

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
May 20, 2013

Pledge of Allegiance.

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

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 Silva and seconded by Gana that the reading of the minutes of the regular meeting held on May 6, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi, Gana, Silva and 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 Gana and seconded by Villar that Resolution No. 2013-69, "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.....\$62,619.29", be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Silva and seconded by Gana that Resolution No. 2013-70, "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. ...\$375,735.44", be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Gana and seconded by Silva that Resolution No. 2013-71, “A Resolution of the Landis Sewerage Authority Authorizing the Executive Director to enter into an Interlocal Services Agreement with the City of Vineland to service City owned property known as Block 7503-45...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Villar that Resolution No. 2013-72, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$30,500.00 to Pole Tavern Equipment Sales Corp. for a Tandem Disc Harrow for the Agricultural Site in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-73, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$5,369.00 to Garrison Enterprise, Inc. for labor, material and equipment to install one 12” gate valve at LSA treatment plant on Mill Road in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Gana that Resolution No. 2013-74, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$14,100 to Abel Recon for Oak Road Pump Station wet well spray lining as per quote dated March 3, 2013 in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Silva that Resolution No. 2013-75, “A Resolution of the Landis Sewerage Authority authorizing a contract for the replacement of upper and lower bearings for a Lakeside 66” screw pump in the amount of \$80,925.00 to George Young Mechanical...” be adopted. Roll Call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Gana that Resolution No. 2013-76, “A Resolution of the Landis Sewerage Authority authorizing a correction on credits, charge-offs, refunds and cancellation of accounts in the amount of \$1,082.50...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Gana that Resolution No. 2013-77, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$4,850.00 to Hatch Mott MacDonald for professional engineering services for the Burns Avenue Sanitary Sewer Extension investigation, survey, design and bidding in accordance with the provisions of the

Authority's General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

Reports:

Executive Director

Dennis Palmer reported that a meeting was held with Allied Steaks. They are continuing to use the grease trap they have which was not functioning well at the cleaning intervals they were doing. They were using a small 2,000 gallon tank about once a month and a tractor trailer once a week. That at least brought them into compliance with the amount of grease that they are generating. At the last meeting we requested in writing where they stand and they have also looked at a consultant to put something inside the facility. They are in compliance but they are going to have to weigh the cost of hauling this material away to stay in compliance or if they put a piece of equipment inside to keep the yellow grease inside. Its yellow grease v. brown. One you get paid for and one you have to pay to haul it away. Our main concern is compliance.

Dennis also reported that many of our operators including myself were in Atlantic City for the NJ Water Environment Association. The conference was throughout the week and we got contact hours towards our licenses and in my case it is good for both my engineering licenses in New Jersey and Pennsylvania and my operator's license here as well.

We made a payment for Burns Avenue tonight which is primarily surveying. We have looked at a couple of concept designs. The line is fairly shallow at the low point and that is one of the things we are trying to work our way around. Will there be enough cover over it to protect the pipe? The pipe will only have about 2 feet of cover so we are looking at how to get it a little deeper.

There were about eight bids for the Lakeside Screw project which were very competitive. Many in the \$80,000 to \$90,000 range and some way out. This is a new firm to us and they have done a couple of these screws already at a municipal site in Delaware. They have experience and we are looking forward to moving ahead on that project.

There have been various start-ups at the Shop-Rite Pumping Station. It is still not ours and they are working on the station and the bypass emergency pump and we're looking at punch list items to clear and once those things are done the engineer will sign off on the State form that it is completed and constructed in accordance with the plans and it will become ours.

Steve and I have talked a little about Franklin Township and with respect to that we received plans today that lays out how the site is going to be looked at. There is no connection fee because they bought the capacity when they got the land. We will have to send them a bill for review fees. We still have our time to look through and review it and also have some discussions with their consultant. They have to put a well in and the well

out there has radium as well as many others in New Jersey. We will have to put in some removal for radium.

The City of Vineland is remarketing itself with a new City seal and a new marketing plan. Carol and I were invited down at 4:30 today. The new slogan is Vineland, Discover the Difference. They are trying to make it a universal message so that all departments have the same message with that symbol and it will look uniform on the website. It will be in tomorrow's paper and it will be on the water tower on Mill Road.

The Finance Committee will be meeting fairly soon for the Audit.

#### Field Engineer

Bob Schwarz reported that work is continuing on the sanitary sewer system at the new Shop-Rite on West Landis Avenue. They had a second start-up on May 10, 2013 and we have indicated all of the items necessary to be completed prior to LSA taking ownership of the system. Shop-Rite is looking at an early June opening.

LSA has determined a condition at New Pear Street and North East Avenue that needs repair. We are currently obtaining proposals from various local contractors for some pipe replacement.

The Greek Orthodox Church continues to construct their sanitary sewer system to flow into the Landis Sewerage Authority. Plans are to be complete by the end of the week. LSA is monitoring the progress.

Bob stated that he plans to attend a pre-construction meeting in Bridgeton for the paving of Lincoln Avenue from the City line to Brewster Road.

Walgreen's at Delsea Drive and Landis Avenue and mattress facility formerly Blom Brothers will open soon.

The Boulevard and Peach Street project that was previously discussed was announced in the paper last week. Work will start sometime in July.

#### Solicitor

Steven Fabietti reported that had been getting some feedback from Franklin Township about re-activating the Meredith Farm site. He stated that he reached out to Solicitor Ziegler and has not heard from yet and expects to follow up with at the end of the week. Steve stated that he and Dennis had put something on the table about how it should be structured and they are starting to get the engineering details together for Dennis' and Bob's review. This could be a sign of progress to get that site back on line.

Steve Fabietti also reported that he has been working with Worker's Comp defense counsel Capehart and Scatchard out of Mount Laurel on their defense of a pending claim

against the Authority. Since it is litigation we cannot talk on the record, but Carol and I have been working on some documents they've requested for the case. We are at a point now where we've done our part and we will see where that goes and it will be a topic in closed session.

Chairman: No Report

Issues and Correspondence: None

Committee Reports:

Engineering/Plant

Dennis Palmer reported that he met with the engineers for the plant and we went over a report they are working on in regards to the re-rating of our facilities. Their evaluation of unit process by unit process, piece of equipment by piece of equipment, pipe by pipe through the facility looks like the plant can handle 10.2 mgd. The idea is to go back to DEP and look for 2 million gallons of capacity because we have built some things over the years such as the equalization tanks, the larger headworks. The headworks was designed for 12.2 million gallons because the planning documents we had in the middle 90's looked like 12.2 and it would have been that at the time but DEP came out with new rules and regulations which constrain growth. Flood plain, stream encroachment, animal habitat, all of that gets thrown so the 12.2 million comes down to actually 10.75. We had all along planned with the use of the headworks and the equalization tanks to go back and make the argument that the plant has larger facilities built within it and the original design was so conservative that we believe we could push more flow through the plant. The analysis is two-pronged. One is that analysis and I gave them some comments on the narrative they had at the beginning of the report and the second thing we are waiting for hopefully this week, is the report from the hydrogeologist which shows that not only can the plant, through its biological and physical and chemical processes handle more flow, but the soils on our property now can take the water that has been cleaned up, go into the land and percolate into the soil and then into the aquifer it will handle it. If not, we have different alternatives that on the far southeast beds we can further that from spray guns to sand beds. Mr. Gana asked if Dennis anticipated getting approval for 10.2 to 10.75 and Dennis stated it would be around 10.2. To get to 10.75 we would probably have to build something.

The maximum amount of air we can put in the plant for the bugs to use the food and get the oxygen is at that 10.2. We are now in house looking at various capital projects and needs that will probably start not long from now. Most of the plant is 25 years old, the newer parts of the plant like the headworks are about 20 years old and the equalization tanks were done in 2000. The major part of the headworks was done in the mid 1990's and the major part of the plant was done in the 1987-89. Things are wearing out and with today's electrical costs, we need to see what we can do more efficiently. Can we go to premium high efficiency motors like a 100 to 150 horsepower motors. We know that the Sears force main was the right size at its time, but with growth it can be upsized by 2

inches. That is a capital item we are looking at. We have been working for quite some time through the Department of Energy and the Department of Agriculture of New Jersey to get this grant to take manure, that notwithstanding we would like to build a facility to take our own grease, grease from our pumping stations and maybe even go out to restaurants for a fee in town, pump out the grease, which we know will be done right and make it a new income source. These are just some of the things we are looking at capital wise to be implemented into the next 3 to 5 years.

On the farm the corn was planted on Friday and more will be planted this week. We are also working on our forestry program thinning out the trees. We have taken out the trees, dragging them through the green briar opening it up to trails so that there are fire breaks. There will be fewer trees per acre and the ones that are left will be stronger because there are less trees competing for rain and nutrients.

We have been dealing with Hatch Mott MacDonald on the lines on Burns Avenue. As I said we have some issues on the depth of the line. Dennis stated that he saw them at the conference and they think that they have worked something out. We are sending out the check today to Conrail for the permit. We do not pay them an annual fee for the right to cross as an easement, now they want the fee up front which is approximately \$8,000.

We are paying the bill to Pole Tavern for something we went out to bid on some time ago and we are very happy with the screw pump pricing which was very competitive with four or five bidders within \$10,000 of each other.

#### Budget/Finance

Treasurer Thomas Merighi reported that income is approximately \$32,771.00 or 1.03% over budget. Expenses are approximately \$113,189.00 or 3.55% over budget. Accounts receivables increased approximately \$2,101,499.00. The increase is due to Cycle "A" account billing. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

#### Human Resources

Dennis reported that we have a young man who is an accounting major at Rowan who is looking for a position whose name I sent out to various firms. He had not heard from anyone and I told him that we could offer him a no-pay internship. He will come in on Thursday and Friday and it will help his resume. One of the main things we deal with as a utility and part of the audit we have a certain value of assets which are the non-cash items that show up as an asset. He will be counting motors, pumps and other things as well.

#### Public Relations

Dennis stated that there is nothing new since our Earth Day articles and Carol and I attended a City marketing event.

Insurance Committee

Carol Ricci reported that we chose not to seek pricing on our own insurance policy in reference to the Conrail Contract for the Burns Avenue Sewer Extension at the advice of our brokers at Willis as the pricing will be the same. There are some parts to their contract that do not pertain to New Jersey such as adding them as an additional insured to our Worker's Comp policy and also they wanted us to waive subrogation rights for Worker's Comp and that is not possible in the State of New Jersey. We are pretty sure that these are blanket statements in their contract that we would not have to worry about. Our agents spoke to them regarding these items.

Dennis stated that when the day comes, our contractor will name us as an additional insured on his policies and this is probably a result of other incidents experienced by Conrail that causes them to add this to their contract. This is a much simpler way to go in regards to their insurance requirements.

Carol also reported that the property and casualty insurance renewal is getting closer and there is interest by Traveler's Insurance as well as American Alternative, our current insurer in coverage for the Authority. American Alternative is basing their rate increase not only on sewer back-up claims but losses they suffered during Hurricane Sandy. These losses have nothing to do with the Authority. In addition, we are currently looking at other markets besides Ace for our pollution liability coverage to keep pricing competitive. We believe at this point in time that the Public Official's Liability premium will remain constant.

Allocations/Administration

Dennis reported that at this point there is nothing ready for discussion.

Old Business: None

New Business:

Finance Committee will be meeting relatively soon with respect to the Audit and also to look at a rate increase for this year, as if the City continues to ask, our capital reserves will be gone.

Adjournment:

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

THE LANDIS SEWERAGE AUTHORITY

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FRANCIS A. GANA, Secretary