

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
July 5, 2016

Pledge of Allegiance.

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

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

Chairman Merighi 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 Villar that the reading of the minutes of the regular meeting held on June 20, 2016 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Barse that the reading of the minutes of the closed meeting held on June 20, 2016 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Reuben, Errickson, Villar and Merighi 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. 2016-58, “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.....\$69,779.57”, be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2016-69, “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....\$177,688.15”, be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-70, “A Resolution of the Landis Sewerage Authority authorizing hiring a Shift Manager with an S2 License...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Barse that Resolution No. 2016-71, “A Resolution of the Landis Sewerage Authority rescinding allocation for a multi-family classification project...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-72, “A Resolution of the Landis Sewerage Authority rescinding allocation for a public classification project...” be adopted. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

It was moved by Errickson and seconded by Reuben that Resolution No. 2016-73, “A Resolution of the Landis Sewerage Authority authorizing the issuance of Sewer System Revenue Bonds of the Landis Sewerage Authority...” be adopted. Roll call: Barse, Reuben, Errickson and Villar voted “yes”. Merighi abstained.

Reports:

Executive Director

Dennis Palmer reported that we took action on several significant items tonight. One of our shift managers has moved to another authority where he will have more responsibility and licenses, water licenses specifically. Notices were sent to AEA on their job website, NJ Water Environment Association with 2500 members and their job posting board and the secretary for the South Jersey Section which is Mercer, Ocean, Burlington and down to advertise for the position. This is our best place to advertise since you have people, who are already in the business, have licenses and a focus in the field. A newspaper ad would reach 10,000 people with little response. We had two responses and one had an S4 license from Middlesex County and the other response was from someone who actually lives in Vineland. He has an S2, a C2 which is the collection system, and the N2 which is the industrial license and the Blue Seal Boiler. We have Black Seal Boiler operators here but no Blue Seal which gives us extra coverage when we get an inspection by the

Department of Labor. We went through the process, he has an interest in going for higher licenses but out of fairness to our own personnel, I had the Plant Superintendent talk to the four or five people here that have S2 licenses and all declined. It's more money and more responsibility and is a fixed shift. This one is three days and two midnights for an example. Brought the guy in, talked to him and it's a better schedule for him since he can sleep until 6:00 a.m. and not get up at 4:00 a.m. because if he has to drive to the Atlantic City plant. Normally we hire employees in this position with a S3 license and over four years they go up a \$1 an hour to equalize. If they don't get the higher license they don't get the last dollar. I sat with him and explained it since he has an S2 and we are going to start him at \$5 less instead of \$4 an hour and if he doesn't get the S3 he stays \$2 behind and if he doesn't get the S4 he stays one behind. He understood it and he likes the opportunity to get to a different treatment plant. In this position to go to the higher licenses you have to have direct responsible charge or management supervision. As a shift manager he qualifies and that is needed for both the S3 and S4 license. Both the Superintendent and Assistant Superintendent were at the meeting to see how he would fit in with the team. He took a tour of the plant and introduced him to other shift managers. We think he's going to be a good fit.

A big item was action on the general bond resolution. It's an accumulation of months and months of work and a crush of 48 to 96 hours of going through literally four or five sentences to resolve different aspects of it and to tune it up. It's unique that while we are doing a bank borrowing, when the old bond resolution goes away, this will also be in place for future borrowings and sets up protection and reserve funds. It is a much more modern bond resolution than the 1993 and not as draconian in the way it handles things. There's a twenty day estoppel period and we are looking at closing some time later this month or the beginning of August. Steve has to do a certification under the bond and there is some clean up as we move forward and those will be taken care of as well.

Professor Gerry Moore is coming and he is interested in all of the old plants and he's coming Thursday and we are involved in a couple of different tours. Rutgers has these Mandela Scholars which are dozens of environmental professionals from Africa at Rutgers and they are interested in what we are doing with our generator and the digester and the bio-gas. It might be a phone call or I will go up to do a quick power point. A couple of people I know at Rutgers and the Eco-Center knew this man and explained what we are doing here. They thought we were doing bio-diesel and we're not. We're actually doing an enzyme with a biological enhancement which makes more gas, adding grease and food waste to make more gas for our generator.

We took action with regards to the Permit Extension Act and this was not done without us positively reaching out to all of those people with permits. Letters have gone out almost every December for the last several years and many times there was an eleventh hour extension of the Permit Extension Act going back to 2008 to extend multiple permits. When December came around it didn't happen. There was a last minute Permit Extension Act and only extended permits in areas extended by Sandy and it primarily did Bergen to Cape May County. Cumberland was not included. We put them on notice in December and it will most likely be a six month tolling period. If you want your permit

extended you have to file with us and in turn it needs our endorsement to go to Trenton. One did and none of the others took action.

You saw a memo on discussions I had with the School Board; the discussions continued today. We have negotiated to a number we think we could both be happy with and still satisfy the needs for everyone. This will continue to move towards positive ground.

HomeServe is coming to meet with me and Carol. They are our maintenance plan for the people. They want to talk probably about other products and tell us where we stand and touch base with clients and explain services.

Last week myself and members of AEA met with the NJ Builders Association to talk about different things such as allocation, sewer fees, and connection fees. It was positive and there are a lot of things that we do that they like and others don't do, such as if you have a vacant building and you still want to keep the capacity and rent it out in the future, we have vacant building agreements where they pay us not the user fee because it's vacant. The water and electric have to be shut off; the pipes have to be disconnected so we really know it's vacant and vacant for one year. You pay the full boat for a year and after that if you want to keep the capacity you pay that portion of our annual bill that's equal to our debt service. We've had that in existence soon after I came here in the late part of 1993 and 1994. They wanted to change the connection fees where you only put 15% down. In our case we would want it all. The law is very clear that you don't have to pay them until you make the connection. The Authority says we won't guarantee you the capacity because when we sign off, we're guaranteeing capacity, DEP is going to subtract it from our available, and we can't sell it to anyone else. We discussed that and maybe we can use 50% and you pay a reserve or carrying cost. It was a very fruitful discussion. This will continue and there is a conference call on Thursday afternoon. There are some things we have been looking for that we have wanted to see changes in the connection fee rules and maybe we can work together with the builders to have two groups that can effectuate a change. The rules have not changed since 1986.

Field Engineer

Bob Schwarz indicated that we reviewed plans and specifications for a 25 unit subdivision on Orchard Road off of Almond Road to connect to the LSA utilizing a low pressure common force main with each lot having their own pump station. We are now reviewing the project and will provide comments.

Bob also reported that the Melrose Court subdivision is having a dedication in a couple of weeks and we will start billing the units.

Solicitor:

Steven Fabietti reported that over the last week or two he has been working with Dennis and Bond counsel making sure our procedural steps are in place for the action that you took tonight on the Bond Resolution and that's all I have to report.

Chairman: No Report

Issues and Correspondence: None

Committee Reports:

Engineering/Plant:

Dennis Palmer reported that he was at the farm and the hay and corn are doing well. We locked in a contract for 5,000 bushels at \$4.10. Corn went up and then it dropped so we're happy with that. We always lock in one contract and float the rest depending on the market.

This Friday's storm was incredible. I was away but I kept in touch with our shift managers throughout the night and also watching pumping station alarms on my phone. We didn't lose power and most stations that were in alarm, there was a branch that came down and took out Brookhaven and Fisher Gardens. Both have generators so they came up on their own. Some of our small generators require us bring generators on site. They were in high level for a long period that night. When I went to bed the thirteen pump stations had dropped to five.

Our guys did a great job manning and watching the stations. Even the hospital pump station came in with a high flow and that has never happened. It was a bizarre experience with a lot of rain in a very short period of time.

Carlos Villar stated that it just stayed right on top of Vineland.

Dennis stated that part of our plan is flood proofing the Sears Pump Station. Right now water can run in the front of the station.

Perry Barse stated that he was watching the Facebook pictures around Vineland and what a mess it was. The Sears Pump Station is included in the financing right; would we be curing that. Dennis stated no and Bob said it was a drainage issue. Dennis said none of it is ours. If you look at Sears there are acres of asphalt there.

Carlos Villar stated that whatever was done on Main Road in front of Memorial School worked and there was no problem there considering everyone else's problems.

Steve Errickson reported that according to Channel 6 News there was 5.5 inches in two and a half hours. Dennis said it was worse than some of the hurricanes we have gone through.

Carlos stated that Vineland was the epicenter of the storm. Dennis stated that the problem is that the streets flood and when that happens it goes through the holes from the picks we use to lift the manhole covers and you have that times thousands of manholes over the

City. It's so fast that it didn't have time to work its way to sump pumps in people's basements so it flooded the streets coming down through the manholes. Dennis said he talked to Kyle about 11:00. Our first priority is to keep the plant and the pump stations running and after the water recedes we go out on sewer calls. Sometimes it's not sewer and it's other things causing the problems.

Our Engineering firm is aware that we are passing the resolution and we can get some of these bills paid in August.

Tom Merighi asked if there was any damage to the corn and Dennis replied that Dan was over today and he did not say anything. It's not that tall at this point. The last storm that came through blew a lot of the hay stands over. The way the wind came through there were areas that were flattened and right next to it everything was fine.

Budget/Finance:

Dennis stated that we started working on the budget for next year. There is still the unanswered question about the chicken plant down the road. We would really like to know because we have to plan for it.

Human Resources

Dennis stated that Renee completed her 90 days in the payroll clerk position; we have the new gentleman coming on board.

Public Relations: No Report

Insurance Committee:

Carol Ricci reported that thankfully it's been a quiet couple of weeks. Pollution and Commercial Liability are both in place. Insurance cards have been given out and binders are in place. The Rx plan is in place and we have already had a number of fills on prescriptions and so we're doing fine.

Allocations/Administration:

Dennis stated that as Bob mentioned we have our first housing project in many years and commercial continues to be expressing interest. We had an engineering firm asking today about connection fees and ability to connect to the system.

Old Business: None

New Business: None

Adjournment:

At 6:25 p.m. there being no further business to come before the Board, it was moved by Errickson and seconded by Barse that the meeting be adjourned. Roll call: Barse, Reuben, Errickson, Villar and Merighi voted “yes”.

THE LANDIS SEWERAGE AUTHORITY

G. STEVEN ERRICKSON, Secretary