

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
July 15, 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, Silva and Errickson were present.

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
Frank Steffen	Steffen Drilling LLC

It was moved by Silva and seconded by Gana that the reading of the minutes of the regular meeting held on July 1, 2013 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Villar, Merighi, Gana, Silva voted "yes". Errickson abstained.

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

Frank Steffen of Steffen Drilling LLC stated that he would like to comment on the irrigation well bid that came in last week. Mr. Steffen stated that the lowest bid was 40 to 45% lower than the other three bidders and it is unbalanced and should be thrown out.

Dennis Palmer stated that an unbalanced bid generally is when you have multiple line items within a contract such as paving, piping, curbing, sidewalk and if contractor has multiple line items and penny bids a line item like square yards or tons of asphalt or something similar that is what is anticipated as an unbalanced bid because somewhere in his line items he's taken certain items and lowered them.

This bid was basically a lump sum bid. It did not have multiple line items where he might have penny bid the feet of casing or penny bid a foot of piping that goes over from the new well to tie into the other manifold. It was lump sum pricing so by its nature it is not unbalanced because there are no items within the bid that could have been pennied to reduce the amount to make it unbalanced.

The bidder decided on his own profit and overhead and we were surprise but happy about the lower price. His documents and other requirements in the bid, such as conflicts, collusion, providing the insurance we require, business registration certificate with the State and the contractor's certification so all of the items that we look for to be submitted to be part and parcel of a contract bid were met. He did take the option instead of getting a bid bond; he provided a certified check which is in compliance with the bid document. His documentation was complete with all of the forms needed. Dennis stated that at the time of bid he provided a certified or cashier's check and at the time of the award he has to provide a performance bond.

Mr. Steffen asked if there were any subcontractor, business registration or public works contractor registrations. Dennis reported that there were no sub-contractors indicated in the bid. Mr. Steffen stated that he knows that the bidder does not own a drill rig and Dennis said that you can rent equipment no different than when we do a significant pipeline job. You go to the Hall get operating engineers or laborers and they also go out to Route 40 and rent a piece of equipment. Mr. Gana stated that his equipment status is not our problem.

Mr. Steffen asked if the prior job that he performed at LSA, were there three quotes taken for that and Dennis confirmed that there were three quotes. Mr. Steffen asked if we had the certified payroll here for that job and Dennis stated that it was not a bid job and he would have to look into it. Tom Merighi asked how long ago was first job performed and Dennis answered it was about a year. Dennis stated that it was a dry hole and we had to go back in and redevelop the screen as it was pulling sand. We will be using the motor and the pump and also some piping from that well. As a certified well driller he will have to go to DEP and file the forms for the new well and the permits and we will have to seal off the old well. The last time we priced the job it remained under the bid threshold and this time it exceeded it therefore we went out to bid. Mr. Steffen asked if that was the job that was paid last month for \$24,550 and Dennis confirmed it.

Resolutions:

It was moved by Gana and seconded by Silva that Resolution No. 2013-104, "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.....\$64,134.15", be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Gana and seconded by Silva that Resolution No. 2013-105, “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....\$313,647.49”, be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

Before passing this Resolution Dennis Palmer wanted it on the record that this Resolution will be effective September 1, 2013.

It was moved by Gana and seconded by Villar that Resolution No. 2013-106, “A Resolution of the Landis Sewerage Authorizing the Executive Director to Make Organizational Changes, Establish Salaries and Fill Positions be amended to the effective date of September 1, 2013...” be adopted. Roll call: Villar, Merighi, Gana Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Gana that Resolution No. 2013-107, “A Resolution of the Landis Sewerage Authority Authorizing a Two Year Contract to George S. Coyne Chemical, Inc. to Supply and Delivery of Hydrogen Peroxide and Storage and Feed Equipment...” be adopted. Roll Call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Silva that Resolution No. 2013-108, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$7,615.00 to Hatch Mott MacDonald for Investigation, Survey, Design and Bidding for Burns Avenue Sanitary Sewer Extension in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Silva that Resolution No. 2013-109, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$60.00 to Michael J. McKenna, Esquire for services rendered for Rudy’s Airport LLC Litigation in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Silva and seconded by Gana that Resolution No. 2013-110, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$6,375.00 to G.E. Mechanical, Inc. to supply labor and material to repair sewer main at New Pear Street and North East Avenue as per quote dated 5/22/13 in accordance with the Authority’s General Bond Resolution...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

It was moved by Gana and seconded by Silva that Resolution No. 2013-111, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction

Fund of certain costs of the system in the amount of \$8,642.85 to Garrison Enterprise, Inc. for emergency installation of new sewer lateral at 755 S. Delsea Drive on 5/30/13 and labor, material and equipment to repair 4" sewer lateral break, 7 feet deep at 241 S. Brewster Road on 6/1/13 in accordance with the Authority's General Bond Resolution..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Gana and seconded by Errickson that Resolution No. 2013-112, "A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$16,848.46 to Repair & Protection Technologies, Inc. for final (50%) for repair of 3 fiberglass sodium hypochlorite tanks, 50% paid on June 17, 2013 in accordance with the Authority's General Bond Resolution..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Silva and seconded by Gana that Resolution No. 2013-113, "A Resolution of the Landis Sewerage Authority Rescinding Resolution No. 2013-96 for a Non-Fair and Open Contract with Hatch Mott Macdonald for Engineering Review and Support for Collection System Estimate for future Bond because of a typographical error..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Silva and seconded by Villar that Resolution No. 2013-114, "A Resolution of the Landis Sewerage Authority Authorizing a Non-Fair and Open Contract with Hatch Mott MacDonald for Engineering Review and Support for Collection System Estimate for Future Bond..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Gana and seconded by Silva that Resolution No. 2013-115, "A Resolution of the Landis Sewerage Authority Authorizing an NJDEP Treatment Works approval (TWA) to Extend Sewer Lines for the Project Known as Burns Avenue Sanitary Sewer Extension..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved Gana and seconded by Silva that Resolution No. 2013-116, "A Resolution of the Landis Sewerage Authority Authorizing a Contract with Clearwater Solutions of NJ for Installation of New Irrigation Well in the amount of \$44,660.00..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Gana and seconded by Villar that Resolution No. 2013-117, "A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$3,700.00 to Jack Adams for repair of block work at the Sears Pump Station in accordance with the Authority's General Bond Resolution..." be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

It was moved by Gana and seconded by Villar that Resolution no. 2013-118, “ A Resolution of the Landis Sewerage Authority authorizing an NJDEP Treatment Works Approval (TWA) to Extend Sewer Lines for the Center for Family Services...” be adopted. Roll call: Villar, Merighi, Gana, Silva and Errickson voted “yes”.

Thomas Merighi asked about Resolution No. 2013-109 in regards to the \$60.00 fee to Michael J. McKenna and why it comes out of the Construction Fund. Dennis explained that it is part of the litigation for Rudy’s Airport that also was involved with the larger scope of our Wastewater Management Plan map. We paid for all of that planning over a span of two decades out of the construction fund. It shows where our future sewer line will have sewer service and those that cannot because of environmental constraints. That litigation was tied to the City Master Plan and our Wastewater Management Plan and the contract was set up to pay the attorney for his services out of the Construction Fund.

Reports:

Executive Director

Dennis Palmer thanked Mr. Steffen for coming to the meeting and his comments on the bid process. The contract that we awarded tonight is clearly a construction project. The other project was more to supply a submersible pump and place it in the well. It is less of a construction project so there is a difference.

The intern started since our last meeting. She is a student at Stockton, comes in two days a week so she can gain 100 hours or so towards her degree. Stockton requires hands on experience. She will work in the plant, the laboratory, she will do well sampling at the farm and she will be involved in industrial sampling, sometime in the lab and probably get her back in the plant a couple of days.

We received bids for the well and the peroxide. We have some other bids coming in over the next two weeks as well. We also had a meeting with South Jersey Gas where they are cleaning up the contaminated groundwater and contaminated site. Bob will be speaking about that.

Peggy from the Environmental Associations Authority is coming to see our plant and how a facility like this runs and operates especially with our spray irrigation and infiltration basins. It is different that 99% of the other plants in the State.

We have also taken action tonight with respect to the Resolution for Burns Avenue and we are getting together the package and I will sign the DEP forms. We have a meeting scheduled with DEP next week to drop off the permit package. It is best to make those appointments and hand deliver them since it saves so much time. They have 20 work days to do the administrative review if you mail it in and if you hand deliver it, the work is done right then.

There is increased activity in areas of several commercial projects and we are happy to see those as well as their associated connection fees.

Thank you for one of the earlier resolutions tonight regarding the organizational chart. Dennis stated that he has slowly been making changes over the years with a better chain of command and responsibilities and span of control. Mr. Gana asked if Dennis could share who those individuals were that are coming in and Dennis stated that it is no one new at this time. We are going through a cascade of positions namely Superintendent, move some positions below that as the vacancies appear. We will then post the position and eventually open up a position of Shift Manager that will be advertised in the paper and websites associated with this field. Our people get the chance first if they have the appropriate DEP licenses. That position requires an S-4 or at least an S-3.

Field Engineer

Bob Schwarz reported that he and Dennis met with the consultants for South Jersey Gas on the project for Peach Street and North East Boulevard. Work will begin in September, 2013 and will last about a year and the Authority will be compensated for our time and review of plans, inspection and observation.

We received plans for the following: a small sewer extension on Wexley Way, Medical Express Clinic on South Delsea Drive and we are currently reviewing plans for the old Meredith Farms facility.

Bob also stated that we are exploring a sinkhole at New Pear Street between Valley and Myrtle to determine the cause. We are also investigating excess grease in the Industrial Park. We are going to each potential discharger and reviewing the operations of each facility. We are obtaining prices for the replacement of a lateral at 2070 E. Chestnut Avenue.

Solicitor

Steven Fabietti reported that Bob mentioned the Franklin Township site of Meredith Farms which appears to be making some progress on the engineering side. I am trying to push on the legal end to get a response to our service agreement requirement. There is nothing back to report on that issue. It has been made known by Dennis and Bob that in addition to their engineering paperwork they have to sign an appropriate agreement with the Authority before anything further will happen.

The other item that has come up is a situation with the Authority's contract for telephone and internet service and there is a potential dispute over the term of years that applies to that contract. We are looking into that to see what will need to be addressed. Dennis stated that the quality of service is an issue also. Steve stated that he did not want to mention too much on the record in case it ends up in litigation.

Dennis added that regard Franklin Township, the forms they filed with us do not line up in the fact that one form that's filed with DEP has the Township of Franklin owning and operating the system which is correct and the other one had LSA. We wrote back to them stating that we need the service agreement for us to proceed and sign off on this and these forms have to be consistent and one needs to be corrected. They probably should have a Resolution of Council to correct them. Dennis stated that he was not sure whose signature was on the form. There was no title or name typed and DEP will want to see that too. If it is not the Mayor, then DEP generally wants a resolution authorizing it by the governing body.

Chairman: No Report

Issues and Correspondence: No Report

Committee Reports:

Engineering/Plant

Dennis Palmer reported that the heat and dryness is good and we can pick up a lot of hay and the bad side of that this weather produces crabgrass in the hayfields in addition to nut sage which is bad. We will have to send money to kill it or plough it in.

We are always looking to save money on electricity and we have a proposal for a "black box" and it reduces the amount of amps and power you use in the plant. We have used it once before. It improves the power factor and reduces the amount of power used in the plant buildings.

We had the kick-off meeting on the plant and we will have a future meeting with the Engineer looking at the collection system and some items that will need to be examined for pricing for our future Bond.

Budget/Finance

Treasurer Tom Merighi reported that income is approximately \$143,658 or 3.0% over budget. Expenses are approximately \$17,084 or .36% over budget. Accounts receivables decreased approximately \$316,561. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Human Resources

Dennis spoke of Clark Shimp's retirement after 25 years and 40 plus years in the business. We are having a retirement luncheon for him in August and his last day is at the end of August and we start with the new folks on September 1st.

Public Relations: No Report

Insurance Committee: No Report

Allocations/Administration

Dennis stated that we passed two resolutions tonight submitting applications to DEP for Burns Avenue Sewer Extension project and commercial property interest.

Old Business: None

New Business:

Dennis asked the Commissioners to respond to Carol regarding Clark's retirement luncheon.

Adjournment:

At 6:30 p.m. there being no further business to come before the Board, it was moved by Silva and seconded by Villar that the meeting be adjourned. Roll call: Villar, Merighi, Gana, Silva and Errickson voted "yes".

THE LANDIS SEWERAGE AUTHORITY

FRANCIS A. GANA, Secretary