

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
September 16, 2013

The September 16, 2013 meeting was called to order by Chairman Jim Heisey at 6:30 PM.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy and Dale Bevans. Tom Demler and Ron Thompson were not present for the meeting. Also in attendance were Jeff Steckbeck, Paul Lutzkanin and Lorrie Wright. Tony Fitzgibbons and Kevin Snader were not in attendance.

COMMENTS/COMPLAINTS

Robert Smith, Greble Road - Mr. Smith appeared before the Board to discuss some issues he has with the condition of his and 4 other properties after the sewer line was installed. Mr. Smith was told that the contractor is obligated to return the grade to the condition prior to excavation. After discussion, the engineer stated that he, along with the contractor, would meet with those affected property owners along Greble Road to discuss corrective options.

MEETING MINUTES

The August 19th, 2013 and September 12th, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve the Fredericksburg Sewer Payables in the amount of \$14,026.63, the Fredericksburg Water Payables in the amount of \$19,145.68, the Monroe Valley Sewer Payables in the amount of \$53,741.67, the S. Fredericksburg Sewer Payables in the amount of \$1,996,856.86 and the S. Fredericksburg/PennVest Project Payables in the amount of \$450,331.61. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Financial Statement – Rick Rudy made a motion to approve the financial statement as submitted. Dale Bevans seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

Fredericksburg Plant Expansion / South Fredericksburg - Contract 1 - Sewer line installation under Contract 1 continues along with the installation of the raw water line in the trench with the interceptor. Talks have now begun for restoration of paving and special areas.

Contracts 2, 3 & 4 - The Main Building Framing and Electrical, Plumbing and HVAC rough-ins passed inspection. The Treatment Basins have passed the leaks tests and the Contractor is starting to install process equipment.

PennVest - Pay Request 6 was presented to the Board as follows:

Total Amount	\$1,078,322.97
Retainage	(315,079.69)
Net Payable	\$1,393,412.66
Local Share	\$1,393,412.66
PennVest Share	\$0.00

Change Orders - The following Change Orders were presented to the Board for approval:

Change Order 3-5 - This Change Order covers the costs to add a utility receptacle and a circuit for potable water treatment equipment. The cost of the change order is \$761.18.

Change Order 4-3 - This Change Order covers the costs to modify the HVAC system in the Main Building to provide more efficient heating and cooling. The cost of the change order is \$546.00. Rick Rudy made a motion to approve Change Order 3-5 and 4-3. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Change Order 2-6 - This Change Order covers the costs to add a drain line for a proposed trailer mounted centrifuge. The cost of this change order is \$2,154.55.

Change Order 3-6 - This Change Order covers the cost to add a can in the MCC and a weatherproof receptacle for a proposed trailer mounted centrifuge. The cost of this change order is \$7,320.53.

Rick Rudy made a motion to approve Change Order 2-6 and 3-6. Dale Bevans seconded the motion. All voted in favor and the motion carried.

An Operations Committee meeting was held on August 26th to review technical aspects of the centrifuge sludge dewatering unit approved by the Board in May.

The engineer had performed an evaluation of the total costs which would be incurred for the installation of a bolt down fixed unit, which would include over \$100,000 of buried piping, electrical wiring, and building renovations. During his research of centrifuges and discussions with references provided by the assorted manufacturers, it was learned that there are companies who own trailer mounted portable centrifuges and contract with WWTP owners to drive the units to their plants and dewater sludge as an outsourced contractor. After discussing it with Operator Snader, the engineer obtained budget information for a portable trailer mounted centrifuge. The total cost is almost the same as for the fixed unit. The trailer mounted unit offers several advantages: 1) portability and ability to tow the unit to the Monroe Valley therefore being able to dewater sludge at both FSWA WWTPs; 2) higher resale value in the event that in the future, FSWA chooses to cease dewatering or desires to change dewatering process; 3) ability to tow the entire unit to a maintenance and service facility for repairs or tune ups instead of paying the expensive costs for repair man travel and per diem; 4) the flexibility to expand FSWA operations and offer FSWA contracting services for sludge dewatering to other WWTP owners in the central PA area. This latter advantage could become a profit center for FSWA which could enhance the budget and lead to lower sewer rates.

After presentation of this information from the Operations Committee and engineer, the Board voted unanimously to switch purchases from the prior approved bolt down fixed centrifuge to a trailer mounted portable unit. The engineer was authorized to pursue all necessary state or Pennvest approvals and prepare bidding documents for advertisement sometime near the end of the calendar year. It is noted that the budget estimate for this purchase is in the \$400,000 range which falls within the available approved funds already in place for the South Fredericksburg WWTP project.

Dale Bevans made a motion to authorize the engineer to approach PennVest in respect to adding the trailer mounted centrifuge to the scope of the project to be paid out of the local share. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Monroe Valley WWTP Operations Support - The flood mitigation project at the Little Mountain Road Pump Station has been completed.

Water System Improvements / New 1MG Tank; Water Source - The test well has been drilled on the Martin farm. Geologist Conapitski appeared before the Board at the request of the engineer to explain the options for enlarging and casing the well; the anticipated yields from enlarged holes; and the associated costs for the options. Mr. Conapitski reported that the test well was completed last week. They drilled a 6" hole to a depth of approximately 500 feet. Many water bearing zones were encountered, with a blown yield of 250 gpm. That is the maximum flow which can be pumped out of a 6" diameter well. If the 6" hole is fully developed with casing, and a pump, the likely productive yield could be expected to be in the 100 to 110 gpm range. He reported to the Board that the well driller has quoted prices to return to the site with larger equipment to ream out and expand the size of the well to 8" or 10", at costs of \$23,000 and \$30,000 respectively. He opined that the anticipated yield from enlarged wells might be 350 gpm for an 8" well and 500 gpm for a 10" well. Based on surrounding land uses, the geologist recommends that any well should be constructed with 100' steel casing to cut off the shallow water bearing zones to provide for water quality protection. After significant discussion, the Board authorized the geologist to expend approximately \$4,500 more for pumping, sampling and laboratory testing to determine the quality of the aquifer. If the lab results come back with positive results for good quality, then the Board stated that they would likely consider authorizing the geologist to develop the 10" well at the \$30,000 cost estimate and to expend the additional money to construct the well which includes the steel casing, grout, and accessories at a cost of another \$40,000. The geologist advised the Board that SRBC regulations do not allow for filing of the SRBC permit until the well has first been constructed. Once the application is filed, then SRBC will establish the criteria for the required long duration pump test along with the surrounding features to be monitored and studied, such as neighbor's wells, the creek water level, and any nearby wetlands which could be impacted. The engineer reported that Farmer's Pride has requested 320,000 gpd additional water supply service from FSWA which is impetus for the FSWA

to pursue this new well, therefore, he recommends that the Board authorize the solicitor to begin negotiation of a Water Service Agreement which establishes the capital contribution to be obtained from Farmer's Pride to offset the costs to develop and permit this new well. The Agreement would be much in the form of the already executed Sewer Capacity Agreement by which Farmer's Pride contributed \$250,000 towards the cost of design, permitting and construction of the new WWTP.

As of August 24, 2013, 3,442 feet of 10" raw water transmission main have been installed. The first invoice for \$156,000 has been submitted from the contractor for payment. Dale Bevans made a motion to approve payment to Joao & Bradley in the amount of \$156,000. Rick Rudy seconded the motion. All voted in favor and the motion carried.

The Chairman and Engineer attended the CoLA meeting on September 9th and received an optimistic report for the likely extension of the 500,000 gpd water service agreement, however terms and conditions must be negotiated with CoLA Director Beers and Solicitor Weiss.

Miscellaneous - Bell & Evans calculations of their revised water consumption needs and sewer discharges have been completed by their engineer Stellar. A copy of the report was distributed to the Board showing a need for 170,000 gpd of water and 84,000 gpd of sewer capacity for the first phases of their project in the coming five years. The third phase, beyond five years will require additional capacity to increase total demand to 320,000 gpd water and 120,000 gpd sewer capacity for full build out.

Engineering continues with the design of the new high flow water booster fire pump for the East Water Tank, along with a back-up power generator. This is a switch from the gas fired engine driven pump. The generator powered pump will give dual benefit of backup power for SCADA controls, space heater and lights in the water tank.

Engineering completed the review of the final drawings for the US Realty Trust water and sewer capacity agreement as well as the cost estimate for utility improvements for their project. Engineering also assisted Solicitor Fitzgibbons with the drafting of the final version of the agreement which was approved by the Board on September 12, 2013. The agreement provides for the construction and dedication of 5,585 feet of new 12" water main which will be dedicated to the FSWA. This will provide high volume service for future extension from the intersections of Fredericksburg Road at Chestnut Hill Road and from the intersection of South Pine Grove Street at Mill Road. The agreement also included a provision that any sewer lines constructed on or adjacent to a public right-of-way will be dedicated to the Authority under the same terms as the water lines previously referenced.

Dale Bevans made a motion to approve the DEP permit application and associated filing fees for the East Main Street Pump Station upgrade. Rick Rudy seconded the motion. All voted in favor and the motion carried.

SOLICITOR'S REPORT

Verizon Lease - West Water Tank - Verizon drawings for the telecommunications facilities in the west water tower were presented to the Board for review and/or approval. Dale Bevans made a motion to approve the concept of the Verizon drawings subject to the engineer's comments. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Sewer Liens/Delinquent Accounts - The Solicitor continues to work with the office staff to file new liens and satisfy other accounts that have been paid.

OFFICE MANAGER'S REPORT

Monroe Valley Flood Mitigation - PEMA has been notified that the Little Mountain Road Pump Station flood mitigation work has been completed. PEMA now requires copies of the paid invoices and proof of payment along with a brief description of the work performed to be submitted to them with 30 days of the September 15th deadline. Project invoices have been paid and sent to all vendors on Friday, September 13th. Information will be sent to PEMA as soon as all checks clear the bank.

Monroe Valley Sewer Service Area - The September 2013 quarterly sewer bills were issued on September 10th and are due on October 10th.

Blue Mountain View Estates have purchased all of the permits in their development with the last lot having settlement on September 27th.

Fredericksburg Service Area - 24 Termination Notices will be mailed and posted on Tuesday, September 17th. Approximately \$19,000 is currently outstanding for water and sewer usage combined.

The September 2013 monthly sewer and water bills were issued on September 6th and are due on September 25th.

Six Dirty Water complaints have been received since the August 5th meeting. Industrial Appraisal performed a walk-through of the Administrative Building on Monday, September 9th.

The August and September rent has not yet been received from the property manager. A copy of the lease has also not been provided to the Authority office. Mr. Bevans will contact the property manager.

Bethel Township submitted a request for any anticipated rate increase for the fire hydrant fees. The Board stated that at this point the Authority does not anticipate an increase but will not know for sure until they adopt the budget for 2014.

South Fredericksburg Sewer Project

The Fulton Letter of Credit in the amount of \$122,400.00 has an expiration date of September 27, 2013. Renewal charges are 1% of the LOC balance plus bank fees. Fees are scheduled to be debited from the Authority bank account on or around September 27th. The Board decided to renew the Letter of Credit in the amount of \$122,400.

To date, 95 permits have been purchased in the S. Fredericksburg Sewer Project area with a total of \$340,900 in tapping fees.

Miscellaneous - A resignation notice has been received from Patricia Askew effective August 26, 2013.

OLD BUSINESS

There was no old business brought before the Board.

NEW BUSINESS

There was no new business brought before the Board.

COMMITTEE REPORTS

Budget Committee - The Budget Committee will not be meeting until sometime in the beginning of October.

COMMENTS/COMPLAINTS

ADJOURNMENT

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

**Respectfully submitted,
Lorrie Wright,
Secretary/Treasurer**