and impressive career in the environmental field. Beginning in the Department of Justice, working in the White House, serving as administrator of Region III EPA, and now in the very important role of Commissioner for the Department of Environmental Protection here in the State of New Jersey where water has been an important focus of his tenure in that position.

We've asked him to come here this morning and talk to us briefly about those things that he sees on the horizon and what he's hoping to see from us as the Clean Water Council.

So we welcome you and thank you for joining us this morning.

COMMISSIONER CAMPBELL: Thanks very much.

It's a pleasure to be here this morning. And I particularly appreciate the joint convening of the Clean Water Council and the Water Supply Advisory Council because I think it recognizes something fundamental that many of the regulatory programs at the federal and state level have not recognized over the years, and

that is the critical link between water quality and water quantity and the need to plan and set standards for those issues with both sets of concerns in mind.

And I think that's been highly reflected in our agenda over the past four years here at the Department, and one that I think has restored New Jersey's leadership across a range of areas in terms of effective water resource protection and conservation. It's reflected in our toughest in the nation stormwater rules which set a standard not only for water quality, but also a "no net loss" of recharge standard recognizing the importance of water supply.

It's reflected in our Category One initiative, setting 300-foot buffers around our highest quality streams recognizing water supply significance as one of the criteria to apply in that program with the result that thousands of acres of reservoirs and hundreds of miles of New Jersey's streams and rivers have been designated Category One in the last several years. And you'll see more of that both in our surface water quality standards now pending and in our -- the next iteration of Highlands rules

which we expect to come out this fall.

Critically important changes in regulatory perspective. To understand our standard setting process is one that's geared toward water quality and water quantity across a range of disciplines. It's reflected in our Highlands legislation, a landmark law that sets the toughest regulatory standards for the Highlands area of the state, the northwestern mountainous area that provides more than half of New Jerseyans with at least part of their drinking water supply.

And the important critical elements combining our -- combining good planning to control development in the planning area, tough standards in the preservation area. And those standards, again, geared both toward protecting water supply and toward protecting water quality.

It's reflected in our pursuit, our systematic pursuit of natural resource damages for groundwater. What we're translating, legacy pollution into recoveries and restoration. There are benefitting communities on the ground across the state. Literally hundreds of acres of watershed lands and recharge areas. Recognizing

that the insult to water quality, particularly groundwater quality that occurred at those sites across the state, is best captured in terms of compensation for the public by permanent protection of both water quantity and water quality.

These are critical steps. They're incomplete steps in the sense that there are many claims still to pursue, much restoration that needs to be done, but they certainly create a framework in which the charge to these Councils can be effectively pursued. It's a framework that also must recognize infrastructure needs across the state both for water quality and for water quantity.

For example, our pursuit of the enhancements to the Virginia Street Pumping Station, which is now the subject of legislation which we hope to pass in lame duck, that will -- that legislation will make improvements in terms of water transfer that have been proposed, I think, by every water supply plan since 1961. If they had been implemented at any one of the points since that year, we could have avoided going to drought emergency in the northern part

of the state in 2002, even though that was the earliest and most severe drought on record.

Looking forward, which is the charge of these Councils, I would highlight three areas where the challenge of standard setting, where this challenge of infrastructure, and some more fundamental scientific questions need to be addressed. And the first, and I think most salient one for the Department right now, is one of some of the fundamental planning instruments on which this state relies.

We have proposed -- we have recognized, for example, in the area of wastewater management and wastewater management planning, which was really the hook to get communities to take a long-term look at what their wastewater management efforts should be and what the impacts on a range of factors are likely to be, you know, ranging from water supply to threatening an endangered species habitat.

The vast majority of plans, the wastewater management plans, are out of date, and in 70 or more cases they don't exist at all. And yet there's a regulatory assumption within our programs that a given permit must be consistent

with those plans. That requirement is of little effect if the plans or out of date and obviously have less effect if the plans don't exist at all.

We recently proposed in the New Jersey Register to basically take back approved sewer service area throughout Planning Area 3, Planning Area 4, Planning Area 5 wherever those plans don't exist or are out of date. It is the first step in trying to get communities to pay closer attention to the linkages between protecting water quality, protecting water supply and ensuring that their communities grow in ways that minimize environmental impacts in ways that are sustainable over the long-term.

It's our hope that that process of forcing this reevaluation of wastewater management plans will feed directly into the process that the State Planning Commission leads in terms of plan endorsement and cross-acceptance. And I think that critical element of planning is probably the first thing I would identify to this group in terms of our effort to force better planning on the wastewater and water quality management end which includes consideration of threatened endangered species

habitat, other factors.

Our effort to ensure that the data on environmental sensitivities, particularly water supply, water quality sensitivities, is fed directly into the state planning process by giving that data to all of our municipal and county planners on that end. And to not lose sight in the planning process of the standard setting process. To make sure that as we plan for our water resource future we're setting standards that makes sustainability and improving water quality a paramount consideration.

Part of that, too, and I think this is the tougher one, is ensuring that land is used sufficiently. It is, I think, the inevitable result of stricter and stricter water quality planning, downzoning efforts at the local level, the consequence of that if not thoughtfully done, can be the proliferation of, you know, one unit per 25 acre zoning more -- less sufficient land use, more habitat fragmentation if you look narrowly at water supply and groundwater quality issues.

What that fails to capture is the need to use land more efficiently, to get more

density in the areas that are appropriate for development. And by doing so, as reflected in the work now being done on the Highlands master plan, as reflected in the tradable development rights regimes that we're trying to encourage across the state. We are trying also to make efficient use of our land more of an encouraged good recognizing the long-term water quality benefits of using the land more efficiently, recognizing the habitat fragmentation and other environmental -- adverse environmental effects that come from the model of diffuse, small units per large acreage development.

Doesn't mean that we shouldn't pursue standards that are appropriate in our less -- in areas where there are environmental sensitivities, but it does mean we need to balance those two goals.

The second area I'd highlight for the Council's attention is infrastructure. And we continue, if you look at the number of areas in the state that are -- waters are impaired for one reason or another, infrastructure is critically important.

It is -- we remain in a long-term

challenge, for example, in areas that still have combined sewer overflow systems, in our urban -- our older urban and suburban areas that have older wastewater treatment plants, in river systems like the Passaic, which are critical for our water supply, recognizing that the investments in infrastructure that need to be made, for example, to address phosphorous impairments, have been delayed too long and are urgently needed to begin now.

It's one of the reasons why, for example, in our TMDL process we have made a priority of completing the TMDLs for the Wanaque and Passaic systems. Those should generate over the longer term significant investments in the water quality in wastewater treatment and water quality protection moving forward.

A third area I would commend to your attention is enforcement. I'm very proud of the effort we have made over the past three years to strengthen enforcements of regulatory requirements across the range of areas. It includes our effort to bring about the Passaic TMDL. It includes something that was absent from the Department's regulatory landscape which is

enforcement of the limitations in water allocation permits. Most recently, a $100,000 penalty against United Water in Toms River.

These are critical if we are going to meet our water quality and water supply challenges going forward. The roll back of sewer service areas is, in essence, an enforcement initiative, enforcing provisions of the Water Quality Management Act that have been overlooked and for which there's been no compliance across a range of communities for too long.

Natural resource damage claims were held by the Department literally for decades at many of these sites. And yet it's only in the last several years that we have had systematic enforcement of those claims. All the greatest standards, all of the greatest planning wither on the vine if they aren't translated into strict standards that are systematically enforced. And I think too often there's a focus on what is that next rule, what is that next initiative that we need to pursue when often the answer, enforce the law as it's on the books currently, is right before us.

A final thing that I would commend

to the attention of these Councils is how much our assumptions, how much our planning, how much our standard setting, how much our enforcement needs to be reshaped in light of the predominant scientific consensus concerning global climb change. Katrina and Wilma and other recent hurricanes in this past very tough hurricane season, no one of them can be linked, of course, to global climate change. But it is very clear that as oceans warm, the intensity of hurricane activity will increase, the frequency of extreme weather events at both extremes, drought and flood, will increase.

We need to plan for that future. We need to begin to revisit our assumptions as a Department, as communities, as a state, around what some of those impacts will be. It ranges from better efforts at flood mitigation. Carol Collier, the Executive Director of DRBC, who's here today, serves on our Flood Task Force where that's a focus of attention. We need to sort of revisit some of these issues with those changes in mind.

In the area of water supply, for example, in the Highlands, many of the standards

were set by reference to the drought of record. We may need to bring that type of assumption back into the fold of the rest of our water supply planning, regulation and regulatory determination in the rest of the state in anticipation of changes in climate.

We may need to look again at the criteria that qualify waters for Category One. We typically looked -- we made a major expansion of that program by recognizing waters of water supply significance as eligible for the highest level of protection. We may need to consider, in addition areas, of flood storage significance an appropriate criteria by which to expand that program.

All of these going forward across the range of programs obviously need to be tied to sound science. They need to reflect what we know will be significant economic and development pressures in the state going forward. But those pressures in themselves are the reason why these issues are so important.

For all the carping of the builders lobby as we make our water allocation and stream protection programs more astringent, it is a fact

that we will not be able to build in New Jersey. We will not be able to supply future residents with water. And we won't have so many residents willing to come to New Jersey if we can't provide a safe water supply, if our streams and rivers are not showing increasing process, and if we simply build over the recharge areas that are so important to water supply, fill-in the wetlands that are both critical to protecting water, critical to water quality protection, and further critical to protecting flood storage. We simply won't have the same economic climate if we fail to protect and restore our water resources.

Your charge, I think, has been -- is a critical one. As I look back at the water supply plans that have been over the past decades, as I look back at the recommendations of the Clean Water Council over the same time period, we need I think to recognize not only the importance of sound planning, but a quick conversion of that planning to implementation.

Much of the work of the past several years in enhancing protection of water resources has built on the wisdom and the recommendations and the insights that were on the shelf available

in past water supply plans and past recommendations of the Clean Water Council. And I expect that the initiatives and further programmatic changes and challenges that lie before the next administration will be no different in the sense of drawing amply from your work, your insights and your wisdom.

So I thank for the opportunity to speak before you, and I look forward to seeing your recommendations in your work product. Thanks very much.

CHAIRWOMAN GOODWIN: Thank you very much, Commissioner Campbell. That certainly gave us quite a bit to think about and we've barely gotten underway this morning.

Let me tell you a little bit about the ground rules because we want to make sure that we do have ample time to take public comment today.

One of the things that we did when collectively we set up this meeting, this Water Supply Authority and the Clean Water Council, is we went out and we invited particular stakeholder groups who we knew had an acute interest in helping us to focus our objective into the next

five or so years, and we invited them to come and to give public comment. And so those are the panelists who sit before you now. We have asked them to please minimize their comments to five comments. And I'll adhere to that. I'll be sitting over here (indicating). And when I stand up, that would suggest that your five minutes is up. And if you could just finish the sentence or the paragraph at most and move on, we'd gratefully appreciate that.

Our first speaker today, Maura McManimon, I hope I pronounced that correctly. You know, every time I look at people's credentials, I'm more impressed by them and I shrink in my own insignificance.

Maura is the Executive Director of the New Jersey's Office of Smart Growth. And that office is responsible for implementing New Jersey's state development and redevelopment plan by providing technical and financial assistance to both municipalities and counties in helping to create and implement sustainable land use plans.

Ms. McManimon has also served as policy advisor in the Office of Smart Growth and

Congressional Affairs at the U.S. Department of Interiors. Yet again, somebody who's had both federal and state experience which I think is most helpful as so many of the issues that confront us today across state boundaries, and I don't think we can solve them in New Jersey if we're not focused on a more comprehensive plan.

Ms. McManimon has a master's degree in regional and urban planning policy from the London School of Economics, and a bachelor's degree in psychology from Georgetown University. Thank you.

MS. McMANIMON: Thanks, Pamela.

As Pamela said, I run the New Jersey Office of Smart Growth, and we're responsible for implementing New Jersey state development and redevelopment plan. And I was really happy to hear Commissioner Campbell highlight as one of his top three priorities more efficient land use planning. I know a lot of you probably come from more of the regulatory side of the spectrum and that is something that we at the Office of Smart Growth and as staff to the State Planning Commission have been working very closely with DEP to incorporate more into the state plan, but

we're really trying to keep a focus on, you know, making -- educating municipalities and counties, encouraging them to work together to make better land use decisions.

And when Pamela was talking about my experience at the Department of the Interior, it just reminded me that I worked for Secretary Bruce Babbitt. He just put out the book, and -- I'm forgetting the name of it at the moment, but he just published a book through Island Press. And the main message, I think, of his book, he was talking about the Everglades, he was talking -- in his epilogue he talks about the Pinelands and highlights the work.

He said the mission of all of these tremendous land use efforts, it was to preserve the natural resources of the waters. It took significant regional landing focus. It took focus on the land use, not just on the regulatory side, what motivates the local decision-making of those that have the control to make those decisions, whether it's municipalities, counties. How -- and our role at the state has been to make as many resources available to create incentives for growth in the right places. Under the state

plan definition, that's historically been Planning Areas 1 and 2 and designated centers.

One of the -- you know, I think over the years, you know, as Commissioner Campbell mentioned, the Highlands, water protection, and Planning Act is a big highlight of the importance of regional land use planning, the efforts in the Great Swamp regional planning effort in Morris County. The Sourlands is a burgeoning effort in Central Jersey's Piedmont region to bring eight municipalities together to say how -- you know, we can no longer afford to build new housing, to build new septic systems. They're already failing at the densities that we have -- you know, the limited densities that we are available to develope there it's not working.

Some of the tools that they're looking at right now is the transfer development rights. And I think TDR really embodies kind of all the different issues that we're trying to solve here. How can we protect our natural resources, our water? How can we develope in a way that minimizes the damage to our resources? And the way TDR sets that up is we transfer development from those environmental resources

into a new center where the infrastructure either exists or can be put in place to support that higher density of cluster development, so we're relieving the burden on the environment.

So, you know, I don't even need to use my full five minutes. But I -- I just really wanted to highlight, you know, there's a lot of talk about the regulatory side of this. There is a major just land use decision-making side of this. And municipalities have their own realistic real world reasons that they have to make the decisions that they do. You know, whether it's for property tax purposes, a need of opportunities for economic growth to support their existing and incoming population. What can we do to improve their set of options?

So thank you.

CHAIRWOMAN GOODWIN: Thank you.

I'm sorry, one other ground rule. We will open the panel up for questions, but we're going to wait until everybody's had the opportunity to speak. So to the extent you have questions, if you could just hold them until the end.

Our next panelist, Monique Purcell,

is the Director of the Division of Agriculture and Natural Resources at the New Jersey Department of Agriculture. As director, she's responsible for a diverse array of program areas including land use, Smart Growth, soil and water conservation, agricultural education, and aquacultural development.

Currently, Monique serves as secretary, Charles M. Kaparet --

How do you pronounce it?

Ms. PURCELL: Ka-PAR-es.

CHAIRWOMAN GOODWIN: Kapares (pho). I apologize.

-- designee on the State Planning Commission and has represented the Department on the Commission subcommittees for the past nine years. She has her bachelor's of science degree in Agricultural Business Management from Penn State University.

MS. PURCELL: Thank you very much, Pam.

Just to pick up a little bit, I fully support and was encouraged to hear the Commissioner's words this morning about the critical land use perspective, as well as

Maura's. From a statewide perspective, obviously, we need a coordinated effort to protect water supply, as well as water quality. What I was going to focus on a little bit today was actually the water supply aspect of our conversation.

Obviously, everybody knows that water supply planning is critical to making sound planning decisions, where we grow, where we redevelop in the state and how we balance multitude of user groups. You obviously need to find a balance in that process.

But just to talk a little bit from an agricultural perspective, we obviously have 800,000 acres of agricultural land in production. We have 160 aquatic farmers. We have our clam growers and bay men. And currently we have about 100,000 acres of land that is irrigated. We have a thousand AG registrations or certifications. I'm not sure if most of you know we do have a separate process for water allocation for agriculture and we use about 2 percent of the state's overall water -- total water use.

We enjoy actually a very productive working relationship with Fred Sickles and the

Bureau of Water Allocation through that process. And we believe that there's some policy directions that we would like to encourage, and I'll wrap up with those.

Just to talk a little bit about conservation in terms of water supply. There are several state and federal programs that focus with cost share for farmers to provide technical assistance and financial assistance to help them implement efficient water management plans and also equipment. Most existing systems do use low-pressure, low-volume systems, the drip irrigation, and they also do water monitoring or metering. And we actually -- right now, current trend show about 500 acres per year being converted into these low-volume systems.

We also understand that water reuse. How do we take the water that we have and get more bang for our buck? Water reuse is critical. In agriculture we have pail water recovery systems on nursery operations that are available where the water is actually captured, treated, and then reused. And then also the use of effluent on nonfood products is also critical.

So what we'd like to encourage is

how do we plan for the future of agricultural's water needs into the next five, ten years as we continue to preserve farmland and as we strategically target additional lands for preservation and also preservation of land through tools such as TDR. How do we figure out what agricultural is going to need? Because obviously as we preserve these farms, these farms will be dedicated to agricultural use and there will be water necessary to keep them viable.

One of the things that we think would be a great policy direction, and we did submit a grand proposal to the DEP to identify AG's water needs. And we would do that in cooperation with USGS by studying current trends and then also using crop coefficients to determine water need by crop. And that way we get a better sense statewide by Watershed what AG's water needs will be into the future.

And then finally something that we talked about from a policy perspective with what the Bureau of Water Allocation is, how do we identify AG's piece of the pie, so to speak? How do we when farms, let's say, go out of business or those allocations are expired or given up, how

do we keep like a credit system available that that particular allocation would go to another AG use as opposed to a competing user.

So these are some of the things that we are thinking about and struggling with to figure out how AG's piece or AG's water needs are balanced with all the other critical needs of the entire state. So that's all I have. Thank you.

CHAIRWOMAN GOODWIN: Tim Dillingham brings another national perspective. Tim serves as the Executive Director of the American Littoral Society, which is a national membership-based coastal conservation organization based right here in Sandy Hook, New Jersey. He has served in that capacity since April of 2003.

He grew up in a Navy family, spending his childhood in Cyprus, Spain, and Japan, among other stateside postings.

Graduated in 1982 from St. Mary's College of Maryland with a degree in biology; had graduate work in coastal and marine resource management from the University of Rhode Island where he received his degree in 1989; and then worked as a marine resources specialist with the

State of Rhode Island Coastal Watershed and Estuary Management Planning.

He came to the Littoral Society after serving as the Executive Director of the Highlands Coalition, which is something we heard about this morning, and has also served as the Director of the New Jersey's Chapter of the Sierra Club. He did that for most of the 1990's, so he has much of interest to share with us. Thank you.

MR. DILLINGHAM: Good morning, and thank you, Pam.

From a coastal perspective, I think there are a lot of issues that could be talked about this morning. We obviously wrestle with the issue of contaminants and sediments both in the harbor and the Delaware. We have, as the Commissioner mentioned, ongoing problems with water impairment related to combined sewer overflows in the urban areas. We have major nuclear power plants sucking the life out of the estuaries in Barnegat Bay and Delaware Bay.

But I think it's good that it didn't take very long for the bugaboo of this conversation to come out, and that is the issue

of land use. And I'm glad to hear that both the Commissioner and the two preceding speakers touched on it. Because I think that not only in the coastal region, but in the state, it remains as the largest and most pervasive issue that we need to wrestle with in terms of water supply and clean water.

And I think it's -- you know, it's tough to sort of throw it all in under land use. There's lots of subcategories, too, that use it as a issue. But it's one large dysfunctional system here in New Jersey that's pervasive, as I said, and I think really is the one that we have failed to deal with effectively.

I've been in this conversation in New Jersey 15 years now. And the number of stakeholder meetings and meetings like this that we've had to try to deal with this, everybody's stood up here and recognized it, but I don't think we have effectively moved forward on some of the answers to that.

I think -- you know, there was a comparative risk study done by the state a couple of years ago that identified land use and sprawl as the single greatest ecological risk. And I

think if you look at the various studies done by the estuary programs, particularly in my part of the world, of the build-out of current municipal and county visions of land use, you will quickly see that those visions will overwhelm the capacity of those watersheds in the natural water systems to be either functioning ecosystems or to provide clean water for economic and other services.

Obviously, land use effects water quality, water supply, our quality of life, the decisions we make about patterns of development effect community design, the quality of people's lives within those communities. The promotion of sprawl and auto dependant lifestyle we all need here lead here leads to air quality and air deposition pollution into the estuaries, into water bodies.

And then finally, I think it's good to hear that the recognition that our economies, both the ones that are based on natural resources such as shell fishing and fishing, the shore economies of tourism, but also more broadly are being woven into the rhetoric now and accepted that this is an economic comparative that we have

to deal with.

I guess the one I would throw out for discussion today, it reflects and mirrors the Commissioner's comments earlier and Maura's comments also, but that is that we need to wrestle with this idea and come to some mechanism to have mandatory recognition of environmental resources, particularly water, and the carrying capacity of those systems both from a supply perspective and a quality and ecological perspective in all state and county municipal land use policies.

I think it is absurd that we move through a system, an institutional system in the state, a regulatory system where from top to bottom the recognition of the natural limitations of the environment is not a foundation of our planning and by extension the regulatory enforcement actions which come from that. And I hope that we have a conversation later on about some of the details on that.

I think the Commissioner raised the idea that that mandatory recognition could come through the Water Quality Management Planning programs. That remains to be seen as to whether

or not that effort he outlined moves forward successfully. But, obviously, I think that the set of issues needs to recognize or the comprise of range of issues, but in any corporate ecological considerations.

It needs to deal with non-point source pollution generation under build-out on municipal zoning. It needs to look at sustainable water supply, including the surface and groundwater interactions. It needs to deal with the protection of other resources such as habitat and threatened endangered species.

Ecological flow bowls need to be established, and the water supply connections made their in law or in regulation. We need to redesign the sewer service areas and land use patterns to include that Smart Growth component to minimize a sprawl. And I think we need to go back and rethink some of the fundamentals of what we've included in those areas that we've designated as planning areas for growth in this state.

And lastly, I think that in that institutional framework we need to deal and build in some regional adaptation to reflect the local

management needs because the state is very different in both its water supply and water quality needs in the challenges they face, but also in terms of the geography and I think the cultures in different parts of the state that would be the basis of that planning.

And then lastly, I just want to throw one last thing in for the estuaries and the coastal areas. And that is, we need to build a much greater focus of restoration into this planning effort. We have a lot of focus on -- of management of the future growth, but particularly on the coastline many of the issues there really involve going back and restoring some of the natural capacity of the system and fixing past mistakes. Thank you.

CHAIRWOMAN GOODWIN: Thank you very much.

Ellen Gulbinsky is actually experiencing a homecoming, I would think, today. She served on the Clean Water Council from 1988, appointed by Governor Kean, she served until 1994. She has moved on in her career. She is now the Executive Director of the Association of Environmental Authorities. She's done that since

1984. The Association was previously known as the Authorities Association of New Jersey. And as the Executive Director she plans the Association meetings, edits the newsletter and facilitates Committee activities, government relations and public relation.

She's a member of the American Society of the Association of Executives and its New Jersey Chapter. She received the Excellence in Association Management Award in 1995. She also serves on the Water Environmental Federation and the Association of New Jersey Environmental Commission, as well as the American Waterworks Association.

Welcome.

MS. GULBINSKY: Thank you, Pam.

Good morning, everyone.

When we take a look at the areas that we want to focus on most, the one that comes to mind to me is we need to pay more attention to our New Jersey Water Distribution Interconnection. This has been an outstanding issue for a long period of time. And the need to do our water supply or state water supply plan is extremely important. I think you've heard that

from several of the speakers already this morning.

And the need for us to approve wastewater management plans is one that the Commissioner sort of surprised me this morning that he mentioned this in his comments this morning because this is an issue that the Association of Environmental Authorities took to the Commissioner early on in this administration. And we talked about the fact that we need updated plans and we need approval of those plans. But the problem has been in getting those approvals and having staff be free to be focused on the reviews and on the studies that go into doing those plans.

So I was surprised basically of the last couple of weeks ago to see those notices in the newspaper because my agencies did indicate to me that they had not received any information saying that the Department was ready to do their updates and wanted in fact for them to submit. And that certainly would have been a message that I could have distributed to them at any point in time that the Department needed that priority to go out to everyone to do their update and

certainly they would try to do that.

Many of my folks have tried to do the updates and have found that in some cases the kinds of information that they're trying to do and review takes a while for those reviews to go through. So if anything I hope today if we're going to prioritize on the idea of planning, that we think about organizing -- the Department consider organizing itself so that they are ready to do those approvals in a timely manner so that we can have those plans in place. I think that's really crucial.

A basic reason for the lack of decision-making sometimes within the agency and outside is that the key planning elements needed to make decisions is not in place. So many times from the outside as the local agency you start to do a plan. You ask for information from the agency and we don't get a flow back and forth. And so both of us are at a disadvantage because of that.

Data is many times outdated and it needs to be reviewed. New data comes into the Department from Hermitis (pho) and from local water purveyors, but it needs to be merged into a

meaningful GIS system so that in reality we have the latest information to use in making decisions.

A decision-making matrix needs to be developed that identifies how the project needs to be modified for approval. And that's the most important thing. We can see that a project has problems, but in many cases what you need to know is what is it that needs to be done for approval. And instead of the project's approval lingering, it would be better to focus on that right away.

Because what happens with businesses, when you try to work with them in a partnership for an environmental -- a project that would have a great environmental benefit, if they can get a decision in a timely fashion, they'll move forward. But many times we lose out on a decent project based on the fact the business just does not have time to wait to put their investment forward. So we need to do better with those decisions.

As important as the statewide Water Supply Management Plan is, the -- are the wastewater management plans, they need to be reviewed in a timely fashion. I don't believe

that we need more law or regulation, I think the Commissioner said that as well. We have plenty of very good rules and regulations to protect our water bodies. But we need to do at this point is put plans into affect that represent and reflect all of those good rules and regulations that are there.

Okay. In conclusion, we were also talking about where these areas are most crucial. And we have critical areas 1 and 2 dealing with water supply which should really be the test places in many cases for some of the different kinds of approaches that we would take.

One of the things that was suggested in discussions with the Water Supply Management Plan was a more aggressive use reuse of effluent. This is an issue that my members are very interested in. But there again, this is a situation when you partner in business that you have to know what you're going to do and expedite forward to get those projects approved.

For reusing effluent and recharging our groundwater with effluent are two possibilities that we really need to take a good look at in New Jersey because that is a good way

to be sure that our streams and underground water are all recharged again. So that's something that we need to put some emphasis on. And those would all be helpful in distributing our supply, making it available for alternative uses. And greater uses of effluent would be helpful.

Right now the situation is that many of our large users of water have allocation permits, and it's hard to remove those allocation permits. That's one of those things that is a problem. But they might be encouraged with some kind of financial incentive to consider using reused effluent as opposed to potable water for processes where that's appropriate. And there needs to be some kind of an incentive program that does that and that would free up hundreds of thousands of gallons which is what we want to do with reuse projects.

We have plenty of them going on in the state. But those reuse projects actually only free up small quantities of water. We need millions of gallons of water per day that would be freed up for potable use by reusing water in industrial forums. So that's something that we need to put some really good energy into.

So those are some thoughts I have for the future. And very definitely I hope that all our planning issues come together. We see that land planning is very important. But the land planning issue has been the one influx for us in New Jersey. So as a result of that, there's a -- you know, the planning falls down in a line. And without knowing exactly what we wanted to do in certain areas, I think that's been one of the things that has been a problem with getting our water plans in line.

So I hope we've settled that. We've come to that at this point with the cross-acceptance of the development/redevelopment plan and can come forward with getting all the other plans updated. Thank you.

CHAIRWOMAN GOODWIN: Thank you very much, Ellen.

Our next panelist, Abigail Fair, has been a major contributor to the Clean Water Council over the years. She serves as the Director of Water Resources for the Association of New Jersey Environmental Commission. She's done that for a number of years. And she has been instrumental in the implementation and the

creation of the New Jersey Fresh Water Protection's Act.

Abigail, thank you.

MS. FAIR: I haven't visited the Clean Water Council for a number of years, so I'm sorry. Thank you for that very nice compliment, although I've always followed it and have been very interested.

I'm going to speak to you today from the municipal perspective. That's what ANJEC works with local environmental commissions to try to give them ammunition tools to advise their towns appropriately.

I joined my municipal planning board and environmental commission and was immediately put before developers who were coming to our town for developments. We were always told that there's -- Oh, don't worry, New Jersey American is going to give us water supply.

Now according to the Municipal Land Use Law, you have to be assured of both the ability to provide clean water and the ability to take care of that wastewater before you can approve a development. Well, New Jersey American always said, Yep, don't worry, no problem.

Today in my municipality, the water supply coming into our town does not meet the standards that our sewage plant has to meet, so we're in a bit of conundrum right now. And it could require a very extensive upgrade for our treatment plant.

But from the municipal perspective, there's a real disconnect between the different levels of government. I've always felt that it was very strong to have a very strong statewide framework, and was horrified to learn that very important and critical water supply master plan seemed to be an advisory thing hanging out there that not many people were referring to.

Likewise, the development community seemed to work hard to get permits at the state level for wetlands, for stream encroachments. Once they had those permits, the ability at the local level to try protect those resources was very difficult to uphold.

So I think everything that has been said today has been very important. I think it's really important again. I would repeat it again and again that the water supply master plan is critical, and we have to start getting very

serious about the level of or the floor for water allocations. I don't think we really know how much water allocation is out there right now.

The Water Quality Management Plan could be a really good vehicle to pull water supply and wastewater together. Unfortunately, there's been a whole lot of, again, dysfunction it seems to me. About ten years ago we had Executive Order 109 which brought in water supply, which looked or tried to establish the need to look at accumulative impacts. We need to get serious about that.

And it sounds to me today like the Commissioner is trying to do that. But I think Ellen's point was very good. You know, you can require people to do those things, but it it's going to take three or four years for them to get reviewed, we need to improve that process. We have to give staff, the DEP staff, the tools to review things. Otherwise, we're going to continue to flush water out into the ocean. I think there's something like 2 billion gallons a day can go out, just gone, instead of recharging our groundwater.

I have notes from a water supply

meeting that if we continue the way we're going, the safe yield of reservoirs will be reduced, major stream flows will continue to be depleted. We'll have flashier floods, longer droughts. There will be major water quality degradation. Dewatering of wetlands. They are the kinds of terrible things that can happen if we don't get a hold of this problem now. Thank you.

CHAIRWOMAN GOODWIN: From Industry, Tony Russo is the Director of Regulatory Affairs for the Chemistry Council of New Jersey, CCNJ, as it is referred to, is a trade association representing over 100 members involved in what they call the business of chemistry, and that includes chemical, pharmaceutical, refining, paint, flavor, and fragrance. He's been with the CCNJ for six years now, and prior to that he served as an environmental consultant.

He began his career, however, here in this very building in the New Jersey Department of Environmental Protection in the Division of Water Quality as a senior engineer where he spent four years developing and issuing NJPDES wastewater discharge permits with Treatment Works approval.

Tony graduated from the New Jersey Institute of Technology with a bachelor of science degree in mechanical engineering.

Welcome. Thanks.

MR. RUSSO: Good morning, everybody.

I just want to thank Pam and also thank the members of the Clean Water Council and the Water Supply Advisory Council for allowing me to give the industry perspective. I guess since Jim Sinclair retired this year, maybe I'll be the voice for Industry from this point on, which I look forward to, by the way.

When I was asked to speak about this issue -- in your handouts, there's five questions that they wanted me to consider. And from an industrial point of view, it seems like, you know, I jumped around from water quality, wastewater management, you know, how I would manage that. But it always goes back to the beginning, I think, and that's water supply.

Our companies need water to manufacture their products. Whether it's pharmaceutical, chemical, somebody making a consumer product, it starts with water supply and it's key. I'll give you a quick example.

I had just joined the Chemistry Council maybe four months when one of our South Jersey members came to me and said "Tony, the DEP won't issue me a water allocation permit and we're having trouble. We'd like to bring in new production into the state of New Jersey, but we just can't get enough water." So we intervened. And I was part of a conference call with the general manager out of Ohio. And he basically said to me that "Look, if we can't get the water in New Jersey, we're going to move this production back to Ohio." And that meant 200 jobs.

So I think for at least from my perspective it brought reality home in the sense that water supply to our companies means jobs for New Jersey and it's something that's critical. We just can't flourish without water supply. And, obviously, what do we use the water for? It's primarily used for cooling. Some of our companies use it as part of their process and it's consumed.

But if you really look at industry, we've done a good job, I think, the past ten years as far as recycling our water. It just

makes economic sense. If we could use the same water again to cool, it lessens our need to use water. If you look at the way the Department tracks its water use, there's seven groups and I think we're the third group behind potable and, I think, power. So we've done a good job lessening our reliance on water, but obviously it's something that's going to need to be there.

As far as what policies would you like to see the Department introduce, it's been discussed already. I think we need to do a lot more with our water supply infrastructure. During the 2002 drought, I followed that very closely, and what surprised me was that the Administrative Order which governed the drought restrictions changed no less than eleven times and that was in the six-month period. So it seemed like the Department was scrambling to come up with new restrictions.

It got to the point where Industry was asked late in the summer of that year to actually put together water supply management plans. So a lot of our members put it together. And some members, I think they were asking for a 25 percent reduction. Then likely the rains came

back and we haven't heard back.

So it's something that two words I hear in every regulatory program that I cover from our Industry or from Industry's perspective, is we need certainty and predictability. A lot of times we're not only competing with other companies, but we're competing amongst sister plants in other states. And a lot of our environmental managers need that predictability and certainty moving forward.

So when it comes to managing the drought -- and I read somewhere that New Jersey experiences a drought every five years. So if you do the math, it looks like 2007. I know we're currently under a drought watch here in New Jersey. I would ask the Department look at -- and I know that there is work being done on modifying the water supply management plan, I was part of that work group. I know the Commissioner talked this morning about improving the Virginia Pump Station.

If we could somehow find the money. And one trust fund that comes to mind is the Environmental Trust Fund. It's really primarily used for wastewater upgrades, sewer system

upgrades. And if you look at that fund, there's millions of dollars there that's probably not being used. Maybe divert some of that money to improving the water supply infrastructure in New Jersey, I think that would be good.

I also want to give credit, and if you haven't seen it, to the New Jersey Geological Survey. I know Jeff Hoffman is here. As we were working through some of these water supply issues, they put together this great spread sheet that actually tracks the water supply. Because one of the things that you have to question from an industrial point of view is before you have restrictions, can you measure those restrictions and how well are those restrictions being adhered to and have we conserved water. And I think they've come a long way since a few droughts ago. It's getting to that point where they're going to have a handle on water supply.

So you start with the science, then you take it -- it should be a logical sequence of events that should happen, and Industry's willing to do their part, obviously, to conserve water. It is a resource. And I really don't want to leave with the notion that we don't care about

water quality. A lot of the our plants do either discharge to POTW or they have NJPDES permits so we do care about that issue. And I look forward to working with both Councils in the future to bring out perspective and hopefully we'll flourish. Thank you.

CHAIRWOMAN GOODWIN: Our next presenter, Nancy Wittenberg, is the Director of Environmental Policies of the New Jersey Builders Association. I apologize, I don't know much more. I know that Nancy --

I'm just grateful that you are here today.

She's been dealing with some very difficult personal issues, and we weren't even sure that we'd be able to have her on our panel, and yet what she has to say is so important in light of the Commissioner's opening statements and our own impression of what some of the critical issues are that confront the state and, if so, water resource issues.

Nancy.

MS. WITTENBERG: I like to keep it a big mystery. I apologize for that. I'd be happy to tell you my background, but looking around

this room I think most of you are fairly well familiar with it.

When I sat down to think about comments for today on New Jersey's water resources and then I sort of just plowed and I spew on a piece of paper, and I realized it's a really complicated issue and there's a lot of different pieces of it I could have focused on, but I have basically been giving the same talk about this issue for ten-plus years since I left my last job which was also in this building. And either I'm really wrong or I'm really right and nobody's been listening to me.

I'm going with the latter because I think I'm really right, and it's not an extreme position, I've been very moderate.

From the perspective of the Builder's Association, I think the most important issue affecting water resources is not any particular activity, including land use, it's the lack of scientifically based planning and regulation. I'm a scientist. I went to school for it. I studied it. I'm very proud of it, and I rely on it, and I think we need to do the same. And sometimes politics and rhetoric and personal

issues complicate it. But at the end of the day for environmental protection, science is where we should all go.

Over the past ten years, New Jersey's efforts to deal with water resource protection have increasingly focused on new development. Over the past four years it's gotten even more intense. And we just keep throwing out the net and gathering in more and more of new development and I don't think we're getting much bang out of that buck anymore.

I mean, I started thinking about it this morning and here's some of the stuff we've seen that predominantly focuses on new development. The new stormwater management rules -- and I don't mean the municipal ones, I mean stormwater management planning -- the numerous reclassifications of waters to Category One; the imposition of buffers on surface waters statewide; the Highlands Act; localized water bands, including those during the drought of 2002 and those based on water allocation permit limits; and the proposal to revoke the sewer service areas; the proposal to regulate septic systems, six or more, four or more, two or more,

whereever it ends up; the expanded requirements under Executive Order 109; source water protection efforts; water supply permitting changes; and Lord knows what else is coming out of this Department within the next month, I can only imagine. The rumors have been intense.

In each instance the rationale was water resource protection. Sometimes it wasn't the only rationale, sometimes it was. But in each instance the rationale was water resource protection and in each case the focus was new development.

Now, I used to work in transportation and I used to do air pollution and we used to make the following argument: If we didn't put one more car on the road, we wouldn't improve air quality and we wouldn't improve traffic. We'd still have it. We wouldn't make it any worse, but wouldn't improve it.

It's the same for water quality. If we don't build one more new house or one more new Wawa or one more new Home Depot, we're not going to improve any of those situations, we may not make them any worse, but we're most certainly not going to make them better.

We need to look at what's out there. We need to look at the existing development. I've been saying it for so long that I don't know why it's not been happening. I believe that if we take a true scientifically based look at the impact of all the existing land uses in New Jersey we can then identify where and how the efforts should be focused.

There are existing uses that are not subject to any controls. They've been here a long time. They're all kinds of uses. They are residential subdivisions that were built before we had regulation. They have no stormwater management control. They are corporate parks that were built before we had all these regulations. They have no stormwater management control. They are existing uses in 300-foot buffers adjacent to Category One waters. There are existing industrial uses adjacent to 300-foot buffers in 300-foot buffers adjacent to Category One waters. All this stuff is going on out there and I believe that's where we need to be focusing our efforts.

I mentioned existing development. There are existing uses. There are a lot of

them. There's agriculture. There's industry. There's corporate parks. There's retail. There's recreational fields. There's golf courses. All the stuff that we now regulate so heavily but that's been there for a while is not regulated.

Salting of roads, particularly in drainage for Category One waters. Applications of pesticides or fertilizers statewide be it at a corporate park or at your house, mandatory septic inspections upon resale, mandatory septic maintenance and testing. If new septic need to be held to the highest of standards, then we better get out there and look what's in the ground now, because my guess is there's a bigger problem there than with the new stuff.

Mandatory water conservation all the time. Why would we only do it when there's a drought? It doesn't make any sense. The history in New Jersey is lots of water, no water; lots of water, no water when we should be doing water conversation all the time without a question. And there's lots of other things we could be looking at as well.

I understand that most of this stuff

is not politically nice or economically nice. It's expensive and nobody wants to hear about it, but that doesn't mean we shouldn't be looking at it.

We have made a first effort in New Jersey with the municipal stormwater rules. And it's interesting that the imposition of those rules has not been as -- how should I put this -- precise as those that are put on new development because municipalities have their own internal issues and it's very difficult, but that doesn't mean we shouldn't be doing it.

And here comes the spiel that I have to give.

If we continue to regulate new development claiming it's needed for water resource protection, we will end up with the same water resource issues we have now plus the negative economic impacts of stopping development. Housing prices in New Jersey are now beyond the reach of probably most people in this room if you were trying to buy a house today. It's clearly beyond my reach at this point, and the housing stock is not keeping up with demand. That's not going to change

regardless of how people feel about land use or new houses or new school-aged kids.

Instead of throwing the broadest net to keep imposing more and more restrictions on new development, which at this point is pretty well covered, we need to take a look at the water resources and locate and quantify the quality and quantity problems. Then these should be addressed regardless of cost and regardless of popularity. If it's truly a water resource problem, then that shouldn't be a problem for New Jersey. Thanks.

CHAIRWOMAN GOODWIN: We have to pause for a second.

Thank you very much, Nancy.

Well, Nancy, teed it up nicely for next presenter because you talked about the municipalities and what they need to do.

Our next representative is Richard --

Is it Plambeck?

MAYOR PLAMBECK: Correct.

CHAIRWOMAN GOODWIN: Thank you so much.

Mayor of the Chatham Borough. He

represents the League of Municipalities. He has served as mayor since 2004, vice-chairman of Madison Chatham Joint Meeting Pollution Control Plant, co-chairman of the Open Space Committee; and he also serves on the planning board and the regional traffic and regional development study groups.

Previously he served seven years as councilman and as liaison to the Environmental Commission. He is well prepared to discuss environmental issues. He's a licensed professional engineer in New Jersey, has a BS and an MS in civil engineering, and United States and International Real Estate and Management assignments, he served when he -- I'm not sure if I've got this right -- when you were with Exxon Mobile?

MAYOR PLAMBECK: Correct.

CHAIRWOMAN GOODWIN: Terrific.

So I welcome you and I look forward your remarks.

MAYOR PLAMBECK: Thank you, Pam.

Good morning ladies and gentlemen.

I'd like to address my brief remarks today to two related topics. First,

understanding and protecting groundwater supplies; and two, the need to consider the "law of unintended consequences" when developing regulations and policies.

As Pam said, I am the mayor of Chatham Borough in Morris County. It's a small historic town, less than 8500 people in an area of only 2.35 square miles, and it has the Passaic River forming our eastern boarder. We were recently selected by Money Magazine as one of the Top Ten Places to Live in the United States, and we'd like to maintain the quality of life that brought us that distinction.

We adopted the Borough form of government in 1897 so that we could develope our own water supply utility, which we are still wholly dependent upon today. Our wells draw groundwater from The Buried Valley Aquifer Systems, which have been registered as a "sole source aquifer" due to the fact that most towns in the area are wholly are primarily dependant upon it for their water supply. I believe most communities and about half the population in New Jersey are similarly dependent upon groundwater as their water supply source.

Despite this overwhelming dependency upon groundwater in New Jersey, it is little studied, analyzed, understood or protected compared to surface water supplies. Very few communities or counties have completely mapped their groundwater supplies, identified their recharge areas adequately, determined the safe yield of their aquifers, identified known potential pollutant sources or put in place adequate wellhead protection. In some cases this is due to a lack of good geological and soils data, in other cases a lack of incentives to address potential problems until they manifest themselves.

Several towns have had shallow wells go dry in recent years and others have seen significant problems with VOC plumes requiring air-stripping towers to be added at multiple well sites. However, in a state as small and densely populated as ours, a major problem in one location can quickly become a regional or statewide problem during a drought, and can have long-term effects on land use planning if the critical infrastructure such as adequate water supplies cannot be sustained.

I like to think that our community and county are in the forefront in New Jersey in addressing these issues. Morris County is currently developing a Water Balance Model for its groundwater and surface water sources and projected usage to get a better perspective on its long-term water supply capability for land use and infrastructure planning.

As you may be aware, most of the water supplies in Morris County are owned by the large cities to our east and most of the local communities are dependent upon groundwater. The NJDEP and the New Jersey Geological Survey must help counties and municipalities and watersheds develope such models with accurate geological and water usage data and coordinate cross-county reviews of the results to assure consistency for land use, population and job growth and transportation planning process.

Now my second point, the often neglected "law of unintended consequences." Passaic River Coalition developed a model "Wellhead Protection Ordinance" under a 319-age grant from the DEP. Upon it's approval by the DEP it was made available to the surrounding

communities through a series of presentations to Environmental Commissions, Planning Boards and Municipal Councils. Several, including Chatham Borough, have adopted such overlay zone ordinances based on this model.

However, now the DEP has asked other towns considering them to wait while they clear up the conflict between the Wellhead Protection Ordinance, which is enforced locally, and the underground storage tank statute adopted in the mid-1980s. This is an important tool for communities to prevent the location of potentially significant pollutant sources close to their drinking water supply or the expansion of such sources without assurances of Best Management Practices being applied, and the conflict must be resolved quickly.

To put this in perspective, of the seven gas service stations that existed in Chatham, four have closed, but at least three closed and two open stations have cleanup activities in progress or recently completed. All of these cleanups were initiated before MTBE was added to gasoline to control air pollution. However, MTBE is highly soluble in water and as

another "unintended consequence" of regulations, many communities are now concerned with an even more difficult groundwater pollution source.

I'll provide one other example of what I consider "unintended consequences" of regulations regarding our water supply. This one concerns the regulations surrounding Green Acres protected properties. We have purchased environmentally sensitive and other land in town, including most of the land fronting the Passaic River for conversation and recreation purposes and dutifully added it to our Recreation and Open Space Inventory or ROSI as required by Green Acres.

We recently tried to get permission to put a small sewer line across some of this land in order to relocate a failing sewage pumping station that is on an island in a stream. We were denied because this is considered a "diversion" of the land to other purposes even though the pipe would be buried and the land restored after construction. I also want to add another well in town as our emergency backup supply, as our current three wells are located so close to one another that one pollution plume

could easily affect all three and wipe out our total water supply.

Again, some of the best sites for such a well are on the Green Acres protected land, because they are remote from any development potential near the wellhead. I may be forced to go to a less desirable site if Green Acres won't grant an "environmental exception" to their rules. I respectfully suggest that NJDEP consider when the greater good is served within the community or region that the overly stringent Green Acres "diversion" rules be amended to allow for reasonable "environmental exceptions" and that a peer review for "unintended consequences" be made a part of the normal NJDEP rule-making criteria.

Thank you for this opportunity to express my views.

CHAIRWOMAN GOODWIN: Thank you, Mayor, and special compliments on your Halloween tie. It's really a nice touch today.

Our next presenter, Neil Goldfine, is the Executive Director of the Atlantic City Municipal Utilities Authority. He's here today representing the New Jersey Chapter of the

American Water Works Association.

He has been with the Atlantic city MUA since 1980. He was formally an engineer for NJDEP in water resources for 1970 to 1980, certainly critical years in terms of water resource development; a licensed professional engineer in New Jersey and a licensed professional planner in New Jersey. And of most import, I think, from his personal perspective, he is the Director of the Youth Basketball League, a member of the Linwood Little League, manager and coach, and a very proud parent. I'm sure tonight there will be some trick-or-treaters out there.

MR. GOLDFINE: Thank you, Pam.

Good morning. It's nice being scheduled last because I get to listen to all of the other speakers and hear what they have to say. And although they brought out a lot of elements, most of what they've been talking about is planning. The lack of planning or the lack of follow-through for planning.

As I prepared looking for the guidelines that I was given for today, I think the most important issue in water supply is the

lack of comprehensive water supply master plan. The last master plan was written in 1996. They're supposed to be updated every five years. We're now in year nine.

This should set the direction for decision-making in the water industry. I heard of lot of commentors talk about the lack of decision-making, problems with decision-making, DEP decision-making. We need a plan that will give guidelines, things that people within the industry, people in the water industry, the wastewater industry, developers can look at and say here's where the water supply is or here's what we need to do to get the water supply there.

The state's done a very good job on picking up pieces, the Interconnection Study, the Southeast Study, the Northeast Study, done a lot of studies. But one of the problems with water supply in New Jersey today is that even in droughts there are always water utilities that go "I have plenty of water; it's other areas that don't have plenty of water." And as we do these plans in different pieces, there's no master plan. There's not overriding schedule that says here are the pieces, this is how they fit

together. I think that's one of the problems with planning in New Jersey over the years is it does pieces. I can solve the problem here. I can solve the problem maybe in Newark, maybe in Chatham. But it doesn't tell Newark and Chatham how to work together to solve some of these issues.

We should also be looking for innovation in water supply. Innovation only happens in New Jersey either through persistence, and I'm talking about the ten to fifteen year kind of persistence or through desperation. It shouldn't be that way. We should be looking at innovation. We should be looking at novel reuse projects. We should be looking at desalination projects. We should be looking at different things for controlling, saltwater for providing other water supply, and we're just not doing that because we're looking at conventional answers. We're looking at immediate problems. We look on the short-term. Again, hopefully a master plan will take a look at the long-term and get that implemented.

New Jersey's always going to have periods of drought and rain. We need to find

ways to stop the droughts from becoming water supply critical issues. We're not always going to have a commissioner who can make it rain merely by announcing public hearings on drought restrictions.

My first suggestion is that everyone here get behind the piece of legislation that's currently moving around to provide money for a water supply master plan. We don't necessarily need the entire $2.5 million because as I said before, pieces of the plan are being worked on, but we need an umbrella for the plan. And this piece of legislation passed the Senate unanimously over a year ago. It's been languishing in the -- in the Assembly --

Yes, thank you, Gene.

-- in the Assembly for over a year.

Secondly, and Gene may not like this comment, I proposed that the Water Supply Advisory Council be used a sounding board for innovation. Maybe when people come up with innovative ideas, bring it through the Water Supply Advisory Council, having that Council make recommendations to the Commissioner, give it direction might give it the ability to move

through and become a reality in New Jersey in less than a decade or two.

The other thing that's important and again is actually following through with the plans. The Commissioner mentioned this morning that they're now implementing a piece that's been on every plan in the last 25 years. Well, that's not the purpose of plans, plans should be followed through. If you have key elements in the plans and things that you need to do, you should be doing them in the short time frame. I'm not a big believer in doing plans for planning sake. And sometimes we plan and keep planning without getting anything done.

But I think right now what this state needs most is a simple plan that takes a look at all the planning elements that are being done, have been done, put them together and give the state direction. Give the state direction for making regulations, give the state direction for decision-making within DEP, and then within DEP they should be making decisions based upon the plans. If someone comes in here with a project that says, "Well, the plan says we should be heading this way," it shouldn't be a stalling

point. It should be an approval point.
Thank you.

CHAIRWOMAN GOODWIN: Thank you, Neil.

Just -- and I rarely correct panelists, but I must correct you. You're not last presenter.

MR. GOLDFINE: I said was scheduled last. I noticed that.

CHAIRWOMAN GOODWIN: You were scheduled that. Absolutely. So this is actually our folly.

David Pringle --

We thank you so much for being able to join us. I know you had to fight some terrible traffic.

He is the Campaign Director of the New Jersey Environmental Federation.

And I'm sure, yet again, that your experience is legion. And I apologize, I don't have any biographical information for you.

MR. PRINGLE: Thanks, Pam.

I apologize for being late. I actually didn't have traffic. I was somehow under the impression, it was my fault, that we

were starting today at 10:00 not 9:00. So rarely for me I was actually on time by my watch, which was 10:00. Which as for those of you who don't know me that isn't often the case.

I actually am in agreement with Nancy, and I often am even though we are often on opposite sides of the spectrum.

Our biggest problem is a lack of science being used in water resources in New Jersey. But that's not -- the reason for that is because we have a lack of local will. Folks aren't will to -- the governor or the commissioners historically in the last 20 years haven't been willing to make the tough calls.

When I thought about what the single most important problem we're facing in New Jersey around water, it's the failure to implement the Clean Water Act effectively, and in some cases an outright disregard for critical pieces of the Clean Water Act. That was going to be the heart of it, but -- and hearing Nancy's comments, and the reason for that and that's the biggest reason is a lack of political will. Governors and commissioners have not been willing to make the tough decisions either unwilling or unable, they

either lack the will or the skill to get it done and they need to get it done.

The successes we have had, and there've been many successes over the last 30 years with the Clean Water Act, especially around point sources and sewage discharges, the improvements have been overwhelming. However,all of those improvements are being overwhelmed themselves by our continuing sprawling nature as we build out in New Jersey. I think the best evidence of that is trihalomethanes and other disinfectant by-products we're finding in our water supplies. The levels are increasing at the same time.

Science is getting better and we're finding out that these chemicals are even more carcinogenic than previously thought, and so the standards for them are getting lower at the same time the concentrations are getting higher. And the safest and most effective way to address this problem is to not pollute the water in the first place. And to do that we need to implement the Clean Water Act, and we have failed to do that.

I think another piece of that is how and where we put in our sewage dischargers. As

Jeff Tittel has noted, New Jersey waterways are becoming Viagra Falls. We're finding, you know, codeine and estrogen and testosterone in our tap water because of where we discharge our water. So recharge is a critical part of the solution and reuse is a critical part of the solution, but we also have to be careful of how much we treat before we recharge and reuse. Because if we keep recycling, even though those contaminants are in the parts per trillion, as you recycle the water more, parts per trillion become parts per billion; parts per billion become parts per million.

But I want to go back to the will and the skill to get this done because in the last four years of the McGreevey-Cody Administration there have been some major accomplishments and some even more major setbacks.

The Highland law itself, the Category One initiative and the Stormwater Rules are very strong improvements in the state water policy; however, they've been stalled and undermined in their implementation. The Highlands Act -- the Highlands Council is moving

forward on their planning based on the permitted capacity of sewage dischargers in the Highlands as opposed to what the assimilative capacity is in the water.

The Highlands Act is supposed to be about ensuring that we grow in a way that doesn't destroy the resource. Yet a fundamental concept that they're using in their planning is going to destroy the water resource. We're not going to ensure that the water can assimilate that pollution. We're just going to, whether it's permitted 30 years ago and never went through an anti-deg review or not, they're going to move forward with that without doing that proper anti-deg review, and that is a major flaw in how the Highlands Act is currently planning on being implemented.

The Fast Track law, you know, creates a two-tier system that will say that some areas of the state should be written off. That is, even if we get Fast Track repeal, there are a series of rules that are being proposed by this DEP as we speak. The surface water quality standards, the stream encroachment standards, the buffer IPR that's out there, the sewer service

area, pullbacks that have been proposed. And rumor has it that there may be some sewer rules coming out in a lame duck DEP.

All of those rules while there are pieces of them that are critical and that are implementing the Clean Water Act in ways that need to be done, all of them have enough setbacks that they should not move forward in their current form. And there are six critical themes that run throughout them that are unacceptable if we're going to implement the Clean Water Act in a way that it was originally visioned and address the water resource problems that we have in this state. And I'd just like to quickly go over the themes of those six points because we're implementing these things now in the middle of an election or at least we're proposing to implement them. They're proposed, not adopted.

The first is that the duration of the grandfathering is too liberal as a common theme throughout all of these rules and in the Highlands Act and in the stormwater rule. State Planning Areas 1, 2 and centers are written off. It creates a two-tier system. It's one of the fundamental flaws of "Fast Track." Yet Fast

Track is on hold, yet this DEP is proposing a two-tiered system where Planning Areas 1 and 2 and centers get less protection than Planning Area 3, 4, and 5.

That is not what the State Planning Act is all about. It's not about writing off areas that are already developed. It's about ensure focusing development in the ways that manage our natural resources effectively. We shouldn't be writing off the Raritan Bay just because it's been developed and protect the Delaware Bay down in Cumberland, Salem just because a development hasn't happened there.

The third point, the scope of the exemptions is too liberal.

Fourth, the public purpose is social and economic exceptions are overly broad. And the absence of a requirement for off-site alternative analysis is also a fundamental flaw.

And finally, the assumptions that are being used in the recharge analysis is incorrect. It overly estimates the amount of rain. It overly estimates the amount of water that I can get recharged into the ground, and therefore allows more development, more pollution

because of false assumptions assimilative capacity.

The end result is we don't -- we're not implementing the Clean Water Act. Because this DEP and this governor like the past governors and commissioners in the last 20 years are refusing to do what needs to get done. Everyone likes to point fingers. The builders like to say that, you know, as Nancy mentioned, what about the existing development, we need to do something about that, and the sewage dischargers say it's the new development. And they're both right. It's not an either/or, it's at both ends, and we don't have a choice. We need to do both.

I think I would just like to end on that, you know, we have an election in eight days. Whoever is the next governor, whoever is the next DEP commissioner whether it be our current commissioner or a different democratic appointee or a republican appointee has to do something that no commissioner, no governor has been willing to do for 20 years. And that is to take the heat, to have the will and skill to make the tough calls to get the Clean Water Act

implemented. Thank you.

CHAIRWOMAN GOODWIN: Thank you very much.

We now have an opportunity to open the floor up to questions. Are there any questions for our panelists?

DR. GOLUB: One of the things the DEP could probably do is solve the problem of noise pollution which is their own sound system to get it to stop reverberating. I think that's a challenge they might be able to meet.

Many of you talked about the land use, efficient use of land. We have other government agencies that are conflicting. We have a DCA. The DCA has rules that tells all the municipalities what you can do. And then we have COAH. And COAH says, Well, we don't want you to build in the cities where you're supposed to build, we want you to build in the suburbs, and we want you to build lots of things in the suburb.

How do we go around that?

I didn't expect an answer, that's okay.

MR. PRINGLE: So obviously the

Planning Commission could accept DEP's natural resource data and amend the state plan accordingly.

DR. GOLUB: Lots of luck. I'm in all in favor. All you have to do is get the courts to agree.

The second is I would give advice to everyone who comes up with a proposal on policy. Answer a couple of questions. How effective is it going to be? Who's going to pay for it? And how much is it going to cost?

New Jersey is now probably the most expensive state in the country to live in, let's not make it worse. Thank you.

CHAIRWOMAN GOODWIN: Thank you, Dr. Golub.

Question in the back.

MR. WOLFE: Two questions. One for Ellen Gulbinsky of AEA and one for Mr. Russo.

Mr. Russo, you said that as the Industry rep you care about water quality. I would ask for your position on both the Water Quality Standard Proposal that's currently pending public review with respect to the variance revisions, and I would ask -- and due to

NJPDES' work, I would ask for your perspective on the wildlife criteria the Department proposed and bring your attention to your own correspondence of October 2, 2003, as well as or Power Point presentation of September 16, 2003. And if you'd like to go with some public conversation with respect to the Industry's position with respect to the water in New Jersey.

MR. RUSSO: I'd be happy to do that, Bill.

When the wildlife criteria was proposed three years ago or two years ago, the issue we had with it is not so much the wildlife criteria itself, but how the Department was going to implement it. And the same as it stood ten years ago, you have to question whether or not these standards are implementable. You know, are they going to meet anything as far as the permit. Are you going to measure that?

Why develope a standard that makes you feel good saying it's just going to protect water quality when it doesn't translate into actual actions or levels? So --

MR. WOLFE: You support with Department science?

MR. RUSSO: We supported -- no, we had concerns with the science. But the issue, if you read my correspondence and if you read my Power Point, it was not so much the science, it was how the Department was going to implement it, and there was no plan. So why rush it? And what we wanted the Department to do was take the time, meet with the stakeholders and develope an implementation plan so this way of being safe.

While we were doing that, our experts, toxicol -- I can't even say it -- but our experts actually had some concerns, and we raised those concerns at a meeting with the DEP. To the best of my knowledge, I don't even know if they're going to even look at the science again, but they're going to look at the variance approach.

MR. WOLFE: Growing out of those conversations, which again were not conducted in public, but growing out of those conversations, the Department has actually drafted a global statewide water quality variance rule proposal that never saw the light of day at the register that I assume satisfied your Industry's perspective. And now do you feel that that

variance is incorporated in the water quality standards proposal that's currently pending public review specifically with respect to the provision that would allow a variance --

MR. NEELY: That constitutes testimony. We're not having a dialogue between the panel --

(Overlapping conversation.)

MR. WOLFE: -- for discharges located in State Plan Planning Area 1, 2 and centers or based on cost of compliance that exceed the 2 percent of gross being income in the service area.

CHAIRWOMAN GOODWIN: I'll tell you what, I appreciate your candor and your comments, and you two can feel free to have a personal dialogue. And you're also free to testify in the public portion of the comments.

MR. WOLFE: My concern is this is a very public issue because clean water is being sacrificed in the state of New Jersey due to very narrow Industry concerns with respect to compliance costs. And it's not -- it's a huge public policy today that's not been engaged, and I would like the audience in this room who are

largely clean water advocates to understand the nature of the debates, what's going on --

CHAIRWOMAN GOODWIN: Sir, I appreciate that, and again you're welcome to testify, but this is not that time.

MR. WOLFE: Can I ask Mrs. Gulbinsky a question from the AEA's perspective?

CHAIRWOMAN GOODWIN: If it's a question, yes.

MR. WOLFE: Is AEA supporting or opposing the phosphorous water quality based initiative and the Passaic Wanaque TMDL with respect to the science and the implementation requirements? You didn't mention that in your comments. I'm curious.

MS. GULBINSKY: No, because phosphorous is not in surface water quality rules right now. There's discussion on it. It's not in the rules and there are issues with the way the model has been done and the science that was used behind the model. So we're trying to get that science correct.

CHAIRWOMAN GOODWIN: Thank you very much.

Any other questions?

If not, I want to thank very much this group of distinguished panel. I'm so grateful that each one of you took your time. I found this to be a very helpful, very informative discussion.

And I also, if I could, take a moment to thank the members of the Clean Water Council who arranged to have this group of speakers here today. And in particular, let me thank my vice-chair, Russ Furnari, who just did a tremendous job in helping us to get this whole thing organized and together today.

We will take a 15-minute break and then come back and reconvene for public comment. Thank you.

(Whereupon, a break was taken. Time is 10:53 a.m.)

(Back on the record. Time is 11:14 a.m.)

CHAIRWOMAN GOODWIN: I would like to ask that any of the people who are giving public testimony, please come up here, that way your testimony will be properly recorded with the proper with the appropriate amplification and reverberation.

I now have seven people who have signed up to testify. If you have not signed up and you would like to live give public testimony, please see Ray, the man in the orange shirt in the back, and just give him your name and we'll add you to the list.

The first testimony that we will hear today is from Carol Collier. As she mentioned earlier, she is a member of the Clean Water Council, but she is testifying in her capacity as the chairperson of the Delaware River Basin Commission. And -- you know, I think that's fine.

MS. COLLIER: Carol Collier, Executive Director of Delaware River Basin Commission.

Good morning and thank you both for this opportunity. I do represent the DRBC which is a interstate federal compact commission. The members are the governors of the four basin states: New Jersey, New York, Pennsylvania, Delaware, and a representative of the federal government. And the mission is to manage water resources without regard to political boundaries, really looking at that large watershed or basin

scale.

And one of the things we have recently done is had adopted a water resources plan for the Delaware River Basin. We brought some copies along, but they have been scooped up back there. So if you would like a copy, they are available on our web site, or Jessica Sanchez, who stepped out of the room right now but will be back, is our basin planner. And she can take names and get those.

One of the things in here, this is really a community plan. DRBC sort of, you know, kicked it along, but it was put together by a whole group of stakeholders and cannot be done by -- not implemented by one organization. It really takes a basin community. So please look at this. It includes a number of goals and objectives that were mentioned by the panel this morning.

We are very supportive of water management that is occurring in New Jersey, but we do have some suggestions. And these are mirrored in the plan.

One large one is the need for integrated water management. You know, back in

the '70s when the federal government was looking at water management, and it was really the only thing that could be done back there, it ended up in silos or stovepipes with one rule, one law regulating water quality and effluent, another law regulating water supply, another law for wetlands, another law for stormwater. And unfortunately that's what the regulations had been passed down and utilized by the states.

Water doesn't work that way, it's all one water. And the only water we get for water supply falls as rain and snow and is either properly managed as stormwater or flows on down the river, so we have to look at the system.

Resources we need to look at are: One, water supply, water withdrawal, water conservation, water storage aspects. But we also need to look at it in context with wastewater. You heard a lot of this morning about wastewater planning and reuse potential. One of the things we're really worried about is you have large regional plants that do provide good water quality management. But what happens is you have houses way up in the headwaters of a watershed. They draw their water, say, from groundwater. It

goes in those pipes down to a regional wastewater plant way down at the bottom end of the watershed and the stream loses out. The stream is getting dewatered by these regional water plants.

So when we look at water supply, we need to also look at how wastewater is being used in the watershed system. We definitely need to look at wastewater planning.

Also stormwater. You know, as I mentioned, that's the only water we get. So how do we get it back in the ground; how do we capture it as close to where it falls as possible instead of routing it through detention basins, but slow it down, but still aim it toward the river.

And finally, the fourth thing we need to remember is in stream flow needs. And this is something that, you know, all the scientists are still scratching their heads about: How much water do we need in a stream at what time of year for what life stage of what species? And we're getting there, but slowly, but we have to keep that consideration in place.

One of the things DRBC is doing is something called "goal-based watershed

management." We have some examples ongoing. We're working with EPA Office of Research and Development. We'll be glad to talk to the different commissions and DEP about that.

Which brings me to my second point which is sharing information. New Jersey definitely needs to do a water supply plan, but there are others in place. And one of the best things to do is steal ideas from your neighboring states. And that's one of the things we're all about is to try and get that information connection together.

Delaware has recently finished a water supply plan. Pennsylvania is in the process right now through their Act 220. Their plan is required to be completed by spring of 2008. And they are looking at water demand and projections and availability working with USGS and others. So we can share ideas across the river.

DRBC also has a number of advisory committees. All our meetings are open. We have advisory committees for water management, for toxics, for water quality, for flow management. So whatever you're interest is come and join us.

The third area I want to talk about is land use, and that certainly was a topic during the presentations. And it is very true that whatever happens on land ends up in the water and we need to make that connection. Just three points under land use.

One, if we are going to limit growth in some areas; i.e., Highlands, Pinelands, C1 waters, we've got to encourage concentrated growth in other areas. But that doesn't mean it doesn't also need to reflect good water resource management. And there are examples out there of good water management in urban areas with a lot of impervious cover. We need to look more closely at that.

One of the things DRBC is doing is we're just initiating a stormwater retrofit on our office facility in West Trenton up at the state police headquarters. Our building was built in the 1970's, no stormwater control. We've got drop boxes in the parking lots under cars -- I hate to admit this -- pipes going down running under the building creating a real grand canyon into the local tributary. We want to fix that. We want to walk the talk, and at the same

time provide an opportunity for people to come out and see on the ground what you can do to manage stormwater at an older building site. So that's coming to your neighbor real soon.

Another thing with land use is river and stream corridors. That's where all the action is. That's where the flood prone lands are. That's where as people want to get more access to the rivers to get their kayaks and canoes out there, they're the access points. That's where we need to think about buffer zones for water quality, for shading streams, for wildlife corridors. It all comes together. We need to spend special attention there and careful planning.

And it goes back to other types of planning. We heard about it today. You know, we're in most transportation corridors. A lot of times they're along the stream corridors because that's the easiest access. Well, then growth follows the road as it does pipes, that's immediately along the stream corridor. Is that what we really want in the future?

People connections. In New Jersey as with most of the basin, the land use decisions

are made at the local municipal level. We need to do a better job, and we -- I include DRBC in this -- connecting with those municipal officials and active watershed groups. And we need to provide the necessary information so they can make good decisions. I think we can all work on that together.

And finally, just some basic needs. We have to have good water quality and quantity monitoring because you cannot manage what you don't measure. We've got to have that base line and that takes money and that takes funding. We also need to coordinate the data that's collected. So we are all collecting data that we can jointly use and not say they didn't use my methods, so I'm not going to use it. And we also need a data management system that's accessible to citizens and scientists alike.

Please visit us on our web site. Come and talk to me or Jessica Sanchez, who's in the room now, our basin planner and let's work together. Thank you very much.

MS. SANCHEZ: Carol, we had plans here and it's all gone, sadly. So if you'd like a plan, just give me your business card.

CHAIRWOMAN GOODWIN: I was just suggesting to Carol, if she had written comments, and if anybody has their comments today in writing, please leave them with were the court reporter and we'll integrate then into the official record.

Thank you very much Carol and Jessica.

Ann Kruger now from the Passaic River Coalition discussing critical issues in the Passaic Basin.

MS. KRUGER: Ann Kruger, K-r-u-g-e-r, Senior Scientist with the Passaic River Coalition.

The most critical issue that the people of New Jersey need to consider is whether or not there'll be sufficient water supply for millions of people at affordable costs in the future. The Passaic River Coalition recommends that the Councils focus on three independent aspects of this issue. These aspects address quantity, quality, and cost.

First and foremost is the need to re-evaluate the safe or sustainable yield of clean water supplies available. The 1996

New Jersey Statewide Water Supply Plan states there is a need to re-analyze the definition of the methods DEP employs to qualify water availability to avoid overuse. Almost ten years have past and this recommendation has been has not been followed. It must be the number one recommendation coming from these hearings.

Groundwater is being overpumped in some areas, so base flows are declining in the Highlands and salt water in intruding in the coastal plain. Development of the land has reduced recharge and increased flooding. Consumptive uses of water in the Passaic River basin has led to a 32 percent of decrease in flow in the river at Little Falls over the past 80 years. In the Hackensack River below the Oradell Damn, the decrease in flow has been about 70 percent, and sometimes there is no flow of freshwater into the Hackensack Meadowlands.

How much water should we leave in our streams for fish and birds and other life that depends upon freshwater to survive?

At present, groundwater and surface water are regulated separately. But as the chief hydrologist of USGS notes, effective land and

water management requires a clear understanding of the linkages between groundwater and surface water. Calculations of safe yield need to be based on a holistic ecologic view of the availability of water for consumptive uses that reflects current and future conditions of the land, and that is conceptually consistent for all of New Jersey.

A study to develope a new statewide water supply plan as critical. And a core component of this study should be the evaluation of sustainable yields on clean water supplies.

Second critical issue is how to keep our water clean enough to drink fish and swim. A recent survey of water supply facilities indicate that water treatment costs increase as far as covering the watershed that is a source of water decreases. Much of this increase in treatment costs can be attributed to increase levels of dissolved organic matter. And we're currently struggling with how best to address the problems of hyperbeautification on our reservoirs, lakes, rivers and estuaries.

Under the Watershed Management Program we did a lot of talking and evaluation

was given to the issue of nutrients and a variety of approaches were discussed which would require DEP to interact with treatment facilities and establish new processes within the regulatory system. Unfortunately, these efforts never moved toward a solution. The regulatory approaches to nutrients should be coordinated so that those processes which work do not become entangled in a legal bureaucratic morass.

Public funding to rehabilitate water supply distribution systems, upgrade sewage treatment plants, reduce combined sewer overflows and retain and improve our green infrastructure which would include improving recharge, repairing our riparian buffers, green acres and blue acres activities and protecting the Highlands and the Pinelands should be made available. Perhaps it is time a new comprehensive ecologically sensitive bond act.

And third, the biggest problem to implementing programs for clean water frequently revolves around the question of who pays. Natural processes help to store and cleanse water that is used for water supplies. Nature provides these services for free, and the value of these

services is usually not included in the economic costs. The ecosystem capital that now helps to supply water supplies in New Jersey is being threatened by inappropriate development of the land. As land is developed, the natural ability of the land to store water decreases and water quality frequently deteriorates. This results in increased economic and environmental cost for the storage, treatment, and delivery of water supplies.

The Council should address the question of how to pay for clean and plentiful water for New Jersey in the 21st Century. For example, recognizing the technology that exists to modify discharges of nutrients from wastewater treatment plants should be addressed as to their cost, their benefits to the receiving waters and ecosystems and to public health.

We can utilize the goals developed under the Watershed Management Program and which just sit around our office and are not being used. And the state should seek adoption by local and county governments to pursue such goals and make financial resources available to do so. Integration of state functions with these goals

is of primary importance. The importance of water resources management must become a more legally defensible component of land use in New Jersey.

The establishment of a new bond act coupled with greater recognition of the functions of the natural system and needs of this system becomes a paradigm that closes the circle identified at the beginning of this statement.

For too many years the issue of who pays has been the stumbling block to getting solutions to the requirements of the clean water initiative. All stakeholders should be encouraged to seek solutions instead of taking legal action. The Passaic River Coalition has been vitally interested in improving water quality and assuring clean and plentiful water supply for the future.

We encourage the Councils to take definitive actions to make the goals and established under the Watershed Management Program become apart of the governments of New Jersey and that adequate funding be provided to reach and maintain these goals. Thank you.

CHAIRWOMAN GOODWIN: Our next

speaker, Ed Wengryn, New Jersey Farm Bureau, addressing agricultural issues.

Hi, Ed.

MR. WENGRYN: Hi.

Ed Wengryn, W-e-n-g-r-y-n.

Following up, I guess, sort of on Monique's comments made earlier, one of the critical areas we're finding in agricultural, the state has policies to preserve agricultural lands, and increasingly as we hit water supply areas and drought situations, we're finding farmers who have purchased and acquired those farmlands to dedicate to agriculture and they're not allowed to get water allocations because of the shortages. So there needs to be an alignment of state policies on agriculture and agricultural use, or investing in preserving the land for that use, there has to be a component that would allow access to water so you can grow crops and have a viable industry.

Some of the things that can happen in that to make that happen, the use of existing programs, the 319 programs, to do some of the investment and research into finding how agricultural water is used, what percentage goes

back into recharge, what gets consumed by the plant and gets lost to the system. How different recapture and reuse systems can be used within agricultural production between food and non-food crops.

The turf industry is still one of the large money-makers in New Jersey. And the use of gray water on turf fields and production of sod would be compatible water reuse with commercial interests in industry. So there needs to be research looking into that. Agriculture, as Monique says, uses about 2 percent of the state's water statewide. There are watersheds where they're the largest user in water allocation. But then it comes down to planning. Is that also a large agricultural region? Should we be disencouraging other water uses in those regions and encouraging AG use?

So again, the planning and the incorporation of agriculture in lining up the state policies, preservation, industry support and water allocation.

That's it. Thanks.

CHAIRWOMAN GOODWIN: Vincent Domidion from the Monmouth County Resources

Association discussing infrastructural capacity.

MR. DOMIDION: Vincent Domidion, D-o-m-i-d-i-o-n. And I am here today in my capacity as Chairman of the Monmouth County Water Resources Association.

Now perhaps many of you will say "Exactly what is that?" I wouldn't be surprised because we are a statutory agency of the government; however, the legislation that creates this is permissive rather prescriptive. As a result, there are only two in the state, one in Monmouth and one in Middlesex.

And of the two only Monmouth has citizen members which is particularly important to me in that I am a citizen member. And these are agencies that among our membership include nine county agencies, as well as a wide range of citizen members who represent such diverse interests as water purveyors, utility authorities, a professional health officer, a League of Women Voters, elected officials.

This provides a very broad perspective. And as a result, I haven't heard an issue discussed today that has not at one time or another come before us, and does not -- many of

come repeatedly.

Having said that, we have chosen to speak on one to follow closely the request in the brochure to how to format our comment and to focus on one issue. And that is this, the single most important issue facing New Jersey's water resources in both the near and foreseeable future is "infrastructural capacity." This includes the storage capacity of water supply reservoirs and the stream and river systems that support them and the capacity of other surface water bodies that are part of the stormwater infrastructure providing both retention and water quality base and functions.

The key reason why this issue is so important is the impact on capacity resulting from the convergence of rising demand for water supply created by both the volume and character of development and the long-term incremental processes of erosion, channel scouring and saltation that has diminished capacity. The result is inelastic systems that have increasing difficulty responding to the demands created by stressors such as droughts or major storm events.

The policies to address this issue

will revolve around the comprehensive dredging and dredge spoils management program that includes everything from funding sources to dewatering technologies and spoils reuse and/or disposal. Implementation of this proposal would benefit water supply, water quality and stormwater management. It would protect and/or restore fish and wildlife habitats and enhance the potential for beneficial land uses by reducing flood potential and improving water resources generally.

While this is an issue of statewide importance, the greatest potential for implementation will be found in the northern and central regions of New Jersey wherever drinking water reservoirs are located or ponds and lakes are part of stormwater management systems.

Now that is our formal testimony. And timing is everything in life, and our meeting actually is tomorrow morning at 9:30, so this was prepared coming out of our Executive Committee. We may, as a result, generate additional more comprehensive written comment.

Just to pick up on a couple of the points that I think are important to look at that

have been addressed today, the water supply plan. The last one that was done said the state could ultimately ship water out of Monmouth County that would be in excess supply. Why? Because Monmouth County was going to be losing population. During the last decade we added over 62,000 people. So that seems to be something that needs to be addressed as we go forward to look at perhaps more realistic numbers.

Recently saw a study presented done on the Ramanecent (pho) Brook in Holmdel which showed that perspective development -- that build-out would add less than 10 percent to stormwater impact and that existing was responsible, most likely, for over 40 percent, which picks up the point very well made from the Builder's Association perspective, that we need to go back and retrofit as well as look perspectively to new development.

There are the things that I think very much need to be addressed. I think we need to get smarter, more integrative, and more imaginative. Think more outside the box as we live in a more tightly and complexly regulated world. Thank you.

CHAIRWOMAN GOODWIN: You raise a very good point. Also, with regard to comments, the record remains open until November 14th. So anybody who would either like to supplement or to submit comments who has not testified, feel free, but gets your comments to us no later than November 14.

The next speaker is Bill Wolfe.

MR. WOLFE: Good afternoon. I think -- is it afternoon, morning?

My name's Bill Wolfe, W-o-l-f-e. I'm here as the Director of New Jersey Chapter of a group called "Public Employees for Environmental Responsibility. We're a national affiliation of resource professionals that defend the people who enforce and implement our environmental laws. I guess you can say that I speak for the legal and bureaucrat morass.

And I would urge folks to consider that that legal and bureaucratic morass and the people who manage it are all that stand between us and folks who would like to do things that perhaps are not in the public interest and the interest of our kids, and I think we ought to back off and rethink our entire approach to the

role of government, the role of bureaucracy the role of regulation, that that has to be on the agenda as a reconsideration.

Because where we're heading in those directions results in situations like we saw in New Orleans where that is the natural outcome of a culmination of an anti-government bias, a philosophy that says we need to de-fund the beast. And I think the quote is something to the effect that we want to make government small enough to strangle it in the bathtub.

And the reason I want to start out with that perspective is that I think no matter who wins the upcoming election, the next governor will be a former businessman. And it doesn't take a rocket scientist or a physical analyst to know that we're in an austerity period. And as everybody in this room, I'm assuming, is an environmental professional, our interests are going to be hit. And if we don't collectively speak for the funding needs to address our concerns, we are professionally and our interests are in serious jeopardy.

So I wanted to talk about my written testimony, that's the first fundamental point I

think I made in terms of imploring the Council to recommend to the incoming administration the need to grapple with the money question and to come up with some stable source of funding to deal with the clean water issues in the state. That's the other point.

The other point I make, and I won't go in to detail it, lays out a fairly specific 27-point regulatory strategy for implementing the very outstanding comments made by the Commissioner this morning which I completely agree with.

The other thing I include in my testimony is the last time I was here before the Clean Water Council was back in 2001 in Monroe, again, in the time frame of an incoming administration. And just for the record, because I know some people feel that I may be unfairly critical and hypercritical and hypercritical of the current administration, there are specific written recommendations in that testimony that were ultimately picked up and implemented by the McGreevey-Cody and Campbell regime.

And particularly the elements the Commissioner took credit for with respect to the

Category One Initiative. He didn't focus very much about another major component and was some of my questioning to AEA was the Phosphorus Water Quality Based Effluent Limitation Initiative which is going to lead into a more rigorous nutrient strategy.

So those elements are all there, and I'm please to say contra -- not like Nancy Wittenberg, some of the crazy things I say people actually listen to, so I wanted to blow my own horn on that one.

The last thing I want to say is to establish a context as to whether I got in the face of Mr. Russo from Dupont.

My concern is here is that forums like this are supposed to be the honest and open debates for public policy, dialogue. And to have -- to represent an industry -- and I don't want to single him out or Dupont out, but this is a pervasive problem with respect to how we make decisions and how policy is established. And I think everybody in the room here is not naive enough to know that decisions are not based on the merits, they're not based on science, are not based on even economics.

And the concern I have is with the -- particularly in the last several years, the transparency with the decision-making, the conflicts of interest, the influence of special interests on how decisions are made has gotten out of hand.

And in the situation I wanted to refer to with both the intervention of the chemical industry, the Pharmaceutical Manufacturers Association, the AEA and other regulated entities, for the people in this room that deal with rules, the concern I had was that after the public comment period on water quality standards that were designed to protect wildlife from mercury, PCBs and various pesticides, there was an opportunity provided to an industry group to come into the Department, make private off-the-record appeals to the Commissioner, subject the Department's scientists and staff to an industry power-point presentation all completely outside the scope of public comment or public review and that those water quality standards were ultimately abandoned by the Department without an accountability at the end with respect to response to comments documented.

And as I've been working in this Department, I've worked here 13 years, there's supposed to be a transparency and accountability in the rule-making function so that kind of stuff doesn't happen.

So the industry work group was alleging a compliance obligation in the multi-billion dollar range. So if you're talking about a $5 billion capital cost with a billion dollar-plus operating and maintenance cost to implement those standards and you perceive that to be a strategic threat on your industry and you have an opportunity to make that appeal to a decision-maker and to bully the Department scientists and then you're not publically accountable to that position, which he did not mention any opposition to that, I find that problematic. And I don't know if anybody else, but I do.

The same thing with the AEA. The AEA has procured consultants that are fighting tooth and nail on clean water issues, and yet when they're here to stand and deliver you don't hear anything about their economic objections or their scientific objections and the debate is

glossed over and there can be no public resolution. I think with the public support for clean water we win those debates when they're subject to public deliberation. So alls I'm asking for is an honest debate. And that's an important consideration for the next administration.

So I felt, you know, I have to be accountable as well for that kind of aggressive line of inquiry and I think it's justified if you know what I know. It's in my documentation. It's on my web site. I'm accountable to facts.

The last thing I would urge the group to look at is the water quality standards proposal that's currently pending public comment. And if there's lawyers in the room or engineers in the room, please look at the anti-degredation provisions with respect how they would allow variances from water quality based effluent limitations.

The proposed rule for the first time, to my knowledge, would allow a variance for a discharger located in Planning Area 1, 2, or a center under the state plan. And that variance would allow that discharger to get a variance

from a water quality based effluent limitation just at the point in time whether it's in the Delaware Bay, the New York Harbor, the Passaic Basin, the Phosphorus Initiative. We have in the permit program an enormous pending implementation of water quality based effluent limits.

So to allow a variance to come forward essentially guts the next ten to twenty years in clean water on the discharger side. And I don't understand where that's coming from. Has there been a public debate about that? Has anybody ever said the state plan should be used to gut clean water act requirements? I don't think any state plan advocate has ever said that and certainly no one in the environmental community would ever support that. Very important debate, where is it?

You can't read it by reading the basis and background document in the rule. But yet at the same time I have documents that show post the industry Power Point presentation on the water quality standards and a subsequent meeting, a global variance rule was drafted. I don't even know if it was drafted internally by DEP staff or externally by the regulated industry. But it was

in rule form.

It was conveyed to the Commissioner for approval and it was abandoned, but is very similar to the variance provisions in that water quality standards rule with respect to both the state plan and respect to another variance test which is the EPA Economic -- I think it's called "The Economic Guidance" it deals with trade-offs in lowering water quality for social and economic objectives.

The proposed rule that's out there now would say that if a public entity incurred a compliance cost the exceeded 2 percent of the median income of its user base that they would be exempt or given a variance from the water quality standard.

Now this is not an abstract theoretical question. It's not a cost-benefit analysis. It's not -- it doesn't quantify any benefit side. It's merely a compliance cost test. And it's not an abstract consideration because discharges are currently attacking water quality based effluent limitations for phosphorus, for the TMDL program in the Delaware and in the Passaic Basin and I'm assuming next

coming in the New York Harbor.

So when dischargers are making arguments on economic rounds and then the state comes forward with a major new proposal to allow a variance on the basis of cost, I think the people in New Jersey should know about something like that and I think there should be an open debate about something like that. Do we want to let clean water go down the tubes for the purposes of a sewer authority's compliance schedule and rate schedule or whether developers want to pay new connection fees that pay those costs? You know, these are the kinds of things that I think are important and they're not being discussed.

So anyway, I apologize for going into detail on that, but I really urge that people really look and consider what that water quality standards anti-degredation policy really says, and it doesn't say what it appears to say. Thank you.

CHAIRWOMAN GOODWIN: Helen Heinrich from the New Jersey Farm Bureau.

MS. HEINRICH: I'm Helen Heinrich. I'm a professional planner that is a consultant

to New Jersey Farm Bureau.

Just wanted to add one simple but hopefully practical suggestion to the Clean Water Council and after that to DEP.

What people know about New Jersey agricultural is often the product of the media which gets its information from the Associated Press and it's generally based on agriculture that doesn't resemble New Jersey agriculture at all. Ours is very different. It's quietly different from the Mid-west. It's different from North Jersey to South Jersey.

The research that's being used by DEP in important things like the Municipal Stormwater Management Plan and also for the TMDL we've been told is based on mid-western research about various pollutants and it probably does not apply to our culture in New Jersey. Maybe it does. We don't have any research on actual non-point source pollution in New Jersey specific enough for municipalities to use it or to use in the TMDL process.

There have been a number of requests for research money from Rutgers through the 319 grants that have been turned down. And I

understand they've been told that this is because the USDA has plenty of money for agricultural, why don't you go to them. So very little research is forthcoming.

The USDA funds research, but not usually something that is really state specific. And northeast, as you can image, is somewhat of a stepchild in agriculture compared to the rest of the country. So in terms of getting money from the feds, it's not very likely.

So as the standards for agriculture that are not appropriate for New Jersey agricultural land use get used more and more, there's a concern that there will certainly be unintentional consequences from that. And I urge the Council and DEP to perhaps turn some of their 319 money towards answering this question. Other states are doing it, so it's about time that New Jersey devoted some of those resources that way.

There were other research suggestions made by Monique Purcell and also Ed that could also benefit from some of those funds. Thank you.

CHAIRWOMAN GOODWIN: Jeff Tittel,

Director of the Sierra Club.

MR. TITTEL: Thank you.

Jeff Tittle, Director of the Sierra Club.

I've been coming to these meetings for quite a long time, probably not as long as Ella, but, you know, I go way back to the days of Dean Knoll (pho) and before. And I'm really here today because I guess I got another case of deja vu all over again. And what I really see is that even though we have done a lot of talking over the years about needed changes, those changes really have not been done, that the fundamental system that is 30 years out of date is still basically in place. And I can come back and bring you my written comments from 1990 or '94 of '96 -- actually, 2001 I think was my better ones.

But the point that I'm trying to make is that we still have severe water problems in New Jersey. Every year we make it harder and harder for the water purveyors to meet both water quality standards and to have water quantity. And one year it's all going to come crashing down. And I don't want to sound like Chicken Little, but when you look at northeastern

New Jersey, you look at peak demand versus base flow of rivers, especially in the summertime and you look at low-flow conditions. We have a serious problem. And that problem that happens up in the Passaic and up in Bergen County is now starting to happen in the Raritan and in Monmouth County and down the shore where pretty soon we'll be spraying saltwater on our crops in Cape May County.

The problem is that we don't want to take the bull by the horns and make those tough choices that we need to make to really deal with water problems in the state. One, we don't even have the water monitoring network we should have had. We've criticized that for about ten years and we still don't have that.

We haven't had a new master plan in almost ten years. And the reason I say -- it's probably even older because in some ways a lot of the data in the '96 plan goes back to 1985 flyovers and land use end. So we really for 20 years are out of date and behind the curve. And even when we look at that there are simple things in there that we never even decided to do anything about. And I'll use one example since

we talked about the Smart Growth and the state plan and I think Smart Growth is to planning like intelligent design is to evolution.

But when we look at it in the '96 plan they talked about the conflict between growth areas in the state plan and major water supply intakes, that areas along the Ramapo, the Pequannock, the Rockaway, the Raritan were mapped as growth areas, yet they were next to reservoirs with above water supply intakes. Well, guess what, ten years later still the same thing. The only difference is we got more sewage plants and more non-point coming in from those sites and more high density development proposals being proposed for those areas.

You know, my God, we have a system in the state where we talked about planning, but there is no planning. We don't look at natural resources. We don't look at the ecological impacts. We don't look at anything strategically, and we don't even look at where we have water availability versus where we map for growth. And I'll give you a classic example.

We keep talking about redevelopment and going back to our cities. Well, we've

got -- I'm watching them on State Street dig up wooden water pipes to put in regular water pipes because they're a hundred years old. You know, we have that throughout the cities. Not only do we have the problems of the cities having old infrastructure that's outdated and needs to be fixed, some of them because it's old metals with heavy -- high amounts of lead and things like that because it was done many years ago, we go to the other side we look at sewers and we have sewer plants that we keep expanding not because they're getting growth but because they keep getting more INI and CSOs. But we can't keep up.

You know, we talk about like southern Bergen County is a great example of an area we want to see redevelopment in. Well, their sewer plant is overcapacity and when it rains they spew out raw sewage. You know, they're doing something about it, but the fact is that we want more growth but yet we can't handle in a lot of the urban areas what we have.

Then we go back to the state plan or go down to Cape May County where the aquifer recharge area which is the spine along Route 9. Well, guess what, because it's the highest areas

away from the wetlands, it's the growth area. And that's where you get because we tie it to CAFRA you get the highest impervious cover limits right on top of your aquifer recharge area. And you can go around the state everywhere and look at this because there was nothing strategic done. We have not matched where we have existing capacity versus where we want growth. We haven't looked at where we need to build new capacity to meet that growth.

In fact, one of the things that we keep doing as we sprawl out, we keep sending our assimilative capacity more and more into rural areas by permitting new plants whether they are packaged or sending sewer lines and that takes away the capacity from redevelopment. It's the same thing with our water systems. We keep running water lines out to meet demands in the suburbs and that keeps taking away from the so-called redevelopment that we want to take place.

I mean, we had the big battle years ago and, you know, it's still going on up in Hopewell with Merrill Lynch and, you know, they got 3 and-a-half million square feet and they

want another 3 and-a-half million square feet. And you got BMS up there and so much else. And the only way they're going to get the capacity is by robbing Trenton and Ewing and Hamilton and the places where we want to see growth, and that's true every part of the state.

We have not matched capacity to where growth should be. We haven't matched infrastructure to it. And on top of it, we now have this new concept that we think that because it's a growth area or because we think it's appropriate for redevelopment we're going to weaken standards because it's appropriate. Even though market forces are now driving a lot of redevelopment we give them waivers. If you're an existing developed area, well, you don't have to comply with the new stormwater rules if you go into redevelop.

You know, 30 years ago when I was on the planning board in Hillside we realized we were a flood prone area. When places came in to redevelop, we wanted to roll back impervious cover and put in storm drainage systems. But, no, here we say, Oh, it's redevelopment so therefore we shouldn't do anything. We can even

increase impervious cover because, you know, it's already developed. We're just making things worse.

Some of the most flood prone places in the state of New Jersey are in the middle of major developments and redevelopments, but yet we're not dealing anything with stormwater in those areas. And not only does it mean more non-point, but it also means that we're making flood waters worse, putting more people in harm's way and creating tremendous potential for loss of life and tremendous economic impacts.

When Hurricane Floyd hit in Bergen County, not only did four people die in New Jersey, but in Bergen County the phone system got knocked out and it cost more than a billion dollars in lost income because we allowed flooding to happen, we're not dealing with the issue, and it has secondary consequences. And what happens is that we end up with a system that's still broken. We're not willing to fix it, but we keep trying to throw new layers of government and new programs in place, but without looking at the fundamental flaws and problems that are there.

I mean, we need to -- when it comes to redevelopment, we need to start rolling back impervious cover and retrofitting. You know, quite frankly, we made the need to develope stormwater authorities. Not that I agree with more authorities, sewage authorities are bad enough but -- I thought we'd get a couple of chuckles out of that but -- but the fact is we need to come up with funding sources to do retrofitting and to deal with both flooding issues as well as stormwater issues.

We need to get people out of harm's way. We have a Blue Acres Program that hasn't been funded in years. I mean, I look at Oakland as an example. It's flooded three times in the last year with an Army Corp project that we knew in 2000 when we testified that it wasn't going to work. Not only that, but at the time, the project cost 25 million, plus 8 million from the County to rebuild the bridge in a total gross of 33 million. And the assessed value for all that 110 houses that were in the flood plain was $12 million dollars.

So we have a system where we use government to subsidize bad planning, to

subsidize hurting the environment not helping it. You know, someone testified earlier about using infrastructure trust. Well, there's no money in the infrastructure trust because we're spending $118 million for a golf course in the Meadowlands. I mean, that's where our monies are going. Our priorities are out of whack, that there are resources but we're not focusing on them where we should be focusing on them.

We also need to develope new resources. We've got stalled in the legislature a modest bill for water supply surcharge. I mean, we've been kicking around with that idea for 15 years. And yet a bill that would generate only $14 million a year isn't even going anywhere, but yet that's the kind of money we need to do the basic planning and some of the basic things that we need to do. Let alone dealing with the more expensive issues like combined sewer overflows in places like Patterson, you want to see redevelopment. And when it rains, you get a spray of sewage at the end of every major street down by the river because of the CSO overflow valves. We see this happening time and time again.

And what I see in the Department is not a holistic look at the environment. We piecemeal everything and every permit without looking at whether or not that project should be built in the first place. We look at the stream encroachment permit, should we cross the stream? No. It's how we cross the stream, it's not whether we should. You know, should we run a sewer line? Well, it's in a sewer service area. Even though it was mapped in 1968 and the town is not a sewer plant, we might as well do it. Like in Oakland where we're running a sewer line from Wayne to an area to have development on High Mountain where there was mapped in the sewer service area from 1968. They never built the plant, so let's sue the neighboring town and run sewers in there.

You know, when we look at water allocation permits, you know, one of the things the Commissioner was proud of, not at this hearing, but over at the BIA breakfast -- because in New Jersey you get different statements in different places -- was the fact that we got rid of the water allocation backlog. That when Bob Shinn left there was a backlog of over 600

permits and they've now almost disappeared.

We haven't strengthened the rules. We haven't added more people to handle the permits, we just got bigger rubber stamps. And the impact of those 600-plus water allocation permits are to have a dramatic impact on this state. Because again when we look at the water allocation rules, they haven't changed.

We don't look at the plead of uses. We don't usually have a water budget. We don't look at a cumulative impact in an area, and we don't look at ecological impacts. So what are we doing? And then when it's under 100,000 gallons since the registration, we don't even look at anything. And that's what we're doing to ourselves.

We've created a system that is so broke and so out of whack that we really need to start over again and look at the fundamentals and realize that we have to start at the beginning and look at all the programs to see how they're working or why they're not working and integrate those programs so there's actually real decisions that are made to protect their water supply versus piecemealing and compartmentalizing

everything.

I call the Department, you know, "The Department of Eventual Permits" because you don't have the ability to say no when there's something bad. You say, Well, do this study or try to mitigate it this way. We need to go back and we need to change what we're doing here. Because quite frankly, you know, one day and that day may be next year or the year after we're going to run out of water somewhere in New Jersey and we're not going to be able to deal with it. Or we're going to have a health crisis somewhere because we have toxic plumes that are moving towards water supplies.

You know, we keep hearing terms like, you know, "beneficial reuse." That's the new term now, let's reuse water. Well, Sierra Club was involved in a big study out west on water reuse and the amount of pharmacologicals and household chemicals. And in New Jersey you can throw in pumping treats from Superfund and other hazardous sites in that water. You may not want to reuse it for any kind of purpose where it gets back out into the environment.

It may be good for industrial, but

even golf courses where it can get into groundwater or run off into streams because it has high levels of nutrients and other things, and definitely not in areas where it can get back into water supplies. You may have a bigger problem than you realize once you start doing it because, you know, no good deed goes unpunished. And the problem is that we keep developing at a pace. And I know the builders always cry that we're going to one day not build anymore, but every year the amount of development keeps going up slightly. We're over 30,000 new permits a year.

Every year we keep paving over more and more of our open space. We're the most densely developed state in the nation. Our population is more denser than Japan and China. The only thing that has been denser is the politicians that don't get it. But as we keep paving over the state, as we keep creating this asphalt desert by paving over the country side, it has serious consequences to our health, to our economy and to our environment. And unless we do something about it and start making those tough choices now, we're going to run out of water and

that's going to be the tragedy. And it's our generation's fault if that happens. Thank you.

CHAIRWOMAN GOODWIN: Amy Hansen, New Jersey Conservation Foundation.

MS. HANSEN: Hi, thank you.

I just have a brief comment.

As we've heard today, we've heard many pleas for a statewide water supply study. And I think that's a critical study that needs to be done. The DEP needs to prioritize that so that we can have that as a basis for a water quality master plan throughout the state. So we need that study done. As someone mentioned, it was last done in 1996. I urge the DEP to put the necessary funds and staff resources into this study as soon as possible so that we can make informed choices moving forward in our water management in the state. Thank you.

CHAIRWOMAN GOODWIN: Is there anyone who did not sign-up who would still like to give public testimony today?

If not, I would remind you yet again November 14th is the final date upon which you can submit written comments that will be included in the record and considered.

The process herein is that upon the close of the public testimony and the written testimony, the Clean Water Council in conjunction with Water Supply Advisory Council will meet. We will consider. We will evaluate what we have heard and we will render a report to the Commissioner with our recommendations.

We thank you all for coming today and we really appreciate the dialogue.

Thank you.

(HEARING CONCLUDED AT 12:18 P.M.)

C E R T I F I C A T E

I, LINDA P. CALAMARI, a Notary Public of the State of New Jersey, do hereby certify the foregoing to be a true and accurate transcript of my original stenographic notes taken at the time and place hereinbefore set forth.

LINDA P. CALAMARI

Dated: NOVEMBER 30, 2005