

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
January 21, 2013 - Re-organizational Meeting

The January 21, 2013 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, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson, Trish Askew. Also in attendance were Jeff Steckbeck, Paul Lutzkanin, Tony Fitzgibbons, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

No Comments/Complaints

RE-ORGANIZATION

Chairman - Ron Thompson made a motion to nominate Jim Heisey as Chairman and it was seconded by Tom Demler.

Vice-Chairman - Dale Bevans made a motion to nominate Rick Rudy as Vice-Chairman and it was seconded by Ron Thompson.

Secretary - Dale Bevans made a motion to nominate Lorrie Wright as Secretary and it was seconded by Tom Demler.

Treasurer - Dale Bevans made a motion to nominate Lorrie Wright as Treasurer and it was seconded by Rick Rudy.

All Board members voted in favor of the above nominations and approved unanimously.

Bethel Township Representative and Alternate - The Board unanimously approved Dale Bevans to be the Bethel Township representative and Jim Heisey as the Bethel Township alternate.

Swatara Township Representative and Alternate - The Board unanimously approved Tom Demler to be the Swatara Township representative and Rick Rudy to be the Swatara Township alternate.

Right to Know Officer - Ron Thompson made a motion to nominate Jim Heisey as the Right to Know Officer and it was seconded by Dale Bevans. All voted in favor and the motion carried.

Engineer - Dale Bevans made a motion to reappoint Steckbeck Engineering as the Authority Engineer and it was seconded by Ron Thompson. All voted in favor and the motion carried.

Solicitor - Rick Rudy made a motion to reappoint Anthony Fitzgibbons, Esq. as the Authority Solicitor and it was seconded by Ron Thompson. All voted in favor and the motion carried.

Financial Institution - Dale Bevans made a motion to authorize the Treasurer to retain the appropriate Authority banking accounts with Fulton Bank and Susquehanna Bank as she deems necessary and convenient. Trish Askew seconded the motion. All voted in favor and the motion carried.

Board Member Rates - The Board unanimously approved board member rates remain unchanged for 2013.

Mileage - Dale Bevans made a motion to use the IRS approved mileage rate in effect on the date driven. Tom Demler seconded the motion. All voted in favor and the motion carried.

2013 Holidays - Tom Demler made a motion to approve the following holiday schedule for 2013:

Tuesday, January 1, 2013	New Year's Day
Friday, March 29, 2013	Good Friday
Monday, May 27, 2013	Memorial Day
Thursday, July 4, 2013	Independence Day
Monday, September 2, 2013	Labor Day
Thurs/Fri., November 28 & 29, 2013	Thanksgiving
Wednesday, December 25, 2013	Christmas
3 Personal Days	
Wednesday, January 1, 2014	New Year's Day

Dale Bevans seconded the motion. All voted in favor and the motion carried.

Bonds for Office Staff - Rick Rudy made a motion to authorize the purchase of bonds for the treasurer and billing clerk. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Board Committees - Dale Bevans made a motion to appoint Jim Heisey, Ron Thompson and Trish Askew to the Administration/ Budget Committee and Rick Rudy, Dale Bevans and Tom Demler to the Operations Committee. Tom Demler seconded the motion. All voted in favor and the motion carried.

MEETING MINUTES

The December 17, 2012 minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Tom Demler made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$30,687.82, the Fredericksburg Water Payables in the amount of \$23,751.38, the Monroe Valley Sewer Payables in the amount of \$14,919.66 and the S. Fredericksburg Sewer Payables in the amount of \$45,754.84. 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. Tom Demler seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative - The FSWA continues to be updated as requested.

Fredericksburg Plant Expansion / South Fredericksburg - All required documents were submitted to PennVest and DEP by the close of business on January 8th, 2013 to facilitate the PennVest closing on January 29th. Since that

time additional information and exhibits were requested. Two remaining items requiring more information are the DEP reviews and approval of the Davis-Bacon Wage Rates and the Disadvantaged Business Enterprise solicitations. All additional information has been received from the contractors and submitted to DEP.

Fredericksburg WWTP Operations Support - The last Sewer Tapping Fee Study which was performed back in 2008 was presented to the Board for direction to update. Rick Rudy made a motion to authorize the engineer to update the Sewer Tapping Study. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Monroe Valley WWTP Operations Support - An estimate of \$32,000 for the flood mitigation project was presented to the Board. This includes replacement of the pump control panel which accounts for \$14,500 of the total. Engineering will be meeting with an electrical contractor on site to get an estimate for the electrical work.

FSWA Water System Operations Support - The last Water Tapping Fee Study which was performed back in 2009 was presented to the Board for direction to update. Dale Bevans made a motion to authorize the engineer to update the Water Tapping Fee Study. Tom Demler seconded the motion. All voted in favor and the motion carried.

Water System Improvements / New 1MG Tank; Water Source - Engineering continues to consult with the operator for the implementation of the new water tank and SCADA controls. After two full weeks in service there has been system wide pressure increases ranging from 8 psi to 18 psi dependant on the float in both CoLA Bunker Hill tank and our West million gallon tank. Plans are being developed to equalize the pressure gradient between the CoLA tank, the West tank and the East tank. Engineering has participated in discussions with SCADA to address some malfunctioning equipment as well as for coordinating installation of SCADA at Farmers Pride.

Paul Mamzic of Allied Controls was in attendance to address questions and concerns about the radios in Wells 5 & 6 and at the water plant not working properly. After a lengthy discussion the Board requested that Mr. Mamzic provide an estimate for a more reliable connection between the wells and the water control building. Mr. Mamzic was asked to have this information available for the 2nd meeting in February.

Engineering has been consulting with A.H.Moyer on the proposed sprinkler connection for Farmers Pride.

An AWWA M-6 manual for the guidelines for the selection, installation, maintenance and testing of water meters was ordered to get answers to inquiries from the December 3, 2012 meeting.

Water System Improvements - New Water Source & Filtering Plant - Now that the new million gallon tank has been placed into service, representing one third of the long term water improvement system plans, work will commence again on the new water source at the Swatara Creek and the filtering plant. Updates were

distributed to the Board showing the Historical Water Use and Projections; and the Water Storage Tank schematic.

Mr. Steckbeck spoke with Mr. Good from Farmers Pride about the cooking facility. Farmers Pride expects to be under construction this year and operational in May or June 2014.

Daryl Peck from Public Finance appeared before the Board to discuss the 2013 water budget. It was determined that a revised water budget will have to be adopted based on the new water tank actual debt service payments to Fulton Bank. Since this information was not available at this meeting, the matter will be brought up at a future meeting.

SOLICITOR'S REPORT

Pennvest Offer/Bank Financing for Funding Shortfall - The Pennvest loan is set for closing on January 29th, 2013. Daryl Peck has obtained a funding offer from Fulton Bank for the \$2.3 million gap financing (this represents the difference between overall project costs and the \$11 million PV loan) and discussed the particulars of the Fulton offer and the options contained in the funding offer. Dale Bevans made a motion to approve Resolution 2013-2 with financing option #3. Trish Askew seconded the motion. All voted in favor and the motion carried.

Revised Development Plan for new WWTP/L&L Easement Relocation - The solicitor met with Randy Martin, who is purchasing the former L&L farm from Linford and Audrey Snyder. Mr. Martin wanted to review the placement of our construction trailers, etc. Engineering is coordinating with Mr. Martin and Lobar regarding the construction issues.

Clarence Waltermyer Connection to New System - The Waltermyers are still disputing their obligation to connect to the new collection and treatment system. Atty. Fitzgibbons recommended taking no action until such time as the sewer line is constructed and the distance to the Waltermyers house can be measured with precision.

Possible Bid Protest - There were no protests filed with regard to any of the contracts awarded for the new collection system and treatment plant. The bid process is now complete and this piece of the new collection system and treatment plant is closed.

Resolution 2013-1 - Ron Thompson made a motion to approve Resolution 2013-1 which sets the new rates and charges from and after January 1, 2013. Dale Bevans seconded the motion. All voted in favor and the motion carried.

US Real Estate - US Real Estate requires a variance from Bethel Township Zoning Hearing Board in order to construct the warehouse on its property. Atty. Fitzgibbons recommended holding off on completing a draft developers agreement until such time as the variance is granted.

OFFICE MANAGER'S REPORT

Miscellaneous - 2012 Statements of Financial Interest were provided to the Board. Forms are due by May 1st.

New Utility Software Program - Diversified began collecting data from the current Flexi billing program in December. The new software has been installed on Kathy's computer. The January Fredericksburg quarterly and monthly billings were processed parallel with Diversified. Journals were run from each program and verified to make sure that information is correct. There are still some issues that need to be resolved.

2012 Preliminary Audit - Data was collected for the auditors in preparation for a preliminary audit which will occur January 22 and 23, 2013.

PennVest Water Loan - The PennVest water loan which was paid in full in August 2012 requires a check in the amount of \$84.00 in order to be marked as closed.

Fulton Bank Checking Account Signature Forms - Checking account signature forms were presented to the Board in order to update current accounts with the new board member and to also open the new checking account which was required by Pennvest for the new S. Fredericksburg project funding money.

Suburban Propane - Suburban Propane made an unexpected delivery to the vacant apartment recently. Suburban was contacted and the account was placed in the Authority's name. All "new" accounts require a safety walk through. Dale Bevans stated he would be in attendance for the walk through when scheduled.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - DEP has completed their Operator Outreach Program. Graphs were provided to the Board for review. Nitrification is consuming any excess CACO_3 . Alternatives to hydrated lime are being explored.

The Richard Hills pumping station level transducer failed recently. A replacement was needed to operate the pump station. The old unit will be repaired and kept for a spare. A back-up switch will also be installed to provide a redundant high water level alarm.

DELPAC 2000 has been working better than anticipated. Proper phosphorus removal is occurring at a lower dosage than originally estimated. Polymer is only needed for the holding tank before decanting.

Fredericksburg Water - The new water tank is in service since January 4th. Altitude adjustments are being made as needed.

Allied Control Services returned the PC and everything is working as designed. 127 West Main Street had a deteriorated water service. The property owner has made the repairs. Installation is compliant with the current rules and regulations. Chapter 110 reports have been completed and presented to the Board for review.

Monroe Valley Sewer - The grinder was installed and has been operating normally.

Miscellaneous - December 2012 DMR's were presented to the Board for review.

OLD BUSINESS

NEW BUSINESS

Sugar Road Sewer Connection - Warren Kessler appeared before the Board on behalf of his customer who lives on Sugar Road. The property owner would like to connect to the sanitary sewer system. The only line in front of the residence is the force main from the Richard Hills pump station. Conversations between the township engineer and the Authority engineer indicate that there should not be a problem and it is possible to be connected. Mr. Kessler is requesting board approval. The Board unanimously approved. Sewer tapping fee cost would be \$3,600.00.

COMMITTEE REPORTS

Budget Committee - Jim Heisey reported that the budget committee will continue to meet on the call of the chair.

Operations Committee - Tom Demler reported that a meeting was held prior to the board meeting and issue with Allied was discussed. That issue was resolved earlier during Mr. Mamzic's report.

The operator requested that the operations staff be allowed to drop Sprint as their cell phone provider and change to Verizon at \$360.00 extra per year. The staff is not satisfied with Sprint service. The Board instructed the operator to provide more in depth quotes.

The operator requested the purchase of a self contained breathing apparatus. Paul Lutzkanin indicated that there was an allowance for safety equipment in the new sewage treatment plant budget.

Building Committee - There was nothing to report.

COMMENTS/COMPLAINTS

Bev Martel requested that the township be provided with a small updated map for the S. Fredericksburg sewer collection lines. Mr. Lutzkanin stated that he would make sure the township received a map.

The Board recessed before going into an Executive Session.

Executive Session

There was no action taken based on the discussions at the Executive Session.

ADJOURNMENT

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

Respectfully submitted,

Lorrie Wright,

Secretary/Treasurer