

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
February 1, 2016

Pledge of Allegiance.

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

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

Chairman Merighi 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
	Stephen Barse	Solicitor
	Carol A. Ricci	Executive Assistant
	Frances DiPrimio	Authority Customer
	Robert DiPrimio	Authority Customer

It was moved by Errickson and seconded by Barse that the reading of the minutes of the regular meeting held on January 19, 2016 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted "yes".

The Chairman asked if there were any general public comments or comments on the proposed Resolutions. Please state your name and address.

Frances DiPrimio, 1111 Swenlin Drive, Vineland and I am here because we are in dire need of sewerage in my area. I've come to this meeting before and Pete Galetto and Pearl Giordano was here. We really need help and I wonder that I pay taxes and there are people that have a home just like mine that pay the same amount of taxes as me and they have sewerage and I don't. We need help.

Dennis stated that none of the City's tax money comes to us. The City and us are two separate entities so none of the tax money comes to us. You can go to the City Clerk and get a petition for sewer.

Mrs. DiPrimio said this would be the second petition. Dennis stated that it is expensive and just for background for the commissioners, the Blue Hole pumping station at the corner of Mill and Oak Roads can get there but it's very deep. I ran some quick numbers and it's about 20 feet deep and at that depth it would be well in excess of \$100 per foot construction cost. Robert DiPrimio asked why they can't run over the hill. Dennis replied that the low spot is where the pumping station is down the street on Oak Road. To cut through that hill it would probably be more expensive. Mr. DiPrimio asked if you were talking about it cutting through so that it was level and Dennis replied yes.

If you want it pumped the cost of the pumping station alone is about \$500,000. There is one other option and that is if each home had its own pump. You would have that pump and you would own that pumping station. We charge about \$20 more a month but we will come out and maintain it. That was not there the last time you came in. We have been using this in other places. The line in the street is only about four feet deep so the construction cost is reasonable. The cost of the pumping station is probably about \$5000 to \$7000 per house. You pay for the power, it has an alarm and we do maintain it. It's in the ground and you have a hatch that's near the surface.

Bob stated that Roosevelt Boulevard has it and there are other areas that were successful. Dennis stated this might be an option and it doesn't matter if it's hilly because each home has a pump and it's pushed through the line and it will come down to that pumping station.

Mr. DiPrimio asked if the pump was strong enough to pump it up that hill. Dennis stated yes for a hill or an easement. Each pump is relatively high pressure about 100 PSI. It looks like a screw and a progressive cavity with a lot of push. It's low volume but good pressure. Mr. DiPrimio asked about the electric usage and Dennis stated that each homeowner would pay. Dennis stated the cost would be nominal; not more than a sump pump you ran every day. If you have a problem, there's an alarm panel to warn you and we'll come out and maintain it. Cooking oils, fats and grease go down the drain and sometimes you get a blockage inside them. We are planning on buying a vacuum truck so we can clean them.

Mrs. DiPrimio asked if everyone had to agree to it. Dennis stated it had to be a majority, 51. It would have to be 50% plus one vote. It would be less cost and less disturbance. Mr. DiPrimio stated that you would have the added cost of \$5000 to \$7000 per household and the construction costs. Dennis said that would be close. It's a better alternative than digging the street 20 feet deep.

Mr. DiPrimio said that he went on the website that it would be per house \$100,000 or was it \$10,000. Dennis stated it was \$10,000. Mr. DiPrimio said it was a \$1,000 a year for the next ten years. Dennis stated that when we do a petition project, the scenario is first step you get a petition for the neighbors to sign and you may want to go to Mars, Venus and Neptune as well. Mr. DiPrimio said the City Clerk told him that you would have to go to

these blocks but when Mom did it last time everyone signed it. But the problem was when she came here she was told we can't pump it over the hill and Mrs. DiPrimio said there was no pumping station. Dennis stated there was not. Mrs. DiPrimio stated she was happy to see the pumping station. Dennis stated its deep enough to get to you but very expensive.

Mr. DiPrimio asked if there were any grants that would apply. Dennis stated not for a project that small. Dennis stated you take the petition to the Clerk's office or tax assessor and he verifies that it's more than 51%. It comes back to us and we work up an engineering estimate of how much we think it's going to cost for engineering, permits and actual construction. Everyone gets to vote a second time. When the project gets bigger, the economy of scale brings the cost per person down. You have to work that out with your neighbors. Then we go through working with the City and they will get a board of assessors. The project gets built and they will assess your property and you will have ten years to pay it off. You can pay it as it comes and it may help you from a tax standpoint. You can get a home equity loan because when the City sends you that bill it's not like taxes. You can't deduct it. That is the way the process works. We did one right up the street, we did Ramblewood and Tanglewood, and we did South East Vineland, Swan, Brookfield and those areas.

Mr. DiPrimio stated that as far as the maintenance goes an alarm would go off if something was wrong and we call you. Is there preventive maintenance? Dennis stated no only if there was a problem. We keep a couple of spares here so if there's a problem and drop the new spare in and take it back and rebuild it so you are up and running. There is no cost to the homeowner, just your yearly fee. There is a warranty from the manufacturer for two years. The one we like was a GE but it's another manufacturer now. It's an E1 pump station. GE designed and built it like a household appliance like a dishwasher or refrigerator would last fifteen or twenty years. The pressure switch may wear after a while but we keep those on hand.

Mr. DiPrimio stated that as we get these petitions signed it would only be fair to advise the homeowners this is how much it will cost but we don't have those figures. Bob will get a price on the E1 and find out how much it is to install. We will probably run a 2" pipe forty eight inches deep. Get a hold of Bob and we'll try to get some pricing.

Mrs. DiPrimio stated that if she gets 51% of the people to sign then will it be possible for you to tell them more and Dennis stated that we will get an engineer's estimate of the cost.

Dennis stated that we have not seen a housing development come in since 2007 and the only housing is single family here and there. Carl Senseman did a town home project at the other end of Oak Road but we have not seen an application for a housing subdivision since 2007-8, commercial yes but housing no. We can at least get you an updated price on the pumping station and the tie in connections and Bob stated that the connection fee would be above that cost.

Mrs. DiPrimio asked where there was sewerage on Delsea Drive. Dennis stated that it was down by the car dealerships. Is it near Oak and Delsea and Dennis replied no? Lilliston and RK pump out the back. There is no sewer on Delsea in that area. We are looking at some areas to put sewer. Delsea does the same as your street where it rolls up and down. Bob stated that Marcacci meat just put in a pump station and ran a line to Sarah Place about six or eight months ago but that is only for his use. They put in a two inch main.

Chairman Merighi asked if their systems were failing. Mrs. DiPrimio stated that many are having problems. You can't have people come over and it's not a very pleasant thing. There are a lot of problems.

Mr. DiPrimio stated that even though the Authority does not get tax money the City does have something to do with Landis. Aren't you part of the City of Vineland? Dennis state that we are a separate Authority from the City with a separate budget. Mr. DiPrimio said that he spoke to a Senator and that's not really so. Dennis stated that it is and that we are a total body of politics different from them. We have our own budget. Mr. DiPrimio said don't you have to do what they want and Perry Barse stated that we set our own policies and rules. These are the bosses right. Mrs. DiPrimio asked who makes the decisions and Dennis stated its right here. People think that we won't get anything done here and Dennis stated that we have done so much in this town. You just have an extremely difficult location. When you are dealing with twelve to fifteen homes the cost is so high to get the job done for those homes and that is what has been prohibitive over the last few years. A pump station is anywhere from \$500,000 to \$1M to build. In Brookfield, we were talking about 400 homes and we built it bigger for future growth.

Joe Reuben stated he talked to Sansalone and the cost would be approximately \$15,000 to \$18,000 with engineering costs and permits to install a new septic system.

Bob told Mr. DiPrimio to call him or the office and we'll try to get updated pricing.

Chairman Merighi stated you have a plan now and we hear you and you are on our radar now. Do your part, it sounds a little daunting but don't feel that you can't call the professionals here if you need some advice. Bob is right on top of things so tell you neighbors we hear you but you have to do a, b and c before we can go any further. Thank you very much.

At this point the meeting was turned over to Solicitor Barse by Dennis Palmer. Solicitor Barse administered the oath of office to Perry Barse.

Solicitor Barse opened up the nominations for Commissioners for the coming year. The slate of proposed officers are:

Thomas J. Merighi, Jr., Chairman
Carlos Villar, Vice Chairman

G. Steven Errickson, Secretary
Joseph J. Reuben, Treasurer
Perry D. Barse, Assistant Secretary and Assistant Treasurer

Are there any other nominations? There were none.

It was moved by Errickson and seconded by Barse that the slate of officers be accepted and nominations be closed. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

Resolutions:

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-15, “A Resolution of the Landis Sewerage Authority confirming the appointment of the Chairman, Vice-Chairman, Secretary, Assistant Secretary, Treasurer and Assistant Treasurer...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-16, “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.....\$66,619.53”, be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-17, “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....\$287,036.29”, be adopted. Roll call: Barse, Reuben, Errickson, Villar, and Merighi voted “yes”.

It was moved by Errickson and seconded by Villar that Resolution No. 2016-18, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$9,910.50 to GHD, Inc. for project management meetings and preliminary engineering and design brief in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi “yes”.

It was moved by Errickson and seconded by Villar that Resolution No. 2016-19, “A Resolution of the Landis Sewerage Authority authorizing correction on credits, charge-offs, refunds and cancellation of accounts in the amount of \$656.87...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Villar that Resolution No. 2016-20, A Resolution of the Landis Sewerage Authority summarizing allocation activity through the close of Allocation Round 161...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-21, “A Resolution of the Landis Sewerage Authority authorizing the Executive Director to establish new compensation levels...” be adopted. Roll call: Barse, Reuben, Errickson and Villar voted “yes”. Merighi abstained.

It was moved by Villar and seconded by Errickson that Resolution No. 2016-22, “A Resolution of the Landis Sewerage Authority, it’s General Counsel and Administrative Personnel to discuss litigation and related matters falling within the attorney client privilege...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

At 6:50 p.m. the regular meeting of the Landis Sewerage went into closed session.

At 7:02 p.m. the regular meeting of the Landis Sewerage Authority reconvened.

Reports:

Executive Director

I went to Trenton on the 2% hearing for Authorities. There is a disconnect there. We spent a lot of time explaining that we’ve done our numbers here. Our costs are about 70% fixed. Give me a gallon or three hundred. We still pay for debt service, salaries and health care, property and casualty insurance, we pay the permit fees. We still send two men in a truck with tools and safety equipment out to check the pumping stations. The other variable is as flows go up and down you use more chemicals and electricity. We are trying to explain in our case, since we have old debt service, if you have a town with new debt service, that number can be much higher on fixed costs but in our case, I try to explain that if you have a house with a family of four or a family of one or two and they use half of the flow, your bill is not half. Your bill is not 15%; it’s 85% because it’s only half of the variable. We are trying to get these folks to understand it. We recognize those one bedroom apartments and one bedroom condos because they are billed at about 75% of our homes. So there’s 70% fixed, they are using a lot less water so they are at about 5% of the variable so that’s 75%. They are happy with our system but they are not happy with other systems. We talked about some issues with connection fees. It was a good meeting because there was a bill that was working its way through the legislature saying that all sewer bills should be done on consumption which is a logistic nightmare. For us we would have to get bills from the water department. You need IT to bring that in and enter it into our system. Some people have wells that don’t have public water but still have sewer. Western Monmouth has four members and two customers, six towns. They bill retail. You would have to get the water bills from a multitude. Camden County bills retail with over a 100,000 bills and its 38 towns. Some are NJ American some are Aqua and some are municipal watering systems. To get that amount of billed data into the system, it could be done but at what cost. There were a lot of issues with consumption.

We did some shots on Hepatitis. I'm going to Trenton on Wednesday to give testimony on the NJPDES fees. We've been working on a video. Today we did about another two hours. This is all for three minutes of video. We spent about seven hours putting tape together of the plant. We'll have it as a piece that we can do something with on Channel 22. The Ag-Show is coming up in DC and Commissioner Fisher wanted to talk about our receiving station. It's part of him behind his desk, voice overs, stuff happening out here.

We have a quail project meeting next week and we also got a very rare item for a burn permit. You actually do a controlled burn with Forest Fire Service. You burn out the greenbrier, the sticker bushes and all of the junk that's out there to make a better habitat and also you burn it now controlled, it's better than if you burn it wild when you have problems. They cut a trench around it.

We are planning a trip to a treatment plant in Aberdeen with Stan Chilson. They have a new type of blower that's more efficient than the ones we are looking at. That's the main costs in what we are doing in the treatment plant; changing the mix from the surface mixer to the blower system. It's a new model and relatively close to see.

The Quarterly report was sent to Mayor and Council and we have been having a series of design email memos back and forth with Hatch Mott MacDonald with the collection system. The staff are included in it so if they have any questions or comments we can get back to them.

Field Engineer

Bob Schwarz reported that we managed to get through the snow storm last week with only a few issues. A manhole cover was hit by a snow plow and a sewer call where the manhole was buried.

JC Penny at the Cumberland Mall is being demolished and the new Dick's Sporting Goods will take its place.

Solicitor:

Stephen Barse stated there was no report other than the closed portion of the meeting.

Chairman:

Tom Merighi thanked the staff for working through the blizzard and all of the guys out in the field. We appreciate their commitment in keeping everything safe. Dennis stated that the guys did a yeoman's job. The sewer was backing up into the home. The manhole was not where it was supposed to be in the plans. You're digging in a foot of snow to find a manhole. Luckily someone was out there that kind of knew where it was near a man's shed. They got in the lady's house, put an inflatable plug in to stop the flow. We got out the next day again and they did a really good job.

Issues and Correspondence:

It was moved by Barse and seconded by Errickson that the Executive Director be authorized to purchase a Ford 250 4WD pickup from the State Contract in the amount of \$24,402.50. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

Dennis stated that the second item would be to authorize the Executive Director and the Authority’s Solicitor to file an appeal on DEP’s action with respect to the NJPDES fees.

It was moved by Barse and seconded by Reuben that the Executive Director and the Solicitor be authorized to file an appeal on the DEP’s action with the NJPDES fees. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

Committee Reports:

Engineering/Plant:

Dennis reported that he kind of covered it that we have been having several emails between the design engineers as they go through the design. There are certain questions as you go through that are owner’s preference how to handle situations. Sometimes it may be a cost differential at a higher cost but it may add to a better long term cost.

Budget/Finance:

Dennis stated that Tom is still closing out the year. The Auditors came and did a survey of inventory items. Part of it as you go through the audit process is they look for a list of capital items.

Human Resources

Dennis stated it’s very active for the good. Hilde has put in for retirement. We’ve been going through the interview process and found someone that was very good on Friday, his physical was today and we will send a hire letter out.

Our lab director is also retiring at the end of February, Hilde is the end of March. We are starting to advertise for the lab and we have someone in house that may want the job so we may be looking for another clerical person. It’s been active. It’s succession planning. We’ve been working through it the last several years. The plant was brought in line in 1989 so a lot of people were hired in “88 and “89 so they are all hitting the 25 year mark and this will continue for the next few years.

Public Relations:

Dennis stated that the video is very interesting. It's being funded by the grant we got from the Department of Agriculture. They love our site. They brought a drone out today to fly over the plant, got some videos. He wants to do a half-hour documentary.

Insurance Committee:

Carol Ricci reported that there was nothing on insurance but in addition to Dennis' comments regarding Hepatitis shots, titer would be tested approximately 30-45 days after the round was completed to see if the vaccine was reactive.

Carol Ricci also wanted to mention is that today is my anniversary date. It's 16 years today since I started at the Authority and I enjoy working with everyone.

Allocations/Administration:

Dennis stated that we took action on charge-offs tonight. It's been kind of slow. We've had an increase in the connection fee. Jennifer has a project, it was already in house, and we process it with the old fee. If someone just calls in, it's not in the process. The forms are filed, the paper work is here. Maybe a couple of schools on Lincoln Avenue will be coming. There's a charter school that has interest.

Old Business: None

New Business:

Dennis reminded the Commissioners that the AEA Conference would be March 8 and 9 at the Golden Nugget in Atlantic City and that Carol would be contacting them.

Adjournment:

At 7:17 p.m. there being no further business to come before the Board, it was moved by Errickson and seconded by Reuben that the meeting be adjourned. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted "yes".

THE LANDIS SEWERAGE AUTHORITY

G. STEVEN ERRICKSON, Secretary