

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
August 20, 2012

Pledge of Allegiance.

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

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

Chairman Gana 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.

Also present: Dennis W. Palmer	Executive Director/Chief Engineer
Robert A. Schwarz	Field Engineer
A. Steven Fabietti	Solicitor
Jennifer M. Ketcham	Allocation Coordinator

It was moved by Merighi and seconded by Lewis that the reading of the minutes of the regular meeting held on August 6, 2012 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Lewis, Merighi and Gana voted “yes.” Abstained: Errickson

The Chairman asked if there were any general public comments or comments on the proposed resolutions; there were none.

Resolutions:

It was moved by Errickson and seconded by Lewis that resolution no. 2012-127, “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.....\$65,372.40”, be adopted. Roll call: Lewis, Merighi, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Lewis that Resolution No. 2012-128, “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....
\$325,647.94”, be adopted. Roll call: Lewis, Merighi, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Lewis that resolution no. 2012-129, “A resolution of the Landis Sewerage Authority authorizing payment from the construction fund of certain costs of the system in the amount of \$3,702.81 to Garrison Enterprise, Inc. for labor, material and equipment to repair emergency sewer lateral leak at 518 Grandview Avenue in accordance with the provisions of the Authority’s general bond resolution...” be adopted. Roll call: Lewis, Merighi, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Lewis that resolution no. 2012-130, “A resolution of the Landis Sewerage Authority authorizing payment from the construction fund of certain costs of the system in the amount of \$1,258.00 to CET Engineering for engineering costs of the wastewater treatment plant re-rate in accordance with the provisions of the Authority’s general bond resolution...” be adopted. Roll call: Lewis, Merighi, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Lewis that resolution no. 2012-131, “A resolution of the Landis Sewerage Authority authorizing payment from the construction fund of certain costs of the system in the amount of \$3,200.00 to “D” Electric Motors for rebuilding of 100 HP vertical AC motor for well #10...” be adopted: Roll call: Lewis, Merighi, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Lewis that Resolution No. 2012-132, “A resolution of the Landis Sewerage Authority authorizing payment from the construction fund of certain costs of the system in the amount of \$94,985.54 to Perna-Finnigan, Inc. for pay request no. 1 for the Boro trunk line sanitary sewer replacement...” be adopted. Roll call: Lewis, Merighi, Errickson and Gana voted “yes.”

Reports:

Executive Director:

Dennis Palmer stated for the record, Commissioner Silva mentioned at the last meeting that he had a Bar Association Meeting and that he would not be able to attend.

We will start with the last resolution, payment to Perna-Finnigan, Inc. The pipeline is functioning and operating and Bob will give more details in his report.

One of the issues, if you notice around town, the Gas Company has several contractors and sub-Contractors doing pipeline work. Bob's fingers "are coming in green" from the amount of mark outs that he is doing. There was an important meeting held last Tuesday at City Hall with the representatives of South Jersey Gas Company and the City Business Administrator, Water Department, Engineer and other representatives including ourselves that are dealing with the issue that the pipeline project is taking a lot of time to mark out. It is taking staff and resources to go out and mark out our gravity lines in the street and one of the key issues that I brought up at the meeting and they tried to avoid me three times was my understanding under the State Laws and regulations is you only have to mark out pressure or force main lines. The gas company and water utilities have to mark out pressure lines or electric line, in the case of the electric utility or cable lines for cable TV, we as well; however, the only things we are required to mark out under the BPU regulation or other regulations is pressure lines which are our force mains. We have, as a courtesy, gone out quite often and marked out our lines for local plumbers and others that call but this has become out of the magnitude that Bob Schwarz is spending 10 to 15 hours per week marking out. Bob stated that "This project is quite an extensive project and is in an excess of 5 million dollars in magnitude and is creating an adverse condition for our personnel and resources to devote this much time to this project while we are neglecting our own." The most recent meeting was to cover the area from the Boulevard to Valley, Chestnut to Park more or less which is a pretty good size swath of land. One of the issues that I brought up was we should be compensated and who will be compensating us? I was told that we will have to get back to you on that and then we went a little further and I really want to know who is going to compensate us for this? Chairman Gana stated we should make it in a form of a motion. Dennis stated that they will have to talk to Council and will get back to you. While I was away on vacation, I sent an email to the woman again and reiterated that I would like an answer by Monday. My preference is either you pay us or we don't do it but you are still responsible if you hit one of our pipes even though we are not marking it out because you should either be going deeper or around them. Either way, the fact of the matter is that everything that I have read is that the only thing that we are required to mark out is pressure mains. Chairman Gana stated he would like to make a form of a motion. Commissioner Merighi questioned as to who is going to pay? Dennis stated that South Jersey Gas Company had three or four folks at the meeting – Government Affairs person, Bubba – the Construction Management gentleman, and two other gentleman that are in charge, then they have Sub-Contractors that are working for them who are redoing the pipe work. Commissioner Merighi also questioned if the other companies will charge us if we go to do a project and request mark-outs from them. Dennis stated that they are required to but law does not require us to because they are non-pressure lines. The law requires us to mark our pressure lines but does not require us to mark our gravity lines. We normally do not mark gravity lines; occasionally if it is an in-town plumber that calls, we will go out and do it

to help them out if times allows. These things are the same things which are supposed to be marked out in 72 hours and sometimes they call on Friday for Monday which is not really 72 hours given the weekend. A lot of the other companies use Utiliti-Quest which are contracted and paid to go out and mark out. The law requires them to do it but the law does not put that mandatory requirement on us. The only thing that is mandatory is our pressure lines. We have been marking our pressure lines if we are called but generally don't mark our gravity. Chairman Gana stated that they are digging up gas lines all over Vineland where ever you travel. Dennis stated that we tried to get them to give us several days notice. Commissioner Errickson stated that the 1 800 utility is required by law for the contractor to call them in New Jersey; you just can't start digging without calling them and they have to be out within two weeks but they get paid and it should trickle down to us when it comes to a lot of work like that.

Commissioner Merighi responded to the question that I would have it that if one of these sub-contractors were to hit one of our pipes, would they do the work to correct it? Bob Schwarz stated that the sub-contractor would do the work, we would tell them what to put in such as the type of pipe, diameter of the pipe, types of fittings and elevation of the pipe to make sure that it was repaired properly and they know what to do. With the force mains it could be a little bit different. Dennis stated that we would mark a force mains out. Commissioner Merighi questioned if the repair would be inspected by the Landis Sewerage Authority. Bob Schwarz stated that they are inspected by the LSA. Dennis stated that it has happened about a half dozen times or more. A couple times a week, they have been hitting our lines even when they are marked out because they have not gone deep enough. It is time to dig our heels in because at least three times they brushed me off by giving half an answer. After asking the question numerous times, they told me they would check with Council and when October 30th comes along and your done I will get my answer. "I don't want to wait until October 30th."

Commissioner Merighi questioned Dennis if he meant their Legal Counsel and Dennis responded with a "yes." Dennis stated that either you or your sub-contractors pay me or we will not be marking them out anymore. Commissioner Lewis questioned how we mark out the lines. Robert Schwarz stated that he gets the as-built drawing which some of them are not accurate or explicit because they are from 1905, use a wheel, a can of paint, safety vest and go out into the street and physically mark from a manhole or another identifiable location where the as-built drawings show and mark the number of feet from that location and make a green line with the paint to show where the sewer lateral or main is in the street. That is what I have to do on each street on each occasion when there is a request.

Commissioner Lewis "so you have to actually walk all that distance?" Bob's response: "absolutely." Dennis stated that any given block you could be doing 20 marks or more. Commissioner Lewis questioned if there was any better way of doing this other than walking, such as attaching something to a vehicle and going down the road and making a

mark to make it easier for Bob? Bob responded: "Not safely because you have traffic you have to deal with. Dennis stated that you are generally marking in the curb area, if it is a line in the street you can and even a contractor can see manhole to manhole because they are no more than 400 feet apart or even closer and you can see that. The house laterals come off and you end up marking them close to the curb area. Bob stated that it would take two people if you did it with the truck and you would hold up traffic because you cannot go fast when you do it. You would have to be in a vehicle with a wheel and then get out and mark it because you could not mark it as you found it as you are traveling. Dennis stated that you see Utiliti-Quest doing this and they carry red paint for electric, blue for water, yellow for gas, telephone line with a T2 or T3 for high quality, they mark it out and the utilities pay them to go out and do the work. We would do it normally for South Jersey Gas if it was a new office building going in but you are getting called to do whole blocks. The Water Utility also agreed that when there is 2,000 feet to mark and you take two weeks to get to the end and the rain and other things have washed the paint away, you have to go out and remark it again because you have to keep them current to a certain degree. The regulations require a certain "freshness". Greg Henderson from the Water Utility also agreed to that giving a working window so that someone can mark it would be better. It is a work load and the City does not have the feet to the fire clause that we have. Again, my reading the regulations, I will let them show me otherwise, sewer only has to be marked out for pressure pipe not for gravity because generally the assumption is that gravity pipe tends to be deeper, greater than 4 feet or more. House laterals can be in that 4-6 feet range but they can be a little deeper but probably in that range, but the main sewer in the street can be as deep as 22 feet and way below what waterlines and gas lines or other things run, they generally would be in the top 4 feet but we do have some that are 22 feet deep. The old Boro mains are between 11 and 18 feet deep. So I guess that is why there is some relief given to sewer utilities and if you hit one it is not going to gush like a water line or gas line and you just cut out the piece that is broken, get a piece of pipe and adaptors and you put it back on and it is back in service. Sometimes after a week or so, a homeowner will call and say that my sewer is running slow and blocked and you get down to it and you find that the tunneler when right through it or nicked it and dirt got into it and block it off. Again, I am feeling that I am getting stonewalled because I emailed the woman on Thursday or Friday when I was on vacation and she responded that she would have someone get back to me and here it is the end of day Monday and there was no call or email saying that it was being worked on. If we don't put their feet to the fire, I don't think we are going to get an answer.

Commissioner Merighi made the motion to notify South Jersey Gas Company that we will no longer mark out our non-pressurized sewer lines unless we are compensated affectively. It was moved by Merighi and seconded by Errickson. Roll call: Lewis, Merighi, Errickson and Gana voted "yes".

Dennis stated that Bob Schwarz covered a meeting for me and I will let him talk about dealing with South East Vineland but one of the issues, looking at the length of construction that is a critical path that I see is an item of importance and can be a very time delay is to make that or any other project out there happen is that we have an 18-inch trunkline that goes around the mall on the Boulevard across the street from Burns Avenue. One of the things to get sewer out to East Vineland, east of that area at the Boulevard is we have to tunnel under the railroad tracks with steel pipe and we put our plastic pipe inside of that and to do that we need to get permits. I see this as a critical path item that could take eight months to a year to get this item. I have contacted Hatch Mott McDonald who does most of our pipeline work in our collection system as they know a lot of our system. What we like to see is to give me a proposal to bring back to the engineering committee as to how much it would cost to get the permit, not to do any construction but just to get the permit. I emailed them scans of our plans where our pipeline is so it is a steel pipe that would go under and come up. We currently have a 10-inch stub directly across from Burns Avenue which you would have to tunnel under the railroad track and when you tunnel under the railroad track you would have a push pit, you push the steel pipe through with an auger and take the dirt out and on the other where there is a receiving pit. If you do that in the middle of Burns Avenue you kill any mall traffic coming down Burns Avenue but Bob Schwarz and I stopped out and talked to the owner of the property on the southeast corner and he would be amenable to putting the pit, manhole and other things out there provided that we give him a sewer lateral or something in exchange. The value of the easement and our construction is of some value. Getting the permit and dealing with Conrail and Northern is another issue. Chairman Gana questioned the length of time it would take to get the permit and Dennis stated that I have seen them take as long as a year; also 6 months but it is not a 30 day permit. I asked for proposals today, sent the plans in and once I get a proposal I will come back to the board. This is going to need to be done someday; sometime and for lack of a better word it is a long lead item. This is what is called a critical path and if I have a path to build a project somewhere, in the path there is going to be an item that controls everything, timing, delivery, this is it and we will be ahead of the game. Long before South Jersey Hospital was built, we knew that something would happen there and before the County reconstructed Sherman Avenue, we put a sleeve under Sherman Avenue so we knew we wouldn't have to dig it up someday. The County puts a 5 year freeze on opening the road, some years later, the Hospital kicks in and we end up running the force main from the Hospital which comes across that sleeve and the road did not have to be torn up and disrupt traffic out there and not disturb the brand new asphalt and stripping out there. So this is not dissimilar from what we did then and we will be ahead of the game by starting the permit process and that will be part of the future construction process. It is not a short permit it could be at least 6 months besides, give a month for the engineer to

design and pull together the permit application. I will bring that back and hopefully it will be something you see in the near future.

Field Engineer:

Robert A. Schwarz reported that the Boro trunkline is complete with the exception of final restoration. The contractor provided the Authority with a good product and we were satisfied with all the work completed to date. The result of the project far exceeds our expectations and was well worth the funds spent on this 85 year old problem. I want to thank everyone involved in making this project successful, completing on time and within the bid total.

Bob also stated that the Authority continues to be extremely active in the marking of the sewer lines. It's creating a problem, since other routine work is not being achieved. The Gas Company has three sub-contractors working throughout the City.

Bob reported on a meeting that he attended for the South East Vinland area. I met with City Officials on Friday to discuss several large projects that will and may be forthcoming to the Landis Sewerage Authority service area. Additional meetings and discussions will need to be obtained prior to any final determination on scope of the project.

Shop Rite Contractors continue with grading work to move soils to proper location in accordance with plans. No sewer work has started to date.

Bob reported that Main Road, between Chestnut Avenue and Maple Avenue will be paved this week between 8:00 p.m. and 6:00 a.m. The Landis Sewerage Authority had all the old manholes replaced prior to the paving being performed.

Solicitor:

James Gruccio reported that other than the fact that we are working on an easement for the Shop Rite, I do not have anything to report.

Chairman:

None

Issues and Correspondence:

Dennis Palmer stated that he would cover them in the individual committee reports.

Committee Reports:

Engineering/Plant:

Dennis stated that one of the things we worked on and actually have talked about for well over two years and may be close to the end is what I call the “Manure Project” where the Department of Agriculture is trying to get a grant from the Department of Energy. We continue to work through this project whereas last summer feelers went out throughout the fall and spring of this year and the Department of Energy said we de-obligated money and closed that project out. The State Department of Agriculture was never told and why are you still asking us questions if you closed out the project. On August 1st they said that by August 10 you owe us all this information and literally the first two weeks of August emailing back and forth had the guys and myself getting quotes as they wanted to see quotes from vendors on equipment, labor, material. We had to get everything along with a commitment letter saying that we are going to commit. They look for a local share and that idea is two fold; first, that dairy farmers mostly in Salem County and Cumberland County have manure and run-off that is effecting streams, pollution and a lot of other problems. They want to see it managed more properly and taken someplace then you would have fewer odors. There is also a need to handle food waste, fats, oils and greases that come from restaurant grease trap which they are looking for somewhere for that to go as well. A lot of stuff is applied to the land then you have run-off into the streams so they said Landis Sewerage Authority has an empty digester, a piece of equipment worth 7 million dollars which could be the local share instead of building a brand new concrete facility. The local share that the State has to be done locally as a match to the Federal share that is using the equipment and we are going to get money to replace some of the parts that we salvaged off of the one unit that we are not using to keep the one running. We are going to do some other things like make a receiving station, have a mix tank and one thing we are looking at is receiving fats, oils and greases that come out of restaurants that are being trucked to in Atlantic County and Gloucester County. You have a truck burning diesel fuel traveling 60 to 80 miles round trip causing greenhouse gases and being burned in an incinerator and released into the air. Neither plant has heat recovery and it we could bring that here and make more methane as we have a lean burn engine that is very clean and we can make more electric and hot water because we are underloaded with Vineland Kosher gone and some other reasons we are not making full gas. So it made good sense from a lot of standpoints. The information went in and hit the deadline which was 5:00 p.m. Colorado time and it was in 5:00 p.m. New Jersey time so we were ahead of the game. We just have to wait and see what happens. Chairman Gana questioned the time frame for the response. Dennis stated he does not know. Chairman Gana commented on the fact that it would make sense for

them to locate here. Dennis agreed and stated that we are close and known as the food processing capital of south Jersey. There would be a tipping fee of a few cents per gallon to help cover income stream, make more gas, use less electricity, make more hot water so hopefully that will go someplace.

We spent a lot of time on this and we have done some in-house preliminary engineering on South East Vineland expansion and regardless if the other one happens, we know that greater than 95 – 99% confidence level, the Electric Utility and Water Utility storage tanks are going to be out there, there is going to be a need for the pipeline I talked about out there.

Budget/Finance:

Thomas Merighi reported that the arbitrage calculation from Cumberland Advisor was a negative number and we do not have to pay the IRS. There is a finance committee meeting on Thursday, August 23, 2012 with Thomas Post at 11:45 a.m. As far as the treasurer's report, it looks like we had a good month with lower than expected expenses and higher than budgeted income. Our accounts receivable went up due to the August billing.

Dennis reported that a lot of steps have been taken over 2 years which have helped bear fruit on trimming some costs. Unfortunately, personnel have left or passed on and have not be replaced and through all those different trimming and then reduced power consumption in the plant, it is a fairly good turnaround to this number. There will be some quarterly bills that will show up next month that may balance out those numbers, but right now they are very good numbers. It is August so we start working on the budget and we just got the list from Tom Post for the capital budget.

Human Resources:

No Report

Public Relations:

No Report

Insurance Committee:

Carol is out on vacation; however, we are continuing to work on health insurance which will be this fall.

Allocations/Administration:

No Report

Old Business:

None

New Business:

None

Adjournment:

At 6:35 p.m. there being no further business to come before the Board, it was moved by Errickson and seconded by Lewis that the meeting be adjourned. Roll call: Lewis, Merighi, Errickson and Gana voted "yes".

THE LANDIS SEWERAGE AUTHORITY

JOSE SILVA, JR., SECRETARY