
Committee Meeting

of

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

"Testimony of damage assessments from local and county officials, and updates from the Commissioners of Environmental Protection and Education on post-storm issues related to the management of debris removal, wastewater and drinking water, and schools"

LOCATION: Meadowlands Racetrack
East Rutherford, New Jersey

DATE: December 3, 2012
11:30 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator Paul A. Sarlo, Chair
Senator Brian P. Stack, Vice Chair
Senator Robert M. Gordon
Senator Linda R. Greenstein
Senator Nellie Pou
Senator M. Teresa Ruiz
Senator Loretta Weinberg
Senator Jennifer Beck
Senator Anthony R. Bucco
Senator Steven V. Oroho
Senator Kevin J. O'Toole
Senator Joseph Pennacchio



ALSO PRESENT:

Senator Gerald Cardinale

Howard K. Rotblat
Office of Legislative Services
Committee Aide

George J. LeBlanc
Senate Majority
Committee Aide

Christopher Emigholz
Senate Republican
Committee Aide

Meeting Recorded and Transcribed by
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Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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SENATOR PAUL A. SARLO (Chair): Good morning, everybody -- or good afternoon. Welcome to the Senate Budget and Appropriations Committee meeting of Monday, December 3, 2012.

Let us begin with a roll call, please.

MR. ROTBLAT (Committee Aide): Senator Beck is present.
Senator Pennacchio.

SENATOR PENNACCHIO: Here.

MR. ROTBLAT: Senator Oroho.

SENATOR O'TOOLE: He's here.

MR. ROTBLAT: Senator O'Toole.

SENATOR O'TOOLE: Here.

MR. ROTBLAT: Senator Bucco.

SENATOR O'TOOLE: He's here.

MR. ROTBLAT: Senator Sarlo.

SENATOR SARLO: Here.

MR. ROTBLAT: Senator Stack.

SENATOR STACK: Here.

MR. ROTBLAT: Senator Weinberg is present.

SENATOR SARLO: She's here.

MR. ROTBLAT: Senator Greenstein.

SENATOR GORDON: She's here as well.

MR. ROTBLAT: Senator Gordon.

SENATOR GORDON: Here.

MR. ROTBLAT: Senator Ruiz.

SENATOR SARLO: She's here.

MR. ROTBLAT: Senator Van Drew. (no response)

Senator Pou.

SENATOR POU: Here.

MR. ROTBLAT: You have a quorum.

SENATOR SARLO: Okay.

Just for the members of the Committee, please be advised that the microphones will remain on. There is no on/off switch to speak, so be careful. (laughter) It's always a word to the wise.

I want to thank the Sports Authority for -- New Jersey Sports and Exposition Authority; and Jeff Gural, the new owner of the Meadowlands Racetrack, for allowing us to come here. As you know, because of the size of this Committee, we need a large room.

Today we're going to continue with our hearings in the aftermath of Hurricane Sandy, again in a bipartisan manner. I want to thank again publicly the leadership of our Senate President Steve Sweeney, the Senate Minority Leader Thomas Kean for working together in a bipartisan manner in conjunction with the Governor, and all of his high-level cabinet members for working with us. As I've said before, these hearings give us an opportunity to take a snapshot of what happened before, during, and in the aftermath of the storm. And we will transition into: How do we rebuild? How do we rebuild our infrastructure? How do we rebuild our coastline? How do we do it smartly? How do we do it wisely? And how do we prepare for the next storm?

So today we continue with the aftermath and the ongoing operations, with an eye on the future. I also want to recognize that due to scheduling changes and timetables, the utilities' hearing -- which was originally potentially scheduled for a week from today -- we will be having it

Wednesday in Trenton, at the State House, at 10:00 a.m. -- Wednesday, at the State House, at 10:00 a.m. We will be hearing from executives from all of the major utility companies. We will hopefully also be hearing from the Board of Public Utilities. That will be Wednesday at 10:00 a.m. in Trenton. So I apologize to the members and staff for the abbreviated schedule.

I want to thank all the members and their staff for today -- for joining with me and the Mayor of Moonachie, the Mayor of Little Ferry, and our Bergen County Executive Kathleen Donovan -- for joining with the four of us. For all the members, I know you all came a distance to see firsthand the rebuild effort, the clean-up effort in Moonachie and Little Ferry, two of the hardest-hit communities in the state. But I think we all came away-- I think the word for today -- and we're going to hear more from the mayors -- is *resiliency* -- how resilient the people and the business owners are. They are not waiting for government to tell them what to do, they're not waiting for insurance companies to tell them what to do. They know what they need to do and they're doing it. But we cannot forget about them. So we're going to hear more in a little bit from the two mayors. I want to personally thank all of the members for seeing that firsthand.

Anybody else want to say a few--

SENATOR O'TOOLE: Just a quick comment, Paul.

SENATOR SARLO: Senator O'Toole.

SENATOR O'TOOLE: Thank you, Chairman.

First of all, thank you for your leadership. I know you committed some time ago to have these very public hearings in a very

bipartisan fashion. We went to Toms River, and it was a real eye-opening experience for many of us to sit across the way and talk with the Mayor of Toms River and the OEM Director of Union Beach. And it was just devastating to see the financial ruin and the psychological ruin that took place.

And I think, Chair, the tour that you led today with the County Executive was really instructive, really helpful for us to fully understand and comprehend the level and depth of the despair and destruction. You know, when we met with Aldo, the restaurateur, who spent 40 years of his life rebuilding a restaurant and lost everything -- and now he's taking his savings from his daughter to put a half-million dollars back -- I mean, that's a real eye-opener. That really tells you.

We're working hard, Paul. I know you're committed to having a bipartisan fix. I'm proud that the Senate President and our Minority Leader Tom Kean are working together. And if you could, Chair, just lay out what the schedule is going to be in terms of-- I know the Senate here is taking the lead here. There is going to be, I think, two more public hearings, if I'm not mistaken; and then there will be a series of bills, I think, introduced to be worked on in a bipartisan fashion. Is that the plan?

SENATOR SARLO: Correct. Let me kind of--

Thank you, Senator O'Toole.

Let me try to give you a little bit of a snapshot of what we've mapped out. Wednesday will be a hearing on utilities. We will be hearing from -- hopefully we'll be hearing from the Board of Public Utilities -- there is a little bit of a scheduling -- with the change there; executives from the major electric power companies in the state. We'll also be hearing from

New Jersey Natural Gas and New Jersey American Water briefly to give us an update on the barrier islands and what it's going to take for them to get those utilities up and running on the barrier islands. We'll also hopefully be hearing from Passaic Valley Sewage Commission, the Executive Director or one of his top engineers. They were devastated, hit hard. We had a discharge of sewage into the Newark Bay. So we're going to be hearing from Passaic Valley Sewage. And we'll also be hearing from our communication companies -- Verizon and Cablevision -- on an update on the rebuild and the aftermath there.

Following up, we are going to be having a hearing on the infrastructure piece -- public infrastructure piece -- with both the DOT and New Jersey Transit. We know New Jersey Transit suffered severely during this storm. So there will be some questions there for New Jersey Transit. We have the DOT and New Jersey Transit.

We are going to be going back to the shore area for a hearing on the dunes, the beach erosion. How do we restore the dunes? How do we build wisely down there? That is something that we will be hosting down the shore. I spoke with Senator Bucco today, I spoke with Senator Beck today, and both have made requests to have hearings -- one in Morris County and Sussex -- in Morris County -- so we can kind of get a handle on how they were severely impacted. Many folks up there were without power for two weeks or so. And then, of course, Monmouth County.

So we think after the utilities, there should be three, potentially more, possibly four. A series of bills -- I don't know how they're going to do it in the Assembly, but in the Senate we will have a series of bills, all done in a bipartisan manner, working in conjunction with the Governor's Office,

to make sure that these are bills that are going to be needed, and they're going to work, and that he will sign.

SENATOR O'TOOLE: Thank you, Chair.

SENATOR SARLO: So that's the best I have for now.

We will first hear from Kathleen Donovan, Bergen County Executive; along with Lieutenant Dwane Razzetti, our Bergen County Office of Emergency Management Coordinator, to give us a snapshot of the ongoing operations and their needs.

COUNTY EXECUTIVE KATHLEEN A. DONOVAN:
Good morning, everybody.

Senator Sarlo, my Senator, thank you very much. I'm glad you're all here.

First, welcome to Bergen County and welcome to my old Legislative District 36.

I have some comments I'd like to make. And what Lieutenant Razzetti and I are going to do is, I'm going to make my comments, and they will swing right into his.

If you would, Senator. (affirmative response)

I'm very appreciative that you are recognizing the devastating impact that Hurricane Sandy has had on our county, particularly the municipalities of Moonachie and Little Ferry. But it should be noted that a lot of other communities in our county -- and we have 70 towns in Bergen County, including Senator Sarlo's hometown of Wood-Ridge -- also suffered significant damage to residential, commercial, and public properties.

Unlike other particularly hard-hit areas like the barrier islands, and areas frequently impacted by storms like the communities along the

Passaic River, Moonachie and Little Ferry are not towns that show up on the nightly news whenever there are storm-related floods. Yes, the South Bergen region is prone to flooding, but we have never experienced the destruction on this scale from flood waters that were created by a tidal impact. And unfortunately, as we all know, we cannot take comfort that this was a unique weather incident. What we once described as *hundred-year storms* now seem to occur with frightening regularity.

I do not, for a moment, question the response of the State or Federal governments. In fact, your presence here today and the Governor's early visits are indicative of the support that we've received. And I'd like to publicly thank, again, the response of Bergen County residents, including our first responders, our corporate citizens, and the residents from throughout the county who have rallied to support these devastated communities.

But finding a permanent solution to guarantee that these weather- and tidal-related events do not impact us in this way again is going to take a massive effort and significant funding provided by both the State and the Federal government. My hope is that meetings like this session today will be the catalyst to bring such an effort to fruition immediately.

The part that I want to talk about now is going forward -- the kinds of things that I believe we need to do as a county and certainly throughout the state as well. I would call these the *areas for future improvement*, along with some of the current needs. Due to the immense costs involved, the President declared New Jersey a disaster area, along with everything else, of course. But under the Stafford Act, as you know, we get 75 percent reimbursement to the State, the county, and the local

governments to recover. It's critical that New Jersey provides the other 25 percent. Now, I'm hoping the Federal government, as it did with Katrina-- The Feds reimbursed 90 percent of those costs. And I would ask you to work on that so that the State only has to pay 10 percent. But sometimes in the past we did not get that match.

We need to improve our shelter staffing. Local and Red Cross volunteers were not available in sufficient numbers to adequately address emergency demand. The Salvation Army, by the way, was spectacular in what they did in this recent event. The Red Cross was not. The Salvation Army was wonderful.

We need you to change civil service rules that would allow us to train our County workers so that they could, in times like this, work at shelters or do other staffing. I had a week when our County building was not usable. And unless they were emergency workers or considered first-responders -- and in this case, election workers were considered emergency workers -- but I had a week with people off with pay. But I could have used them. If we had been able to cross-train them-- Now, civil service, apparently, had said no to this two weeks before the storm. But we need your collective wisdom to get civil service to change that so that we can cross-train our workers and they can do appropriate other things during storms like this. I'm not suggesting we send them out and direct traffic perhaps, but certainly they could do the kinds of back-room things that aren't getting done during a storm when they're getting paid. And we need civil service to change that. It's not a big deal financially, but a big deal for all of us involved in that.

We need nursing homes and other types of residential care facilities to have at least a minimum for the generation of lights, climate, and elevators so they don't create an unsafe condition that requires emergency resources to evacuate a shelter. That further stresses our emergency system. We need either a new law or something in place that requires nursing homes and long-term care facilities to have a minimum of safety requirements that they take care of their people in place.

Hospitals, when they're not at capacity, should be required to assist with the medical needs of sheltering residents or, at the very minimum, not discharge patients who need power and send them to cold homes. What we were facing over and over again as the storm was in existence, and in the days and weeks after, was we had patients who only needed oxygen, for instance, being discharged from hospitals, but they couldn't go back to cold houses. So we had to, as a County, open up special care facilities for them. Now, we can do that, but if the hospitals aren't full, they ought to be allowed to stay at the hospital and not have to open up another shelter. It stresses not only the emergency responders, but it stresses the patients as well.

Fuel distribution systems from supply to final commercial sale should be hardened to prevent fuel shortages during emergencies. There should be incentives and requirements for public buildings to be congregate care shelters. We had some towns that -- we'd say to them, "Where is your emergency shelter?" "We don't have one." We ought to require towns-- And the OEM system -- we have Town, to County, to State -- works very, very well. But we ought to-- We need to shelter in place as much as possible. It could include incentives to improve wind resistance, install

generators, improve cooking facilities, and enhance the exits for overnight emergency accommodation.

Public assistance and damage assessment teams need to be employed. And I'm going to turn to Lieutenant Razzetti to have that in his remarks, because he has far more expertise in that area. And he's going to talk about some of the problems that go with that.

Two more things, Senator.

SENATOR SARLO: I'm making a list here. You're giving me a nice list. (laughter) These lists that we're generating are going to be the lists that we need, as a State collectively, to -- whether it's funding or it's legislation. But these are important lists.

COUNTY EXECUTIVE DONOVAN: Well, these are going to apply to everybody in a lot of places.

SENATOR SARLO: Exactly, this is not just applicable to Bergen County.

COUNTY EXECUTIVE DONOVAN: So it's not just to Bergen County.

Reimbursement tracking needs to be improved to enhance the accountability between the State, and the counties, and the towns. We want our money, but we fully expect to have to be responsible to you and to tell you how it gets spent. And in some towns that gets lost in the mix.

And mitigation: Much more effort needs to be placed on activities that will prevent or mitigate the effects of significant natural events. These efforts should be done regionally rather than locally. And career, expert staff should be employed to develop overall mitigation plans

that maximize moneys received. I'm not an expert in OEM. I have people who are, and I listen to them. And I think we need to do more of that.

Now, I know Lieutenant Razzetti is going to talk about money, but I'm going to say it flat out: We are going to need money from the State. We have over almost \$40 million in public damage -- public properties. That's not even beginning to touch private or commercial, and I mean homes, or businesses, and that. But we have \$40 million in damage to our 70 municipalities, one way or the other, in public-- We're going to need money to help with that. We're going to have to look at bluefields, which is not this, but certainly the program with the State and Federal government where we have money to buy out homes that continually get flooded. There is going to be a period of time when we're going to have to say, "You know what? That place, in that town gets flooded every year. You can't keep letting these people suffer that way. We are going to have to buy out those homes and make them public property." I know that there are a host of issues with that, but it's not hard to do. All it takes is the will of the people and the money to get it done. And I thank you for all of that.

I'm going to stop now and turn it over to Lieutenant Razzetti. Let me thank you, again -- all of you -- for coming. We've got wonderful opportunities, as a result of this storm, to put some things in place for the future so that we don't have a recurrence. I mean, it tears your heart out. If you've ever been in a flood -- and my home used to flood, growing up in Lyndhurst -- it flooded a lot back in the day. We didn't know what to do about it. But it tears at your soul to, every year, get flooded in your basement and have to throw things out and start all over. I know it, and I don't want that for the people of Bergen County. And we can creatively,

collectively work on solutions to those problems. And I thank you very much, Senator.

SENATOR SARLO: County Executive, you gave us a great list here. But I just want to touch upon something that you touched upon and just reemphasize this. This is not just about the County of Bergen, but some of the other counties.

We're used to, in the County of Bergen -- and Senator Pennacchio has been a very outspoken supporter along the Passaic River Basin. Typically, a lot of our towns flood during -- the Passaic River Basin, it's storm-related type of flooding. Bergen County, and other counties -- including the Passaic Valley Sewage up the Newark Bay, the Raritan -- received this surge -- this tidal surge, which is typically down the shore -- those homes, and businesses, and communities along the shore.

It's great to be along the water. New Jersey is very valuable -- our real estate -- because of our ports, and our airports, and our Jersey shoreline, and the Hudson River -- makes us a very valuable state. But we also need, in the long term, to protect our assets from Mother Nature and the water.

COUNTY EXECUTIVE DONOVAN: Yes, that's correct.

Thank you, Senator.

SENATOR SARLO: Dwane Razzetti.

L I E U T E N A N T D W A N E R A Z Z E T T I: I'd like to thank you for this opportunity to be here and talk to you about this.

I've been at OEM -- and my expertise is Bergen. I've been in the leadership position in Bergen for a little over 20 years now. So I can't really speak to the shore, but I can speak to here.

The Executive's point about mitigation-- And some of the longer-term efforts that we need to invest in, in New Jersey, are areas that I believe we have significant room for growth in.

Expert staff: Right now the State is using contractors to help with public assistance assessments. Decades ago there were staff who were in Trenton who would help with compiling, basically, the grant requests that go to the Federal government to maximize the money. There hasn't been that for quite some time. And states like California and Florida -- where they're more disaster-prone, or used to be more disaster-prone -- have had that type of staff in place for a very long time. And I think it's something that would both pay off after a disaster-- And those folks could be used before the disaster for mitigation.

One of the big shifts that I have seen here is, 20 years ago, 10 years ago people weren't interested in mitigating or preventing the effects of some type of incident that occurs. Since Irene and since more of the flooding that has become more frequent, people are actually paying much more attention than they were before. They want to take those measures to elevate, to do other things to prevent the effects of what is most often river flooding, sometimes tidal flooding, sometimes wind damage. But I think the time is right, and the leadership needs to be shown to help us out in the future.

Regionally, right now, mitigation is a local effort. So if Wood-Ridge does something but Moonachie chooses not to, or Lodi chooses to work on a project and Rochelle Park doesn't, those activities will stop at the town border and are, quite often, not the most efficient use of limited resources.

I wanted to thank the leadership here, because there were a few things that we had learned in Irene that, through State grants and through the folks at the State, we were able to purchase, and to put into effect a lot of the response capacities that really came in handy during Superstorm Sandy. One of them was a small fuel transfer truck -- just a pickup truck with a couple hundred of gallons of fuel on it that, during Sandy, got 1,000 miles on it. And that wouldn't have been possible without efforts -- money that came from the State. Generators were purchased; a radio cache that allowed our towns, when deployed, to interoperate SCUBA teams that, before this happened, could not really speak to each other or couldn't speak to public works at the same time. Because of State money, we were able to purchase that and deploy them during Sandy, and they were very effective.

We've leveraged purchases through the State and the County to have trained volunteers for pet sheltering. And that was a very effective piece. People don't leave their homes if they can't leave (*sic*) their dogs and cats. And that was-- I wanted to thank you for that. And a first here in New Jersey was during -- post-Sandy. We had deployed a group of disaster chaplains, who are clergy who are vetted on the Department of Defense criteria and trained through a mutual aid agreement with the DCS of New York -- Disaster Chaplain Services of New York -- and brought them out here to work with the victims in the shelters, and it was very effective.

I think the lessons that we've learned through Irene and through many other events; the commitment that has been shown by the leadership in the State -- I think this is a learning experience for all of us. County Executive Donovan's points, I think, are very important -- that moving forward we can do better when this, invariably, will occur again.

SENATOR SARLO: Dwane, you've been doing this a long time under many different County administrations, and I know this is probably one of the worst you've seen.

One of the things I think is important for all of us here-- The Colonel of the State Police mentioned it. And if anybody was on the phone call -- he mentioned it. With the County OEM coming up through the State OEM -- everything going through the ROIC -- do you believe that worked well? Instead of resources calling -- a lot of the resources coming -- local municipalities going through the County OEM, the County OEM going up through the State Police OEM? Because I believe the call came from you or your office to-- The Attorney General actually said he was in the ROIC when the call came in about Moonachie. Most people standing in the ROIC never even knew Moonachie -- why would you know Moonachie existed? Right Mayor Vaccaro? So Moonachie comes through -- that the entire town just got surged. But it came through the channel of Moonachie, through the County OEM, to the State Police OEM -- resources dispatched. Did that work?

LIEUTENANT RAZZETTI: Sure, that worked. I know it's not often convenient and people would like to go around channels. But during times of -- especially during times when there are serious events, when there are limited resources, and those limited resources need to be placed on a priority level -- it's critical that chain of command or that chain of communication works the way it does. And was it infallible? Were there no mistakes made? Absolutely not. I mean, we're all human and we'll learn from them. But it is a very important process and that needs to be retained.

SENATOR SARLO: Questions?

SENATOR O'TOOLE: Just a couple of follow-ups.

Thank you.

This is either for the County Executive or for the Lieutenant. I think we've heard a lot about the preplanning that went on -- I think this Governor was extraordinary -- in terms of laying out-- And he came up and met with you, Kathy, and the County Executive of Essex, and a bunch of the mayors.

The planning that went on pre, during, and after was extraordinary. And my question first for the Lieutenant or for the County Executive-- In terms of the walk-through for the preplanning, when did you start that? And how much involvement and cooperation did you get from all the municipalities?

LIEUTENANT RAZZETTI: Could you be a little more specific, sir?

SENATOR O'TOOLE: Sure. When you knew the storm was coming, you said that at some point you started getting all your local OEMs on the same page. This is a real problem. Tailoring with what the Chairman talked about, is that you had -- everything was supposed to funnel up from your 70 municipalities, to your County, to your State. Did all the municipalities get on board early on? Did you have this early coordination pre-storm?

LIEUTENANT RAZZETTI: We had communicated with them the Friday before the storm hit. Most of our OEM folks in Bergen County are -- have a number of years of experience. And this is not a-- I mean, this is a very serious event. But we've practiced it. And before -- probably a few weeks before the storm hit, we did our seasonal exercise with all the towns

on communications and what we call a *functional* exercise. So it's not something -- that we know a storm is coming and we suddenly turn a switch on. It's a constant state of preparedness with the professionals who are at the municipal and county level.

SENATOR O'TOOLE: I will tell you, from our office we had a number of -- we fielded a bunch of complaints and what not -- just assorted bunch. And we were working with-- I was calling and texting Kathy literally around the clock. And the coordination was, obviously, very apparent.

My question to this panel and to these folks-- One of the things that I have with the municipalities in Bergen-- This lack of fuel that we ran into was a real problem. And it got to the point, literally-- Like I said, we ended up -- our staff just went online and found vendors from New York and Connecticut who just came in. I just said, "Hey, you have to talk to this mayor." It was Franklin Lakes or Wyckoff. You had Wayne, you had Little Falls, you had a bunch of towns that just simply ran out of fuel. And that was a real problem. I think that's a place we really have to look into another source -- we have to have that on our emergency list of things to do -- is finding vendors who can come in the face of a catastrophe, who are not burdened by the in-state outages or restrictions. Once it's a state of emergency, how do we get to them? And I would like to see -- have your input, either Kathy or Lieutenant.

COUNTY EXECUTIVE DONOVAN: I think we both can speak to it, Senator. But one of the things that we told the towns was, "If you're running out of fuel, call us. We'll get fuel to you." And every town that needed it and called OEM got fuel. We made sure of that.

SENATOR O'TOOLE: How did you coordinate that -- the fuel allocation? Was that in-state or out-of-state?

LIEUTENANT RAZZETTI: Both. We were able to get some resources -- and using the state of emergency, get some fuel, guard that fuel carefully. And we had recently purchased a fueling -- a small fueling truck, which was a great way to get it to the-- The idea was, when we purchased it, for evacuation purposes and to fill up fire apparatuses. But that little truck came into such great use because towns could call us for public safety purposes. We were able to list them for fuel and we were able to get them fuel 24 hours a day, seven days a week. I mean, we asked them, "When you're at a tenth of a tank, please don't call then. When you're starting to use it, give us a shout." I think it worked fantastically. The County spent tens of -- hundreds of thousands. The amount of money and what the County Executive authorized -- which I have never seen before -- was-- We had checks for vendors. I mean, fuel was a precious commodity. And we were able -- we were delivering checks to one vendor because they didn't really want to go through the normal purchasing process. So we made it happen.

One thing that I think -- I don't know if you had anyone else who said this. But the fuel issue was so important because, one, I've never seen that before -- not that I've seen everything, but I've definitely seen enough. Normally during an event like this I will take a ride around in the morning. I will get up early, and I want to-- Because you're hearing reports all the time of what is going on, but I like to go out and see it myself. Supermarkets were starting to become bare of food up here because they weren't getting deliveries because fuel was out. We got the fuel back on

track, I think, just in time before some more serious consequences of this event. It's really never-- I mean, I've been around for when we've lost natural gas, I've been around for when we've lost telephone. Maybe when I leave all this stuff will stop. (laughter) I've never been around for -- except for the gas crisis of the '80s -- that we lost fuel. And that was -- because everything is attached to fuel -- food.

SENATOR O'TOOLE: I agree.

LIEUTENANT RAZZETTI: We were starting to become concerned. And the people -- the residents without power, without fuel, not going to work-- I mean, I really admire most of our residents for really sticking it out there -- and, obviously, with our responders. But it was getting to be a crisis.

SENATOR O'TOOLE: Chair, that's one of the areas I want to help develop as we go through this -- is the acquisition or having access to this fuel for the emergency vehicles. Like I said, we had one manager in the town who literally just took over with agreement of the station owner. They were taking all their fuel that was on hand. And he was, in fact, then rationing it out to other neighboring towns for police, and fire, and rescue. But not everyone had that, so we should talk about how we designate some of those emergency spots going forward.

LIEUTENANT RAZZETTI: And, Senator, the other difficulties that occurred were getting essential workers to their place of employment. Maybe they get company vehicles -- PSEG, or hospital workers, or volunteer fire and EMS. That was another big issue with-- It came close.

SENATOR O'TOOLE: I thank you for your service, and I thank the County Executive. It was extraordinary service in extraordinary times.

COUNTY EXECUTIVE DONOVAN: We had wonderful cooperation, Senator, from everybody. It was truly-- And I've been in government a long time. To see everybody put aside their differences and work together was wonderful.

SENATOR SARLO: Senator Weinberg.

SENATOR WEINBERG: Thank you, Mr. Chairman.

I'd like to second County Executive Donovan's list of things that we need to address.

First of all, I think Senator Ruiz has a bill in which requires, at least for new building, generator availability for any building for seniors -- that will be committed mostly to senior residents. I think that's terribly important. We have senior buildings that are multi-story that, when they're without elevators and lights, people are really in jeopardy.

I think we need to pass those kinds of laws that require that backup. Representing a community like Fort Lee with 27- and 35-story buildings, I can give you some examples. After Irene, one of the co-op buildings bought generators at great expense to the owners which power their elevators and their lights. It's a great, great help. Another of the same -- high building, co-op, owned by the co-op owners, did not. And when you have residents stranded on the 27th and 28th floors, and their phones go out-- Unless they're going to walk down and not walk back up -- they don't even have cell phone service. So I think that's another area that we have to

encourage -- that's private ownership -- encourage people to be prepared for these kinds of issues that we experienced.

And I know the County-- We held a meeting for the communities that I represent in District 37 after Irene that Lieutenant Razzetti and the County Executive were present at, along with the BPU and representatives from PSEG. And we pointed out to many of the communities that they have to take a certain responsibility.

Sheltering was a big problem in Bergen County. First of all, just to backspace a little bit -- what you said about the pet shelter. When the shelter was still at Bergen Community College -- and I went up there to visit during the course of that week. And I will remember I saw an older couple from Little Ferry being brought up. She was wheelchair bound. They would not have left but their dog came with them. So just having that capacity there made these two people feel safe in leaving their homes. So I think that's a great asset.

But then when the shelter moved to Mahwah -- which from this section of the county is practically another state -- and you've got a gas shortage, it made it very difficult for people to use that shelter. So I think--

COUNTY EXECUTIVE DONOVAN: We provided transportation, Senators, just so you know. We moved them to Mahwah because we had no power at Bergen Community. So we moved them up there.

SENATOR WEINBERG: Yes, I know the reason. But it presented other problems to people in the county I represent, and it's south.

COUNTY EXECUTIVE DONOVAN: That's why it's our backup.

SENATOR WEINBERG: So I think the idea of having some place that, at least, is a temporary shelter-- Our towns love home rule. And with that comes some responsibility for their residents.

I live in one of the biggest -- live and work in one of the biggest towns in Bergen County, and there was no local shelter. We have loads of buildings that would be appropriate. None of them had a generator capacity.

So I think your list was well done.

COUNTY EXECUTIVE DONOVAN: Thank you.

SENATOR WEINBERG: I think we learned, and we tried to impart some of that information to people after Irene. And you were both a great help. And I know I called the County OEM. You were wonderful, Lieutenant Razzetti, in getting information.

But in terms of the-- Just one other question. In terms of the fuel that Senator O'Toole talked about, I think -- didn't the Armory -- weren't they -- the Teaneck Armory -- weren't they supplying fuel for first responders? Because there was some rumor running around you could run there if you needed fuel. But we had to explain, "It wasn't for your private cars."

LIEUTENANT RAZZETTI: There was an offer from the Department of Defense to supply 10,000 gallons of fuel to the County for the public. And when we-- They did this in New York and it caused them some amount of civil disturbance. We didn't know that at the time, but 10,000 gallons of fuel is the parking deck at One Bergen. To give a short commodity away for free was a prescription for civil disturbance. So we

politely declined. And thankfully the County Executive spoke to folks down in Trenton. But fuel was a huge issue during this, and we learned.

SENATOR SARLO: I think as we go through this we have to be very cognizant of the fact that with generators-- And we talk about-- Legislators are throwing in all different bills about-- There's a cost associated in the private sector. So we need to find a way. I know other states have done this. Florida requires them to have the wiring in place, not the generators.

COUNTY EXECUTIVE DONOVAN: Right.

SENATOR SARLO: So we have to do this in a cost-effective way so we don't impact the business community and government doesn't overstep its boundaries as well. So we need to prepare ourselves, but we can't overstep our boundaries on the impact on businesses.

SENATOR WEINBERG: I think that's why I pointed out that some of this is the responsibility of private owners of co-op buildings -- people who own the buildings themselves.

And one last point. The County Executive talked about the hospitals. I know I got-- I, again, have 13 towns that have three major hospitals -- Hackensack, Holy Name, and Englewood. And I got called by a hospital administrator saying, "Patients don't want to be discharged because they don't want to go home. We're bringing new patients in. Our ERs are getting clogged because people are just looking for a warm place to be." They ended up, I think, opening up a little mini care center in one section of the hospital. And I think that's something else that we have to encourage, because we shouldn't be taking care of patients in expensive hospital beds if they don't need to be there.

COUNTY EXECUTIVE DONOVAN: No, but they can take care of things--

SENATOR WEINBERG: But we need to have that alternate -- the person who is on oxygen and is not going to go home to a house that has no power.

So I think you really talked about some of the real-life issues that I witnessed firsthand after Irene and certainly tenfold through this. So I think that list is not something we can forget about.

Thank you.

COUNTY EXECUTIVE DONOVAN: Good. Thanks.

SENATOR SARLO: Senator Gordon questions, and then Senator Greenstein, Senator Pou, and then I'd like to see if we can move on because we're going to get backed up here.

COUNTY EXECUTIVE DONOVAN: Sure.

SENATOR GORDON: Thank you, Mr. Chairman.

A question to Lieutenant Razzetti related to emergency planning: We just heard Senator Weinberg say that one of the largest communities in Bergen County really didn't have a sheltering point.

We know that State law requires every municipality to develop an emergency operations plan. As I recall, the processes are sent to the State Police for review. My impression has been that the State Police just look and see whether all the relevant chapters are there and the key points are there to be checked off. I'm not sure anyone really evaluates how good these plans are -- whether, in fact, Teaneck has a sheltering point that makes sense. Do you think it would be advisable for a county OEM, which has greater knowledge of these local municipalities than the State Police --

do you think your organization should be reviewing these emergency plans, or do you -- so that we don't discover weaknesses in these operations when an event like this occurs?

LIEUTENANT RAZZETTI: Senator, we do review the plans. And there are shelters that are listed in every municipality, and there are shelters listed as what we would call a *regional* shelter. Real life is, though, sometimes -- say Bergen Community College -- it's a very nice facility. It's got extra exits so if people are sleeping there it meets fire code regulations. Sometimes they're not on the grid or something else happened. Even though it's in a pristine-- I mean, we look to put those regional shelters where there is good wind resistance, where it's not in a flood plain, where there is access to it. But then we lost power. And then there are other times, over the years, that you go to your best shelter -- maybe it's your high school in the municipality -- but they just happen to be doing asbestos abatement or something else and you can't use that building. It's only an agreement. The owners of that facility, even a public building, can still say no. And I know they probably don't like to say no, but I've been on that no -- the no receiving an awful lot of times.

So I think we as a State need to look at-- These are public buildings. They need to be built or retrofitted, if that, in an eye toward -- that we're going to maybe be using these as congregate care shelters. Most of the schools are not -- they're older schools. They're not good for wind. Many of them are in flood plains. Even though that's the best that you have in Town X, it's not a great place to be as a congregate care shelter.

SENATOR GORDON: Just a follow-up question: Would you benefit by having additional authority to review these plans and perhaps

reject them if you feel that -- “Well, Little Ferry’s plan doesn’t make sense. And because Moonachie is -- an issue in Moonachie--” you could take a regional look at these issues?

LIEUTENANT RAZZETTI: We do have that authority. But they, as we, only get to deal with the cards that we have. So if Little Ferry, for instance, puts their high school or a church as their congregate care shelter, that’s okay. There are better ones possibly, but there is-- It’s an area that we really haven’t looked at regionally, statewide. If you look at us compared to Florida, where they have buildings that are community centers during the day and during an event are really good congregate care shelters, that are safe, and can be turned over for that. We don’t have that -- we’ve never really needed it. I think that whatever has changed, we’re going to need this in the future.

SENATOR GORDON: Thank you.

SENATOR SARLO: Senator Greenstein.

SENATOR GREENSTEIN: Thank you.

Good afternoon.

COUNTY EXECUTIVE DONOVAN: Good afternoon, Senator.

SENATOR GREENSTEIN: Thank you for coming.

I have a somewhat related set of questions. How long did you consider this event to be? Did you consider this a two-week event, a three-week event, from your perspective, in terms of beginning to end? It really hasn’t ended, I guess.

COUNTY EXECUTIVE DONOVAN: I thought it was going to be months at least. And as the storm intensified, we were figuring years for it to be finished. I don't know what Dwane--

SENATOR GREENSTEIN: Or maybe I mean the disaster part of it, the most serious part.

LIEUTENANT RAZZETTI: The response part maybe?

SENATOR GREENSTEIN: Yes.

LIEUTENANT RAZZETTI: Two to three weeks.

SENATOR GREENSTEIN: About two to three weeks.

Now, if this went on longer, do you-- I know that you've listed many things that you think we need to look at. But was there a point where you would say, "We were so unprepared that if this went on *X* amount of time longer, we would have been in real trouble"? And I think you alluded to that earlier about the fuel.

COUNTY EXECUTIVE DONOVAN: I don't think it was a matter of preparation. I think everybody was well prepared for it, from my perspective. And Lieutenant Razzetti can speak to that as well.

But I think it's duration. You can only go so long because you have things in place for *X* amount of time, which is what our normal has been or our standard has been for years. It's when it goes to the outer edges of that that you start to get concerned. And I know Lieutenant Razzetti came to me Thursday-ish and said he had a real concern about the fuel and for other people. We were taking care of the needs of the emergency responders and the police in the towns that came to us. But for the general public, it was going to be a problem. That's when I called the Governor's Office for the odd/even. And that's when the Governor was already

thinking about the odd/even and went to that, and that helped enormously because it calmed everybody's fears. Because it wasn't a supply problem, it was a distribution problem, for instance, with that. So the odd/even let everybody know they were going to get their chance to get fuel.

SENATOR GREENSTEIN: Do you participate regularly -- I don't know if counties participate in disaster drills. Usually we think in terms of disasters like terrorist attacks. Do they include these types of things in disaster drills?

LIEUTENANT RAZZETTI: Yes. But the lack of fuel was a new twist. To go into your question earlier, guidelines or planning assumptions are that we're set for three days. It's common knowledge -- and FEMA will say, and the Federal government -- three days. We were good for about five to six without getting outside assistance. As we were starting to approach that sixth day, the Federal government stepped in and helped. But that's the system. But it was close. But we haven't practiced on the fuel issue. But I think most of the other issues we've either practiced on, or have experience, or both.

SENATOR GREENSTEIN: So that's one direction we have to go, obviously, to include that in the practice.

Are there any other changes that you would see in terms of how we prepare for the next one?

COUNTY EXECUTIVE DONOVAN: With regard to the fuel, I would suggest that we make sure that's part of the OEM system, which works so well and we talked about before. If the municipalities had called us, we would have gotten fuel to them because we were able to work it out at the other level of things. I'd get a call once in a while saying, "We're out

of fuel.” And I’d say, “Why didn’t you call us?” “I didn’t think about that.” So we need to educate people, and we need them to go through the OEM system so that the vendors know, if they deal with the County, for instance, it’s going to help all the rest of the county. It’s not piecemeal, which is what the whole OEM system changed -- from piecemeal to one all the way up to the ROIC. It works very well that way.

SENATOR GREENSTEIN: Thank you.

Thank you very much.

SENATOR SARLO: Senator Pou, and then Senator Pennacchio, and then we will wrap up with Senator Stack, and we’ll move on.

SENATOR POU: Thank you very much, Mr. Chairman.

Good afternoon.

First, let me just say to County Executive Donovan, I really appreciate the comments that you shared with us. It was certainly an eye-opener for some of the things that you mentioned. While many of us have had a number of different experiences with various flood problems -- but never to the magnitude of what we’ve actually experienced this time around. Although we are learning by some of the natural disasters throughout -- in the last decade or so.

And I want to refer to something -- go back to that for just a moment. I want to follow up on a question that the Chairman -- Chairman Sarlo made reference to, I think, Lieutenant Razzetti, with regard to your opinion of whether or not the OEM program operated really well from a county OEM to the statewide coordination, often referred to as ROIC, as the Chairman talked about.

If we go back to Hurricane Katrina -- back during that hurricane -- there was, as a result of that-- My understanding -- and help me to -- because I know you've been in your position for 20 years, you've mentioned. During Hurricane Katrina there was -- after that there was some national, statewide effort toward getting us better prepared for this. As a result of that, there was funding through FEMA that was made available to various states referred to as the USAR Metro Strike Team. In the State of New Jersey, my understanding -- that these are urban search and rescue Metro Strike Teams -- are referred to. There were, like, 10 counties throughout the State of New Jersey that were properly trained and funded through the FEMA program dating back to that period of time.

We have very well-trained, very capable individuals who have been trained with respect to the USAR -- am I saying that correctly? -- the USAR Metro Strike Team programs. Were they activated in this particular hurricane disaster coordination between the County as well as the State? Did the State, through the statewide effort, activate these 10 teams?

LIEUTENANT RAZZETTI: I can't speak to all 10 ma'am. But Bergen does have a Metro Strike Team, which we do train regularly with. But on Tuesday morning, the USAR Team from Trenton -- or Lakehurst -- was actually operating in Little Ferry and Moonachie.

SENATOR POU: I'm sorry, did you say the Trenton one?

LIEUTENANT RAZZETTI: State Task Force One, which is State Police and other folks, and they were relieved by a team from Virginia on Tuesday of that -- you know, the day after Monday. It gets a little blurry.

They were actually operating. The Metro Strike Team and assets -- local assets, fire service, police service, SCUBA -- were operating in Little Ferry and Moonachie at 1:00 a.m., 2:00 a.m. and then were relieved later on by Task Force One from the State of New Jersey.

SENATOR POU: In your opinion, did we properly utilize these trained professionals? I guess what I'm trying to understand is that I know they've been training for the past 10 years. They do a number of constant retraining and making sure that they're prepared for that -- these 10 USAR Teams that are out there. Did we-- Were they able to be utilized to the fullest extent that we needed for them to be done, or do we feel that perhaps we relied upon -- too much on other statewide efforts outside -- and brought in other outside state officials?

LIEUTENANT RAZZETTI: No, ma'am. This has really been my first experience working with Task Force One. I've worked with the Metro Strike Teams on a number of occasions. They were fantastic.

SENATOR POU: Who was?

LIEUTENANT RAZZETTI: Task Force One. Actually, everyone was fantastic. Task Force One was fantastic, the Metro Strike Teams were fantastic. But the system is-- You know, Virginia came in because we don't have a good -- to Senator Greenstein's comment-- How long can we do this when we have an event that's days or weeks? We have certain personnel who aren't -- that we don't have a surplus of. And that's why the folks from EMAC request -- Emergency Management Assistance Compact -- other states come in to assist. And Virginia relieved Task Force One, which is New Jersey's. There were folks from California, and West Virginia, and Michigan who came into Bergen to relieve some of our folks

who were working. But I have nothing but praise for the fire service and the SCUBA people -- the folks who -- you know, Water Search and Rescue, Task Force One, who all worked together to try and minimize the effect of this incident.

SENATOR POU: Mr. Chairman, the reason why I'm raising this question is, it is without doubt that I believe the Administration and Task Force One certainly did a phenomenal job. Don't get me wrong. I do think that part of these hearings is to try to find out what -- more about what we can do to help improve upon our State effort of making sure that we're better prepared and looking for things that -- being prepared for things, as the County Executive made mention here today -- some of the things that we didn't think about, or that we didn't know, or that was learned during this unfortunate hurricane disaster that took place.

My understanding though, Lieutenant Razzetti, was that many of these task forces all throughout -- these 10 different task forces that are very well trained, have been trained for the past 10 years through FEMA in the State of New Jersey -- that were prepared to go out there, and be dispersed, and be activated were not called upon. And that's not a criticism, by the way. It's more about trying to find out -- if not, why not? Is it because it was being dealt with already, or was it approach? And you may not -- you may have an answer. I'm not sure. But if you don't, my reason for raising it is not to cast blame on anyone or criticize anything. It's really to see how we can be prepared for the next time around.

We do have this set of very well-trained professional individuals in both -- between police and fire in all these various 10 counties -- in the 10 counties that I refer to. I know Bergen County, Passaic County, and

Essex County, and others-- So my hope is that they can be better utilized in the future if they weren't, for whatever reason, this time around. Those were my reasons for follow-up to the Chairman's--

LIEUTENANT RAZZETTI: My perspective experience was only here in Bergen, so I really can't speak to any other county. And maybe your perspective is different.

SENATOR POU: So are you saying that Bergen County did act -- Bergen County's USAR Strike Team was activated by the State to utilize your police and fire and replacing them for -- using them for rescue -- as a rescue team?

LIEUTENANT RAZZETTI: I don't believe they were activated by the State. They would have been activated by our normal mutual aid channels. It would be-- You know, the event happens, you call your -- the towns around you -- the Metro Strike Team. The fire service is very familiar with--

SENATOR POU: Yes.

LIEUTENANT RAZZETTI: So they're going to call them in first. And then when they start to -- they need assistance, they're going to -- this is what I believe happened -- is they're going to call in Task Force One to assist them. But that happened in Bergen. I mean, I know there were other counties that were impacted by this event. I can't speak to what happened there.

SENATOR SARLO: It happened in all the counties. Essentially, that's how it happened in all the counties.

SENATOR POU: It did?

SENATOR SARLO: Yes.

SENATOR POU: Okay. Thank you very much.

Thank you, Mr. Chairman.

SENATOR SARLO: Senator Pennacchio.

SENATOR PENNACCHIO: Thank you, Chairman.

First, thank you for your leadership on this issue and especially the eye-opening tour that we took this morning.

I just want to echo some of the things that the County Executive said, because there are two points that I came in assuming -- which were really important points to me, which you touched on right away as soon as you started with your testimony, Madam County Executive.

The first was that we're used to this up in northern New Jersey. We're used to this in the Passaic River Valley. We don't like it, but we're used to it. And unfortunately we are used to it. But going forward, I would hope that as we talk about remediation with hurricane issues, especially when it comes to flooding issues, that we keep in mind that some of us go through this over, and over, and over again. It's not only northern New Jersey, but we're talking about the Raritan River and things like that, which bring us down further south. So now the whole state has gotten a taste of what we, quite frankly, have been going through for years. So we hope, going forward, that whatever we do we do together as a state, we work with each other hand in hand.

The second was that you had mentioned a number -- *incentivize* a number of times. And to me that's a connotation of giving the people we saw this morning, with the tenacity and resilience of rebuilding themselves -- not even asking for any help -- giving them, sometimes, the tools. If we think that we're going to do this top-down, as a government helping you,

and it's going to get done quicker and faster, we're sorely mistaken. We saw people already knocking out, cleaning up, building up. We're not waiting for the State. So some of these issues that we're talking about when it comes to incentivizing-- For instance, if we want to see more gas stations have generators, if we want to see individual houses not relying on the utility companies but maybe having their own generators-- We want to see people's houses being upgraded for hurricanes, and storms, and things like that. We want to see houses being put on stilts.

Maybe it should be our purview. Maybe our direction should be not so much handing them the check but giving them the incentives through tax breaks, through maybe sales tax holidays and things like that. Because I think they want to do it anyway. But this may be the impetus -- that may be the impetus for them to get it done a little quicker.

So thank you both for your testimony.

Thank you, Chairman.

SENATOR SARLO: Final question, Senator Stack.

SENATOR STACK: Sure.

Mr. Chairman, thank you for holding these hearings. I know we all appreciate the time you're putting into this and setting up these hearings.

Thank you to both the County Executive and the Lieutenant. I think you both have done a great job in responding and preparing for this Superstorm.

I just had one question: How well were you able to coordinate, how well was the communication with PSEG during the storm?

COUNTY EXECUTIVE DONOVAN: Sometimes good, sometimes awful, and everything in between. I think as hard as-- And we have Orange & Rockland as well. But as hard as the utility companies worked -- and Lieutenant Razzetti can speak to this as well. And they worked very, very, very hard. I think the problem is communication. I think-- And they're learning, I hope. But they would say they were going to be in the town. But when they said they were going to be in a town, that didn't mean the lights were going to go on, that meant they were going to be in the town working. And as we've come to learn, the grids aren't by town, the grids are by area. So to get the last house in this town, you have to fix 10 towns away and everything in between to get to that last house in another town. And people didn't know that. And I think the problem for the utility companies, at least from my perspective, is we couldn't get finite answers from them. They weren't lying. They just weren't giving us the answers that we needed to hear, one way or the other. And it was frustrating, both on the County level and certainly with our mayors. I had almost daily calls with my mayors and OEMs. Whomever wanted to jump on the call, we would give it out to people. And over and over again-- And when Senator Weinberg and Senator O'Toole were in, we had a meeting in my office with their mayors and their districts, and mine, in our County building. It's the problem with communication. It wasn't there. They worked really hard, but the communication wasn't there. And that's a problem.

SENATOR STACK: I've experienced the same. Being the Mayor of Union City in my other role, I experienced the same. I just think they didn't know, when they turned on one area-- We had certain parts of

the city -- and Hoboken also -- the same thing -- we experienced the same thing, parts of Jersey City. When they were turning on and shutting down certain areas they just didn't know where they were doing it. And it was willy-nilly, for lack of a better term. But hopefully we can improve that going forward when we meet with them.

COUNTY EXECUTIVE DONOVAN: One other idea that wasn't on my list because it has to do with the utility companies-- What I asked them was, would they train my County General Services or DPW folks. Because there were a lot of trees down that did not have wires. If we could go out and chop up the trees and move them off the road, that makes everybody's life easier because now the roads are good. And Public Service could come out, Orange & Rockland could come out and fix what they need to fix. But PSEG did say they could teach our General Services people how to make sure the line was -- I want to say *desensitized*.

LIEUTENANT RAZZETTI: Deenergized.

COUNTY EXECUTIVE DONOVAN: Thank you, deenergized. And if it is, we could have our folks chop up the big trees that fall and get them out of the way so at least the roads are open. And that helps communication, and it cuts down on what the beginning work is for the electrical workers who come through.

SENATOR STACK: Sure. It makes it easier.

COUNTY EXECUTIVE DONOVAN: That's not State necessarily -- or it might be. But we think we could -- we have a way to speed up the after process as well. And Lieutenant Razzetti may have something else. I don't know.

LIEUTENANT RAZZETTI: I think a lot of-- When reps from PSEG and Rockland Electric were (indiscernible) through the entire event -- engineers, good folks. They don't really know though. And I guess until we get to the point where we get an addressable electrical meter where they know that property is on or off-- I think technology will lead us in a better way of outage management. Because we had to send police cars often to homes to see if we could reoccupy those homes. They didn't know. And it's not their fault. I think it's a technology issue.

SENATOR STACK: Thank you both for your testimony.

Thank you very much.

SENATOR SARLO: Senator Ruiz.

SENATOR RUIZ: Thank you, County Executive and Lieutenant.

Thank you, Chairman.

I think as we dismiss this group and then invite the mayors, one thing that became evident on the tour this morning is: Are we doing the best to provide the information that small business owners and homeowners need? I know that Senator Beck and Senator Weinberg -- we stayed behind at one site. And I'm not certain that every New Jerseyan understands how to navigate the process. And if there is one thing that we can do immediately, it is to have our branches of the EDA or DOBI's Office set up services just to navigate through the paperwork. I would suspect that is-- One, you're emotionally drained. Secondly, to go through all that and to ensure that you're doing it properly so that you get reimbursed to the best of that ability--

So as we move forward, Chairman, I think that would be a great suggestion -- to work with the Administration to set up, kind of, these 4-1-1 areas to provide the best services from the State level.

SENATOR SARLO: Thank you, Senator Ruiz.

Thank you, County Executive; thank you Dwane Razzetti for your joining us on the tour today. And thank you for being here. We'll continue to work with you.

COUNTY EXECUTIVE DONOVAN: Thank you.

Senator, if I might, I just wanted to make mention that Freeholder John Driscoll had joined us. He said he would allow me to speak as one voice for the County. But he's a Little Ferry boy, as you know, and has great concern.

SENATOR SARLO: Thank you, Freeholder.

COUNTY EXECUTIVE DONOVAN: Thank you very much everyone.

SENATOR SARLO: I just want to thank Jeff Gural, who is the owner -- is making a major private investment here in the Meadowlands. He owns the facility and building across the street. And when we call him, he is always ready to help us for public events.

Thank you.

And he didn't even ask me if we were going to build a casino here. He never even asked me that. He just said that anytime we need to use this facility--

J E F F G U R A L: I just wanted you to know that during the crisis, there were people sleeping here. So we were able to provide-- There was a group who came up from North Carolina, believe it or not, who goes

wherever there is a tragedy -- hurricane, that type of thing -- Southern Baptist Men's Volunteer something. And they cook all the food for the Red Cross. So we gave them a home here. They thought it was the Waldorf Astoria. They were so happy to-- Usually they're in tents or something.

SENATOR SARLO: Wait until we get the new grandstand.

MR. GURAL: They had TVs and everything. So it worked out good for everyone. And the Red Cross used us. So we're happy to help.

And when there is a casino here, I'll be even happier. (laughter)

SENATOR SARLO: Thank you, Mr. Gural.

Next up are our Mayor of Moonachie, Dennis Vaccaro and Mayor of Little Ferry, Mauro Raguseo, who are going to join us on the panel.

I want to thank the members.

To you, Mayors, we're probably not going to have any questions for you. We want to give you the opportunity, in a public forum, to be recorded. I know a lot of members spoke to you along the route. I know our DEP Commissioner is here.

Let me just say this, and I will give maybe one -- somebody from the R side and somebody from the D side -- after you, have the opportunity to speak to say something. But I think we all agree, after witnessing what we've seen today, is you're not waiting for government, you're not waiting for the insurance companies. You, your police, your fire, your volunteers, your residents are rebuilding with their own hands. It's incredible. I think if anything it's the resiliency of your towns not waiting and just going to work. The debris is gone in your towns. You're

rebuilding, you're sheet-rocking. It's amazing what is going on in both of your towns.

We've seen the tears, but we know there are a lot of needs and a lot of money. Both of you said it could be anywhere from \$5 million to \$10 million just on clean-up, plus the rebuild effort.

So thank you for hosting all of us today.

Mayor Vaccaro.

MAYOR DENNIS VACCARO: First of all, thank you, Senator. I appreciate everything, so far, you have done with setting up today.

Also on a personal note, Senator, I know you're the next town -- Wood-Ridge -- right above the hill. And I want to thank you, because that night that you made that phone call you asked what we needed. You were there for us. And also Kathy Donovan, our Bergen County Executive, who did a great job. I think the OEM of Bergen County-- And everything that was in place that needed to be in place actually worked.

SENATOR SARLO: I'm sorry to interrupt you, but I think it's important that everybody knows that both of these Mayors were in their Borough Hall when the surge came up, and both of them had water through their first floors. Mayor Raguseo's newly wed had to go to the second floor and had to be evacuated. Both of these Mayors never went back home. They were in their Borough Halls when the surge came through, and both of them took significant hits and never went back home until the safety of their residents-- So I just wanted to share that with you.

MAYOR VACCARO: Just a little history of Moonachie: Moonachie is a small community. I mean, we're 2,900 people. But during

the day we have a large industrial base. We balloon up to about 15,000, 18,000 in town. So it's a small community but yet a great community.

The day of the storm, the things that went on-- I keep describing it over and over again. We walked through the Borough today and we saw the restaurants. And I wish I could have taken you into some of the other places where the homeowners had to rebuild. There was a part of town -- and the Senator was with me the one day we drove through -- where basically everybody who lived there had 50 years of their lives at the curb. And to walk through that and see that-- Now, I've never been through any destruction like that before. It was heartbreaking to see that.

We have a municipal building that has been devastated that is also our police department, our first aid building, our fire building, our senior center, and our civic center. And like the Senator said, we are a proud community. We weren't going to wait for government to say, "We're going to give you something," or we're not going to wait for the insurance companies. We're going to get started, we're going to rebuild and do what we need to do. But that doesn't mean we don't need help. We have a--

I have a first aid squad that hasn't missed a call in 10 years, and they're very proud of that, and I'm very proud. I have a volunteer fire department that I-- I actually brag throughout the state about what a great job they do. But they were affected deeply. I've lost 24 vehicles, a lot of which were emergency vehicles. We need to rebuild those organizations.

Like what was said -- give them the tools. That's all my volunteers ask for -- is just give them the tools so they can work and they can volunteer their time. And I think that's what we're asking for here.

I have a school -- 290 kids up in Wood-Ridge, and they're still up in Wood-Ridge. They'll probably be there until the end of the year. They're setting up trailers in the back of the school so they can be there for the remainder of this year. The school portion that needs to be constructed-- It's probably going to be September or October of next year before they can go back into that school. We're looking at a municipal building, and even infrastructure in town, that's going to take us years to rebuild. Just the municipal portion of it is \$10 million to \$12 million to repair. We have residents who are doing the repairs on their own homes. I don't think it would be fair, when they're done building, for then government to give them another bill on top of that. The values of their homes are going to decrease. And then to ask them to help pay for this -- the reconstruction-- It's very tough, as a Mayor, to ask-- I don't think I could face my residents asking that. So I'm asking, again -- I'm sure you've probably seen the papers. I'm asking for help, the same as Little Ferry. I'm asking that we don't get forgotten. I know that South Jersey went through a lot of devastation. But up here in North Jersey, where Little Ferry and Moonachie are, we also went through a lot, and we also need your help.

SENATOR SARLO: Thank you, Mayor.

MAYOR VACCARO: Thank you.

SENATOR SARLO: Mayor of Little Ferry.

MAYOR MAURO D. RAGUSEO: Thank you, Chairman Sarlo and esteemed members of this Committee, for your time and interest on the impact Superstorm Sandy had on the communities of Little Ferry and Moonachie.

I would like to first take the opportunity to thank Governor Christie and County Executive Donovan, and our Federal, State, and County governments, County OEM, and all the emergency service personnel for the assistance they provided to the people of Little Ferry since the night of the storm. We appreciate the swift action and the bipartisan spirit of cooperation that has enabled the residents of Little Ferry to get the help they need.

As you know, approximately 80 percent of the borough's land area was touched by the tidal surge caused by Sandy. At a measurable height of nine feet in certain locations, our Borough Engineer has declared this tidal surge to be a 100-year storm. On average, the tidal waters were at an elevation of eight feet, six inches, based upon national geodetic vertical datum of 1929.

During the night of the storm, the State Police issued a Nixle alert that a levy had broken in Moonachie. Later we were told that this levy was reclassified to a berm and that there had been six breeches in it, which has since been temporarily repaired. We know this for sure: The berm measures six feet in height, and it was clearly not a hindrance to the tidal waters that flooded our communities. For your edification, the berm in Moonachie is owned by the New Jersey Meadowlands Conservation Trust. How active is this Trust? Their website lists their next public meeting as February 2012.

As you have witnessed, Sandy not only destroyed so many of our homes and businesses; the storm also wreaked havoc on our infrastructure and resources. Combining both sanitary and storm pump stations, Sandy caused us to lose stations which will cost approximately

\$350,000 to rebuild and repair. We lost nine vehicles: six police cars, one DPW vehicle, two fire chief vehicles with an approximate cost of \$360,000. Our volunteer first aid corps building was ravaged by the flood waters, and we're in the process of rebuilding it at a cost of \$100,000. Lastly, both of our volunteer fire departments have received significant damage. While our volunteer organizations suffered loss, there was no loss of life during the storm, and they continue to service our community in substandard operation centers. These men and women were helping people throughout the storm and beyond while they knew that their own homes were flooding.

This storm will cost my local government upwards of \$3 million to repair and rebuild. We will have removed anywhere from 3,000 to 5,000 tons of debris from the approximate 1,200 homes that were touched by water. The items that I previously mentioned that were lost only touch upon the public safety and welfare aspects of the service we provide. I will not take the time to list all the equipment from lawnmowers to the fencing that must be replaced, and I will not go into all the damage sustained by our schools.

I am told by the Borough Engineer that 20 years ago, after the flooding that occurred during the December 11, 1992 nor'easter, the Borough met with FEMA and the Army Corps of Engineers to discuss ways to mitigate future flooding. At the crux of this mitigation was the building of a movable flood barrier at Newark Bay to impede tidal waters from reaching the regions land areas. At the time, this was deemed too costly and rejected. Now, nearly 20 years later, I ask you: How many municipalities have suffered flood damage, costly repairs, and untold sorrow and misery for our residents and businesses by this not being built? Would

it have been more prudent to invest at that time in flood mitigation that works rather than the billions that will be given out in FEMA payments to homeowners, businesses, and communities now?

As I said, I am thankful for the swiftness of assistance provided by the Federal, State, and county governments. As we move forward in rebuilding and repairing, we will need continued support, with a few changes in policy and regulations.

First, as the County Executive said, I implore the State to continue to work with the Federal government on raising the FEMA reimbursements to 90 percent from the current 75 percent. This will go a long way to ensure residents can financially manage their repairs and businesses will not leave our localities due to sudden spikes in the tax rate. The State government should also look to provide extraordinary aid to communities to help make up the difference of what FEMA will not cover.

Second: We are requesting the ability to desilt and desnag streams, creeks, ditches, and slopes to improve receding time of flood water. The current DEP permitting process is expensive, bureaucratic, and cumbersome. I know that Senator Cardinale has had a bill written to deal with this problem, and my community strongly supports that legislation.

Third: We request the local finance board to adopt a temporary rule that will allow for us to budget a reasonable amount of FEMA moneys as an anticipated revenue in our 2013 budgets. This will also reduce the tax liability on our residents and businesses.

Fourth: We implore the State DOT to move quickly on the long-awaited Little Ferry Route 46 circle elimination project, which will include the construction of a pump station. This project has long been

funded but has been postponed for nearly a decade. A new pump station at this location would dramatically improve the area's drainage.

Finally, but most importantly, we request a full investigation and comprehensive examination of the Meadowlands Region flood mitigation infrastructure. The State needs to fully examine the berm in Moonachie, and we need a plan in place for a dramatic improvement to that structure. And the Federal and State government must take a real hard look at the recommendations made in '92 for a movable flood barrier at the Newark Bay.

Mr. Chairman, development in the Meadowlands is a good thing for our economy, for job creation, and I believe for our property values. However, as my administration and previous administrations of my Borough have argued in the past, we believe that all Meadowlands development and investment must always include an equal amount of investment and attention to flood mitigation infrastructure. This must be paid careful attention to now more than ever.

Mr. Chairman, the people of my community have been hit hard by Superstorm Sandy. But despite the damage to our homes, businesses, and infrastructure, Little Ferry remains a strong Borough and a great place to live, work, and raise a family. We are a resilient people, and I am convinced that we will emerge stronger. Sandy may have flooded our streets, but she did not dampen our spirit. However, the people of Little Ferry need to know that our Federal and State government will do all that is necessary to ensure that this never happens again. With our changing environment and weather patterns, we may very well be experiencing

harsher weather more often. That is why it is so imperative that mitigation is given every priority by our government leaders.

Thank you for your time and attention.

SENATOR SARLO: I just want to thank Senator Beck, Senator Weinberg, and Senator Ruiz for staying back during the tour to console and talk to Aldo from Bazzarelli's and his family from Moonachie. So I just want to thank the three of you for doing that. I think that went a long way for him and his family -- his daughters.

Senator Bucco.

SENATOR BUCCO: Thank you, Mr. Chairman. And, again, thank you for calling these hearings. I think it's very important that all of us understand what devastation has been brought by this storm. And I look forward to the upcoming -- with the Board of Public Utilities and the utilities themselves answering some questions that were brought up by this panel and by the people who came before us from -- the executive director (*sic*) and the Lieutenant.

We toured both of your towns. And I can appreciate the devastation that you sustained in your towns. And we asked a lot of questions of you. And naturally-- And being a former mayor, I know the difficulties that you face with trying to rebuild. And I say rebuild but, Mr. Chairman, I think it's not just repairing, it is rebuilding. And I think we have to be very careful with legislation for the future, not just to put a band-aid on it and hope that it will hold for the next storm. I think we have to think very seriously about some of the suggestions that you've made there. We have to think very seriously about, "Pay me now or pay me later." And that's what it's coming down to.

And you know, Senator Sarlo, as a mayor also, government -- we always seem to find a way to come through a budget by eliminating some of the infrastructure costs. It's easier to say, "We don't need to put a new roof on the building. We can wait until next year." And the next year it doesn't come, and whatnot. And I know you said both of you have gone out for emergency bonding, and that's going to be devastation on your residents to pay those bonds back, along with the hit that they took with -- destroying their homes.

The question I have is: What about tax appeals? Have you been hit with tax appeals? Because this is also a double whammy.

MAYOR RAGUSEO: That's a good question, Senator.

Every Monday the Mayor and I are on a conference call with the Governor's Office. We appreciate so much what they have done with all the Department heads to see if they can answer some of our questions. And I know this is something they're looking at. Because at our Council meetings, that is what residents are saying. They're going to appeal their taxes.

How exactly is that going to work? I mean, 80 percent of my town was flooded, 20 percent wasn't. Does that mean that the 20 percent that weren't flooded -- they're going to see a huge spike in their taxes to make up for the lost property values on the other side? That's just not going to work. And then when you do a reassessment or reevaluation, that costs money as well.

So we know the tax appeals are coming. We're really waiting for some direction -- State policy on how that's going to work in areas such

as Moonachie, Little Ferry, and down in the shore communities. Because it is coming.

SENATOR BUCCO: It is, and it's a concern that I've had, because I've seen the devastation down at the shore. I've even taken a hit myself with my shore house. But it is a concern for me, especially in a small municipality such as your two where you don't have a large ratable base on a citizen basis, more on an industrial basis. And that's a question I don't think we've asked over there. Were there any problems with your industrial base there -- flooding and shutting down?

MAYOR VACCARO: I have just three businesses that I spoke to in the last week. One had about \$5 million worth of damage and the other two had \$3 million worth of damage. One was a bakery. He lost all of his equipment and doesn't know if he's going to operate again. And a large part of my community is commercial-based, which keeps the taxes somewhat reasonable. Those commercial-based properties will be coming in for tax appeals.

SENATOR BUCCO: And that, again, puts a hit on your residents.

MAYOR VACCARO: That will put a hit on the residents.

SENATOR BUCCO: Okay. Thank you.

Thank you, Mr. Chairman. Again, thank you for calling these hearings.

SENATOR SARLO: Just to put everything in perspective, Ocean County lost a third -- the homes that were affected is a third of their valuation of land. A third of their valuation of land had severe destruction. Moonachie and Little Ferry, 80 percent; other towns -- Union Beach, 70

percent; Keansburg, 70 percent; Belmar-- I mean, it's something, statewide, we're going to have to-- As you said, the guy who is living on the -- who didn't get wet -- it doesn't mean his taxes are going to go to pay-- You still have to keep your services. Actually, you have more service debt. So that's going to be the key question here.

One final comment, Senator Gordon. And then we will move on.

SENATOR GORDON: Thank you, Mr. Chairman.

I just wanted to echo your comments about the leadership exhibited by these two mayors. Last Friday I had a chance encounter with a senior leader of Public Service who was very involved in this event. And I asked him, "What were some of the things you learned from this event," expecting to hear something about restoring energy. And what he talked about was how he was-- In this event he saw a number of mayors really rise to the occasion, and demonstrate really great leadership, and become models for public officials everywhere. And he specifically mentioned the Mayor of Little Ferry and the Mayor of Moonachie.

And I just wanted to share that with you because, despite your personal losses, you stayed there at the municipal building just caring for your residents. And you're constituents can be very proud.

MAYOR RAGUSEO: Thank you, Senator.

MAYOR VACCARO: Thank you.

SENATOR RUIZ: Mayor, I did, before we got here, stop at the school facility to see the building of the trailers. I know that you currently have your students in Wood-Ridge.

MAYOR VACCARO: Correct.

SENATOR RUIZ: And my question is, I guess, what moneys did you use for transportation? Did you use interruption of service? There is business interruption of service insurance moneys that allow for transportation or for lease spacing. Or did you have surplus money? I know perhaps you might not be able to answer the question because the school administrator would be the one responsible. But if you could talk a little bit to what happened there and how it's been working, to some degree.

MAYOR VACCARO: What they have done is, they increased the bussing going up to the school. We already have busses going up for the high school, so we just increased the busses to take the grammar school.

SENATOR RUIZ: And you had access-- Evidently, the Department had access to funds to do that.

MAYOR VACCARO: Well, they're probably taking it out of whatever money in the surplus they have.

SENATOR RUIZ: And they're over at a senior site, Chairman, you said in Wood-Ridge.

SENATOR SARLO: Yes, the 280 children who are in my town are in a senior center, civic center, gymnasium. We've emptied some classrooms. Pretty much every public building we have in Wood-Ridge has Moonachie school children. And we've had Wood-Ridge moms volunteer just because some of the areas are -- sort of like a security, because they're in public areas where the public is. So we have moms taking turns volunteering.

MAYOR VACCARO: And we appreciate that because it kept all the children together. They all went out to one school, they're all in the

same area -- so they aren't spread throughout the county. So we appreciate that.

SENATOR RUIZ: Thank you.

SENATOR SARLO: Senator Weinberg.

SENATOR WEINBERG: I think I asked you, Mayor Vaccaro-- One of the things that had never been anticipated in an emergency management plan is the wipeout of all of your municipal facilities. I mean, until you see all of that -- the structure is no longer there. And it is remarkable how well you're functioning in spite of all of that. And I guess, as Senator Gordon said, I know that you've all had some really serious personal losses to your own homes during this. But you don't have a municipal building, you don't have an ambulance corps, you don't have the fire place. We saw fire equipment that has been trashed because the fire fighters were working in sewage waters. There is so much that needs to be prioritized in addition to the burdens of the homeowners and the industrial base.

And just a very small thing: When we stayed and talked to the restaurant owner -- the man who has 41 years invested in his business -- and he talked about the interest rate on his credit card. He was maxing out his credit card to buy the things he needs to rebuild until all the equipment comes -- until all the help comes through. And I asked the Senate President if we could put in a resolution to urge our Congressional delegation to deal with the credit card companies and say, "Listen, people need two months interest free on their balances." I don't think the credit card companies are doing too poorly financially with their 15 percent to 19 percent interest charges in today's day and age. So maybe that's just a very small step that

we can take. But that's the kind of information that we glean from talking to people who are actually going through all of this.

So I thank both of you for your leadership. And to all the folks in your-- I mean, we saw how people are working now in makeshift surroundings, and they're doing one hell of a job. And you should all be congratulated.

MAYOR RAGUSEO: Thank you, Senator.

MAYOR VACCARO: Thank you.

SENATOR PENNACCHIO: Just briefly, thank you, Chair.

I think when it comes to the rebuilding of schools -- and hopefully FEMA can come across with that money -- I think we should look, Chairman, at the current school construction corporation, whatever name it is now. Last I saw, I think there was still a big pot of money there that was not spent. I can't think of a better place to spend it. We may need legislation that will allow us to direct it into those areas. So that's something, going forward, that we-- When the Commissioner of Education comes and speaks to us, maybe that's something that we can ask him -- whether we can do that.

SENATOR SARLO: Thank you to both of you. Thank you for your commitment to your residents. I know you have hard-working, blue-collar towns. And the people are resilient and are not giving up. I know you're working closely with our Congressional delegation -- Congressman Pascrell and Senator Menendez, who have been there. But you have Republicans and Democrats who have seen it firsthand today. And we're going to do what we have to. We're not going to forget Little Ferry and Moonachie.

MAYOR RAGUSEO: And thank you, Senator, not only for your leadership as Chairman of this Committee, but also for being a great Senator. I know you were at my Borough Hall. You were also in Moonachie. You were helping us get those pumps from out-of-state when we needed it. You were on the ground, you were talking to people. And you were bringing assistance to your community. So I thank you for that.

SENATOR SARLO: Thank you.

MAYOR VACCARO: Thank you.

SENATOR SARLO: Commissioner of DEP. I know he's here.

We're going to be hearing next from the Commissioner of DEP. We'll give him a few moments.

Just for the members of the panel, we're going to hear from the Commissioner of DEP and we're going to hear from the Commissioner of the Department of Education. And I know Senator Ruiz and the Commissioner are going to have some discussion with regard to the 180-day rule, and schools such as Moonachie and other schools that are still out -- especially Lavallette and other ones down the shore.

C O M M I S S I O N E R B O B M A R T I N : Senators, good morning.

Does it make a difference which chair?

SENATOR SARLO: The middle one is good.

COMMISSIONER MARTIN: The middle one is good. The other one is wired? (laughter)

SENATOR SARLO: No, it's good. (laughter)

Next up to this panel is Commissioner Robert Martin from the Department of Environmental Protection. In the discussions I've had with

the Commissioner, his focus is going to be impact statewide, where we are at today, the impact on our drinking water, our sewage -- especially Passaic Valley Sewage and the impact on the Newark Bay -- debris removal statewide. And I've asked him to come back, and we're going to do this either in Monmouth County or Ocean County. We're going to spend the whole time hearing -- on the dunes, the beach replenishment, how do we better protect, how do we better rebuild our coastline and shore. We're not going to spend a lot of time. He is going to give us a quick update on that today. But we're not going to spend a lot of time on questions on that. Within the next few weeks we will have a hearing that will strictly be dedicated to beach replenishment and shore protection. In speaking with the Governor's Office and the Commissioner, there are a lot of moving parts to that right now, a lot of legal issues, constitutional issues, funding issues -- so working with the Federal delegation-- So it may be a little bit premature to talk about that. He will give us just an update on where we're at today. But all of our members-- We will have, in the next few weeks, a hearing strictly dedicated to rebuilding, smartly, our Jersey Shore and our coastline, especially dune replenishments.

COMMISSIONER MARTIN: Sounds good.

Thank you, Mr. Chairman; thank you, members of the Senate Budget Committee for having me here today, again to talk about Hurricane Sandy and the impact on the state.

I'd like to start off first with just kind of quickly framing out how we operate from an emergency response point of view from the State. So if I could just take two minutes up-front on that and then talk about the

scope of responsibility the DEP has, which again fits into an overall comprehensive plan that you have from the State.

I mean, first off, the State operates in emergencies based on planning -- significant planning that occurs at the State level. Each department operates with its own plan, and ties into an overall unified command which is operated and coordinated by the State Police. All the major decisions -- critical decisions -- are made by the Governor, and it works through very much command structure within the ROIC. All of you know the Regional Operation Information Center -- Intelligence Center.

Through that whole structure that's set up overall, decisions are worked through there. We do not operate in silos as an organization. We operate clearly together as a team. So there are teams down below, and there are also teams that operate at the cabinet-- So the cabinet members sit with the Governor, helping to inform on those decisions as we go through all of that.

My responsibility from DEP is to work with the State Office of Emergency Management, reporting to the Governor, and provide certain responsibilities across that board in certain areas. The scope of responsibilities the DEP has deals with several different categories. First major category is flooding. We oversee dams and reservoirs across the state. We provide the science and data analysis for the State to manage flood impacts. We also work with coastal permitting and areas of flood plains across the state. We are also responsible for handling water supply and wastewater treatment plants across the state, and overall water quality -- everything from beaches -- that are gathered by local health officials -- and

looking at water supply, shellfish, and overall quality of water for recreational and fishing industry across the state.

Nuclear safety: While the NRC is responsible for the overall regulation of nuclear power plants, the DEP is responsible for monitoring those plants in coordination with the Office of Emergency Management and Homeland Security, and also tying in the Board of Public Utilities. We're responsible for debris management before, during, and after the operations. And we manage all the State Parks and historic sites -- and closing those down and opening those up after an event.

We're responsible for shore protection -- everything from the dune structures and beach structures that are put in place, and the bulkheads across the coast overall. So we coordinate with the Army Corps of Engineers and work with the towns to set up that and to manage the structure for the State.

And, again, we're also responsible for the cleanup of oil and other hazardous materials that spill during an event like this. So we play a critical role in supporting the overall Office of Emergency Management and supporting the Governor as we go through these kinds of events.

I'd briefly like to talk about three different categories. First is before the storm, the activities we were involved in during the storm, and then after the storm. We'll give you a rundown on each of those areas.

First off, the number one thing we have-- As I mentioned already, we all have a plan. Those plans have been in place. We've worked, through different table talks, through those things before in the past. So we walked through those and stepped through those numerous times before this event. Each of my assistant commissioners has a responsibility and

puts a plan together about what we're going to do before, during, and after. So we break out those plans. So that Wednesday before the storm -- so almost a week ahead of time, at least five days ahead of time -- we started putting those plans into operation.

One of the first steps we took was lowering -- because we knew the fact that the water was going to go across the entire state -- we ended up lowering reservoirs in the state. And this is the first time I've known that we've ever done that -- the State's ever done that in anticipation of a storm like this. The Governor recognized that, overall, we were going to be inundated with water across the state. And the reports from the National Weather Service clearly indicated that we were going to get wet right across the state.

We recognized that if we could lower some of those reservoirs, it might have an impact. So we ended up doing that. We wanted to make sure that we stopped lowering those reservoirs 24 hours before the event started. We didn't want to create additional flooding. So it allowed-- As a way I described it to the mayors and a lot of people at the time, we had allowed for that gulp of water to get through the system on the Passaic River and also get through on the Hackensack River -- get that gulp through already before the tidal surge started pushing it back up. We could have doubled the event and made it worse if we had that water in the system and then the tidal surge pushed it back in. So we were lucky on that front. And places like the Passaic River Basin didn't flood this time through a combination of things. But we didn't quite get as much rain up there overall.

We instructed all the owners of 550 high-hazard and significant-hazard dams to inspect their dams prior to the storm. We closed shellfish beds as a precaution because we anticipated the runoff from the storm causing contamination with these large types of events. We also increased the capacity of a lot of our landfills to be able to position them to be ready to accept a lot of debris that was going to come from this storm going forward. We were in constant communication with the nuclear power plants and worked with them to make sure that their plans -- that their activities were underway and they were moving forward in preparation for this event to happen. Fortunately for us, two of the four plants were already down for maintenance at that point in time. So we only really had two plants primarily to watch, though we still had problems with Oyster Creek during that period of time.

We closed all 50 Parks and Forests across the state, and all 21 historic sites, again because of the fact that we needed to protect visitors in those parks, number one. We also wanted to move all those resources and assets -- especially park police -- to be able to support the State Police efforts across the state.

And then we began outreach to all the mayors and towns to talk about street cleaning, sweeping, storm preparation, how they could clear out their drains and their stormwater basins. We also directed them and asked them to be -- they could be able to go forward with any kind of stream cleaning activities that they needed to without a permit from the DEP. We gave them guidelines of what they could do without having to come to us for a permit.

That's before the storm.

During the storm, we primarily provided technical expertise to the State Police on flood maps, where we expected flooding to occur, what those flood maps looked like. So we provided our experts in that area, working with the National Weather Service, and all the different maps that we had at that point in time to try to best guess where we could see the flooding -- what was going to happen at that period in time. So working with the State Police to make that happen.

We monitored all the dams, reservoirs, the water supply facilities, the wastewater treatment plants, and provided real-time analysis to the State Police on all the information necessary to make decisions along the way to protect public health and safety at that point in time.

After the storm: As you all know, the two major challenges we had after the storm were power outages and flooding that affected critical infrastructure across the state. It obviously, clearly, affected people's homes and their lives. But, again, those two critical things were the issues we were battling the most at that point in time, initially.

In the immediate hours and days that followed, probably one of the most untold stories that we haven't heard about this event was that DEP, the Army Corps of Engineers, EPA, local and State officials, and OEM, and the purveyors of water supply and wastewater treatment plants kept several of these problems in wastewater and water supply from getting worse. And I will talk about those very shortly. We had numerous plants that had significant issues. But through a lot of hard work, we were able to keep those up and running in the state to keep water supply going and wastewater treatment plants up and operating.

Let me first talk about drinking water. There are 604 water supply facilities in the State of New Jersey. A lot of those tend to be local and smaller facilities, and some tend to be the larger ones like American Water. And they're all tied together in certain ways. During the storm -- right after it -- we approximated that 70 facilities were in distress after the storm, which is a significant number; even some of the smaller operations of American Water. A lot of those certainly were in the coastal areas. And most of those distresses were caused by electricity. Most of those companies had to go on to generators at that point in time. But the good news is, virtually all the water kept flowing and we kept water pressure in most of the pipes through those areas. At one point in time there were 19 boiled water orders out there for 19 different systems, which affected almost 300,000 people. Right now we're down to only about 7 smaller drinking water systems, and most of those are on the coast, which were badly damaged.

On the wastewater front: There were significant problems we saw there. There are 369 wastewater treatment plants overall in the state. At the height of the storm and at the height of our response, there were more than 80 wastewater treatment plants with treatment and operational issues. And that affected more than 3.3 million people in the State of New Jersey. Obviously it was a significant problem for us to manage through.

Interestingly, most of the plants are required to keep 24 to 48 hours of fuel available for generators. The problem with this event was that, as you know, power went out for over a week. So we had a critical issue of dealing with diesel fuel and making sure those--

SENATOR SARLO: How many hours did you say, 30 hours?

COMMISSIONER MARTIN: I'm sorry, 24 to 48 hours.

SENATOR SARLO: Thank you.

COMMISSIONER MARTIN: And so the smaller ones typically are running with 24 hours, the larger ones with 48.

That's a challenge. And so we had to go start to get-- I mean, after the first-- It's interesting. We didn't hear a lot from some of the smaller facilities early on because they were on generators and they expected to get power back. Once we started getting to days 3, 4, and 5, we had an onslaught of problems called into us and they needed diesel fuel. Obviously trying to get diesel fuel -- while there was plenty of supply, getting it from that supply out to these facilities became a logistics challenge for us. So over the next 10 days, we provided 35,000 gallons of diesel fuel per day to these facilities to keep them up and operational over this period of time. We provided 30 generators to make sure that they could run for 14 days and keep those operations running as well.

This is probably the first time the Governor has ever issued an executive order declaring a water emergency, not because we didn't have water, but because we wanted to limit the amount of volume of water going into the wastewater treatment plants. That was one of the critical issues.

And I'm going to talk very specifically now about the Passaic -- PVSC -- Passaic Valley Sewage Commission and Middlesex County Utilities Authority. Both of those plants and those operations were significantly impacted. Just between those two we have over 2 million people impacted in this state, and they're obviously big operations.

PVSC serves 1.4 million people in Essex, Bergen, Hudson, and Passaic counties. It's the fifth largest wastewater treatment plant in the

United States. It's normal flow is 240 million gallons a day. That whole facility was flooded over -- entirely flooded over. I was there three days later. The water had receded, but underground are underground tunnels that -- most of their operations are underground. Most electrical operations are underground. All those underground operations were still flooded at that point in time.

It was an incredible effort by the people from PVSC, the Army Corps of Engineers, EPA, DEP, and other outside contractors -- basically pulled together an incredible team to get all that water pumped out from those underwater chambers to start to dry out that equipment and then start to get the primary-- There's basically primary and secondary treatment of -- when we go through and handle wastewater. The primary treatment was back up and running within about a week, which is pretty incredible for that size of a facility.

Just yesterday -- or the last couple of days -- they brought up the secondary treatment. So that entire facility is now back up and running, which is just an incredible task when you saw the destruction of that. The water had clearly come up three, four, five feet onto that site and clearly washed out -- besides the administration building -- washed into all the operations there underground.

The same thing had happened with MCUA. And their primary facility-- Well, they lost their pumping operations in Edison. Their primary operation, that was pretty well run down and destroyed, was the one in Sayreville. That one had, again, about a wall of about three to four feet of water come in over the banks that flooded that operation, again going down underneath and flooding and short-circuiting all the operations there. The

drywell, which is three stories underground -- that drywell was filled to the top with water. So, again, they had to go pump that operation out. They've used bypass pumps since then, and the operation is still -- on both primary and secondary processing of that.

So the downside, unfortunately, was-- For that first week, what we saw was a lot of raw sewage going into both the Passaic River and the Raritan River at that point in time. They had to pump it out, otherwise it would be pumping into people's homes. So it was forced to be pumped into the rivers at that point in time.

We continue to monitor the water. The water has now cleared up both in the Raritan Bay, Passaic Bay, Newark Bay. So all those areas are now in good shape for water quality. We've been testing. EPA did the testing off the coast of New Jersey constantly after the storm, and water quality was always excellent off the coast of New Jersey. So through that storm we were able to keep good water quality overall.

On dams: We had no dam failures at all across the state, which is good news -- and, again, because we didn't have a lot of inland flooding of water. So there were no dams that flooded overall.

On the Moonachie berm: You just heard from the mayors. Obviously the horrible damage from that was caused by the berms that were there. Clearly the record high storm surge that went over-- Our engineers estimated that that storm surge cleared those berms by three feet. The water went over the top of that. There were six breaches in that berm. That berm-- We don't have records of that berm, by the way, of when it was built and how it was built originally. It's not something the State keeps. It's not something that we regulate. We regulate dams. It's not in

the State's regulation. So at some time it had been built. It's currently owned by the Meadowlands Conservancy Trust right now -- that owns it. But those had been built apparently at some point in time to keep some of the tidal surge from coming in, because there is a tidal gate. There is a tidal gate there that works right now. So, again, for the future, we need to look into that long-term and to assess what the situation is with that -- both the tidal gate and those berms.

We look at all the information on that. Those tidal berms-- The water went around it and over it in all cases. So when you look at the area, a lot of it just wasn't over the top. It was around it that flooded in there because of the just dramatic high tidal surge that came with that overall.

SENATOR SARLO: So essentially the berms became irrelevant during the surge.

COMMISSIONER MARTIN: It did. Though we did, based on the Governor's direction-- The mayors had asked us to look at those berms that were breached, so if we did have at least some minor tidal surge we could hold it back. We put an emergency crew in place immediately on that Saturday and that Sunday before the nor'easter. So right after the storm event -- the next Saturday and Sunday we had contractors out there repairing those berms so that if we had a minor tidal surge, it would hold it back at that point in time. And we didn't really get a tidal surge and we got the nor'easter, so it was fine. But long-term, we have to consider what we want to do with that overall and how we can fix that for the long haul.

Another major event that occurred that -- at the Motiva site. Normally in this kind of event-- This is a fairly large oil spill that occurred

-- or diesel fuel spill that occurred. Normally this would have been big news. Given the size of the event, it was relatively small news -- given all the other things that were happening at that point in time. But there were about 378,000 gallons of low-sulfur diesel fuel that was spilled at the Arthur Kill, Smith Creek, and Woodbridge Creek from the storm. Basically one of the tanks had been moved by the tidal surge and ruptured.

What we did at that point in time-- We sent DEP teams out there, the Coast Guard sent a team out there, Motiva sent contractors out there, again, to (indiscernible) that whole area and start to basically vacuum up as much of that spill as we could at that point in time.

Again, we continued-- The contractors are still on site and monitoring that and finding any small pockets that are left of that. A lot of that was washed out to sea, a lot of it was vaporized, and a lot of it was washed away.

The other major areas we dealt with, and we're still dealing with right now, is debris management. The Army Corps of Engineers -- I'm sorry, FEMA and the Army Corps of Engineers estimated that there's 6.2 million cubic yards of waste from this storm -- 6.2 million cubic yards, which is just a massive operation. We've gotten a lot of input from other storms like Katrina and other places on how to move that. We've hired -- different towns have hired on contractors. From the State of New Jersey, we've put -- in virtually all the coastal areas and all the towns that are most affected by this -- we've put a point of contact in those towns working with the mayors to help get those plans moving and making sure each of the towns has a debris management plan in place.

The number one direction that I've given and the Governor has given is to get the debris off the streets. Again, that debris-- People, as you know, are emptying the first floor of their homes, drywall, and all the rest that is being pulled out. And that's the only way you can do it so the mold doesn't come in. So what we're seeing right now is people emptying their entire first floors -- everywhere from places like Moonachie and Little Ferry to everywhere along the coast -- from Brick, and Union Beach, and all the rest. And so each of these towns are responsible to get that contract in place. We're working with them. Ocean County has provided also a coordination themselves for the movement of that debris overall. So what they're doing is moving it from off the streets to temporary debris management areas. That's one of the lessons that we learned from other states and other storms. Those temporary debris management areas could be a ball field, could be a parking lot, could be somewhere. But it gets it off the streets quickly, puts it into a separate area. It's then weighed and measured for FEMA purposes and all the rest of that. And then we're getting larger trucks to take that debris and move it to landfills. In some cases they're taking it out of state. Most of it is going into the major landfills in the state right now. But so far it's working well.

The major thing we're doing right now, besides making sure that is operating, is making sure we have enough equipment. There have been some complaints back to us from mayors and towns that there is not enough equipment on the street to keep that stuff moving. So my team is out there assessing, right now, whether we have enough equipment, whether the contractor is in place, whether the towns have enough equipment right

now. So that's what we're doing right now -- and get that assessment, and then work back through the contractors and make that happen overall.

On parks and forests: Basically, from all the parks, and forests, and historic sites damage was extensive. Approximately 75 percent of the properties statewide suffered downed trees, loss of power, and structural damage overall. Our two most popular parks, Liberty State Park and Island Beach State Park, were seriously damaged. I took a tour about a week-and-a-half ago of Liberty State Park. Basically that whole walkway -- the bulkhead underneath that walkway that goes down almost two miles-- That whole bulkhead has been damaged in some way or other. So we're looking at tens of millions of dollars worth of damage. We're still basically trying to assess what that damage is right now. We're trying to open up these parks. We're trying to open up most of the parks the best we can. Some are going to be limited, some will be more extensive. Right now we have about a third of Liberty State Park, and every week we're going to keep opening up another acreage along that park to try to provide-- Because we get about 5 million visitors a year in that park. We want to keep it open as best we can.

Island Beach State Park: Again, it's still used during the winter for fishing and other activities -- for dune buggies and all the rest of that. We're trying to make sure that park is open for the summer season. So we're spending a lot of time in that park as well.

So as it stands right now, 44 of the 50 State Parks and Forests are open, and all 21 historic sites are open or partially open at this point in time. Some of them you can walk by the buildings but you can't go in some of those facilities at this point in time. But there is still serious damage in

those parks, and it's going to be millions of dollars to get those fixed. And it's going to take a while in a lot of cases.

Moving forward after the storm: As you heard from the Governor, our focus is going to be recovery and rebuilding. Again, the Governor has continued to focus on: How do we make sure we look for the long-term and how do we put things in place to worry about that?

On water infrastructure: Again, we're trying to ensure that critical infrastructure is protected. That is one of the key lessons we learned from this. There are too many facilities that are exposed to this kind of flooding, and we need to look at all those facilities that are in tidely watered areas across the state and figure out how, in both the short run and the long run, we're going to protected those facilities from this kind of tidal surge again. That could be whether it's flood walls around it -- options. Certainly raising up a lot of electrical equipment in a lot of these facilities has to occur in the long-term because otherwise they get short-circuited and fried out very quickly.

From the beaches -- and the Senator mentioned -- I'll basically cover that in future discussions. But what we saw was very clear evidence that having engineered beaches by the Army Corps of Engineers that are done and maintained on an ongoing basis will protect the coast, will protect towns and property better. It's unequivocal. That information is clear. The Army Corps will tell you that. I've been to almost every beach in this state. And the places that had good berm structure -- well-engineered, well-maintained -- definitely were in much better shape at the end of the day. And those are the kinds of things we need to look at long-term. And in the

long-term, we need to talk about how we get an overall dune and coastal structure in place -- long-term. And that's what we're looking at right now.

SENATOR SARLO: And you're -- just so we have that out there because people are going to be asking us -- you're encouraging these small beach associations who had dunes and they were lost, or some of the communities, to go out now and put their -- through emergency appropriation or through their private financing -- to put their dunes back the way they had them; at least put them back to get them through the winter and into the spring until a more permanent solution-- Am I correct in saying that?

COMMISSIONER MARTIN: Senator, we're working, I think, on a town-by-town basis. Some towns already have contracts in place to replenish their beaches. And that's partly with State money and Federal money already. Some towns had their beaches done. Atlantic City -- we just finished pumping that beach. And that beach lost a lot of sand, but the Boardwalk is still in place, again, because it was an engineered beach and we didn't lower those dunes. After a lot of people were asking us to lower the dunes in Atlantic City, we didn't lower the dunes in Atlantic City. That Boardwalk was certainly well-protected and a lot of buildings were protected because of it. So that's the second category. Hopefully we can get some more money from the Army Corps of Engineers to repair those.

Some towns that don't have the money, or haven't had money, or done by the Army Corps -- yes, we'd like to see those towns. But we're going to talk to those towns one-on-one -- what we can do in the short run and for the spring.

Long-term: There needs to be a full plan in place, and there is going to need to be some Federal funding to be able to support an entire structure across the state for protection of the coast.

SENATOR SARLO: Thank you.

COMMISSIONER MARTIN: One of the last areas I want to talk about is, again, looking at building standards for flood areas. As we already know, FEMA has already announced that they're going to be coming out with all new maps for flood elevation -- base maps on those. Those will be coming out in the near future.

At the same time, my Department, along with DCA, is reviewing standards across the state. Our initial review of the standards looks like a lot of the towns that people have been building over recent years -- that had built to the new standards, those houses survived extremely well based on those standards. So we're still looking at those, but those look like they've done a good job.

We're reviewing elevation standards right now and deciding whether we need to change the elevation standards even above FEMA standards that are in place. But we're looking through those right now. At the same time, we've also made it easier for the towns that want to replace infrastructure immediately after the storm to be able to do that without -- just doing it immediately and then coming back to us for permitting later on. As long as they're replacing it in-kind in those certain structures right now. So, again, that's going to be critical going forward -- making sure we're planning for the future, but at the same time allow the towns to move forward in a lot of ways very quickly.

In conclusion, the Governor and I are very committed to making sure that recovery happens quickly and that rebuilding happens quickly. Some of this stuff is going to take time, but we are very committed to making it happen and making sure we're doing it on a planned, overall approach. DEP is part of that team to make that happen. Certainly the overall planning will come from the Governor. And the Governor has also named a new czar in charge of rebuilding -- Marc Ferzan -- who will plan overall coordination for the State. My job is to support that overall effort -- everything from the beaches to the planning of infrastructure overall -- and make sure we can work together. We look forward to working with all of you in the Legislature to make that happen. And especially working with the towns -- they're going to be critical to this recovery overall.

Thank you, Senator.

SENATOR SARLO: Thank you.

Just so the members of the Committee know, I had actually -- since these hearings have been fluid -- I actually called the Commissioner and said, "Listen, we're not prepared to talk about the beaches and dunes. We should be doing that down in Monmouth County and Ocean County." And he said there's enough for us to talk about in other areas that he should get in here.

So I appreciate your willingness to get here and address us.

I'm going to turn it over. Senator Cardinale has a question.

I just have two quick-- We heard from the residents of South Bergen. The berms are temporarily fixed. You'll work with the Meadowlands Commission. Is your Department going to take the lead on that or is the Meadowlands Commission going to take the lead?

COMMISSIONER MARTIN: We're going to work it out with them. I'll talk to them to figure it out. I mean, we put in, in some of the requests, that we'd like the Army Corps, ultimately -- I think need to look at that berm and decide, long-term, what the game plan is.

SENATOR SARLO: Debris removal: You may not have this number. In comparison, I think we all-- You mentioned 1.6 million--

COMMISSIONER MARTIN: No, 6.2 million cubic yards.

SENATOR SARLO: Do we know what Katrina was?

COMMISSIONER MARTIN: I don't know that number. I can find that out.

SENATOR SARLO: It would be great to find that out some day just for comparison purposes.

That's all I have.

I mean, thirdly, we will-- Before you leave we will work on a schedule where we can get together down the coastline and have a more comprehensive--

But I think people are going to want to hear from the DEP. We're all very critical of DEP. When I met with you at your confirmation hearing about the bureaucracy of the DEP at times-- And I give you a lot of credit. You've done your best to streamline. I think the key is that we need to build smartly, we need to build wisely. But we now have to make sure we don't let the bureaucracy get in the way at the same time. So just keep that in mind as we go forward.

COMMISSIONER MARTIN: Our goal is to work very closely with the towns. We want to make sure, for the economy of the state

especially, that we can keep things moving, especially in the coastal communities.

SENATOR SARLO: We have to do it smartly; we have to do it wisely.

COMMISSIONER MARTIN: Absolutely. And there are a lot of towns that need our help. We get it.

Thank you.

SENATOR SARLO: Senator Cardinale -- question you had. You said you had a question, right?

SENATOR CARDINALE: One, thank you for allowing me to participate. I'm not a member of this Committee, but all the other Bergen County Senators were here, so I figured why not me. (laughter)

SENATOR SARLO: Don't filibuster on me now. (laughter)

SENATOR CARDINALE: The Mayor of Little Ferry brought up an issue that you and I have discussed many times in the past with respect to stream cleaning and facilitation of stream cleaning.

Now, I know that on a number of occasions your Department has relaxed the permitting process with respect to stream cleaning, and in particular disaster-type situations. I don't know if you have developed any empirical data which would indicate that there were any problems that occurred as a result of that relaxation. And I wonder if you wouldn't consider extending that relaxation permanently so that municipalities, not just in an emergency situation but as a regular practice, would have the ability to maintain better our drainage system. In this area, most of what we looked at and called streams are really drainage ditches. They are a stormwater drainage system. And it's all over Bergen County. I mean, you

can't go very far without finding one in Bergen County. And the municipalities have a great deal of difficulty, as you know, doing the engineering that is required by your Department in a normal situation. It's an extra cost, and it inhibits their ability to keep those streams clean.

Do we have any chance that you would take another look at that question and perhaps come part way-- I'm not going to talk about a specific piece of legislation. I've been involved with this issue since the Kean Administration. And, to some degree, we've had a little bit of success.

But frankly, Commissioner, the Department has -- not you, but some of the folks in your Department, are really wedded to some of these old styles of thinking. It would take your intervention, I think, to get some of them to change to where they could support commonsense changes to the existing system.

COMMISSIONER MARTIN: Senator, you asked a good question. We're redrafting, revising the flood hazard rules in the State of New Jersey. Those flood hazard rules, which we expect to be coming out in the next couple of months-- Those would include changes to some of that stream cleaning activity that you're asking about. The other part to it is-- Some of it is clearly laid out in legislation. So there may be legislative changes that are required. So there are some things we can do through regulations which hopefully we'll be coming out with in the next couple of months. But there are some very tight guidelines nailed down. I think in the '90s they nailed very tight guidelines around some of the stream cleaning activities that you could not do, and we can't get around with regulation. So we may need help on both of those. But you raise good points. We certainly are-- That's why we do allow for emergency stream

cleaning in a lot of these emergencies ahead of time because we can with using emergency power. But we're certainly open to making changes on that, because we've heard it from the towns up the Passaic River Basin, as you know. And now with storms like this, it does help emphasize it again.

Thank you.

SENATOR CARDINALE: You see, in the redistricting I inherited a great many more towns than I had before that have serious flooding problems.

COMMISSIONER MARTIN: Right.

SENATOR CARDINALE: And the devastation-- You don't need a Sandy to find people's homes being half under water. It creates terrible, terrible problems. And we can ameliorate it if we can keep our drainage system more adequately maintained.

COMMISSIONER MARTIN: Absolutely.

SENATOR SARLO: Senator Oroho, followed by Senator Beck, Senator Pennacchio.

SENATOR OROHO: Commissioner, thank you very much. I appreciate you being here. And I know throughout the whole -- prior to the storm, during the storm, and after the storm you and many of the Governor's cabinet were there for days and nights continuously for about three weeks.

COMMISSIONER MARTIN: We're kind of tired of each other right now at this point.

SENATOR OROHO: I'm sorry?

COMMISSIONER MARTIN: We're kind of tired of each other right now, being in the same room for that many days. (laughter)

SENATOR OROHO: And how many times you had obviously those daily conference calls which were very important for us to be able to communicate with our people.

Senator Cardinale said -- and the issue with the stream cleaning. I just want to make sure the reason why you can relax some of the rules -- and maybe relax is the wrong word -- but have the stream cleaning prior to the storm is because of the declaration of emergency that gives you extra powers -- that you can do that -- that maybe the Legislature needs to change so that maybe we can make that permanent.

COMMISSIONER MARTIN: Some are guidelines we already have in place that we can use anyway. Some of those are guidelines we have in place. Some of those we take a little more liberties with under emergency powers to allow towns to do some of that stuff.

SENATOR OROHO: So maybe there are some of those that if -- even, like, say the five days prior to the storm -- where, as Senator Cardinale said, we could do that permanently -- we can keep them clean all the time. Because that was something-- With the 24th District up in the northwest, we got hit with a lot of tree damage, whereas the Hurricane Irene, where we had a lot of infrastructure damage because of the velocity of the water coming off the mountains particularly.

And I will tell you, I very much appreciate the administrative order that we had worked on with the Department. And I think you've actually put that into place again for this storm where, essentially, the infrastructure could be rebuilt in place and the permitting process relaxed in that situation. Am I correct with that?

COMMISSIONER MARTIN: Exactly the same. We used that same-- I signed that same administrative order again under this emergency that allows us to be able to do exactly that so that towns could go out and replace the infrastructure -- as long as they provided in-kind and they met current standards on putting it back right away, they didn't have to come back to us for a permit.

SENATOR OROHO: I appreciate that. Because I know in at least one county -- Sussex County -- with respect to the construction work that was being done, we're talking about permitting costs between intergovernmental agencies-- I think it saves us, like, \$4.3 million. So I appreciate you putting that--

COMMISSIONER MARTIN: Senator, can I just clarify? What it does -- just so we make sure -- it still-- The towns still have to come back to us with documentation from certified engineers that say, "We did this work. Here is the certification," so we can make sure that it all gets funneled through properly so we meet our Federal requirements and, potentially, FEMA requirements. At the end of the day, if you want to get reimbursed, they need the documentation. But they can just go do it right away without calling us until after the fact -- they can file the paperwork with us.

SENATOR OROHO: One other point with respect to-- As we saw with the mayors of Little Ferry and Moonachie, obviously their whole communities did a fantastic job with the County and the State. Any concern with respect to the underground storage capacities of the gas stations -- the oil tanks or anything like that -- as far as leakage or anything? How do we-- Any concern there?

COMMISSIONER MARTIN: Well, I mean, we had-- Typically in East Orange, both Irene and this one, we have a lot of oil tanks that start floating away everywhere. I mean, everything from marinas-- We have 3,000 gallon tanks that just disappeared. Everybody who has an outside oil tank -- in a lot of areas, those were floating away. So between EPA and my Department, we go round those things up. But by the time you've round them up, they've already emptied out. And so some areas get hit by that more than others.

SENATOR OROHO: Right. What about underground? I mean it's something that you obviously can't see.

COMMISSIONER MARTIN: No. Most of those are typically in pretty good shape overall.

SENATOR OROHO: Thank you.

COMMISSIONER MARTIN: Thank you, Senator.
Senator.

SENATOR BECK: Hi, Commissioner. How are you?

COMMISSIONER MARTIN: Good.

SENATOR BECK: Just a couple of things: FEMA has been telling us-- As you know, I'm in Monmouth County. FEMA has been telling us that the DEP, in conjunction with themselves and the EPA, are designating certain areas along the coast for elevation grants, for acquisition, and for mitigation. And I assume that the number we saw in the paper last week of the \$36 billion includes plans -- includes dollars to fund those plans. But I'm wondering, is that plan yet a public document, or is it a work in progress? Because as you can imagine -- and I think we're going to get, as the Chair -- Chairman Sarlo had said -- I'm sure we're going

to get into more detail later about the issues facing residents, and can they rebuild, or should they rebuild. But is there a plan that kind of takes a look, at a high level, as to where we're going to fund elevation, and acquisition, and mitigation?

COMMISSIONER MARTIN: We're starting to work on that right now. Ultimately, Marc Ferzan will lead that overall effort from the State -- what we want to do with all of that. There were some dollars put into that estimate, but it's truly a work in progress right now. And it's under the review and control of the Governor at this point in time -- on those dollars and how we're going to deal with that long-term. But I think there needs to be -- like the Blue Acres program we have with the State -- there needs to be an opportunity for us to be able to help people buy out of some of those homes, overall, just like in the Passaic River Basin. We continue to buy homes there. Long-term, we need to be able to help other people in other parts of the state who are prone to flood -- obviously have significant and constant, repetitive losses -- to be able to help them get out of their homes.

SENATOR BECK: Right. FEMA had told us that's a voluntary program though -- that they can't force people, obviously, to give up their homes.

COMMISSIONER MARTIN: It's entirely voluntarily. Exactly.

SENATOR BECK: The challenge we have -- and I know it's not just Monmouth County. I know this is a statewide issue, up and down our coastline. But if you go into Union Beach, or Fort Monmouth, or Keansburg, or Highlands, or Sea Bright right now, those residents are all

rebuilding their homes, whether they're in a velocity flood plain, whether they're-- I mean, they're simply not waiting. And frankly it's driven by the fact that this is a group of folks whose average income is between \$35,000 and \$50,000 a year. And these are primary residences, and they're tired of living in a hotel.

I'm sure you're well aware of this and you hear it -- Rich Constable and others telling you, sort of, the urgency of us getting that information out. But even FEMA communicating that their base flood elevation levels are changing isn't stopping folks from rebuilding their homes. And I know in Keansburg last week we had a couple of families who were trying to rebuild. And the construction official came in and tried to stop them. It wasn't particularly pleasant because those aren't words that any family wants to hear.

So I'm just encouraging you to keep up your hard work, because we have a lot of folks who are looking to move back into their homes or, frankly, have already moved back in. They probably shouldn't even be there in light of the condition of the home. But they really don't have any place to go, and a lot of them don't want to move out of their town.

COMMISSIONER MARTIN: I mean, the homes that are over 50 percent damaged have to be rebuilt. If they're tagged that way, then they're significantly damaged. They have to be torn down; they have to be replaced. They're going to have to go up to a new elevation and new building standard.

I think the tougher challenge, Senator, is going to be the people whose homes aren't at the 50 percent, and they're going to have to rip out

the entire lower floor, including drywall, and rebuild those on the same elevation. I think that's going to be our longer-term challenge, because they're going to rebuild on that same footprint. And in the future, if we do have another storm, that could be subject, again, to them being damaged again. And I think that's the hard part, Senator.

SENATOR BECK: And I wish I could give you assurance that those who have more than 50 percent damage aren't rebuilding, but people are resilient and determined, and they want to get back into their home. And so they probably shouldn't be but, frankly, they are. And I get it. I mean, I understand it. You want to be back in your residence.

COMMISSIONER MARTIN: Our game plan right now is to work closely with FEMA on their flood levels overall and use State standards going forward for the ones that are going to be rebuilt. I think we have to try to use those standards going forward.

SENATOR BECK: What date have they given you for the release of that information? Because we've had a couple different dates given to us.

COMMISSIONER MARTIN: I don't have the current date.

SENATOR BECK: They told us December 6, and then they said December 13 for preliminary base flood elevation.

COMMISSIONER MARTIN: They gave us several dates. And I think we're just trying to make sure it's all coordinated information before it goes out the door at this point in time. So I'll get back to you with the date on it.

SENATOR BECK: Yes, that would be very helpful.

Thank you.

SENATOR WEINBERG: Senator Gordon.

SENATOR GORDON: Thank you.

Welcome, Commissioner.

I would like to touch on three points. We've been talking about elevation standards, mitigation, and smart rebuilding. And I think you and I-- I know we've had a conversation about flood maps. It was brought to my attention long before the storm that in some flood-prone communities, there are planning board hearings now on large projects that the local residents think have a potential for exacerbating the flood situation there. And yet the engineers are saying, "Well, we're using DEP-approved flood maps. And those flood maps indicate that we can do what we're proposing." On further investigation we find that these flood maps were released in the 1980s and, I'm told, were based on data from the late 1970s.

When I introduced legislation to call for updating these flood maps, I got a cost estimate back indicating it would cost \$81 million to do this, which I interpreted as a comment from DEP that you really don't want to do this.

COMMISSIONER MARTIN: When was that, Senator?

SENATOR GORDON: This was in the last few months -- last couple of months I believe.

COMMISSIONER MARTIN: That didn't come from me. I'll be glad to follow up.

SENATOR GORDON: I guess the point I want to make is I really think we need-- If we're talking about rebuilding in a smart way, we need to use good data. We can't rely on flood maps that go back to the

Jimmy Carter era or we're just asking for more trouble. So I just throw that out there.

COMMISSIONER MARTIN: Senator, just so you know, there is a project we have underway right now that's updating several of those maps. I'm not sure which areas, because we try to carry -- most of those in the Passaic River Basin that we've been looking at. I can follow up specifically on that question.

SENATOR GORDON: I know this is a large task, but it's something I think we need to--

The other point-- I have a question about these local wastewater and drinking water utilities. As I remember, many of them are just municipal facilities. Do we currently require them to have generators?

COMMISSIONER MARTIN: In several of them, yes we do require them -- on the larger ones. But based on the size we do require them to have generators.

SENATOR GORDON: Okay. So there may well be a lot of smaller municipal utilities out there--

COMMISSIONER MARTIN: Most of the municipal ones have them. There might be a cluster of homes or a neighborhood that doesn't have one, overall, if it fits into that category. But by and large, we require municipal ones to have them.

SENATOR GORDON: Do you think we need to expand the requirements to cover all of them?

COMMISSIONER MARTIN: Yes, I think we need to make sure that happens. I think we also need to look at the fuel -- whether they

have both the size -- in the amount of fuel necessary to go beyond three or four days overall.

SENATOR GORDON: Third, and finally: We've talked about a huge amount of debris that's being removed from the streets from damaged properties and taken to these debris management areas. At some point are we evaluating the toxicity of any of this material?

COMMISSIONER MARTIN: We're trying to separate out material that has certain things in it. But we're monitoring. I've got people on the ground who are there looking at most of it. But some of it's going to be mixed in some way. I can't guarantee that all of this -- with ripping out a lot of things out of people's homes. We try to separate out paints and other kinds of things that people pull out of there overall. We try to separate out metals and things like that. But by and large it's hard to sort that out. If you go to those debris piles, people are just ripping out the bottom floors of their homes, their basements, and all the rest of that. So we do monitor the best we can. We have people on the ground. But we can't guarantee that all the stuff is -- it's what we need.

SENATOR SARLO: First and foremost is to get it off the street.

COMMISSIONER MARTIN: We just want it off the street.

SENATOR SARLO: That's the first and foremost priority.

COMMISSIONER MARTIN: That's the direction. I've told my guys, and we've told the towns, "You have to get it off the street." We'll do whatever we have to do to get it off the street at this point in time, because it's going to rot. And some of those places -- initially people were there the first day. They started dropping it out there the first day and

before any contracts were even put out by the towns to go collect that stuff. So some of it was already sitting there for a week, or two, or three in some cases. So we're just trying to move it off the streets.

SENATOR GORDON: Okay. Thank you.

COMMISSIONER MARTIN: Thank you.

SENATOR SARLO: Senator O'Toole, followed by Senator Greenstein, and anybody else. We kind of want to move it along. We have the Commissioner of the Department of Education.

SENATOR O'TOOLE: Thanks, Chair.

Real fast: First of all, Commissioner, I want to thank you. I've worked with many commissioners at DEP. I think it's one of the most difficult bureaucracies. I think you do the best job trying to corral, which I think sometimes is inflexible -- bureaucracy.

And even before -- I think you were talking about being flexible and relaxing some of the rules with regard to picking up the debris, landfills, and also the desnagging of some of the rivers. It's a commonsense approach, but for years, and years, and years it's been very difficult to try to pierce through that stonewall bureaucracy that you oversee. And we need to change it.

Now, you're talking about -- whether you think it's regulatory, let us know. And if it's more than regulatory -- you're worried about the legislation -- my guess is you will have a near unanimous Legislature that's going to work with you to make sure that we get the support and the help to expedite some of this rebuild.

COMMISSIONER MARTIN: That would be great.

Thank you, Senator.

SENATOR O'TOOLE: With regard to the -- you're talking about the FEMA standards on the rebuild, elevation, and also the construction. When you talk about doing a survey throughout the state, can your folks at DEP also look at some of this -- the other states that have done a great job on rebuild post-hurricanes to find out what is the real standard we need to put in place that is going to best protect us and the investments we're making with all of the rebuild -- either infrastructure, roadways, homes, improvements, dunes -- whatever that might be? I think we could have the help of the other states that have done this and gone down the road. That would be really helpful.

COMMISSIONER MARTIN: We started doing that already. In a lot of cases we've talked to DCA who is also reaching out. And, again, we're also using groups like the Army Corps of Engineers who can look at it in a lot of different places. They provide us a lot of input initially, especially on the dunes, and the beaches, and all the rest -- that they've seen a lot of this structure a lot of different places. So the answer is yes, but we'll continue it, Senator.

SENATOR O'TOOLE: Last comment: You talked briefly about the 600-or-so water facilities that we've had to protect. You didn't read about them because they were teetering on a catastrophe -- that never happened. We read a little bit about the Passaic Valley Sewage Authority. Your staff did an excellent job, and it was a very difficult situation. I talked with a lot of the folks down there. They're in a very difficult rebuild. I think at the next--

Is it the next one, Chair, where we're going to have some testimony from them?

George, is it the next hearing or the one after that -- the Passaic Valley Sewage Authority?

SENATOR SARLO: Yes, they're going to be part of the-- We're working on them as to be part of the utilities hearing on Wednesday.

SENATOR O'TOOLE: That's an extraordinary effort. You folks came in and jumped in with the EPA folks and others. I know there was a lot of maneuvering. But I think I want to talk about that in a more full -- have a more full debate about that next week.

COMMISSIONER MARTIN: I mean, the guys from PVSC -- I give them a lot of credit. They just did an incredible job. Besides all of us who jumped in as a team effort to make it happen, the guys at PVSC just incredibly stepped up. The Army Corps was there, EPA was there, we were all there as a team to make it happen. It was a great success story.

SENATOR O'TOOLE: The entire operation -- and, Paul, you know this -- the entire operation was submerged. Forget about the administration building blown out. The entire operation was under water.

SENATOR SARLO: I think we're hearing over and over -- and I was talking to Senator Ruiz this morning, and Senator Pennacchio, and Senator Bucco mentioned it -- is about-- Listen, putting on my engineer's hat as a civil engineer, when you go cheap on the infrastructure it comes back to get you in the long run.

It's not cheap. It's going to cost a significant amount of money. We're going to go through a very difficult budget year. Everybody has to keep that in mind. This is going to cost us real dollars over the course of this year and in the year's to come to properly rebuild the infrastructure to protect ourselves in the future. It's real dollars.

Senator Greenstein.

SENATOR GREENSTEIN: Thank you.

Thank you very much, Commissioner.

Just two areas I want to ask you about quickly: One of them is, I have the impression that some of the towns -- particularly some of my smaller towns -- didn't always have information they needed. And I'm wondering if maybe we could set up a network to make sure that they do.

Just as an example, I called the Department who was helpful to me -- Mr. Hazen and others -- just to get information on-- One of the towns called me, and didn't know where the flooding might come into his town. And he thought it was coming from, let's say, Mercer County, but in fact I found out it was Middlesex County. He didn't even know the trail. He thought that if certain towns closed or lowered the levels on their lakes that that would affect him. It turned out not to affect him.

I have the impression that there isn't always really good information out there. There is a lot of talk of people sitting down, and I would really like to work closely with your Department on that to make sure that everybody knows all the different possibilities during a storm and how it might affect their town.

Was that an impression that you have -- that that information isn't always out there?

COMMISSIONER MARTIN: I don't know if it's always there, Senator, in a lot of cases. The inundation maps that you have out there -- some of it is good, some of it is not. These maps here that we had -- I forget what they call them, splash maps or whatever they had -- we had at the ROIC during the storm. We looked, at the first cut at those. And some we

could guess were going to work. Some of it's guess work, because we've never seen a storm of this size ever before. And when we got through multiple cycles of high tide we couldn't even project that. And even the National Weather Service, NOAA, or anyone else couldn't help us with it. So in some cases we could project some of that better. In this case here, a lot of it we just couldn't project very well. The tools weren't there, and we didn't have the information.

SENATOR GREENSTEIN: Every storm is, apparently, very different -- different set of conditions. And clearly that's part of it.

COMMISSIONER MARTIN: Right.

SENATOR GREENSTEIN: The other thing is, I want to echo what Senator Beck was talking about -- just the idea that we need a policy discussion -- but we would have to do this pretty quickly, I would say -- on what should be rebuilt, what legally can be done, where we need to make changes. Because people are apparently rebuilding. And my impression is that they're all thinking, "Oh, the government will help us. We want to rebuild now, and we'll get the money later." But I know that when I talk one-to-one to people, they're always speaking in terms of -- we really should change our policies and perhaps not rebuild all of these things that are very likely to flood again.

So I think this is a very important policy discussion for us in the State. And do you have a sense that's being had right now and that there is a sense of urgency?

COMMISSIONER MARTIN: Oh, absolutely. Commissioner Constable and I are constantly in discussions around that already. We're talking to the Governor's Office about it. And Marc Ferzan -- I had a

conversation with him yesterday morning, Sunday morning. He and I spent two hours on the phone talking it through yesterday. So we're at least putting policy thoughts around it to start moving forward in that discussion.

SENATOR GREENSTEIN: And what role can we play here in the Legislature?

COMMISSIONER MARTIN: I'd love to get input. I think we'd love to hear your input on what those issues are around it -- what you're seeing from your communities overall. That would be helpful to help frame out where we're going.

SENATOR GREENSTEIN: Thank you.

COMMISSIONER MARTIN: Thank you, Senator.

SENATOR SARLO: Senator Pennacchio, I think you had--
Final question, Senator Pennacchio.

SENATOR PENNACCHIO: Thank you.

First, going forward, Commissioner-- First, thank you for your testimony.

It is very important to myself, as well as other legislators -- as a matter of fact, all of us -- that as we go forward, we put the same amount of emphasis for remediation on flooding issues that we've had historically over the last few years -- as much as we do on what the hurricane issue brought with us. My district has areas that continually flood. They've had three 100-year storms in one year as opposed to one. And I think there's a big tie-in. And I don't want to do -- I don't want to forget about the Raritan, and the Rockaway, and the Passaic rivers, and all those areas associated

with it as we go forward, making sure that maybe we can tie those in with some of the discussions that we've had.

Thank you personally, very much, for -- you said it was the first time that you actually lowered the dams. And historically New Jersey hasn't done that. I got a sense that because of the enormity of the problem, that going forward -- and because it's so dynamic and so changing -- some of the thoughts, quite frankly, may start changing within the Administration itself.

One of the issues is resources. I don't think we have the money, quite frankly, to do everything that we have to do. Even if FEMA comes across and we're able to lobby them for 90 percent, using the administrative estimates -- of which I heard \$40 billion. I don't know how much of that is remediation, how much of that is build up. I don't know how much of that is to try to allay some of the future problems. But just as a generalization, 10 percent -- even if FEMA pays 90 percent, 10 percent of that is still \$4 billion. Part of that will be from the taxpayers themselves, part of that will be local, county, etc. But I have a feeling that a good chunk of it is also going to come from the State.

Are there any discussions at the State level about how we get those resources, whether we can bond for those resources in the future? That way, when we talk about those infrastructure projects that the civil engineer, Senator Sarlo, said-- Because that's going to cost money, but it's going to benefit future generations. Any discussions about, going forward, whether or not we're going to be including any bonding for those to also offset some of the remediation costs of the flooding issues that we've had in the past?

COMMISSIONER MARTIN: Senator, I've not been involved in any discussions with the Governor or front office about bonding, or money, or all the rest of that. That's cleared with the Governor and the Governor's staff -- and now with Lou Goetting and all the rest of that staff. So I've not been involved in that, Senator.

SENATOR PENNACCHIO: Any sense of whether or not we feel that we can do it from existing resources?

COMMISSIONER MARTIN: Senator, I don't know the answer on the money.

SENATOR PENNACCHIO: You just don't know.

COMMISSIONER MARTIN: No.

SENATOR PENNACCHIO: Okay. And finally--

COMMISSIONER MARTIN: You're not going to get me to agree to your bond act, either, in public. (laughter)

SENATOR PENNACCHIO: Well, I would never be so self-serving as to mention my \$2 billion flood remediation bond act, but I would hope that you support it.

Finally, this is just to carry on publicly what we had in a private discussion, and it was echoed by the County Executive. Part of what I think we can do is incentivize people as opposed to telling people what to do. We had talked privately about maybe using Blue Acres money or doing something where we can encourage people to put their houses on stilts, build up instead of just knock down. It's a lot cheaper to do. And if we could do a program where we can maybe buy down the interest rates and give these people low interest rates over longer periods of time, we could leverage the moneys that we do have a lot greater than just taking a house

and knocking it down. So that's something that hopefully the Administration, and I, and whoever else takes interest on this Committee would look at in the future.

COMMISSIONER MARTIN: Certainly, Senator, for local towns, from a tax base point of view, the best answer is to elevate those homes where we can. And that's what we ought to be looking at overall. However we do it, that's clearly a preference. I know it's a preference for a lot of the mayors across the state. So we should be trying to find that. And we do try to find that right now. And I think when we start looking at -- we start getting money from FEMA, from a mitigation point of view that's one of the places we ought to put a lot of that money going forward.

SENATOR PENNACCHIO: But, again, if somebody wants to elevate their house and it costs, for argument's sake, \$25,000-- As opposed to just giving them \$25,000 to do it -- which we may not have those resources -- I'd just assume let them do it, but we'll help them in a sense that maybe we can buy down -- use the moneys that we have, leverage it to many more families, and let them go to the bank. And we'll either guarantee or we'll buy down the interest where, over 20 years, they could pay it at a very favorable or no interest rate at all.

COMMISSIONER MARTIN: There are a lot of options out there, and we should be looking at all of them. Absolutely.

SENATOR PENNACCHIO: Thank you for your testimony, Commissioner. Thank you for all your efforts.

SENATOR SARLO: Thank you.

COMMISSIONER MARTIN: Thank you very much.

SENATOR SARLO: Thank you, Commissioner. We'll be in touch with you. We'll get something on the schedule right away for the next couple of weeks, along the coastline, to talk about the next process down the shore.

We're going to bring up the Commissioner of Education. If you would just give me one second on the side.

COMMISSIONER MARTIN: Great. Thank you all, Senators, very much; I appreciate the time today. Thank you.

SENATOR SARLO: We are going to now hear from our Commissioner of Education, Commissioner Cerf. Commissioner Cerf, thank you for your patience. We've had a lot to talk about today. I know Senator Ruiz was at the Robert L. Craig School today, which is out of service until next September. So will you share some thoughts with us, and then we'll turn it over to questions.

COMMISSIONER CHRISTOPHER D. CERF: Thank you very much, Chairman Sarlo and members of the Committee. It is a pleasure to be with you here today and to update you on the status of our schools and our students since the monumental storm hit us last month.

I don't think any of us imagined the magnitude of the destruction that our citizens had to deal with this past month, as everyone has tried to return to their normal lives. In fact, returning to that sense of life in an ordinary, normal course has been one the hallmarks of these efforts over these past several weeks. I don't think any aspect of normalcy is more significant than having a house; but also having your kids go to school as scheduled. I think for all of us who are in that position, that is a

very critical part of what it means to get up every day and have a normal life.

And it was very much our objective to get that facet, which was largely within our control, back to where it needed to be.

So just to give you a little bit of frame of mind: If the storm was at its zenith on Monday the 29th, on the following day, on Tuesday, only 214 out of the state's 590 districts were even open for business; and in many of those -- not all -- schools were open. Many of those that were not open -- schools and districts -- were dealing with structural damage, were dealing with flooding. Lack of power was, obviously, a major concern. In many cases, it was road closures, the traffic lights were out, and personnel -- teaching staff, instructional staff -- not able to get to school. We also, frankly, had a conflict between two, I think, very important concerns. Some schools were serving as shelters, and appropriately so. But obviously it's impossible to conduct school when they are also serving that double function.

So between all of these causes, there were a very substantial number of schools that were not open to serve students with their educational needs.

All of us -- and you all, I know, were an important part of this, and have been very kind in your comments about the level of energy that my colleagues and I and others engaged in over the two weeks. I'm sure some of you -- I know some of you participated in some of the phone calls in which we tried to keep people informed about what was happening over this period.

The first significant aspect of the work really involved communications -- that is, understanding what was happening out there. I mean, again, this is a state with 590 districts, about 2,500 schools -- a little bit less than that -- and with e-mail down, with servers down, with people literally out of touch, just understanding where the issues were, where the needs were. And we engaged in a very comprehensive communications effort to assess the situation on the ground and provide districts with available resources to help them return to this state of normalcy as quickly as possible.

Our sort of agents in the field, if you will, were our Executive County Superintendents -- they reached out to nearly every superintendent to assess the situation. We were on the phone with them at least daily, sometimes more than that, maintaining, I will tell you, a massive and very dynamic spreadsheet -- literally, with every school in the state -- just to try to understand what the situation was.

We began sending daily -- or nearly daily, I should say -- e-mails out to the field. I mean, there were just a lot of recurring questions, a lot of issues about how to deal with the issues. And we posted information on special broadcast sites and so on.

We also sent a message out as quickly as we could. All of us -- and me, probably me as much as anyone -- were figuring out-- You know, this was an unprecedented situation, and as others have said, this is the moment when government needs to rise to the occasion. This is what government is for -- in moments like this. But partly it is to start to convey general guidance. And our general guidance was: Let us use as much creativity, clear out the rules, the regulations, your bureaucracy. Let's get

schools open -- the only limitation being safety. And we saw a tremendous degree not only of resilience, as some of you have said, but also creativity. We had schools -- where one of the schools had no power and another school did have power -- doubling up. We saw schools doing multiple shifts. We saw schools-- People said, "Well, what if our bus fleet doesn't have fuel?" And I said, "Well, just have school and have people try to carpool, if that's possible." So there was just a range of creativity.

But our message was, let's err on the side of safety, but second only to that, let's get schools open as quickly as possible.

And I would say that the work -- and I know you've heard from the Mayor of Moonachie -- was very evident of that. I had a call from the Superintendent very early in the process who said, "Can I order trailers?" I had no idea, frankly, whether -- what process needed to be gone through to order-- You know, these are temporary classrooms that you see frequently. And you know, basically, our message was, "We'll work it out later. By all means, do that." And they've also, as another example, developed collaborative relationships with a nearby district -- the Wood-Ridge Schools -- to get their kids back into--

SENATOR SARLO: That's me; I'm the Mayor over there.

COMMISSIONER CERF: Oh, well, there you go. I think you should take a bow. (laughter)

SENATOR SARLO: No, no, no.

COMMISSIONER CERF: And yet, still we were spending, basically, night and day in the Regional Operating Center doing things like getting the National Guard to deploy a truck's worth of fuel to schools where the boilers weren't working, or working every day with the power

companies. But still, by November 5 -- one week after the storm -- about 1,000 schools, or roughly about 40 percent of all the schools, had opened their doors. That's about 1,000 out of 2,500. By the 7th we had, through a variety of different means, collected information about individual buildings -- the damage to the buildings. We were working with appropriate agencies -- certainly to include FEMA -- for assistance getting initial cost assessments about the work. And we actually went into the field, into Monmouth County and elsewhere -- Hudson County -- just to have a meeting in which people could come and have questions answered.

And sort of the net of all of this is that by two weeks after the storm all of -- every child was receiving educational services in the state; and 99.4 percent, to be precise, of the schools were actually open. That leaves approximately -- not approximately -- 11 schools that, today, are not open and receiving children. All of them have made arrangements for their children to be educated in a neighboring district, to lease a parochial school, or they have some kind of alternative solution.

We also have identified approximately 113 schools that sustained serious physical damage -- not so serious that they could not accept students, but have a great, substantial amount of work to do. Of those 11 schools that remain out of service, some will not be back until the following school year; the majority of them, at least if current projections hold, will be back -- some after the holiday break, and others at various times.

So the other issue that I'll just quickly mention -- then I look forward to your questions -- is that it isn't just a question of buildings. The ultimate question is, are children receiving educational services? So we

were very concerned about children who had, literally, melted into the -- melted away. That is, they had gone to live with a relative, they had gone to live with a friend, and what is-- So we were-- We undertook a very significant effort to, sort of, track children who had been served the day before the storm and were not currently being served in the school that they were in. And I cannot represent to you that we have a complete and precise roster of that, but my sense, which I can report to you, is that the number of children whose whereabouts are, literally, unknown -- and I don't mean that in an ominous way, but have sort of melted off -- is probably-- We've only identified 28 by name; there may be more and we're continuing that collection. But my distinct sense, which I'm happy to report, is that while lives were profoundly disrupted and continue to be disrupted, that for the most part people have sort of scrambled their way to returning to normalcy as we approach the business of rebuilding.

So I'm happy to answer any questions you may have. There is a lot more to report, but I'm sure that will come out in questions. Thank you.

SENATOR SARLO: I'm going to turn it over to Senator Ruiz. I have no questions. But it's so true, because people's lives, as all of their property-- If someone was to completely destroy-- People's lives were thrown into chaos -- everybody's lives. One of the first things they always said was, "Please get my children back to school." There is some type of normalcy that's associated with it. Children getting up in the morning and going to school is a good thing. It's a good thing for the children, it's a good thing for the parents, and it's a good thing for everybody. They're learning that it's a process. So it's so true-- I can live without power; I can

deal with that. But please, get my children back in school. That one thing is so important to me; I want them there and I want them learning, not here with me. (laughter) So I think that is-- It puts a lot of added pressure on.

So I'm going to turn it over to Senator Ruiz.

COMMISSIONER CERF: Thank you.

SENATOR RUIZ: Thank you, Chairman. Thank you, Commissioner.

I guess, following up with the Chairman's comments: The biggest question has been: How are districts dealing with the 180-day rule? I know that I've heard in certain circumstances we picked up two conference days -- vis-à-vis the conference was cancelled -- if those schools were operating. I just heard today from Moonachie that I think they picked up Election Day and Veterans Day. So it appears that districts are being proactive in trying to scoop up different days. Are you closely speaking to the districts that were impacted? Do you foresee waiving this in any capacity? And what is the impact to seniors and 8th graders who are graduating, if, in fact, it's creating an impact? And I only bring this up because it's December, and although it's 60-some-odd degrees outside there will be a snowstorm phase that the State will potentially-- And usually our days are saved particularly for that. So I'm just thinking long-term as far as completing the timeframe.

COMMISSIONER CERF: Thank you; it's a very important question and one that needs to be addressed.

By the way, I neglected to introduce my colleague, Susana Guerrero, who I know is well known to Senator Ruiz and I hope to many of

you, who has joined us as an Assistant Commissioner. And she has actually been looking into this very question to a great degree.

The statutory requirement is 180 days of instructional time. Most schools build a cushion -- typically 185 days -- it varies by district -- and hope for the best but assume the worst, and assume that some days will be lost to snow and weather and so on. Faced with a decision about how to respond to this question, I guess I made the call that I did not want to message, at the height of the storm, that we were going to waive this rule in some kind of across-the-board way -- for a bunch of different reasons. I mean, as-- I guess I can say this: Most school districts engaged in this heroic and creative effort, but others much less so. And they said, "Well, we'll sort of wait it out for a couple of weeks and sort of see it happen." There were some districts where 100 percent of the students came; there was one district that reported that 762 teachers didn't report for work 10 days after the storm. And so I thought it very important, and I hope you agree, that we always give the message: figure it out, get back to school; and not say, "There's relief coming at the end of the process." So that was and has been and continues to be our theme.

And I will also tell you, that as hard as this is to believe when you see the film of the destruction and so on, there were significant parts of the state where schools didn't miss a day. I mean, you happen to be-- I'm no meteorologist, but you wanted to be south of the eye of the storm. And so there were significant areas that were not-- So essentially we are not waiving the rule and do not intend to waive the rule in an across-the-board way. In extreme circumstances we will entertain, on a district-by-district basis, applications for some kind of special dispensation. But I think it's

premature to do that and I would encourage districts to do as they have been doing. I mean, we were very grateful that the NJEA, for example, cancelled their multiple day convention or event in Atlantic City. And, interestingly, many districts worked with their local representatives to recapture those days for instructional uses. And, in some cases, it just didn't work out that way.

SENATOR RUIZ: In instances where districts are moving their students -- both, I think, in Little Ferry they are leasing space; in Lyndhurst, I think is what I heard; and in Moonachie they beefed up their bus transportation, I guess, over to Wood-Ridge because that's where the high school students go. Has DOE helped districts that are in need of funding for transportation costs? I know that our surpluses were tapped into a few years back; I don't know if it's given districts an opportunity to kind of grow those resources again for times like these.

COMMISSIONER CERF: So we are working with districts around that. The law, actually, already exists to, sort of, surprisingly, to anticipate this and cover some of this -- to make it sort of -- somewhat byzantine area -- overly simple. The first thing we did is we encouraged any district where a child had been displaced to, to just serve the child right away.

SENATOR RUIZ: And if I could just jump in on that also.

Some districts have-- I know in the city we've actually had some family members from Long Island who have-- They've absorbed the student population. While you're dealing with the transportation, I guess, reimbursement or working with them, are you also looking at districts that have absorbed students -- not space-wise, as in Wood-Ridge -- but have

taken them in to their student population? Because I think we oftentimes see that money, when the population gets smaller, is quick to impact; but when the population starts to grow there is a lag time to kind of reimburse the district.

COMMISSIONER CERF: There is a lag time, but there is a provision for this, and that is under the so-called McKinney-Vento Act which addresses -- technically, I guess, it's homeless children -- displaced children. There is a mechanism by which the receiving district, if you will, gets reimbursed from the district where the child was previously educated. That's the district that's actually been receiving the Federal funds. And we're working to facilitate those conversations to accelerate the transfer of funds.

Specifically on transportation -- and Susana, please step in and correct: Essentially a child who wants to be bused back to her home district -- she is no longer living in the home district but is going to school somewhere else where their family has moved -- actually has the right--

SENATOR RUIZ: Within a certain mileage -- right -- I thought.

COMMISSIONER CERF: Susanna, I think we have some clarity on that.

A S S T. C O M M I S S I O N E R S U S A N A G U E R R E R O:
Actually, regulations require the district of residence -- so the district where the child originated from -- to pay the transportation costs. And in regulation there actually is no limitation on mileage. I mean, it may not make sense to transport a child 50 miles -- a 1st grader.

SENATOR RUIZ: So the district comes up with their own-- regs, you're saying, there's no cap on mileage, and then locally they can cap it?

MS. GUERRERO: Well, I can't-- No, I'm not saying that locally they can--

SENATOR RUIZ: This is a sidebar conversation, because a light bulb went on.

COMMISSIONER CERF: No, no, you're right. You are right. I don't think they can actually locally cap it, but in effect that's what happens, Senator -- meaning they have a conversation, the two districts, and say, "This doesn't make sense," or "How can we make this make sense?" in the best interest of the child.

MS. GUERRERO: Right.

COMMISSIONER CERF: So, you know, we certainly have had conversations with FEMA. I mean, there are certainly buses that were destroyed, for example. We deployed a great deal of fuel oil to support -- or gasoline, I should say -- to support getting the fleets up and running at various times during the first 10 days or so. So we think that the transportation issue is, sort of, on track for a good resolution. That doesn't mean issues aren't going to surface. But that's where we are.

SENATOR RUIZ: And I think one of the greatest long-term discussions that DOE will have to, if -- I'm sure you've already engaged in this: The Chairman and I, in Toms River, were talking in a sidebar conversation that, again, surfaced up to resources to a town. We forget that our local school districts are funded-- And it's not that we forget, but it was

almost a secondary thought that the budgets for our school districts are funded through homeowners, right?

COMMISSIONER CERF: Right.

SENATOR RUIZ: If the homeowner base has dramatically changed, if tax appeals are filed and then they're granted, what does that do to the local impact of that school budget and, in turn, what do those holes create? And who is going to fund that kind of revenue gap that will be created? And I'm sure you-- Because if you had a great answer--

COMMISSIONER CERF: No, we don't. We don't.

SENATOR RUIZ: --it would be phenomenal. But I mean, this is something that we have to, I mean, in the short-term start thinking about. April is rolling around, budgets will be on the books. How is that going to impact? And then, long-term, I think we're going to see the faces of districts change, where you could potentially see some school districts almost go from a certain number to a smaller number if they decide not to move back in or if that revenue base just doesn't exist any more.

COMMISSIONER CERF: So we are definitely going to see some sort of funding dislocations because -- for the reasons you identified. I mean, I don't know that it's particularly relevant, but one fact that may bring us some comfort is, I talked to my counterpart in Louisiana and he said actually in the year following, or the months following the storm, there was actually a spike in the tax revenues. I said that's totally counterintuitive. That doesn't mean it's distributed in the right way -- but because of all the sort of resources that were coming in to rebuild. But be that as it may, our funding formula, as you know, is time lagged and that certain assumptions are made about resources. And those assumptions may

be seriously challenged as tax collections are completed. So as we used to say in law school, we have the issue spotted but we don't have the answers.

SENATOR RUIZ: And Chairman, I guess this is, for now -- my last question is the school construction. SDA deals with the former Abbott Districts and there has been a very slow process in getting those shovels in the ground. Schools districts that have had destruction to their buildings that will need-- Is DOE looking at strategies to help, or--

COMMISSIONER CERF: We have met with Marc Larkins and with the SDA, and we've tried to, sort of, unpack where resources come from, whether for repairs as opposed to new construction, the role of-- First recourse is generally to insurance companies; FEMA picks up the balance, to the extent they're covered -- cost is. Obviously, not all homes are--

SENATOR RUIZ: My concern with that is only that when insurance-- A lot of the money sometimes tends to be used for interruption of services, so you'll see the district draw down for transportation and for leases. And then the project never gets a shovel in the ground because you have to deal with day-to-day operation.

COMMISSIONER CERF: Well, I can assure you that from the vantage point of the Department of Education we are all about cutting red tape, and facilitating execution, and getting it done. And we have sort of acted on that principle from day one. And I have the same assurances from Marc Larkins. So I am-- I think that all that can be done is being done. And, again, I mean, I'd obviously be more than interested to hear if you all are hearing different things from your constituents. But, you know, these individual issues -- each one different from the last -- different exclusions under insurance policies, different issues -- are sort of being tackled sort of

one at a time out in the field. And they are facilitating those conversations to kind of backfill where issues surface.

Thank you.

SENATOR RUIZ: Thank you.

SENATOR SARLO: Just not to-- Senator Ruiz raised a very important question about funding of schools. And one thing is a little bit different here in New Jersey than, perhaps, other states like Louisiana where income tax and sales tax may spike, corporate taxes may spike. Schools here are funded by property taxes.

COMMISSIONER CERF: Right.

SENATOR SARLO: And there will be a dramatic decline in the valuation of property -- Ocean County, Monmouth County, a good portion of Bergen County, Middlesex, parts of Essex -- areas that had severe damage to their homes where people are going to be filing tax appeals. That's going to be one of the biggest challenges we're going to have, come April, with school budgets.

COMMISSIONER CERF: Oh, I think it will be a very interesting budget season. And I'm sure you're looking forward to it. You could not be more right. I mean, particularly the difference between statewide taxes and local taxes. That is a fundamental distinction that's important to bear in mind.

SENATOR SARLO: We meet with the mayors all the time. And Senator Ruiz today-- We meet with the mayors, and the mayors tell us about the impact. But at the end of the day they are a third of the property tax levee, really. The other 60 percent is the school tax.

COMMISSIONER CERF: Understood.

SENATOR SARLO: Senator Oroho, you have a question?

SENATOR OROHO: Yes.

Mr. Chairman, thank you very much. Commissioner, thank you for your testimony, for being here and, as everybody said, thank you very much for all the efforts and the activity that you, and your Department, and all your colleagues had in keeping us informed and working with us. Because up in my area of the state -- northwest -- it obviously was the power issues, it was the road closings because of the significant tree damage and what not. And I know your message of, "be creative, be flexible, let's get the children back to school," was being heard; because one of the schools that we have in Hopatcong, as you said, was a shelter for a number of days. And one of the things, I think, for the 180-day rule, I think in our statute it may actually say days -- 180 days. And I think in some states there is a flexibility for hours. Is there any thought of, maybe, being able to use an hour measurement to give the school districts a little bit of flexibility in order to get to that 180 day?

COMMISSIONER CERF: We have given some thought, and our -- I would tell you, we believe we're guided by law and regulation on this -- is that to the extent that someone wants to, for example -- I'm not encouraging this -- but wants to hold another day of school on a Saturday, for example, that certainly is within their-- But we don't want people to say we're going to hold every -- a school day is typically a minimum of 4 hours, by the way -- that we're now going to have school days that will now be 4 hours and 10 minutes, and we're going to stack each of those 10 minutes up and every once in a while we're going to count that as an additional day.

So we have not allowed the expansion of the school day to substitute for a school day itself.

SENATOR OROHO: Okay. But there was, say, the ability to have a minimum of-- Four hours is not enough, in my opinion. And most parents would probably say no, we need more time--

SENATOR RUIZ: More time on to us.

SENATOR OROHO: Yes, we need more time in school. But, you know, would it have to be a statutory change, a legislative change, in order to even have an hourly and/or requirement--

COMMISSIONER CERF: We can add an additional hour to the day, for example?

SENATOR OROHO: Yes, say to give a school district a little bit of flexibility to say, "Okay, listen. With the busing problems that they have, if you had to extend an hour--" Going on a Saturday is one thing, but you have to extend the day an hour in order to catch up a day within next week or something?

COMMISSIONER CERF: I think that would require a change in statute, yes. I mean, it says *days*; maybe we could interpret our way past that, but it's pretty clear, and there's a pretty good body of precedence.

Is that (indiscernible) you?

MS. GUERRERO: Right, it does specify days.

SENATOR OROHO: Days, yes. When I read it, I thought it was specifically days as well. And I understand there are some states that say days or 1,100 hours.

COMMISSIONER CERF: Yes. Ours doesn't do that, so that would take either a change or really pushing the language of the law and seeing if it held up.

SENATOR OROHO: Yes. And it wouldn't be, as far as what would constitute a day, but the cumulative hours being, say, 1,100. Because then that would equate to, essentially, a minimum of a 6-hour day, you know?

COMMISSIONER CERF: Yes.

SENATOR OROHO: All right, thank you.

COMMISSIONER CERF: It's something worth considering. Thank you.

SENATOR OROHO: Thank you.

SENATOR SARLO: Senator Pennacchio.

SENATOR PENNACCHIO: Thank you, Chair. Thank you for your testimony, Commissioner.

I think we authorized -- the Legislature -- that second bond act of roughly \$4 billion a number of years ago. Do you have a handle on how much money is left in SDA?

COMMISSIONER CERF: I don't. Do you? We'll be happy to get that for you. I seem to remember-- Most of it is still--

SENATOR PENNACCHIO: Most of that is still there?

COMMISSIONER CERF: --left to be spent.

SENATOR PENNACCHIO: Do you have the flexibility -- would you, could you -- use that money for the remediation of some of these schools, or would you need special legislation in order to do that? For instance, if FEMA comes in, if you can't convince them to pay for 90

percent of the school reconstruction costs, could we go to SDA and say, “Now can we get the extra 10 percent from you?”

COMMISSIONER CERF: My understanding is that the SDA’s funds are substantially dedicated to the former Abbott Districts, and that use of the funds beyond that -- beyond that limitation -- would require statutory action. I do know that-- I best say that that’s a question we need to examine. But I have a very strong sense that that would require special legislation.

SENATOR PENNACCHIO: Because I do recall some schools in my district taking a (indiscernible); it wasn’t the second, it was the first bond act of which they got up to 40 percent of their remodeling or their costs of new construction. So to me if you could get 40 percent a number of years ago, can we take a look at, maybe, helping out these individual school districts and seeing if FEMA pays 90, maybe we can get it all-- Even if FEMA pays 75, maybe we can get the extra money from the existing pot of money that we already bonded for.

COMMISSIONER CERF: We should do that. You’re, I think, referring to what are called ROD grants -- Regular Operating District -- juxtaposed against Abbott Districts. So I know that we want to maximize the flexibility of that pot of money for both repairs and replacements. And we will absolutely look at that, and I know that there is a commitment from the SDA to do that as well.

SENATOR PENNACCHIO: We’re thinking about drafting legislation in order to help the people who have suffered with this. Would you be able to get back to us about whether or not you can or can’t do it, and what the exact wordage -- verbiage -- of the legislation has to be in

order to give you that power? Could you get back to myself or the Chairman -- actually, to all the members of this Committee, if you don't mind? Because that seems to be an important issue. And the money is just sitting there, just waiting to be spent.

COMMISSIONER CERF: We'd be happy to.

SENATOR PENNACCHIO: Thank you.

SENATOR SARLO: I think -- and I have not been critical at all throughout this process, and I won't be, but the SDA really hasn't built any schools in the last couple of years, right?

COMMISSIONER CERF: Well, they are moving forward with a significant number of schools.

SENATOR SARLO: Right.

COMMISSIONER CERF: But you are right.

SENATOR SARLO: We haven't built any schools in the last couple of years and here we need money; we need an infusion of money. Whatever FEMA is not going to cover, we need an infusion of money to put these kids back in school. Because there are 100-- How many districts, did you say? No, 11.

COMMISSIONER CERF: There are 11 schools, but there are at least 113 schools that have--

SENATOR SARLO: Severe damage.

COMMISSIONER CERF: --severe damage; sometimes measured in the hundreds of thousands, yes. That could be a wing, or a gym, or something.

SENATOR PENNACCHIO: But, Chairman, that would be a tremendous relief to the individual municipal taxpayers of those districts. Because, you know, there are issues with their municipal--

SENATOR SARLO: Clearly, you're going to need to change the statute.

SENATOR PENNACCHIO: Anything that could be done to bring those schools back up. And between FEMA and maybe the State contributing, I think, would be a really big relief and a big burden off of their shoulders.

COMMISSIONER CERF: Good. We will follow up.

SENATOR SARLO: Senator Ruiz, follow-up?

SENATOR RUIZ: Just on that: I agree with Senator Pennacchio that we have to do what we can do. The money has been designated for certain construction projects that haven't come to fruition yet, but they are in the planning stages. And we have to really think long-term about infrastructure buildings to our school districts. And, you know, we did something for the higher ed; it's time to revisit that as well, because we're talking about making an investment in our infrastructure. And certainly one of them is, outside of the storm, looking at our school buildings and their capacity to deal with, you know, evolving curriculums -- which is another subject matter.

I have two things: It's my understanding that it might not be codified in statute, and we would have to do that to Senator Oroho's sentiment about extending the school days. I think the county superintendents have the ability to approve Saturday school, if that's a concept. I know that we can't tack on-- There was an AG opinion in 1994

that we can't tack on another 4 hours to one particular day. So we certainly should look, if it's something that has to get codified in statute as to what to do. The other thing is giving the -- some openness to districts to decide, with kind of the approval of the county superintendent or the DOE, what would be most appropriate to extend the day.

One thing that I forgot to ask is that we were talking about families and students and assuring that there's no learning loss. Do you foresee any personnel being completely displaced from a job because of what has happened? Do you understand?

COMMISSIONER CERF: Well, it's hard for me to say with confidence that that won't happen. I mean, some schools have opened with fewer children; some schools-- I mean, for the most part, jobs have not been lost -- instructional staff jobs -- jobs have not been lost. But, I mean, just to be very concrete about it, there are 11 schools now that no longer need a janitorial staff. So there are definitely going to be some personnel consequences.

SENATOR SARLO: Senator Beck.

SENATOR BECK: Just a quick-- Thank you, Chair.

Commissioner, I want to say a thank you to you and your team for the help with Fort Monmouth, because you do know that's a very complex issue. And as we open up some of those barracks for displaced residents, getting kids back to their home school districts is not that easy of a thing -- especially when they're often from all different districts. They are not all from one. It's not all from Union Beach; it's, maybe, from four or five different school districts.

But my question is, that in the home district paying for that transportation, is that a cost that we can also assign to the public assistance grants that we're applying to with FEMA? Or is that something that gets completely absorbed through the taxpayers in the State of New Jersey?

COMMISSIONER CERF: Well, I don't know the answer to that. I believe it is a reimbursable cost, and they will get assigned to those grants. But I'm going to have to confirm that and get back to you.

SENATOR BECK: Okay. And then that maybe goes sort of in tandem with, as you know, Monmouth Beach has closed their school, and West Long Branch and Long Branch and Oceanport have absorbed those 260 students. And so due to the new costs that might be in the three districts that have stepped up to the plate to take in those students, how does that get-- Is that also a FEMA-eligible cost, or is that something-- Does the aid follow the student? Because since we are mid-year, it's a little awkward.

COMMISSIONER CERF: Well, I agree with you -- the accounting is hard, but the principle is easy. And that is that the money does follow the student. If the student-- That's already provided for by law.

SENATOR BECK: Right.

COMMISSIONER CERF: Now, transportation is its own story. The hardest case, I will tell you -- which, to my knowledge, is a hypothetical; you may tell me otherwise -- is if you have a student who is living 50 miles from the school in which she was attending and is saying, "I have a legal right for a bus to pick me up and drive me 50 miles there and 50 miles back." Technically, that student has a right to request that;

obviously the expense associated with that is substantial. And I will tell you that, anecdotally, that's not happening with any kind of regularity, and that people are, sort of, working it out in district-to-district conversations about how to make that work. But that would be an unanticipated and -- at least until we do something -- uncovered cost in that situation.

SENATOR BECK: Yes. I think, Commissioner, you hit it right on the head. Our expectation with Fort Monmouth was that you would have-- Well, we know we have more than 1,000 displaced families who aren't living in a home. They are either living in a rental apartment or a hotel/motel. And that the-- When we volunteered Fort Monmouth or a trailer as a potential option, that we haven't seen the kind of outpouring that we expected. And some of that is because people don't want to move their kids out of the school district. And Fort Monmouth isn't that close to Highlands, and isn't that close to Union Beach, and it's a long haul. And we also think there may be some issues with messaging through FEMA that people don't know that trailers are an option, or that Fort Monmouth is an option -- which we've been trying to deal with.

But I just want to thank you, because this has been a complicated time for our schools and your department has been very helpful. So thank you.

COMMISSIONER CERF: Thank you for saying that.

SENATOR SARLO: Thank you, Senator Beck. And it's going to get complicated.

Just two final close-up thoughts. I know the School Board Association is here if we have any questions for them -- Larry Feinsod,

Executive Director of the New Jersey School Boards. He'll be the last person, if we have any questions for him.

Commissioner Cerf, thank you for being here. I just-- A caution to all the school districts that are out there -- the school boards and school districts. Coming in on Saturday, or extra hours, or taking away holidays -- make them productive days; make them good, productive, learning days. And, you know, that's just what I want -- the message I want to share with them, because just because you have to get 180 days, make sure they're productive; the kids deserve it, everybody deserves it -- to make sure they're productive days. It's not just a babysitting exercise. And I really mean that sincerely.

And schools are a part of all of our lives -- a normal way of life. So I think we have a lot more work to do on the schools, because come this budget cycle I think we're going to have a lot of discussions. You're going to be having a lot of discussions with this Committee and there's going to be a lot of questions that school districts are going to be asking us -- especially those along the coast, and those in South Bergen and Sayreville and other areas -- of how they're going to pay their budgets.

COMMISSIONER CERF: Yes, I understand. Okay.

SENATOR SARLO: Thank you.

COMMISSIONER CERF: Thank you very much. I appreciate it.

SENATOR SARLO: So Mr. Feinsod, I want to thank you for being here. We're going to hold off having you read your testimony. The question I have for you is, what is the most pressing need you're hearing from your members? What is the most pressing issue you're hearing from

your members? Is it dealing with the 180-day rule? Is it the funding going forward? Is it the school construction? What is-- Is it a combination of all three?

LAWRENCE S. FEINSOD, Ph.D.: What we're hearing, Senator, is all of the above. We've received a lot of calls about the 180 days, to be sure. We've received a lot of calls from school board members and superintendents concerned about the funding issues and the fact that the tax base will not be what it was. And we've also received phone calls regarding the infrastructure problem and how that can be corrected and who will help.

So it's been the typical questions of how are we going to proceed forward, and who is going to give us the assistance so that we can provide an excellent education for our students.

SENATOR SARLO: The schools-- I think this is something you need to decide, going forward. Are schools a good thing to be using as shelters? They're large enough, they have the facilities, but schools-- Typically, using a school in a surrounding town or a neighboring town to be used as a shelter, and now it's impacting that schools' ability to go to school. There is a cleansing process and there's a remediation process that goes along. Are schools good places to be shelters?

DR. FEINSOD: I think the ideal would be to have shelters in another type of facility so that we can make our focus upon why we open up our doors, and that's to educate children. The idea that schools have been used for shelters is something that's in time immemorial, because they are the facilities that very often are the largest in communities.

But you're right: The idea that they've been used for shelters has, in fact, caused the educational process to slow down or to cease -- discontinue, if you will -- until the people who were being housed were able to find other types of living quarters. But from a realistic standpoint, it's hard for communities to find other such facilities.

SENATOR SARLO: Senator Beck, do you have a question?

SENATOR BECK: No.

SENATOR SARLO: Senator Bucco?

SENATOR BUCCO: No.

SENATOR SARLO: Okay, I just have two final questions.

With regards to the 180-day rule, I think it's pretty clear cut what the law is. Are we encouraging school boards to make this happen -- find a way to make this happen?

DR. FEINSOD: We are. Be advised that some of us remember the horrific snowstorms in the 1990s. At the time I was Superintendent of Schools in Madison, Morris County, and we closed 12, 14 days -- whatever it may have been -- one particular year. And we went to school on Saturday. And they were productive days. So that was in the mid-1990s, and it worked. Whether or not that's going to be the same now, in terms of the perception of Saturdays, and so on and so forth, remains to be seen. We're certainly encouraging all the school districts in the state to use every available opportunity they have to meet the 180-day requirement. And that, of course, would be to take days off from vacations -- take off of the calendar and go to school -- and any other situation that they can find doable.

SENATOR SARLO: And finally, you heard her talk about the budget -- the school budget. Two-thirds of our property taxes go to pay schools. You're going to have some 150 to 200 school districts where there is going to be a shift -- there's going to be a loss of ratables. Have your members-- Has there been discussion internally, have you received any feedback from the DOE on how to deal with this?

DR. FEINSOD: Well, the DOE has been very cooperative with us. I think they're trying to figure this out as we are as well. Right now, as I mentioned in a recent TV appearance, right now the idea is to work as hard as we can to make sure the educational process goes forward -- to make sure that kids are in school and that they're being educated. And as you heard the Commissioner say, for the most part that's happening. But as far as the funding situation is concerned, that's something that our legal staff and others within our Association, including board members from around the state, are definitely asking and grappling with, and searching for questions (*sic*). And we'll certainly work with the DOE and with anyone else in order to come up with an answer. I don't think anyone has the answer at the moment, but we're certainly going to work diligently on finding ways in which we can finance education so kids don't get hurt any more than they have already from this devastating storm.

SENATOR SARLO: Well, we're going to be hearing a lot more from you as we go through this, especially the budget process. And we'll be, as we go, not-- Very shortly, a couple of weeks from now, we'll be -- a new year, new school budgets. So we'll be having those discussions with you, and please keep us abreast as we go through this.

I thank you for your patience today.

DR. FEINSOD: I will, and I appreciate it very much.

Just a quick comment. The School Boards Association personally reached out to all of the school districts in New Jersey and we had everyone contacted within the first four days. But something that was very exciting recently occurred. Prudential Insurance Company has contacted us. They have \$3 million; \$1 million they've already given to Red Cross, and the other \$2 million -- we're in talks with them right now as being -- possibly being a repository. Because we are working with school districts that haven't been affected and they're already giving supplies and other equipment to those districts that have been. And we have received contacts from around the country; the very first one was from a teacher in Arizona -- the first contact -- asking how her class and her school could help Jersey kids. So we're matching people from New Jersey and around the U.S. to schools in need right now, as other agencies are doing.

SENATOR SARLO: And that's the best way of doing it. I watched too many relief drives that turn into people, literally, bringing stuff that is not needed; I hate to say this, sometimes bringing stuff that they don't need or junk. It is so important to match up the needs with the donation. We need somebody to shepherd that. So it's very critical.

DR. FEINSOD: That's exactly what we're doing, because of the very reason you mentioned.

SENATOR SARLO: Very critical -- and that's for all types of relief drives.

Thank you, thank you for your patience today.

To the members, I want to thank all of you today. It's been a long day, starting at 9:30 this morning in Little Ferry and Moonachie.

Wednesday we have a long agenda. I don't know if you're going to believe me on this, but we are going to start on time at 10:00 with the BPU President, followed by the executives of PSE&G and JCP&L. We're going to hear quickly from New Jersey Natural Gas and New Jersey American Water on the barrier islands. I'm not sure of the order; the BPU President will go first. And that will be at 10:00 sharp.

Thank you.

(MEETING CONCLUDED)