

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
March 6, 2017

Pledge of Allegiance.

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

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

Chairman Villar 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

It was moved by Errickson and seconded by Barse that the reading of the minutes of the regular meeting held on February 21, 2017 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Merighi, Errickson and Reuben voted “yes”. Villar abstained.

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 Barse that Resolution No. 2017-21, “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.....\$68,133.70”, be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2017-22, “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...\$207,860.41”, be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2017-23, “A Resolution of the Landis Sewerage authority approving the exemption from the competitive bidding requirements for the purchase of one (1) Vac-Con combination Jet/Vacuum sewer cleaner...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2017-24, “A Resolution of the Landis Sewerage Authority awarding a contract to Farm Rite, Inc. for three center point irrigation systems...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

Reports:

Executive Director

Dennis Palmer reported that the last two items concerned an open competitive bid from Farm Rite and we were very happy with the bids and the other item will be bought out of the co-op and both of those items will be bought from the 2016 borrowing or bond. They were identified as part and parcel of that bond.

Dennis also stated that on Wednesday he will be going to NJDEP. I will be giving testimony on this year’s NJPDES fees and again they have not addressed the issue of minimum fees and several other items. We have to go on the record and Steve has already filed our cases in the Appellate Division.

Tom Merighi stated that it was a pretty firm letter written by Dennis. Dennis stated that all you can do is get on the record and hope there is some guilt. What is disingenuous is that they say they will take our letters under consideration when we do the regs and they have not done anything. Frankly to increase the last two years is obscene in the fringe benefit. 19% and 34% over two years, what are they doing exactly? We will continue to make the comments.

Today we received our third quote dealing with credit cards. We continue to work on that and today was an interesting presentation. We are waiting for something written. We did the open bids on the center point irrigation system. I will be presenting a paper on Thursday at an energy conference and talking about some of the things we’ve done here. Part of the project that was also in the bond is the chlorine tanks that we store the concentrated bleach in and we’ve been very happy with the life of the ones we’ve had. They have been in use since 1995 and we’ve gotten 27 years out of them and I’ve seen chlorine tanks leak after three years. That is one of the items also identified. We had the tanks internally inspected. Chlorine attacks the joints and its tough stuff to handle. We are

moving into two new tanks. We are designing and building the platform that they sit on and we are doing these ourselves instead of going to an outside contractor. They should arrive this week.

The electric charging stations are being installed. We've pulled the wire and those are for our own employees or visitors. The farm well is out to bid and I got authorization back in October and it is also coming out of the bond. Stan and GHD completed their design of it and the bid package is being put together with the ad going to the paper today or tomorrow.

I will talk on finance regarding a public hearing changing our rates and a couple of things we want to clean up at that same time.

Field Engineer

Bob Schwarz reported that the Living Faith Alliance Church on Lincoln Avenue south of Dante formerly Lincoln Falls intends to construct a 365 seat facility and connecting into the sewer system this year.

Also Lidl on West Landis Avenue may need additional allocation for condensate water from their HVAC system. An additional allocation fee would be required.

The Landis Sewerage Authority had proposal plans prepared for the replacement of some 8" sewer pipe and a manhole on N. Delsea Drive approximately 650 feet from Delsea Drive and Landis Avenue on the west side to repair the existing defective pipe and manhole. A State permit package will go this week and the Authority will obtain proposals next week. Traffic control is also required since a lane will be required to be closed.

Carlos Villar asked about Lidl needing allocation for just the HVAC run-off that it was that much that they need a permit. Bob stated that it would be 300 gallons a day discharge from their HVAC system.

Solicitor:

Steve Fabietti reported that he and Dennis are working on the current year's NJPDES permit fees which have the same deficiencies as the last couple of years.

Tom Merighi asked what we have paid on the fees and Dennis stated that it was \$40,000 plus and Tom Merighi stated that for three years we have not really paid what they have billed us for and they have not pursued us and Dennis stated that it's because we are in litigation.

Steve stated that there is a form we fill out that says you have paid the uncontested portion of the fee which was done and there is a stay form that states we are not paying

the balance because of the challenge in the court. That doesn't mean it won't have to be paid if we are not successful.

Carlos asked if we budget for that and Dennis stated not at this point and that we'd rather let the court case take its course and they do work out a payment plan. Tom Merighi asked if we are by ourselves in this court action and Dennis stated yes we are by ourselves. There are a few people who filed the appeal letters and a small group got down to about three or four and when it came to actually going to court, we are the only ones.

Carol Ricci asked if the others were paying the full amount and Dennis responded yes but we are the largest in the groundwater discharges so in our case it tends to be really egregious. We went from \$19,000 to \$94,000. This year it came down a little to \$75,000. No one else saw the jump that we saw. Most are on the surface water side. They went up but not to the level we did.

Chairman: No Report

Issues and Correspondence:

Dennis stated that he had two issues. First is a motion to advertise for a public hearing. It has to be posted in two newspapers, twenty days prior to the hearing, notices are sent by mail to the Clerks of the towns we serve. We have one customer in Pittsgrove, we have a line in Franklin but no customers but we have the potential and obviously the City Clerk in Vineland and Millville because both the Vo-tech and College portions of their buildings are in Millville.

It was moved by Barse and seconded by Errickson that the Executive Director is authorized to advertise for a public hearing for a rate increase due to Progresso closing. Roll Call: Barse, Merighi, Errickson, Reuben and Villar voted "yes".

The second issue is the letter we received from the Tax Office where they are asking for more money in a year when we have our biggest customer closing. They are required to do these things by law regardless of how much you give them. They are the body that handles liens. I'm bringing it up for discussion and how you want me to respond to the letter.

Joe Reuben asked how much they are asking for and Tom Merighi stated that right now we pay \$8,250 and they want \$10,250 in 2017, \$11,000 in 2018 and \$12,250 in 2019 and that's an increase of over \$4,000 in five years. Tom asked how much they were collecting for us and Dennis stated it was about \$180,000 last year. It's a function that is required by law. We tried to help them out. I'm trying to move forward with the credit card and I'm hoping that when people end up on that list we can tell you that you can put it on your credit card and you won't have the lien on your title. Carlos asked if we would charge a fee and Dennis stated that we would add a convenience fee. We are looking to find one that will be the lowest number for the customer and for us. We just want to start with walk ins and not red flag. We don't want to keep someone's credit card information

where we have to do a security deal. The person comes in and swipes it and it is never handed to us and we get the money within two days. We're not going to do it on line because we don't want any red flag issues and we'll just deal with walk ins and make it an option for those falling behind. Their names won't be in the newspaper and they won't go up for lien sale and see if it doesn't make that universe smaller and it will make it less of a burden.

Perry asked when was the last increase and Dennis stated it was about two and a half years ago. They sent us the resolution and contract before we agreed to it with the price increase. We turned it down last year and they came back this year again.

It was moved by Barse and seconded by Errickson that the Executive Director send the City of Vineland a letter that indicates that due to the loss of our major customer we don't feel it is prudent for us to submit for an increase this year. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted "yes".

Committee Reports:

Engineering/Plant:

Dennis reported that we are emailing with a design firm on easement and backfill issues with the Sears Pumping Station and the well since there was another issue we had to resolve with GHD on some questions they had on design. Anthony and I have worked on the reinforced concrete and steel beam platform. The hypochlorite tanks are 6500 gallons and hypochlorite is heavier than water so it's 65,000 pounds. You can't just put some steel grating up, these are eight inch steel beams and it's a significant platform to hold that much weight. We are working on that design.

Specs were done in house on the center point irrigation system. We are trying to save on engineering costs by doing them ourselves and we don't have a contractor marking up the cost. We've done a couple of pump stations also. We are working on them in house using our personal or it's a purchase spec. We are also looking at tractor trailers. Ours are 1985 Freightliners. They still run well but they are 1985. In the spec was one or two tractor trailers and a manure spreader and another large tractor. We're find things on these co-ops that we have joined. Tractor trailer pricing was really attractive at about a 30% markdown. The tractors are about a 10% markdown.

Budget/Finance:

Dennis stated that there are some housekeeping and cleanup things we want to do at the public hearing. We had a small trailer park that had a back wash system where they treat the well water and back wash it to us. We want to set up a category that deals with back wash and condensation. It goes into the billing system so if someone questions it in five years there will be a code. The others for discussion deal with public housing if it is done by a non-profit or a housing authority. A law was signed that you are supposed to reduce

the connection fee by 50%, not the user fee, so we want to incorporate that into our infrastructure. The other is a bill signed into law by the governor that allows authorities to reduce the cost of sewer or water to someone who is actively deployed. My position is actively deployed with copies of orders and deployed overseas. In that case I would recommend a \$50 reduction on the annual bill. These would bring our rules and regulations into line which were signed since the last time they were updated. The connection fee is going up \$50 using last year's audit numbers. We would go from \$2400 to \$2480 increase on the connection fee.

Human Resources: No report

Public Relations:

Dennis stated that when we get the charging stations done we'll see if the paper wants to cover it and if not the Grapevine might put something in their paper.

Debbi Marco was here for the controlled burn but I never saw a story. She did a video. We have a meeting next Thursday for the quail project. More people want to get involved with the project. 4H wants to get into it. Quincey Jones is the local fire warden and he was part of the original burn and he's really interested. In our controlled burn when you want to shut it down you put the spray guns on. You don't usually have that anywhere. Audubon is interested as well.

Insurance Committee:

Carol Ricci reported that there was an accident at the Ag-Site today. Our driver was turning left into the Ag-Site driveway with a large trailer attached and the other driver tried to pass him in a hurry and side swiped his car. There was no damage to our trailer and the driver of the automobile was issued a careless driving summons.

She also stated that on March 16th she will be meeting with Bob English from Willis Towers Watson to start the commercial liability renewal. We also received a check for \$2300 today from Hartford Steam & Boiler for the big power outage we had on January 30th. We have a \$5,000 deductible.

Allocations/Administration:

The rate increase is part and parcel to allocation.

Old Business: None

New Business:

Dennis reminded everyone about the WRA dinner on April 19th at the Downtown Club.

Adjournment:

At 6:27 p.m. there being no further business to come before the Board, it was moved by Errickson and seconded by Merighi that the meeting be adjourned. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted "yes".

THE LANDIS SEWERAGE AUTHORITY

G. STEVEN ERRICKSON, Secretary