

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
March 15, 2010

The March 15, 2010 was called to order by Chairman, Jim Heisey. Roll call was taken by Secretary, Lorrie Wright. Those in attendance were Jim Heisey, Bob Webber, Leonard Snavely, Dale Bevans, and Kevin Organtini. Also in attendance were Jeff Steckbeck and Lorrie Wright.

Rick Rudy, Tony Fitzgibbons, Paul Lutzkanin, and Scott Lutz were not present.

COMMENTS/COMPLAINTS

None.

MEETING MINUTES

The March 1, 2010 meeting minutes were approved without objection.

TREASURER'S REPORT

Bills Payables – Kevin Organtini made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$5,632.58, the Fredericksburg Water Payables in the amount of \$16,357.53, and the Monroe Valley Sewer Payables in the amount of \$6,670.02. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Financial Statement – Dale Bevans 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

Administrative – Engineering continues to support the Administrative Staff as requested.

Fredericksburg Plant Expansion / South Fredericksburg – Design work on the new treatment plant continues and develop the plan as approved by the Operations Committee. Per the meeting with the FSWA operations committee on March 1st, an updated construction cost estimate for the new WWTP was prepared. The figures provided to the Board are being verified with some suppliers and once confirmed, this new estimate will be added to the Act 537 Plan. This will necessitate re-advertisement of the Act 537 Plan for another 30 day public comment period.

The engineer and operator will discuss transferring usable lab equipment from the existing plant to the new plant.

Fredericksburg WWTP Operations Support – Engineering continues to review the laboratory test results on the Fredericksburg WWTP to watch for abnormalities and assist operations staff as needed.

The report for the sample collected on 2/24/10 showed an extraordinarily high BOD level and an elevated TSS. The operators were not able to account for the spike. The plant effluent was within permit limits, indicating that the plant was able to handle the high loading without a problem. The engineer stated that the

operator's should contact each of the industries to see if anything out of the ordinary occurred on that date.

The Chapter 94 Report for the Fredericksburg plant was presented for approval and signature.

Monroe Valley WWTP Operations Support – Engineering continues to review the laboratory test results on the MV WWTP to watch for abnormalities and assist operations staff as needed.

The Chapter 94 Report for the Monroe Valley plant was presented for approval and signature.

Dale Bevans made a motion to approve the Fredericksburg and Monroe Valley Chapter 94 reports. Leonard Snavelly seconded the motion. All voted in favor and the motion carried.

FSWA Water System Operations Support – Engineering continues to review the laboratory test results on the water system to watch for abnormalities and assist operations staff as requested.

Engineering continues to work with Jon Beers of the City of Lebanon to develop consistent sprinkler requirements to comply with the new building code.

Water System Improvements – New 1MG Tank; Water Source – The response to DEP's comments letter on the water system permit application has been submitted and we are waiting for notification that the permit has been issued.

Engineering continues to work with the solicitor to obtain financing quotes for the non-grant portion of the tank project.

Engineering met with the Authority secretary to assist in preparing the first application for reimbursement of the H2O grant money. DCED indicated that they would like a copy of the contract between the Authority and the engineering firm and the solicitor.

SOLICITOR'S REPORT

Mr. Heisey reported that the solicitor was in attendance at the budget meeting. He indicated that he is aggressively pursuing the delinquent Monroe Valley accounts.

OFFICE MANAGER'S REPORT

Fredericksburg Monthly Billing – The monthly usage for February was issued with a total revenue of \$53,761.46.

Monroe Valley Quarterly Billing – The quarterly usage for Dec. – Jan. was issued with a total revenue of \$43,430.36.

H2O Reimbursement Application – Assisted engineer in preparing the first reimbursement application. Informed engineer that signed contracts between the Authority and the engineer/solicitor are to accompany the first application.

Rapid Response System – Re-scheduled demonstration with Jonathan Greiner for April 5th meeting.

Capital Region Water Board – Per the Board's request, the secretary contacted the CRWB to request additional literature regarding their organization. Mr. Goulding, CRWB Director, will attend the April 5th meeting.

Oak Ridge – The secretary contacted three plumbers to provide quotes for the installation of the meters at Oak Ridge. Quotes were received from George Strohm in the amount of \$1,475.00 and from Tony Pajski in the amount of \$486.00. Bob Webber made a motion to authorize the operator to purchase the 2 meters to accompany the low bid of \$486.00 to retrofit the Oak Ridge meter pit and to notify the solicitor of all costs in order to bill Dale Yingst. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Fredericksburg Elementary School Meter – Todd Duffey repaired the elementary school meter on March 8th. A new low side chamber was installed. The meter is now registering 98% accuracy.

Monroe Valley – The office staff continues to work with the solicitor on the delinquent Monroe Valley accounts.

PMAA Seminar – The solicitor and office manager attended a PMAA training seminar on March 11th.

OPERATOR'S REPORT

Monroe Valley Sewer – UV bulbs were cleaned and UV pit was washed. Valve pit was washed out.

Water System – Continue to change filters as needed. Consumer Confidence Report completed and sent to office to be mailed out by June.

Fredericksburg Sewer System – Tanks were washed. Sludge was hauled.

Pulled pump at East Main St. pump station and found a bad moisture sensor. A fabricated water pump was used to pressure wash the pump station. Walters and the staff will be cleaning the pump station on Tuesday. Still waiting for parts for pump station and return pump.

OLD BUSINESS

Grease Traps – The Board instructed the staff to send letters to all grease trap customers informing them of an upcoming inspection.

K&E Apartment Building – Mr. Steckbeck spoke with Mr. Mathews about the details on the land development plan. Those plans should be provided to the engineer for review. There were questions regarding the filing fees. A land development plan will be submitted and at that time the Authority may comment on pipe sizes for sprinklers. Mr. Steckbeck felt we should anticipate 2 sprinklers per apartment for 6 apartments plus a few additional sprinklers for a common area.

NEW BUSINESS

Summer Help – Mr. Bevans asked if any of the staff had requested additional help over the summer. Ms. Wright stated that the office is sufficiently staffed and Mr. Heisey stated that the operations staff indicated that they would not need any additional help over the summer.

COMMITTEE REPORTS

Budget Committee –

Poultry Plant SCADA Interface – The Budget Committee reviewed the FSWA Water cash flow and determined it to be healthy enough to help the poultry plants fund the purchase of meters for installation on a temporary basis. Once the poultry plants respond, the Authority may purchase the meters and contract with Allied Controls to perform the installations. The Authority may then bill the poultry plants after the meters have been installed.

Monroe Valley System – The Monroe Valley system is at a point right now where we might be able to pay the bills for April and May but we will not have sufficient funds available to meet our obligations by June. Sufficient revenue is not available because of the fewer number of connections than originally anticipated by this time. 170 EDU's were sold to John Caporaletti but he is not in a position to use any of them at this time. According to the agreement between Mr. Caporaletti and the Authority, effective upon the approval of a subdivision plan or 5 years of the date of the agreement, the Authority reserves the right to begin billing the debt service charge on a monthly/quarterly basis. The committee reviewed the number of EDU's and determined that the quarterly debt service portion was \$130.71. The \$210.00 quarterly usage charge is then made up of \$130.71 debt service and \$79.29 operations. In order to bill Caporaletti, the Authority would have to adopt a debt service fee. Bob Webber made a motion to establish a Monroe Valley quarterly debt service fee in the amount of \$130.71. Kevin Organtini seconded the motion. All voted in favor and the motion carried. Mr. Caporaletti's preliminary sub-division plan approval occurred in July 2009; therefore, based on the conditions of the agreement the Authority may begin billing the debt service portion. Kevin Organtini made a motion to bill the debt service portion indicated in the agreement to Mr. Caporaletti effective March 2010. Dale Bevans seconded the motion. All voted in favor and the motion carried. The Board instructed the secretary to work with the solicitor on a mandatory connection for the Monroe Valley Golf Course.

Ms. Wright informed the Board that there may not be sufficient funds available to make the PennVest loan payment in April. Dale Bevans made a motion to authorize the treasurer to borrow as much money as necessary from the Fredericksburg water fund to pay the April PennVest loan in case sufficient revenue is not available by then. Bob Webber seconded the motion. All voted in favor and the motion carried.

Ms. Wright questioned billing the customers that signed a Vacant Lot Agreement. According to their agreement, the Authority may begin billing the debt service within 2 years of the date the treatment plant commences operation. The Board instructed the secretary to begin billing the vacant lot owners.

Mr. Heisey informed the Board that while attending the PMAA training seminar, Mr. Fitzgibbons spoke with a representative from Concord Public Finance, who offered to do a financial analysis on the funding for the expansion in S. Fredericksburg. He also offered to do a financial analysis of the Monroe Valley sewer system and recommend any options to ensure that the Authority would not default in any of the loans. This service would be at no cost to the Authority in

exchange for allowing Concord Finance to do any bank or bond financing through them. Mr. Heisey will contact Concord Public Finance. Bethel and Swatara Township are guarantors for the Monroe Valley loan.

COMMENTS/COMPLAINTS

Mr. Heisey stated that due to the current financial situation the Board may opt to eliminate meeting pay and their hourly pay.

ADJOURNMENT

A motion to adjourn the meeting was made by Dale Bevans and seconded by Bob Webber. All voted in favor and the meeting was adjourned.

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**