

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
December 3, 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, Silva, Errickson and Gana.

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
Carol A. Ricci	Executive Secretary

It was moved by Errickson and seconded by Merighi that the reading of the minutes of the regular meeting held on November 19, 2012 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

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

## RESOLUTIONS

It was moved by Silva and seconded by Errickson that Resolution No. 2012-181, “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.....\$170,851.83”, be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Silva that Resolution No. 2012-182, “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.... \$274,800.31”, be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Errickson and seconded by Lewis that Resolution No. 2012- 183 , “A resolution of the Landis Sewerage Authority establishing regular meeting dates of the Landis Sewerage Authority for the administrative year beginning February 4, 2013...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-184 , “A Resolution of the Landis Sewerage Authority establishing allocation dates for the Landis Sewerage Authority for the 2013 administrative year...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-185, “A Resolution of the Landis Sewerage Authority rescinding the allocation for a commercial classification project...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-186, “A resolution of the Landis Sewerage Authority authorizing the Executive Director to participate in a cooperative contract for the supplying and delivering of gasoline under the County of Cumberland bid...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

## **REPORTS**

### Executive Director

Dennis Palmer reported that a copy of the FEMA reimbursement check was in each of the Commissioners packets in reference to the derecho storm. This check was in addition to the check from our insurance carrier and Dennis stated that he would like to put those funds towards some backup pumps or generators. We have two stations that take a lot of effort to maintain in storms with high flows and electrical issues and one of them is North East Avenue.

Dennis stated that also in the commissioner’s packets was our letter to Joe Isabella with respect to Palermo and we are waiting for a response to be sent back. Dennis received e-mails from the water utility to find out where we stood on cost and it is at around \$26,800 or in that range. The area does have paving on it right now and it should be placed in the City’s paving projects. Dennis said that he called Joe Isabella that the letter was coming and we asked our solicitor to add some extra wording to that letter regarding the fact that there is a bad pipe in that area and you are on notice and if there are any settlements in

the future, we will let the water utility go out and check it out first. Dennis stated that he thinks that from their side, they are trying to get a better understanding of street and trench construction and compaction and the 95% compaction issue. The contractor has given us two invoices but no vouchers.

The Personnel Committee received a memo that will be ready for action at the next Board meeting. Dennis stated that he has been working with Steve Fabietti on Faith Bible Church and we worked on a letter to send back to the City. The City had seen an application by the developer and at some point in time it never came to fruition. They wanted to know why it wasn't built the way we saw it and it was because they did not get a DEP permit at the time. This will now trigger a DEP permit since there will be multiple units involved.

We received a FAX from Menantico Estates today. The developer represented that they wanted to transfer capacity to Ryan Homes but the Ryan projects have full capacity and they want to be reimbursed for the homes and have the site redesigned for 25 homes instead of 199. We said that we would be happy to put them in the queue because there are two other people ahead of them looking for reimbursement for connections fees for residential. If we pull this permit, they also lose all rights they had under the Permit Extension Act to those permits and approvals on that site. The FAX today stated that they do not want anything revoked. Steve Fabietti, Solicitor, stated that he had a call in to Bob Washburn and said that they were aware that they would lose the rights and that is what this FAX was about. Steve stated that they are looking to do a combination of things. They want to transfer some of these permits to Ryan and there is also reference in the letter from several days ago that they want to build 15 units on the Menantico property which would be the property originally approved for the much larger development. They say they have an application pending before the Zoning Board to accomplish that. Dennis stated that these projects that they want to transfer capacity to and want to be reimbursed have been fully funded to the Authority. From the Authority's standpoint, there is no need to transfer capacity; we are not going to give them money for those transfers because they are fully funded. If they want a return for capacity for those 199 homes, we will have to revoke that permit and those approvals and start over with a new permit. Dennis stated that there is no reason to transfer capacity or acknowledge any side agreement they may have made with Ryan homes. Dennis stated that all of this information will be included in the next packet for the Commissioners.

Steve Fabietti stated that the original letter said they wanted to do this transfer, we wrote back and said here are the reasons you cannot do that, including the fact that we do not know where you are transferring it and whether that fits into our service area. The subsequent letter of November 27<sup>th</sup>, they came back to us and explained where these other locations are that Ryan is working on and those are the ones that Dennis has investigated and they are fully funded with permits paid for. We do not know why there would be any reason to do this?

Dennis reported that the last resolution deals with us looking at shared services. This one came with the County's bid on gasoline, we shop the County's price and they get the State bid price as we take the best price. In this case, we are working with the County to get the lower price. Thomas Merighi asked how long the prices guaranteed for and Dennis responded it was for one year. He also said that we had trouble with the current vendor with delivery.

### Field Engineer

Bob Schwarz reported that the boro trunk line replacement project contractor performed the final paving today and will be back on December 4, 2012 to perform addition restoration around the black top areas.

The contractor for the new Shop Rite on West Landis Avenue set the wet well last week. They will be installing the force main on Woodlawn Avenue this week.

Brewster Road drainage work began last week. LSA marked out all of the sewer laterals and mains to avoid any conflicts during construction.

Bob also stated that Magic Sports will be appearing before the Zoning Board of the City of Vineland and he will be attending that Board meeting on Thursday, December 6, 2012 to obtain information on the proposed project.

Townsend Farms submitted an application to LSA. They will be moving their operations from North Mill Road to Renoc Boulevard at Sheridan and the Boulevard. They plan to open in the spring. They also plan on raising their roof approximately 25 ft. to gain additional space. Mr. Gana asked how many people will be employed and Bob reported that they will have 80 employees.

301 West Chestnut Avenue work continues to be performed; however it is not complete as of this date.

### Solicitor

Steve Fabietti stated that much of what he is working on was discussed with Dennis during the Executive Director's report which is Palermo Avenue, Menantico Estates and Faith Bible Church. We have received correspondence from Mr. Verderose asking us to clarify why the City's documentation was not matching up with the current application for Faith Bible Church. However, there is one item regarding the bond payment that is coming due. There was correspondence that the actual physical documentation couldn't be accessed because of Hurricane Sandy and we discussed it with Dennis to make sure it

matches up with our internal records. Dennis stated that we contacted Dave Kotok's office on that issue.

Chairman:

None

Issues and Correspondence:

Dennis stated that there are none other than those he and Steve talked about.

**COMMITTEE REPORTS**

Engineering/Plant

Dennis reported that we did some preliminary engineering on the Magic Sports project and the good news is that we can make it to Magic Sports complex where the power plant is on Main Road by gravity without the need of a pumping station. That is a significant savings long term but the down side is that there are more construction costs involved with gravity pipe because it is deeper. The bottom line is who is going to pay for it? The City, Sandy Forosisky in particular, has represented to the public and the applicant that the City will get water and sewer to the site. She has never checked with us and my numbers are somewhere in the vicinity of \$800,000 to construct the line with engineering and with the pumping station it would be well over \$1.2 million with engineering. We authorized our engineers a few weeks ago to start working on the railroad crossing and I will call to see where we stand on that issue. At some point, we will have to sit down with the City and make sure that the Authority never made those commitments and the City made them. Dennis stated that Sandy Forosisky made those commitments. Dennis stated that we just don't have \$800,000 sitting around to complete a project like this. We will work with the City and hope some funds will be available or associated with the new power plant that is supposed to be built out there. We are going on the record that the Authority has never committed to spending those funds. Dennis said that some side comments have been made regarding connection fees. We are not in the business of doing speculative construction with regard to sewer lines as we explained regarding the 199 homes and \$200,000 plus in connection fees that have been requested to be returned. We never book the connection fee until the connection happens because you never know if it will be a real project. Dennis stated that the funding issue is up in the air and how it will take place. Dennis also said that it would be at least 6 months of construction. Time is not of the essence right now but in 6 months it will be. At some point in time the decision has to be made how to fund this project. We have a responsibility to our current customers and bond holders and that is why we do not go out and do speculative construction because you are expending money the rate payers have paid. We have had other projects; Horse Bridge, Ellis Ponds, come in and request their money back and now the 199 homes. Steve Fabietti stated that the developer is probably just seeking preliminary

approval from the Zoning Board and those approvals are always conditioned on the developer going out to all of the other agencies who need to approve the project. Bob and Dennis reported that it is not only a height approval and a "D" variance which is the highest to meet which is a change in use. It's a split use zoned business. They want to put an office building and a medical facility and the other part of that is a residential zone. It may rise to the level of public comment. Steve stated that any approval of that nature is predicated on getting approval by the sewerage authority.

Tom Merighi asked how a project of this level would normally be funded. Dennis explained that when the developer pays the entire amount, there would be a prepayment agreement. Carl Senseman did a large gravity line that we could tie into and second eliminate the need for a pumping station and all of the costs associated with that. The industrial parks have been done jointly with the City with UEZ or EDA grants where they went out as an economic stimulus type of situation. Our Petticoat project was done in this manner. Southeast Vineland was 400 homes with failing septic systems. That was done under a program where the residents would be assessed. The City bonded for it and the residents paid over ten years. We paid for the engineering and permit work. We picked up 25% of the construction costs as a public health need. We also worked on a cost sharing program. We worked with the Health Department and made this a priority need with signed petitions that came back over 50%. If more than 50% agreed to it then the plan would move forward.

Tom Merighi asked that if you were to get a project this big and be able to collect the construction fees back over a period of time, it is speculative. What if they don't make it ten years? Bob stated that along the way there are not that many people. There is not a lot in the way of business and residences. This complex would have to pump to us so we would have to build a station at the right spot low enough to serve just us and they would maintain it. If it's inland they cannot bring any customers to us. They would have to come and meet us at Lincoln Avenue and Clayville Switch. We could get the water and power plants by gravity so there would be no long term maintenance costs. Dennis stated that they are well on their way with the design of the new power plant but he was not sure about the water plant. The water from these two facilities would be mostly clean water and not have the usual solids. We will pick up some homes along the way too.

Tom Merighi asked if the City pays connection fees and Dennis stated that they do and we also pay connection fees to the electric and water utility if we build a pumping station and we need service from them.

#### Budget/Finance

Our public hearing and we are waiting for the State to get the forms back to us and we will probably act on this at the next meeting. We got our quarterly report from David Kotok's office. Tom Merighi stated that we received our arbitrage notice from David Kotok and the negative number is a good thing for our bonds.

Human Resources:

None

Public Relations

Rotary will have their part for special needs children and they made stockings for this occasion.

Insurance Committee:

None

Allocations/Administration

Dennis stated only what we spoke about regarding Faith Bible Church and Menantico Estates.

Old Business:

None

New Business:

Tom Merighi asked about the aroma outside of the plant and that it smelled like cedar or could it possibly be the warm temperatures. Steve Errickson remarked that the barometric pressure had been very low for the past few days.

Dennis said he was looking forward to seeing everyone on Saturday night.

Adjournment:

At 6:32 p.m. there being no further business to come before the Board, it was moved by Silva and seconded by Merighi that the meeting be adjourned. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted "yes".

THE LANDIS SEWERAGE AUTHORITY

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JOSE SILVA, JR., SECRETARY