

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
July 5, 2011

Pledge of Allegiance.

The regular meeting of the Landis Sewerage Authority was called to order by Chairman Reuben at 6:00 p.m. The following members were present at roll call: Errickson, Gana, Silva, Galetto and Reuben.

The proper notice was given to all members in accordance with the by-laws.

Chairman Reuben stated that public notice of this meeting, pursuant to the Open Public Meeting Act, has been given in the following manner:

1. Posting written notice in the lobby entrance of the Authority.
2. Hand delivering notices to the offices of the Daily Journal and The Press.
3. Filing written notices in the offices of the Authority and City Clerk.

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|---------------|-----------------------|-----------------------------------|
| Also present: | Dennis W. Palmer      | Executive Director/Chief Engineer |
|               | A. Steven Fabietti    | Solicitor                         |
|               | Robert A. Schwarz     | Field Engineer                    |
|               | Maureen J. DePasquale | Executive Secretary               |

It was moved by Gana and seconded by Errickson that the reading of the minutes of the regular meeting held on June 20, 2011, be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Errickson, Gana, Silva, and Reuben voted "yes". Abstained: Galetto

The Chairman asked if there were any general public comments or comments on the proposed Resolutions.

It was moved by Gana and seconded by Errickson that Resolution No. 2011-93, "Be it resolved by the Landis Sewerage Authority, that the following bills of items or demands are hereby approved and authorized for payment out of the Revenue Fund Revolving Payroll Account...\$63,226.91", be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Errickson and seconded by Gana that Resolution No. 2011-94, "Be it resolved by the Landis Sewerage Authority, that the following bills of items or demands are hereby approved and authorized for payment out of the Revenue Fund Bills... \$178,419.90", be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Gana and seconded by Errickson that Resolution No. 2011-95, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in accordance with the provisions of the Authority's General Bond Resolution...The Kennedy Companies \$1,507.85 replacement valves for East Secondary Clarifier”, be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Errickson and seconded by Gana that Resolution No. 2011-96, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in accordance with the provisions of the Authority's General Bond Resolution...G.E. Mechanical, Inc. \$6,400.00 repair sewer lateral at 529 E. Plum Street”, be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Gana and seconded by Errickson that Resolution No. 2011-97, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in accordance with the provisions of the Authority's General Bond Resolution...Kaman Industrial Technologies \$1,824.77 parts for process belt in thickener building”, be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Errickson and seconded by Gana that Resolution No. 2011-98, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in accordance with the provisions of the Authority's General Bond Resolution...C. C. King Masonry & Steel Supply \$916.48 rebar for dump pad project”, be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Gana and seconded by Errickson that Resolution No. 2011-99, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in accordance with the provisions of the Authority's General Bond Resolution...Deltronics Corporation \$3,311.00 overhaul pump at Oak Road pump station”, be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Errickson and seconded by Gana that Resolution No. 2011-100, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in accordance with the provisions of the Authority's General Bond Resolution...Willier Electric Motor Repair Co., Inc. \$3,065.70 for a 40 hp VFD for Oak road pump station”, be adopted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

Dennis Palmer reported that he sent the letter to Statewide Insurance Fund because as soon as we told them that they were not the low bidder they told us that they would not renew our workers compensation. They are disingenuous at best.

Dennis also reported that the public hearing for the proposed rate increase has been published in the newspapers. We also sent letters to the municipalities and our large industrial customers.

Dennis advised that we will apply for a State of New Jersey grant to put up a second windmill.

Dennis said that he and Steve Fabietti met and they are working on two legal/litigation matters: Newfield's proposal for affordable housing and Franklin Township's request will be coming in a couple of weeks and the statutes regarding collecting past due accounts.

In response to Mr. Silva's requests about collection of past due accounts at the last board meeting, Dennis advised that he has been working with Steve Fabietti to see if we can or would want to shut off sewer or water service for non payment of their sewer bill. Dennis gave copies of the statute to all the Board Members. Dennis advised that the law provides for it but we have not had a formal meeting with the City of Vineland to discuss an agreement for the City to shut off the water. If the property has a clean out we can shut the sewer off ourselves and not involve the city.

Steve Fabietti advised that the statute covers entering the property. The statute says that we could but in doing so we would need an agreement with the City of Vineland to turn off the water and we would have to hold the City of Vineland harmless. Steve Fabietti said that there is an existing Agreement with the City of Vineland for placing the liens and we will have to determine if we want to take it to the next level of shutting the water off.

Steve Errickson said if it causes a health hazard we would have to turn it back on. Dennis said by that time they may be brought to the table to make a payment plan. Dennis said that we would want to start with the largest outstanding bills. The Board discussed the Landis Theater and the restaurant's sewer bill not being paid. In response to Mr. Silva, Dennis said that we control the sewer but if we want to shut the water off we have to have the City of Vineland do it.

Discussion took place about what we could do and Dennis asked if the board wanted him to meet with the City officials and determine a fee structure. Dennis said that just the threat of shutting off the sewer would probably work. If we enter into an agreement with the City of Vineland it would probably be in the newspaper. Steve Errickson said he would like a two tier range of business and homeowners and he would prefer to go after the businesses first to get the ball rolling. Dennis said that if we set an amount of \$1,000.00 to start with then the homeowners would be three years behind in their

payments before they reached the \$1,000.00 mark. Joe Reuben said he thinks that if we give them a 7 day notice they would pay.

Dennis advised that the pension bill was passed and he sent a memo to all the staff.

Bob Schwarz reported on the following projects:

2820 Barry Drive – LSA repaired a defective lateral and repairs were completed with the exception of final restoration.

Oxford Street – LSA continues to have differences with the contractor and may need to call their bond. The Bonding Company and Contractor have both been placed on notice.

South Jersey Gas project – Bob attended a pre-bid meeting for a proposed project on Peach Street, Northeast Boulevard and Oxford Street for Vineland Electric cogeneration facilities. Bob expressed LSA's concerns on the project.

En-Tech – Bob received the final pay request from En-Tech for their retainage on the relining project in the Oxford Street area. This will be paid at the next board meeting.

Steve Fabietti reported on the Oxford Street project of repairs and replacements needed underground. Arbrisco Enterprises, Inc. performed all the work except for restoration and we have not been able to get them to finish the job. They are 95% done.

Dennis Palmer advised that Arbrisco Enterprises, Inc. are claiming now that the price of asphalt has escalated significantly, which is true; however, the quantities in their contract are not enough to trigger the accelerator clause. Dennis advised that the Bonding Companies like to see board action and would like to see the board authorize the staff to pull the bond.

It was moved by Silva and seconded by Gana that the Executive Director be authorized to pull Western Surety Company Bond #70958781 for Arbrisco Enterprises, Inc. for not completing their contract for the Oxford Street sanitary sewer lines replacement project. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

Dennis advised that they will send Arbrisco one more letter that their contract does not meet the accelerator clause and give them 7 days notice that we will call their bond.

Steve Fabietti reported that we filed a motion to dismiss the Affordable Housing case in Newfield and will do the same in Franklin Township in about two weeks. He will keep the board posted.

Steve Fabietti advised that we have a variety of options to handle past due accounts including cutting the sewer service. Steve said that we should do this in a uniform manner so we can't be accused of not being fair to everyone and we have to be uniform in the approach.

Mr. Silva thinks the quickest and strongest is to shut off their sewer service. If we give them a notice of intent that we plan to shut off their sewer service on a certain date then we will have due process that we will take action. Dennis Palmer said that would be the easiest and most effective. A warning letter would be sent for a past due amount of \$1,000.00 and then followed up with a letter of intent to shut off their sewer service on a certain date. Dennis said that in this way we can do it ourselves and not involve the City of Vineland. We would need the City of Vineland to shut the water off.

It was moved by Gana and seconded by Silva authorizing us to deal with shutting off the sewer side giving ten days notice for past due accounts in the amount of \$1,000.00 or higher or make arrangements for a payment plan. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

It was moved by Silva and seconded by Galetto to accept the reports of the Executive Director, Field Engineer, Solicitor and Chairman. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

Engineering/Plant Committee – Dennis reported on a few projects around the plant. Anthony Tobolski is doing a nice job on building a place where we can more easily dump the jet truck. Dennis also reported on the farm. Because of the damage caused by the turkeys we tried a new annual grass, which is doing very good. We should have three cuttings this year but it will only last for one year. Dennis said that all the guys are very happy with the new tractor.

Budget & Finance Committee – Dennis said that hopefully the electric bill should be coming down and that the price of gas and diesel fuel went up.

Public Relations Committee – Dennis reported that he met with Kristi Funderburk of the Daily Journal on the Wastewater Management Plan and our Anti-Nepotism Policy. There was a 30 day comment period on our Wastewater Management Plan and no comments were received. It is complete and will be in the New Jersey Register two weeks from now and it is adopted. Dennis said that Kristi did a good job. The map in the Wastewater Management Plan showing our service area will be put on our website.

Insurance Committee – Dennis advised that action was taken at the last board meeting.

Allocation/Administration Committee – Dennis said that the Wastewater Management Plan is adopted. Our NJPDES plant permit is up in 1 ½ years and we will have an evaluation of the plant. We are now at 10.75 MGD.

It was moved by Gana and seconded by Galetto that the Committee Reports be approved and accepted. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

Mr. Silva said that he would like us to follow up in October or November to see how shutting off the sewer service is working. Dennis advised that we do a monthly report showing the receivables so they should start shrinking.

Dennis advised that he had a voice mail from the Landis Theater to discuss a letter to evaluate their bill. We charge per seat for theaters in accordance with our rate structure; and, as they are not a regular movie theater he would like them to send us their water usage data and we would consider basing their charge on the actual water used.

Dennis said that he will follow up with the City of Vineland. The City has no growth in their past due accounts because they shut them off automatically. The City charges a \$25 fee for turning off service and another \$25 fee for turning service back on and they charge more if it is done on overtime.

At 6:55 p. m., there being no further business to come before the Board, it was moved by Gana and seconded by Errickson that the meeting be adjourned. Roll call: Errickson, Gana, Silva, Galetto and Reuben voted "yes".

THE LANDIS SEWERAGE AUTHORITY

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FRANCIS A. GANA, SECRETARY