

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
October 15, 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.

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
Thomas J. Post	Business manager

It was moved by Silva and seconded by Errickson that the reading of the minutes of the regular meeting held on October 1, 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. 2012-159, “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.....\$64,768.91”, be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-160, “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.... \$309,679.04”, be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-161, “A resolution of the Landis Sewerage Authority authorizing the renewal of the existing cash management plan and its amendments...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

Prior to adopting the resolution, Dennis Palmer stated that the finance committee met, discussed the preliminary budget and there is no change from last year’s budget. The dollar amounts are the same and we are continuing to keep a flat budget. Debt service came down and that helps balance some increases from insurance and other administrative costs.

It was moved by Silva and seconded by Errickson that Resolution No. 2012-162, “A resolution of the Landis Sewerage Authority authorizing the adoption of the preliminary budget for the period of January 1, 2013 to December 31, 2013...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

Prior to passing this resolution, Carol Ricci reported that Health Insurance Solutions and CVS/Caremark were willing to move our renewal date from 1/1/2013 to 11/1/2012 to coincide with our Horizon renewal. In addition to the date change, we were hoping to keep our administrative costs the same. However, HISI requested a \$2 cost per employee per month increase which amounted to approximately \$1800 per year. The overall picture of the Authority’s claims was down from a projected \$288,000 to \$280,200 and since we were trending in the right direction, our stop loss was lowered to \$262,450 which is a 9% decrease from last year’s premium. This is almost a \$26,000 a year savings in projected claims.

It was moved by Silva and seconded by Errickson that Resolution No. 2012-163, “A resolution of the Landis Sewerage Authority authorizing a one year contract with Health Insurance Solutions and CVS/Caremark to provide a self-funded prescription plan...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-164, “A resolution of the Landis Sewerage Authority authorizing payment from the construction fund of certain costs of the system in the amount of \$16,009.14 to South State, Inc. for milling and paving of Brewster Road in accordance with the provisions of the Authority’s general bond resolution...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes.”

It was moved by Silva and seconded by Errickson that Resolution No. 2012-165, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$867.00 to Bridgestate Foundry Corporation for 3 manhole covers and frames in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes”.

It was moved by Silva and seconded by Errickson that Resolution No. 2012-166, “A resolution of the Landis Sewerage Authority authorizing an NJDEP Treatment Works Approval to extend the sewer line for St. Anthony’s Greek Church...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes”.

It was moved by Silva and seconded by Errickson that Resolution No. 2012-167, “A resolution of the Landis Sewerage Authority authorizing an NJDEP Treatment Works Approval to extend the sewer lines for Faith Bible Church...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes”.

It was moved by Silva and seconded by Errickson that Resolution No. 2012-168, “A resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$5,900.00 to TTI Environmental, Inc., for integrity testing of 2 sodium hypochlorite storage tanks in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Lewis, Merighi, Silva, Errickson and Gana voted “yes”.

## **REPORTS**

### Solicitor

*Mr. Fabietti had to leave for another meeting and his report was moved up prior to the Executive Director’s report.*

Steve Fabietti reported the municipal court matter regarding an authority employee and Joe Ruth was successful in having the ticket dismissed against Mr. Quigley. The other driver was facing a charge as well and the arrangement was worked out that both charges were dismissed. However, that leaves open the question of whether any civil lawsuit would be brought by this person against Mr. Quigley for the accident as her indication to Mr. Ruth was that it was not going to happen. That is not available in a binding format. If the other driver does pursue that avenue, she has to file a Tort Claim Notice since we are a public agency. Hopefully the matter is behind us at this point.

The second matter is something he and Dennis have been working on regarding the Menantico Estates project which was approved several years ago. The developer, Tim Schaefer is represented by Bob Washburn of Cherry Hill. They are scaling back that project and they want the ability to sell some of the sewer capacity that was allocated to that site and that they paid for years ago to another developer doing something else in town. Steve stated that he and Dennis crafted a letter explaining to them that this is not the way it works under our procedures. They can seek reimbursement back to the Authority as long as the other project comes in and it is approved and money comes in from that project. It would have to be approved by the Board since we are the sole gatekeeper. The letter went out last week to Mr. Washburn and we anticipate that we will be hearing something additional. Originally, they paid over \$208,000 for their connection fees. The project was never built and it looks like they are trying to scale it back and make a deal with a third party to retrieve some of their money back.

Dennis reported that there were conversations with Jennifer Ketcham, Allocations Coordinator for the Authority and it was discussed that the policy does not work that way. We did not want to get into a situation like they did in Medford where a developer came in and bought all of the sewer capacity so they could control development. We have a number of circuit breakers built into our system that does not allow for this to happen. You can only buy 30,000 gallons and capacity can only be for that project and the only way you can get rid of that capacity is to return it to the Authority as we will reimburse you as a new person comes in for allocation. Our Wastewater Management Plan delineates areas that have sewer and do not have sewer so we can protect an innocent party from paying for sewer capacity in an area in which there is no sewer capacity.

Thomas Merighi asked if capacity is purchased, is that forever and Dennis responded that to some degree, yes. Dennis explained that we will not reserve that capacity unless you pay the connection fee. There are rules that provide that after 18 months if it doesn't go forward, at some point we put them on notice. In 2008, the Permit Extension Act, which states that they can be extended out. Normally there is a system that comes in after 18 months but all of them have been put on hold. If developers that continue to pursue other approvals, we will grant them another 18 months. They need preliminary site plan approval, DEP permits and go to the Planning Board for final site plan approval including utilities.

#### Executive Director

Dennis stated that we took action on the Budget and we are continuing to work with FEMA in regards to the "derecho summer storm" on top of insurance. They have been made aware of what we received from our insurance carrier and they have their own schedule of reimbursement in addition to those we presented to our insurance carrier.

Dennis reported that we did get a response from the hospital confirming that the sharps came from their facility and they will implement other plans to avoid this in the future.

We took action on our prescription plan which was a very good number for our budget plan. Pure Earth had been given approval to bring in waste to the plant after we tested the materials and on the last day it totally changed. It had hydrocarbons, solvents and other items and the plant smelled like a refinery. We immediately terminated their actions and took samples and let the DEP know. DEP is on their case regarding how this happened. We are looking at our lab analysis and we are assessing additional costs and we are no longer dealing with Pure Earth.

Dennis stated that he attended the National Water Environment Federation and that he is one of the three delegates from New Jersey. Last year they asked operators to submit resourceful ideas and we received one of six awards for our project.

#### Field Engineer

Robert Schwarz reported the City of Vineland started last week repaving 10 streets. LSA provided manhole lids and frames where it was determined that existing lids and frames were defective. City contractors performed the necessary labor.

The contractor for Park Avenue reconstruction project has not paved the road as of today's date. The paving schedule is to occur in the next 3 to 10 days. The milling of the road surface could begin as early as tomorrow.

Bob also stated that we received correspondence from the hospital confirming that the sharps and other debris did in fact come from their facility. The Authority continues to monitor the situation.

Construction on the Shop Rite on West Landis Avenue continues with water mains, drainage, sewer lines being installed during the last two weeks. The contractor indicated that wet well excavation could begin this week.

The Boro Trunk Line replacement project is complete with the exception of final paving and as-built plans. It is anticipated that all will be complete with the exception of the maintenance bonds which must be in place after final completion of the project.

#### Chairman

No Report

#### Issues and Correspondence

No Report

## COMMITTEE REPORTS

### Engineering/Plant

We will be meeting with our engineer and the geologist to look at the plant for additional capacity. The geologist will walk the plant to get a comfort level and review all of the data we have given him for a 20 year time span. Sands, pump tests, etc. will support his findings that our plant can handle higher flows from 8.2 mgd to 10.75 mgd. The engineer will also re-rate the plant. We have added the equalization tanks to remove some of the surge as we added air in the aeration tanks. We want to be able to handle the capacity when the economy comes back at some point. Tom Merighi asked if we hired the geologist and Dennis stated that he is a sub-contractor for our engineer.

### Budget/Finance

Tom Merighi stated that we had a finance committee meeting last week with Dennis, Tom and Jose regarding the budget which we approved tonight. Dennis stated that we try to be conservative on income and a little higher on expenses so we don't get into a problem when things come up.

Tom Merighi reported that income is \$159,290 or 2.22% over budget and expenses are approximately \$373,508 or 5.20% under budget. Accounts receivable increased approximately \$141,888. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Dennis reported that the tax sale is October 24<sup>th</sup> and some of the income is due to those people coming in to pay prior to that sale. Last year we received over \$100,000 from the tax sale. Dennis stated that the cash management plan is the same, just the dates have changed.

### Human Resources

No Report

### Public Relations

Dennis reported that the award he received at the national convention is a positive thing for the Authority.

### Insurance Committee

Carol Ricci reported that she is currently waiting for numbers for the Life, Ad&D and LTD policy renewal due January 1, 2013 but does not expect to see them for about 30 days.

Allocations/Administration

Dennis stated that we took action on two applications tonight and also the letter that Mr. Fabietti spoke about regarding Menantico Estates.

Old Business

None

New Business

None

Adjournment

At 6:31 p.m. there being no further business to come before the Board, it was moved by Silva and seconded by Errickson 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