

THE LANDIS SEWERAGE AUTHORITY  
REGULAR MEETING  
September 3, 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, Gana, Silva and Errickson were present. Merighi was 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
Anthony Carbone	

It was moved by Gana and seconded by Villar that the reading of the minutes of the regular meeting held on August 19, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Gana and Errickson voted "yes". Silva abstained.

It was moved by Gana and seconded by Villar that the reading of the minutes of the closed meeting held on August 19, 2013 be dispensed and the same be approved in the form submitted to all members by mail. Roll call: Villar, Gana and Errickson voted "yes". Silva abstained.

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

Anthony Carbone was presented a 25 year Service Award by Dennis Palmer.

Resolutions:

It was moved by Silva and seconded by Gana that Resolution No. 2013-137, "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.....\$77,480.27”, be adopted. Roll call: Villar, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Silva that Resolution No. 2013-138, “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....\$141,916.48”, be adopted. Roll call: Villar, Gana, Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Gana that Resolution No. 2013-139, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$4,850.00 to J Souders & Son for replacement of lateral at 2070 E. Chestnut Avenue to remove belly in pipe in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-140, “A Resolution of the Landis Sewerage Authority authorizing the Chairman to sign a Service Agreement with the Township of Franklin...” be adopted. Roll call: Villar, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Villar that Resolution No. 2013-141, “A Resolution of the Landis Sewerage Authority excluding the public from a meeting between LSA, its general counsel and administrative personnel to discuss matters falling within the attorney client privilege and contract negotiations with the City of Vineland.

Dennis Palmer stated that we should amend the motions to close the meeting after other issues are discussed so that Commissioner Merighi would be able to participate. Chairman Errickson stated that we would put in on just before old business.

It was moved by Silva and seconded by Gana that Resolution No. 2013- 142 , “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$27,698.00 to Adirondack Energy for three (3) AC Power Conditioners for headworks area in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Gana, Silva and Errickson voted “yes”.

At 6:07 p.m. Commissioner Thomas Merighi arrived at the meeting.

Reports:

Executive Director

Dennis Palmer reported that an item that he and Steve Fabietti worked on for a long time has finally produced a Service Agreement with Franklin Township. We have a long

history with Meredith Farms and other poultry plants before that. The Township has acquired the property some time ago. They paid us a fair amount of money to pay off some of the old principal plus interest on outstanding debts. Rather than rely upon the old contract that was with a private entity, this service agreement now becomes a contract with another public body that provides the mechanism on how transmitted bills are paid and items are reviewed. This is a significant step from where we were and it has taken some time. Dennis stated that he and the Solicitor had worked on a draft in March or April and sent it to the Solicitor of the town and it was not an item that was cast in stone. We were looking for comments and input and collaboration. They have signed the agreement on August 27<sup>th</sup> and we will sign it tonight. This allows our staff to move forward to review the DEP permit application they had before as well. It may be on our next meeting.

We met with different folks from both DEP and an association for the bob white and we are going to work with them to use some of our site as habitat since the quail is in a significant downturn in population so DEP and other non-profit groups are looking to support this and actually provide seeding and some of the costs in trying to re-establish habitat for the bob white here on Authority property. We can protect it too.

Last week we also had a test on our ability to drop power load and we did very well. We get paid to do that. Since the power companies never called for an actual load drop this summer, everyone who was in the program had to drop on the 27<sup>th</sup>. They came off very well. Last week was Clark's retirement. We will talk more about that under personnel.

DEP has told us that we would have the permit for Burns Avenue last week. They then said it should be completed by tomorrow. If that is the case it has pushed back a little bit of our schedule regarding when we advertise for it and have a pre-bid meeting and have the opening of the award. I sent you a note in your files that we are looking at somewhere around the 26 but right now we are probably looking at holding a very quick special meeting on Monday the 30<sup>th</sup> or Tuesday the 1<sup>st</sup>. We are looking at the last Friday in September as the bid opening. We have to give the attorneys and staff some time to review the bids to make sure they are compliant with our bidding requirements, the bond is good and some other checks. We will know better as we move later into the month if we get the bid tomorrow or Thursday we actually get the permit from DEP on the sewer extension.

#### Field Engineer

Bob Schwarz reported that the Gas Remediation Project on N. E. Boulevard and Peach Street pre-construction meeting will be held in City hall soon. Construction would begin on or around September 12, 2013. The Construction is intended to remove the existing sewer line and install two dog house manholes outside of the excavation area on N. E. Boulevard near Peach Street. The Road will be closed approximately one year. The Authority can charge for our time.

Lateral replacement at 2070 E. Chestnut Avenue was performed last week and permanent restoration was performed. The problem is corrected.

Work continues on Brewster Road, Lincoln Avenue, Grant Avenue and Valley Avenue between Chestnut and Landis.

Bob also stated that the Authority awarded a contract to repave sewer trenches where sewer lines were repaired over the past year or two.

Bob reported that he and Dave Kennedy met with a representative of Hatch Mott MacDonald to review our capital improvement for preparation of the estimate for the collection system.

Bob also stated that he and Dennis met with a representative of Hatch Mott MacDonald regarding the Burns Avenue sewer extension project to review final concerns on the project in preparation of advertising for bids in the next week or two. The DEP permit should be forthcoming this week along with the soil conservation permit

Solicitor

Steve Fabietti reported that the only item for the public meeting is as Dennis mentioned is the service agreement with Franklin Township. Just to expand upon a couple of points, the 350,000 gpd allocation that is reserved for that site in the Authority's Wastewater Management Plan, the Agreement calls for 200,000 of that to continue to be reserved for the Meredith Farms site itself on Route 40 and potentially 150,000 gpd to be re-allocated to other parts of Franklin Township, particularly the Malaga business district. All of that would have to come back to Dennis and the Board in the form of a formal proposal and program and would have to be approved by DEP in one way, shape or form. This is an initial step that sets the stage for those things to happen so you will be seeing this coming for some time. Dennis stated that we would have to do a Wastewater Management Plan that would either amend the one we currently have or develop a new one for that area. Both of those are time consuming and a tremendous amount of inertia at DEP but nonetheless, all costs will be born by someone other than us. This could include engineers, consultants, surveyors or whatever and it will also need approval by the Gloucester County Board of Freeholders, the Cumberland County Board of Freeholders, Franklin Township and the City of Vineland as well because this all deals with the Wastewater Management Plan and without question at least at the County Freeholder level for both counties because it crosses the line. Steve Fabietti stated that this opens the door for all of that to happen and the ball is in the Township's Court for them to take those steps all subject to the Board's further approval down the road. Dennis stated that Steve's wording in the Agreement puts those responsibilities on someone other than us.

Chairman

Chairman Errickson stated that a couple of years ago at the AEA convention, the Assistant Director of the DEP was there and talked at the dinner and I remember him

saying that he had marching orders from the Governor for DEP to come more local, to visit the plants and get to know the people and try to streamline things and be more helpful and make it easier for us to do business with the DEP. Chairman Errickson asked if this has happened yet.

Dennis Palmer stated that the Wastewater Management Plans have made leaps and strides in getting those out and that is something they have done very well. The enforcement group is more huggable, for lack of a better word. Several years ago it was write the penalty first and ask questions later. It is more let's find out what is going on and be more helpful. Some of the permit issues are a little slow. We have been a little faster in the past getting permits that we need, however we are also in the same time frame, as I talked to the section chief last week, that they have a priority that those receiving state construction funding from the wastewater infrastructure trust get priority and some of those permits went out last week. Hopefully we are on target. Dennis stated that he thinks it is a better and friendlier DEP. Dennis said he has calls in on our NJPDES Discharge Permit. We submitted the application quite some time ago. We submitted the hydrogeologist's report and a call was made to see where we stand.

Dennis stated that he send the plant engineering committee and also the entire Board, there are issues coming out of the derecho and Sandy and that is the need for additional backup power. Dennis said he found under state contract some trailer mounted generators discounted about \$4000-5000 if we bought them directly. To go with that is also the need for a pickup truck at least at a Ford 250 or Chevy 2500 Series size to pull them. They have some weight and one other additional vehicle as well. Dennis stated he talked with the engineering committee and will be putting forth a motion to authorize those items.

Issues and Correspondence: It was moved by Gana and seconded by Silva authorizing the Executive Director to purchase under state contract, 2 portable generators, 1 Ford Explorer and 1 Chevy 2500 Series or Ford 250 Series pick-up. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

#### Committee Reports:

##### Engineering/Plant

Dennis reported that we talked about the collection system and a follow up meeting is scheduled next with the plant engineer to look at some of the items and he wants to look at some of the electrical issues. The last Resolution we passed tonight under 142, we used one of these magic black boxes which is disingenuous because it is a fairly advanced piece of technology that you bolt to your electrical control panels and it harvests and reduces electrical load. It reduces the load to motors, the amperage drops which helps the motors run cooler and more efficiently and it also helps the power factor which is part of our electric bill. We are proceeding with three of the units. We will also want to add to the specifications is the de-watering building, the thickener, that the roof is now 25 years old and it needs work.

The cool weather grasses at the farm are having a difficult. We plant an African grass that works well and the farmers and horsemen like it but you have to plant it every year. The plants are having a tough time and in the future we are going to have to weigh whether we do more corn or Bermuda grass which is a warm season grass.

Steve Errickson asked what kind of warranty there is on the black box and is there a performance guaranty. Dennis stated that it's not so much a guaranty but a 15 to 20% savings on electricity. We will get a four or five year payback. We have parts in the plant that have a power factor correction bank. Those parts of the plant are on a different feed. They have been hurting our electric bill. We did not do this as a bid since it was under the bid threshold. We started with three because to do the whole plant it would be around twelve. We want to run them to see how they work and they should also help with lightning strikes and power surges as well. There is no guaranty, we borrowed one from Camden since they use them. We hooked it up and we get amp readings before and after the unit is hooked up and the numbers are down. You use less electricity and the motors run more efficiently and cooler and it also adds to the life of the motor. We will see the benefit in the electric bills as well. It's all solid state, no moving parts. They are custom fabricated to the loads you have in that location. Steve Errickson stated that he would like to see the units when they come in. Dennis said they are in.

#### Budget/Finance

We are currently putting together the numbers for next year's budget, 2014. We did get notes from our Bond council that they will be back to us with comments for the finance committee on how we should re-arrange our funds based on their reading of the Bond covenants or resolution. We will take that action before the end of the year.

#### Human Resources

We have had a move up of personnel as a result of Clark's retirement. Greg McGrath is moving from day shift breaker position as the Assistant Superintendent, Dave Hilbmann who has been here for quite some time is moving from shift manager to day shift breaker position which is a little higher and Ryder James, one of our plant employees has the DEP Level 3 license and he will be moving into the shift manager position. We have a vacant position for Senior Sewer Service Employee at this time. We are going to put it in the paper and advertise for that position. There will be some savings in the near term with that vacancy. It was a nice opportunity for several people and of course Dave Kennedy moved to the new title of Superintendent and we have re-organized the structure to leaner, more flexible and resilient. It will be a much stronger organization with these changes.

#### Public Relations

Someone from the Public Health Department, he's changing positions and part of his education process before he can sit for the Health Officer's license is a visit to the wastewater treatment plant. I spent some time with him this afternoon walking around the

plant and Jean Garbarino son's is going for a wastewater engineer's degree so we invited him over for a tour also. Rowan University brings their junior civil engineers through for a tour. We had two interns this summer, Karen Forster from Stockton majoring in environmental science and her last day was last week.

#### Insurance Committee

Carol Ricci reported that we are getting favorable feedback regarding our major medical renewal with Horizon and very possibly a single digit renewal rate at 5.5 or 6%. We have been approached by other brokers who would like to place the Authority in a self-insured plan, however past experience shows that the first two or three years are cost saving and then financially the stop losses start to rise. We also have an aging staff which makes such a plan unappealing to reinsurers and our costs would be astronomical. Carol Ricci also stated that within that Horizon scope of insurance we offer three or four plans that our employees can choose from. We will have some difficulty with our prescription drug renewal as we are not trending well over the past year due to some major illnesses and the drugs used to treat them and also this is a self-insured plan.

Steve Errickson asked if we were part of a JIF and Dennis reported that we are not and that we had tried to look at the State Health Plan and the increases were so high it just was not feasible. Carol Ricci added that the State Health Plan would have been a 22% increase over our present costs.

In addition to the above, Carol Ricci stated that the paperwork from the Affordable Healthcare Act is astronomical. We are now paying a tax called a PCORI tax for \$147 which is \$1 per person just once a year for a head count. It's a very small form to fill out and the backup was almost 40 pages.

Steve Errickson stated that we will be happy with the 6% and that 15% increases are very common.

#### Allocations/Administration

Dennis stated that the major item is the signing of the Franklin Township Service Agreement that allows us to proceed with the review of the sewer extension permit for DEP. We told them that we would not complete the review until we received the contract. Now that this is done we can complete the work.

At 6:30 it was moved by Gana and seconded by Silva to exclude the public from the meeting in accordance with Resolution No. 2013-141. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

Old Business: None

New Business: None

Adjournment:

At 7:20 p.m. there being no further business to come before the Board, it was moved by Gana and seconded by Silva that the meeting be adjourned. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

THE LANDIS SEWERAGE AUTHORITY

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FRANCIS A. GANA, Secretary