

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
June 6, 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
	Carol A. Ricci	Executive Assistant
	Pat Welsh	SSSE, Shop Steward Teamsters Local 676
	Eduardo Gonzalez	SSSE, Asst. Shop Steward Local 676
	William Quigley	Asst. Superintendent, Maintenance
	Darrin Verderose	SSSE
	Jere Formento	Electrician
	Kyle Fullenwider	Shift Manager
	William Bartleson	SSSE
	Christine Bartleson	

It was moved by Errickson and seconded by Barse that the reading of the minutes of the regular meeting held on May 16, 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. Seeing that there were members of the public in the audience Chairman Merighi asked that comments be given in an orderly fashion.

My name is Patrick Welsh, I am an employee of the Landis Sewerage Authority and I am also the shop steward for the union here. I understand there is a resolution before the board tonight regarding our prescription plan and I'm not going to stand here and tell you

that insurance is expensive and complicated and we don't know a lot about it but fortunately we have someone here who handles our problems, but with the implementation of Benecard we have all had some ongoing problems, not getting prescriptions, getting the wrong prescriptions, loss of information and we are supposed to be getting name brand prescriptions and they would only authorize generic when it was authorized by our medical doctors saying that we are supposed to have brand and not generic. There are a lot of issues with Benecard so tonight you are going to vote on changing from Benecard to Express Scripts. We would like to have your yes vote to do that so that we can transition out of Benecard back to Express Scripts only because we feel that there have been so many issues and there has been a level of appreciable change in our coverage for us and for our dependents. Our feeling is that we would like to go back to Express Scripts so we can continue to have that level of coverage for us and our dependents. Thank you.

My name is Bill Quigley, employee of LSA for 28 years and I'm part of the management team and I'm assistant superintendent in charge of pump stations, maintenance and everything that breaks. We are worried about the prescription plan. As you know, we work in a bad environment and we do a good job. We would like you to look at this as an investment. You invest in the employees with health benefits, prescriptions and a pay check. We try to keep the best employees we can. Dennis can tell you that we've changed over the years. Management and union get along perfectly with little problems here and there but we work them out. This is the best group that the Authority has ever had. We're getting a lot accomplished, we're pinching pennies but this is one place we should do that. As management your investment in these people is everything because I need them. I need them to not be worrying about their prescriptions, their health care and their families. I need them to worry about the Authority so we can get done what we need to get done here. If they are worried about all of these other things it's another thing that takes away from the Authority and our investment in these people. We would like to go back to Express Scripts. We had very few problems and you will always have some but we had a lot less than with Benecard. For me personally, I tried to stay on my old prescription plan as long as I could. I had 90 days left when we made the switch to Benecard so I didn't have to worry. I go away on vacation in Florida. Have I forgotten my blood pressure pills at home, yes? It was real easy the old way. I would go to CVS and say I'm bill Quigley, you can look up my phone number here, and can you get me 10 pills because I will be here for ten days. Got them like that. When I asked Benecard what am I going to do if that happens, well you could go to the local pharmacy and they could get you something. I want to know what are you going to do and they replied we can mail out something to you. By the time I get it in Florida I will be on my way home from Florida. That's one of the benefits and one you probably don't know about. I could go to a CVS and get it right away and that's worth a lot for the investment you are making for a long period of time. If you could, we'd like to go back. Thank you.

I'm an old timer here and I'm 65 years old and I've worked here for 28 years. My name is Kyle Fullenwider and I'm a shift manager. I've had ridiculous problems with Benecard. They've tried to change my dosages on my pills, they have refused pills altogether and their customer service is ridiculous. You call them and whoever you speak

to cannot give you an answer. They say I have to talk to this person and can you call back tomorrow and when you call back its well I'm not the person you talked to so I'm going to have to talk to that person that you talked to. I put in an order about a month ago and it still hasn't arrived and I'm going to have to call back and try again. Their customer service is terrible and I've never seen anything like this in any of the prescription plans we've had before. This is bad. From my point of view, maybe the prescriptions are a little cheaper but I'd much rather pay a higher co-pay and have a good reliable supplier that doesn't question everything you get. They've actually tried to lower the dosage and tell me and the doctor that the dosage wasn't appropriate. My doctor said are you kidding me. This is the worst group I've dealt with and we shouldn't stay with them. That's my personal opinion.

Bill Quigley said that this is why everyone is here. I sit on a couple of boards and when you see people come in it's different and we're all trying to be team players here and when it was presented to us we said we'll try it and see what happens and it hasn't been good for us.

Chairman Merighi asked if anyone had questions for the Board. Carol Ricci stated that she would like to add one thing to the conversation. I need to let you know that it's not the staff at Allen Associates. It has nothing to do with them. I call them up, their right on it. But after they call Benecard, it seems to get lost.

Chairman Merighi asked where Benecard was located and Carol Ricci replied that they are out of Princeton.

Dennis stated that we had a meeting with Perry and two or three corporate people and some of the things that you've heard tonight we've tried to get them handled and there are still some things outstanding and we had three corporate people here that still have not been resolved. Carol again stated that Rich's people have been terrific; Rose, Annie, the front desk, you get service immediately. But once you get past that point and it goes to Benecard they move like a dinosaur. We've been used to dealing with CVS/Caremark and Express Scripts. They are the two largest distributors in the United States and they are very sophisticated operations with everything in place. You have a problem, they contact your TPA and everything moves very quickly with the TPA contacting me. With Benecard it's been a little difficult to say the least.

Chairman Merighi stated if there is nothing else we will move to the resolutions.

Resolutions:

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-56, "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.....\$98,648.68", be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted "yes".

It was moved by Errickson and seconded by Villar that Resolution No. 2016-57, “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...\$340,459.92”, be adopted. Roll call: Barse, Reuben, Errickson, Villar, and Merighi voted “yes”.

It was moved by Errickson and seconded by Villar that Resolution No. 2016-58, “A Resolution of the Landis Sewerage Authority authorizing an alternate method contract with Health Insurance Solutions, Express Scripts, Inc. and Wellness Plan of America to provide a self-insured prescription medication plan...” be adopted. Roll call: Reuben, Errickson, Villar and Merighi voted “yes”. Barse abstained.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-59, “A Resolution of the Landis Sewerage Authority authorizing final quantities change order for the project known as East Oak Road Emergency Sewer Replacement Project...” be adopted. Roll call: Reuben, Errickson, Villar and Merighi voted “yes”. Barse abstained.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-60, “A Resolution of the Landis Sewerage Authority authorizing correction on credits, charge-offs, refunds and cancellation of accounts in the amount of \$1,962.00...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-61, “A Resolution of the Landis Sewerage Authority summarizing allocation activity through the close of Allocation round 163...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-62, “A Resolution of the Landis Sewerage Authority to establish new pricing for farm products...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

Reports:

Executive Director

Dennis Palmer reported that Wednesday, we are on the schedule with the Local Finance Board in Trenton. It will be myself, possibly Tom, bond counsel and the bank will make the presentation. We are on the later end of the schedule at about 11:00. We had a meeting with the bank for about two hours last week. They had questions on a large list of items they requested. We gave them great answers, it went well and they were happy with what they heard and they understood. We are different borrowing for them so they just want to understand our business. They like the fact that we are a business that can't be outsourced to China and we've been around for 70 years and hopefully that will continue into the future as well.

You have your dashboard from Home Serve. We had three tours last week, one being Capital. I also did a presentation at an AEA conference in Middlesex County.

Field Engineer

Bob Schwarz reported that the maintenance bond for the Burns Avenue Sanitary Sewer Project was returned last week to the contract. It's been two years since the contract has been completed. The contractor has repaired all existing concerns.

Bob also stated that he wanted to congratulate Dennis for the Advocacy Award presented to him at the annual Chamber dinner last week.

Solicitor:

Steve Fabietti reported that our firm has ongoing collection efforts against J & L Septic of South Jersey which we have obtained a judgment against. We've had some discussion on collecting on that amount from the debtor. Dennis stated that the guy called, said he would call back in an hour and he never called. Steve stated that the Sheriff is assessing their assets so we should have some further updates at the next meeting.

We've been monitoring the bond application activity as far as our firm's piece of that and it's ongoing as you know. I also spoke with the Appellate Division Clerk last week for a briefing schedule for the appeal of the NJPDES permit fee which is still a long term prospect but should be coming up soon as far as our briefing of that issue.

Chairman:

Chairman Merighi congratulated Dennis on his Advocacy Award which is very nice.

Issues and Correspondence: None

Committee Reports:

Engineering/Plant:

Dennis reported that design continues on the upgrades of the plant and the collection system. I am actually working with Steve and his office on an RFP for a project that is kind of unique so we are not sure if it can be done as unspecifiable or it can go out as an RFP but it's an energy one.

We took action on the pricing of the farm products. We've talked with Dan and we haven't changed the pricing since about 2008 or 2009. Diesel fuel has come down and everything on the farm runs on diesel. Our other costs go up such as chemicals, we do have enough nitrogen in our sludge, we have to buy potash and that's imported which is an offset to the diesel prices and it brings us in line with the marketplace. The market right now is about \$7.50 and we topped out at \$6. That gives us more flexibility on the quality and what the market is. We have also locked in a contract today at \$1.10 for corn.

Last year it was \$3.61. We raise so much corn and we lock in about a \$5,000 bushel contract and what's left floats to the market. So we can plan on this much coming in from the farm products.

Budget/Finance:

Dennis stated that later in July we polish off the budget. What may impact the budget is the chicken plant next door went up for auction. There are two bidders. There seems to be a definite interest by a bidder. It's interesting because it's a Mexican chicken company that wants buy the plant and it's Mexican Kosher. If they buy it great and if it happens we have to anticipate in the budget where we have that load and we'll need electricity to treat the sludge. It's an income but it has an offsetting expense. It's still up in the air and hopefully in the next couple of months as we approach our budget in August and September if this is going to happen and when it is going to open.

Human Resources

Dennis reported that we just had one of our shift managers leave and move to another position and it's been posted on the bulletin board and we put ads out with the Authorities Association and South Jersey Water Environment Association. It's kind of a waste to put it in the newspaper because you do need DEP licenses for the position so we're sending it out into emails of the profession and that's where we found the last couple of guys.

Public Relations:

Dennis stated that just the Chamber event and some of the tours that came down last week. There were three of them. A couple of engineering firms wanted to come down and see the facility .

Insurance Committee:

Carol Ricci thanked the board for voting on the resolution tonight as is since there was a lot of angst and work that went into constructing these two bids. Moving off of health insurance, there really is nothing else I can explain in the Rx renewal but I thought I would have the commercial package figures much earlier but the pollution liability company has been dragging their feet and as it turns out that I received a phone call from Willis on Friday afternoon informing me that the policy is in and they are reviewing it to see if everything is in order that would be \$1,000,000 each occurrence, \$3,000,000 over the life of the policy and with a \$50,000 deductible. I want the numbers in front of me before I complete the resolution. It may be bricks and mortar and automobiles, but I want it in front of me. I will have that ready for action next meeting.

Carlos Villar stated that he wanted to commend Carol for the meeting we had regarding the insurance and the exception job explaining the reasons and the benefits and why we needed to do what we did.

Allocations/Administration:

Dennis stated that there is interest from commercial and it would be wonderful if the plant opened, there would be no allocation because it has plenty of capacity if it gets back on line and it's a nice customer.

Dennis stated that he wanted to go back to Human Resources that he did discuss the comp time issues with the personnel committee and it will be up for action at the next meeting.

Old Business: None

New Business: None

Adjournment:

At 6:26 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