

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
November 21, 2016**

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

ROLL CALL Roll call was taken by Secretary Jon Kees. Jim Heisey, Tom Demler, Kevin Helms, and Bev Martel of the Board were present. Jeff Steckbeck, Kevin Snader, Tony Fitzgibbons and Jon Kees were also present. Board Members Rick Rudy and Dale Bevans did not attend the meeting.

COMMENTS/COMPLAINTS - None

MEETING MINUTES The meeting minutes from November 7th, 2016 were presented. With no corrections or additions, the minutes were adopted by the Board.

TREASURER'S REPORT

Bills Payables - The payables were presented to the Board for approval to be paid in the amounts of \$21,867.03 from the Sewer Fund and \$27,087.67 from the Water Fund. Mr. Demler made a motion to pay the bills as presented. Mr. Helms 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. Helms 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 equipment upgrade in the office is complete. Mr. Bevans contacted Mr. Kees and requested that the Board be informed that the quote from Len's Concrete was accepted, but they will not be doing the work until the spring time. Mr. Kees informed the Board that the Letter of Credit that the Authority has with Farmer's Pride will need to be reduced from \$87,000 to \$44,000. The letter of credit is for the interconnection with the City of Lebanon water. Mr. Demler made a motion to allow the letter of credit to be reduced to the amount owed as of January 1st, 2017. Mr. Helms seconded the motion, and the Board voted in favor for the Letter of Credit to be reduced.

At this time, Mr. Kees presented to the Board a proposal from GDF Suez/Think Energy for electrical use. The proposed contract would start up as soon as the old contract ended, and would provide the Authority a reduction of roughly \$34,000 per year. Mr. Kees is looking for approval to sign the contract, starting in November of 2017. After a brief discussion, the Board requested Mr. Kees gather legal documentation to pass along to Mr. Fitzgibbons to make sure the Authority is covered.

OPERATION MANAGER'S REPORT – Mr. Snader informed the Board that a sewer line was broken near the Fredericksburg American Legion. Repairs are being made, with the work to be completed by tomorrow. Site restoration will take place in the spring. A new Post EQ valve needs to be installed at the Monroe Valley Waste Water Treatment Plant. A new SBR blower was installed at the Little Swatara Creek Treatment Plant. A bearing failure caused the original blower to seize up, and it was revealed that proper maintenance steps hadn't been taken, but with the situation repaired the blower will be properly

maintained. The driveway on the Martin Farm is complete, and the Geologist will be able to get on-site for the well work.

ENGINEER'S REPORT – Mr. Steckbeck informed the Board that the permit applications for the two plants for the Volute Press have been submitted to DEP. Final quotes for the Volute Press are still pending, but they should be received by December 1st, 2016. Comments were received from the County Planning Commission and McCarthy Engineering regarding the Martin Farm Subdivision. Plan revisions have been sent back to McCarthy, with the request that the Bethel Planning Commission address it at their meeting later in the week.

At this time, Mr. Steckbeck presented to the Board his estimate of the current value of the Old Waste Water Treatment Plant. The water system would need to purchase the plant and make upgrades to have it be used as a filtration plant. Mr. Steckbeck used information provided by Bell & Evans when they purchased land for their hatchery plant as a basis for the estimate presented to the Board. Mr. Heisey inquired as to the best option regarding the transfer of the land and plant to the water from the sewer. In Mr. Heisey's opinion, it would make sense for the water fund to fully take on the remaining debt of the plant, which is roughly \$233,000. Mr. Steckbeck did not know an answer to this question, but would make sure research is done for the Board.

SOLICITOR'S REPORT – Mr. Fitzgibbons informed the Board that the bids for loans for the Martin Farm are due by November 29th, 2016. At this point, it appears that First Citizens (formerly the Fredericksburg Bank) and Fulton will be submitting proposals. The project is still on track for land purchasing on December 14th, 2016. Mr. Fitzgibbons did research on the properties that are along the Mountain Stream Village. In the original agreement, there appears to be no provision which exempt these properties from connecting. Mr. Fitzgibbons will send a letter to the property owner indicating a 30-day connection time frame. If they do not connect within that time, Mr. Fitzgibbons will sue to compel connection.

Mr. Fitzgibbons informed the Board that Mr. Kees passed along to him a Letter of Credit in favor of the Authority for the account of Mr. Elvin Shilling. Mr. Fitzgibbons will do some investigating on the matter, but believes this to be good information to get progress made on getting work done at the properties. Mr. Fitzgibbons has prepared the deed of dedication for the water line and related facilities constructed by US Real Estate. The deed was submitted to attorney Charles Courtney at McNees Wallace for the inclusion of the legal descriptions to the water facilities and signature by the property owner.

OLD BUSINESS – None

NEW BUSINESS – Mr. Heisey presented to the Board the bid from Greenawalt and Co. for the auditing services for fiscal year 2016. The proposal amount is not to exceed \$9,800. Mrs. Martel made a motion to accept the proposal. Mr. Demler seconded the motion, and the Board voted in favor for the motion to be carried.

COMMITTEE REPORTS

Budget Committee – Mrs. Martel informed the Board that the Budget Committee met and has prepared preliminary line item expense and income numbers for 2017. The Budget Committee will meet again to provide final numbers by the next meeting. Mr.

Snader informed the Board that Mr. Brandon Nye appears to have passed his water licensing tests, and based on his hiring agreement he would be eligible for a \$1.00 per hour pay increase, which should be considered for budgeting purposes for 2017.

Building Committee – None

Operations Committee – None

At 7:41 PM, the Board went into Executive Session to discuss personnel matters. The board was gavelled back into session at about 7:52 PM after which on a motion by Tom Demler, seconded by Bev Martel, the board unanimously adopted the following motion: Be it resolved that hourly pay rates for employees, beginning the first full pay period in January 2017, are Jon Kees - \$19.50, Kathy Gamble - \$14.20, Kevin Snader - \$23.00, John Allwein - \$17.50, and Brandon Nye - \$19.40 and further that Brandon is granted a \$1.00 per hour increase as of the pay period following notification by the appropriate testing authority that he has earned his water license.

ADJOURNMENT

Mrs. Martel made a motion to adjourn the meeting. Mr. Demler seconded the motion, and the Board voted in favor for the motion to be carried. The meeting was adjourned at 7:57 PM.

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