

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
November 16, 2015

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

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

COMMENTS/COMPLAINTS - None

MEETING MINUTES The meeting minutes from November 2nd, 2015 were presented. Mr. Rudy requested that the last sentence under new business reflect the findings correctly from the previous meeting, with the Board agreeing that the description was not fully correct. Mr. Kees will correct the minutes as stated. With no further additions or corrections, the minutes were 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 \$28,084.69 from the Sewer Fund and \$47,860.75 from the Water Fund. Mr. Bevans made a motion to pay the bills as presented. Mr. Demler 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. Helms 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 late notices for South Fredericksburg and the Fredericksburg have been mailed. The Full Circle Mountain has paid their bill to date, and a new bill was sent at the end of the previous week. The Sewer Purchase Agreement from Hain regarding the plant on US 22 was received and is awaiting the Chairman's signature. Mr. Kees presented the 2016 Meeting and Holiday Schedules for Board approval. Without objection, Mr. Bevans made a motion to adopt the 2016 Meeting and Holiday schedules as presented. Mr. Rudy seconded the motion, and the Board voted unanimously for the adoption of both schedules. Mr. Kees will make sure that the meeting schedule is advertised in the paper.

OPERATION MANAGER'S REPORT - Mr. Snader informed the Board that he is aiming to begin grease trap inspections over the coming months. A copy of the updated rules will be mailed to customers that have grease traps. This will allow

them to achieve compliance prior to the inspection. The Operations Staff continues to monitor for I&I, with another lateral on Tree Line Avenue at the Sycamore Park trailer park being identified as a potential leak. Based on information gathered, Mr. Snader believes that the risers are all connected via slip joint couplings with nothing preventing the pipes from coming apart. Slip Joints were acceptable when the old sewer plant was placed in operation in the 1980s. The East Water Tank has been filled with water. Bacteria samples will be collected, and the tank will be placed into service Friday, November 20th.

Mr. Snader informed the Board that the I&I at 6 Pine Avenue is being addressed by a plumber this week. Mr. Snader will inspect before the lateral is closed to ensure everything is up to FSWA standards. Mr. Snader presented to the Board a full analysis of the new treatment plant, with everything performing very well. Based on the analysis, and information provided by Mr. Steckbeck, the treatment plant is exceeding the permit limits.

ENGINEER'S REPORT – Mr. Steckbeck presented to the Board the information for the Engineering Fee Change Order SE-2 to fully maximize the Pennvest \$11 million loan, in the amount of \$339,108.04. Mr. Bevans made a motion to approve the Change Order for the amount given. Mr. Demler seconded the motion, and the Board voted unanimously for the motion to be carried with Mr. Heisey signing the Change Order. SESI has begun the permit application for the NPDES Discharge for both of the sewer plants. SESI submitted the permit for the renewal of the SRBC docket to DEP and SRBC, and the SRBC advised SESI that the Authority must wait for a determination by the DEP/SRBC in regards to the permit draw. If a renewal is not received by the expiration date of the existing docket, we are to continue operations under the conditions of the current docket until such time that a determination is made. SRBC applications have begun for the Martin Farm Well #1 and #2, as well as the Little Swatara Creek Surface Water Draw. The Authority and SESI cannot proceed further until the aquifer study is complete. Bell & Evans is proceeding with engineer design and land purchase negotiations for their WWTP discharge into the Little Swatara Creek near Union Road.

SOLICITOR'S REPORT – Mr. Fitzgibbons acquired a copy of the appraisal conducted by Mr. Martin from attorney Christianson for his farmland for the Authority Test Well Location. The Authority has until the end of 2017 to conduct the testing as needed based on the temporary easement before a need to reappraise the land. Mr. Fitzgibbons informed the Board that signatures will be needed with the approved Sewer and Water Purchase Agreements with Hain. Mr. Fitzgibbons will then take care of filing the agreements. Mr. Fitzgibbons informed the Board that there hasn't been any progress on the South Fredericksburg customers that have not connected. Mr. Fitzgibbons requested a motion to release the cash escrow account for the Kreider Subdivision, since the bond period ended on November 5, 2015. Mr. Demler made a motion to release the remaining funds in the escrow account to be paid to Kreiser Construction. Mr. Rudy seconded the motion, and the Board voted unanimously for the motion to be carried.

OLD BUSINESS – At this time, Mr. Heisey went over the 2016 Sewer and Water budgets. Mr. Heisey informed the Board that in the water charge table was changed to eliminate the 300,000 gallon and beyond charge of \$3.95, and created the 200,001 gallons and beyond at a charge of \$4.10. In doing so, it puts the Authority in line with many other Municipal Authorities rates. Mr. Fitzgibbons informed the Board that Hain and Bell & Evans may be interested in the assistance in locating new water sources. Mr. Fitzgibbons and Mr. Steckbeck, with Board approval, will reach out to start discussions with both Hain and Bell & Evans. Mr. Heisey made a motion to adopt the 2016 Water Budget as presented. Mr. Bevans seconded the motion. Mrs. Martel questioned if it was an even split between the Sewer and Water sides, and Mr. Heisey stated that for the past few years the Authority has been doing a 50/50 split between sewer and water. With no other question, the Board voted unanimously to adopt the 2016 Water Budget. Mr. Kees will post the budget for public viewing.

Mr. Heisey went over the 2016 Sewer budget with the Board. The total EDU amount reflects the EDUs that are to be purchased based on the Sewer Service Agreement from Hain for their plant along US 22. Mr. Heisey stated that the utilities charge was increased as the Authority has been higher than anticipated. Mr. Paul Lutzkanin will look into why the utilities are slightly higher than anticipated. Mr. Heisey explained the debt service payments increased due to the Fulton Bridge Loan that will be due in the summer of 2016, which totals greater than \$500,000, but with the funds from Pennvest and the tapping fee received from Hain, the funds will be available to cover the cost of the loan. Mr. Steckbeck made comment that the Bridge Loan is only a one time payment, and would not be present in any following year. Mr. Heisey made a motion to adopt the 2016 Sewer Budget as presented. Mr. Bevans seconded the motion. Mr. Rudy wanted to state his hope that the rates are at an adequate level so as to be a good steward for the town as to not increase the rates for 2017. Mr. Heisey believes the rates are competitive, and the Authority could reduce the rates again at the end of 2016. The Board voted unanimously for the adoption of the 2016 Sewer Budget.

At this time, Mr. Heisey informed the Board on the Capital Budget Transfer fund, and what the funds would be used for. Mr. Heisey made a motion to adopt the Capital Budget Transfer Fund. Mr. Bevans seconded the motion, and the Board voted unanimously for the adoption of the Capital Budget Transfer Fund.

At this time, Mr. Bevans informed the Board that at the most recent Township Meeting it was voted to not have a joint facility with the FSWA. Mr. Bevans also informed the Board that the Township Zoning Officer was notified of the Authority receiving the letter about the Highway Occupancy Permit, and that the Authority will comply in future matters as they arise.

NEW BUSINESS – None

COMMITTEE REPORTS

Budget Committee – Mr. Heisey will look into the budget numbers in mid-December, and will inform the Board as to where the Authority stands financially.

Operations Committee – None

Building Committee – Mr. Bevans informed the Board that Mr. Snader noticed a problem with the current water softener in the office building. Martin's Water Conditioning was called and they came out to service the water softener. The employee that came out examined the situation and was unwilling to quote a price due to the age of the softener, but presented several options to rectify the situation. Mr. Bevans made a motion to allow Mr. Snader to purchase a water softener, and to install it. Mr. Demler seconded the motion. Mr. Rudy stated that he would prefer Mr. Snader to purchase the new water softener from an organization that would have the manpower to service the machine as necessary. Mr. Bevans suggested that Mr. Snader not exceed a purchase amount of \$750. If the price is above that amount, Mr. Snader will inform the Board before purchasing. The Board voted for the motion to be carried.

ADJOURNMENT Mr. Rudy made a motion to adjourn the meeting. Mr. Bevans seconded the motion and the meeting was adjourned at 7:37 PM.

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