

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
May 21, 2012

The May 21, 2102 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Bob Webber, Rick Rudy, Dale Bevans and Tom Demler. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

Supervisor Martel questioned if the purchase of chemicals in the amount of \$11,000 (approved at the last board meeting) was put out for bid. Kevin Snader, Operator, stated that he purchased enough of the chemicals to last for the year in order to save on shipping and handling fees. The Operator will be brought up to date on the Sunshine Law procedure for future purchases.

MEETING MINUTES

The May 7, 2012 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$14,747.28, the Fredericksburg Water Payables in the amount of \$11,292.76 and the Monroe Valley Sewer Payables in the amount of \$3,263.74. Tom Demler 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. Rick Rudy seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative - The Admin Staff was assisted with technical issues as requested.

Engineering IT Staff reset the Authority's email accounts and sent each board member information on logging into the fswaonline email accounts. The meeting minutes which were approved at the last board meeting were added included on the website.

Engineering IT Staff also performed archive email searches at both the FSWA's engineer@fswaonline.net and the SESI company email accounts and determined that Mr. Steckbeck was never sent any email inquiries by Mr. Thompson who resides on John's Way.

Fredericksburg Plant Expansion / South Fredericksburg - Design of architectural and structural aspects of the new WWTP continue as bidding documents are being prepared in advance of advertisement for bids. Recommendation for approval of a land development plan was received from the Bethel Twp. Planning Commission. Financial security is required yet for the guarantee of the improvements. The amount to be secured is \$122,400.00 which was approved by the township engineer. Tom Demler made a motion to authorize the solicitor to send a letter to Bethel Township requesting that the performance bond be allowed to be used as the form of financial security. Rick Rudy seconded the motion. All voted in favor and the motion carried. If approved, the township supervisors will save the Authority \$2,000.00. Mr. Steckbeck stated that if the township declines the option, this matter should be an agenda item for the June 18th meeting.

Work continues with Concord Public Finance on funding and rate evaluations for the new sewer project.

A quote from Allied Control Services to perform a Site Radio Survey of the new tower and proposed WWTP sites was presented to the Board. This is the necessary first step towards reconfiguring the SCADA system and moving the Master Terminal Unit (MTU) to the proposed WWTP. The amount of the quote was \$2,270.00 and engineering recommended acceptance so that the results could be used to design the reconfiguration of the SCADA system. Tom Demler made a motion to accept the Allied Control proposal in the amount of \$2,270.00. Bob Webber seconded the motion. All voted in favor and the motion carried. Engineering met with the Operations Committee on May 15th to investigate Deer Drive, Elk Drive, Greble Road and Light's Church Road to determine if any design revisions are appropriate. The Committee is recommending that the line locations shown on the drawings remain per the March 29th layout, with a slight modification for an extension to pick up a house at the terminal east end of Greble Road. The Board discussed the possibility of extending the mandatory connection distance in order to pick up more customers. Dale Bevans made a motion authorizing the solicitor to send a letter to the Bethel Township supervisors requesting an amendment be made to the mandatory connection distance to greater than 150 feet and offering compensation not to exceed \$750.00 for costs to advertise the ordinance amendment.. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Fredericksburg WWTP Operations Support - Work continues to draft a new Security Policy.

Monroe Valley WWTP Operations Support - The Operations Staff was consulted regarding the I&I in the Monroe Valley. Engineering continues to consult with them as increased flows were investigated during a recent rain event.

FSWA Water System Operations Support - Engineering attended a meeting with Farmers Pride concerning a slug of dirty water that passed through the system on May 16, 2012. In response to comments made during the meeting, a quote from Allied Control Services for the installation, configuration, testing and

training of staff for WIN-911 was presented to the Board. WIN-911 is a software based alarm management system which can be installed in the existing SCADA computer to notify appropriate personnel of water system events. The amount of the proposal is \$6,840.00. Also presented was a WIN-911 software data sheet. Farmers Pride has agreed to install and pay for hardware and software upgrades at their plant which will communicate with our SCADA system so that the Authority will be able to monitor Farmers Pride's consumption patterns. Bob Webber made a motion to approve the Allied Control Services proposal for the WIN-911 system. Tom Demler seconded the motion. All voted in favor and the motion carried.

Water System Improvements / New 1MG Tank; Water Source - The new water tower site continues to be monitored to ensure that the contractor is installing everything according to the plans.

The Farmers Prides chicken logos have been applied to the tower. Martin Excavating has completed paving at the tower and is preparing to install the isolation valve pit. The pit site was inspected to determine if there is a better location which resolves the electric utility issues. Engineering proposed to relocate the pit to the east several hundred yards to a point just west of where the water tower line meets the water main along SR22.

Mr. Steckbeck consulted with Redner's and Esther's to determine temporary water shut-off for installation of new valves on the water main could occur between 11:00 pm and 6:00 am. The installation of those two valves will occur sometime in the first half of June.

The construction of the new pressure reducing valve pit will begin within the next three weeks after the new valves are installed. Verification was received that no PennDOT permit will be required for the Route 22 line work.

The City of Lebanon Authority will be holding its annual municipal customer/partner meeting on June 7th at 7:30 am. SESI will be attending.

SOLICITOR'S REPORT

Farmers Pride - Atty. Fitzgibbons contacted Dan Chirico from Farmers Pride on Tuesday, May 15th, 2012 in regards to amending the letter of credit provision in the sewer capacity purchase agreement. Mr. Chirico indicated that he would like to discuss the revisions with Mr. Sechler and will be in contact once he has the opportunity to review the matter with Mr. Sechler.

Mill Road/John's Way and Shirksville Road Additional Easements - The solicitor is waiting for a list of the additional properties on John's Way and Shirksville Road so that they can be incorporated into proposed Resolution 2011-6 which will authorize the acquisition of and payment for the easements needed along these roads. The draft resolution will identify the properties from which the easements are needed and the length of the easement on each property.

PennVest Offer/Bank Financing for Funding Shortfall - Atty. Fitzgibbons recommended that the Board accept the PennVest offer since it appears to be almost a certainty that another financing option will not be obtainable. The PennVest offer requires the guarantee of Bethel Township. It is also likely that

the needed gap financing for the difference between the \$11 million PennVest officer and total project costs will require a pledge of the township's taxing power, most certainly to obtain a favorable rate and perhaps even to obtain financing at all. The solicitor noted that as long as the engineer is able to provide a self liquidating debt report in conjunction with the PennVest and gap financing loans, the guarantee by the township will not affect the township's borrowing ability. Since the township's guarantee of both the PennVest loan and gap financing is critical the solicitor recommended that the Board seek assurance of the supervisors that it will be forthcoming.

Amendment to By-Laws - Proposed Resolution 2012-5 which amends the By-Laws was discussed. The only change is to Article I, Section 7,(d). relating to committee composition and compensation. Bob Webber made a motion to approve proposed Resolution 2012-5. Tom Demler seconded the motion. All voted in favor and the motion carried.

US Real Estate - Atty. Fitzgibbons reported that he attended a meeting on Tuesday, May15th, 2012 at the Authority office along with Mr. Steckbeck, engineer Keith Heigel, attorney Charles Courtney, and James F. Murray-Coleman of the developer of the site, Trammell Crow Company. The subdivision /land development plans, which received preliminary approval from the township, were reviewed as they relate to water and sewer service. The plan sets show water service along the eastern boundary of the site (Fredericksburg Road) to a proposed water tank to be used for fire suppression storage which is generally located north of Mill Road and west of Fredericksburg Road. The developer was notified that it was the desire of the board to see water service (12"line) extended to the southwest corner of the site - at the Mill Road/SR 343 intersection. The developer explained that the water line was needed to fill the proposed water tank. The developer requested a hydraulic model from the engineer since a water tank might not be needed. The overall cost to install the water line to either corner of the property (i.e., where shown or the desired location at Mill Road/STR 343 is approximately the same). Mr. Steckbeck is providing the developer with the requested hydraulic data. With regard to sewer, the plans show a pump station and force main connecting to the north and flowing into the East Main Street Pumping Station. Phase 1 of the project will be approximately 13 EDU's of sewer service. It appears to be more desirable to re-route the sewer flows such that they will connect to our new line south of Mill Road and thus avoid the connection to the pumping station (which is nearing capacity). If they move the station to the far west boundary of their site where Beach Run flows beneath SR 343, the station would be able to accommodate further sewer flows from the group of houses located between US 22 and Beach Run. One of these houses is owned by the Funcks and at the public meeting on March 29th, 2012 they inquired about the possibility of having that house served with public sewer. If the developer makes this relocation and offers the pumps station to the Authority via dedication, it will save the Authority considerable expense in the future. There will be no reduction in flow to the East Main Street pumping station once our new lines are in since no existing connections will be re-routed away from the

station. The later phases of the project is west of Fredericksburg Road and will also have approximately 13 EDU's of sewer flow and will likely require the flow to process through the East Main Street pumping station. The developer may request to purchase that amount of capacity in the station since it is nearing capacity. The solicitor and engineer are waiting for information back from the developer before proceeding. The plan sets reviewed at the meeting are available for review in the Authority office.

Potential Office Purchase - An updated appraisal on the office building was presented to the Board. The update indicates that the property value has remained stable at \$227,000. As of this date the solicitor has not heard from Mrs. Rentschler's realtor and he is not aware of any pending offers on the property. The Board instructed the solicitor to schedule a walk - through of the building with the realtor prior to the June 4th, 2012 board meeting.

Term Out Swing Loan with Fulton Bank - Settlement on the Fulton swing loan was completed on Wednesday, May 9, 2012, in the solicitor's office; loan documents were signed by Mr. Heisey and Mr. Rudy.

OFFICE MANAGER'S REPORT

H2O Water Grant Audit - The final H2O draw was received from DCED in the amount of \$11,892.00. In order for DCED to close this project file they are requesting a complete audit report showing the use of the grant funds. (this is a requirement of the Commonwealth Finance Authority). Rick Rudy made a motion to authorize Greenawalt and Company to perform the H2O Grant Audit. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Insurance Renewal - A proposal was submitted by the Zigmund Company in the amount of \$2,400.00 per year to advise and recommend insurance policy decisions. The Board opted not to pursue this proposed service. The Office Manager informed the Board that the insurance information submitted to Zinn Insurance for renewal purposes was incomplete due to not understanding "insurance language". Supervisor Martel stated that she would contact Greg Zinn regarding the correct selection of insurance companies.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The lift stations are in need of cleaning. A proposal for Klimes Services was presented to the Board. Option #2 was recommended by the Operator. After discussion, Tom Demler made a motion to approve option#1 at a cost not to exceed \$1,800.00. Bob Webber seconded the motion. All voted in favor and the motion carried.

There were 2 after hours alarms answered on May 14th. The pumping stations experienced high water levels caused by excessive rain.

The Richard Hills development was suspected infiltration on Elm Avenue between Locust Avenue and Treeline Avenue.

Fredericksburg Water - Hydrant flushing was performed on Friday, May 11th. Valves were closed during the flushing in order to "chase" the water through the system. The flushing took 5 hours.

The Lebanon interconnection valve was modified to open at a slower speed. This will reduce the negative impacts in the system when Lebanon opens. Herb Spencer followed up on the progress of the water system. He agreed with the way the system was flushed and the changes made to the interconnection valve. He believes progress is being made in the right direction. Allied Control Services will be at the plant this week to do their yearly calibration. The Board discussed the issue of having the wells cleaned by Subsurface Technologies. The Operator reported that the well yield and the quality of water is not what it should be and as a result we are purchasing more water from the City of Lebanon. Bob Webber made a motion to authorize the well cleaning proposal from Subsurface Technologies in the amount of \$39,200. Tom Demler seconded the motion. All voted in favor and the motion carried.

Monroe Valley Sewer - Manhole covers were pulled on Tuesday, May 14th. Infiltration is suspected on Hemlock Drive south of the Laurel Drive intersection and on Laurel Drive in the area of 126.

OLD BUSINESS

Laura Shirey Connection in the Monroe Valley - Atty. Fitzgibbons is currently working on contacting the Shirey's as to following through with the mandatory connection.

NEW BUSINESS

Farmers Pride - The Board discussed procedures regarding the scheduling of the meeting with Farmers Pride.

COMMITTEE REPORTS

Budget Committee - The Budget Committee will try to meet sometime after the auditors are finished with the office visit.

COMMENTS/COMPLAINTS

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**