

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
September 16, 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 and Errickson were present. Silva was absent due to the fact that it was back to school night.

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

Chairman Errickson 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 Gana and seconded by Villar that the reading of the minutes of the regular meeting held on September 3, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that the reading of the minutes of the closed meeting held on September 3, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi, Gana and Errickson 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 Gana and seconded by Villar that Resolution No. 2013-142 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.....\$63,530.23”, be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Silva that Resolution No. 2013-143, “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. ...\$324,643.86”, be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-144, “A Resolution of the Landis Sewerage Authority authorizing an NJDEP Treatment Works Approval (TWA) to authorize the Executive Director to endorse the TWA for the Route 40 Site previously known as Meredith Farms...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-145, “A Resolution of the Landis Sewerage Authority authorizing the Executive Director too sign an application for Pollutant Discharge Elimination System Permit for General Mills, Inc./Progresso Quality Foods...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-146, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$1,305.00 to “D” Electric Motors, Inc. for repair of Smith & Loveless 2HP Biltogther Pump in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013- 147, “A Resolution of the Landis Sewerage Authority authorizing the exclusion of the public from a meeting between LSA general counsel and administrative personnel to discuss matters falling within the attorney client privilege and contract negotiations with the City of Vineland...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

Chairman Errickson stated that the meeting would close after new business.

Reports:

Executive Director

Dennis Palmer reported that in the last two weeks the City Auditor was here twice looking for information and we provided information and we will continue to discuss that later.

With respect to the plant and our future bond, our engineer came here with his electrical engineer and they took a tour of our plant with our electricians. We talked about some design concepts going into the future and can we prepare the plant now looking out to about 2040 and its capabilities to handle extra capacity, reliability and some duplicate

services. We are getting the numbers for the future bond and also telling him what our intent is and it was a fruitful meeting and hopefully it will result in a future design.

Dennis stated that we had a personnel matter last week that he discussed with the Solicitor that is not for open session. Also, for later discussion, Dennis reported that he was on a conference call last week with members of City staff as well as Triad, their consultant on grants and we will talk further on that under issues and correspondence and our response on Burns Avenue.

This Wednesday is the pre-bid meeting on Burns Avenue and it will tie into that discussion as well and on Thursday, Dennis reported that he is presenting a paper on the Authority's 25 year history of land application and bio solids at the NJ Water Environment Association Technology Transfer. It is a program they run for four days and Dennis stated that he is actually presenting three times. There will be hundreds of operators there and some of our staff is going as well so they can get contact hours towards their licenses.

Steve Errickson asked about the date and Dennis said that he is going Thursday this week in Tinton Falls in Monmouth County. It runs Monday through Thursday and Dennis said he is the opening speaker and he will be involved in a joint discussion in legislative matters with Peggy Gallos the Executive Director of AEA and the afternoon program will be the 25 year history of the Authority.

Field Engineer

Bob Schwarz reported that he attended a pre-construction meeting with South Jersey Gas for the remediation of the soil at Peach Street and North East Boulevard on September 6, 2013. Work will begin next week and the road will be closed for approximately seven months. Sewer work is to be started in about two weeks.

We had problems with a sewer lateral at 11 South Valley Avenue and the problem was taken care of prior to the City repaving the road.

Plans were submitted to LSA for review for the rehabilitation of the southwest corner of Sixth and Landis Avenue, formerly known as the Time Out Bar.

The pre-bid meeting for the Burns Avenue Sewer Extension is this Wednesday. There is a lot of interest in the project as we sold out of plans and specifications. We expect ten more sets tomorrow. The addendum will be required for meeting EDA requirements. Bids are due October 11, 2013.

Bob also stated that work continues on Lincoln, Valley and Grant Avenues. Brewster Road is now complete.

The Eastlyn Golf facility has completed requirements and LSA is having the maintenance Bond released.

Solicitor

Steve Fabietti stated as Dennis mentioned, he was consulted on two different personnel matters that are pending and if it needs the attention of the Board, we will come back to the Board for a closed session.

Steve Fabietti also reported that we are looking at new legislation about to go into effect in New Jersey that deals with employees having to miss time if they are involved in domestic violence incidents. We will make sure that Dennis is fully up to date as far as what those requirements are.

Chairman: No report

Issues and Correspondence:

Dennis Palmer reported that the Commissioners received a briefing memo on Burns Avenue and that the Authority was caught on short notice on this. We feel that it is better to help the City overall obtain the grant funds they need. This grant goes back three maybe four years to build new water facilities possibly at the end of Butler where the school board was going to build a new school. The school was not built and I believe the pre-test of the water quality was extremely poor and it would cost a lot of money to build treatment facilities. The City has now decided to relocate the water plant over near the power plant which is part of the whole Burns Avenue extension and most likely proceed with their own funds and not use the grant. They are using the grant to build some of the pipeline work but not the water plant. What initiated around August 3rd, Bob went to a meeting on how could the City rescue this grant and not lose a vast portion of the grant and part of that was to be able to move it over, with no guaranty to delay the project, but part of it would go to the gravity sewer we are doing for Burns Avenue. Dennis said he certainly thinks that if we can save the City \$400,000 to \$500,000 in significant funds in outside money that can help pay for that trunk line, while the City electric utility is bonded at \$880,000, depending where the number lies, we will know when the bids are open. It may be higher. What changed is our preliminary work was done with an alignment in the grass shoulder and that area has a conflict with the storm sewer so it will be moved out into the street and be more expensive. The long and short of it is that to help the City retain those funds moves the job back maybe three plus weeks. To get EDA funding the EDA requires at least a thirty day bid period. We advertised on the 10th of this month and original we were going to open it on the 26th that would allow only 16 days and we actually pre-faxed things out probably around the 7th to get people interested. What we would have to do is issue an addendum that includes all of the new EDA numbers and inclusions, move the bid back to October 11th which gives 31 days advertisement and then award it at our second meeting. That also gives us and the engineer time to check the bonds, references and other issues. The upside is saving the City's grant which is beneficial to all of the rate payers and tax payers in town. The downside is that it pushes our construction closer to Black Friday and into the November

and Christmas holiday. We have taken major steps in the area of where Burns comes to the mall to keep traffic open to the mall. Once we get to the point where we open bids and we know who the bidder is and we award it, I will go down personally and meet with mall personnel and tell them all of the different things we have done to deal with the traffic. Normally when we go underneath the railroad tracks, we just jack underneath and we come out on the next street. What we have done here is we have gone completely underneath the boulevard and we are not closing and blocking off the boulevard in that area by the mall. It is a longer jack which would normally be a 100 feet, Bob stated that it would be 130 feet. The idea is to get out of the intersection to the other side. We are also going to be running down the South side of Burns Avenue so the contractor with flagmen could at least keep one lane open as we move our way down Burns. We will probably get close to Reick maybe after New Year's which depends on productivity since it drops off in the wintertime because of weather and heavier gear worn by the workmen in the cold. The downside are those things and the upside is saving the City and the tax payers perhaps \$400,000 to \$500,000. My suggestions would be to be in a position to work with the City to save those funds and to get the outside monies to the City rather than have a total loss of that grant. By coming in late you only get 50% instead of 100%. Considering that most of the State money today is loans, 50 cents on a dollar is good. There is a conference call schedule for tomorrow at three or four and we have also directed our engineers to start pulling together information for the addendum to push those times and do the check list but I think overall it is a win win but clearly with the caveat that we are going to be running through some of those areas between Black Friday and Christmas trying to do the best job informing everyone and talking to the mall. We have gone over and beyond to make it, in our case a little more expensive project, but to get out of the roadway as much as possible to allow traffic. Those are the two sides of the story. Dennis stated that he wanted to bring it up for discussion and your input. Dennis stated that he had estimated \$880,000 and the last engineer's estimate was closer to \$1,000,000 but there are contingencies that the pricing may be better if the contractors are hungry. Dennis stated that he likes to look at the third bidder to give you a better idea of where you stand with the costs.

Chairman Errickson asked how much the grant was for and Dennis replied that the City was going to get around \$3,000,000 to build water lines, a new treatment plant at the intersection of Butler and Lincoln. Carlos Villar asked if the grant was from the State and Dennis replied it was Federal. The preliminary well testing showed a low quality of water from a radium standpoint or nitrates, whatever the issues were that was always the controversy because the of the schools and subdivision of the property for the new water plant. None of that happened. With Magic Sports or whatever, something is going to come, the power plant is going out there and they need water and sewer while the treatment plant portion of the \$3M is not being built, the pipeline extension is being built, and so some of it will be utilized for that so they won't lose the total amount. Carlos Villar questioned us helping them and Dennis replied that we don't want to be questioned on LSA costing the City \$4 or \$500,000.

Carlos Villar stated that it makes sense for us to do it. Dennis stated that his preliminary estimates were about \$880,000 and construction in county highways is more expensive

because the county often wants flowable fill which is a real sloppy concrete and it takes time to set up. Dennis stated he went requested county and asked if we could use DGA or crushed concrete and you don't have to worry about set up time. Makes for a firm trench and you don't have to worry about settlement. By having that conflict where I wanted to go in the grass with a storm sewer moving into the street, it's two manhole runs which 800 to 1,000 feet of pipe that also has all of depth of a trench full of stones which is much more expensive on a per foot basis. That is why the estimate is raised from my original estimate because of the different site condition and probably close to \$1,000,000. The grant would also help fill that shortfall in money because the City of Vineland at \$880,000, if it came in at \$1,000,000 we're on the hook for the \$120,000 because that is our interlocal service agreement.

Dennis stated this grant is two or three years old and the background will be on the record as well. There are some interests for the Authority but the interests of the greater good for the taxpayers and rate payers is important.

Chairman Errickson asked if they would have lost the entire \$3,000,000 and Dennis said they would have lost what would have not been in the pipeline. Chairman Errickson stated that this has been his complaint about the City since they have misfired so many times and they would have operated at a loss and they are not as efficient as us. Then our project would have gotten it off and Dennis explained that the project would have been built already. Based on that Dennis stated that he will direct our engineers and there will be a change order because some of these funds would also pay for our extra engineering work because of the specs and have them include the checklists and the items that EDA requires.

Chairman Errickson stated that the other good thing about getting the grant money is that once you get it and do a good job with it, it is easy to get more grant money. Dennis stated that it is the case as we have seen with other projects in Vineland.

It was moved by Gana and seconded by Villar that we move the construction date of the Burns Avenue Sewer Extension back to aid the City of Vineland with grant monies. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

Committee Reports:

Engineering/Plant

Dennis Palmer reported that as a follow up we put out a purchase requisition after considering the derecho and Sandy we are continually looking at our system for redundancy and resiliency and we are moving ahead on the two back up trailer mounted generators as well as the pickup truck to pull them.

Dennis reported that he was at the farm and not only us, but everyone in the hay business says that it was a bizarre year with the amount of rain in the grass business. We had a very wet spring and then we had that really hot streak in July. What we found is that we

had two different turf people out and it is almost like a fungus or blight in some of the hay fields and part of it also deals with adding potassium. Our bio solids has all of the nitrogen and potassium that we need but not enough potassium and that is critical to the roots and the strength of the crop. Our intern had taken pictures right at the end of August and those digital shots show that within two weeks large areas are brown. We walked the fields and it looks like its brown just from heat. We did some extra soil sampling to see what is going on out at the farm. The ag folks that we deal with said that it is widespread.

We reported that we are working on our future bond with the plant engineer on several items and one thing we are really excited about is our ability to take grease, oils and fats that can be added to the digester, make more gas and make more electricity and maybe even look at a larger engine. The engine is six years old and paid off and we made a little on it. We are still probably three years away from construction. If we are going to make more gas, the engine can only run so fast and it is running at full speed now. We are looking at a unit that is probably another 25-30% bigger. This is a growing market from when we started it seven years ago.

Budget/Finance

Treasurer Tom Merighi reported that income is approximately \$252,262.00 or 4.1% over budget. Expenses are approximately \$4,611.00 or .07% under budget and Accounts receivables decreased approximately \$383,869.00. The Authority continues to be affected by the economy and is keeping a close watch on its budget. Dennis noted that we still have to pay the City the rest of the \$434,000 so the income will be reduced.

Dennis stated that our staff is working on next year's budget.

Human Resources

Dennis mentioned that we have one vacancy right now. We had a cascade of people moving up into positions after going through the interview and posting process which is now complete. We now have a vacant position and we may fill that this year. Dennis stated that he and Carol Ricci had two separate conversations with the Solicitor regarding some matters.

Public Relations

Dennis reported that we had the tour with the health department as mentioned at the last meeting. Rowan University Civil Engineering juniors will be here on Monday October 21st for a tour of the facilities. We have been working with Dr. Gihan for many years now and when she does her water and wastewater class with the civil engineers, they come out for a tour to see firsthand to see how things work. Dennis stated that it is one of his favorite tours because he can talk about other and bigger issues and give the students a real life application. The first lesson is listening. We tell every professor that flip flops, sandals and open toe shoes are not permitted because you are going to walk through the plant. We want to see if the students listen. Last time we had one student come Salem

County College who did not read his emails, he had sandals on and he had to have a seat while everyone else went out in the plant. Every one of his classmates had shoes on so the first test is listening.

Insurance Committee

Carol Ricci reported that she is continuing to wait for the numbers for major medical and prescription coverage but the good news is that the major medical renewal will be under 5%. This is the first year in the last five years that we will be in the single digits and that low for major medical. Prescription coverage is not trending that well so we are going to have more difficult numbers in that area.

Allocations/Administration

Dennis stated that we reported earlier on some of the actions where we approved some projects and we see some things happening. Franklin Township endorsements will go back to them and they can get their DEP permit for the industrial park.

Tom Merighi asked Dennis to explain what Resolution 2013-145 Application for Pollutant Discharge Elimination System means. Dennis explained that large industries are not permitted to discharge more than 20,000 gallons per day or have the strength that is similar to that, have to get a permit to DEP just like we have a permit for discharge. They are considered the indirect discharger because they go to a public treatment plant so they come to us. DEP still regulates them to make sure they are not discharging strength that would cause a problem at the plant called upset or if it passes through the plant it is called bypass. Through that process that permit comes up and expires every five years. We did one recently for Aunt Kitty's and we have done other ones. For them to go to DEP they need the endorsement from the local treatment plant that you will accept the waste that is compatible. If a new industry came in they would also have to go through this process and get an endorsement from the City. In this case it is an existing industry. Tom Merighi asked if the hospital would be one. Dennis replied that the hospital could be one as well. Dennis did not think that DEP as ever dealt with them. The flow is higher but it is more domestic. Every year a report is put together for DEP.

Old Business: None

New Business: None

At 6:33 p.m. it was moved by Gana and seconded Villar that the public be excluded from the regular meeting in accordance with Resolution No. 2013-147. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

Adjournment:

At 7:04 p.m. there being no further business to come before the Board, it was moved by Gana and seconded by Villar that the meeting be adjourned. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

THE LANDIS SEWERAGE AUTHORITY

FRANCIS A. GANA, Secretary