

CARNEYS POINT TOWNSHIP SEWERAGE AUTHORITY  
REGULAR MEETING  
April 19, 2016

The meeting was called to order by Chairman Rullo at 5:30 p.m. with the pledge of allegiance and stating the following: This meeting is being held in compliance with the Open Public Meeting Act. Advance notice of this meeting was given by way of the annual notice which was filed with the Carneys Point Township Clerk, forwarded to the South Jersey Times and the Elmer Times and was posted on the bulletin board in the lobby of the Carneys Point Township Municipal Building. The pledge of allegiance was recited.

**Roll Call**

Present: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Others Present: Mr. Telsey, Mr. Biermann, Mr. Todd

Mr. De Block was unable to get to the meeting due to major traffic problems on the turnpike.

**Payment of Vouchers**

On motion by Mr. Gatanis, second by Mr. Newton, it was moved to approve all properly audited vouchers.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

**Approval of Minutes**

On motion by Mr. Newton, second by Dr. Racite, it was moved to approve the minutes of the meeting of March 15, 2016.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

**Old Business**

None.

**Correspondence**

None.

**New Business**

**Resolution 2016-28: Establishing Connection Fee Amount for Deepwater Diner Complex**

In response to a question by Dr. Racite, Mr. Biermann explained that amount is for 10 sewer service units which was determined by estimating sewer usage based on water flow. Owner provided one year's worth of data for two different meters that covers water usage for the entire property. On motion by Dr. Racite, second by Mr. Gatanis, it was moved to adopt Resolution 2016-28.

*A Roll Call Vote was taken:*

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo  
Nay: None  
Abstain: None

MOTION CARRIED: 5-0-0

**Resolution 2016-29: Authorizing Second Amendment to Sanitary Sewer Improvement Agreement**

Mr. Biermann explained that this is for the planned expansion, by Matrix Development Group, of the Gateway Business Park to the other side of Straughns Mill Road to contain additional warehousing. The existing businesses in the park do not currently use the amount of sewerage that was projected, so there is additional capacity that Matrix would like to use for the planned expansion. Original allocation to park was 123 gallons per day (which the PCFA paid the Authority for) but only 90,614 gpd is estimated to be used when the existing park is fully built out; this leaves 32,386 gpd that Matrix would like to transfer to the expansion. Mr. Biermann and Mr. Telsey looked at all the sewer numbers including those provided by Matrix's engineer, and they agree with the numbers provided. This amendment would allow Matrix to use the excess capacity of 32,386 gpd for the business park expansion to the other side of Straughns Mill Road. Calculations are from a combination of metered usage and calculated proposed usage. After the expansion and transfer of the excess capacity, there will be no additional capacity leftover from the original allocation; any further development would require upgrading the pumps, purchasing additional flow capacity, etc. On motion by Mr. Gatanis, second by Mr. Newton, it was moved to adopt Resolution 2016-29.

*A Roll Call Vote was taken:*

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo  
Nay: None  
Abstain: None

MOTION CARRIED: 5-0-0

**Discussion of funding for Phase II Sewer Improvement Project**

Chairman Rullo reported that, after speaking to the Engineer and Auditor, it was decided to table this discussion until the next meeting.

**Reports**

**Solicitor's Report**

Mr. Telsey had nothing, in addition to his prior statements, to report.

**Engineer's Report**

Mr. Biermann reported the Route 295 Force Main Lining project is underway; should take about two weeks.

Regarding the Treatment Plant Electrical System Upgrade, waiting for equipment to arrive which is expected to happen in August.

The E Street Sanitary Sewer Replacement project was awarded to Mount Construction Co., on March 16<sup>th</sup>; S&A is processing contracts as it will be done in conjunction with work contracted by the Township.

### **Superintendent's Report**

Mr. DeBlock was not present, but did send his report which is in Section 6 of the books.

At this time Dr. Racite asked if any information could be provided regarding the Phase II Sewer Improvement Project funding agenda item that was tabled. Mr. Biermann responded that due to price increases since the project costs were originally estimated over a year ago, the new estimated construction cost is significantly higher. Construction costs are now estimated to be as high as \$780,000; original estimate was \$570,000. There is not enough money left in the \$1.1 million bond from PCFA to fund the Phase II Sewer Improvement Project. Will be discussed further at next meeting. Dr. Racite asked for a copy of PCI's original estimate; Mr. Biermann agreed to send this document to Dr. Racite.

### **Business Office Report**

Mr. Todd's report reflects March monthly revenue of \$204,131.62 and expenses of \$141,232.81.

Todd reported that the deadline for submission of financial disclosure statements is April 30<sup>th</sup>. Ms. June Proffitt has indicated that Board members can stop in to see her for assistance in filing online.

At this time Mr. Pelura asked Mr. Biermann to describe the Phase II Sewer Improvement Project. Mr. Biermann explained there are some sewer lines that run along the alphabet streets between Division and Cleveland and underneath the houses; the houses are connected through their basements. The Authority directed PCI over a year ago to prepare the design to remedy this situation. The project would move the sewer lines to the alleys and the streets.

### **Public Session**

No one from the public wished to be heard.

**Resolution 2016-30: Authoring Executive Session** – On motion by Mr. Pelura, second by Mr. Gatanis, it was moved to adopt Resolution 2016-30 and enter executive session at 5:52 p.m. to discuss the union contract.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

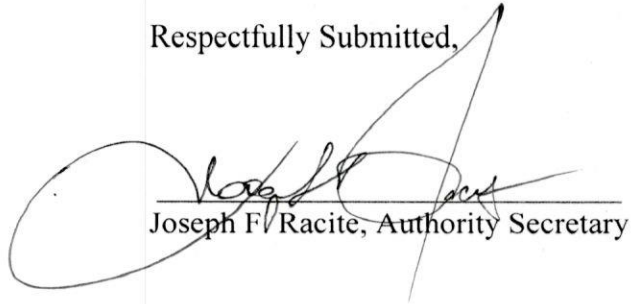
### **Closed Session**

On motion by Mr. Gatanis, second by Dr. Racite, it was moved to return to open session at 6:05 p.m.

**Adjourn**

On motion by Mr. Gatanis, second by Dr. Racite, it was moved to adjourn the meeting at approximately 6:05 p.m.

Respectfully Submitted,



Joseph F. Racite, Authority Secretary

CARNEYS POINT TOWNSHIP  
SEWERAGE AUTHORITY MEETING  
EXECUTIVE SESSION MINUTES  
April 19, 2016

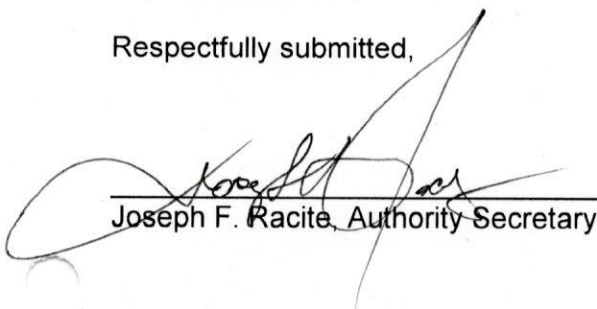
The meeting was called into executive session at 5:52 p.m.

PRESENT: Mr. Rullo, Dr. Racite, Mr. Newton, Mr. Gatanis, Mr. Pelura  
Also Present: Solicitor A. Telsey, Business Manager J. Todd

Dr. Racite passed out latest offer to union and union response (attached). Union accepted everything from last offer except the proposed new split of health benefit savings from 50/50 to 70/30. Discussion ensued. It was agreed to counter offer a new split of health benefit savings between 50/50 and 70/30.

Adjourned at 6:05 p.m.

Respectfully submitted,



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Joseph F. Racite, Authority Secretary

SEWERAGE AUTHORITY NEGOTIATIONS  
OFFER TO UNION  
MARCH 15TH

*Three year Contract*

*2%, 2%, 2%*

*Sick Time Bonus as a give back*

*Health Care Percentage changed from 50/50 to 70/30*

*Savings to Authority*

*Determine and adjust the Health Care Contribution (Article 29), (which is done every year)*

*Clarify when payment of previous health care savings is to be made (Article 14)*

*Clarify family maximum health coverage \$400.00 every 2 years after insurance portion (Section 20)*

*Insert into contract boot allowance of \$300.00 max per year (2 pairs)*

*Correct base rate to \$20.38 per hour*

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*March 23, received a call from Tom Lyons.*

*2%, 2%, 2%*

*Sick Time Bonus as a give back*

*Determine and adjust the Health Care Contribution (Article 29), (which is done every year)*

*Clarify when payment of previous health care savings is to be made (Article 14)*

*Clarify family maximum health coverage \$400.00 every 2 years after insurance portion (Section 20)*

*Insert into contract boot allowance of \$300.00 max per year (2 pairs)*

*Correct base rate to \$20.38 per hour*

*Would not agree to the below:*

*Health Care Percentage changed from 50/50 to 70/30*

CARNEYS POINT TOWNSHIP SEWERAGE AUTHORITY  
REGULAR MEETING  
May 17, 2016

The meeting was called to order by Chairman Rullo at 5:30 p.m. with the pledge of allegiance and stating the following: This meeting is being held in compliance with the Open Public Meeting Act. Advance notice of this meeting was given by way of the annual notice which was filed with the Carneys Point Township Clerk, forwarded to the South Jersey Times and the Elmer Times and was posted on the bulletin board in the lobby of the Carneys Point Township Municipal Building. The pledge of allegiance was recited.

**Roll Call**

Present: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Others Present: Mr. Telsey, Mr. Biermann, Mr. Todd

Mr. De Block was absent.

**Payment of Vouchers**

On motion by Mr. Gatanis, second by Mr. Newton, it was moved to approve all properly audited vouchers.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

**Approval of Minutes**

On motion by Mr. Newton, second by Dr. Racite, it was moved to approve the minutes of the meeting of April 19, 2016.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

**Old Business**

None.

**Correspondence**

None.

**New Business**

**Resolution 2016-31: Establishing Performance Bond Amount and Escrow for Deepwater Diner (Citgo)** - Mr. Biermann explained that this performance bond and escrow would cover Deepwater Diner installing a pump station force main. In response to question from Mr. Pelura, Mr. Biermann explained that the amounts are determined by looking at the applicant's engineer estimate in combination with calculations by Sickels & Associates. On motion by Mr. Gatanis, second by Mr. Newton, it was moved to adopt Resolution 2016-31.

*A Roll Call Vote was taken:*

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo  
Nay: None  
Abstain: None  
MOTION CARRIED: 5-0-0

**Resolution 2016-32: Authorizing Time Extension for Electrical Renovations to Wastewater Treatment Plant** - Mr. Biermann explained that the equipment won't be shipped until mid-August, so we must extend contract time. Contractor is not responsible for the delay; they ordered the equipment two days after receiving the submittals from S&A. Extension is for 160 days. In response to question from Dr. Racite, Mr. Biermann explained this extension will not cause any additional expense to the Authority. On motion by Mr. Gatanis, second by Mr. Newton, it was moved to adopt Resolution 2016-32.

*A Roll Call Vote was taken:*

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo  
Nay: None  
Abstain: None  
MOTION CARRIED: 5-0-0

**Motion to approve proposal from Sickels & Associates for UV Disinfection System Study**

Mr. Biermann explained reasons for doing this study. In response to question from Mr. Gatanis, Mr. Biermann explained that our permit is under review by the State at this time; he also indicated the cost of the study will be \$19,765.00. In response to question by Mr. Newton, Mr. Biermann indicated that Mr. DeBlock believes this project needs to be done. In response to question from Dr. Racite, Mr. Biermann explained that the study will mostly look at various UV alternatives for disinfection to replace our old UV system. On motion by Mr. Newton, second by Mr. Gatanis, it was moved to approve the proposal from S&A for the UV disinfection system study.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo  
Nay: None  
Abstain: None  
MOTION CARRIED: 5-0-0

**Discussion of funding for Phase II Sewer Improvement Project**

Chairman Rullo explained that the existing \$1.1 million bond from PCFA does not cover the entire projected costs of this project to reconfigure the sewer mains under the alphabet streets. There is a projected \$490 million shortfall. We met with Mike Welding, our Auditor, who reported our unrestricted surplus is \$2.4 million and can safely sustain the \$500 million expenditure; however he warned that the Authority must consider carefully any additional capital expenditures from our surplus. In response to question from Dr. Racite regarding the reason for the shortfall, Mr. Biermann explained that the bond covers two projects: (1) PCI's estimate for the Rt. 295 Force Main Relining Project was about \$260,000 short, and (2) PCI's estimate for the Phase II Sewer Improvement Project was done over a year ago, and construction costs have increased greatly since that time. Dr. Racite expressed his concern and displeasure that the original estimates for these two projects were so far off. In response to question from Mr. Gatanis, Mr. Biermann stated that the total estimate (engineering and construction) for the Phase II Sewer Improvement Project is \$930,000, and that Mike Welding has recommended doing a



capital budget amendment of \$550,000 to cover the shortfall. On motion by Dr. Racite, second by Mr. Newton, it was moved to table any action on funding the shortage for the Phase II Sewer Improvement Project until the next meeting when Auditor Mike Welding will be present to answer questions.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

At this time Mr. Newton excused himself from the meeting.

### **Reports**

#### **Solicitor's Report**

Mr. Telsey had nothing to report.

#### **Engineer's Report**

Mr. Biermann reported a preconstruction meeting for the E-Street Sanitary Sewer Replacement Project was held on May 12, 2016. Notice to proceed was issued, and contractor intends to mobilize within the next two weeks. Mr. Pelura asked Engineer to ensure that the equipment and supplies at the project are kept neat and clean and that there are no safety problems for residents.

#### **Superintendent's Report**

Mr. DeBlock was not present, but his report is in Section 6 of the books.

#### **Business Office Report**

Mr. Todd's report reflects April monthly revenue of \$117,314.88 and expenses of \$143,555.60.

### **Public Session**

No one from the public wished to be heard.

**Resolution 2016-33 Authoring Executive Session** – On motion by Dr. Racite, second by Mr. Pelura, it was moved to adopt Resolution 2016-33 and enter executive session at 6:00 p.m. to discuss the union contract.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Gatanis, Mr. Newton, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 5-0-0

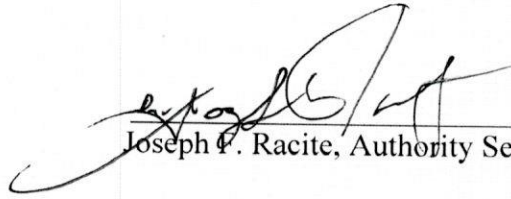
### **Closed Session**

On motion by Mr. Gatanis, second by Dr. Racite, it was moved to return to open session at 6:23 p.m.

**Adjourn**

On motion by Mr. Gatanis, second by Dr. Racite, it was moved to adjourn the meeting at approximately 6:23 p.m.

Respectfully Submitted,



Joseph F. Racite, Authority Secretary

CARNEYS POINT TOWNSHIP  
SEWERAGE AUTHORITY MEETING  
EXECUTIVE SESSION MINUTES  
May 17, 2016

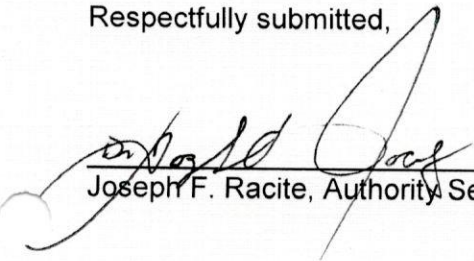
The meeting was called into executive session at 6:00 p.m.

PRESENT: Mr. Rullo, Dr. Racite, Mr. Gatani, Mr. Pelura  
Also Present: Solicitor A. Telsey, Business Manager J. Todd

Dr. Racite passed out and discussed copies of three emails. One of the emails is from Tom Lyon (union rep) informing that the union is rejecting the last offer from the Authority. Discussion ensued. It was agreed to make a last offer giving the union a choice of 1.5%/ 1.5%/ 1.5% or our last offer. If this offer is rejected, we will proceed to mediation.

Adjourned at 6:23 p.m.

Respectfully submitted,



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Joseph F. Racite, Authority Secretary

CARNEYS POINT TOWNSHIP SEWERAGE AUTHORITY  
REGULAR MEETING  
June 16, 2016

The meeting was called to order by Chairman Rullo at 5:30 p.m. with the pledge of allegiance and stating the following: This meeting is being held in compliance with the Open Public Meeting Act. Advance notice of this meeting was given by way of the annual notice which was filed with the Carneys Point Township Clerk, forwarded to the South Jersey Times and the Elmer Times and was posted on the bulletin board in the lobby of the Carneys Point Township Municipal Building. The pledge of allegiance was recited.

**Roll Call**

Present: Dr. Racite, Mr. Pelura, Mr. Rullo

Others Present: Mr. Telsey, Mr. Biermann, Mr. DeBlock, Mr. Todd  
Mr. Gatanis and Mr. Newton were absent.

**Payment of Vouchers**

On motion by Dr. Racite, second by Mr. Pelura, it was moved to approve all properly audited vouchers.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 3-0-0

**Approval of Minutes**

On motion by Dr. Racite, second by Mr. Pelura, it was moved to approve the minutes of the meeting of May 17, 2016.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 3-0-0

**Old Business**

**Resolution 2016-34: Making Fiscal Year 2016 Budget Amendment** – Mr. Biermann reported we have a financial shortfall for two projects: the Route 295 pump station force main relining project which is now complete and cost more than was anticipated by PCI and the Phase II sewer project which S&A believes will cost more than PCI's estimate. S&A reached out to a contractor who gave a construction estimate of \$844,000 for the Phase II project. Authority will need to supplement the \$1.1 million bond from PCA with another \$550,000 from the unrestricted surplus. The Authority's Auditor, Mr. Mike Welding, discussed the resolution and pointed out the surplus at the end of November 2015 was approximately \$2.6 million and that the 2016 budget includes \$250,945 of it to balance the budget, an \$80,000 payment to the Township, and this \$550,000 amendment to complete the Phase II sewer project, which will leave approximately \$1.7 million at the end of 2016. Mr. Welding indicated he does not like spending this much money out of unrestricted surplus on capital projects, but there is money leftover in the \$1.1 million PCA bond that must be spent. Mr. Welding stated that any of the \$550,000 leftover will go back into the surplus. Dr. Racite reported his concern that costs for the two projects to be

funded from the PCA bond came in so much higher than the original estimates. Mr. Biermann responded that PCI's estimates are at least 1½ years old and costs have increased greatly; he does not know how PCI came up with their estimates. Dr. Racite stated he does not understand how construction estimates could be this far off.

Mr. DeBlock reported the EPA is changing how sewer authorities must measure their chlorine levels; it is not clear how soon the changes will be enforced. Our permit is up for renewal and we are waiting for a response on our draft permit. The response may determine how soon we will need to upgrade our ultraviolet treatment equipment.

In response to a question from Dr. Racite, Mr. Welding reported the Authority needs to be careful with the remaining surplus if it wants to have \$1 million available for R&R. The Authority is using \$250,000 to balance the 2016 budget and budgeted only \$170,000 to come back in. Authority still has a healthy \$746,328 above the \$1 million available for R&R, but we are using some of our surplus each year to balance the budget which is not sustainable. Mr. Welding stated we have to spend the money leftover in the PCA bond.

On motion by Mr. Pelura, second by Dr. Racite, it was moved to adopt Resolution 2016-34.

*A Roll Call Vote was taken:*

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 3-0-0

**Motion to authorize Sickels & Associates to advertise for bids for Phase II Sewer Improvement Project -**

On motion by Dr. Racite, second by Mr. Pelura, it was moved to authorize Sickels & Associates to advertise for bids for the Phase II Sewer Improvement Project.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 3-0-0

**Correspondence**

None.

**New Business** – None.

**Reports**

**Solicitor's Report**

Mr. Telsey had nothing to report.

**Engineer's Report**

Mr. Biermann reviewed items in his report:

Regarding the electrical system upgrade, contractor has been working on installation of conduit and some electrical equipment. Pumps are expected to be shipped in mid-August.

The RBC gear drive has been delivered to the plant and will be installed by plant personnel.

Regarding the E Street sanitary sewer replacement, contractor will install soil erosion measures immediately and anticipates starting construction next week. Residents will be notified via "door hangers".

Has begun study of the UV disinfection system and necessary improvements.

Mr. Pelura asked about surrounding E Street work area with a fence. Mr. Biermann responded that the lay-down area will be fenced in.

### **Superintendent's Report**

Mr. DeBlock reviewed items in his report:

The RBC gearbox has arrived on-site and will be installed by plant personnel.

On May 20<sup>th</sup> Authority staff discovered a break in the Delaware Avenue pump station force main at N. Broad and Florence Ave. The contractor was mobilized and repair completed on May 21<sup>st</sup>.

The Dodge Dakota front end was serviced by R&B Auto. Will need to replace this vehicle eventually.

All lab analysis is now being completed by Eurofin QC Labs; DeBlock will not be doing this work anymore.

Mr. DeBlock recommends the Authority purchase a Hach DR3900 desktop spectrophotometer which will enable plant personnel to do on-site alkalinity and many other tests. Cost is about \$5,000. We are currently spending \$100/week to Eurofins for analysis; will only cost about \$3 for our guys to do it with the new equipment. Will get results in real-time rather than waiting two weeks for results.

Operators received CPR training this week.

In response to question from Dr. Racite on reason for not having DeBlock continue to do lab analysis, Mr. DeBlock explained that Frank Hartman has reported this work can no longer be done as a professional service; therefore Frank will need to get quotes for this work, and it would be a conflict for Frank to get a quote from DeBlock.

In response to question from Dr. Racite on training for using Hach equipment, Mr. DeBlock and Mr. Biermann indicated that it is an extremely easy machine to use; it is an excellent machine and lasts for years.

### **Business Office Report**

Mr. Todd's report reflects May monthly revenue of \$510,557.44 (includes \$327,067.35 reimbursement from bond) and expenses of \$372,022.47 (includes \$288,270 payment to Tri-State Grouting).

Tax sale was June 6<sup>th</sup>. We received \$50,127.15 in delinquent sewer payments.

On June 10<sup>th</sup> Connie and Jay mailed out 2<sup>nd</sup> and 3<sup>rd</sup> quarter bills (2,227 bills). Connie continues to do an excellent job.

**Public Session**

No one from the public wished to be heard.

**Resolution 2016-35 Authoring Executive Session** – On motion by Dr. Racite, second by Mr. Pelura, it was moved to adopt Resolution 2016-35 and enter executive session at 6:15 p.m. to discuss the union contract.

RECORDED VOTE: Aye: Dr. Racite, Mr. Pelura, Mr. Rullo

Nay: None

Abstain: None

MOTION CARRIED: 3-0-0

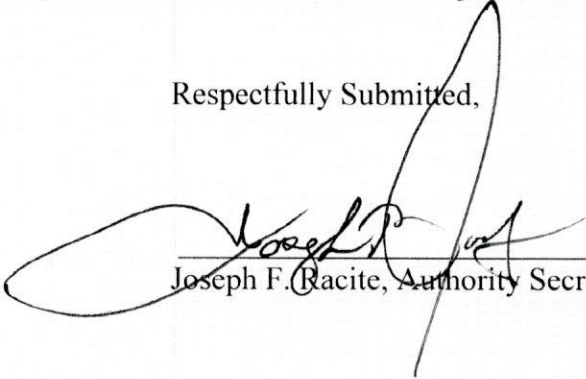
**Closed Session**

On motion by Dr. Racite, second by Mr. Pelura, it was moved to return to open session at 6:17 p.m.

**Adjourn**

On motion by Dr. Racite, second by Mr. Pelura, it was moved to adjourn the meeting at approximately 6:17 p.m.

Respectfully Submitted,



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Joseph F. Racite, Authority Secretary

CARNEYS POINT TOWNSHIP  
SEWERAGE AUTHORITY MEETING  
EXECUTIVE SESSION MINUTES  
June 16, 2016

The meeting was called into executive session at 6:15 p.m.

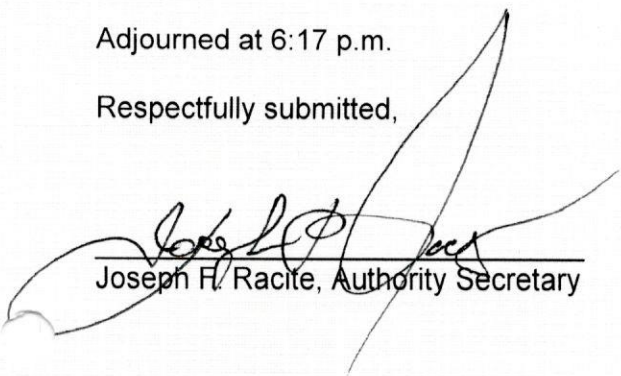
PRESENT: Mr. Rullo, Dr. Racite, Mr. Pelura

Also Present: Solicitor A. Telsey, Business Manager J. Todd

Dr. Racite reported that he received a call from Teamsters representative Mr. Tom Lyon that the union would probably accept Authority's offer of 1.5%/ 1.5%/ 1.5%, but Mr. Lyon never called back to confirm.

Adjourned at 6:17 p.m.

Respectfully submitted,



Joseph F. Racite, Authority Secretary