

THE LANDIS SEWERAGE AUTHORITY
REGULAR MEETING
November 17, 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, Villar, Errickson and Silva were present. Merighi was absent.

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 |
| Thomas J. Post | Business Manager |
| Katey Wyble | Stenographer |

It was moved by Errickson and seconded by Villar that the reading of the minutes of the regular meeting held on November 3, 2014 be dispensed with and the same be approved in the form submitted to all members by mail. Roll call: Reuben, Villar, Errickson and Silva voted "yes".

Solicitor Fabietti stated the following: This opens the public hearing for the Landis Sewerage Authority with respect to rate setting for the acceptance of liquid waste for digester feed, rules for this process as well as an approval and acceptance forms. My name is Steven Fabietti, Solicitor for the Landis Sewerage Authority. At this time I would like to swear in all of the individuals who will be providing testimony on behalf of the Authority which consists of Dennis W. Palmer, Executive Director/Chief Engineer of the Landis Sewerage Authority.

Mr. Palmer please raise your right hand. Do you swear that the testimony you are about to provide tonight is the truth, the whole truth and nothing but the truth. Mr. Palmer replied "I do". At this point in time I would like to hand the public hearing over to Dennis W. Palmer, the Executive Director/Chief Engineer of the Landis Sewerage Authority.

My name is Dennis W. Palmer, a licensed professional engineer and also the Executive Director of the Landis Sewerage Authority. Tonight we are holding a public hearing on the establishing of rates to accept liquid waste such as manure, food processor waste and cooking or fat based fats, oils and grease (FOG). In preparation of tonight's meeting, the Authority duly advertised and provided public notice as required by State Law. Specifically N.J.S.A. 40:14A-8 et seq. requires that the Authority publish in two newspapers and such notice shall appear at least twenty (20) days prior to the public hearing. The Authority has proof of publications from the Press of Atlantic City and from the Daily Journal whereas the legal notice of this public hearing was advertised and published on October 24, 2014, therefore satisfying the 20 day notice. The law also requires that the Authority notify the Municipal Clerk of municipalities that are served by the Authority. That was done by letter dated October 22, 2014 that was mailed to the Clerk of the City of Vineland, the Clerk of the Township of Franklin, the Clerk of the Township of Pittsgrove and the Clerk of the City of Millville. In fact the letter notice and a copy of the Public Hearing Notice were actually faxed to all of those entities all on October 22nd and thereby also satisfying the 20 day notice. The Public Notice also contained information that both verbal and written comments may be submitted up to and including the night of the public hearing. As of this public hearing, no written comments have been submitted nor have any inquiries been made by telephone, FAX, e-mail or otherwise.

In addition to adopting the rate structure tonight, the Authority will also be adopting a section of rules and regulations which will govern the acceptance of these liquid wastes. It is anticipated that they will be adopted as part of this process. The Authority has evaluated the cost and the impact that these wastes will have on our facilities for off-loading, processing and then land application at the Authority's farm or forest areas. The rate structure includes a sliding scale on percent solids for food processor waste as additional solids increase the cost for mixing, treatment, chemicals and handling.

I would like to open this hearing to any comments, written or verbal from the audience.

Given the fact that there were no written or verbal communications made to the Authority in advance of tonight's public hearing, there are no questions or calls from the public requesting to attend tonight's hearing, a hearing officer's report will be prepared should any comments be received at tonight's meeting and it is anticipated that a resolution adopting the rate schedule and rules and regulations will be on the agenda for the first meeting in December.

Seeing no one, I am asking for a motion that the public hearing be closed. It was moved by Errickson and seconded by Villar that the public hearing be closed. Roll call: Reuben, Villar, Errickson and Silva voted "yes".

Dennis Palmer stated that the second part of the meeting tonight is a hearing that deals with the Authority's budget.

I am Dennis Palmer, the Hearing Officer for the public hearing. The public hearing on the 2015 budget was advertised and published on October 28, 2014 that proper notice was given in accordance with our bonding requirements and covenants. The preliminary budget was approved on October 20, 2014 and submitted to the New Jersey Department of Community Affairs. The Hearing Officer advised that the 2015 budget does not have any increase to our users over the 2014 budget. It is \$9,750,000. The 2014 budget was \$9,596,000 so this is a 1.6% increase. While the Governor's law requires a 2% increase for municipalities, we are below that.

With that opening statement, I would like to open the floor for comments from the public. Also in attendance tonight is Thomas Post, the Landis Sewerage Authority Business Manager who has prepared the budget and is also available for your questions.

Seeing that there is no public in attendance wishing to make comments, I duly close this public hearing and ask the Chairman to close the public hearing and move onto the regular meeting.

Upon the request of the Chairman it was moved by Errickson and seconded by Villar that this portion of the public meeting be closed. Roll call: Reuben, 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 Villar that Resolution No. 2014-145, "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.....\$100,744.79", be adopted. Roll call: Reuben, Villar, Errickson and Silva voted "yes".

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-146, "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....\$263,358.58", be adopted. Roll call: Reuben, Villar, Errickson and Silva voted "yes".

It was moved by Errickson and seconded by Rueben that Resolution No. 2014-147 "A Resolution of the Landis Sewerage Authority authorizing final quantities change order with P & A Construction for the Burns Avenue Sanitary Sewer Extension..." be adopted. Roll call: Reuben, Villar, Errickson and Silva voted "yes".

It was moved by Errickson and seconded by Reuben that Resolution No. 2014-148 authorizing payment from the Construction Fund of certain costs of the system in the amount of \$39,093.21 to P & A Construction for Estimate No. 4 for final amount earned plus retainage for the Burns Avenue Sanitary Sewer Extension in accordance with the provisions of the Authority's General Bond Resolution...” be adopted. Roll call: Reuben, Villar, Errickson and Silva voted “yes”.

Executive Director

Dennis reported that Bob did a great job negotiating with the contractor for Burns Avenue. There were a few unjustifiable prices but Bob did a good job bringing him back to where it should have been.

Dennis also stated that Denise Monaco who is the acting business administrator has already retired and left since I got a bounce back on the e-mail. Dennis stated that he is not sure who to send the bill to for the \$39,000.00. I had copied Joe Isabella and I also copied Roxanne and Tom as well so we know who to send the bill to. Also with that e-mail to them is that we owe them \$1000 because we agreed in the Interlocal Service Agreement when we built Burns Avenue that we would reimburse the City one half of all the connection fees. We have one person who paid and finally tied in so it's now time to pay them back. We need to find out who is the business administrator or acting in that position.

Tonight we took action on the budget hearing as well as the rates and rules and we will move forward and with that you also received in your package that I have to do an engineer's report that goes to you and then in turn goes to the bank. That was sent as well.

In the last week we had three tours. One of my favorites is Rowan University brings their civil engineering junior class here. We had forty four future engineers here and had discussions with them and then they went out for a tour of the plant.

Two days later we had Rowan's environmental science students here. The following Monday Riverside High School from Burlington County came down with their environmental science class. This is probably their seventh or eighth time this teacher has been here. The second time she came I had to ask her you are coming from Riverside and coming through Burlington, Camden, Gloucester and then into Cumberland County and there are so many other treatment plants in between. I'm just curious why you come so far. Her answer was the greatest answer. She said I came through as a Rowan student and I like all of the things you do here and I wanted to show my class. We have the wind turbine and the solar panels and the combined heat and power and the fact that we put all of the water back into the ground and the bio solids on the farm. It impressed her as a college student and now that she's a high school teacher, she takes the effort to bring them back. That's one of those rewarding ones and it makes it worthwhile dealing with all of these issues.

Our receiving station continues to be worked on. We submitted in two more payments for materials and labor that will also be done again at the end of this month. Today we had our progress meeting. The Secretary from the Department of Agriculture, Doug Fisher, came today with his staff. Both newspapers came out' the South Jersey Times and the Daily Journal both sent photographers even in the weather. We look forward to a story tomorrow or the next day on the receiving station, how we got grants to build it, how it helps food processors and in the long term to give us an income center and we can make money from the material coming in to make more gas. The goal is to put in a bigger generator and become less dependent on the grid. When the next big storm comes, we'll have more power here. I was really pushing the waste to energy story as well.

The AEA conference is coming up. Dennis reported that he is being put in for first vice president for one year. Their president is retiring a year early. The first vice-president is moving up and they want me to take his spot. Normally they are done in two year blocks. Two years from now they will have elections. You have to be an Authority employee. You cannot work for a consulting firm or a private utility. You have to be an Authority member to be an officer.

Field Engineer

Bob Schwarz stated that he is pleased to report that the Burns Avenue Sanitary Sewer Extension has been completed for approximately \$30,000 less than the original bid price. A final quantities change order reflects this modification.

The City has provided revised plans for a water well at Lincoln Avenue near Route 55. Allocation fees are transferred to the City as part of the Interlocal Services Agreement.

Bob also reported that the new Wendy's on Main Road between Chestnut and Landis Avenue will be open by the end of the year.

Solicitor:

Steve Fabietti reported that as Dennis mentioned that we worked together on the rules and regulations for the receiving station that was the subject of the public hearing today.

As far as the NJPDES permit appeal, we are still waiting to hear on that and we should hear by the time we have our next meeting.

Steve stated that he still researching with Dennis the structure of a proposed alternative energy RFP as a follow-up to the prior discussions we've had.

Chairman: No Report

Issues and Correspondence:

Dennis stated that it was time to discuss the letter from Rick Tonetta and the response. You have seen copies of Rick Tonetta's first letter. We had a draft response and tonight we have a final letter. If there are any comments or approval for this letter that we send it back to the City, Rick Tonetta and Council President as well. If it is signed it will be scanned and e-mailed to all of those parties. Dennis asked if there were any comments and there were none.

Chairman Silva asked for a motion to forward the response letter. It was moved by Errickson and seconded by Villar that the Chairman's response letter be forwarded to the Mayor. Roll call: Reuben, Villar, Errickson and Silva voted "yes".

Committee Reports:

Engineering/Plant

Dennis reported stated that primarily we have been working on the receiving station. It is moving along and the target is to have it in an operational state by the end of this week. If you want to see things happen, a crane is coming to lift a couple of concrete slabs and a large pump to be installed in the unit. Most of the underground pipe is done. The underground conduit to bring power to and from is done. The panels have been hung, the piping has been run inside the building and tied into a three way valve. We still have hot water piping is probably one of the bigger projects ahead of us with hot water coils on the floor and then tied into the boiler line inside. When you bring in fats, oils and grease the heat will help thin them out to make them easier to pump and also to pre-warm the stuff before we pump it into the digester.

Budget/Finance

Joseph Reuben reported that income is approximately \$782,040 or 9.78% over budget and expenses are approximately \$115,431 or 1.44% under budget. Accounts receivables decreased approximately \$135,261. The Authority continues to be affected by the economy and is keeping a close watch on its budget.

Dennis stated that those numbers sound good. From an accrual basis that what they say, but from a cash in v. expenses, they are kind of right on top of each other. We're supposed to have a little more on the bond covenant so as the bills go out this month and we have a lot of cash coming in that will work out. It's an oddity of the accounting system.

Human Resources

Dennis stated that the foreman at the farm resigned. We put up a posting and interviewed two employees and moved one up. We will have one position open and we will not fill it in until next year from the outside.

Public Relations:

Dennis stated that hopefully tomorrow there will be a story on the receiving station on changing waste to energy.

Insurance Committee:

Carol Ricci reported that she is currently waiting for the new rates from the State before the renewal can be put in place. She also stated that she was hoping that they would be in by December 1st but it looks like it will be the second meeting in December for all of the policies to be in place.

Allocations/Administration: No Report

Old Business: None

New Business: None

Adjournment:

At 6:24 p.m. there being no further business to come before the Board, it was moved by Errickson and seconded by Villar that the meeting be adjourned. Roll call: Reuben, Villar, Errickson and Silva voted “yes”.

THE LANDIS SEWERAGE AUTHORITY

CARLOS VILLAR, Secretary