

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
December 16, 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, and Errickson were present. Silva and Gana were absent.

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
Carol A. Ricci	Executive Secretary
Leslie Glessner	Lab Supervisor

It was moved by Villar and seconded by Merighi that the reading of the minutes of the regular meeting held on December 2, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi and Errickson voted "yes".

It was moved by Villar and seconded by Merighi that the reading of the minutes of the special meeting held on December 4, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi and Errickson voted "yes".

Dennis Palmer stated that Jennifer Ketcham did a great job with the minutes of the special meeting held on December 4, 2013.

The Chairman asked if there were any general public comments or comments on the proposed Resolutions. There were none.

A 25 year service award was presented to Leslie Glessner, our lab manager by Dennis Palmer and Chairman Errickson.

Resolutions:

It was moved by Merighi and seconded by Villar that Resolution No. 2013-188, "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.....\$69,167.95", be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

It was moved by Merighi and seconded by Villar that Resolution No. 2013-189, "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....\$571,676.56", be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

Dennis Palmer stated that the amount was that large because the payment to the City of \$334,850 is in that amount. We sent the voucher over to the City and it was lost. Dennis stated that he followed up with Mr. Lutz by e-mail so we sent the remaining amount and that is what has made that figure so high.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-190, "A Resolution of the Landis Sewerage Authority rescinding Resolution No. 2013-167 which adopted the preliminary 2014 budget and re-adopting the preliminary 2014 budget..." be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

Dennis stated that when the Budget went to the State it dealt with the issues of this year. They did not like the process of how we amended the budget, or they have changed their wording. We did that budget amendment in April that allowed for the transfer to the City. There is no change in dollars it's actually a verbiage change to make the state happy on our budget forms. Steve Errickson commented that they did that to everyone this year. Dennis stated that they have a lot of new people and Tom Merighi stated that they are actually reading the budget.

It was moved by Merighi and seconded by Villar that Resolution No. 2013-191, "A Resolution of the Landis Sewerage Authority adopting the 2014 Budget of the Landis Sewerage Authority for fiscal year period January 1, 2014 through December 31, 2014..." be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

It was moved by Villar and seconded by Merighi that Resolution No. 2013-192, "A Resolution of the Landis Sewerage Authority amending the schedule of the 2013 amended budget attached to Resolution No. 2013-59 adopted on April 15, 2013..." be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

It was moved by Villar and seconded by Merighi, that Resolution No. 2013-193, "A Resolution of the Landis Sewerage Authority authorizing correction on credits, charge-offs, refunds and cancellation of accounts in the amount of \$681.74..." be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

It was moved by Villar and seconded by Merighi that Resolution No. 2013-194, “A Resolution of the Landis Sewerage authorizing the award of a non-fair and open contract for Worker’s Compensation Insurance to New Jersey Manufacturer’s Insurance for the period of January 1, 2014 through December 31, 2013 in the amount of \$167,097.00...” be adopted. Roll call: Villar, Merighi and Errickson voted “yes”.

Dennis stated that we were very happy that the number went down from last year.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-195, “A Resolution of the Landis Sewerage Authority authorizing a contract with Harris Computer Systems to provide software support services in the amount of \$14,625.25...” be adopted. Roll call: Villar, Merighi and Errickson voted “yes”.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-196, “A Resolution of the Landis Sewerage Authority authorizing a two year contract with Computer Software, Inc. to provide operating system service and computer hardware maintenance in the amount of \$13,368.63 respectively...” be adopted.. Roll call: Villar, Merighi and Errickson voted “yes”.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-197, “A Resolution of the Landis Sewerage Authority authorizing Unit Municipal Purchasing pursuant to N.J.S.A. 40A:11-12 under state contracting procedures...” be adopted. Roll call: Villar, Merighi and Errickson voted “yes”.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-198, “A Resolution of the Landis Sewerage Authority authorizing a one year contract for employee assistance services with the Southwest Council, Inc. in the a mount of \$1312.00...” be adopted. Roll call: Villar, Merighi and Errickson voted “yes”.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-199, “A Resolution of the Landis Sewerage Authority authorizing an Interlocal Services Agreement with the City of Vineland to compensate staff in the Tax Collector’s Office and Collections Department in the amount of \$7,500.00 from January 1, 2014 through December 31, 2014...” be adopted. Roll call: Villar, Merighi and Errickson voted “yes”.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-200, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$1430.00 to Hatch Mott MacDonald for investigation and survey for the Burns Avenue Sanitary Sewer Extension project and review and support for the Collection System Bond in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi and Errickson voted “yes”.

It was moved by Villar and seconded by Merighi that Resolution No. 2013-201 , “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$2202.50 to Video Pipe Services,

Inc. for manhole grouting, portal to portal and chemical grout at Magnolia and McMahon Drive in accordance with the provisions of the Authority's General Bond Resolution..." be adopted. Roll call: Villar, Merighi and Errickson voted "yes".

Reports:

Executive Director

Dennis Palmer reported that we had a special meeting here since the last regular meeting of the Authority. We were all in attendance and the outcome of that special meeting will occur this Wednesday and that is where we have a small committee of the two agencies, the City and the Authority to discuss shared services. The meeting will be to develop a resolution that both bodies will adopt on shared services. We will have discussion items, our special counsel has worked on a draft resolution and it is still a working document and it is something that will be worked on at the joint meeting with plans to adopt in the upcoming year. Dennis also stated that tonight we took action on a shared service that we have been doing for many years with the City for the extra services and work that their staff does in the tax office dealing with our liens so we compensate them for some level on this. That will be included as one of several items on the list of items to be put into the shared service future resolution.

Dennis reported that he was on a national conference call with a group that he belongs to called the Water Environment Federation and that was on the issue of non-dispersibles. You see more and more advertisements on TV regarding the personal wipes used in the bathroom and a monster polar bear ball that was found in one of the large cities. A ball of these wipes congealed together with greases and fats and it was just this monster white polar bear that was stuck in the sewer system. This is becoming a problem more and more throughout the country and because they are now being heavily advertised on TV so the nation association is trying to work with the non-woven fabric manufacturers to try to work on getting these so they can go through pumps. We have problems where they clog our pumps. We have an issue with a number of adult care facilities in the City that were kind of consolidated so we knew where the problem was and we had to put in bar screens. Now they have moved to a lot of these community homes which then spreads the problem and we are finding that popping up in other locations in our system. We are part of a national committee that is looking to work with the manufacturers. One manufacturer says his product is dispersible. Since it's a two ply product and it goes through a pump it becomes two pieces and it's not dispersible and may magnify the problem. For example, a friend of mine was actually on TV about a month ago, Bob from a sewerage authority in north Jersey and he has a whole program where he has a clear toilet with a tank underneath that is portable and he actually takes these products and flushes it and he shows what it's like when it has literally been flushed a thousand times and it's still one piece. He puts them in these tanks and he shows where the toilet paper disappears in ten seconds. It has actually become a national problem and we are experiencing it here with the adult care facilities.

Dennis reported that he was at a hearing in Trenton to give testimony on behalf of operators around the State. There is a bill that will P.E.'s to go directly for an operator's license with no hands on experience. The operators and educators in the field, even though you have an engineer's license, you may have had no hands on experience. New Jersey tests engineers and gives you a license in four areas, electrical, chemical, which has nothing to do with wastewater, they do of course with designing parts for the facility and civil engineers do highways do dams, highways and bridges but they do not do wastewater. We brought that to the committee's attention and gave testimony and the bill still did come out but not clean. It came out with three yesses, one no and one abstention which sends a message to the floor that it was a dirty bill and not a unanimous consideration. That could be a problem since New Jersey has had some excellent examples with Irene, Lee and Sandy that if you had a newly minted operator who could be in charge of the facility because he has a P.E. license and his first rodeo is Sandy, it's probably not in the best interest of public health and safety.

### Field Engineer

Bob Schwarz reported that work continues on the completion of submittals in regards to the Burns Avenue Sanitary Sewer Extension project to mobilize at the beginning of January 2014 and start work around the middle of January weather permitting.

The contractor for Taco Bell on West Landis Avenue installed a jacking pit and a receiving pit over the last week and installed 60 feet of steel casing. Plans are to install piping and another manhole this week. One lane of West Landis Avenue is shut down for installation of piping.

There are ongoing problems at 719 W. Park Avenue in regards to a sewer lateral. Found several pipes and need to perform additional work to provide service for property owner.

Bob also stated that there is some potential activity with commercial development in the near future.

### Solicitor

Steven Fabietti reported that negotiations continue with the Teamsters Union for the renewal of the contract that is coming up. There have been a few sessions and we are at a point now where we are documenting putting an agreement that will hopefully get this to its conclusion with another meeting and then once that is at that juncture it will come before you for your review and approval.

Steven Fabietti also stated that we also have another ongoing individual personnel matter which we can't discuss in the open session but has been ongoing and we will report back to you when necessary if necessary.

### Chairman

Chairman Steve Errickson stated that since this is the last meeting of this year, we will be rotating position and there will be a new chairman next year. Steve wanted to thank everyone for their support, help, kind words and dedication in coming out to all of the meetings with all of the things going on this year and all of the extra work. Dennis, Carol and Steve and everyone has been great and have made it real easy for me to be chairman and I appreciate it and I want to say thank you, Merry Christmas, Happy Chanukah and Happy Holidays.

Issues and Correspondence: None

Committee Reports:

Engineering/Plant

Dennis Palmer reported that with respect to Burns Avenue, there are two issues that are coming. Actually it strikes me as something else we should add to the shared services contract or resolution. The first one was we pulled together a lot of information at the end of last week for Triad, who is the City's consultant on the EDA grant that provided for water and sewer extension. They wanted things like the bid tallies, memo from the bid opening, the engineer's recommendation of the contractor, the tabulation or justification if you did not award it to the lowest bidder, which we did, the bid bond of the contractor and items they needed to move it along so EDA said that was a happy thing and boxed it off bringing everything closer to getting the monies. The second aspect is because it has taken so long and it involved extra work, management and oversight to expand it and get the grant for us to get the sewer that the consultant has a larger contract. I think it would be smart and the right thing to do is to split the cost of that extra work with the City because we are beneficiaries. I am not sure if its \$4,000 or half is \$2,000 or it's \$8,000 and our half is \$4,000, I am not sure exactly what it is but I think it is an excellent item to include as we go into the cost sharing invitation we have coming up on Wednesday. It's an item that should be added to that list. I would be happy any day to put down \$4,000 and get a half-million. It's well worth the management and consulting fee and the work that Triad performed with a lot of assistance from us and City staff as well to get that grant expanded and concluded.

Budget/Finance

Dennis reported that we took action tonight on the adopting of this year's budget and adopting some amendments to clear up some of the paperwork issues that we had with the amendment we did last spring.

Thomas Merighi stated that everyone received the financials and he reported that income is approximately \$483,709.00 or 5.27% over budget. Expenses are approximately \$109,796.00 or 1.2% under budget. Accounts receivables increased approximately \$1,464,759.00 due to the December billing of Cycle A and M Accounts. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Dennis stated that receivables are better and we had the rate increase. Tom Merighi asked if we have an idea what the SS-9 would be and Dennis stated that it is done. It was done when we did the budget for next year and it was \$10,000 or so higher instead of it being \$434,000 or the \$440,000's. It's in there. We will have those discussions next spring and in the shared service agreement it talks about that and it talks about the sidewalks too.

#### Human Resources

Dennis reported that Frank Gana has been ill and we sent a plant to his home from the Authority. Dennis also stated that he has been holding off on authorization to fill two positions. I am waiting for Dave who supervises that group to get home from hunting and I did not want to move ahead without sitting and talking with him. We talked about it at lunchtime today and we will deal with that as it comes along.

#### Public Relations

Dennis reported that we had good press in two newspapers out of the special meeting and the press is also invited to Wednesday's meeting.

#### Insurance Committee

Carol Ricci stated that as you saw in your packets we had the renewal for New Jersey Manufacturer's for this year. Worker's Comp is not really a biddable policy since it's based solely on claims and payroll. Our experience mod jumped a little, it was at 1.00 which is called a unity mod and it moved to 1.029 because of this one individual we are unable to speak about at the meetings and this is not a real high jump. Our original premiums started out high and we had really nice surprise. We had a 10% dividend and then on top of that they gave us a 10% discount. If you look at where we were last year, when left Statewide we went from a premium of \$126,000 and after the State of New Jersey's re-rate of all sewer classifications it jumped to \$176,000. We really will not realize the dividend until 2015 so we are kind of picking up the 10% dividend from last year and that is how we ended up where we are.

#### Allocations/Administration

Dennis reported that homes have been dead for at least four years. The commercial continues to go on. We also met with someone in the industrial park that is not looking for more capacity but additional employees and bringing on jobs. We don't want to say who it is until we get the application. They are opening a new line of products and until that is complete we want to keep it confidential.

Steve Errickson stated that we sometimes worry about new business coming in and we forget about existing business and sometimes what is needed to help people stay afloat and stay in business and take that chance for expansion and till the garden so to speak.

Dennis stated that he had the opportunity to be the moderator for the First District Senate Debate that the Chamber put together and that was exactly one of the questions. We always here about new bills being put through the legislature to attract new business. What are we doing for the guy who has been here and what are your thoughts about doing something for them.

Old Business: None

New Business:

Tom Merighi questioned whether the Wednesday meeting is an opening meeting since the press is there? Dennis stated that it's a committee meeting and the committee has been established and they are the only ones at the table allowed to be speaking. If someone would like to sit in the back and not say anything and observe, I can't be a commissioner, because we are dealing with quorum issues on behalf of the City and the Authority so there are only two of each there. Tom Merighi asked if it is a forum where minutes will be taken. Dennis replied that we could have minutes taken, but it is a Committee form of meeting. The outcome instead of minutes will be a work product that day or a second meeting is a resolution to be adopted by both bodies. Instead of having actual minutes I think the outcome would be a work product.

Tom Merighi stated that as a Commissioner, he would rather find out about the meeting from us rather than reading it on the front page of the paper. If we could get some kind of update or if there are minutes, the minutes could be passed.

Dennis said he would state some of the things that are going to be proposed; one is laboratory services, we talked about the sidewalk fund with money up to some value, we proposed \$50,000 or some value that would be part of the SS-9 transfer. Uniforms is a little stale right now. When we dig up the street can we use the City's paving contractor; could we buy natural gas from the City? Would chemical purchasing help us and the water utility? Laboratory services would be the biggest.

Carlos Villar stated that basically it's everything we've been proposing. Has the City proposed anything? Dennis stated that the resolution will be circulated to the City to see if they want to bring anything else as well to the table. Two things the City would like is the continuation of the shared service we did tonight which is something we have done at different dollar amounts that goes back decades and the whole idea of the sidewalk issue was brought up as capital infrastructure projects which then grew into sidewalks for schools coordinated with the school board. The City has to go through its own logistics and set up a dedicated fund. The Planning Board already has escrow funds set up for their review that are drawn upon and this could be set up in a similar parallel to what zoning and planning boards do. A developer puts money up and they pull money down for either engineering reviews or legal reviews. I am sure there are other dedicated funds the City may collect besides that. Those are some of the things that will be on the table for discussion. The last one being is should we throw in this extra managerial and

administration grant for Burns Avenue and that should be added as a costing sharing with the City.

Carlos Villar asked does the discussion with us assisting the water department in managing their business, they haven't come back to us and we obviously haven't had the meeting so we don't know. Dennis stated that it is in the draft with the shared service items and that is one of the things we talked about. I don't think they've been capitalized right and I don't think they have done the asset management they should be doing in the water utility. They are ahead of us in that they have better graphics and cad type things and maybe they can help us and maybe we can help them trying to put aside a little like we do so you don't have to go to bonds for everything.

Tom Merighi asked if Carlos said that because you don't want it to be all one sided. Carlos said that he hoping that if we are proposing some things that they are also proposing some things, some things that maybe we haven't seen. Tom Merighi asked how excited they would be if the shared services is only us receiving the benefits. Carlos stated that doesn't work since they have to want some stuff from us. Steve Errickson stated that any shared service would do because it lowers the cost for both. Carlos Villar stated that we all should benefit.

Adjournment:

At 6:37 p.m. there being no further business to come before the Board, it was moved by Merighi and seconded by Villar that the meeting be adjourned. Roll call: Villar, Merighi, and Errickson voted "yes".

THE LANDIS SEWERAGE AUTHORITY

---

FRANCIS A. GANA, Secretary