

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
August 19, 2013

Pledge of Allegiance.

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

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

Chairman Errickson 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
Jennifer Ketcham	Allocation Coordinator
Lee Burke	

It was moved by Gana and seconded by Villar that the reading of the minutes of the regular meeting held on August 5, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

Dennis stated that "for the record that should be the regular meeting should have a second one for the closed meeting."

It was moved by Gana and seconded by Villar that the reading of the minutes of the closed meeting held on August 5, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

The Chairman asked if there were any general public comments or comments on the proposed Resolutions.

Lee Burke of 4331 Juniper Street an area that does not have sewer or water. I come here tonight to explain the comments I made at the public meeting of the Counsel last week. It was in general support of keeping the Authority separate from the intentions of the City

to perhaps merge. If they did it with a couple of suggestions perhaps an option which was based on conversation I have had with Dennis earlier in the week and also Joe Isabella a few weeks back and just my own take on this. I consider myself a community advocate - I have no personal interest in it one way or another on how it actually works other than as a citizen who is trying to be more aware and engaged. Basically what I told the Mayor and Council was that I thought there could be a compromise of sorts, along with some suggestions from Dennis and also my own to have the feasibility study not go forward first because of the cost. Now my background is in Professional Fundraising and I have done feasibility studies in anticipate of Capital Campaigns. They are help and useful but they are also targets to find out who has the big pockets. Having said that the reason I bring it up now is because it is about money and how you interpret it. So what I explained in the public forum was that I felt that specifically Mr. Isabella, Mr. Palmer, Roxanne Tosto, Mr. Post and at least three (3) members of the public chosen by each group meet to work out the situation as I understand it which may be incorrect but basically is an understanding each other's financial data, interpreting correctly and looking for a way in which to work out the differences if there are any. This may involve some changes in your policy, the practices here on the charge back to the City or the City charging you for certain things. I think from a citizens stand point there has to be some further exploration of better way in which to share services – a formal agreement. I have worked with the Planning Department and Board of Education also and I have tried to have the same thing happen. The different entities within the City have to work better. There are different budgets, there are different types of management styles, there is different leadership to but there is also miss interpretations and information from the public that we are not privied to and that basically is my concern and that is the appearance, at least of transparency, and all the processes involving the entities of the City that represent us. You're appointed, not elected, but you have the same responsibility to the public as an elected official. The process may be convoluted in some cases particularly with this Mayor and Counsel cause of the way it turned out you have a hybrid group and that I think leads to some of the communication problems and I also told the public that I would not comment on the comments in the Daily Journal. I can understand how PR gets misinterpreted, I did tell the Mayor and Counsel they did a poor job of getting ahead of this whole issue before it did get to the public in the paper. So I am hoping that you will consider a compromise of sorts. There are instances in which I think from what I know that money can be saved and it is not just something that needs to be a pocket of money but as a business that has pros and cons and that through the evolution of times things change. We are in a severe need of economic development, which is nothing new to anyone here, the Sewerage Authority and its system may be a part of that in the future. The other reason I am concerned about this is I got involved as a community advocate because it started, not in my backyard, but with a Senior Citizen Project off of Hance Bridge Road with a Developer by the name of Melcer who has since sued the City many times and lost each time with Rudy's Airport. That was a way in which I met Dennis too and supported the idea that this should not happen. I come from North and Central Jersey, I have seen this stick from developers coming down here promising the best thing since sliced bread and making the mess of the City because they want ordinances and other things changed for their particular interest. We don't want to turn off the developers but there has to be some rational and I think the Master Plan is a

good one, it's been challenged and proven to be a good one. Whatever works out in that area or any other area, the City has a lot to do with the water and sewer in particular, the Electric Utility has its own history and there are differences in how that is managed versus what you're managing here. Quite honestly it looks like there should be a better working relationship; I am not advocating dissolutions of any group but I am saying that there are better ways for communication so I hope this option and approach, which I have made public and but the one mistake I have made was that I thought the resolution that I was speaking to which was on a consentage and it had to do with money already being paid to the attorneys who were presumably according to paper going to conduct this feasibility study. So the differences, and Dennis can speak of this too from what he and I have spoken about, was whether you need a feasibility study – politically it may make sense, I don't know that it is necessary because this entity has been around a while obviously, the Electric Utility has too, different people have come and gone but that is what happens with political people as well as public servant too. So I appreciate the time you have given me to speak of this option, which I call a solution – maybe it will be – but I think having lived in the City 13 years we haven't reached our potential yet and I think it is because of this type of situation that develops. I have work with Dennis and Joe Isabella on a project called Sustainable Jersey which is the state wide certification program trying to have efficiencies in 4 or 5 different areas that I think is a model to going forth to work together. Joe obviously did a lot in the solar end, Dennis was the award winner in our committee to get the first turbine on City property which is here, so there has been a working relationship, things get changed and strained when you have a change in political leadership too and I am not going to comment on whether we are in a good position with that or not, I just think things can be handled better and I hope that money can be saved through just reasonable consensus on agreement of some changes on what you need to do and what the City may need to do. Having said that that is the end and if anyone has any questions, I will be glad to answer them.

Chairman Errickson thanked Mr. Burke for coming and stated that he wished more people would come to the meetings. People form their opinion on what they read in the newspaper and again a lot of times the newspapers have a way of saying things that are not quite accurate or inflaming. I can say to the person here that we are all interested in cooperation with the City and shared service and trying to do things to save money – we have always been like that. The problem is that we feel like we are being rated and our money is being taken away without a whole lot of explanation, it is being taken without a sense of togetherness or cooperation. The law says we have to give them 5%, they demanded it and that was the end of it, there wasn't a whole lot of discussion about it. There wasn't any discussion about shared service, cooperation in projects, buying power, what we could do together even as far as stationary goes, there was zero discussion and that is the right way to do it. We have a good track record as far as the Authority goes of being productive and efficient, we have some of the lowest rates, capacity as part of our advertisement to try and draw industry here. I have written a letter to the president of City Council and to the Mayor offering to have a nine (9) man committee, three (3) people from the City with Rick Tonnetta to be the Chairman of the group, three (3) people from LSA and three(3) public people from Vineland, to look at what we can do as a City not just as an individual group for shared services, cooperative efforts buying

power or anything to save money should we merge or should we not. I am not afraid to get an honest look at merging what I am afraid of is when someone already has their mind made up and they don't want to listen to what anyone else has to say or consider different ideas. The answer lies with a good group of the right intentions coming together and making the best discussions. This Authority has always done very good because it has had good people that have come with the intention of doing a good job and not answering to any of the politician bosses, not taking orders just coming here doing the right thing for the citizens of Vineland. I really look forward to the City approaching us with that idea, I would be whole heartedly for it as an individual and I think the group would too. The County is doing it now by hiring an efficiency expert and looking at every one of its departments to do all of the things that were just mention to see if there are cooperative efforts that could help save money.

Mr. Burke stated that he was aware that it was the Governor attempt to reduce Authority's and there has been abuse in other areas of the state but that has not been the case of this Authority. I appreciate your comments but I am not sure that having an Attorney as Chair is the best thing, just because of the cost, there has to be a certain amount of independence from the City in the leadership of formation of this group. Ideas can come from many different places and the citizens too; I would like to see the reduction of any legal cost on this.

Mr. Gana stated that as a former President of the Board of Education, former Chairman of the Planning Board and former Chairman of the LSA I think they are medaling in a private entity of 60 or more years that has functioned admirably and this board has done an admirable job in conducting itself and serving the tax payers and City of Vineland. I resent the way that the current administration wants to dissolve this board. I don't think it is necessary and don't mind working in harmony if there are ways to save but to blatantly try to dissolve the board serves no purpose. I think our Chairman has done an admirable job trying to open up communication with the City.

Mr. Burke stated that he thinks both sides are trying to trim their budgets as best they can.

Mr. Gana's response to that was that I don't think that taking the money that has been garnered or earned here and trying to elevate the problems as they exist in the City.

Mr. Merighi questions Mr. Burke regarding his reasoning as to why a feasibility study shouldn't be completed due to the political ramifications. We may look like we are not willing to be flexible and open to suggestions. Mr. Burke stated that it could be an expense that could be avoided and there could be legal ramifications. Mr. Burke stated that he feels that the feasibility study could stir the pot more unnecessarily and could be an unbiased study depending on what firm is used.

Mr. Burke stated that you don't have to be elected to make a difference and that is the role I chose to play many people come up to me and say "you have said what I have been thinking" – I think that is the problem with the public my saying what you are thinking doesn't do it - you have to say it yourself!

Resolutions:

It was moved by Gana and seconded by Villar that Resolution No. 2013-130, “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.....\$69,027.39”, be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-131, “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....\$355,420.81”, be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-132, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$ 11,472.00 to Hatch Mott MacDonald for professional engineering services for investigation, survey, design, bidding, permitting and easements for the Burns Avenue Sanitary Sewer Extension in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-133, “A Resolution of the Landis Sewerage Authority authorizing a two year contract with QC Laboratories, Inc. for laboratory services in the amount of \$34,034.00 yearly...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-134, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$3,248.89 to Thomas J. Post for E-bay reimbursement for 10 Red Lion Control Modulares, Red Lion 15” XGA Display panel in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-135, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$13,700.00 to General Carbon Corporation for 5000 lbs. of GC Sulfurs for media change out @ \$1.82 per pound and change out service in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

Prior to passing the resolution Dennis stated that however makes the motion should amend it to say to move this but to hold it until the end of the meeting.

It was moved by Gana and seconded by Villar that Resolution No. 2013-136, “A Resolution of the Landis Sewerage Authority authorizing the exclusion of the Public from a meeting between the LSA, its General Counsel and Administrative Personnel to discuss matters falling within the Attorney Client Privilege and Contract Negotiations with the City of Vineland...” be adopted. Roll call: Villar, Merighi, Gana and Errickson voted “yes”.

Reports:

Executive Director

Dennis Palmer reported that he was invited by DEP to sit on a task force to look at the NJPDES fees for permits that allow discharges throughout the state. It consisted of private entities, public entities, asphalt paving, New Jersey Business and Industry, NJ Chamber of Commerce at the DEP headquarters.

There was a meeting with Engineers for a kick off meeting on evaluating the collection system. As part of the asset management we are in the midst of evaluating our asset structure and our capital assets, the new parts of the plant are 25 years old and some of the collection system goes back to 1905 some of the pumping stations to the 50's and 60's so we had a meeting as to what to include in the bond.

DEP was contacted regarding Burns Avenue, which we will be taking action on tonight in issues and correspondence to go out to bid just to see if we can move this permit along. I signed off on the Soil Conservation application and Bob will hand deliver it tomorrow.

Lab bids were opened and very competitive and one that struck me right away that could be a shared service because the water utility does different laboratory analysis so this is something to look to the future of doing a joint bid to the benefit of both.

Today we meet with the Quail Project, which are representatives of the DEP, Fish and Game and a private group that is called the Quail Project, looking to establish and continue to work with them for quail habituate on our property. Bob White Quail is disappearing in the state and is down to a 1/3 or less than what it was. They are looking to establish a grass that the quail likes. We are located between two (2) fish and game wildlife properties, to the south is the Union Lake and another one north of us and we would be part of a “quail greenway” that goes along the Morris River corridor.

On Friday, August 9, 2013 the Chairman and I visited the Mayor's Office and dropped off the first \$100,000.00 payment towards the \$434,000.00 and had some discussions at that meeting.

We met with Bond Counsel last week as well. The last time we issued bonds were in 1993 and we have been very frugal with our monies and there was some guidance since we haven't had bond counsel in about 20 years about how some funds should be directed

in light of transferring funds to the City because we didn't raise rates high enough for the full \$434,00.00. It was a very good meeting regards to how to deal with issues on that.

The Solicitor and I have had emails back and forth from Franklin Township and looks like we are resolving things with that.

Field Engineer

Bob Schwarz reported that we are currently reviewing revised plans for the Route 40 Food Center (previously Meredith Farms) for a four (4) lot subdivision being proposed. A new pump station and internal sewer line will be constructed as part of the overall development. They also must obtain State approval. LSA just received the service agreement and it is being reviewed.

The LSA is obtaining proposals to repair all the sewer lateral trenches with final pavement as well as other areas that need attention where LSA work has been performed.

Work continues on Grant Avenue between the Boulevard, Lincoln Avenue and Brewster Road. Also Chestnut Avenue between Lincoln Avenue and the City line will be paved in the fall of 2013.

Burns Avenue Sewer Extension Project plans have been submitted to NJDEP. Soil Conservation permit and fees to be submitted on August 20, 2013 and the LSA is awaiting the legal description and plot plans for the easement on property at Burns Avenue and S. West Boulevard.

Solicitor

Steve Fabietti stated that the draft service agreement that was prepared for Franklin Township, as previously mention by Bob Schwarz and Dennis Palmer was sent out several months ago and finally on Friday comments were received from Bill Zigler, Township Solicitor. Most of it is minor editing and should be finalized with the hopes of it getting on Franklin Townships agenda in the coming weeks and have the agreement signed. This will start the process for the Township going to DEP and getting that ball rolling.

The other matters that I have been working on are the subject of the closed session at the end of the meeting.

Chairman No Report

Issues and Correspondence:

It was moved by Gana and seconded by Villar to authorize the Executive Director to advertise for bids for the Burns Avenue Sewer Extension. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

Committee Reports:

Engineering/Plant

Dennis Palmer reported that the Farm has two (2) problems at this time with the warm weather. There are groundhogs and crabgrass. The groundhogs make large holes that damage the tractor and irrigation equipment and they will be taken care of.

Dennis Palmer reported that the budget is being worked on for next year and we also had a meeting with the Engineer reviewing the capital needs and asset management future repairs and addition to the collection system which took place as well.

Budget/Finance

Treasurer Tom Merighi reported that the income is approximately \$178,957.00 or 3.2% over budget. Expenses are approximately \$26,495.00 or .47% under budget. Accounts receivables increased approximately \$117,812.00 due to the August billing of Cycle B accounts. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Dennis Palmer stated that we are starting to look at 2014s budget which is being pulled together at this point in time. Again we are looking at asset management and infrastructure I just found trailer mounted generators which are something that the LSA has looked at since the Derecho Storm and Super Storm Sandy and the DEP is looking at a stronger directive in the future that Utilities have more backup and reserve capabilities. So we are looking at these items so that we can have a strong resiliency for our system.

Human Resources

Dennis Palmer stated that Clark Shimp, Process Control Manager, is retiring and we went through the process of posting for seven (7) days in accordance with our guideline, we have interviewed and selected an individual to be the Assistant Operations Manager, Greg McGrath. We have also gone through his vacant position which is a day shift position called Relief Manager which helps out if another employee takes vacation to fill in that shift otherwise he is on day shift. I made that selection today, finished the interviews today and the next posting that is up is the vacancy for the Shift Manager position. It goes up for seven (7) days and I have received one (1) response and will close next Monday. It would not be a bad idea for a motion authorizing me to advertise in the newspaper for a Senior Sewer Systems Employee as we have a cascade of people moving up we will end up with a position at the bottom.

It was motioned by Gana and seconded by Villar for the Executive Director to advertisement of the position of Shift Manager. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

Public Relations

Dennis Palmer reported on the picture that was in the paper and that there are a significant amount of employees that are in the 20, 25, 30 and even over 35 years working with the Authority that institutional history, the knowledge of our system and in some case have the ability know the system without even pulling up a set of plans which is a real value to the Authority and directly to our customers as well.

Insurance Committee:

Dennis Palmer reported that Carol Ricci has started pulling numbers together for the Health Care.

Allocations/Administration: No Report

Old Business: None

New Business:

Chairman Errickson called for the motion for closed session. At 6:47 p.m. it was moved by Gana and seconded by Villar to move into closed session as per Resolution No. 2013-136 authorizing the exclusion of the public from a meeting between the LSA, its general counsel and administrative personnel to discuss matters falling within the attorney client privilege and contract negotiations with the City of Vineland. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

At 7:25 p.m. it was moved by Villar and seconded by Merighi that the open meeting reconvenes.

Adjournment:

At 7:26 p.m. there being no further business to come before the Board, it was moved by Gana and seconded by Villar that the meeting be adjourned. Roll call: Villar, Merighi, Gana and Errickson voted "yes".

THE LANDIS SEWERAGE AUTHORITY

FRANCIS A. GANA, Secretary