

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
July 6, 2015

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, Villar and Merighi were present. Errickson was absent.

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
Anthony Tobolski	Engineering/Construction Technician

It was moved by Villar and seconded by Reuben that the reading of the minutes of the regular meeting held on June 15, 2015 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Barse, Reuben, Villar and Merighi voted "yes".

A 20 Year Service Award was presented to Anthony Tobolski, Engineering/Construction Technician.

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

Resolutions:

It was moved by Villar and seconded by Reuben that Resolution No. 2015-74, "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.....\$96,829.86", be adopted. Roll call: Barse, Reuben, Villar and Merighi voted "yes".

It was moved by Barse and seconded by Reuben that Resolution No. 2015-75, “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...\$246,781.79”, be adopted. Roll call: Barse, Reuben, Villar and Merighi voted “yes”.

It was moved by Barse and seconded by Reuben that Resolution No. 2015-76, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$67,391.94 to SBP Industries for 2 G50 Trailer Mounted Diesel 38KW Generators in accordance with the provisions of the Authority’s General Bond Resolution...” be adopted. Roll call: Barse, Reuben, Villar and Merighi “yes”.

Dennis stated that we will get \$60,000 back from FEMA. This process started over a year ago and during that time period there was a price increase on the generators. That was the right number at that time but now it’s the \$67,000 number. They will not give us the monthly until they see the canceled check. Tonight start’s the process, we pay the bill and when we get the cancelled check we will put in for reimbursement.

It was moved by Reuben and seconded by Barse that Resolution 2015-77, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$2,152.50 to GHD Engineering for Air Quality Permit application work for the period 4/20/2015 through 5/24/2015...” be adopted. Roll call: Barse, Reuben, Villar and Merighi voted “yes”.

At 6:08 p.m. it was moved by Reuben and seconded by Barse that Resolution No. 2015-78, “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 discuss litigation and related matters falling within the attorney client privilege...” be adopted. Roll call: Barse, Reuben, Villar and Errickson voted “yes”.

At 6:19 it was moved by Barse and seconded by Villar that the regular meeting of the Landis Sewerage Authority reconvene. Roll call: Barse, Reuben, Villar and Merighi voted “yes”.

It was moved by Barse and seconded by Reuben that Resolution No. 2015-79, “A Resolution of the Landis Sewerage Authority authorizing payment from the Construction Fund of certain costs of the system in the amount of \$7,425.00 to Reiner Pump Systems for 1 ABS Submersible Pump Model #XFP 100 CB1 4.7 HP...” be adopted. Roll call: Barse, Reuben, Villar and Merighi voted “yes”.

Executive Director

The first thing I wanted to talk about is the letter in your folder on Wexley Way home and the plumber who tied the hose in with no connection permit. The plumbing permit

said replace existing line to the curb, however it was a new connection and no LSA connection permit was taken out and no connection fee paid.

The homeowner is going to pay half and Laury is going to pay half. Laury is not too happy about it but the homeowner is saying the quote was to include City permits. How would a homeowner know about the difference between "all City permits" and a LSA connection fee the way it was written? Now they are saying it was a mistake. They never came forward for 15 months.

Tom Merighi asked what they had to gain and Bob stated it was the \$2,090. 00. Tom Merighi asked if they collected the money. Dennis said no. Perry Barse said they are saving their client \$2,090.00. Tom Merighi said they called and asked about their sewer bill. Carlos Villar stated that it has to be in the bid.

Dennis stated that he is expecting a check tomorrow or Wednesday and when I get the homeowner's check I will send an e-mail off to Laury because he said I will send my check in as soon as he sends his check in. Once we get both checks in and we get the permit issued, I will send a note.

Perry asked if historically isn't it the responsibility of the homeowner to get us the connection fee? Dennis said that is right but the contractor is the facilitator. The plumber will take the application, fill out what he can, have the homeowner sign it and deliver it with the check from the homeowner. The homeowner is just writing the check and let the plumber handle it. This is the paper you have to sign for the permit and for LSA and we'll handle it all for you. Laury have given the quote, maybe forgot to tell the homeowner and the price is not what it was and this all happened as a cover.

Tom Merighi stated that a couple of things failed. One is the City Inspectors and they are supposed to have our back. Bob stated that we had a conversation with them and the plumbing inspector asked what the big issue is and I indicated that it was misinformation on the actual permit where it said he is replacing the line rather than a new line therefore snubbing out of the connection fee. In essence he should have seen that you are putting in new work and not replacing old. I asked him did you make sure the septic system was filled in and properly pumped and he stated no. He has to go back and check that now. There's a lot of bad procedural work that was performed in that case that should have been done to make sure this didn't occur.

Dennis stated the last thing was the young lady who handled the application, and she seemed pretty sharp. As soon as I called she knew, because Jennifer has been going back and forth with her and there is a box that gets filled out that talks about the description. She said it never comes in filled in and in this case it came filled in with replacing the existing line to the curb. Usually what happens is they come in and she has a dialog with the plumber, what kind of work are you doing and that would trigger did you get the LSA permit. Our permit is white and pink. L & I knows they don't do anything until they see the copy of that permit. This was another complication where she said rarely is it ever filled in. We usually have to sit there and talk about it and find out what kind of work it is

and then we find out if they need an LSA permit or not. That hopefully will be resolved this week. This system has worked for decades.

Tom Merighi stated that an honest homeowner is now getting socked with more with the septic issue. Dennis stated that would always be the case. When you close down your septic system it is supposed to be pumped out one last time with the honey dipper, filled in with sand or gravel and capped off to keep it from collapsing. The homeowner is the one who usually pays the connection fee. This may have been misquoted and that misquote continued to go through the process for whatever reason.

We received a proposal from GHD and at some point I want to sit down with the Engineering Committee. This is for the plant. We are looking towards the Bond, \$10 to \$12M in the plant and the number is almost a telephone number in size. I want to see more backup on the cost. It's kind of where I expect it to be at 5% or 6% of the construction costs. That is not an unreasonable engineering cost on construction.

One of our interns just finished six weeks, a really great kid and a new one started last week.

Dennis stated that he was selected for a group that went to DEP for some of their new rules and they invited several people in the business to come in and have a peer review before they were done.

Dennis also reported that we have thirteen goats and everyone is going out to see them. They are eating through patches of green briar to help clear it out. It looks really nice because all of the Black-Eyed Susans and Sunflowers have popped up that we planted last year. It looks like a meadow. That is all towards the bob white project and no cost to the Authority.

Field Engineer

Bob Schwarz reported that the paving contractor is performing work on West Chestnut Drive, Fairmount Avenue, West and Walnut Road and New Elmer Road this week.

Bob also stated that he attended a pre-construction meeting with the new intern and Anthony Tobolski last week for Maple Avenue road improvement project between Brewster Road and the City line.

Bob reported that we will also attend a pre-construction meeting with the County for the project at Elmer and Main Road. Details will be provided of the schedule at the next meeting.

Solicitor:

Steve Fabietti reported that he and Dennis are investigating a personnel matter which is not yet right for discussion and if it ripens we will schedule a closed session to inform you.

Chairman: No Report

Issues and Correspondence: None

Committee Reports:

Engineering/Plant

Dennis again reported that it's a six figure number for Stan and it's within range but more backup is needed. I expect this week a draft proposal for the engineering for design and improvements to the collection system. The first plant was built in 1950 and seventeen years later the next upgrade was completed and the next upgrade was the main plant in 1989 so that lasted 22 years. We are currently at 26 years. We are looking to set the Authority up for at least the next 25 years to 2040 for improvements to our plant and the collection system. Whenever that growth happens we match the master plan and we have the capability to handle the flow.

Budget/Finance: No Report

Human Resources

Allison is doing a great job with BettyJo out. She has been working five days a week at this time. She just finished her second month of closing out and re-opening as we go through the billing process and they will be working together to get ready for the lien sale.

Tom Merighi wanted to confirm that we have Budget and Finance meeting on June 15th at noon. Dennis stated that it will be the audit meeting provided by Steve and coming out of that we will probably have a new calculation for the connection fee. We haven't touched that in several years. It only affects new people so it may be something we want to revisit. Generally we evaluate where it's at and to track business to our area is usually established at 50%. You, as a Board, can set the number anywhere up to what the Auditor says it is. There is a formula that is very specific in the statute but generally we go for 50%. It's probably been three years since we looked at that number.

Public Relations: No Report

Insurance Committee:

Carol Ricci reported that you all had a memo in your packet regarding the Boiler & Machinery coverage. As I stated when Hartford Steam and Boiler found out we were

going to jump ship they dropped their price by almost \$8,000. If you don't ask you don't get a reduction. There are a couple of things that are important to remember about this quote since we are staying with Hartford. There is a \$1,000 difference when you break down the numbers. Zurich's deductibles for the co-gen are \$25,000 and \$5,000 for the motors. Hartford works on HP and KW and with Dennis' help calculating our usage; our deductibles will probably stay at about \$5,000. We picked up \$7,700 and we kept the discounts that Glatfelter gave us when we had the higher price with Hartford. It was the recommendation of Willis to not jump ship and stay with Hartford. They really wanted our business. With your permission I would like to put it in place.

It was moved by Barse and seconded by Villar that we continue coverage with Hartford Steam and Boiler for boiler and machinery coverage as part of our commercial package. Roll call: Barse, Reuben, Villar and Merighi voted "yes".

Allocations/Administration: No Report

Old Business: None

New Business:

Chairman Merighi asked that if we feel in light of the Wexley Way situation that there is sewerage fraud and that people are hooked up? Dennis stated that he didn't think so. This is a process that has worked for decades or since 1989 when we had allocation meetings. This is the first time that we've known that something has slipped through the cracks. Could there be some out there, who knows.

Perry Barse stated they are having some issues. Dennis stated that these are not people we usually deal with as far as plumbing connections go. There are a lot of plumbers we deal with in town. We've even used Laury for heating and air conditioning here. I've talked to a couple of plumbers and said let me ask you this as a plumber who is licensed. They were surprised. Perry Barse stated that Laury has a pretty good reputation. Ben Laury signs the form as a licensed plumber and maybe some junior guy did this. Hopefully someone in the office gets roasted for doing this. I got an email from someone stating this is a mistake and my follow-up letter stated you are banned so hopefully this message gets out there.

Adjournment:

At 6:38 p.m. there being no further business to come before the Board, it was moved by Barse and seconded by Reuben that the meeting be adjourned. Roll call: Barse, Reuben, Villar and Merighi voted "yes".

THE LANDIS SEWERAGE AUTHORITY

G. STEVEN ERRICKSON, Secretary