

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
May 4, 2015**

Chairman Jim Heisey called the meeting to order at 6:30 PM.

ROLL CALL Roll call was taken by Secretary Jon Kees. Ron Thompson, Jim Heisey, Tom Demler, Kevin Helms, Dale Bevans and Rick Rudy of the Board were present. Paul Lutzkanin, Tony Fitzgibbons, Kevin Snader and Jon Kees were also present.

COMMENTS/COMPLAINTS

Jane Boyer: Ms. Boyer had a question regarding the flat rate sewer charge in the South Fredericksburg Area. In referencing the Notice to Connect Letter that was issued, Ms. Boyer had questions as to why the rate increased \$4.69. Mr. Thompson explained the budget process, and how this increase was the best option available. Mr. Heisey apologized for the confusion from the Notice to Connect Letter on behalf of the Board. Ms. Boyer accepted the apology.

Clayton Chew: Mr. Chew had questions about the debt service charge on the bills. In regards to the new plant, Mr. Chew wanted to know the bidding process on the contracts for the new treatment plant. Mr. Heisey explained the whole bidding process and how there was an advertised bidding, the bids were opened and approved by the Board and reviewed by the Engineer. The Board explained that they were looking for a 30-year loan repayment, but were forced into a 20-year loan repayment schedule. Mr. Fitzgibbons and Mr. Lutzkanin, along with the members of the Board, explained the process of billing and calculating the debt service with Mr. Chew understanding the process.

Beverly Martel/Hain Celestial Protein: In regards to the last Board Meeting and the possibility of Hain Celestial Protein purchasing the BC Natural Plant, Ms. Martel looked into the Township's Act 537 plans. Mr. Heisey reiterated the plan that was stated to the Board at the last meeting, and Ms. Martel and the Township Supervisors would like further explanation on the matter. The concern was stated as whether or not accepting a new chicken plant could force an expansion on the plant. Mr. Lutzkanin explained how the new plant is set to take in 433,000 gallons per day, and the Authority is only producing on average 120,000 gallons per day. The Township is requesting a Board Member and an Engineer to be present at their next meeting to help inform the Township of the plans, to which Mr. Bevans and Mr. Lutzkanin will attend.

MEETING MINUTES The meeting minutes from April 20th were presented, and adopted by the Board without revisions.

TREASURER'S REPORT

Bills Payables - The payables were presented to the Board for approval to be paid in the amounts of \$13,669.34 from the Water Fund, \$58,316.90 from the Sewer Fund. Mr. Rudy made a motion to pay the bills as presented. Mr. Bevans seconded the motion and the Board voted in favor of the motion.

Financial Statement – The financial statement was presented to the Board for approval. Mr. Bevans made a motion to accept the financial statement, pending audit. Mr. Demler seconded the motion and the Board voted for the acceptance of the financial statement as presented.

OFFICE MANAGER'S REPORT – Mr. Kees informed the Board that Chris O'Neal had paid for the inspection fees related to the work he will do to redirect his sewer line. South Fredericksburg customer Robert Sourwine was in and paid his tapping fee, and he mentioned he would perform the work shortly following his tapping fee purchase. According to Mr. Lutzkanin, there has been no progress to report for Mr. Sourwine. Mike Saphore of the Fredericksburg Eagle wrote a letter addressing his disappointment in a "fair" billing price toward his business. Mr. Heisey will head up this matter, and draft a letter response for the Board if necessary. Electronic billing has been set up, and customers can now pay their quarterly fees online with credit cards. To do so, they must create a free customer account, which will also allow them access to billing and consumption history reports. The vertical blinds have been installed on the window in the front of the office. Maria Meador was in the office and filled in some tax paperwork. When she comes for her first day of work, she will fill out the rest of the necessary paperwork.

OPERATION MANAGER'S REPORT – DEP conducted a full inspection on Wednesday April 22nd and Thursday April 28th of the new treatment plant. The few minor items in the report have already been addressed. The air induction hose on the SBR #2 at the Monroe Valley Waste Water Treatment Plant has dry rotted and needs to be replaced. Replacement parts have been ordered, and repairs will be made when the parts arrive. Mr. Snader believes that a recent report that was slightly over the allotted limit of Total Suspended Solids could have been due to the induction hose rotting. The issue could also be an imbalance of nutrients to which Mr. Snader is taking precautionary steps to correct. Manhole lid risers have been ordered in preparation for road resurfacing on Little Mountain Road.

Mr. Snader presented the report from Andritz for the centrifuge. Andritz was able to capture 97% of the solids from the digester sludge, and 20% cake dryness was achieved. There was no negative impact to the plant during the testing. The amount charged to create the sludge was significantly less than what it would have cost to haul the sludge away as a liquid. Allied Control Services delivered the chlorine shed to the East Water Tank. The operations staff assisted unloading and placing the structure. The pressure transducer and pulse

modifications to the system will be installed when the changes are made for the booster pumps in the East Tank.

The Authority has been awarded a 2014 performance award by Aqua Aerobic Systems Inc. for both of the Waste Water Treatment Plants. The awards will be presented at an upcoming event. A neighbor to the plant called to complain about the smell that he believed was coming from the plant. Mr. Snader mentioned that there were two pig plants nearby that could be contributing to the smell, or any of the fertilization that could be taking place on farms.

ENGINEER'S REPORT – Mr. Lutzkanin is continuing to work on receiving additional funding from Pennvest. A problem occurred in the Pennvest system, which needed to be rectified before a change order could be submitted and worked through. Mr. Lutzkanin is working with Mr. Heisey and Mr. Kees to create a response to the Pennvest audit that was conducted by Maguire Group for their "Observations." A second resident on Greble Road attempted to connect and found that the lateral had been installed too high. As a result, the contractor, Joao and Bradley, was ordered to open the street and re-install two laterals at the proper elevations. They are also responsible for obtaining the necessary permits to do so.

The connections in the South Fredericksburg area are progressing toward 100%. The booster pump project for the Esther's Project may be delayed due to equipment deliveries. They are hoping to not delay the opening of the plant. In conjunction, the East Main Street Pump Station upgrades are ready to go and the engineers are awaiting the go ahead to begin. US Realty opened bids from the utility contractors and anticipates award of the contract this month, with construction of the new water mains and sewer connection over the summer. Bethel Township has approved the Halteman plan. A contractor has been hired, and the work will be performed in the next 4 to 6 weeks.

SOLICITOR'S REPORT – Mr. Fitzgibbons informed the Board that the Authority has received full restitution on expenses spent in dealing with the former Office Manager. The total in restitution for the expenses is \$24,476.57. Mr. Fitzgibbons received the Deed of Dedication for the Mountain Stream Village, and was looking for a motion to adopt it. Mr. Bevans made a motion to accept the Deed of Dedication from Isaac Martin for the Mountain Stream Village. Mr. Helms seconded the motion, and the Board voted unanimously for the motion to be carried. Mr. Fitzgibbons received a proposal from Robert Zogorski to do a land appraisal for \$5,000. Mr. Bevans made a motion to accept the proposal as presented for the amount of \$5,000. Mr. Thompson seconded the motion, and the Board voted in favor for the motion to be carried. Mr. Fitzgibbons has received the signed easement letter from Thomas Van Lieu. Mr. Demler made a motion to authorize and accept the easement. Mr. Bevans seconded the motion, and the Board voted in favor of the motion to be carried.

Mr. Fitzgibbons addressed the possible sale of the BC Natural Chicken Plant to Hain Celestial. If the Authority has capacity to sell, by law the Authority must sell capacity to a new purchaser if it doesn't create an overload. Jeff Ritchie from Hain Celestial was present at the meeting and stated that Hain would take care of pre-treating. Mr. Fitzgibbons recommends drawing up a document with the same language that was used with the new Bell and Evens Plant along Route 22. Mr. Lutzkanin did mention that the East Main Street Pump Station would need an upgrade for the proposed capacity. With more definition to what is going to take place, a better picture and understanding can be achieved. Mr. Ritchie will work to figure out some numbers, and will maintain contact with Mr. Fitzgibbons and Mr. Lutzkanin.

OLD BUSINESS – None

NEW BUSINESS – Mr. Snader informed the Board of a quote from Abel Recon in the amount of \$8,000 to reline two manholes at Sugar Road and West Main Street. Mr. Demler made a motion to accept the proposal from Abel Recon. Mr. Rudy seconded the motion, and the Board voted for the motion to be carried. Mr. Heisey informed the Board that the Authority has a safe deposit box that is not being used. Mr. Rudy made a motion to cancel the use of the safe deposit box. Mr. Demler seconded the motion and the Board voted in favor for the motion to be carried.

COMMITTEE REPORTS

Budget Committee – Budget committee met and everything is in line with most of what was budgeted. Mr. Lutzkanin informed the Board that with all of the extra work that has been performed for the South Fredericksburg project could be put into a new change order that could repay the extra costs.

Operations Committee – Mr. Snader informed the Board that the application process deadline is next Monday, May 11th. Mr. Heisey informed the Board that it would be best to wait for the deadline and then schedule to have two Board Members present for interviews.

Building Committee – None

*At 8:43 PM, the Board went into a brief recess and then an Executive Session.
The Public Session resumed at 9:40 with no action being taken from the
Executive Session.*

ADJOURNMENT Mr. Rudy made a motion to adjourn the meeting. Mr. Thompson seconded the motion and the meeting was adjourned at 9:40PM.

**Respectfully submitted,
Jonathon Kees
Secretary/Treasurer**