

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
October 6, 2014

Pledge of Allegiance.

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

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

Chairman Silva 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
Keith Davis, Esq.	Nehmad, Perillo & Davis PA

It was moved by Errickson and seconded by Reuben that the reading of the minutes of the regular meeting held on September 15, 2014 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Reuben, Merighi, Villar, Errickson and Silva 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 Reuben that Resolution No. 2014-121, “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.....\$93,041.36”, be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-122, “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...\$240,148.29”, be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-123, “A Resolution of the Landis Sewerage Authority authorizing the Executive Director to execute change order #1 with Garrison Enterprise for the McMahon Drive, Magnolia Road and Clover Avenue sewer replacement project...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-124, “A Resolution of the Landis Sewerage Authority authorizing a non-fair and open contract with Horizon Blue Cross Blue Shield of NJ to provide fully insured major medical insurance coverage...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-125, “A Resolution of the Landis Sewerage Authority authorizing a non-fair and open contract with Health Insurance Solutions, Inc. and Express Scripts to provide a self-insured prescription medication plan...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-126, “A Resolution of the Landis Sewerage Authority summarizing allocation activity through the close of allocation round 153...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-127, “A Resolution of the Landis Sewerage Authority allocating sewerage capacity for Round 153 for commercial classifications...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Errickson and seconded by Villar that Resolution No. 2014-128, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$40,629.19 to Garrison Enterprise, Inc. for material, labor and equipment for restoration of sanitary sewer main and replacement of five laterals on Magnolia Road, McMahon Drive, and Clover Avenue in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

It was moved by Merighi and seconded by Errickson that Resolution No. 2014-129, “A Resolution of the Landis Sewerage Authority authorizing the exclusion of the public from a meeting between the Landis Sewerage Authority, its general counsel and administrative personnel to the Shared Services Agreement with the City of Vineland related matters falling within the attorney client privilege...” be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted “yes”.

At 6:04 p.m. the regular meeting of the Landis Sewerage Authority went into closed session.

It was moved by Errickson and seconded by Villar that Resolution No. 2014-130, "A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$62.75 to Hatch Mott MacDonald for construction services for the Burns Avenue Sanitary Sewer Extension in accordance with the provisions of the Authority's General Bond Resolution..." be adopted. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted "yes".

Executive Director

Dennis Palmer reported that we had a progress meeting. We hold them twice a month. The concrete vault is finished and will be transported here on Wednesday. We are also working with CCIA since they have been very helpful in providing an excavator and a monster dump truck. We have submitted a reimbursement to the Department of Agriculture of over \$140,000 for things we have already expended. They were here today with a representative. There is also an analysis we are putting together with part of the grant that will have different haulers, waste generators, ourselves and others which will be part of the process of getting the customers in and hopefully have dairy farmers take our material back and spread it on their farms for fertilizer.

Tom Merighi asked if all of the product we receive will be trucked in and Dennis replied yes. There will be food processing waste, fats, oils and grease from grease traps in restaurants and food processing places as well. We've talked to Progresso. They have someone who comes in with a can crusher when they have off spec cans and everything they crush out of the can gets dumped into something and hauled away. My conversation with them is we can probably provide the disposal service at 20% of what they are paying now. We will have to come before you with a Resolution setting rates, but we are looking at somewhere like \$.06 to \$.08 a gallon on the waste and fats, oils and grease. Manure, the market just won't bear it and since its part of ag we will price that down probably to a penny to start. As the material comes in, we will receive a tipping fee. It will go into the digester and generate more gas and hopefully we can get a bigger engine that ties in two things that I am looking at. A larger engine will get us off the grid. Next week some of us are going to Hammonton area where a guy has duck weed. He has a full scale pilot running. He has the ponds, the generator and he's got everything else where he can make power. Duck weed has a lot of fats and oils in it. He pulls out the gasses from it, runs the engine on it, the head from the engine goes back and dries it, so it's a nice little cycle. He would take 5,000 to 10,000 gallons of our water, grow the duck weed, it doubles its size every day so with that and the co-gen we could almost be off of the grid and very close to being a net-neutral facility. When the next Sandy comes along we can still be running our facility here on basically clean bio-energy from the gas and the duck weed. That's the long term goal.

Dennis also reported that he is working with Steve Fabietti for our adjudicatory hearing on NJPDES fees. It was filed. Ocean County Utilities Authority also filed. Some of the

others filed the first appeal, but they have not filed onto the second appeal. As part of that process, I was also invited to sit in on a round table with the Chemical Industry Council, petroleum producers, the League and other people and talk about the NJPDES fees and how fees are applied and they are looking at revamping the whole system. We are still getting a higher number but not as bad. Our total fees from all of the permits would be somewhere in the high \$40's to \$50,000 range. They are taking out the environmental factor and a bunch of other different multipliers and making it just based on flow which is so much simpler and predictable. The idea is once you adopt the fee, every year it would go up 2%. We were getting whipsawed. We went from \$19,000 up to \$90,000. We will continue to fight the appeal.

We had a meeting today with T & W Construction, the company that built the small pipeline section in the Industrial Park. It was challenging at best. They were not as well prepared. They are asking for more money, I want to pay them less money because they did not build the job in compliance and give us something that functions the way it should. We may be arguing for a while and there will be ongoing discussions. Their manning on the job was poor. Their means and methods were certainly questionable and not timely.

The co-gen is up and running. Training is on this week and next week for Confined Space and Lock Out Tag Out and Blood Born Pathogens.

Field Engineer

Bob Schwarz reported that efforts are being made to close out the Burns Avenue Sewer project as soon as possible and finalize all outstanding issues including final quantities change order and other documents.

We are performing preliminary feasibility study for potential sewer line on West Landis Avenue between Mill Road and Route 55 on the south side.

Seventeen homes are proposed on Melrose Court for the Housing Authority. LSA will not take ownership of the sewer system upon completion of the project due to easements and private road.

Solicitor:

Steve Fabietti reported that in your package there was a check from North American Power Partners bankruptcy proceedings which was \$34,160.26. The Authority's involvement with that proceeding is now complete and we have been signed over to the new provider.

Steve stated as Dennis mentioned, the filing of the appeal on the NJPDES permit fee which was delivered to Trenton on the 29th of September. We are contesting the total fee amount of \$104,667.11. We are also asking for a stay of payment of \$73,538.73 pending

the appeal. The Authority has paid \$31,128.38 for this year which is the non-contested portion. We are waiting to hear back from the DEP.

Chairman: No Report

Issues and Correspondence: None

Committee Reports:

Engineering/Plant

Dennis reported that he continues to work with Anthony on the reinforcing steel and other things associated with the receiving station.

There has been some interest expressed on West Landis Avenue for sewer. We walked the trail and we think we have a better alternative than when we looked at it six months ago and that is running some lines partially in the grass and partially into the road. There is a really deep swale that is 5 or 6 feet deeper than the road. We couldn't get through so we stayed out in the road. There are some empty properties out there and we are looking to see if we can proceed on that. People file a petition for sewer, we do the work, we do the engineering design and get the permit and then people will get assessed and get reimbursed by the City. It will open up a number of good properties out there that do not have sewer. Bob did some shots with the surveyor and I also got from the engineer some old profiles of the road but they still may be useful for our purposes.

Budget/Finance:

Tom Merighi stated that there is no report this month. Dennis stated that the budget is bizarre in that the Department of Community Affairs is doing a massive fishing trip beyond belief and I don't think there is a regulatory basis for the report. I raised that questions at a seminar and someone from DCA was there. He said well the law says this. The State comes out with the NJ Register twice a month and it has regulations in it and not just what the law says. They are asking do commissioners work other places. Do they get money from another body? They want total compensation. Do employees get a get a car and all of these other things which is a massive fishing trip of all Authorities and it is taking a lot of time to pull all of this information together. Dennis stated it doesn't have a regulatory basis. Its pages and pages of questions. AEA is trying to put together a conference call with an assistant director in that office. It asks for a lot of information that is private and privileged . We are being made to ask questions like do Commissioners have other public employment. The answer is they filed financial disclosure statements. You have that information and you should be able to find that information yourself.

Human Resources

Dennis stated that we hired our electrician. We are at full staff right now.

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Public Relations: No Report

Insurance Committee: No Report

Allocations/Administration: No Report

Old Business: None

New Business: Dennis stated that the AEA conference is November 18th and 19th at the Golden Nugget in Atlantic City. Please let Carol know if you are coming so she can make hotel reservations.

Adjournment:

At 6:46 p.m. there being no further business to come before the Board, it was moved by Errickson and seconded by Reuben that the meeting be adjourned. Roll call: Reuben, Merighi, Villar, Errickson and Silva voted "yes".

THE LANDIS SEWERAGE AUTHORITY

CARLOS VILLAR, Secretary