



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF THE COMMISSIONER

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May 15, 2014

David J. Rosen
Legislative Budget and Finance Officer
Office of Legislative Services
State House Annex
P.O. Box 068
Trenton, New Jersey 08625-0068

Dear Mr. Rosen:

In response to Assembly Budget Committee Gary S. Schaer's letter of May 1, 2014, please find responses to questions and requests raised by members of the committee:

Assemblyman Schaer:

- An audit of the department by the State Auditor for the period of July 1, 2010 to February 28, 2013 found that the Coastal and Land Use Compliance and Enforcement Collections unit had a \$1 million outstanding penalty receivable balance as of February 28, 2013, and recommended the unit improve its collection procedures and coordination with the Department of the Treasury. In addition, the State Auditor recommended the unit should assess additional penalties if the responsible parties default on their settlement agreements. Have the \$1 million in outstanding penalties been collected and received by the State? Has the department implemented all of the audit's recommendations to improve the unit's collection procedures?

Response:

Regarding the State Auditor's report on the Coastal and Land Use Compliance and Enforcement Collections citing \$1 million in outstanding penalty receivable balance, please be advised that the DEP forwarded \$957,357.37 to the Treasury's Division of Revenue and Enterprise Services (DORES) for collection through their contracted agents, in accordance with the OMB's Circular letter 13-11-OMB, Statewide Non-Tax Debt Collection and Write-off. The remainder is being pursued directly by the DEP.

With respect to the State Auditor's recommendations, the DEP has worked with DORES to build an application whereby the DEP can electronically file liens on delinquent payers. At this time

the DEP has not moved forward with the recommendation that additional penalties be assessed in cases of default.

Assemblyman Cryan:

- What is the disposition and planned allocation of the \$76 million that is currently unallocated from the court approved settlement with the State in the Passaic River litigation?

Response:

As of May 8, 2014, \$130,013,766.81 has been received by the State. This represents payments from the principal defendants. The receipt of approximately \$31 million in funds from the Third Party Settling Defendants is pending release from the Superior Court escrow.

The allocation of these funds is still under review.

- Has the department received any Superstorm Sandy or post Superstorm Sandy integrity oversight monitoring reports or fiscal accountability reports for recovery and rebuilding contracts, projects and programs? If so, please provide all reports received thus far to the committee.

Response:

To date, no integrity oversight monitoring reports or fiscal accountability reports have been received by the DEP for Superstorm Sandy.

Assemblyman Bucco:

- Please provide information on the request by Denville Township to the department to remove the Rockaway River's Morris Canal piers to mitigate flooding in the township? When will the township be notified that a decision has been made?

Response:

The Township of Denville contacted the DEP regarding a proposal to remove three piers of the aqueduct that carried the Morris Canal over the Rockaway River. While no formal Division of Land Use permit applications have been filed, the proposal may require a Freshwater Wetlands and Flood Hazard Area permit. In addition, the Township has filed an application for Project Authorization pursuant to the New Jersey Historic Places Act with the State Office of Historic Preservation. As this issue was raised during both budget hearings by the Township's respective Legislators, the DEP is reviewing the current status and next steps and will follow up directly with both Legislators as well as the Township by the end of the month.

Assemblyman Johnson:

- What is the status of the cleanup of the Ringwood Superfund site, where Ford Motor Co. contractors dumped toxic paint sludge and other debris from its Mahwah factory 40 years ago? When will the cleanup begin and end, and will all the toxic materials and tainted soil be removed as requested by affected residents in the area?

Response:

The Ringwood Mines Superfund site is an EPA-lead cleanup with Ford Motor Company conducting the remediation. The draft Record of Decision (ROD), which will document the selected remedy for the three surface/subsurface disposal areas (Peters Mine Pit, Cannon Mine Pit and O'Connor Disposal Area), has been submitted to DEP for review. EPA expects to issue the Record of Decision in June. DEP is in agreement with the selected remedies for the Peters and Cannon Mine Pits, which includes excavation and disposal of debris and paint sludge from the surface, capping the mines with clean soil and restoration with native vegetation. Both areas will have use restrictions placed on the property, but the restrictions will not preclude future use of the property as open space. For the O'Connor Disposal Area, EPA has selected excavation and disposal (offsite for contaminated material and as backfill in Peters Mine for uncontaminated mine tailings) with restoration to pre-disposal conditions. EPA has also approved, and DEP is in agreement with, a contingency remedy which includes capping a portion of the site with asphalt to accommodate the relocation of Ringwood Borough's recycling center provided the Borough can demonstrate it has sufficient funds to implement the plan and it can be accomplished in a similar or shorter timeframe than the selected remedy.

Once the Record of Decision is final, EPA will negotiate an agreement with Ford to design and implement the remedy. Assuming there are no issues encountered during the negotiation, the design of the remedy should require approximately two years. Actual construction would begin immediately thereafter.

DEP and EPA are reviewing the draft Remedial Investigation Report for groundwater. Additional investigation activities related to the groundwater contamination are planned for this summer and fall.

Please feel free to contact me if you have any further questions.

Sincerely,

Bob Martin
Commissioner