

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
June 21, 2021

Pledge of Allegiance.

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

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

Chairman Reuben 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
	Anthony Tobolski	Field Engineer
	Stephen D. Barse	Solicitor
	Carol A. Ricci	Executive Assistant

It was moved by Villar and seconded by Barse that the reading of the minutes of the regular meeting held on June 7, 2021 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Merighi, Villar, Errickson and Reuben 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 Barse that Resolution No. 2021 – 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 Revolving Payroll Account.... \$80,665.56”, be adopted. Roll call: Barse, Merighi, Villar, Errickson and Reuben voted “yes”.

It was moved by Barse and seconded by Errickson that Resolution No. 2021 - 58, “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.... \$245,141.80”, be adopted. Roll call: Barse, Merighi, Villar and Reuben voted “yes”.

It was moved by Barse and seconded by Errickson that Resolution No. 2021 - 59, “A Resolution of the Landis Sewerage Authority listing payments from the 2016 Bond Issue Construction Fund adopted July 5, 2016...” be adopted. Roll call: Barse, Merighi, Villar, Errickson and Reuben voted “yes”.

It was moved by Barse and seconded by Villar that Resolution No. 2021 – 60, “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 Liability and Public Officials Liability Insurance...” be adopted. Roll call: Barse, Merighi, Villar, Errickson & Reuben voted “yes”.

Reports:

Executive Director

Dennis Palmer reported that there was an article from the paper in your packets regarding issues like Steve is going through. Senator Sweeney also has bill 3637 that’s up tomorrow and the bill provides for the transfer of local and county assets to the State. It could be water or sewer for monetization and to help support the pension system. The AEA is testifying against it. Jeanie Fox is coming out to testify against it. She was acting DEP Commissioner and also president of the BPU. AFSCME, CWA, the turnpike union is against and obviously all of the Authorities are against it, Food and Water Watch is against it, National Resource Defense Council is against it. There are a lot of bad things in this bill and I’ve been working with Peggy over the last several days on that bill to get opposition. We reached out to the Teamsters to get them involved. It’s a bad bill and we’ll try and stop it in the Senate and if not, we will go to fight it in the Assembly.

Steve Barse just received a package today from us on the Opioid Litigation that we’re involved in and it looks like they’re coming to conclusion of either money being put up by both the families behind Purdue and the Purdue Corporation to pay off hundreds of thousands of cases that have been filed. Hopefully there is something there in the end to cover some of our costs for opioids. We’re on the low end for what they would take on as a client.

We had a power test with IP Keys. We can drop power within a certain amount of notice, we get a check every quarter for it. We did our test and we got 107% on it. We had extra credit because we were lower than the threshold.

Field Engineer: No Report

Solicitor:

Stephen Barse reported that he received an email last week about legislation that was being fast tracked through the legislature and he would follow up on it. What it would do is drastically change collective bargaining; another Sweeney bill. Promotions would be negotiable, promotional criteria would be negotiable, sub-contracting would be negotiable. There is case law that says why it's important to have that discretion in management. They want to make all of that negotiable. They could be in negotiations for a year longer if they decide to do this as financial conditions continue to get worse. It will change the whole landscape of public bargaining for any public employer if it goes through. Oddly enough the vote was 3 to 2 so it made it out of committee.

Chairman:

Joe Reuben had no report but did have a question. The electric bill was only \$65,000 unless I missed something. Dennis stated that the co-gen is running full speed and that's helped a lot. Joe stated that years ago the bills used to be around \$80,000 to \$90,000. Dennis reported that the new aeration system replaced a 1200 horsepower system and replaced it with 800 horsepower and how we're only running 400 horsepower showing a significant savings. Joe stated that it could be as high as \$300,000 a year.

Dennis stated that he is dealing with another issue which is the sale of our gas as renewable gas, methane which is normally fossil fuel. If you make methane from biomass or sludge or food waste, it's considered renewable. Just like there's solar rec's, there's natural gas rec. It's ten times the value of natural gas. We're exploring that and as I deal with the folks and it's some of the same folks on the natural gas project, when you leave your core competency, that's when you usually have problems. Most company have fails because they went out of their core competency. The way they keep writing the model, we'll be focusing so much time on this, at some time I'll say it's just not worth us pursuing it and it would be better to just buy a bigger co-gen because the gas that we made for twelve years has been good enough to run the co-gen. Now with food waste, we're producing 50% or more gas that could run a bigger co-gen engine and save more electricity. It would be designed differently so it has black start capabilities. If we lose power, the co-gen can't start because it runs off the grid so it's in phase with the grid. If you tie it into the plant grid, you may be able to run it during power outages.

Issues and Correspondence:

It was moved by Barse and seconded by Villar that the Executive Director be authorized to purchase a Ford F250 Extended Cab, 4WD, Super Cab 8ft. bed pickup truck under state contract. Roll call: Barse, Merighi, Villar, Errickson & Reuben voted "yes".

It was moved by Barse and seconded by Villar to make an adjustment to Nancy Lagerholm's schedule and compensation in accordance with the Executive Director's email to the Personnel Committee dated June 15, 2021. Roll call: Barse, Merighi, Villar, Errickson and Reuben voted "yes".

Committee Reports:

Engineering/Plant:

Dennis stated that the grinder project is actually advertised today and should be in the paper. The pre-bid meeting is July 8<sup>th</sup> and the bid opening is July 21<sup>st</sup>. That will probably exhaust the 2016 bond. We still have the renewal and replacement fund but that will exhaust the bond.

The directional drill contract with the high-density polyethylene pipe schedule has been submitted and they will start working on South Mill Road by Little Robin Pump Station next Monday. June 28<sup>th</sup> is the proposal and there will be traffic control. At this point, if the schedule holds, it will be North Mill Road. It will be down to one lane. You'll want to stay away from that area.

Budget/Finance:

Tom Merighi reported that income is \$113,126 or 2.5% over budget while expenses are \$74,715 or 1.6% under budget. Accounts receivables increased \$943,632.

Human Resources:

Dennis stated that we continue to look for a Superintendent. That may resolve in the next month or two. We have a posting for a sewer system employee which expires tomorrow. We do have someone on the outside with the skills and experience which we talked about before doing spot repairs where we can line the pipes instead of paying contractors a boat load of money. We'll buy that piece of equipment and do it ourselves and he does other work too. He's been in the sewer business for 20 years. And thank you for Nancy tonight.

Public Relations: No Report

Insurance Committee:

Carol Ricci reported that her memo was self-explanatory and we're in the same position we were in last year. We had a few additions to the fleet and equipment schedules; we always increase values 2% on property and particularly on the Brewster and Landis Pump Station. Our blanket is up to almost \$80,000,000.

Addressing the last paragraph of my memo, the Cyber Liability has become a real game. AIG raised our premium from \$5100 to \$20,100 because we were hacked one time. They feel if it happened once, it can happen again. We filled out numerous applications for the other companies that were reviewing our improvements such as MFA, switching over to Edmunds and Windows 10. They are skeptical of us because we're a utility and they feel we're an easy mark. We received a proposal from a company called CFC. Same coverage, lower premium, \$2,000,000 for Cyber and Privacy and Cyber Crime and the

premium is \$10,900 plus \$150 for the broker's fee and it's a real solid deal. Bob English really encouraged us to take it. There's a new scam now that people will represent themselves from someone's bank or a vendor, saying that account numbers have changed for electronic transfer of funds and someone without proof dumped a large amount of money into a bogus account and it disappeared. We feel that this is a good deal and its under the bid threshold so there's no need for a resolution and with your permission I'd like to put it in place.

Chairman Reuben asked for a motion. It was moved by Villar and seconded by Barse that the CFC Cyber Liability and Crime policy be put into place. Roll call: Barse, Merighi, Villar, Errickson and Reuben voted "yes".

Allocations/Administration:

Dennis stated that the allocation committee saw the charge-off for Limpert Brothers. They owe the City well over a million dollars for a UEZ loan and other items. It's a \$6,000 or \$7,000 sewer bill owed to us and there's no one to go to. It's not like a private developer is going to come in and pay the lien. The City is going to demolish the area and put a firehouse there so we will get a user fee.

I also got an email and I've been approached several times as well as Anthony for a piece of property on Gershal Avenue in Pittsgrove. They will not take no for an answer. They want to tie into us and it's out of town and out of County. An engineer wanted to come in and I told him the same thing. We don't have out of town capacity in the plant, it's not in our sanitary sewer service district. You have to get sign-offs from Salem County, Cumberland County Planning, Cumberland County Commissioners, City of Vineland and us. You have to run a pipeline 1.5 miles through wetlands, under the Maurice River and under 55. They are not easy permits to get. It's worth over \$1.5 million to run the pipeline. What are they building to carry that much freight? When you run flow that far in a closed pipe it's going to smell, corrode the pipeline and it will come down near the Hampton Inn where we have a 10-inch line and it will smell. If you have a piece of property in Vineland, which is in our sewer service area, you can build whatever you want. We think they understand now. Come to Vineland.

Old Business: None

New Business:

Vice-Chairman Steve Errickson stated that he will be resigning as an LSA Commissioner as of June 30, 2021 pending review by counsel. I am retiring and there are legal issues where I can and can't serve. I'm not sure but I have to announce it now so it might be my last meeting. I would just like to say that hopefully it's not, but if it is, it has been a real pleasure serving on this board. I've been here for quite a long time and I can honestly say it's been very enjoyable and most of the time a lot of fun. All you folks have really treated me good and we've gotten along good and we've had many good discussions. This organization is great and Dennis runs a good shop and we have supported him and I

know that all of you have and that's what is needed; to have the support of the board and everyone working together. Even when we didn't agree and someone had a different idea, we were able to speak like civil people and work things out. I think that the best decisions have always come forward even after the discussion. I was never afraid to raise a question or ask a question or stop in to see Dennis early and say how come we're doing that. He would explain and once in a great while I might have been right on something and was able to offer something that would make Dennis think again and it was always a lot of fun. I really have enjoyed my stay here. You never know what the future holds and I don't know if I'll be able to stay on or not, so whatever it is, it is. I want to say thank you to everyone and thank you for your friendship and kindness.

Dennis stated that's it's been great working with you. What makes it so great is that most people in this field have that they want to support each other and we all learn from each other. There are a lot of Authorities in the State and I know many of the Executive Directors. We all learn from each other from meetings and conferences. That's the strength of a good organization; you learn from each other.

Everyone thanked Steve for his service.

Adjournment:

At 6:20 p.m. there being no further business to come before the Board, it was moved by Villar and seconded by Barse that the meeting be adjourned. Roll call: Barse, Merighi, Villar, Errickson and Reuben voted "yes".

THE LANDIS SEWERAGE AUTHORITY

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PERRY D. BARSE, Assistant Secretary