

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
June 20, 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
A. Steven Fabietti	Solicitor
James Gruccio, Esq.	Gruccio, Pepper, DeSanto & Ruth PA
Carol A. Ricci	Executive Assistant

It was moved by Errickson and seconded by Villar that the reading of the minutes of the regular meeting held on June 6, 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. There were none.

Resolutions:

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-63, "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.....\$72,865.53", be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted "yes".

It was moved by Errickson and seconded by Barse that Resolution No. 2016-64, "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...\$300,663.84”, be adopted. Roll call: Barse, Reuben, Errickson, Villar, and Merighi voted “yes”.

It was moved by Errickson and seconded by Villar that Resolution No. 2016-65, “A Resolution of the Landis Sewerage Authority authorizing Comp Time/Overtime for Shift Managers ...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

Dennis Palmer stated that in 2009 and 2010 when things were tight, we tried to cut back on some overtime issues with our staff at lower levels to have a choice of taking comp time or overtime and being paid time and a half. The comp time we had to give all supervisors one hour for an hour. Shift Managers aren't the same as Bob of the Superintendent or people that report to Tom. There are one or two levels below that go to the Superintendent or the Assistant Superintendent. They had a choice of either taking straight time, comp time or time and a half cash. They were always taking cash at time and a half. The idea was to offer them the ability to take time and a half in time off they will not take the cash and take time instead. If they take time they have to do it so it doesn't cost us overtime. It can be scheduled. Perry asked what the change was. Dennis stated that they are getting time and a half comp time and we're not paying the cash and if they take a day off it has to be with no overtime. They can't call out they have to schedule it in advance with their supervisor. That's where it was for many years but we moved up a level with Tom, Bob and the Superintendent and they report directly to me and they get one straight. They are our main guys on the line and we ask a lot of them so it's something that recognizes them a little and it will also save us money in the long term and we won't be paying them time and a half cash, plus we pay social security and everything else on tops of that in payroll taxes. They will just be able to take the time and a half off later but they can't cost us overtime. That's the stipulation. Perry asked how many people were affected by this and Dennis replied four.

Tom Merighi asked if they still have a choice and Dennis replied they still do. With this they will take the option to go to the time and a half straight time off but the provision is they can't take it and cause overtime. They still have an option. What kicked back in is the new overtime rules at \$47,000. We had talked about it with the personnel committee last Fall and I wanted to do it in the New Year but forgot about it and when the new overtime law came in I went back and revisited it. They have asked over the years for that consideration. Some would like to have the extra time off. It actually should save us money and not paying the additional.

It was moved by Errickson and seconded by Barse that Resolution No. 2016-66, A Resolution of the Landis Sewerage Authority authorizing the Award of an Alternate Method Contract with Willis Towers Watson of NJ and Colson & Gosweiler Insurance & Financial Services to supply Property, General Liability, Commercial Auto, Inland Marine, Crime, Boiler & Machinery, Umbrella/Excess, Public Official Liability and Pollution Liability Insurance...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2016-67, A Resolution of the Landis Sewerage Authority authorizing the Exclusion of the Public from a meeting between the Landis Sewerage Authority and Administrative Personnel to discuss contract negotiations and related matters falling within the attorney client privilege...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

At 6:07 the regular meeting of the Landis Sewerage went into closed session.

At 6:40 the regular meeting of the Landis Sewerage Authority reconvened.

Reports:

Executive Director

Dennis reported we went to the Local Finance Board and did our presentation on the Bond. Dennis was very happy with the reception we got. They understood the issues we had with the old Bond Resolutions and the problems we had. Capital Bank’s Board also took action and they voted affirmative to the project. Dealing with our Bond Counsel and Steve Testa and also David the Bond Resolution is 40 pages long. We still have a Bond Resolution even though it is a bank loan, it also has accounts in it that will be reserve accounts for protection of funds that we have. We have been corresponding with Steve by email and have a tentative closing probably the third week or so of July. Then we can start getting the engineers back on full speed.

We had a meeting with the Quail Project people. It seemed like they were fighting among themselves so we tried to get a meeting together to say we have to work together as a team. There is a state group and a local group and they seem to bump heads. Dennis sent the commissioners an email from Dr. Moore who is working from Washington with the USDA and the Smithsonian Institute and the Museum of Natural Science in Philadelphia and have botany species from our site and parts along the Maurice River from a hundred years ago. They want to come in and see if some of that habitat is still out there.

Dr. Moore will be coming sometime in July.

Field Engineer

Robert Schwarz reported regarding the incident at 519 E. Landis Avenue on March 14, 2016, we met with the City and their contractor and they agreed to pay for all of the LSA’s subcontractor out-of-pocket expenses and perform final restoration in exchange for the Authority removing the claim against the bond as served.

The Authority staff is working to create rules and policies for laterals and cleanouts for residents/businesses when a blockage is present.

Solicitor: No report

Chairman: No Report

Issues and Correspondence: No Report

Committee Reports:

Engineering/Plant:

Dennis reported he talked to some engineers. They continue to work but are holding off on sending their bills. We are waiting for the proceeds from the offering that we are working on. We also did a tour of the farm. Corn is coming up and the guys are harvesting hay and getting it out the door fairly quickly. Also planting some quail mix in some strips in the woodland area. Guys are working on the weekends to get the hay out.

Budget/Finance:

Joe Reuben reported income is approximately \$252,474 or 6.1% over budget. Expenses are approximately \$17,032 or .4% under budget. Accounts receivables increased approximately \$729,905. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Dennis reported the Local Finance Report had a hard time getting their head around the fact that we are the only one in the State where as an Authority we are older than the body that appoints us. That is some of the reasons why we do not have a Deficiency Agreement and we have been issuing Bonds since 1949, the Authority was created in 1946 and the plant construction was done in 1950 and the City was created a few years later. Because of that history, the City never wanted to have a Deficiency Agreement because we were brand new and they didn't want to have any exposure to our debt since they had their own debt. It was interesting but they did remark and found it interesting that it was probably the only time that they had seen that.

Human Resources

Dennis reported we have several new employees finishing up their 90 days probation. We have an ad with the professional organizations for a Shift Manager position. We received two responses on that so far. We just completed unemployment hearings on three employees. The hearings are now done by phone and the information is provided by fax. In all cases we provided copies of our files and documentation and we prevailed.

Public Relations:

As previously mentioned, Dennis reported we met with the Quail Project people and the Doctor who is coming here on site.

Insurance Committee:

Carol Ricci reported tonight we took action on the Property and Casualty Resolution. Last year we carved out the boiler and machinery policy to get a better rate from Hartford and there was no increase there. We were just a little over 2%, we added a couple of new vehicles on and that brought us up to 3%. Pollution and Liability was flat. We are in good shape. Nobody else can provide that good coverage for the price that we get from American Alternative Insurance.

Also Carol wanted to add another comment about last weeks' prescription renewal. The last gentleman who came up to speak, Carol was not aware of the issues that he was having with his prescription. She spoke with him this week and asked him why he didn't come to her and he said for personal reasons he wanted to keep it to himself. So Carol was quite surprised that he came to the Board.

Allocations/Administration:

Robert Schwarz reported that in tomorrow's newspaper we will see something about Leidl going to Millville as one of the sites they picked. They also picked Vineland. Bob reached out to Kathy Hicks and she indicated they may be looking at both locations so we don't know if they are thinking about jumping the site from Vineland to Millville or they are keeping both. That is still up in the air but they haven't paid their connection fee yet. It is just east of Shop-Rite and it is a store that sells German food which will compete with Aldi's. They are going to spend approximately \$250 million throughout the eastern United States to get started in sub-distribution. So we are not sure if they are moving or are going to have two sites.

Dennis reported the permanent extension act had been extended throughout many years and it expired on December 31, 2015 but had a six month holding period. So on June 30<sup>th</sup> all approvals will expire unless they come back to try to extend them. Dennis doesn't think you can extend them. So if we have some on the books, in July we will write letters to DEP to withdraw all those permits so the capacity does not count against us, ask for our capacity back and we have a policy project has to come in as the same class, multi-family or commercial to get the money back. Next meeting, July 5<sup>th</sup>, the Bond Resolution will be on that meeting. The Resolution will be long and detailed. Dennis will send the Commissioners the Resolution.

Old Business: None

New Business: None

Adjournment:

At 6:53 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

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G. STEVEN ERRICKSON, Secretary