

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES**

May 4, 2009

The May 4, 2009 meeting was called to order by Chairman, Jim Heisey. Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Bob Webber and Kevin Organtini. Leonard Snavely and Dale Bevans were not present. Also in attendance were Scott Lutz, Paul Lutzkanin, Jeff Steckbeck and Lorrie Wright. Tony Fitzgibbons was not present.

COMMENTS/COMPLAINTS

Alex Stottle and the new General Manager Lee Lebbon from Hain Pure Protein appeared before the Board to discuss the possibility of a second line in the ditch going to the Little Swatara Creek. The Board stated that they had no objection with Hain Pure Protein using FSWA Right-of-ways as long as the FSWA is totally protected legally. Further discussion appears during the engineers report. Mr. Stottle also informed the Board that there have been no major issues with the wastewater treatment plant. The lab reports have been pretty good. Changes have been made at Hain and no chlorine is used in their laundry.

Dave Lounsbury from TLC/Envirep appeared to update the Board regarding the repairs at the Monroe Valley treatment plant. Replacements are on site and work is scheduled to begin on Thursday, May 7th to replace the weir and hose. Further discussion appears during the engineers report.

MEETING MINUTES

The April 6, 2009 meeting minutes were approved without objection.

TREASURER'S REPORT

Bills Payables – Bob Webber made a motion to approve the F'burg Sewer Payables in the amount of \$26,890.38, the F'burg Water Payables and the MV Sewer Payables in the amount of \$3,736.72. Kevin Organtini seconded the motion. All voted in favor and the motion carried.

Financial Statement – Kevin Organtini made a motion to approve the financial statement as submitted. Bob Webber seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

Fredericksburg Plant Expansion / South Fredericksburg – Mr. Steckbeck reported that the ACT 537 Plan was approved by the Bethel Township Supervisors at their April 9th meeting and has been delivered to DEP for their review. Updates have been added to all of the existing copies to ensure that they include all of the latest activity including public comments and responses.

Design revisions continue based on the Operations Committee meeting. Another committee meeting will be scheduled as soon as the plans are revised.

Mr. Steckbeck reported that Hain Pure Protein (Alex Stottle) contacted his office to investigate the option of a pipeline for their effluent in a common trench with the

FSWA interceptor from Route 22 to the new Little Swatara Creek. An Interceptor Sewer Cost Estimate sheet was presented and discussed with the Board. Mr. Steckbeck explained that an interceptor sewer running from Route 22 to the Little Swatara Creek covering a distance of 13,500 feet at \$75 per linear foot would equal a total cost of \$1,012,500. An added cost to build a parallel interceptor sewer for the chicken processors treated effluent would be about \$40 per linear foot leading to an increase of \$540,000. Total cost of a two line interceptor would be \$1,552,500. The engineer recommended that the Authority could adopt a position to split the cost 50/50 with the chicken processors. An additional benefit to the chicken processors would be the FSWA's ability to fund the project with tax free financing. Therefore the entities that would have the line built for them might expect an annual payment of \$52,000 which could be split between the participating companies. Mr. Heisey suggested that Mr. Stottle should lobby the other two chicken businesses to join HPP. Alex Stottle asked if the Authority would consider a force main from Hain Pure Protein to the existing sewer plant to be a part of the project. This would allow Hain to get its sewage from their facility to the new interceptor. The Board discussed the matter and asked the engineer to bring a map of this route to the next meeting. The Board indicated to Mr. Stottle that the Board would not be opposed to Hain using the right-of-ways so long as it is determined to be legal and so long as Hain pays for the cost of installation and restoration. The Board indicated that FSWA's contractor could perform the installation but Hain would have to pay the full cost.

Mr. Steckbeck presented the Board with an update on the S. F'burg Power Generation Feasibility Study. Given the project particulars mentioned in the study along with the cost of designing, building, operating and maintaining a power generating facility, the payback would be around \$600 per year for 32 years. Mr. Steckbeck concluded that the power can be generated but it would not be cost effective.

Fredericksburg WWTP Operations Support – Engineering continues to review the laboratory test results on the Fredericksburg WWTP to watch for abnormalities.

Allied Control Services will be on site May 7th to install the remote flow rate telemetry to the Route 22 Pump Station.

Monroe Valley WWTP Operations Support – Engineering continues to review the laboratory test results on the Monroe Valley WWTP to watch for abnormalities.

Aqua Aerobics was contacted to remind them of the need to inspect SBR No. 2 for the same problems as experienced in SBR No. 1. The plant has been performing well and nobody expected to find a problem however, upon dewatering the basin, the weir basket flange was broken in a manner similar to that of SBR No. 1. Aqua has expedited the parts and has scheduled technicians to repair the equipment.

FSWA Water System Operations Support – Engineering continues to review the laboratory test results on the water system to watch for abnormalities.

Administration Support – Engineering continues to assist the office staff as requested including issues with billings, surcharge calculations and technical issues.

Well #8 – Water System Improvements – The PennVest application is now 95% complete. The last items will be finalized within the next week or two. The cut-off date is May 18th for the July 21st PennVest Board meeting.

Mr. Steckbeck met with Secretary of Dept of Agriculture Dennis Wolff along with Chip Brighbill and Scott Sechler to lobby for his support of both an H2O grant and ARRA stimulus money for the FSWA project. Solicitors Fitzgibbons and Enck are working on financial guarantee provisions so that Farmers Pride will provide us with insurance to cover our loan. The Bethel Township Supervisors made it clear that they will not vote to guarantee a loan of the FSWA unless financial security measures are in place.

DEP approved the permit to drill Well No. 8. The project is now ready to proceed as soon as we have the money.

The geologic study was completed for the new water tank foundation. A copy of the report was sent to all Board members via email.

DEP is reviewing the applications for the 2009 Water System Improvement Projects for Well #8, the 1MG Water Tower and the S. Fredericksburg Water Distribution System.

Misc. – Kreiser's Mill Road subdivision plans and Kreiser's Rt 343 subdivision plans (Maulfair) are being reviewed.

PennVest Board met on April 21st for the first round of funding for 2009. There were 174 applications (normally there are around 50 applications). 58 projects did not get funded. There was \$513 million dollars awarded. (normally there is only \$50 million) Philadelphia got \$216 million for 3 projects. There were 64 sewer projects which did not get funded. No Lebanon County project got funded. Vickie Johnson attributed the large number of applicants to the "competing" H2O program which spawned many municipalities to spend the time and money to prepare project applications.

SOLICITOR'S REPORT

Monroe Valley - Mr. Heisey reported on the status of the lawsuits filed to force connection to the Monroe Valley sewer system and also against those who defaulted on payment of the promissory notes they signed for their tapping fees.

The District Justice appeal period runs until May 7th, at which time the solicitor will be transferring the judgment to the Court of Common Pleas to establish a lien against the defendants' properties.

OFFICE MANAGER'S REPORT

Ms Wright reported on the outstanding amounts due in Fredericksburg and Monroe Valley.

The monthly readings were performed and it was noticed that the low flow meter at the elementary school was the same reading as the previous month. The office staff contacted the school and found out that the meter had jammed. Lorrie Wright spoke to Paul Snyder, Bldgs and Grounds Superintendent, and informed

him that he needed to get that meter repaired as soon as possible. She would be in contact with him later that week to see if the problem was corrected.

OPERATOR'S REPORT

Monroe Valley Sewer – Scott Lutz reported that a sewer lateral was repaired in Monroe Valley.

Aqua Aerobics will be in later this week to work on Unit #2.

The holding tank was decanted and Walters hauled 2 loads of sludge.

The spouting was removed and screens were installed to stop birds from building their nests.

Fredericksburg Water System – The Drought Contingency Plan was reviewed, corrections were made and forwarded back to the Chairman.

The Annual Water Supply Report is completed. The peak withdraw day was June 15, 2008 and we flowed 1,098,804 gallons. Minimum withdraw day was August 20, 2008 and we flowed 83,372 gallons. Daily average was 560,823 gallons. Total flowed for the year was 205,261,218 gallons. 95,767,196 gallons were from our wells and 109,498,000 gallons were from the City of Lebanon. Total gallons of water sold were 197,303,900. This makes 7,961,296 unaccounted for or 4% of the total. The poultry processors used 163,565,260 gallons.

Hain Pure Protein called about the low chlorine level. The cause was that an automatic Valve failed. This valve flows water that carries the chlorine to the reservoir. A detectable amount in the reservoir was hand fed until the system caught back up.

Fredericksburg Sewer System – The Richard Hills Pump Station had a pump failure. The clogged pump was pulled and cleaned. The cutter was readjusted and then installed.

Plywood was cut and installed in the clarifiers to stop the birds from nesting and clogging the weir and drain.

Sludge was hauled and the scum pit was cleaned.

A small used package blower to oxygenate the ditch is available from Excelsior. An estimate in the amount of \$1,991.50 was presented to the Board. The blower would remove the current aspi-jet that needs a \$5,000.00 shaft. Bob Webber made a motion to approve the purchase of a blower not to exceed \$2,000. Kevin Organtini seconded the motion. All voted in favor and the motion carried. The Board instructed Scott to look into a warranty for the blower.

Scott Lutz informed the Board that Bethel Township was selling a dump truck. The Board discussed the possibility of bidding on the truck. Mr. Rudy stated that he didn't think the Authority was in a position financially to purchase a dump truck. There was no further action taken on this matter.

OLD BUSINESS

Drought Contingency Plan – An updated Drought Plan was presented to the Board for review. The Board discussed possibly requesting that the Bethel Township Supervisors enact an ordinance that would mandate legal penalties to those that do not adhere to the usage restrictions and allowing the Authority to

enforce those restrictions. This matter was tabled in order to ask the solicitor if this needed to be put in the form of a resolution.

Sewer Only Accounts – The solicitor reviewed the Bethel Twp. Mandatory connection ordinances and determined that all improved properties that are abutting upon the water system are required to connect. Based on these facts, the solicitor suggested that a notice to connect should or could be issued to whoever owns the property. After a discussion, Mr. Rudy made a motion to send a letter to the Shirk's informing them that they are required to connect to the water system. Kevin Organtini seconded the motion. All voted in favor and the motion carried.

Office Air Conditioner – Bob Webber informed the Board of an 18,500 BTU Frigidaire air conditioner at a cost \$438.00 at Wal-Mart or \$449.00 at Home Depot and Lowes. Mr. Rudy made a motion to purchase the 18,500 BTU \$449.00 Frigidaire air conditioner at Lowes using a 10% discount. Kevin Organtini seconded the motion. All voted in favor and the motion carried.

NEW BUSINESS

Customer Notice Letter – A draft copy of a customer notice letter was discussed by the Board that would allow customers to purchase a permit to install a meter on a nearby hydrant to fill a pool, water a garden or new lawn, and build a home or build an addition. This would allow the water to go through the meter and to avoid additional sewer costs. After a discussion, Mr. Heisey stated that he would make revisions to the notice and present it to the Board at the next meeting.

Permitting Board Participation via Phone Conferencing – The Board discussed the possibility of allowing Board participation via phone conference in the event a Board member is unavailable due to health issues or unable to attend due to official obligations. Mr. Heisey will draft a resolution and present it to the Board at the next meeting.

COMMENTS/COMPLAINTS

Mr. Rudy on behalf of his wife and himself, thanked the staff for the work they did on the water line at his property and for the restoration work that was done. Kevin Snader stated that ever since the hydrants were flushed everything at BC Natural seems to be ok. Rick Kreizter claims that BC's water is phenomenal.

Kevin Snader questioned when the Horizen Dr. interconnection would be done. Paul Lutzkanin will look into the matter.

ADJOURNMENT

A motion to adjourn the meeting was made by Rick Rudy and seconded by Kevin Organtini. All voted in favor and the meeting was adjourned.

Respectfully submitted,

Lorrie Wright, Secretary