

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
January 19, 2015

The meeting was called to order by Chairman Jim Heisey at 6:29 PM.

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

COMMENTS/COMPLAINTS

- Phillip Krall - Mr. Krall addressed the Board with concerns about his bill. He knew there was a water leak in his house and was wondering if the Board would be willing to give him a credit on his sewer bill. The Board examined his consumption report, noting that the typical quarterly usage was three times less than what was currently being charged. Mr. Bevans made a motion to credit Mr. Krall's sewer account for 14,000 gallons. Mr. Thompson seconded the motion and the Board voted unanimously for the motion to be carried. The office staff will prepare a new bill for him.
- Jerry Wolfe - Mr. Wolfe once again was present to complain that his lateral was not of sufficient depth to permit him to connect by using a gravity connection. The board reviewed the matter with both Mr. Wolfe and Mr. Steckbeck and advised both that a resolution to this issue should be developed and implemented by June 1, 2015, or the board would decide how to resolve it, which could be problematic for both parties. Because the issue was created during the installation of the sewer lines, Mr. Steckbeck offered to pay the sewer bill for Mr. Wolfe until such time as the connection is made. Both agreed to work together to resolve the matter before the date indicated.

ELECTRONIC BILLING - A staff member of Diversified was to be present at the meeting. Due to bad weather, no staff member was able to attend. Mr. Kees will set up a time for someone to come down during February.

MEETING MINUTES The meeting minutes from January 5, 2015 were accepted 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 \$50,617.25 from the Water Fund, \$101,853.87 from the Sewer Fund. Mr. Thompson asked Mr. Steckbeck if payment had been made to the Authority from the Notice of Violation. Mr. Steckbeck informed Mr. Thompson that the payment will be made in three separate checks, each totaling \$25,000. The first check will be in the mail before the end of the week. Mr. Bevans made a

motion to pay the bills as presented. Mr. Helms seconded the motion and the Board voted unanimously for the bills to be paid in the amounts presented.

Financial Statement – The financial statement was presented to the Board for approval. Mr. Thompson 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 the W2 forms had been completed, and that the rest of the year-end tax information will be finished by the end of the week. The Ford Ranger was sold, and funds were deposited. Traveler's Bonding sent four checks totaling \$59,291 for the money reported in the forensic audit as stolen. Mr. Kees asked for some clarification on determining comp time.

OPERATION MANAGER'S REPORT - Sodium Hypochlorite has been added to treat for filamentous bacteria at the plant. Ammonia has elevated, but that could be due to the cold. The caustic soda lines have been frozen due to the low temperatures we are experiencing. There has been no progress on 6 Pine Avenue. Water reports are almost finished; awaiting some minor information from the billing program. Data needed for completion of the Chapter 94 Reports were sent to SESi.

ENGINEER'S REPORT - Mr. Paul Lutzkanin has been working on updating the website, and is taking suggestions on what needs to be corrected. There hasn't been any feedback on the geotechnical study that was submitted after the last meeting. Water upgrade is moving forward, with a preliminary meeting with the contractor scheduled at the tower site. Mr. Steckbeck informed the Board that he would be attending a meeting between the Susquehanna River Basin Commission and Bell & Evans to discuss their three facilities.

SOLICITOR'S REPORT - Mr. Fitzgibbons presented an amendment to the Rules and Regulations with respect to the Grease Traps. The Board requested he look into the permit fees and report at the next meeting. Mr. Fitzgibbons reported on the meeting with the District Attorney regarding the former office manager. It was determined that any costs that were accrued for training or hiring a new office manager cannot be used as fraud expense due to her being an at-will employee, thus allowing her to leave at any point in time. It was reasoned that if she left on her own accord that those costs would have still be accrued. Ms. Wright is scheduled to defend herself, or submit to a guilty plea at the call of list meeting, which is scheduled for late January. At this time, neither she nor her attorney have reached out to the district attorney's office, or to the Authority, with respect to any restitution. Because it is possible for her to request up to two continuances, she or her attorney may request a further delay in the criminal case. Due to the amount Traveler's reimbursed the Authority for the amount

documented in the forensic audit, the former office manager could receive a \$7,000 credit due to the money that was returned and found in the office.

The authority received a letter from Thomas Van Lieu, son of the property owner of 238 Mill Road, a widow who is over 90 years old, requesting the return of the tapping fee of \$3,600, because the sewer line, originally designed to be closer to the house, was relocated at the request of a neighbor. As the line is now over 200' from the house, the Bethel Township mandatory connection ordinance no longer mandates connection. Mr. Fitzgibbons suggested to Mr. Van Lieu that a compromise be developed which would delay connection of the house until such time as the property was transferred, resulting in the return of the tapping fee, but require any new owner to connect within a reasonable time after acquiring the house. This agreement would benefit the authority and the customer because Mrs. Van Lieu would get her money back, but the authority would be guaranteed a connection plus the increased tapping fee, now set at \$5,000. Mr. Fitzgibbons was instructed to pursue this compromise and to finalize an agreement as soon as possible.

Mr. Fitzgibbons is working on the lawsuits for the residences that have refused to connect to the sewer system in the expanded Fredericksburg area. The Board looked over the list provided and noted that some of the data could be outdated. There is also a property owner that is bankrupt, so there would be no need to sue. The Authority will lien the house. Mr. Fitzgibbons will file five lawsuits by next Friday.

OLD BUSINESS - Full Circle Mountain is two quarters behind on their bills. Mr. Fitzgibbons made mention that he was in communication with Mr. Caporaletti with respect to his bills. Mr. Caporaletti would like to be billed in the arrears, which the Board is okay with. Mr. Fitzgibbons will continue to work on this matter.

NEW BUSINESS - The board voted to again use Greenawalt and Company for the 2014 audit. Mr. Heisey suggested that we also audit the tapping fees for the new sewer area, given that the billing system was not used to document the receipt of any of them. A brief discussion regarding who should be selected to do a tapping fee audit resulted in a desire to have a separate bidding process in the event the board decides such an audit is necessary. In addition, Mr. Heisey said that we would probably have to have a single audit of the sewer project funds, given that federal money was used for part of the funding. Greenawalt will be asked to supply costs for both a single audit and tapping fee special audit, after which the board will decide on what action to pursue.

The Board looked at a new form to be placed on the website. It is a description of how the water and sewer bills are calculated, which will replace what is currently on the website. The Board agreed that what was written was sufficient in its explanation and clarity, and adopted it for use on the website and in the office.

COMMITTEE REPORTS

Budget Committee - None

Operations Committee - None

Building Committee - None

ADJOURNMENT Mr. Rudy made a motion to adjourn the meeting. Mr. Demler seconded the motion and the meeting was adjourned at 8:50 PM.

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