

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
August 15, 2011

The August 15, 2011 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, Dale Bevans and Tom Demler. Kevin Organtini was not present. Also in attendance were Kevin Snader, Jeff Steckbeck and Lorrie Wright. Tony Fitzgibbons was not present.

COMMENTS/COMPLAINTS - Several people who own land along the route of the interceptor sewer, or within the vicinity of the new sewage treatment plant were in attendance to obtain information. The engineer showed the Board and those people the map of the interceptor. He explained that, for the most part, the interceptor will run parallel to the creek in the back yards of the properties at a lower elevation than their homes, and that those property owners could connect by gravity. Some of the properties will have the sewer interceptor located at the rear, but will also have a smaller sewer collection pipe in the street in front of their houses. They would have the option of which pipe they would like to connect into. The people were told that the tentative schedule is to build the sewer system in 2012 and 2013, with completion in summer of 2013. Connections would occur later in that year. The people were told that the tapping fee will be \$3,600 and the preliminary estimate of quarterly sewer bill is \$200, or \$800 per year. This is based on an assumption that USDA financing will be obtained via a 40 year loan and 3% interest rate. If a different funding source is needed, then the sewer rates might be higher. It was then explained that an archaeologist needs to perform a study in the next two weeks, which is why these people received a letter from Solicitor Fitzgibbons. It was explained that the study will involve the excavation of a 3' x 3' x 3' pit in the ground at a location every 200 feet along the sewer line. A total of 40 pits will be dug. They will be backfilled on the same day that they are dug, and grass will be planted. The study is being conducted to meet federal guidelines for the USDA loan. The people asked if trees would need to be cut down. The Engineer responded that when the sewer line is built, a pathway 30 feet wide will be cleared. After construction is complete, the area will be restored with topsoil and grass seed.

MEETING MINUTES

The August 1, 2011 meeting minutes were accepted without objection.

TREASURER'S REPORT

Bills Payables – Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$28,604.74, the Fredericksburg Water Payables in the amount of \$32,521.94, and the Monroe Valley Sewer

Payables in the amount of \$6,661.47. Rick Rudy seconded the motion. All voted in favor and the motion carried.

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

ENGINEER'S REPORT

General Administrative – Engineering continues to assist the Administrative Staff as requested.

Fredericksburg Plant Expansion / South Fredericksburg – Design of the .433 mgd plant continues in an effort to complete it to the point required with the Part II permit application.

Engineering has been working with Attorney Fitzgibbons and DEP's Victor Landis to reach an agreement on revising the Consent Order project schedule due to PennVest returning to their pre-ARRA rules.

Paul Lutzkanin and Kevin Snader toured the South Fredericksburg service area and the WWTP site with Pascal Kwedza of DEP. Mr. Kwedza wanted to get familiar with the area and plant site as he is working on the draft of the NPDES permit and is anticipating receiving the Part II permit application soon. DEP is hoping to get a draft of the NPDES permit to us this week.

Archaeologist Dr. Robert Wheelersburg was awarded the contract for the study of the Elizabeth Run interceptor. He obtained maps from engineering and visited the site for preliminary scouting on July 27th. He anticipates the boring and digging to begin in late August after the affected property owners have been contacted by Attorney Fitzgibbons.

The Commonwealth Finance Authority has approved the Change of Scope request letter to refine the H2O grant so that we can obtain and utilize as much of the \$500,000 funding as soon as possible. CFA has approved \$220,000 to be utilized for the purchase of land and ROW's which will allow us to proceed to closing in the WWTP land purchase from L&L Pig Producers.

Mr. Steckbeck met with the Bethel Township Planning Commission to discuss the requirements for the subdivision plan for the WWTP lot. The zoning officer has identified a variance which will be required to utilize a right-of-way to access the lot because the lot does not front on a public or private street.

The Solicitor has recommended that the Board approve the execution of the sales agreement with L&L Pig Producers. Exhibit A-1 has been added to the document to reflect the 50' wide access ROW to utilize the existing driveway. Dale Bevans made a motion to authorize the agreement of sale. Bob Webber seconded the motion. All voted in favor and the motion carried.

Fredericksburg WWTP Operations Support – Paul Lutzkanin and Kevin Snader toured the Fredericksburg WWTP facility with Pascal Kwedza of DEP. Mr. Kwedza wanted to get familiar with the facility which will be decommissioned as part of the South Fredericksburg project.

Monroe Valley WWTP Operations Support – DEP issued the draft of the NPDES permit. It will require 24 hour composite sampling of effluent and flow

paced sampling of influent. There will be a need for more samplers since both plants are tested simultaneously.

FSWA Water System Operations Support - GMI Insulation finished the heat trace and insulation of the 4-log virus piping changes.

Water System Improvements / New 1MG Tank; Water Source – The steelworkers for the tank are scheduled to arrive this week.

Farmers Pride has finalized their contract for painting of the water tank by Caldwell.

Caldwell's first pay request was submitted. Payment of \$526,950 has been requested consistent with the approved Schedule of Values. Upon issuance of the check, application may be made to CFA for a percentage reimbursement. Rick Rudy made a motion to approve payment to Caldwell in the amount of \$526,950. Tom Demler seconded the motion. All voted in favor and the motion carried.

SOLICITOR'S REPORT

Redner's – Attorney Fitzgibbons was in contact with Diane Herr at Redner's. He was advised that they have cleaned their grease trap and have cleaned out their lines to remove accumulated grease and other solids. They are in the process of installing additional grease traps on all of their drain lines. The recent test results show an improvement in the amount of suspended solids. The trouble appears to be that their lines go straight into their septic tank and then straight into our system. It is therefore difficult to segregate blood and cleaning products from their waste water. Ms Herr informed Attorney Fitzgibbons that their plumber was to have contacted the Authority and that they will work with us to remedy the situation. Ms Herr was also in contact with Mr. Heisey who advised her to have her plumber contact Mr. Steckbeck or Mr. Lutzkanin so that a solution could be devised.

Harold Kreider – Attorney Fitzgibbons has been informed by the office staff that Mr. Kreider is stating that the Authority was to have installed our effluent pipes differently from the way they were installed when the plant was constructed. That is incorrect; the pipes were constructed as designed and permitted. Mr. Kreider does have an easement to travel along his ponds but he does not have the right to alter or in any way impair our effluent pipes. If he does alter the he has the sole obligation and responsibility to restore them to their original condition. Mr. Heisey and Mr. Webber went out to the WWTP site to investigate the matter. Since Mr. Kreider has not appeared at the meeting to discuss the matter, Mr. Heisey will be in contact with DEP to report that Mr. Kreider cancelled his appearance at a meeting again, and therefore assume that he does not intend to do anything further to remedy the matter.

Payroll – Attorney Fitzgibbons was in contact with his accountant, who advised him to contact Paychex. Mr. Heisey and Ms Wright met with a representative from Paychex to discuss outsourcing the payroll to them. Mr. Heisey stated that there will be another meeting scheduled due to the first meeting being cut short.

Mr. Heisey will put together a recommendation for the board to consider after the next meeting with Paychex.

Delinquent Accounts – Mrs. Shirey has until the end of the week to make her connection to the MV WWTP. A copy of the letter that was sent to her dated July 20, 2011 was provided to the board. Her son, David Jumper was copied with the letter. According to the letter the connection is to be made by the end of this week. If the connection is not made then the board may consider authorizing the solicitor to take legal action against Mrs. Shirey to compel the connection. Ms Wright reported that her son, Philip Jumper appeared in the office today to request a 30 day connection extension. He has hired a contractor but is not sure if he would be able to comply with the connection by the end of this week. Bob Webber made a motion authorizing a 30 day extension (Sept. 23). Dale Bevans seconded the motion. All voted in favor and the motion carried.

South Fredericksburg Sewer Project – Bridge Financing – Draft loan documents have been prepared for the 5M bridge loan and have been submitted to Fulton Bank for review. Once the bank has agreed to the loan document a copy will be forwarded to the board. Settlement will be scheduled at that time.

Farmers Pride – A revised version of the capacity purchase agreement was sent to Farmers Pride on August 5, 2011. After Farmers Pride responds the solicitor will contact Attorney Enck on behalf of the township. None of the changes impacts any of the interests the Township was concerned about, especially the letter of credit's ability to survive bankruptcy.

Easements/Variance – Attorney Fitzgibbons is waiting for the exhibits in order to complete the needed easements. The easements should be ready to be sent to the affected property owners sometime within the next month or so. The Lebanon Daily News article which ran on August 12th points out that we need a variance to access the new plant site since the parcel of ground we are purchasing from L&L Pig Producers does not have access to an approved public or private street except through the easement we acquired from L&L Pig. Given the delays the Authority experienced it made little sense to move forward until we knew we would be under construction within a year. If a variance is not granted the Authority may look into acquiring the access way from L&L Pig Producers.

Archaeological Testing – The solicitor was advised by the Secretary that several property owners were seeking information regarding the archaeological study. (Those property owners were in attendance as indicated in the comments section above)

OFFICE MANAGER'S REPORT

Fredericksburg Service Area – The Fredericksburg monthly billing was processed and sent out on August 5th.
100 quarterly late notices were issued.

Monica Kapp, new owner of the taxidermist building located at 3053 S. Pine Grove Street, will be converting the building into (3) 2 bedroom apartments. Sewer capacity is available. The indicated they want the building to have one single water line and one meter for all three apartments. The Board would also

like the staff to look into the size of the sewer line, it may need to be upgraded from a 4" line to a 6" line. Ms. Martel stated that she has not seen any permits issued through the township office and that the building was not zoned for multi-use but for business – commercial.

Monroe Valley Service Area – Rapid Response letters are being returned.

Miscellaneous – Cindy Coleman resigned from her cleaning position. Lauren Snader expressed interest in filling the position.

Pat Rentschler requested that the Authority look into quotes for gas service to the building. Mr. Heisey stated that he will contact UGI.

An email copy of the auditors response explaining the wording in the management letter was provided to the Board.

Job Descriptions for the office staff were provided to the Board.

A Workers Comp injury incident was reported to Selective Insurance on behalf of Scott Lutz.

Bethel Township submitted 2 invoices for payment of Mechanic Street and Beech Avenue blacktopping. After discussion, Rick Rudy made a motion to pay half of the township invoices for blacktop. Dale Bevans seconded the motion. All voted in favor and the motion carried.

OPERATOR'S REPORT

Fredericksburg Sewer - Rt 22 pumping station had a pump replaced. The pump was taken to Burkholder Motor Repair. A verbal estimate of \$1,700 was given to repair. The pump is an original and would also be used as a spare. A new Gorman Rupp pump runs around \$3,700. Tom Demler made a motion to authorize Burkholder's to repair the pump in the amount of \$1,700.00. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Fredericksburg Water – Gassert Insulation completed the reservoir upgrades.

Monroe Valley Sewer – Heather Dock from DEP stated that we need to change our sample techniques. 8 hour composites must be changed to 24 hour flow paced effluent samples and 24 hour time paced influent samples. A 4-20mA input interface will need to be installed.

Compliance – The SDWA-S report was not submitted. That will need to be shown as a violation on the 2012 CCR. There are no fines or penalties involved. DMR's for July were provided to the Board.

Stipulated Penalties for July NPDES violations were provided to the Board. Total fines for July total \$1,375.00. Bob Webber made motion to approve payment of the July NPDES penalties in the amount of \$1,375.00. Jim Heisey seconded the motion. All voted in favor and the motion carried.

OLD BUSINESS

Signs – Bob Webber reported that the signs have been ordered.

Snyder Development – Supervisor Martel informed the Board that the developer withdrew the plans which had been filed several years ago. She said the withdrawal was necessary since they could not find any landowner who would

permit an easement for them to run a road to Sherwin Williams Drive in order to have two entry and exit points.

Part Time Office Help – Lorrie Wright provided information on the amount of increased overtime hours worked by the office staff in the last 3 years. Bob Webber made a motion to authorize the hiring a part time (20 hours per week) employee at a rate of \$10.00 per hour. Tom Demler seconded the motion. The motion was tabled in order for the Board to go into an executive session to discuss the matter.

NEW BUSINESS

COMMITTEE REPORTS

COMMENTS/COMPLAINTS

EXECUTIVE SESSION

The Board met in an Executive Session to discuss the hiring of part time office help. It was decided that a job description be completed for the part time position and provided to the Board to evaluate. There was an open motion of the floor to hire a part time employee for 20 hours a week at \$10.00 an hour. Mr. Webber voted yes, Mr. Rudy voted no, Mr. Bevans voted no, Mr. Demler voted yes. Mr. Heisey voted yes on condition of a job description being provided. The motion was carried on a 3 – 2 vote.

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**