

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
March 18, 2013**

The March 18, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew (via telephone)

Also in attendance were Tony Fitzgibbons, Kevin Snader, Jeff Steckbeck and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The March 4, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Trish Askew made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$14,078.89, the Fredericksburg Water Payables in the amount of \$14,847.66, the Monroe Valley Sewer Payables in the amount of \$5,137.71 and the South Fredericksburg Sewer Project Payables in the amount of \$31,288.51. Tom Demler 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. Ron Thompson 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 - Submittals and Requests continue to come in from the Contractors. They are being reviewed and approved as quickly as possible to avoid impacting the schedules.

Engineering is working with the Office Manager and two of the contractors to get Applications for Payment sufficient in size to draw the remainder of the H2O grant money prior to the deadline at the end of March. PennVest pay requests will be submitted as soon as verification is received from DCED.

Engineering is working on the comments received after submission of the Building Permit Application.

Sewer line installation work under Contract #1 continues in the area of Elk and Deer Drive. The construction of the roadway and subsurface shale conditions have led to trenches being much wider than expected. Pictures were provided to the Board and to the Township Engineer.

Engineering is working to determine the most cost effective way to get temporary power to the construction trailers. Moving the trailers to the far west end of the site has increased the costs as expected and previously reported. Prices for two options from Contract#3 MBR Construction Services have been received at \$86,000 and \$178,000 respectively. Both exceed what the engineer believes is the reasonable cost for the work. A 3rd party quote from Stoner Electric of Cornwall was requested. Stoner Electric's proposed price is \$27,850.00. Mr. Steckbeck recommended that the Board approve Stoner's proposal and simultaneously authorize the engineer to prepare a change order deduct of the original \$20,000 allowance from MBR's contract. This action will save the Authority \$58,150.00.

Tom Demler made a motion to approve the contract with Stoner Electric in the amount of \$27,850.00 and to authorize change order 3-1 in the amount of \$20,000.00. Trish Askew seconded the motion. All voted in favor and the motion carried.

Fredericksburg WWTP Operations Support - Engineering has prepared the Fredericksburg 2012 Chapter 94 report and submitted it to the Board via email for review. Dale Bevans made a motion to approve the Fredericksburg 2012 Chapter 94 report. Trish Askew seconded the motion. All voted in favor and the motion carried.

Monroe Valley WWTP Operations Support - Engineering has prepared the Monroe Valley 2012 Chapter 94 report and submitted it to the Board via email for review. Tom Demler made a motion to approve the Monroe Valley 2012 Chapter 94 report. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Engineering is working with the Office Manager to provide additional information to FEMA and PEMA representatives to facilitate our request for an additional \$10,100 for "flood proofing mitigation work at the Little Mountain Road pump station. Additional money is needed and includes crane rental to lift the generator, and installation of a raised base underneath the generator.

Water System Improvements / New 1MG Tank; Water Source - Geologist C.J. Conapitski of the firm Carlyle Gray has been retained at the rate of \$85.00 per hour to perform the work to locate a new water source near the Little Swatara Creek in the vicinity of the sewer interceptor.

Engineering calculations and studies of a transmission pipeline from the Little Swattie to the main water building are underway.

Caldwell has provided a price to Operations for cleaning the old million gallon tank. The new mixing system will be installed in that tank at the time of cleaning.

Miscellaneous - Engineering participated in a design kick-off meeting with Farmers Pride, their design-build contractor Stellar, the Township Engineer Jim Fisher, FSWA Chairman Jim Heisey and FSWA Solicitor Tony Fitzgibbons. The following items were discussed:

- Stellar and their fire sprinkler engineer will coordinate with Steckbeck Engineering to affect cost effective and mutually beneficial water supply improvements to the FSWA system to supply the flow quantity needed.

This may involve Stellar installing new booster pumps to be located in the base of the old million gallon tank and dedicating them to the FSWA.

- Reconstruction of the East Main Street Pumping Station will be required to increase the flow from current rating of 140 gpm to at least 260 gpm. The estimated cost is approximately \$103,000 which includes all new pumps, pipes and valves at the old wet well; a new generator; new controls. The existing 2,000 feet of 4" force main should suffice for this expansion, but any future significant flow increases from other large projects will necessitate that the force main must be upgraded to 6" pipe at an estimated cost of approximately \$140,000.

SOLICITOR'S REPORT

FSWA 2010 A, B, C Notes Interest Rate Reduction - At the request of the Budget Committee, Daryl Peck from Concord Public Finance contacted Fulton Bank to ask them to reduce the interest rates on the Authority's 2010 A, B, & C Notes. Mr. Peck reported that Fulton Bank offered reduced rates and a summary of the savings for each option were presented to the Board. After some discussion, Dale Bevans made a motion to accept the lower interest rate of 3.07% (with an interest rate cap of 5.50%) for a 7 year term for the Series A & B Notes, and to accept the lower interest rate of 2.69% (with an interest rate cap of 5.50%) for a 5 year term for the Series C Note. Trish Askew seconded the motion. All voted in favor and the motion carried.

Revised Development Plan for the new WWTP/L&L Easement Relocation - The lot addition plan with Randy and Rhoda Martin is scheduled to be approved on Thursday, March 21, 2013 by the township supervisors. Addendums to the Land Developments Improvements and Storm Water Management Agreements were presented to the Board for approval. A Private Road Agreement (which is required by the township) was also presented to the Board for approval. Dale Bevans made a motion to approve and execute the Land Development Improvement Agreement, the Storm Water Management Agreement and the Private Road Agreement. Tom Demler seconded the motion. All voted in favor and the motion carried. This action will enable the Authority to obtain a Building Permit.

The financial security which is being issued through a restrictive escrow account is being arranged and delivered to the township supervisors in time for their March 21st, 2013 meeting.

Closing with Mr. & Mrs. Martin should occur shortly thereafter once the lot annexation plan is approved and recorded at the courthouse.

OFFICE MANAGER'S REPORT

Monroe Valley Mitigation - FEMA / PEMA has been contacted to request additional funds for the flood proofing work at the Little Mountain Road Pump Station. The Office Manager is working with the Engineer to provide the necessary information for the FEMA / PEMA representatives.

South Fredericksburg Sewer Project - Fulton Bank closed the checking account that was required by PennVest as part of the \$11 million loan agreement. Fulton Bank requires a deposit within 30 days of opening the account and PennVest required only funds drawn on the \$11 million go through the account. PennVest was contacted and informed of Fulton Bank's requirement. PennVest is now allowing an initial deposit to be made into the checking account. A new account has been opened and new signature forms were presented to the Board for their signatures.

Board signature stamps can be obtained from JDM for any board member that is interested in a facsimile stamp. A policy must be established for control.

One of the General Contractors has submitted their first pay request and that information was submitted to the Commonwealth Finance Authority for reimbursement. The Authority still has \$374,000 H2O funds available from the H2O grant. A pay request was made in the amount of \$205,357.27 resulting in a reimbursed amount of \$136,911.69. DCED is requiring additional information to accompany the pay request so Admin is working with the Engineer to obtain that information. In addition, engineering has also submitted two more pay requests to Admin and they are being prepared for submittal.

Admin has been in contact with Steve Ulrich from Fulton Bank to issue the restrictive escrow account required by the township as financial security.

Diversified Billing Conversion - The Billing Clerk is still running parallel billing programs. Receipt journals are up to date and both systems are in balance. New billing templates have been designed and were presented to the Board for approval. The Board instructed the Office Manager to use the billing forms that were presented but to possibly incorporate an area on the original bill for a Message space. Termination notices will now be used by placing a yellow designed door hanger on the property instead of taping the notice to the customers door.

2012 Audit - Greenawalt & Company will be in the office during the week of March 25th to collect information necessary to perform the 2012 audit.

Levco Management Agreement - Steve Levengood was in the office on March 5th, 2013 to pick up his signed copy of the management agreement. A set of keys for the apartment (front door and porch doors) were provided for Mr. Levengood and the tenants. The Board instructed the office manager to provide a set of keys to Mr. Levengood for the garage and the entrance to the "painter" rental unit.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The Operator is still trying to resolve the elevated Fecal Coliform which is caused by "nitrate lock". DEP operator outreach is assisting. Everything is being done to counteract the problem....weeks could pass before the problem subsides.

Richard Hills I & I - A scheduled appointment with Abel Recon fell through. Mr. Rehab was contacted and submitted a flat rate of \$2,500 per day to do nine laterals and one manhole.

Fredericksburg Water - The cable was temporarily installed to Well #5. Flow is recording accurately. Level readings are being addressed.

OLD BUSINESS

There was no Old Business discussed.

NEW BUSINESS

There was no New Business discussed.

COMMITTEE REPORTS

Budget Committee - Mr. Heisey reported that there has been no action taken other than the information provided by Daryl Peck. There are no committee meetings scheduled at this time but that could change due to the scheduled audit.

Building Committee - Dale Bevans reported that the committee was in contact with three contractors for the administrative office vestibule installation. Elvin Shilling has submitted a quote in the amount of \$5,750.00. After discussing the details of the proposal submitted by Mr. Shilling the Board decided to wait to see if more proposals would be submitted and tabled the matter until the next meeting.

Mr. Bevans also reported that he was in contact with UGI but no date has been set yet to begin their work.

Rick Rudy stated that the electrical work will begin soon and the electrician will be in contact with Mr. Rudy or the office staff to obtain a key for the apartment.

Operations Committee - The Operator inquired about the purchase of supplemental bugs for the elevated fecal coliform issue. The Board stated that the operator has a budget to work with and as long as he complies with his budget expenses he is allowed to make the purchase.

COMMENTS/COMPLAINTS

There were no comments or complaints.

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**