

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
April 17, 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 April 3, 2017 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Merighi, Errickson, Reuben and Villar 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. 2017-34, “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.....\$60,689.98”, be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2017-35, “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...\$252,541.83”, be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2017-36, “A Resolution of the Landis Sewerage Authority listing payments from the 2016 Bond Issue Construction Fund adopted July 5, 2017...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2017-37, “A Resolution of the Landis Sewerage Authority rescinding Resolution No. 2017-27...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2017-38, “A Resolution of the Landis Sewerage Authority replacing Resolution No. 2017-27 listing bond payments from the 2016 Bond Issue Construction Fund on July 5, 2016...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2017-39, “A Resolution of the Landis Sewerage Authority authorizing a new User Fee Schedule, Allocation/Connection Fee Schedule, reduction in billing rates for deployed active military personnel in time of war, adoption of a courtesy fee for the use of credit cards and adoption of discount for certain housing projects...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Merighi that Resolution No. 2017-40, “A Resolution of the Landis Sewerage Authority authorizing the Executive Director to endorse NJDEP Permit Applications for the Sears Pump Station...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben and Villar voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2017-41, “A Resolution of the Landis Sewerage Authority authorizing a contract with A.C. Schultes for water well drilling gravel installation development, pumps and testing in the amount not to exceed \$174,800...” be adopted. Roll call: Barse, Merighi, Errickson, Reuben & Villar voted “yes”.

Reports:

Executive Director

Dennis Palmer reported that in reference to Resolution No. 2017-41 we had originally proposed opening bids and at one point there were a number of questions just before opening the bid on the well specifications and couple of items that were not included or needed to be addressed. The engineer thought they might have been implied in one part of the specification in a line item and it’s usually better to be clear than to imply. We issued an addendum that delayed the bid opening by one week and included about four

more items of work that were identified in addition to what was on the original spec. We go to the bid opening and we had mailed out that we were going to be bidding to about 10 people. About six actually called for the specs. We had a list of plan holders and that set of plan holders got the addendum and that included the extra work and also the certification that had to be signed that they received the addendum. When we went to the actual bid opening of the six we thought would come in, only four showed up to bid. We opened the bids in alphabetical order. When we normally bid things there's a blue colored sheet so it's easy to find where the line items are. Because the engineer did it as an addendum they did it by email and they were all white. When we opened the third one I see the blue sheet filled out and we realized that this bidder did not have the addendum because it would have been a different color sheet and it would look different. Right away we knew something was not correct. A couple of vendors that were there wanted to see the bid package to go through the line items, our rule is usually not that day. We want to go through the packages ourselves and identify what bidders are responsive and how they bid it, that all of the items are there, that someone doesn't try to get in and pull something out or whatever the case may be. We delay about 48 hours. I asked for their business cards and told them I would contact them long before we award the contract if they want to look at the bid items. I'm looking through the documents and the apparent low bidder did not bid the addendum items. He used the original sheet which was minus about four items and does not have the addendum acknowledge form. Our bidding requirements are that you submit a bond. This is the job that should have been done two years ago but we had someone submit a fraudulent bond cutting and pasting and making his own bond. Our specs require that it be someone by AM Best at least at a level "A". The low bidder's bond was from an unrated company. Also there needs to be evidence of Affirmative Action which could be a certificate the State issued and it was not in the document. After reviewing the documents I called the low bidder and told him we looked at his documents and the bid doesn't appear to be responsive. We issued an addendum and you did not bid the addendum. The man called me back in an hour. I asked him how he got the bid. Someone of the six that we mailed told him that he did home wells and this is not a home well. It's a significant well. Its 200 feet deep 8" well with a 12" casing. One of the six said I don't do this and passed it onto him. The guy who was his friend never passed on the addendum and looking at your bid, while you are the low bidder by \$7,000 or \$8,000, if you took the second low bidder, all of his line items if he used the same number and added to them, he would have been in second or third place. He wasn't responsive and he can't come back and correct it. The numbers are already opened. I sent him a letter and it is our intention to reject you and award it to the second low bidder. You missed the addendum and there's more work to be done. They were both relatively close in price and I'm sure that's the value of the job. The engineers' estimate was \$200,000. The fourth bidder was way out there. I called them all. Joe Reuben asked if Uni-Tech bid and Dennis replied no. It was Lane, Schultes, Lee Rain. Joe Reuben was wondering what size well it was and Dennis had already answered the question in his report. Dennis also stated that there was another change on the first page that the very first pipe went from 16" to 18" and when you get down past the casing it goes to 8" with stainless steel at the bottom. It will go to the second lowest bidder and this will come out of the bond.

The hearing officer report was prepared and we took action tonight on adopting the regulations. It is on our Face Book page and also that we are taking credit cards and they have to be Visa or MasterCard, debit or credit but not Discover or American Express.

We continue to work on a couple of energy projects. We went on a field trip last week to visit one of them. We are looking at the technology of batteries which are the size of shipping containers has come a long way. Our electric bill generally runs about \$6,000 to \$7,000 a month in demand charge. That instantaneous load or your biggest load throughout the week, you get paid for that because the electric utility provides the capacity. If you put in a big enough battery it works like a capacitor and it fills that demand area so you don't get hammered on your electric bill. It's an up and coming market in the energy area. You can put batteries in to fill that demand and avoid that monthly cost of \$70,000 to \$880,000 a year, if you can do it on a power purchase agreement with some solar panels to charge it, it's an interesting thing and we are investigating that with a couple of companies right now.

American Water Works is coming in tomorrow and they are interested in co-generation, digesters and methane. The County is running a household hazardous waste this Saturday. We have a byline in there because we have supported it with the Cumberland County Utilities Authority and the City of Millville. If we can have one of these things and they do one extra one a year, it keeps people from pouring paint thinner and all kinds of things down the drain that shouldn't be there and they can collect it and take care of it in a proper manner.

Field Engineer

Bob Schwarz reported Washington Avenue between Spring Road and Main Road will be paved this year. We have a couple of manholes that need to be replaced.

The new charter school will be opening on April 24, 2017. We will need to visit to charge accordingly based on the population of the staff for the school in accordance with our fee schedule. The school is on Pennsylvania Avenue.

Bob also reported that Allied Steaks will be moving in May of 2017 to Freddy Lane and Forest Grove Road from Pine Street and we will be meeting with the Health Department on Thursday, April 20, 2017 to discuss grease trap issues.

Solicitor: No Report

Chairman: No Report

Joe Reuben asked if the School's sewer line goes to the Pennsylvania Avenue Pump Station and Bob replied yes. Joe also asked if they had to pay K-Land and Bob replied that they paid a pro-rata share based on the court case and Dennis added a connection fee to us also.

Issues and Correspondence: None

Committee Reports:

Engineering/Plant:

Dennis Palmer reported that the package is together and we'll call DEP when Jennifer gets back, we'll drop the application. I'm holding off taking the plant, I'd like to do two for one. Tonight we approved signing off all of the forms for the Sears Station so hopefully we can get them both together and drive to Trenton and drop off both.

In house, if you look out back you will see new white tanks and the older fiberglass tanks. We took the skin of the building off, removed the hypochlorite tanks and now we have to get in there and start forming up the concrete and we have the steel on site to set up the platform for the new hypochlorite tanks. The tanks are being paid out of the bond but the installation; concrete and steel are being done in house.

One of the payments tonight was an upgrade to some electrical in the industrial park for Allen Bradley controllers.

Budget/Finance:

Thomas Merighi reported that income is approximately \$131,240 or 5.2% over budget. Expenses are approximately \$78,252 or 3.1% over budget. Accounts Receivables decreased approximately \$202,847. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Human Resources

Dennis stated that we have two retirements this year and more importantly and critical said he is going to be retiring at the end of the year. This will require a review of in-house staff first and then if we have to go beyond because it requires two of the highest DEP licenses.

Public Relations:

Dennis stated that there was a story in the paper with the children at the Earth Day Poster Contest. We sent them a story also that both charging stations are active now. I called Rossi Honda and they came over to make sure everything worked. It may also show up in the Chamber newsletter as a green energy item. This Saturday we are having a field day at the Quail Project with 4H and other people associated with the Quail group. They are coming out to do some plantings and cleaning up to put shrubbery in and we'll take some photos as well. We have someone coming in from Citizens United that makes birdhouses to see what we could do to attract blue birds and purple martins. They eat mosquitoes.

Insurance Committee: No Report

Allocations/Administration:

Dennis stated that effective immediately is the new connection fee and the user fee from the new billing which will be printing in about two weeks from now. The second week in May rather and it will include all of the new values.

Old Business: None

New Business: None

Adjournment:

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

THE LANDIS SEWERAGE AUTHORITY

G. STEVEN ERRICKSON, Secretary