

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
January 21, 2013 - Re-organizational Meeting**

The January 21, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson, Trish Askew. Also in attendance were Jeff Steckbeck, Paul Lutzkanin, Tony Fitzgibbons, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

No Comments/Complaints

RE-ORGANIZATION

Chairman - Ron Thompson made a motion to nominate Jim Heisey as Chairman and it was seconded by Tom Demler.

Vice-Chairman - Dale Bevans made a motion to nominate Rick Rudy as Vice-Chairman and it was seconded by Ron Thompson.

Secretary - Dale Bevans made a motion to nominate Lorrie Wright as Secretary and it was seconded by Tom Demler.

Treasurer - Dale Bevans made a motion to nominate Lorrie Wright as Treasurer and it was seconded by Rick Rudy.

All Board members voted in favor of the above nominations and approved unanimously.

Bethel Township Representative and Alternate - The Board unanimously approved Dale Bevans to be the Bethel Township representative and Jim Heisey as the Bethel Township alternate.

Swatara Township Representative and Alternate - The Board unanimously approved Tom Demler to be the Swatara Township representative and Rick Rudy to be the Swatara Township alternate.

Right to Know Officer - Ron Thompson made a motion to nominate Jim Heisey as the Right to Know Officer and it was seconded by Dale Bevans. All voted in favor and the motion carried.

Engineer - Dale Bevans made a motion to reappoint Steckbeck Engineering as the Authority Engineer and it was seconded by Ron Thompson. All voted in favor and the motion carried.

Solicitor - Rick Rudy made a motion to reappoint Anthony Fitzgibbons, Esq. as the Authority Solicitor and it was seconded by Ron Thompson. All voted in favor and the motion carried.

Financial Institution - Dale Bevans made a motion to authorize the Treasurer to retain the appropriate Authority banking accounts with Fulton Bank and Susquehanna Bank as she deems necessary and convenient. Trish Askew seconded the motion. All voted in favor and the motion carried.

Board Member Rates - The Board unanimously approved board member rates remain unchanged for 2013.

Mileage - Dale Bevans made a motion to use the IRS approved mileage rate in effect on the date driven. Tom Demler seconded the motion. All voted in favor and the motion carried.

2013 Holidays - Tom Demler made a motion to approve the following holiday schedule for 2013:

Tuesday, January 1, 2013	New Year's Day
Friday, March 29, 2013	Good Friday
Monday, May 27, 2013	Memorial Day
Thursday, July 4, 2013	Independence Day
Monday, September 2, 2013	Labor Day
Thurs/Fri., November 28 & 29, 2013	Thanksgiving
Wednesday, December 25, 2013	Christmas
3 Personal Days	
Wednesday, January 1, 2014	New Year's Day

Dale Bevans seconded the motion. All voted in favor and the motion carried.

Bonds for Office Staff - Rick Rudy made a motion to authorize the purchase of bonds for the treasurer and billing clerk. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Board Committees - Dale Bevans made a motion to appoint Jim Heisey, Ron Thompson and Trish Askew to the Administration/ Budget Committee and Rick Rudy, Dale Bevans and Tom Demler to the Operations Committee. Tom Demler seconded the motion. All voted in favor and the motion carried.

MEETING MINUTES

The December 17, 2012 minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Tom Demler made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$30,687.82, the Fredericksburg Water Payables in the amount of \$23,751.38, the Monroe Valley Sewer Payables in the amount of \$14,919.66 and the S. Fredericksburg Sewer Payables in the amount of \$45,754.84. Dale Bevans seconded the motion. All voted in favor and the motion carried.

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

ENGINEER'S REPORT

General Administrative - The FSWA continues to be updated as requested.

Fredericksburg Plant Expansion / South Fredericksburg - All required documents were submitted to PennVest and DEP by the close of business on January 8th, 2013 to facilitate the PennVest closing on January 29th. Since that

time additional information and exhibits were requested. Two remaining items requiring more information are the DEP reviews and approval of the Davis-Bacon Wage Rates and the Disadvantaged Business Enterprise solicitations. All additional information has been received from the contractors and submitted to DEP.

Fredericksburg WWTP Operations Support - The last Sewer Tapping Fee Study which was performed back in 2008 was presented to the Board for direction to update. Rick Rudy made a motion to authorize the engineer to update the Sewer Tapping Study. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Monroe Valley WWTP Operations Support - An estimate of \$32,000 for the flood mitigation project was presented to the Board. This includes replacement of the pump control panel which accounts for \$14,500 of the total. Engineering will be meeting with an electrical contractor on site to get an estimate for the electrical work.

FSWA Water System Operations Support - The last Water Tapping Fee Study which was performed back in 2009 was presented to the Board for direction to update. Dale Bevans made a motion to authorize the engineer to update the Water Tapping Fee Study. Tom Demler seconded the motion. All voted in favor and the motion carried.

Water System Improvements / New 1MG Tank; Water Source - Engineering continues to consult with the operator for the implementation of the new water tank and SCADA controls. After two full weeks in service there has been system wide pressure increases ranging from 8 psi to 18 psi dependant on the float in both CoLA Bunker Hill tank and our West million gallon tank. Plans are being developed to equalize the pressure gradient between the CoLA tank, the West tank and the East tank. Engineering has participated in discussions with SCADA to address some malfunctioning equipment as well as for coordinating installation of SCADA at Farmers Pride.

Paul Mamzic of Allied Controls was in attendance to address questions and concerns about the radios in Wells 5 & 6 and at the water plant not working properly. After a lengthy discussion the Board requested that Mr. Mamzic provide an estimate for a more reliable connection between the wells and the water control building. Mr. Mamzic was asked to have this information available for the 2nd meeting in February.

Engineering has been consulting with A.H.Moyer on the proposed sprinkler connection for Farmers Pride.

An AWWA M-6 manual for the guidelines for the selection, installation, maintenance and testing of water meters was ordered to get answers to inquiries from the December 3, 2012 meeting.

Water System Improvements - New Water Source & Filtering Plant - Now that the new million gallon tank has been placed into service, representing one third of the long term water improvement system plans, work will commence again on the new water source at the Swatara Creek and the filtering plant. Updates were

distributed to the Board showing the Historical Water Use and Projections; and the Water Storage Tank schematic.

Mr. Steckbeck spoke with Mr. Good from Farmers Pride about the cooking facility. Farmers Pride expects to be under construction this year and operational in May or June 2014.

Daryl Peck from Public Finance appeared before the Board to discuss the 2013 water budget. It was determined that a revised water budget will have to be adopted based on the new water tank actual debt service payments to Fulton Bank. Since this information was not available at this meeting, the matter will be brought up at a future meeting.

SOLICITOR'S REPORT

Pennvest Offer/Bank Financing for Funding Shortfall - The Pennvest loan is set for closing on January 29th, 2013. Daryl Peck has obtained a funding offer from Fulton Bank for the \$2.3 million gap financing (this represents the difference between overall project costs and the \$11 million PV loan) and discussed the particulars of the Fulton offer and the options contained in the funding offer. Dale Bevans made a motion to approve Resolution 2013-2 with financing option #3. Trish Askew seconded the motion. All voted in favor and the motion carried.

Revised Development Plan for new WWTP/L&L Easement Relocation - The solicitor met with Randy Martin, who is purchasing the former L&L farm from Linford and Audrey Snyder. Mr. Martin wanted to review the placement of our construction trailers, etc. Engineering is coordinating with Mr. Martin and Lobar regarding the construction issues.

Clarence Waltermyer Connection to New System - The Waltermyers are still disputing their obligation to connect to the new collection and treatment system. Atty. Fitzgibbons recommended taking no action until such time as the sewer line is constructed and the distance to the Waltermyers house can be measured with precision.

Possible Bid Protest - There were no protests filed with regard to any of the contracts awarded for the new collection system and treatment plant. The bid process is now complete and this piece of the new collection system and treatment plant is closed.

Resolution 2013-1 - Ron Thompson made a motion to approve Resolution 2013-1 which sets the new rates and charges from and after January 1, 2013. Dale Bevans seconded the motion. All voted in favor and the motion carried.

US Real Estate - US Real Estate requires a variance from Bethel Township Zoning Hearing Board in order to construct the warehouse on its property. Atty. Fitzgibbons recommended holding off on completing a draft developers agreement until such time as the variance is granted.

OFFICE MANAGER'S REPORT

Miscellaneous - 2012 Statements of Financial Interest were provided to the Board. Forms are due by May 1st.

New Utility Software Program - Diversified began collecting data from the current Flexi billing program in December. The new software has been installed on Kathy's computer. The January Fredericksburg quarterly and monthly billings were processed parallel with Diversified. Journals were run from each program and verified to make sure that information is correct. There are still some issues that need to be resolved.

2012 Preliminary Audit - Data was collected for the auditors in preparation for a preliminary audit which will occur January 22 and 23, 2013.

PennVest Water Loan - The PennVest water loan which was paid in full in August 2012 requires a check in the amount of \$84.00 in order to be marked as closed.

Fulton Bank Checking Account Signature Forms - Checking account signature forms were presented to the Board in order to update current accounts with the new board member and to also open the new checking account which was required by Pennvest for the new S. Fredericksburg project funding money.

Suburban Propane - Suburban Propane made an unexpected delivery to the vacant apartment recently. Suburban was contacted and the account was placed in the Authority's name. All "new" accounts require a safety walk through. Dale Bevans stated he would be in attendance for the walk through when scheduled.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - DEP has completed their Operator Outreach Program.

Graphs were provided to the Board for review. Nitrification is consuming any excess CaCO_3 . Alternatives to hydrated lime are being explored.

The Richard Hills pumping station level transducer failed recently. A replacement was needed to operate the pump station. The old unit will be repaired and kept for a spare. A back-up switch will also be installed to provide a redundant high water level alarm.

DELPAC 2000 has been working better than anticipated. Proper phosphorus removal is occurring at a lower dosage than originally estimated. Polymer is only needed for the holding tank before decanting.

Fredericksburg Water - The new water tank is in service since January 4th.

Altitude adjustments are being made as needed.

Allied Control Services returned the PC and everything is working as designed.

127 West Main Street had a deteriorated water service. The property owner has made the repairs. Installation is compliant with the current rules and regulations.

Chapter 110 reports have been completed and presented to the Board for review.

Monroe Valley Sewer - The grinder was installed and has been operating normally.

Miscellaneous - December 2012 DMR's were presented to the Board for review.

OLD BUSINESS

NEW BUSINESS

Sugar Road Sewer Connection - Warren Kessler appeared before the Board on behalf of his customer who lives on Sugar Road. The property owner would like to connect to the sanitary sewer system. The only line in front of the residence is the force main from the Richard Hills pump station. Conversations between the township engineer and the Authority engineer indicate that there should not be a problem and it is possible to be connected. Mr. Kessler is requesting board approval. The Board unanimously approved. Sewer tapping fee cost would be \$3,600.00.

COMMITTEE REPORTS

Budget Committee - Jim Heisey reported that the budget committee will continue to meet on the call of the chair.

Operations Committee - Tom Demler reported that a meeting was held prior to the board meeting and issue with Allied was discussed. That issue was resolved earlier during Mr. Mamzic's report.

The operator requested that the operations staff be allowed to drop Sprint as their cell phone provider and change to Verizon at \$360.00 extra per year. The staff is not satisfied with Sprint service. The Board instructed the operator to provide more in depth quotes.

The operator requested the purchase of a self contained breathing apparatus. Paul Lutzkanin indicated that there was an allowance for safety equipment in the new sewage treatment plant budget.

Building Committee - There was nothing to report.

COMMENTS/COMPLAINTS

Bev Martel requested that the township be provided with a small updated map for the S. Fredericksburg sewer collection lines. Mr. Lutzkanin stated that he would make sure the township received a map.

The Board recessed before going into an Executive Session.

Executive Session

There was no action taken based on the discussions at the Executive Session.

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
February 4, 2013

The February 4, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Patricia Askew. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The January 21, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$8,088.29, the Fredericksburg Water Payables in the amount of \$45,700.01, the Monroe Valley Sewer Payables in the amount of \$285.09 and the S. Fredericksburg Payables (escrow) in the amount of \$698.50. Tom Demler seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler made a motion to approve the financial statement as submitted. Trish Askew seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Admin staff as requested.

Fredericksburg Plant Expansion / South Fredericksburg - The PennVest loan closing took place on January 29th, 2013. A Notice to Proceed was sent out to each of the four (4) contractors on January 31st, 2013. The official contract start date was set for February 4, 2013 therefore, the official completion date is 395 calendar days later or March 6, 2014, as per the contract terms.

Engineering and Administrative staff will work to prepare the first PennVest Pay Request which will reimburse the Authority for previous eligible project related expenses.

The land development plan revisions for the new Linford Snyder driveway have been completed and ready to be filed with Bethel Township and Leb. Co. Planning for review. Fees will be obtained from the Admin staff.

Monroe Valley WWTP Operations Support - Engineering continues to work on raising the Little Mountain Road pump station controls and generator which should be completed sometime during the spring of 2013. Based on an estimate for the electrical work, the total revised estimate is \$35,000 for the flood mitigation project, including the replacement of the pump control panel which accounts for \$14,500 of the total. Another portion of the cost is for the rental of a crane to lift and reset the generator.

FSWA Water System Operations Support - An AWWA M-6 manual has been obtained. This manual will be used as a guideline for the selection, installation, maintenance and testing of water meters. A proposed meter maintenance and replacement program will be prepared and presented to the Operations Committee at a future meeting.

Water System Improvements / New 1MG Tank; Water Source - PennVest sent out a notice that the Commonwealth Finance Authority will be accepting applications for low interest loans for water and wastewater infrastructure projects. The deadline for applications is June 28, 2013 with a CFA decision date of September 17, 2013. This is an opportunity to secure low interest financing for 75% of the eligible project costs for development of a new water source and water filtration plant to meet the Authority's water supply issues. Engineering requested a meeting with the Operations Committee to review the various technologies discussed within the last two years to determine which technology the Authority would like to incorporate into the filtration plant.

SOLICITOR'S REPORT

Clarence Waltermyer Connection to New Sewer System - The Waltermyer's are still disputing their obligation to connect to the new collection and treatment system. There has been no new developments with this matter so the solicitor recommended taking no additional action at this time.

Proposed Resolution 2013-3 - Ron Thompson made a motion to approve Resolution 2013-3 which allows for the additional borrowing capacity in the amount of \$250,000 bringing the total of the Fulton Bank gap financing loan to \$2,590,000. Rick Rudy seconded the motion. All voted in favor and the motion carried. (this action was necessary to allow for the re-design / addition of a centrifuge system for sludge processing to the new S. Fredericksburg treatment plant)

Revised Development Plan for new WWTP/L&L - There has been no significant developments with regard to the revised land development plan. The Randy Martin settlement date has not been set yet but should be sometime in February.

Well #6 - A question arose as to the ownership of an access to the meter serving the Schadler/Bauer airport. An access easement is on record at the courthouse. All documentation on file was presented to the Board but there are some unknown issues. The Board instructed Atty. Fitzgibbons to contact A. Schadler/B. Bauer and the retained attorney for the Authority (at the time this

matter occurred) to release or provide any available information in order to resolve this matter.

OFFICE MANAGER'S REPORT

S. Fredericksburg Project - A checking account has been opened with Fulton Bank as required by PennVest. Fulton Bank requires a small deposit in order to keep the account active however, PennVest only wants PennVest monies going through the account. The Secretary will contact Fulton Bank to resolve the issue.

2012 Audit - Information was collected and provided for Greenawalt & Company during their 2012 preliminary audit on February 5th and 6th. A second visit will occur sometime in March or April.

2012 1099's - It was discovered that the S. Fredericksburg residents that received payment for the easements through their properties are eligible for 1009 reporting. Letters were sent to those residents requesting their tax information.

Notice of Unpaid Taxes for Mill Road - The Secretary reported that she received a notice for unpaid taxes for a property located at 272 Mill Road. She will contact the courthouse to get more information. (It was later discovered that the taxable parcel was not owned by the Authority - the notice was sent in error by Lebanon County).

2013 Harris Billing Software Support Invoice - The Authority is in receipt of an invoice for the 2013 billing program which is being replaced with a new software program. The Secretary asked for direction in paying the invoice. After discussion the Board instructed the Secretary to only pay half of the invoice. The balance is to be discussed at a future meeting.

2012 DEP Available Operator Report Notices - A notice was received from DEP for 3 outstanding Available Operator Notices. The Secretary contacted DEP because this was the first notice received and she was told that the Authority is not the only entity that did not respond. It was noted that approximately 250 other entities did not receive them or confused them with the NPDES permits. DEP instructed the Secretary to submit payment. No penalties were involved.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Richard Hills sewer mains were inspected and 6 areas of concern were found. The operations staff contacted the property owners that were affected and were instructed to contact a plumber. An official notification will be sent also.

Fredericksburg Water - Normal operations.

Monroe Valley Sewer - Normal operations.

S. Fredericksburg Project - Operations requested that the Board consider an addition to the new wastewater treatment plant for sludge processing. There was discussion about a DryCake centrifuge system. Preliminary costs are estimated to be around \$250,000. The matter was tabled in order for the matter to be discussed at an Operations Committee meeting. A recommendation will then be brought before the Board at the February 18th meeting.

OLD BUSINESS

Rental Agent Management Agreement - Dale Bevans reported that he met with Steve Levensgood, a potential rental agent, and did a walk-through of the administrative office building. Mr. Bevans presented a list of concerns as a result of the meeting. It was noted that the office and apartment are listed as one address. The solicitor stated that we could not deed them separately unless there was a subdivision plan and he was unsure that we would qualify for one. There are however separate post office box numbers. Other concerns were the ungrounded wiring, dryer removal, rental figures, smoke and carbon monoxide detectors. The operations staff was instructed to remove the dryer, and install detectors. Rick Rudy will meet with an electrician and provide quotes for the Board. A Management agreement will be available for approval by the next meeting.

Elpro Radios - Material costs were obtained by the operations staff. The installation of meters will be discussed at an Operations Committee meeting.

Verizon Cell Phones - The Operator requested authorization for a two cell phone upgrade. A government pricing quote from Verizon in the amount of \$152.99 per month before surcharges was presented to the Board.

NEW BUSINESS

There was no new business.

COMMITTEE REPORTS

Operations Committee - Tom Demler stated that he will get in contact with other committee members to schedule an Operations Committee meeting.

COMMENTS/COMPLAINTS

There were no comments or 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**

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
February 18, 2013

The February 18, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Ron Thompson, Tom Demler and Trish Askew. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Sander and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The February 4, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Tom Demler made a motion to approve the Fredericksburg Sewer Payables in the amount of \$28,166.18, the Fredericksburg Water Payables in the amount of \$46,201.40, the Monroe Valley Sewer Payables in the amount of \$1,837.59 and the South Fredericksburg Project Payables in the amount of \$8,171.53. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Financial Statement – Trish Askew made a motion to approve the financial statement as submitted. Tom Demler seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative Engineering continues to assist the Admin staff as requested.

Fredericksburg Plant Expansion / South Fredericksburg - A pre-construction meeting was held in the Authority office on Monday, February 11th. The submittal process has picked up speed and shop drawings and requests for information have been received from three of the four contractors.

Work will begin with the Office Manager to begin preparation of the first PennVest Pay Request which will reimburse the Authority for previous eligible project related expenses such as engineering and legal to date.

The land development plan revisions for the new L. Snyder driveway have been filed with Bethel Township and LEBCO Planning for review.

Work continues with the General Contractor to facilitate issuance of the Zoning and Building permits for the project.

Engineering worked with the solicitor to obtain Bethel Township approval to construct the relocated driveway as requested by L. Snyder and R. Martin.

Engineering met with the Operations Committee to discuss the addition of a centrifuge sludge dewatering process at the new WWTP. Financial calculations were requested by the Operations Committee and were presented during the Committee Report section.

Fredericksburg WWTP Operations Support - Engineering assisted the operator in changing out a breaker in the main switchgear of the plant. Engineering continues to consult with various entities regarding the Pague property on Sugar Road. It is now understood that Warren Kessler has pulled out of the project the day after he attended the February 4th board meeting and the project will be completed by another contractor/excavator.

Monroe Valley WWTP Operations Support - Engineering is coordinating with the Office Manager in contacting FEMA/PEMA representatives to request an additional \$10,000 for flood-proofing mitigation work at the Little Mountain Road pump station. The prior FEMA approved funding was \$24,913. The additional money is needed to cover the cost estimate of \$35,000. The added costs include crane rental to lift the generator and installation of a raised base underneath the generator.

FSWA Water System Operations Support - Engineering continues to work with the operator for the implementation of the new water tank and SCADA controls. Engineering continues to consult with A.H.Moyer on the proposed sprinkler connection for Farmers Pride on request.

Water Meters - The AWWA M-6 manual for the guidelines for the selection, installation, maintenance and testing of water meters has been obtained. A proposed meter maintenance and replacement program will be prepared and presented to the Operations Committee at a future meeting.

Water System Improvements / New 1MG Tank; Water Source - Engineering has been consulting with the operator and Caldwell about a leak in the new water tower. Caldwell personnel have been on site and stopped the leak but need to wait for safer, warm weather to fully evaluate the problem. Caldwell will cover all repairs under the warranty.

Engineering has coordinated with Chairman Heisey regarding the City of Lebanon water supply contract renewal. The Chairman sent an email to board members relaying CoLA's position. There was discussion involving the extension of the contract with the City of Lebanon.

SOLICITOR'S REPORT

Revised Development Plan for the new WWTP/L&L Easement Relocation - The plan was filed on February 7, 2013. The Township supervisors have reviewed the plan and it appears likely that final approval will be given at the March supervisors meeting. R. Martin, the new purchaser of the L&L farm, will be closing on the purchase of the farm on February 28th.

PennVest/Bank Financing for Funding Shortfall - The gap financing closing was completed on February 15, 2013. The financing for the entire project is now in place. The gap financing included additional funds to cover a decanter centrifuge package if approved.

US Real Estate - There have been no developments since the last board meeting.

Authority Office Leases - The solicitor reviewed a proposed Manager's Agreement with Levco Property Management and provided Mr. Bevans with comments to the agreement on February 11, 2013.

Sewer Liens - The solicitor is processing a list of new sewer liens on properties that were provided by Ms Gamble.

OFFICE MANAGER'S REPORT

2012 1099's - Letters were sent out to the South Fredericksburg residents that received compensation for an easement requesting tax information. A second request was mailed on February 15th.

South Fredericksburg / PennVest - Information was collected in preparation for the first pay request to be submitted to PennVest. A preliminary review of the South Fredericksburg project related expenses totals \$1,259,238.00 with an additional expense of \$19,345.00 for easements.

2012 Water Consumption - The office staff has been collecting and reviewing 2012 water consumption totals for the operator.

Diversified Billing Software - The office staff continues to work on the new billing software conversion. The office staff is also looking into new billing forms and costs.

Monroe Valley Mitigation - Phone calls were made to PEMA/FEMA for guidance in obtaining additional funds for the Monroe Valley mitigation project.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Blower problems were resolved. DEP was made aware of the NPDES violations. Stipulated penalties have been waived as agreed.

Fredericksburg Water - The budgeted CL17 Chlorine Analyzer was installed at the water plant. The unit is tied into the SCADA which is monitored by WIN911. The Mag Meters at the wells were checked for calibration and accuracy. They are within the acceptable tolerance range.

Monroe Valley Sewer - Prices have been requested from J.T. Seeley on the residential package grinder stations. The quote will be itemized so that we can consider replacement parts for the two incomplete sets. A new grinder pump was given to Tony Pajski and he replaced the pump with a new one that he had ordered.

Miscellaneous - January 2013 DMR's were provided to the Board. The rental property projects have been completed.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Engineer Jeff Steckbeck reported to the Board that he was contacted by Stellar who is building the Farmers Pride cooking facility to perform site development reviews. Jim Heisey made a motion that the board has no problem with the engineer performing the work for Stellar on behalf of Farmers Pride and the cooking facility as long as the work is isolated and does not impact or interface with the FSWA. Dale Bevans seconded the motion. All voted in favor and the motion carried.

COMMITTEE REPORTS

Operations Committee - Tom Demler reported that an Operations Committee meeting was held on February 13th.

- The operations committee reported that they decided to remove the Elpro meter and go with the regular electrical controls on Well 5. Well 6 was put on hold at this time.
- The Board agreed to authorize the solicitor to draft a document for the operator to use to inform residents of their responsibility regarding Infiltration and Inflow matters.
- Repairs for the Infiltration and Inflow issues in Richard Hills will be a total of \$2,595.00 plus an additional \$675.00 for manhole repairs.
- Dale Bevans made a motion to authorize the purchase of 3 cell phones through Verizon with the understanding that the operations manager can confirm service in the entire service area. Trish Askew seconded the motion. All voted in favor and the motion carried.
- Heating and cooling options were discussed for the office building and apartment. More options will be presented in the future.
- Tom Demler made a motion to sell a grinder pump for the work being performed on Sugar Road for costs plus 10%. Trish Askew seconded the motion. All voted in favor and the motion carried.
- After consideration of the engineer's report and the operations committee recommendation, Tom Demler made a motion to authorize proceeding with the centrifuge dewatering process at the new WWTP. Dale Bevans seconded the motion. All voted in favor and the motion carried.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
March 4, 2013**

The March 4, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader, Jeff Steckbeck and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

Ron Thompson made a motion to approve the meeting minutes as amended. Tom Demler seconded the motion. All voted in favor and the motion carried.

TREASURER'S REPORT

Bills Payables – Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$8558.93, the Fredericksburg Water Payables in the amount of \$37,347.89, the Monroe Valley Sewer Payables in the amount of \$2,316.41 and the South Fredericksburg Sewer Project Payables in the amount of \$1,224.35. Trish Askew seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler made a motion to approve the financial statement as submitted. Trish Askew seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Admin staff as requested.

Fredericksburg Plant Expansion / South Fredericksburg - Engineering continues to work through the submittal process with all for contractors. The first application for payment was received from Lobar, Inc. and given to the Admin staff to submit to DCED to draw more grant money before it expires. Sewer line installation work began today (March 4th) on Center Street in the vicinity of Elk and Deer Drives.

The driveway has been roughed in for a construction entrance at the WWTP site.

Fredericksburg WWTP Operations Support - The 2012 Chapter 94 report is being prepared and will be sent out for review prior to the next board meeting. It must be approved, signed and submitted to DEP by the end of March.

Monroe Valley WWTP Operations Support - The 2012 Chapter 94 report is being prepared and will be sent out for review prior to the next board meeting. It must be approved, signed and submitted to DEP by the end of March.

Engineering is working with the Office Manager to provide additional information to FEMA/PEMA representatives to facilitate our request for additional funding for the flood proofing mitigation work at the Little Mountain Road pump station.

FSWA Water System Operations Support - Engineering has been consulting with the operator concerning lower water pressures in the system.

Water System Improvements / New 1MG Tank; Water Source - Engineering has been working with Caldwell to provide final amounts in order to close out the project.

Jeff reported that he had a meeting this afternoon at SRBC with two new representatives Todd Eaby and Mike Appleby. The three prior reps who we worked with are no longer in the Harrisburg division handling this matter: Paula Ballaron got a promotion; Damian Zampogna left the Commission; and Bob Pody retired. These two new geologists are part of a group of five employees who handle all the permitting for three states. They advised Jeff that because of that large an area, it may take up to 18 months to get a new permit for a groundwater source. A surface water source, however, can be permitted much quicker because SRBC has a delegation agreement with Pa DEP for those permits. At the meeting, they reviewed the project history and came up to speed on the FSWA proposed well #8 located near the Swatara Creek on land owned by Michael Wright. Jeff then showed maps and reports which SESI developed in 2008 and 2009. The permit for well #8 had been put on hold by FSWA when the \$5.4 million water system improvements H2O grant application was awarded at only \$1 million and the scope of the project was reduced to just include the new million gallon water tank. Jeff further explained SRBC's view on a well which might be impacted by a surface water source and how part of the well can be considered groundwater and part surface water for the purposes of implementing SRBC's new pass-by rule. That rule dictates that monthly USGS monitor gages will need to be consulted daily, and when stream flows drop below a predetermined seasonal limit, a permittee's withdrawal of surface water will need to cease until the stream level again rises. The Board discussed the matter further and it was decided to continue on with the SRBC permit application, considering that well #8 will be the first of a series of sources the Authority will pursue in the future, all of which could feed into the new pipeline running from the Swatara Creek in Lickdale back to the FSWA water building. The Board then discussed the possibility of looking for water near the Little Swatara Creek. Jeff indicated that the timing to install a water transmission main from the Little Swattie to FSWA is ideal, since the sewer interceptor trench could be utilized. This would save about 80% of the cost of a water line since the excavation is already being paid for as part of the sewer contract. Jeff recommended utilization of fusion welded HDPE pipe to avoid gasketed joints which could leak, and it would allow for faster and easier installation. Jeff estimated the cost for transmission main from the Little Swattie to Route 22 would cost about \$180,000

versus the million dollars (plus) it will cost for the transmission main from Lickdale. The Board then instructed Jeff to verify his cost estimate on this pipe option and give an update at the next meeting. It also instructed Jeff to move ahead quickly to determine if a viable water source could be obtained near the Little Swatara Creek to take advantage of the sewer excavation. This effort should be coordinated with his continued efforts for the well in the Lickdale area.

SOLICITOR'S REPORT

South Fredericksburg - Randy and Rhoda Martin closed on the purchase of the L&L farm on February 28, 2013. Solicitor Fitzgibbons met with the Martins to discuss issues related to the construction of the wastewater treatment plant. The solicitor also obtained signatures of both Mr. and Mrs. Martin on the lot annexation plan which he expects to be approved by the township supervisors at the March 21, 2013 township meeting.

The solicitor will work with the office manager to secure the additional bonding required by the township supervisors. The bonding estimate for the private street is \$38,750.

The solicitor drafted the required Private Street Agreement (required by the Bethel Township SALDO) and has forwarded a draft to solicitor Enck for review. Solicitor Fitzgibbons is preparing the documentation needed to complete the land acquisition/easement relocation from Mr. and Mrs. Martin once the lot annexation plan is approved and recorded at the courthouse.

US Real Estate - There are no new developments regarding this matter.

Well 6 - Solicitor Fitzgibbons obtained historical files from attorney Gray James and delivered them to the Authority office. The solicitor will be working with the office manager to go through the files to see if there is any information helpful to the resolution of the well six issue.

Sewer Liens - The solicitor processed several lien releases for accounts which have paid their past due amounts.

OFFICE MANAGER'S REPORT

Monroe Valley Mitigation - The office manager contacted FEMA/PEMA to request the additional funds for the flood proofing work at the Little Mountain Road pump station. The office manager and engineer are working to provide additional information requested by FEMA/PEMA.

South Fredericksburg Project - Fulton Bank closed the checking account that was required as part of the \$11 million PennVest loan agreement. Fulton Bank requires a deposit within 30 days of opening the account. PennVest would not allow an initial deposit to be made into the checking account other than pay request draws on the \$11 million. The situation was explained to PennVest and they are now allowing a minimal initial deposit so Fulton Bank has been instructed to begin the paperwork process to open another bank account. The first pay application request has been received from Lobar, Inc. and will be submitted to the Commonwealth Finance Authority for reimbursement. The

Authority still has grant money available from the \$500,000 CFA grant and should be utilized before it expires.

Diversified Billing Conversion - The billing clerk is still running parallel billing software programs. Receipt journals are up to date and both systems are in balance. The office staff is currently working on drafting a new billing form. The office manager stated that online payments should be in place by the end of the year.

Sewage Planning Exemption Module - Matthew & Hockley requested a letter from the Authority stating that there is adequate sewer capacity in the South Fredericksburg sewer system to accommodate GSLB,LLC. (3 EDU's) and Lloyd and Lori Brandt's (1 EDU) properties located along Rt. 343 and Shirksville Road.

North Lebanon Career and Technology Center - The board discussed the matter of the school district possibly building a career and technology center across the street (Rt. 22) from the high school ball field.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The plant has been experiencing elevated fecal coliform and low chlorine residuals. All equipment was checked and cleaned. Air cycles have been changed.

The Richard Hills Infiltration and Inflow quote from Abel Recon is still pending. The Utility Services Group quote that was reported to the Board at the February 18th meeting was misquoted by the operator. A revised quote was not available for tonight's meeting but will be provided to the Board possibly at the March 18th meeting.

Fredericksburg Water - Herb Spencer completed a second water quality analysis since the well have been cleaned and found that there are still high levels of iron and manganese in the water. The chemical dosage has been reduced.

The shielded cable was ordered for Well #5.

Caldwell Tanks was out to look into a tank leak at the new water tower. They determined the leak to be from a 3/4" copper line that froze and burst. Repairs are pending.

Monroe Valley Sewer - Normal operations.

The grinder stations replacement parts will be ordered.

Old Standpipe - Mr. Bevans asked about the status of the old standpipe. The operator stated that it was drained as soon as the new tank was in service.

OLD BUSINESS

There was no old business discussed.

NEW BUSINESS

There was no new business discussed.

COMMITTEE REPORTS

Budget Committee - A revised water budget was brought before the Board. Dale Bevans made a motion to reopen the 2013 water budget and adopt the revised 2013 water budget. Tom Demler seconded the motion. All voted in favor and the motion carried. The 2013 budgets will be posted on the FSWA website.

Building Committee - A revised Property Management Agreement was presented to the Board. Dale Bevans made a motion to adopt the Levco Property Management Agreement. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Improvements to the rental apartment were discussed. Electrical estimates were presented to the Board for review. The Board agreed on a quote from in the amount of \$550.00. The Building Committee will look into a replacement stove and dryer costs, natural gas installation and costs for a heating and cooling system.

Draft design drawings were presented to the Board due to an incident that recently occurred in the office. The Board instructed Mr. Bevans and Mr. Rudy to obtain quotes.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
March 18, 2013

The March 18, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew (via telephone)

Also in attendance were Tony Fitzgibbons, Kevin Snader, Jeff Steckbeck and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The March 4, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables – Trish Askew made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$14,078.89, the Fredericksburg Water Payables in the amount of \$14,847.66, the Monroe Valley Sewer Payables in the amount of \$5,137.71 and the South Fredericksburg Sewer Project Payables in the amount of \$31,288.51. Tom Demler seconded the motion. All voted in favor and the motion carried.

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

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Administrative staff as requested.

Fredericksburg Plant Expansion / South Fredericksburg - Submittals and Requests continue to come in from the Contractors. They are being reviewed and approved as quickly as possible to avoid impacting the schedules.

Engineering is working with the Office Manager and two of the contractors to get Applications for Payment sufficient in size to draw the remainder of the H2O grant money prior to the deadline at the end of March. PennVest pay requests will be submitted as soon as verification is received from DCED.

Engineering is working on the comments received after submission of the Building Permit Application.

Sewer line installation work under Contract #1 continues in the area of Elk and Deer Drive. The construction of the roadway and subsurface shale conditions have led to trenches being much wider than expected. Pictures were provided to the Board and to the Township Engineer.

Engineering is working to determine the most cost effective way to get temporary power to the construction trailers. Moving the trailers to the far west end of the site has increased the costs as expected and previously reported. Prices for two options from Contract#3 MBR Construction Services have been received at \$86,000 and \$178,000 respectively. Both exceed what the engineer believes is the reasonable cost for the work. A 3rd party quote from Stoner Electric of Cornwall was requested. Stoner Electric's proposed price is \$27,850.00. Mr. Steckbeck recommended that the Board approve Stoner's proposal and simultaneously authorize the engineer to prepare a change order deduct of the original \$20,000 allowance from MBR's contract. This action will save the Authority \$58,150.00.

Tom Demler made a motion to approve the contract with Stoner Electric in the amount of \$27,850.00 and to authorize change order 3-1 in the amount of \$20,000.00. Trish Askew seconded the motion. All voted in favor and the motion carried.

Fredericksburg WWTP Operations Support - Engineering has prepared the Fredericksburg 2012 Chapter 94 report and submitted it to the Board via email for review. Dale Bevans made a motion to approve the Fredericksburg 2012 Chapter 94 report. Trish Askew seconded the motion. All voted in favor and the motion carried.

Monroe Valley WWTP Operations Support - Engineering has prepared the Monroe Valley 2012 Chapter 94 report and submitted it to the Board via email for review. Tom Demler made a motion to approve the Monroe Valley 2012 Chapter 94 report. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Engineering is working with the Office Manager to provide additional information to FEMA and PEMA representatives to facilitate our request for an additional \$10,100 for "flood proofing mitigation work at the Little Mountain Road pump station. Additional money is needed and includes crane rental to lift the generator, and installation of a raised base underneath the generator.

Water System Improvements / New 1MG Tank; Water Source - Geologist C.J. Conapitski of the firm Carlyle Gray has been retained at the rate of \$85.00 per hour to perform the work to locate a new water source near the Little Swatara Creek in the vicinity of the sewer interceptor.

Engineering calculations and studies of a transmission pipeline from the Little Swattie to the main water building are underway.

Caldwell has provided a price to Operations for cleaning the old million gallon tank. The new mixing system will be installed in that tank at the time of cleaning.

Miscellaneous - Engineering participated in a design kick-off meeting with Farmers Pride, their design-build contractor Stellar, the Township Engineer Jim Fisher, FSWA Chairman Jim Heisey and FSWA Solicitor Tony Fitzgibbons. The following items were discussed:

- Stellar and their fire sprinkler engineer will coordinate with Steckbeck Engineering to affect cost effective and mutually beneficial water supply improvements to the FSWA system to supply the flow quantity needed.

This may involve Stellar installing new booster pumps to be located in the base of the old million gallon tank and dedicating them to the FSWA.

- Reconstruction of the East Main Street Pumping Station will be required to increase the flow from current rating of 140 gpm to at least 260 gpm. The estimated cost is approximately \$103,000 which includes all new pumps, pipes and valves at the old wet well; a new generator; new controls. The existing 2,000 feet of 4" force main should suffice for this expansion, but any future significant flow increases from other large projects will necessitate that the force main must be upgraded to 6" pipe at an estimated cost of approximately \$140,000.

SOLICITOR'S REPORT

FSWA 2010 A, B, C Notes Interest Rate Reduction - At the request of the Budget Committee, Daryl Peck from Concord Public Finance contacted Fulton Bank to ask them to reduce the interest rates on the Authority's 2010 A, B, & C Notes. Mr. Peck reported that Fulton Bank offered reduced rates and a summary of the savings for each option were presented to the Board. After some discussion, Dale Bevans made a motion to accept the lower interest rate of 3.07% (with an interest rate cap of 5.50%) for a 7 year term for the Series A & B Notes, and to accept the lower interest rate of 2.69% (with an interest rate cap of 5.50%) for a 5 year term for the Series C Note. Trish Askew seconded the motion. All voted in favor and the motion carried.

Revised Development Plan for the new WWTP/L&L Easement Relocation - The lot addition plan with Randy and Rhoda Martin is scheduled to be approved on Thursday, March 21, 2013 by the township supervisors. Addendums to the Land Developments Improvements and Storm Water Management Agreements were presented to the Board for approval. A Private Road Agreement (which is required by the township) was also presented to the Board for approval. Dale Bevans made a motion to approve and execute the Land Development Improvement Agreement, the Storm Water Management Agreement and the Private Road Agreement. Tom Demler seconded the motion. All voted in favor and the motion carried. This action will enable the Authority to obtain a Building Permit.

The financial security which is being issued through a restrictive escrow account is being arranged and delivered to the township supervisors in time for their March 21st, 2013 meeting.

Closing with Mr. & Mrs. Martin should occur shortly thereafter once the lot annexation plan is approved and recorded at the courthouse.

OFFICE MANAGER'S REPORT

Monroe Valley Mitigation - FEMA / PEMA has been contacted to request additional funds for the flood proofing work at the Little Mountain Road Pump Station. The Office Manager is working with the Engineer to provide the necessary information for the FEMA / PEMA representatives.

South Fredericksburg Sewer Project - Fulton Bank closed the checking account that was required by PennVest as part of the \$11 million loan agreement. Fulton Bank requires a deposit within 30 days of opening the account and PennVest required only funds drawn on the \$11 million go through the account. PennVest was contacted and informed of Fulton Bank's requirement. PennVest is now allowing an initial deposit to be made into the checking account. A new account has been opened and new signature forms were presented to the Board for their signatures.

Board signature stamps can be obtained from JDM for any board member that is interested in a facsimile stamp. A policy must be established for control.

One of the General Contractors has submitted their first pay request and that information was submitted to the Commonwealth Finance Authority for reimbursement. The Authority still has \$374,000 H2O funds available from the H2O grant. A pay request was made in the amount of \$205,357.27 resulting in a reimbursed amount of \$136,911.69. DCED is requiring additional information to accompany the pay request so Admin is working with the Engineer to obtain that information. In addition, engineering has also submitted two more pay requests to Admin and they are being prepared for submittal.

Admin has been in contact with Steve Ulrich from Fulton Bank to issue the restrictive escrow account required by the township as financial security.

Diversified Billing Conversion - The Billing Clerk is still running parallel billing programs. Receipt journals are up to date and both systems are in balance. New billing templates have been designed and were presented to the Board for approval. The Board instructed the Office Manager to use the billing forms that were presented but to possibly incorporate an area on the original bill for a Message space. Termination notices will now be used by placing a yellow designed door hanger on the property instead of taping the notice to the customers door.

2012 Audit - Greenawalt & Company will be in the office during the week of March 25th to collect information necessary to perform the 2012 audit.

Levco Management Agreement - Steve Levengood was in the office on March 5th, 2013 to pick up his signed copy of the management agreement. A set of keys for the apartment (front door and porch doors) were provided for Mr. Levengood and the tenants. The Board instructed the office manager to provide a set of keys to Mr. Levengood for the garage and the entrance to the "painter" rental unit.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The Operator is still trying to resolve the elevated Fecal Coliform which is caused by "nitrate lock". DEP operator outreach is assisting. Everything is being done to counteract the problem....weeks could pass before the problem subsides.

Richard Hills I & I - A scheduled appointment with Abel Recon fell through. Mr. Rehab was contacted and submitted a flat rate of \$2,500 per day to do nine laterals and one manhole.

Fredericksburg Water - The cable was temporarily installed to Well #5. Flow is recording accurately. Level readings are being addressed.

OLD BUSINESS

There was no Old Business discussed.

NEW BUSINESS

There was no New Business discussed.

COMMITTEE REPORTS

Budget Committee - Mr. Heisey reported that there has been no action taken other than the information provided by Daryl Peck. There are no committee meetings scheduled at this time but that could change due to the scheduled audit.

Building Committee - Dale Bevans reported that the committee was in contact with three contractors for the administrative office vestibule installation. Elvin Shilling has submitted a quote in the amount of \$5,750.00. After discussing the details of the proposal submitted by Mr. Shilling the Board decided to wait to see if more proposals would be submitted and tabled the matter until the next meeting.

Mr. Bevans also reported that he was in contact with UGI but no date has been set yet to begin their work.

Rick Rudy stated that the electrical work will begin soon and the electrician will be in contact with Mr. Rudy or the office staff to obtain a key for the apartment.

Operations Committee - The Operator inquired about the purchase of supplemental bugs for the elevated fecal coliform issue. The Board stated that the operator has a budget to work with and as long as he complies with his budget expenses he is allowed to make the purchase.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
April 1, 2013**

The April 1, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler and Trish Askew. Ron Thompson was not present. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

Dale Bevans made a motion to accept the March 18, 2013 meeting minutes as amended. Trish Askew seconded the motion. All voted in favor and the motion carried.

TREASURER'S REPORT

Bills Payables – Tom Demler made a motion to approve the Fredericksburg Sewer Payables in the amount of \$5,976.65, the Fredericksburg Water Payables in the amount of \$6,974.68, the Monroe Valley Sewer Payables in the amount of \$205.75 and the South Fredericksburg Sewer Project Payables in the amount of \$1,957.30. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler 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 - Submittals and Requests for information continue to come in from the Contractors. Engineering is reviewing and approving them as quickly as possible in order to avoid impacting the schedules.

The first PennVest Pay Request has been prepared in the amount of \$1,287,559.53. Rick Rudy made a motion to approve the first PV pay request in the amount of \$1,287,559.53 and it was seconded by Trish Askew. All voted in favor and the motion carried.

A Contract Change Order was presented to the Board to add a unit price line item for lateral riser pipe at \$10.00 per foot for an estimated 350 feet at a maximum total of \$3,500.00. Dale Bevans made a motion to approve the Joao & Bradley Change Order 1-1 not to exceed \$3,500.00 Trish Askew seconded the motion. All voted in favor and the motion carried.

A Contract Change Order was presented to the Board for vinyl coating of the fence surrounding the new WWTP. Two options of coating the chain link fabric or coating everything was presented to the Board. The Board opted to not go with either of those options.

Engineering is completing the comments received after submission of the Building Permit Application.

Sewer line installation work under Contract #1 continues in the Elk and Deer Drive area. A proposed line installation schedule was presented to the board for review.

A large excavation is being prepared for the installation of the wet well. It is expected to be set later this week.

Engineering is proceeding with the modifications of the WWTP design to include the centrifuge. Building layout changes will be provided to Lobar in the near future. The DEP permit application will be prepared and filed in the near future. A Project Timeline will be included on the FSWA website. This timeline is subject to change on a regular basis.

Fredericksburg WWTP Operations Support - The 2012 Chapter 94 Report has been finalized and submitted to the DEP prior to the March 31st deadline.

Monroe Valley WWTP Operations Support - The 2012 Chapter 94 Report has been finalized and submitted to the DEP prior to the March 31st deadline.

FSWA Water System Operations Support - Engineering has been assisting the Operator with the hardwiring from Well #5 to the water plant.

Water System Improvements / New 1MG Tank; Water Source The Operator is coordinating with Caldwell for repairs to the water damage of the heated room caused by the leak which occurred in February.

Geologist CJ Conapitski is expected to submit an update on his efforts to identify potential well sources near the Little Swatara Creek

Miscellaneous - Trammell Crow Company has renewed discussions about the Route 22 warehouse. Their recent letter was submitted to the FSWA Board via email. After discussion the Board instructed the engineer and solicitor to draft a response to Trammell Crow stating that the Authority wants them to install ductile iron pipe instead of AWWA C900 PVC pipe.

The Operator and Engineer met with Dave Gettle of Kohl Brothers to develop ideas for installation of booster pumps in the base of the old million gallon tank to provide adequate fire flow for the new Farmers Pride distribution facility. A hydrant flow test and hydraulic modeling will be performed in coming weeks to supply information needed by the sprinkler system engineer at Stellar Corporation. They also viewed the Lebanon meter pit to develop ideas for booster pumps needed to supply fire flow for Farmers Pride's proposed sprinkler system at their existing processing plant.

SOLICITOR'S REPORT

South Fredericksburg Revised Development Plan for the new WWTP

L&L Easement Relocation - The lot addition plan with Randy and Rhoda Martin was approved by the Supervisors on Thursday, March 21, 2013. Closing will be

scheduled with the Martin's as soon as the solicitor receives confirmation that the plan has been recorded at the courthouse. A proposed deed was presented to the Board. It contains the temporary construction easement as well as the other items contained in our agreement with Linford and Audrey Snyder (Martin). Also, the transfer to the Authority from the Martins is not exempt from the payment of realty transfer tax. The Martins purchased the 86.3 acres from the Snyders for \$750,000. This calculates to \$8,690.61 per acre. The Authority is getting 4.03 acres, or \$35,023.17 in value based on Martins purchase price. Based on this calculation, the realty transfer tax (2%) will be \$700.46. It will also cost \$68.00 to record the deed.

Water Note Modifications - Proposed Resolution 2013-4, which approves the interest rate reductions on the three water notes, was presented to the Board for approval. Dale Bevans made a motion to approve Resolution 2013-4 which reduces the 2010 Series A, B, & C water notes. Rick Rudy seconded the motion. All voted in favor and the motion carried.

OFFICE MANAGER'S REPORT

South Fredericksburg Project - The request for Reimbursement #2 was submitted to DCED in the amount of \$576,799.28. This request includes pay request application #1 and #2 from Lobar, Inc. and pay request #1 from Joao & Bradley. The requested amount to be reimbursed totals \$384,552.08 however, \$374,936.95 is the balance remaining from the original \$500,000.

Diversified Billing Conversion - April 2013 monthly and quarterly billings will be run parallel. The new billing template has been incorporated into the new system and should be ready to use for the April billings.

2012 Audit - The auditors from Greenawalt & Company were in the office during the week of March 25th to perform the 2012 audit.

Map Cabinet - Don Blyler from Blyler Offset offered a map cabinet to the Authority in the amount of \$1,000. The Office Manager and Operator visited Mr. Blyler's office to view the cabinet and found it to be in very good condition. The Board approved the purchase of the cabinet.

Levco Management Agreement - Mr. Levengood was instructed to include the garage rental and storage rental unit as part of the management agreement.

Termination Notices - Termination notices were posted and are scheduled for shut offs on Tuesday, April 2nd. A list of customers was provided to the Board and instruction was provided as to what properties were to have their water service terminated.

Meeting Minutes Preparation - Mr. Bevans made a suggestion that the Office Manager change the way the minutes are prepared and only capture any action taken by the Board. Any other reports provided by the engineer, solicitor, office manager and operator are to be recorded as an attachment to the minutes. All recordings of any meetings are to be erased as soon as the minutes are approved by the Authority Board. Mr. Heisey would like to see the detailed version versus the official action version at the next meeting.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The Fredericksburg Sewer plant is failing the ammonia parameters for the last month. Nitrification has been lost. Supplemental enzymes have been added. No changes have been seen at this point. DEP is aware of the ammonia violations for March.

Richard Hills I & I - the quote from Abel Recon is still pending.

Fredericksburg Water - Well #5 signal cable has been installed. Water levels and flow totals are not being recognized. Allied Control Service is scheduled to repair the SCADA.

The new water tank leak repairs are still pending.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

There was no New Business.

COMMITTEE REPORTS

Budget Committee - A budget committee meeting will be scheduled to review the 1st quarter Profit and Loss reports.

Building Committee - Office renovation proposals were submitted by Terry Smith and Elvin Shilling. Rick Rudy made a motion to award the contract to Elvin Shilling in the amount of \$5,750.00 and to include all work to be in compliance with all applicable codes and permits and inspections to be at the contractors expense. Tom Demler seconded the motion. All voted in favor and the motion carried.

The receptacle upgrade has been completed for the first floor of the apartment. A bill has not been received yet from the electrician.

UGI has been contacted and told that 350,000 BTU's would be utilized per day. No response was received yet from UGI.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
April 15, 2013

The April 15, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Kathy Gamble. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Snader and Kathy Gamble. Lorrie Wright was not in attendance.

COMMENTS/COMPLAINTS

Kim & Cory Wolfe, 478 Greble Road - Mr. & Mrs. Wolfe expressed concern that they did not receive mail notice about the project and the March 2012 public meeting at the Shirksville church. They said that four of their neighbors at the lower end of Greble Road also did not receive notice. Mr. Wolfe, however, did inform the Board that he heard about the meeting from other neighbors and attended anyway. The Board confirmed that he and those four neighbors are in the project – they have always been identified on mapping which was available since the 2002 Act 537 Plan. The board asked the Solicitor and Engineer to check their records to be sure the Wolfes and their four neighbors are on the mailing list. Mr. Wolfe then acknowledged and confirmed that the maps on the FSWA website do show his property with sewer service in the street, but since he didn't get a letter he thought he might not have to connect. The Wolfes then expressed concern about the high cost they will incur due to unusual circumstances with their septic system(s). They have a black water system coming out of one end of their home, and a gray water system coming out in a separate drain pipe on the opposite end of their home. The basement ceiling is only 6.5 feet high and they cannot connect the plumbing internally. There is a paved parking area between both drain fields, so it will be expensive to connect the two together due to cutting and repaving the parking area, therefore they believe they will need two laterals to run out to Greble Road. Since they are lower than the road, this means they will need two grinder pumps. The Board stated that the Wolfes can investigate with Township sewage enforcement officer Dave Siminitus to see if they can get an exemption from connecting the gray water system to the public sewer. If so, then that cost is eliminated. After they pursue they find out if that is allowed, they should reassess their situation and contact the Authority and its engineer to revisit the issue.

Dennis Shadle, 22 Horizen Drive - Mr. Shadle appeared before the Board to discuss his most recent sewer and water bill. Mr. Shadle feels that there has been an error on his bill and would like some sort of investigation into his billing and consumption history. The Board instructed the Admin staff to investigate the

billing and consumption history. If a revision is necessary, a revised bill will be provided allowing 30 days from the date of issue to submit payment.

MEETING MINUTES

The amended April 1st, 2013 minutes were accepted by the board.

TREASURER'S REPORT

Bills Payables – Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$21,546.63, the Fredericksburg Water Payables in the amount of \$54,574.66, the Monroe Valley Sewer Payables in the amount of \$6,234.40 and the South Fredericksburg Sewer Project payables in the amount of \$452,643.65. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler 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

General Administrative - Engineering continues to assist the Admin staff with technical and PC/network related issues. The IT staff added items to the website as requested.

Fredericksburg Plant Expansion / South Fredericksburg - Submittals and Requests for Information continue to come in from the Contractors. Engineers are reviewing and approving them as quickly as possible to avoid impacting the schedules.

Light Heigel submitted comments on the Building Permit and engineering is providing the information that they requested.

The sewer line installation work under Contract 1 has moved to Greble Road. A second line crew has been added as well as a lateral crew.

The wetwell has been installed and the foundation of the headworks building was poured. The drainage basin has been constructed and is almost ready to be turned over to the landscaper.

The engineers are evaluating the special concrete admixture, comparing the \$100,000 bid cost to some alternative coatings to protect from future potential hydrogen sulfide issues.

Water System Improvements / New 1MG Tank; Water Source - The Operator has been coordinating with Caldwell for repairs to the water damage of the heated room caused by the leak which occurred in February. A schedule has been requested but has not been received yet.

Geologist C.J. Conapitski will be providing a report on potential well sources near the Little Swatara Creek.

Miscellaneous - Trammell Crow Company has renewed discussions about the Route 22 warehouse.

Mr. Steckbeck is coordinating with Met Ed for a power upgrade to the East water tank to energize 40 to 50 horsepower water pumps. The current power is 15 KVA single phase which is only sufficient for 12 horsepower pumps.

Operations will be performing hydrant flow testing so that the engineers can finalize their hydraulic modeling to determine pump sizing for the booster tanks at the East water tank and the City of Lebanon feed piping to the West tank. The hydrant testing is scheduled for the last week of April and will coincide with the hydrant flushing.

SOLICITOR'S REPORT

Revised Development Plan for new WWTP / L&L Easement Relocation - The lot addition with Randy and Rhoda Martin was recorded on April 3, 2013. The solicitor is coordinating with the Martin's to sign the deed confirming the transfer of property from them to the Authority (i.e., the driveway to the new plant). A copy of the recorded plan was provided to the Authority at the meeting. A copy of the deed will be provided once it is recorded.

South Fredericksburg Construction - The solicitor continues to assist the Admin staff and Mr. Lutzkanin with easement/construction issues as they arise.

Water Note Modifications - Modifications to the 2010 Series A-C notes have been completed and copies were distributed.

US Real Estate - The solicitor is working with the engineers to provide an appropriate response to the developer regarding the developer's improvements.

OFFICE MANAGER'S REPORT

South Fredericksburg Project - Payment was received from DCED on April 5th in the amount of \$374,937.00. This is the final reimbursement from the \$500,000 H2O Grant. The first two Lobar, Inc. pay requests were paid using the final DCED grant reimbursement.

McCullough has been notified of receipt of the reimbursement.

DCED requires an audit of grant contracts in the amount of \$100,000 or more.

They are requesting a Project Audit no later than 90 days from April 12, 2013.

Greenawalt & Company has been notified.

Paul Lutzkanin and the Office Manager have been discussing PennVest procedures for payment of the S. Fredericksburg project. The first Payment Application has been processed and was submitted to PennVest on April 11th in the amount of \$916,622.52.

Diversified Billing Conversion - The Fredericksburg quarterly and monthly billings were processed. An April hydrant flushing notice was included on the bills. Hydrant flushing is scheduled for Friday, April 26th. A Rapid Response notice will be issued on Wed. April 24th.

The billing conversion still continues - miscellaneous fees were not picked up by the new billing system.

2012 Audit - The auditors from Greenawalt and Company were in the office during the last week of March to perform the 2012 audit. The office staff

continues to assist the auditors with questions and concerns regarding the audit. They plan to be in the office again on April 18th.

Map Cabinet - Operations picked up the map cabinet from Blyler's Offset and delivered it to the office. It is being stored in the back room of the office.

First Energy - A new two year agreement was made with First Energy for .0695/kwh for all commercial accounts. Our previous contract was for .0846/kwh.

Fredericksburg Youth Center - Operations suggested installing a radio read meter at the youth center located at 136 W. Main Street because it is now being used as a church. According to maintenance files and previous staff, a meter was never installed because there was no room to install one. In 2002, the board approved billing the youth center half a minimum bill as long as their hours of operation remained the same as reported in 2002. The Board agreed that a letter should be sent to the Church indicating that a radio read meter needs to be installed.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Seed sludge was hauled from the Union Township sewage treatment plant. Nitrification is still reduced.

The Richard Hills I & I quote from Abel Recon is still pending.

Fredericksburg Water - Well #5 is working great since the cable was installed. Options for well #6 are being investigated. Minor SCADA problems are being addressed.

Tank leak repairs are still pending.

Monroe Valley Sewer - The grinder station replacement parts are still pending.

Miscellaneous - The March 2013 DMR's were presented to the Board.

OLD BUSINESS

South Fredericksburg Sewer Tapping Fee - Dale Bevans stated that the information regarding the South Fredericksburg tapping fee reduction deadline was posted on the FSWA website on August 30, 2012. It explained that the \$500.00 reduction was extended from September 30, 2012 to November 30, 2012, afterwards it would revert back to \$4,100.

Increase in Debt Service Charge for 2013 - An explanation for the 2013 Debt Service increase will be posted on the website and in the office.

Office Building Construction - Dale Bevans made a motion requesting that the Board rescind the Shilling bid for the office modifications given the recent developments regarding the Chapter 34 requirements. Ron Thompson seconded the motion. All voted in favor and the motion carried. Mr. Heisey will be in contact with Dale Sebastian from Light-Heigel to discuss office renovations/improvements in relation to the Chapter 34 requirements. Due to recent events occurring in the office which has raised safety and security concerns, the solicitor recommended that the Board authorize the office manager to lock the doors at her discretion.

NEW BUSINESS

Lebanon County Redevelopment - The Board discussed an email that was received from Mr. Ray Bender stating that the Redevelopment Authority would not be able to assist the South Fredericksburg residents with their connection costs. The Board instructed the engineer to look into the matter and report back to the Board.

COMMITTEE REPORTS

Budget Committee - The budget committee will be meeting on Wednesday, April 24th @ 10:00 AM.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

Respectfully submitted,

**Lorrie Wright,
Secretary/Treasurer**

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
May 6, 2013**

The May 6, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader, Jeff Steckbeck and Lorrie Wright.

COMMENTS/COMPLAINTS

M. Binkley, 485 Greble Road - Mrs. Binkley appeared before the Board to inform them that she had not received any notice that she was included in the S. Fredericksburg sewer project. She stated that she only became aware of her responsibility to connect when construction began in front of her home. She requested that the Board allow her to pay the discounted tapping fee amount.

Corey & Kim Wolfe, 478 Greble Road - Since the last meeting of April 15, 2013, per instruction of the Board, the engineer and solicitor determined that the five homes along Greble Road west of the new WWTP site did not receive any written notification of the sewer project from the FSWA. Dale Bevans made a motion to extend the tapping fee discount of \$3,600 (if requested by the resident) for a period of 30 days to only the five homes along Greble Road west of the new WWTP. (These would include Wolfe, Binkley, Waltermeyer, Smith and Derr). After the 30 days the tapping fee will revert to the current tapping fee amount. Trish Askew seconded the motion. Mr. Heisey, Mr. Rudy, Mr. Bevans, Mr. Demler and Ms Askew voted in favor. Mr. Thompson opposed the motion. Motion carried on a 5 to 1 vote.

The Wolfe's also contacted the Bethel Township Sewage Enforcement Officer regarding their black water system and their gray water system. According to Mrs. Wolfe, Mr. Siminitis stated that he didn't see any problem leaving the gray water system go, it would be grandfathered in, and as long as it is not an opposed drain out to a field or a stream and it's a closed system that is functioning properly, then the Wolfe's do not have to hook the one system to the next system and then pump it up to the road. Mr. Steckbeck will contact Mr. Siminitis to confirm his explanation in writing. Dale Bevans stated that it should be the Wolfe's responsibility to obtain the explanation or findings in writing. The Wolfe's also expressed their concern about the current road patching. After discussion, Mr. Steckbeck stated that he will meet with the inspector to correct the situation.

Rick Rudy mentioned that he was questioned about the contractor providing little to no warning of road closing notices. Bethel Township Supervisor Martel stated that the township has received calls complaining about the quality of road patching and road closed notices.

G. Paoletti, 2592 S. Pine Grove Street - Mr. Paoletti appeared before the Board to discuss the details and specs for the installation of a grinder pump. After some discussion, the engineer stated that he would instruct the inspector to call Mr. Paoletti to discuss his situation and provide more information.

MEETING MINUTES

Rick Rudy made a motion to approve the April 15, 2013 meeting minutes as amended. Tom Demler seconded the motion. All voted in favor and the motion carried.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$16,606.93, the Fredericksburg Water Payables in the amount of \$21,718.63, the Monroe Valley Sewer Payables in the amount of \$2,020.70, the South Fredericksburg Sewer Project Payables in the amount of \$60,603.43 and the PennVest / South Fredericksburg Project Payables in the amount of \$912,622.52. Trish Askew seconded the motion. All voted in favor and the motion carried.

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

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Admin staff with technical and PC/network related issues. The IT staff added items to the website as requested.

Fredericksburg Plant Expansion / South Fredericksburg - Submittals and Requests for Information continue to come in from the Contractors but at a greatly reduced rate.

The Building Permit was issued on 4/18/13 and applies only to the main building at the plant.

Contract 1 - Sewer line installation work continues on Greble Road. A second line crew was working on the interceptor from the plant towards Greble Road but has been stopped due to Bog Turtle issues such as the need to install barrier fencing under the watchful eye of a certified Bog Turtle expert.

Contracts 2, 3 & 4 - The wet well has been installed and the foundation and walls of the pump room are complete. The mason will soon be laying the block walls of the Headworks building. The drainage basin has been landscaped. The excavation of the wastewater basins is complete. Some of the area needed to be over-excavated to get to better soils and meet the load bearing specification. An updated version of the WWTP Schedule was provided for review.

PennVest - Pay Request 2 was provided for approval in the amount of \$1,420,541.99. Tom Demler made a motion to approve Pay Request 2 in the amount of \$1,420,541.99. Trish Askew seconded the motion. All voted in favor and the motion carried.

Steckbeck Engineering has applied to the Bethel Township office for the assignment of a street address for the new WWTP. Per a township ordinance, our new private street, "FSWA Lane", would be numbered as "1 FSWA Lane". There were concerns that truckers and couriers would not be able to locate an FSWA Lane address using GPS devices so a request will be made to the township for a relief from the township ordinance for an appropriate Greble Road address.

Water System Improvements / New 1MG Tank; Water Source - The operations committee met with the engineer and geologist Conapitski on Tuesday, April 24th to inspect potential well sites near the new WWTP and to discuss the concept of installing a raw water transmission pipe parallel to the 15' gravity sewer interceptor running from the old WWTP to the new WWTP. Geologist Conapitski and DEP sanitarian Derick Havice conducted the required sanitary survey of the potential well sites near the WWTP on May 2nd. The sites all passed.

The new well drilled at the WWTP has been disinfected, flushed and sampled. Testing is being performed. To date the well has passed the bacteria test with no coliform. The other test will take longer to get results.

DEP water permit engineer Tom Filip has offered dates for the required pre-planning meeting for a new surface water withdrawal permit. This meeting is only necessary if the board would like to pursue this water source. The Board and Engineer agreed on possible meeting dates of May 15th, 16th or 17th.

Tom Demler made a motion to authorize the solicitor to negotiate with the Martins for a location to drill a well. Trish Askew seconded the motion. All voted in favor and the motion carried. Mr. Heisey stated that the solicitor should work on an easement in the event of a successful well location.

Sewer contractor Joao & Bradley and the engineer have negotiated a pricing of \$36 per foot for 8" water main and \$39 per foot for 10" water main. These prices are 40% less expensive than the \$60 and \$65 per foot than would be obtained through traditional bidding methods. Additionally, the FSWA would not have to pay for surveying, design drawings, rights of way, nor restoration. These costs would represent another 15%, therefore the water transmission main could be installed for less than half the price that a separate, isolated water line would cost in the future. Mr. Steckbeck requested that the Board consider the option of sharing a trench with the South Fredericksburg sewer line in time to be discussed at the May 20th meeting.

Miscellaneous - Farmers Pride's new distribution center water sprinkler requirements were provided. The sprinkler engineer indicates that they will need 3,100 gpm at 70 psi at fire hydrant 71 located along Route 22. Steckbeck Engineering is working the FSWA water hydraulic model to determine the pump sizing needed in the base of the East water tank to deliver this fire flow. Engineering will be researching an engine driven, variable speed pump with battery start to avoid the year long delay to get a Met Ed power upgrade. An engine driven pump will also provide the advantage of operating in an electrical outage. The battery backup system will be set up to energize our SCADA system

so the fire pump controls will still be linked and usable by the main SCADA station.

SOLICITOR'S REPORT

Farmers Pride / Bell&Evans - Farmers Pride has made its \$250,000 down payment to the Authority per the Sewer Capacity Purchase Agreement dated 12/27/11. The Solicitor has been in contact with Fulton Bank with regard to the \$1,000,000 letter of credit that Farmers Pride will be posting to ensure payment of the additional monies due the Authority under the Sewer Capacity Agreement. Farmers Pride has requested that the Sewer Capacity Agreement be assigned to Bell & Evans Realty, LLC since that is the entity that owns the real estate which the new facility will be constructed. A Partial Assignment Agreement was prepared and signed by Farmers Pride. The only thing being assigned is the obligation to pay the money due the Authority (FP is still guaranteeing the payments). The Sewer Capacity Agreement places limitations on the amount and strength of sewage FP can send to the Authority and the provisions regarding those matters remains with FP since they will operate the facility. Rick Rudy made a motion to approve the Partial Assignment Agreement to transfer to Bell & Evans dated April 23, 2013. Tom Demler seconded the motion. All voted in favor and the motion carried.

Revised Development Plan for new WWTP/L&L Easement Relocation - The deed fro Randy and Rhoda Martin was recorded on April 23, 2013. A new deed combining this property with the land that the Authority already owns (the wastewater treatment plant site) was presented to the board for approval. The new deed combines the parcels into one tract as required by Township Ordinance. Rick Rudy made a motion to approve the deed dated May 6, 2013 from the Authority to the Authority combining the wastewater treatment plant site and the land just recently acquired from the Martins into one tract. Dale Bevans seconded the motion. All voted in favor and the motion carried.

US Real Estate - A copy of a letter sent to Trammell Crow dated April 22, 2013 was provided to the Board. Trammell Crow has not responded yet.

Bethel Township / South Fredericksburg Sewer Inspections - Dale Bevans made a motion to approve reimbursing professional inspection services on roads and work required by the township up to a maximum of \$12,000. Trish Askew seconded the motion. All voted in favor and the motion carried. Atty. Fitzgibbons will provide the updated agreement to the Board at the May 20th meeting in time for the Bethel Township Supervisors meeting in June.

DCT Fredericksburg Warehouse Project - Fisher Municipal Consulting reviewed the DCT Fredericksburg Warehouse sewer facilities and found them to be in compliance with the Authority's Rules and Regulations. The developer will provide the Authority with an official set of plans in the near future.

OFFICE MANAGER'S REPORT

South Fredericksburg Project - The first PennVest payment in the amount of \$912,622.52 was received and deposited into the PV/S. Fredericksburg account.

Farmers Pride - Farmers Pride submitted their initial payment for sewer capacity in the amount of \$250,000.

Zinn Insurance - Zinn Insurance requested the annual updated information for the 2013-2014 policy renewal. The office manager requested that one or more board members review the updated information before submitting to Zinn Insurance.

\$1 Million Water Grant Anticipation Note - Jim Heisey made a motion to authorize the office manager to pay off the \$1 Million Grant Anticipation Note using the Series A of 2010 Loan. Trish Askew seconded the motion. All voted in favor and the motion carried.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Nitrification has returned. Effluent bench tests show great results.

A meeting has been scheduled for May 8th with Abel Recon regarding the Richard Hills I & I.

Fredericksburg Water - C.M.High provided a proposal to pull cable to Well #6. Tom Demler made a motion to approve the contract with C.M.High not to exceed \$1,750.00 to pull cable to Well #6. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Well #2 is out of service. Kohl Brothers will be on site this week to diagnose. The pump may need to be rebuilt or replaced. Records show this pump was installed in 2003. Dale Bevans made a motion to authorize Kohl Brothers to proceed with research on Well #2 and a replacement of the pump, if necessary, not to exceed \$7,500. Trish Askew seconded the motion. All voted in favor and the motion carried.

Flow testing was performed at the same time as the hydrant flushing in April. A few hydrants need attention.

Caldwell made repairs to the water tower last week.

The meter was removed from the home on Sugar Road.

Monroe Valley Sewer - The grinder station replacement parts are still pending.

OLD BUSINESS

Administrative Office Building - Dale Bevans made a motion to reinstate the Shilling proposal in the amount of \$5,750.00 for the office construction plus an additional 20% for improvements not to exceed \$7,000. Ron Thompson seconded the motion. All voted in favor and the motion carried. Steckbeck Engineering is taking care of the Chapter 34 evaluation.

Fredericksburg Logo on Water Tank - Rick Rudy made a motion to take the \$7,300 credit from Caldwell instead of Fredericksburg logo. Tom Demler seconded the motion. Mr. Rudy, Mr. Bevans, Mr. Demler, Ms. Askew voted in favor of the motion. Mr. Heisey opposed. Motion carried.

NEW BUSINESS

There was no new business brought before the Board.

COMMITTEE REPORTS

Budget Committee - The budget committee reported that after the \$1 million grant anticipation note is paid using the Series A Note, the remaining \$300,000 of the Series A Note would be used towards the new water source.

Building Committee - Dale Bevans made a motion to repair the FSWA sign in front of the office building not to exceed \$200.00. Rick Rudy seconded the motion. All voted in favor and the motion carried.

The Board recessed briefly before going into an Executive Session.

EXECUTIVE SESSION

Tammi Hopkins Condemnation - Ron Thompson made a motion to counter offer \$4.00 per linear foot and tapping fee remains at the current fee of \$4,100. Rick Rudy seconded the motion. All voted in favor and the motion carried.

CDL Requirement - The Board agreed that Charlie Mengel is to obtain his CDL by June 30, 2013 or the Board will discuss his future status with the Authority.

On Call Response Time - After some discussion about setting a response time for on call employees, the Board will review the employee handbook and make a recommendation at the next board meeting.

COMMENTS/COMPLAINTS

ADJOURNMENT

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

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
May 20, 2013**

The May 20, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Dale Bevans, Tom Demler, Ron Thompson. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck and Lorrie Wright. Trish Askew and Kevin Snader arrived late.

COMMENTS/COMPLAINTS

Dan Gipe, Spruce Street Tapping Fee - Mr. Gipe appeared before the Board to request a reduction in the Special Purpose Part of the Spruce Street / Monroe Valley tapping Fee. After some discussion, the Board informed Mr. Gipe that legal restrictions prevent them from reducing the fee and therefore denied his request.

MEETING MINUTES

The May 6, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$16,155.15, the Fredericksburg Water Payables in the amount of \$37,184.14, the Monroe Valley Sewer Payables in the amount of \$4,461.21 and the S. Fredericksburg Sewer Project Payables in the amount of \$67,836.72. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler 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

General Administrative - Engineering continues to assist the Admin staff with technical and PC/network related issues. The IT staff continues to add items to the website as requested.

Fredericksburg Plant Expansion / South Fredericksburg - Contract 1 - Sewer line installation work under Contract 1 continues on Greble Road and in some Rights of Way. Engineering has been working with the Contractor and the Township to resolve signage issues. The three Supervisors and the township road master met with the Contractor and SESI to work through all of the issues and concerns.

Contracts 2, 3, & 4 - The rebar for the slab for the plant is being installed starting today. The sumps have already been poured. The footers for the Main Building have been dug and the Effluent Chamber has been poured.

SESI had applied to the Bethel Township Supervisors for the assignment of a street address for the new WWTP. The Supervisors have decided that the address must be an "FSWA Lane" address. Dale Bevans made a motion to approve "One FSWA Lane" as the address for the new WWTP site. Tom Demler seconded the motion. All voted in favor and the motion carried. A request will be made to the township at a later date to approve 492 Greble Road as the physical location of the new WWTP site for GPS purposes.

Change Order Number 1 for Contract 2 - WWTP General Construction was presented for Board approval. This change involves the removal of 330 cubic yards of unsuitable sub-grade beneath the SBR tank and replacement with 627 tons of compacted stone. The cost of the change order is \$13,710.67. Tom Demler made a motion to approve the Lobar Change Order Number 1 for Contract 2 in the amount of \$13,710.67 and to authorize the engineer to process through PennVest. Ron Thompson seconded the motion. All voted in favor and the motion carried.

SESI requested that the Board review and approve a policy on how to handle vacant lot laterals for the new sewer project. After discussion, Tom Demler made a motion to authorize the engineer to install the appropriate laterals on every vacant lot in the S. Fredericksburg project area. Dale Bevans seconded the motion. Costs will be discussed at a future meeting.

FSWA Water System Operations Support - The engineers are gathering the information Verizon Wireless requested to evaluate the possibility of installing cellular phone equipment on the West Water Tower.

Water System Improvements / New 1MG Tank; Water Source - Board Member Tom Demler and Engineer Jeff Steckbeck met with Tom Shaul and Tom Filip at DEP Harrisburg office today to discuss the planning and permitting for a new surface water withdrawal allocation from the Little Swatara Creek. They affirmed that a permit will be issued pursuant to the Water Rights Act of 1939. Our permit application will require a study which analyzes Q7-10. The DEP staff said they would expect a 20% pass-by for that event.

A DEP minor construction permit will be required for the installation of a water transmission main co-located with the sewer line in the same trench. Tom Demler made a motion to authorize the engineer to apply for the DEP minor construction permit at a cost of \$25.00. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Miscellaneous - The engineers continue to work on the hydraulic modeling and engineering design for an engine driven pump to be located in the base of the East Water Tank to supply Bell & Evans' new distribution center with the 3,100 gpm at 70 psi at fire hydrant 71, located along Rt. 22. The hydrant flow testing done by FSWA operators show that static gravity will only supply about 1,000 gpm at that location. The cost of this pump will be a Farmers Pride expense as part of the Development Agreement with the FSWA.

In addition to the fire flow, Bell & Evans has submitted a request for 500,000 gallons per day of water supply. This far exceeds their 120,000 gpd sewer capacity reservation so Mr. Steckbeck will be consulting with Bell & Evans management to better identify their real demand. This will be an integral part of the DEP permit application for the new surface water source, as specific requirements to identify "consumptive uses" apply and affects the SRBC's approval of the permit.

An updated version of the FSWA historical water usage and future projection spreadsheet was presented, incorporating the 2010 through 2012 DEP water report data as well as the Bell & Evans capacity request.

A Planning Module for Land Development is being processed for the new Bell & Evans project and requires the Chairman's signature to affirm that capacity in the new WWTP and collection system is available. Dale Bevans made a motion to approve the Bell & Evans Planning Module and authorize the Chairman to sign. Trish Askew seconded the motion. All voted in favor and the motion carried. George Steiner submitted a 3 lot subdivision for Board approval of sewer design and capacity. Capacity can be approved as a Planning Module Exemption form since it is a minor subdivision of less than 5 lots.

SOLICITOR'S REPORT

Martin Property - Release of Access Easement - With the acquisition of the new driveway to the WWTP complete, the existing access easement across the Martin farm is no longer needed. A proposed release of easement agreement was presented to the Board for action. Dale Bevans made a motion to release the Randy and Rhoda Martin Release of Easement Agreement. Trish Askew seconded the motion. All voted in favor and the motion carried. Jim Heisey made a motion that the issue of the Martin Release of Access Easement be tabled until discussion in an Executive Session later in this meeting. Trish Askew seconded the motion. All voted in favor and the motion carried.

South Fredericksburg Construction - The solicitor continues to assist the Administrative staff and engineer with easement/construction issues as they arise.

Agreement with Bethel Township - Road Inspection Expenses - In follow-up to discussion and approval given at the May 6th, 2013 meeting, the Agreement for the Payment of Township Expenses was revised to indicate that the Authority will reimburse the Township a maximum of \$12,000 toward their road inspection expenses. An original signed copy was handed to Supervisor Bev Martel (who was in attendance at this meeting). An original copy was also provided to the Office Manager and Solicitor.

Farmers Pride/Bell & Evans - The Authority has received the \$1 Million Letter of Credit from Farmers Pride per the Sewer Capacity Purchase Agreement dated December 27, 2011. Copies were provided to the Board for review.

Verizon Lease - West Water Tank - The Solicitor was contacted by Verizon Wireless regarding the possibility of leasing space on the west water tank for telecommunications equipment. Verizon has confirmed that the tank is sufficient

for its needs from an engineering standpoint. Verizon will forward a draft lease for review and comment.

DCT Fredericksburg Warehouse Project - DCT has submitted a copy of their development plans to the Authority office. James Fisher has reviewed the plans and found them to be in compliance with the Authority Rules and Regulations. Tom Demler made a motion to approve the DCT Fredericksburg development project plans as submitted. Trish Askew seconded the motion. All voted in favor and the motion carried.

Trammell Crow - Trammell Crow submitted a letter in response to the Solicitor's letter dated April 22, 2013. Trammell Crow is asking that the Authority reconsider the Authority's decision to allow their use of PVC pipe for the water distribution and a waiver of the water and sewer tapping fees up to the amount of the construction costs. After some discussion with the engineer regarding the advantages and disadvantages of PVC vs. Ductile Iron, a motion was made by Jim Heisey to allow Trammell Crow to install PVC piping south of Rt. 22. Trish Askew seconded the motion. All voted in favor and the motion carried. There was also a motion made by Tom Demler to agree to the Trammell Crow proposed agreement with the exception of the sewer tapping fees. Ron Thompson seconded the motion. All voted in favor and the motion carried.

OFFICE MANAGER'S REPORT

South Fredericksburg / Greble Road Properties - Letters were sent to the 5 property owners along Greble Road west of the new WWTP site. The Wolfe's were mailed three copies - one to a Lebanon address, a Jonestown address and to a Fredericksburg address. The Jonestown letter was returned by the post office. Mrs. Binkley purchased her permit on May 7th, 2013.

Mary Deaven, 2678 S. Pine Grove Street, purchased her permit as a result of receiving a letter from the township indicating that her property will be required to connect to the sanitary sewer system. The remaining properties will be sent a letter allowing them 30 days to purchase their permit at the discounted rate of \$3,600.

\$1 Million Grant Anticipation Note - The \$1 Million Grant Anticipation Note was paid off using the Series A note on May 10th, 2013. Interest in the amount of \$7,072.50 was paid in full with available water funds instead of rolling into the Series A Note. The Series A Note now has an outstanding balance of \$1,070,957.70. \$386,042.30 is still available to draw on the loan.

Consumer Confidence Reports - Copies of the CCR's are now available for distribution. The Board instructed the office staff to mail them regular mail. These reports are to be delivered to the water customers by July 1st, 2013.

Fredericksburg Service Area - 143 Late Notices were sent out to the Fredericksburg Sewer and Water quarterly customers.

Diversified Billing Conversion - All of the billing conversion discrepancies have been addressed. The July billing will be processed through the new billing software program.

FEMA/PEMA/ Monroe Valley Mitigation - FEMA submitted a letter stating that the Authority has been given an additional 6 months to complete the Tropical Storm Lee work projects.

Bulletin Board - A bulletin board was purchased and placed in the front window of the office to post notices for public information.

Amended April 15, 2013 Minutes - After revisiting the recorded discussion during the April 15th meeting, it was decided to not amend the April 15th language under the Comments section.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The Lickdale Road pumping station was serviced by the operations staff the week of May 6th.

On Saturday, May 11th, the pumps were pulled and it was discovered that both pumps were clogged with debris.

The plant is running normally and we have been meeting the NPDES instantaneous maximum limits since the beginning of the month.

The Operator met with Abel Recon in Richard Hills. A manhole repair estimate was provided in the amount of \$2,800 and \$3,600 for the replacement of 2 rims on Main Street. Tom Demler made a motion to authorize Abel Recon to do the manhole repairs and replace rims on Main Street at an amount not to exceed \$6,500, contingent upon a written proposal. Trish Askew seconded the motion. All voted in favor and the motion carried.

Fredericksburg Water - Kohl Brothers replaced the Well #2 pump.

Kohl Brothers will be on site tomorrow to replace the rate of flow control valve for Well #6.

Allied Control Services calibrated the SCADA system.

C.M. High will start later this week to pull wire for Well #6.

All hydrants that needed attention since the last flushing have been serviced.

Three needed to be rebuilt.

Monroe Valley Sewer - The Moyno Grinder at the pump station was pulled and inspected. A PVC pipe plug jammed the unit and caused it to shut down.

The grinder station replacement parts are still pending. Tom Demler made a motion to authorize the operator to replace the grinder station parts in order to have 3 complete sets. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Fredericksburg Youth Center - The Operator stated that the Youth Center currently has water and sewer service. The Office Manager stated that a letter was sent to the Family Harvest Mennonite Church informing them that they need to install a water meter.

Wiring of Sign in front of Admin Building - The wiring of the sign will be performed later this week.

Dirty Water Complaint at the Medical Center - The Medical Center made a complaint about dirty water. The Operator stated that he wasn't sure how to correct the problem other than allowing the water to run until it clears up or install a whole house filter.

OLD BUSINESS

Employee Handbook Policy Amendment - Dale Bevans made a motion to adopt the operations standby policy. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Administrative Office Building Improvements - Mr. Bevans stated that Mr. Shilling will be starting the office improvements on Monday, June 17th. The engineer will look into the Chapter 34 evaluation, emergency lighting and breaker bar on the inside door.

NEW BUSINESS

Mr. Thompson, on behalf of a resident of John's Way Drive, asked if they would be allowed to hook up to the sewer on the Hoover easement. The engineer will discuss the matter with the inspector and report to the Board.

COMMITTEE REPORTS

Budget Committee - The next budget committee will meet sometime in the beginning in July.

Building Committee - Mr. Bevans stated that he confirmed that there is no water service in the area in the back of the building/ garage. The apartment will be charged a flat rate for water and sewer.

COMMENTS/COMPLAINTS

There were no comments or complaints.

The Board recessed before going into an Executive Session.

EXECUTIVE SESSION

The Board went back into session.

The Randy and Rhoda Martin Easement Agreement release motion previously tabled was reconsidered and passed unanimously.

A motion was made by Dale Bevans to drill a test well on property owned by Randy and Rhoda Martin, to pay \$4,000 for the right to drill a test well, and obtain a right to lease hold area for equipment storage south of Greble Road. Trish Askew seconded the motion. All voted in favor and the motion carried.

ADJOURNMENT

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

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

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
June 3, 2013

The June 3, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Rick Rudy participated via telephone. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

Bev Martel commented that the area that is not filtered in the dental office has dirty water.

MEETING MINUTES

The May 20, 2013 meeting minutes were approved as submitted.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$7,379.45, the Fredericksburg Water Payables in the amount of \$4,197.72, the Monroe Valley Sewer Payables in the amount of \$3,087.41, and the South Fredericksburg Sewer Project Payables in the amount of \$29,715.92. Trish Askew seconded the motion. All voted in favor and the motion carried.

Financial Statement - Ron Thompson made a motion to approve the financial statement as submitted. Tom Demler seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

Fredericksburg Plant Expansion / South Fredericksburg - Contract 1 - Sewer line installation work continues. The bore pit at the intersection of Greble Road and State Route 343 is closed.

Contracts 2, 3, & 4 - The 700 cubic yard concrete pour for the plant is scheduled for tomorrow starting at 2:00 AM. It will involve a large concrete pump and over 70 truckloads of concrete. The Perma-Columns have been set for the Main Building and under-slab facilities are being installed.

PennVest Pay Request 3 is ready for approval in the amount of \$1,449,144.16. Dale Bevans made a motion to approve submitting PV Pay Request 3. Tom Demler seconded the motion. All voted in favor and the motion carried.

The following change order were presented for approval.

Change Order 3-2 - This change order covers the costs to modify the electrical features and configuration to accommodate the ADA bathroom layout in the amount of \$800.50.

Change Order 3-3 - This change order covers the costs to add an additional LED light on the south side of the Main Building at the garage to provide additional security and work lighting in the amount of \$402.77.

Change Order 4-1- This change order covers the costs to modify the rest room plumbing configuration to accommodate the ADA bathroom layouts in the amount of \$7,308.00

Ron Thompson made a motion to approve Change Order 3-2, 3-3, and 4-1. Tom Demler seconded the motion. All voted in favor and the motion carried.

Monroe Valley Support - Engineering is preparing a more detailed design for the Little Mountain Road Pump Station and requesting quotes per the requirement of FEMA/PEMA.

FSWA Water System Operations Support - Engineering provided Verizon Wireless with the operating frequencies of the SCADA system per Verizon's request. Engineering recommends having a provision in the Verizon Wireless contract that they pay for the services of Allied Control Services, Inc. to coordinate the equipment installation and to perform a post-installation check of the SCADA system for performance degradation. It was also recommended that Verizon be contractually responsible for any interference remediation costs. This coordination is important given the pending changes to the FSWA SCADA system which are to occur late this year or early 2014 due to the relocation of the Operations Staff offices.

Water System Improvements / New 1MG Tank; Water Source - The Engineer has performed preliminary USGS Q7-10 evaluations and submitted them to DEP to obtain a preliminary indication of the flow allocation which will be approved. A response has not been received yet. The Engineer is preparing the application for the DEP minor construction permit for the installation of a water transmission main co-located with the sewer line in the same trench.

Miscellaneous - Engineering is still working on the hydraulic modeling and design for an engine driven pump to be located in the base of the east water tank to supply Bell & Evans' new distribution center with the 3,100 gpm at 70 psi at fire hydrant 71.

In addition to the fire flow, Bell & Evans has submitted a request for 500,000 gallons per day of water supply. Mr. Steckbeck will consult with Bell & Evans to confirm their demands. This will be an integral part of the DEP permit application for the new water source, as specific requirements to identify "consumptive uses" apply and affect the SRBC's approval of the permit.

The engineer has reviewed the Georg Steiner 3 lot subdivision and has a review letter for the Board, as well as a Planning Module Exemption form for the Chairman to sign this evening. The letter will be forwarded to the township.

SOLICITOR'S REPORT

South Fredericksburg Construction - The Solicitor spoke with Beverly Keller, who owns property which abuts the GSLB property, and confirmed that she will not need a grinder pump as a result of the revised GSLB easement.

Hopkins Condemnation - The Solicitor spoke with attorney Lamoureux on behalf of Tammi Hopkins. The revised easement which incorporates the changes approved by the Board and acceptable to Tammi Hopkins was presented to the Board for signature. Chairman Heisey signed the easement. The signed easement will be delivered to attorney Lamoureux for Ms. Hopkins signature.

Martin Property - Release of Access Easement - The access easement across the Martin farm which was rendered moot by the transfer by Martin to the Authority of the parcel commonly known as FSWA Drive was released on May 21, 2013. A copy of the release was provided to the Authority.

Agreement with Bethel Township - Road Inspection Expenses - The Agreement for the Payment of Township (road inspection) Expenses has been delivered to the Township via hand delivery by Supervisor Martel.

Farmers Pride/Bell & Evans - No developments since the last meeting.

DCT Fredericksburg Warehouse Project - No developments since the last meeting.

New Public Water Source Well - Martin Property - A proposed temporary easement with Randy and Rhoda Martin which incorporates the terms and conditions approved at the last FSWA meeting was presented to the Board. The Solicitor will present the easement agreement to the Martins for signature.

Verizon Lease - West Water Tank - No developments since the last meeting. The solicitor is waiting for a proposed lease from Verizon.

Trammell Crow - The solicitor has not yet corresponded with Trammell Crow regarding the issue of utilizing PVC water pipe on their site. He will do so in the near future.

OFFICE MANAGER'S REPORT

South Fredericksburg - Letters were sent to the 5 property owners along Greble Road west of the new WWTP site. As of this date, all but one property owner have purchased their permits. Deadline for the discount period for the 5 property owners is Friday, June 7th, 2013.

The second PennVest pay request was received and deposited into the S. Fredericksburg / PennVest account. As of June 1, 2013 PennVest began automatically drawing interest from that account.

FEMA/PEMA - FEMA submitted a letter stating that the Authority has been given an additional 6 months to complete the Tropical Storm Lee work projects. A list of quotes and estimates was previously submitted but FEMA will not accept estimates. A request was made to the engineer to obtain actual quotes for submittal.

Fredericksburg Service Area - The June monthly billing is currently being processed.

The Board agreed that an adjustment of 1/8th of the current billed usage should be made to the Shadle account.

Monroe Valley Service Area - The June quarterly billing is currently being processed.

The Board responded to a resident's inquiry regarding the possible refund of a sewer permit by stating that the board cannot make a decision based on a hypothetical situation.

The Board was informed that the Billing Service Agreement with Swatara Township indicates that the Authority will perform the billing and collection services for Swatara Township with regard to their portion of the Monroe Valley Service Area and the Authority will provide this service without cost or charge to Swatara Township. It also states that the Authority will deposit Swatara Township's portion of the Monroe Valley funds in a banking institution selected by Swatara Township.

Diversified Billing Conversion - A representative of Diversified will be in the office on Tuesday, June 4th to train the office staff. A request was made to close the office during the training period. The Board agreed. A notice will be posted in the window.

2012 Audit - A draft copy of the 2012 audit was presented to the Board for review. A final copy needs to be submitted to DCED by July 1st.

August 2013 PMAA Conference - Information regarding the 2013 PMAA conference was provided to the Board.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal operations.

A signed contract was sent to Abel Recon for the manhole repairs on Windy Hill and Richard Hills.

Fredericksburg Water - The rate of flow control valve was installed for well #6. Well #6 is flowing consistent for 23 1/2 hours a day.

C.M. High pulled the signal wire. The operations staff made the final connections. The ELPRO radios are no longer needed.

Monroe Valley Sewer - The Moyno grinder at the pump station is out of service. More PVC pieces were found. It appears to be a pipe plug that could have been hit by a lawn mower. PVC should not jam the grinder. Geiger was contacted to make the repairs.

Residential grinder replacement parts were ordered. A few miscellaneous items are back ordered.

Miscellaneous - Comcast provided a quote for phone and internet service. A service tech will be onsite to evaluate our location. If any additional costs are required the proposal will be void.

C. Mengel was made aware of his deadline to obtain his CDL license.

The operations manager is still looking into the sign situation in front of the office building.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

PMAA Conference - Mr. Heisey strongly recommended that some board members attend the PMAA conference in August 2013. Anyone interested should contact the Admin Office for registration prior to August 1, 2013.

COMMITTEE REPORTS

Budget Committee - There was no report.

Operations Committee - The Board discussed the Trammell Crow / PVC issue was briefly discussed.

Building Committee - Mr. Bevans inquired about the restrooms located in the back of the Admin building. The Board instructed the operations manager to remove the toilets and capping the sewer openings.

COMMENTS/COMPLAINTS

Koller, Mechanic Street - Mr. Koller from Mechanic Street, interrupted the meeting to inquire about his dirty water. The Board instructed him to stop by the office in the morning to file a water complaint.

John's Way Drive - Mr. Thompson raised some issues regarding the condition of the roads on John's Way Drive. After discussion, Mr. Heisey instructed the engineer to make sure the contractor addresses the situation.

ADJOURNMENT

A motion to adjourn the meeting was made by Trish Askew and seconded by Ron Thompson. All voted in favor and the meeting was adjourned.

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

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
June 17, 2013

The June 17, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Kevin Snader, Jeff Steckbeck and Lorrie Wright.

COMMENTS/COMPLAINTS

Elizabeth Gerhart, 130 W. Main Street - Ms. Gerhart requested to be included on the agenda but did not appear for the meeting.

Annemarie Hyrb & Mike Brown, Dutchland, Inc. - Mike Brown from Dutchland, Inc. appeared before the Board to invite them to a "Hard Hat" luncheon to be held at the S. Fredericksburg WWTP construction site. After some discussion, the Board declined the invitation for liability purposes.

MEETING MINUTES

The June 3, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$16,507.82, the Fredericksburg Water Payables in the amount of \$55,326.46, the Monroe Valley Sewer Payables in the amount of \$3,065.97, the S. Fredericksburg Sewer Project Payables in the amount of \$133,111.27 and the S. Fredericksburg/PennVest Payables in the amount of \$1,420,541.98. Trish Askew seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler made a motion to approve the financial statement as submitted. Ron Thompson seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Admin staff with technical and PC/network related issues. The IT staff added items to the website as requested.

Fredericksburg Plant Expansion / South Fredericksburg - The bore pit at the intersection of Greble Road and Rt 343 is complete. The installation of the raw water transmission line in the interceptor trench began this week.

The 700 cubic yard concrete pour for the plant base was completed. The final count was 74 truckloads of concrete. This has to cure for 28 days before they can set the walls. The Perma-Columns have been set for the Main Building and

the under-slab facilities are being installed with a plan to pour the slab early next week.

Monroe Valley WWTP Operations Support - Engineering continues to pursue quotes for the Little Mountain Road Pump Station flood mitigation.

Water System Improvements / New 1MG Tank; Water Source - DEP's Tom Shaul returned the Engineer's phone call to discuss the Q7-10 data for the Little Swatara Creek supply permit. Mr. Shaul suggested that a statistical model be prepared to show the frequency of low flow events which they will utilize for their final determination on the water withdrawal allocation.

Geologist Conapitski and the well driller are coordinating a schedule with Randy Martin for the construction of the new test well.

Plans are being finalized for a minor construction permit for the raw water transmission main.

The City of Lebanon Board discussed the FSWA water service contract renewal. FSWA representatives should attend the next CoLA Board meeting on July 8th at 3:00 PM for further discussion.

Miscellaneous - Bell & Evans is still refining their future water needs for their new distribution center. A request was made that they complete that evaluation as soon as possible, as that information is critical to the CoLA water service agreement.

The engineers continue to work on the design of the engine driven water booster pump for the East water tank. The engineers met with Bell & Evans architects to discuss the sprinkler system and to gain a better understanding of the water needs for the new distribution facility.

SOLICITOR'S REPORT

Trammell Crow - The Solicitor spoke with Attorney Courtney regarding the information needed to complete a draft of the developer's agreement. Once the draft is complete it will be presented to the board for review and then submit to Attorney Courtney. Attorney Courtney indicated that Trammell Crow does not yet have a prospective tenant.

Verizon Lease - West Water Tank - The Solicitor received a proposed lease from Verizon and is in the process of reviewing it. Once the review is complete it will be circulated for board comments before sending it to Verizon.

New Public Water Source Well - Martin Property - The Martins have signed the Temporary Well Easement. The Solicitor brought the original along to the meeting for signature by the Authority.

OFFICE MANAGER'S REPORT

South Fredericksburg

June 7, 2013 was the deadline for the 5 property owners along Greble Road to take advantage of the permit discount period. 4 out of the 5 property owners purchased their permits.

The second pay request in the amount of \$1,420,541.99 was deposited into the S. Fredericksburg / PennVest account and all vendors have been paid that were included in Pay Request #2.

The June 2013 interest was deducted from the S. Fredericksburg/PennVest account by PennVest. Monies from the Sewer Fund were transferred to cover the June interest. The June 2013 interest was included in Pay Request #3 (which was approved at the June 3rd meeting and submitted to PennVest) and will be reimbursed to the sewer fund once those funds are received from PennVest.

For the past 6 years the Fredericksburg Sewer Fund has been invoiced and paying for the benefit of the S. Fredericksburg Sewer Project. In looking out for the interest of the Fredericksburg sewer customer, the Authority has now received 100% of the design fees for the S. Fredericksburg collection system engineering costs, 100% of the new 433,000 gpd WWTP engineering costs, 100% of the Survey and ROW's invoices, and \$40,000 for the Bid Phase engineering costs.

The Office Manager requested permission to transfer monies from the sewer fund back to the water fund in the amount of \$74,683.53. Rick Rudy made a motion to authorize the transfer of funds in the amount of \$74,683.53. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Fredericksburg Service Area - The D. Shadle account was corrected to reflect 1/8th of his previous consumption. The bill was mailed on June 4th, 2013. 20 Termination Notices will be posted on Tuesday, June 18, 2013.

\$100,000 Growing Greener Grant - DEP is requesting a reimbursement request along with a Project Progress Report. The reimbursement period for the grant funds was July 1, 2008 - June 30, 2010. This grant was obtained to build wetlands as polishing for nutrients but when the Chesapeake Bay limits were changed the DEP staff informed the Authority that wetlands would not be a reliable source for achieving lower level limits. The Board authorized the Office Manager to draft a letter to DEP informing them that the Authority could not use the grant funds because of the changes in the Chesapeake Bay policy and therefore the grant will be returned.

Diversified Billing Conversion - Training was held in the office on Tuesday, June 4, 2013.

2012 Audit - A draft copy of the 2012 audit was presented to the Board at the June 3rd meeting for review. Approval was requested in order to meet the June 30th filing deadline with DCED. Ron Thompson made a motion to approve the 2012 financial statements. Tom Demler seconded the motion. All voted in favor and the motion carried. The 2012 Financial Statements will be published in the Lebanon Daily News and posted on the FSWA website.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal operations at the WWTP. The Phosphorus exceeded the monthly average.

O & M manuals are being updated.

The Abel Recon contract is still pending. A letter was sent to PennDOT requesting an EPC card. The permitting card has not been received yet.

Fredericksburg Water - GMI Insulation will be providing a quote to insulate the rate of flow valve for Well #6.

Well #5 water levels are starting to get low. Filters have also required changing at least 3 days a week for the last 2 weeks.

A dirty water complaint was received from Eugene Gerhart, 130 W. Main Street. \$34,000 was budgeted to convert from Sodium Hypo to Chlorine Gas. That project could be abandoned since a filtration plant may be a reality in the next few years. \$7,500 of that could be used to purchase a multi-bag filter housing that would filter 100% of our water to 5 micron. This housing would consist of 4 bags and would be rated up to 400 gpm. The next size larger would be \$10,000, 6 bags and 900 gpm. Rick Rudy made a motion to authorize the purchase of the 400 gpm filtration system at a cost of \$7,500. Tom Demler seconded the motion. All voted in favor and the motion carried.

Monroe Valley Sewer - Normal operations at the WWTP.

A few of the miscellaneous parts for the residential grinder station are still on back order.

Geiger was contacted to repair the Moyno Grinder and the schedule is still pending.

Miscellaneous - C. Mengel is scheduled to take his CDL test on June 28, 2013. The May 2013 DMR's were provided for the Board to review.

OLD BUSINESS

City of Lebanon Water Agreement - The Board discussed the City of Lebanon Water Agreement.

NEW BUSINESS

Conditions of Roads in S. Fredericksburg - Mr. Rudy mentioned concerns regarding the temporary restoration of the roads across from Fireman' Park. He also questioned if the contractor notifies emergency personnel of any road closings. The Engineer will look into the matter.

COMMITTEE REPORTS

Budget Committee - Mr. Heisey reported that the Budget Committee will meet sometime in July to review the 1st and 2nd quarter revenues and expenses.

Operations Committee - Mr. Demler stated that there was nothing to report.

Building Committee - Mr. Bevans reported that the office renovations start date has been moved to the end of June.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
July 1, 2013**

The July 1, 2013 meeting was called to order by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The June 17, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$1,548.02, the Fredericksburg Water Payables in the amount of \$810.13, the Monroe Valley Sewer Payables in the amount of \$342.70 and the S. Fredericksburg Sewer Project Payables in the amount of \$698.66. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Financial Statement – Ron Thompson made a motion to approve the financial statement as submitted. Tom Demler seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Admin staff with technical and PC/network related issues. The IT staff added items to the website as requested.

Fredericksburg Plant Expansion / South Fredericksburg - The sewer line installation work continues under Contract #1. The Contractor has also started installing the raw water line in the trench with the interceptor.

Contracts 2, 3, & 4 - The floor slab of the Main Building was poured in three (3) pieces over three (3) days. The second floor slab of the Headworks Building has also been poured. The Main Building is expected to move quickly now as the walls are erected.

PennVest Pay Request 4 is ready for approval as follows:

Total Amount	\$4,462,042.66
Retainage	\$ 132,163.61
Net Payable	\$1,329,879.05
Local Share	\$ 57,590.27

PennVest Share \$1,272,288.78

Dale Bevans made a motion to approve PennVest Pay Request 4 in the amount of \$1,272,288.78. Trish Askew seconded the motion. All voted in favor and the motion carried.

The following Change Orders were presented for approval:

Change Order 2-2 - This change order covers the costs to add a Communication Panel in the Filter Room to consolidate the wiring between the main AAS Control Panel and the Filter Room. The cost of the change order is \$20,887.12.

Change Order 2-3 - This change order provides a credit for deletion of the dock lift in the garage of the Main Building. The credit for this change order is (\$6,167.49).

Change Order 2-4 - This change order covers the costs to modify the PermaColumn layout in the Main Building. The PermaColumns on three sides of the building were made large to accommodate the higher roof and several were added to optimize the column spacing. The cost of the change order is \$6,442.32.

Change Order 3-4 - This change order provides a credit for the wiring deleted as a result of Change Order 2-2. The credit for this change order is (\$1,244.21).

Ron Thompson made a motion to approve Change Orders 2-2, 2-3, 2-4, and 3-4. Tom Demler seconded the motion. All voted in favor and the motion carried.

Monroe Valley WWTP Operations Support - Engineering detailed the design for the generator lift frame and secured quotes for the work on the Little Mtn. Road Pump Station Flood Mitigation Project. The total of the quote is \$51,139.00.

Water System Improvements / New 1MG Tank; Water Source - DEP Engineer Tom Filip has returned from vacation and will be reviewing the Little Swatara Creek Q7-10 data in the next week and will call Mr. Steckbeck to schedule a meeting to review the data and give a preliminary indication of the withdrawal allocation.

Geologist Conapitski and the well driller are waiting for Randy Martin to return their phone call to meet at the site of the test well.

The plans for a minor construction permit for the raw water transmission main were completed and issued to the contractor and sent to DEP.

Mr. Steckbeck will be attending the July 8th CoLA Board meeting to discuss the water service contract renewal.

Miscellaneous - Bell and Evans is still refining their future water needs for their new distribution center. They have been asked to complete the evaluation as soon as possible, as that information is critical to the CoLA water service agreement.

Engineering continues with the design of the engine driven water booster pump for the East water tank.

SOLICITOR'S REPORT

Hopkins Condemnation - Mr. Bametzreider advised Atty. Fitzgibbons that he mailed the Hopkins easement on Friday. Mr. Fitzgibbons has not received it yet but expects it to arrive shortly.

South Fredericksburg Construction - The Solicitor continues to assist the Admin Staff and engineering with easement/construction issues as they arise.

Farmers Pride/Bell & Evans - There have been no developments since the last meeting.

Trammell Crow - The Solicitor is still waiting on the information needed from attorney Courtney to complete a developer's agreement, which is mostly complete. Once the draft is complete and changes have been incorporated, it will be sent back to attorney Courtney. Attorney Courtney has indicated that Trammell Crow does not yet have a prospective tenant.

DCT Fredericksburg Warehouse Project - No developments since the last meeting.

New Public Water Source Well - Martin Property - The temporary easement to allow a test well to be drilled on the Martin farm has been recorded.

Verizon Lease - West Water Tank - Comments were provided to the Verizon representative, Deborah Baker, on June 21, 2013, with regard to the draft lease. Ms. Baker was on vacation through last week and attorney Fitzgibbons has not heard back from her yet. A copy of the draft lease was provided to the Board showing the solicitor's comments. No action was taken at this time.

OFFICE MANAGER'S REPORT

\$100,000 Growing Greener Grant - DEP is requesting a reimbursement request along with a Project Progress Report. The reimbursement period for the grant funds was July 1, 2008 - June 30, 2010. This grant was obtained to build wetlands as polishing for nutrients but when the Chesapeake Bay limits were changed the DEP staff informed the Authority that wetlands would not be a reliable source for achieving lower level limits. A letter was sent to DEP informing them that the Authority could not use the grant funds because of the changes in the Chesapeake Bay policy and therefore the grant will be returned.

Diversified Billing Conversion - The July monthly and quarterly billings are being processed through the new software program.

FEMA/PEMA Monroe Valley Mitigation - FEMA submitted a letter stating that the Authority has been given an additional 6 months to complete the Tropical Storm Lee work projects. Deadline to complete all of our approved permanent work is September 15, 2013. Engineering submitted an updated quote and a letter has been sent to FEMA requesting an additional \$51,139.00.

2012 Audit - The 2012 Financial Statements were signed and mailed to DCED prior to the deadline. The financial statements are being published in the Lebanon Daily News and will be posted on our website.

H2O Grant Audit - The auditors will be in the office on Tuesday, July 2, 2013 to collect information to perform the audit required by DCED for the \$500,000 H2O grant funds.

Consumer Confidence Reports - CCR's were mailed to our water customers on Thursday, June 20th.

Office Renovations/ Property - Mr. Shilling has informed the office staff that he will begin renovations on Tuesday, July 2, 2013.

The office received a call from Mr. Grumbine, 117 E. Main Street, about some issues regarding the condition of the yard next to our apartment. Mr. Rudy stated that he would contact a neighbor/resident in Fredericksburg to see if she would be interested in performing yard work for the Authority.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal Operations.

The Supervisor is still updating the O & M manual.

I & I Repairs - The contract was returned to Abel Recon and the schedule is still pending.

EPC was received from PennDOT.

Fredericksburg Water - SRBC conducted an inspection on June 26th. A response letter to their Notice of Violation was prepared and will be sent to the SRBC.

Well water levels from 2008 to the present were provided to the Board for review. Hydrant painting was started and will continue as weather and time permits. Freshly painted hydrants without any numbers may need to be touched up or completed.

Monroe Valley Sewer - Normal Operations.

The Supervisor is still updating the O & M manual.

All of the residential grinder station replacement parts that were ordered have been delivered. 3 complete units are now in stock.

Geiger was contacted to repair the Moyno Grinder. The schedule is still pending.

Miscellaneous & Compliance - Charlie Mengel will retest for his CDL license in at least 2 weeks. He was unable to retest today since the township vehicles did not have current insurance cards.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

There was no New Business.

COMMITTEE REPORTS

Budget Committee - The Budget Committee will be meeting Greg Zinn from Zinn Insurance on Tuesday, July 2, 2013 at 10:00 AM to discuss the option of renewing our policy with a new provider.

Operations Committee -

Building Committee - Mr. Bevans stated that the office staff will post an "Office Closed" sign on the front door if they determine it unsafe during construction.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

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

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

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
July 15, 2013

The July 15, 2013 meeting was called to order at 6:30 PM by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Kathy Gamble. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Kathy Gamble.

COMMENTS/COMPLAINTS

The Board addressed concerns raised by Supervisor Bev Martel regarding random dirty water issues and water quality in the water system.

MEETING MINUTES

The July 1, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Tom Demler made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$8,074.62, the Fredericksburg Water Payables in the amount of \$47,159.33, the Monroe Valley Sewer Payables in the amount of \$4,934.59 and the South Fredericksburg Sewer Project Payables in the amount of \$1,294,026.28. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Financial Statement – Trish Askew made a motion to approve the financial statement as submitted. Ron Thompson seconded the motion. All voted in favor and the motion carried.

The Board instructed the Operations Manager to review his operations budget figures for 2013.

ENGINEER'S REPORT

General Administrative - Engineering continues to assist the Admin staff with technical and PC/network related issues. The IT staff added items to the website as requested.

Fredericksburg Plant Expansion / South Fredericksburg - Contract 1 - Sewer line installation work continues. Per the amounts billed, they are approximately 37% complete. The Contractor has also started installing the raw water line in the trench with the interceptor.

Contracts 2, 3, & 4 - Dutchland has set approximately half of the basin walls and should have the remainder set this week. They then have several weeks of caulking, grouting and post-tensioning prior to water testing. The posts of the Main Building are also scheduled to be set this week. The WWTP project is on

schedule and, per the amounts billed, the plant is approximately 45% complete. A copy of the updated schedule was presented to the Board for review. There was some discussion regarding the installation of laterals on vacant lots. It was determined that there will be no charge so long as the contractor has not installed laterals in the area. The contractor will not go back to an area that has been completed, with laterals installed and restoration completed, to add a lateral.

Monroe Valley WWTP Operations Support - Flood mitigation amounts have been submitted to the office staff in the amount of \$51,139.00. Envirep requires a board signature in order to place the order for the replacement control panel and the 6x6 tall enclosure.

Water System Improvements / New 1MG Tank; Water Source - Caldwell Application #12 was presented for board approval in the amount of \$254,885.04. \$20,000 is being retained until the mixer is installed in the East Water Tower. All Change Orders have been reviewed and correctly accounted for in AFP #12. Dale Bevans made a motion to approve payment of Caldwell App. #12 in the amount of \$254,885.04. Rick Rudy seconded the motion. All voted in favor and the motion carried.

Engineering requested approval of a proposal for an additional 1,500 feet of water main to be installed in the portions of the sewer interceptor trench which was already backfilled. Mr. Steckbeck originally presented details of the pricing in a letter to the Board dated July 12, 2013. Copies of that letter along with a map showing the basics of the water system and the proposed pipe installation were presented to the Board. Mr. Heisey reported that the Budget Committee reviewed the additional \$63,100 cost and believes there is sufficient funds available and is therefore recommending that the Board approve the additional 1,500 feet of water main. Dale Bevans made a motion to approve the additional 1,500 feet of water main in the amount of \$63,100. Trish Askew seconded the motion. All voted in favor and the motion carried.

The plans for a minor construction permit for the raw water transmission main were completed and issued to the contractor and sent to DEP. A response has not yet been received from DEP.

Mr. Steckbeck and Mr. Heisey attended the July 8th CoLA Board meeting to discuss the water service contract renewal.

Miscellaneous - Bell & Evans is still refining their future water needs for their new distribution center. They maintain that they will only require 0.180 MGD of sewer capacity in the near term. Ultimately they expect to require 0.300 MGD of sewer capacity which will require the expansion of the WWTP to 0.650 MGD. Engineering continues with the design of the engine driven water booster pump for the East Water Tank.

SOLICITOR'S REPORT

Hopkins Condemnation - The Hopkins easement has been recorded. This issue is now resolved.

South Fredericksburg Construction - The Solicitor continues to assist the office staff and engineering with easement/construction issues as they arise.

New Public Water Source Well - Martin Property - The Solicitor spoke with the geologist, CJ Conapitski, regarding the test well on the Martin property. Two locations have been indentified, one of which is fairly close to the new WWTP. Both sites can be accessed from the WWTP. According to the geologist, the entire area was saturated and needs to dry out before the well drilling equipment can access it. The geologist is to contact the solicitor next week to schedule a meeting with him, the driller and Mr. Martin. The Solicitor has advised Mr. Martin of this and will advise the Board of the date and time of the meeting.

Verizon Lease - West Water Tank - The Solicitor provided comments to the Verizon representative, Deborah Baker, on June 21, 2013 with regard to the draft lease she provided. Ms. Baker has not yet responded to those comments. She has indicated that she would like to set up a site meeting with the Authority sometime in the next week or two. Ms. Baker will provide a list of possible dates and times for Board consideration.

Trammell Crow - No developments since the last meeting. The Solicitor is still waiting for the information from Atty. Courtney to complete a developer's agreement.

DCT Fredericksburg Warehouse Project - No developments since the last meeting.

OFFICE MANAGER'S REPORT

Monroe Valley Mitigation - FEMA has instructed the office to submit copies of invoices and proof of payment in order to proceed with the mitigation reimbursement.

Industrial Appraisal - The Industrial Appraisal Company has been contacted and the office staff is working on updating the building, permanent fixtures and equipment listed on the agreement. Mr. Heisey signed an updated appraisal proposal in the amount of \$975.00.

Office Renovations - The administrative building renovations are almost complete. The windows are to be installed later this week, possibly on Wednesday or Thursday.

Fredericksburg Billing - The July 2013 monthly billing was processed and mailed on July 5th. The July 2013 quarterly billing is being processed and will be mailed tomorrow.

Bill Form Sealer - The bill form sealer is not working properly and requires a new fuse. The Board authorized the billing clerk to go ahead and purchase necessary parts.

Fredericksburg Youth Center - A letter was sent to the Youth Center and the Family Harvest Mennonite Church, (who now occupies the structure) requesting that they install a radio read meter. To date there has been no response. Supervisor Bev Martel stated that the Fredericksburg Community Association owns the building, not the Youth Center. A letter will be sent to the Community Association.

S. Fredericksburg - Pay request #3 has not yet been received from PennVest. In order to pay the contractors, \$1,292, 487.78 was drawn from the Fulton S. Fredericksburg loan to cover the contractor invoices. Contractor invoices were paid and included on the July 15th financial statement.

Miscellaneous - Elaine Kulp was obtained by the Authority to do the yard cleanup at the office building/apartment. Yard cleanup started on July 5, 2013. It's anticipated to be completed sometime next week. The Board determined that she would continue to do the yard work until a tenant moves into the apartment. Any invoices will be handled by the Operations Manager since he is to oversee her work.

Supervisor Martel stated that the dental office check used to pay their sewer and water bill was not cashed in a timely manner. Ms. Gamble said she would look into the matter.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal operations. DEP was at the plant to review the operations records for the first 6 months of 2013.

I & I Repairs - Abel Recon is attempting to co-ordinate with the bridge closing to minimize traffic.

Fredericksburg Water - The ProLine 100 filter housing was ordered.

The hydrant painting continues.

Monroe Valley Sewer - Normal operations.

Geiger was contacted to repair the Moyno Grinder. Schedule is still pending.

Miscellaneous & Compliance - C. Mengel is scheduled to retest for his CDL license on July 19, 2013. The June 2013 DMR's were presented to the Board for review. Supervisor Martel mentioned that there is a sunken manhole in the Shilling development. Kevin Snader stated that he would look into the matter.

OLD BUSINESS

NEW BUSINESS

COMMITTEE REPORTS

Budget Committee - Mr. Heisey reported that the budget committee met to review the first 6 months of 2013. Everything seems to be going well. The operations manager was requested to keep a close watch on all of the operations accounts, since there is little left for the remainder of the year.

Operations Committee - The C. Mengel employee evaluation was presented to the Board for review and approval. Mr. Heisey instructed the Operations Manager to make sure the Administrative Office receives a copy for his personnel file.

Building Committee - Mr. Bevans confirmed that the Board will continue to use Mrs. Kulp's services until the apartment is rented. Mulch (up to 3 scoops) and canvas will be purchased for Mrs. Kulp to finish the yard work. A tree trimming proposal will be provided to the Board. The partitions in the office will be

removed by the operations staff and stored in the back room. The previous occupant of the apartment expressed interest in renting from the Authority. He asked if the Authority would honor the same monthly amount that was previously offered. The office staff will refer the previous tenant to the Property Manager. Mr. Bevans asked the opinion of the Board about the possibility of purchasing ceiling fans for the administrative office. The Operations Committee will look into pricing.

Mr. Bevans submitted an invoice from Mr. Shilling for the office renovations. The Board stated that payment will not be made until the project is completed.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to adjourn the meeting was made by Rick Rudy and seconded by Ron Thompson. All voted in favor and the meeting was adjourned at 8:56 PM.

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

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
August 5, 2013

The August 5, 2013 meeting was called to order at 6:34 PM by Chairman Jim Heisey.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler, Ron Thompson and Trish Askew. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The July 15, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Trish Askew made a motion to approve the Fredericksburg Sewer Payables in the amount of \$10,684.94, the Fredericksburg Water Payables in the amount of \$269,604.76, the Monroe Valley Sewer Payables in the amount of \$2,499.57 and the S. Fredericksburg Sewer Payables in the amount of \$73,334.39. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Financial Statement – Ron Thompson made a motion to approve the financial statement as submitted. Tom Demler seconded the motion. All voted in favor and the motion carried.

ENGINEER'S REPORT

Fredericksburg Plant Expansion / South Fredericksburg - Construction continues and the engineer estimates that the project is approximately 55% complete with the current pay estimate.

Contracts 2, 3 & 4 - The Main Building roof is sheathed and papered, the offices and other rooms are studded out, the Cloth Media Filters and Utility Water Systems are on their pads, the Electrical Room is studded out and the storage platform is installed, the windows are installed, the Electrical, Plumbing and HVAC rough-ins have begun and the aeration diffusers are being assembled using the garage area for work space. On the Headworks Building the masonry columns have been completed. In the Treatment Basins the walls and most of the walkways are caulked and the walls are grouted. Some of the temporary wall support bars have been removed and Dutchland is in the process of post-tensioning the walls.

PennVest Pay Request #5 is very large due to the installation of the Dutchland basins and delivery of the Aqua Aerobics treatment equipment. The Pay Request is listed as follows:

Total Amount	\$2,824,918.06
Retainage	<u>264,228.30</u>
Net Payable	\$2,560,689.76
Local Share	<u>13,239.00</u>
PV Share	\$2,547,450.76

Tom Demler made a motion to approve PennVest Pay Request #5 in the amount of \$2,547,450.76. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Change Orders 2-5 and 4-2 were presented to the Board for approval. CO 2-5 provides for a credit for deletion of the concrete pad under a surface LP Tank. The credit for this change order is (\$1,411.41). CO 4-2 covers the costs to modify the LP Tank from a surface/pad mounted unit to an underground tank. The cost of this change order is \$1,110.00. Dale Bevans made a motion to approve Change Order 2-5 with a credit amount of (\$1,411.41) and approve Change Order 4-2 in the amount of \$1,110.00. Trish Askew seconded the motion. All voted in favor and the motion carried. Mr. Thompson raised the question as to what prompted the change. After some discussion, Dale Bevans reconsidered the motion to approve Change Order 2-5 and not accept Change Order 4-2 until more information was obtained regarding the requirements of an underground propane tank. Rick Rudy seconded the motion. The Board tabled the motion to approve Change Order 2-5.

Mr. Thompson requested a current list of all of the approved change orders for the S. Fredericksburg project.

There was some discussion about a representative of Lech Brothers attending the August 19th, 2013 meeting.

Monroe Valley WWTP Operations Support - The Gorman-Rupp control panel and the 6'x6' tall fiberglass enclosure are the long lead items for the flood remediation project on the Little Mountain Road Pump Station. They were ordered the day after approval by the Board at the July 15th, 2013 meeting. Delivery is expected in time to meet the FEMA deadline although an exact delivery date is not known.

Water System Improvements / New 1MG Tank; Water Source - Comments from DEP Engineer Tom Filip on the Little Swatara Creek Q7-10 data are still pending.

Geologist Conapitski and the well driller are planning to drill the test well within the next 10 days, weather permitting. Bethel Township has a requirement for new wells to be permitted. An application will be turned in to the Township Zoning Officer later this week. There is a \$100.00 fee to drill a well required, payable to the township. Trish Askew made a motion to authorize the issuance of \$100.00 to drill a well, payable to Bethel Township. Tom Demler seconded the motion. All voted in favor and the motion carried.

The plans for a minor construction permit for the raw water transmission main are under review.

Miscellaneous - Bell & Evans revised water consumption needs are pending the outcome of their evaporative cooling design.

Design continues on the engine driven water booster pump for the East water tank.

Oak Ridge Mobile Home Park's approved plan from 2009 has expired and they need to reprocess their plan through Bethel Township in order to continue with Phases 2 & 3. Mr. Steckbeck recommended that the Board authorize the solicitor to pull the developer's agreement with Mr. Yingst and exercise the operative provisions to trigger a new review of his plan by the engineer, operations staff, and any committee of the Board to determine if the approval is still warranted. Mr. Heisey stated that Oak Ridge will have to comply with all of the Authority's current regulations. Dale Bevans made the motion and the motion was seconded by Trish Askew. All voted in favor and the motion carried.

SOLICITOR'S REPORT

Loan Program by Northwest Savings - The Solicitor was contacted by Northwest Savings in regards to low interest loans for the customers within the S. Fredericksburg rate district. The loans can be used to pay tapping and connection fees. The rate is 3.24%. Maximum term is 8 years. Minimum loan amount is \$3,000. No bank fees.

A list of participating banks will be added to the FSWA website.

Sewer Liens - The Solicitor has been working with the Billing Clerk regarding several delinquent accounts and liens. Several liens have been satisfied for accounts that have been paid current.

New Public Water Source Well - Martin Property - The Solicitor met with Geologist Conapitski and Randy Martin at the Martin property on July 22, 2013. Two locations were identified as being possibly suitable for the development of a well, one of which is fairly close to the new WWTP. The geologist was told that the Authority prefers to drill at the site closest to the WWTP. The geologist as well as the well driller have confirmed that the site closest to the WWTP is the most desirable site and it is where the test well will be drilled. The test well will be drilled within the next two weeks. Mr. Martin will be advised of the date when it becomes known.

Verizon Lease - West Water Tank - The Solicitor met with the Verizon representative, Deborah Baker, on July 24, 2013 at the plant site. The meeting was attended by Mr. Snader, Mr. Lutzkanin, Mr. Heisey and Mr. Thompson on behalf of the Authority. There were also several Verizon engineers present at the meeting. Verizon is evaluating the tank to see if it is suitable for its needs. Various engineering aspects were discussed. Ms. Baker has requested a follow-up site visit by the Verizon engineers on August 9, 2013. Mr. Snader will be meeting with Ms. Baker and the Verizon engineers to provide them access to the site. Based on the discussion during the July 24th site visit, it appears highly

likely that Verizon will make an offer to lease the tank. The Solicitor is waiting for comments to the lease.

DCI Fredericksburg Warehouse Project - No developments since the last meeting.

Trammell Crow - No developments since the last meeting.

OFFICE MANAGER'S REPORT

H2O Grant Audit - The H2O Grant Audit has been completed and submitted to DCED prior to the July 31, 2013 deadline.

S. Fredericksburg / PennVest - PennVest has finally deposited Pay Request #3 in the amount of \$1,449,144.17 into the S. F'burg/PV account on July 26th. \$1,292,488.78 was transferred back to Loan 0009 and applied to the principal only. To date, Pay Request #4 has not yet been received.

Fredericksburg Service Area - The Fredericksburg quarterly bills are due by August 10, 2013.

The pressure sealing machine is not working. Operations will look into the matter.

The apartment has been rented as of August 1, 2013. The monthly rent is \$800.00 of which the Authority will receive \$736.00. A final electric bill was obtained future bills will be sent to the tenant.

The Board was informed of various issues regarding customer accounts. The Board instructed the Office Manager to continue to comply with the Authority Rules and Regulations.

2013 Budget - There was some discussion regarding operations figures. The Budget Committee will tentatively meet on August 22nd to further discuss the matter.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal Operations.

I & I Repairs - Abel Recon completed the manhole rehabilitation in the Richard Hills Development. Their quote did not include traffic control for the Main Street frame repairs. They are requesting another \$1,200 before proceeding. Mr. Snader advised them that the repairs may need to wait until the 2014 budget. Tom Demler made a motion to authorize \$1,200 for traffic control. Trish Askew seconded the motion. All voted in favor and the motion carried. The Operations Manager was asked to contact Flagger Force to obtain a quote to compare to the Abel Recon quote.

Fredericksburg Water - Well levels are low but holding steady.

Herb Spencer is scheduled this week to evaluate water concerns and also analyze samples for sequestering adjustments, if needed.

Hydrant painting is ongoing.

Monroe Valley Sewer - Normal Operations.

Geiger does not have a service department that will come to the site to repair the grinder unit. The Gayle Corporation finally contacted the operations staff. A

service call is \$600 for a 1/2 day visit. They feel that the hydraulic unit is out of adjustment. Other companies were called but were more costly.

Miscellaneous - All of the Operations and Maintenance manuals were updated. July 2013 DMR's were presented to the Board for review.

The South Fredericksburg project looks great. Steckbeck Engineering is doing a fantastic job.

OLD BUSINESS

Tree Trimming - Mr. Rudy reported that he obtained a quote in the amount of \$250 to have the tree trimmed in the apartment yard. Dale Bevans made a motion to authorize the tree trimming in the amount of \$250. Tom Demler seconded the motion. All voted in favor and the motion carried.

NEW BUSINESS

Apartment Lawn Care - The Office Manager will contact the property manager to find out who is responsible for maintaining the lawn in the apartment yard.

COMMITTEE REPORTS

Budget Committee - A Budget Committee meeting has been tentatively set for August 22, 2013 at 10:00 AM.

Operations Committee - Mr. Demler had nothing to report.

Building Committee - Mr. Bevans reported that the mulch was purchased and delivered.

John Trimble is the point of contact for UGI. A signed agreement needs to be sent to UGI. The Office Manager will submit the signed agreement to UGI. Tony Pajski replaced a faucet in the sink in the kitchen, lit the pilot light and turned the gas on to the stove, turned on a hot water valve to the upstairs bathroom, bathroom faucets were confirmed in proper working condition. The Board tabled the matter of purchasing a new stove until a future meeting. The glass for the office windows should be delivered and installed soon. Mr. Shilling was asked to provide a quote for installing fans in the office building.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to adjourn the meeting was made by Rick Rudy and seconded by Trish Askew. All voted in favor and the meeting was adjourned at 8:46 PM.

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

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
August 19, 2013

The August 19, 2013 meeting was called to order at 6:34 PM by Chairman Jim Heisey.

ROLL CALL

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

COMMENTS/COMPLAINTS

Supervisor Martel indicated that she would like to have more information and notification when backfill testing takes place in township roadways.

MEETING MINUTES

The August 5, 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 \$1,333,114.31, the Fredericksburg Water Payables in the amount of \$43,002.24, the Monroe Valley Sewer Payables in the amount of \$2,322.79 and the S. Fredericksburg Sewer Payables in the amount of \$1,854.00. Tom Demler seconded the motion. All voted in favor and the motion carried.

Financial Statement – Ron Thompson 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 work continues along with the installation of the raw water line in the trench with the interceptor.

Contracts 2, 3, & 4 - The Main Building is getting a lot of the Electrical, Plumbing and HVAC rough-ins. The contractor began installing some of the process piping in the Treatment Basins. Dutchland has completed post-tensioning of the walls.

Change Orders 2-5 and 4-2 - These Change Orders were placed on hold at the last board meeting subject to investigation of more information about cathodic protection of buried propane tanks. Dale Bevans made a motion to approve Change 2-5 and 4-2. Tom Demler seconded the motion. All voted in favor and the motion carried.

A New Change Order proposal was presented for Board consideration for Lobar to install a Pella double hung window in the conference room in the operations building. The cost is \$1,784.64. The Board did not vote on this matter. An updated project schedule was distributed to the Board and staff. The WWTP project is shown to be complete by November 29th with a float date out to December 10th, 2013. Start up and training would then follow for a 6 week period. The gravity sewer collection system is slated to be complete by the end of October. As a result of past experiences, winter time not being an ideal season for homeowners to perform connections, the Engineer asked the Board to consider issuing the Notice to Connect letters in March 2014 or later. This matter was tabled and will be discussed again closer to the completion date of the project.

Monroe Valley WWTP Operations Support - The Gorman-Rupp Control Panel and the fiberglass enclosure are the long lead items for the flood remediation project on the Little Mountain Road Pump Station. Shipment is set for September 10, 2013 with delivery and installation slated for September 13th. The concrete support piers were laid out and the operations staff quickly installed them. A site meeting will be held soon to ensure coordination between everyone involved.

Water System Improvements / New 1MG Tank; Water Source - Comments from DEP Engineer Tom Filip on the Little Swatara Creek Q7-10 data are still pending.

Geologist Conapitski and the well driller are planning to drill the test well in the period of time between August 29th and September 8th.

The plans for a minor construction permit for the raw water transmission main are under review.

Miscellaneous - Bell & Evans revised water consumption needs are pending the outcome of their evaporative cooling design.

Engineering continues with the design of the engine driven water booster pump for the East water tank.

Trammell Crow - Supervisor Martel asked if the new pump would provide fire protection to Trammell Crow. Mr. Steckbeck stated that the Authority offered fire protection to them but they declined. Trammell Crow stated that they would build their own pump.

SOLICITOR'S REPORT

New Public Water Source Well - Martin Property - The solicitor has not yet been advised by the geologist as to the precise date for drilling for the well.

Verizon Lease - West Water Tank - The solicitor spoke with the Verizon representative, Deborah Baker. The Verizon engineers undertook additional site visits on August 5th and 9th. Ms. Baker advised the solicitor that Verizon requires a complete set of engineered drawings to be part of their leases. Verizon has submitted a draft design for the telecommunications facilities. Ms Baker indicated that she believed that given the progress to date Verizon would be in a position to try and finalize things with the Authority in September/October.

The Solicitor has not yet received comments to the lease sent to Verizon on June 21, 2013.

Trammell Crow - Attorney Courtney responded with comments to the draft developers agreement sent to him by Attorney Fitzgibbons on August 15, 2013. A copy of those comments were provided to the Board for review. The Solicitor will be in contact with Attorney Courtney to confirm the number of EDU's.

Amendment to Rules and Regulations - FSWA current rules and regulations do not specifically require water and sewer mains to be extended to the end of a developer's property. A draft of Resolution 2013-5 which would amend the rules and regulations to effect this change was presented to the Board for consideration. Dale Bevans made a motion to approve Resolution 2013-5. Tom Demler seconded the motion. All voted in favor and the motion carried. An amended version of the Rules and Regulations will be added to the FSWA website. Mr. Bevans asked if a history of the changes or amendments to the Rules and Regulations was available. The Solicitor will look into the matter.

Oak Ridge Sewer/Water Extension - The Solicitor sent a letter to Matthew & Hockley regarding the sewer and water line extensions within the Oak Ridge manufactured housing development. Robert Gearhart of Matthew & Hockley will be submitting plans to the Authority and engineer.

Sewer Liens - The Solicitor has been coordinating with Kathy Gamble on several delinquent accounts.

OFFICE MANAGER'S REPORT

Sprint Cell Site Decommission - Notification has been received from Sprint that they are evaluating its current cell sites to identify sites that are no longer appropriate for operation and will be decommissioned due to technological reasons. The cell site located at the East Water Tank is one of the sites that Sprint plans to decommission in 2013. A representative for Sprint will be in contact with the Authority in the coming weeks.

Monroe Valley Spruce Street - Dan Gipe purchased a permit and paid lateral costs for one of the vacant lots on Spruce Street in Camp Strause.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal operations. Operations is trying to work out some sort of deal with Joao & Bradley regarding the West Main Street manhole repairs.

Fredericksburg Water - Herb Spencer collected water samples from various residential properties in the system. The results have not been received yet. The filter housing was delivered and installation has been started. Hydrant painting is ongoing.

Monroe Valley Sewer - Normal operations. The Monroe Valley flood mitigation piers were poured.

The grinder repairs are still pending.

Miscellaneous - Supervisor Martel notified the Board/staff of the water staining at the public pool. Mr. Snader recommended forcing the water through their filters before filling the pool.

OLD BUSINESS

Road Restoration - Operations is still looking into the cost of flaggers.

NEW BUSINESS

There was no new business brought before the Board.

COMMITTEE REPORTS

Budget Committee - The Budget Committee will meet on Thursday, August 22nd at 10:00 AM. The Committee will be discussing the current retirement system, the Fredericksburg Water Tapping Fee and South Fredericksburg costs.

Operations Committee - Mr. Demler had nothing to report.

Building Committee - Mr. Bevans stated that the office staff reported some vandalism to the planters in front of the building. He reported the incident to the Township and to the State Police.

The new apartment tenant is taking care of the lawn.

Mr. Bevans stated that he has tried numerous times to contact Mr. Grumbine at 117 E. Main Street regarding the trimming of the trees.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to the adjourn the meeting was made by Rick Rudy and seconded by Ron Thompson. All voted in favor and the meeting was adjourned at 7:45 PM.

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
SPECIAL MEETING MINUTES
September 12, 2013**

The September 12, 2013 Special Meeting was called to order by Chairman Jim Heisey at 1:00 PM.

ROLL CALL

Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler and Ron Thompson. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

AGREEMENT WITH US REAL ESTATE LIMITED PARTNERSHIP - Ron

Thompson made a motion to approve a Developer's Agreement with US Real Estate Limited Partnership. Tom Demler seconded the motion. All voted in favor and the motion carried.

OLD BUSINESS

Monroe Valley Flood Mitigation - The Board reviewed and discussed the status of the Monroe Valley mitigation issue in order to apply for funding on a timely basis.

NEW BUSINESS

Resolution 2013-6 - Water Filtration Reimbursement Resolution 2013-6 was presented to the Board. Ron Thompson made a motion to approve Resolution 2013-6. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Administration Building Update - Dale Bevans reported on the following:

UGI - UGI has installed the gas meter along the side of the office building.

Apartment Rental - The Admin Office still has not received a copy of the lease or any rent for August or September.

Apartment Stove - The stove in the apartment is no longer working. Rick Rudy made a motion to look into purchasing a stove from Martin's Appliance. Tom Demler seconded the motion. All voted in favor and the motion carried.

Bohler Engineering - Lorrie Wright reported that Bohler Engineering submitted a request confirming capacity for 4,000 gallons of sewer usage per day and 8,200 gallons of water usage per day for the site located at the northwest corner of Route 22 & Legionnaire's Drive, east of the Sherwin Williams facility. Tom Demler made a motion to authorize the engineer to submit a letter to Bohler Engineering approving the allocation of capacity under the standard conditions

we place on the approval of capacity. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Comcast - Kevin Snader asked the Board to consider a 2 year agreement with Comcast in return for allowing them to lay cable in the trench in S. Fredericksburg. Dale Bevans made a motion to authorize a representative of the Authority to sign a 2 year agreement with Comcast. Rick Rudy seconded the motion. All voted in favor and the motion carried.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to the adjourn the meeting was made by Ron Thompson and seconded by Rick Rudy. All voted in favor and the meeting was adjourned at 1:42 PM.

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

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**

FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
October 7, 2013

The October 7, 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, Dale Bevans, Tom Demler and Ron Thompson. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The September 16, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Tom Demler made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$21,262.67, the Fredericksburg Water Payables in the amount of \$213,003.41, the Monroe Valley Sewer Payables in the amount of \$3,728.48 and the South Fredericksburg Sewer Payables in the amount of \$1,443,145.43. Dale Bevans 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 work continues along with the installation of the raw water line in the trench with the interceptor. Paving restoration has begun on Deer, Elk, Greble, South Center and John's Way. Engineering is investigating the possibility of full depth restoration on a large portion of South Center Street that was poorly constructed and disintegrated during the line installation. Contract 2, 3 & 4 - In the Main Building, the insulators and drywall teams have begun their work. The ceilings and interior walls of the Filter Room and Garage are being installed. On the WWTP, the masons have completed their work on the Blower, Chemical and Electrical Room walls. The site has been graded and is being prepared for paving. The plant equipment has been installed in the basins and the electricians are installing conduits and wiring. All external utilities have been installed and the trench has been closed. Met Ed has been on site for weeks and all Verizon and Met Ed poles are in place. The three phase wiring

shall be pulled into place, the pedestals wired and the transformer set soon (weather permitting) so it is estimated that we will have utility power in about two weeks.

PennVest Pay Request 7 was presented for approval as follows:

Total Amount	\$1,239,439.48
Retainage	<u>(\$49,222.30)</u>
Net Payable	\$1,190,217.18
Local Share	<u>\$1,190,217.18</u>
PennVest Share	\$0.00

Change Orders - The following Change Orders were presented to the Board as follows:

Change Order 1-2 - This Change Order covers the costs to perform full depth reclamation on a portion of South Center Street that was destroyed during the installation of the sewer interceptor. The cost of this Change Order is \$20,000.

Change Order 2-7 - This Change Order covers the costs to install portions of the decant line from future SBR 3 at this time to avoid a plant disruption in the future. The cost of this Change Order is \$14,850.54.

Change Order 2-8 - This Change Order covers the costs to modify the Post Equalization basin force main to avoid a conflict with the exterior wall of the basin. The cost of this Change Order is \$4,643.34.

Change Order 3-7 - This Change Order covers the costs to add attic lights in the trusses above the office area in the Main Building to facilitate storage and service of the HVAC equipment. The cost of this Change Order is \$1,206.00. Tom Demler made a motion to approve Change Orders 1-2, 2-7, 2-8, and 3-7. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Kevin Derr asked the Board if they approached the township about sharing part of the cost of Change Order 1-2. Dale Bevans stated that he would ask the township in time to be discussed at their October 10th meeting.

Water System Improvements / New 1MG Tank; Water Source - Geologist Conapitski appeared before the Board to give an update on the test pumping, sampling and laboratory testing for water quality. Tom Demler made a motion to authorize the geologist to perform the well testing at a cost of \$8,100.00. Dale Bevans seconded the motion. All voted in favor and the motion carried.

As of September 20th, an additional 2,367 feet of 10" raw water transmission main have been installed. The second invoice for \$107,780.50 has been submitted from the contractor. Dale Bevans made a motion to authorize payment to Joao & Bradley in the amount of \$107,780.50. Tom Demler seconded the motion. All voted in favor and the motion carried.

There has been no news from the City of Lebanon Authority on the water service contract renewal. CoLA will hold its annual meeting for all municipal and bulk customers on October 24th at 7:30 AM.

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 has been 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 is working with Solicitor Fitzgibbons to prepare an addenda to the Farmers Pride sewer capacity agreement to address the East Main Street pumping station.

Engineering is working with Reid Engineering who is Bell & Evans wastewater pretreatment consultant for the scope of design for the East Main Street pumping station. Reid's pretreatment facility, and the designed discharge flow rate, will dictate the extent of improvements needed at E. Main Street. SESI has also worked with Envirep to develop five alternatives for upgrading the pumping station. Based on information from Reid, we may need to replace the 4" force main with a larger 6" pipe. The pipe size change alone with double the capacity of the existing pumps are due to less friction head losses. New pumps, along with the force main upgrade, may also be needed to achieve Reid's design flow. It is too early to definitely say that this is the case, as we await Reid to finalize some of his re-calculations for alternate designs of the pretreatment plant. The Engineer submitted reviewed drawings for the property located at 119 S. Center Street. A water permit needs to be purchased.

SOLICITOR'S REPORT

New Public Water Source Well - Martin Property - The solicitor is working with the surveyors to prepare a drawing showing the precise location of the well and other significant property features, such as the adjacent property lines and likely well head protection area. The Solicitor has kept in contact with the Martin's to advise them of the status of the well.

Verizon Lease - West Water Tower - The Solicitor submitted a proposed lease for the west (Farmers Pride) water tower. The lease is substantially similar to the lease on the east water tower. There were two significant differences that (1) revised the lease to include Verizon's request that rental payments not start until construction of their facilities is commenced; and (2) revised the lease to state that the annual rent during any renewal term would increase each year, as opposed to each renewal term (each renewal term is a five year period). Verizon has indicated that they are eager to begin construction. The initial rent and percentage increases during the renewal terms were discussed. Ron Thompson made a motion to charge Verizon \$2,045.00 per month for five years with a 3% increase annually thereafter. Tom Demler seconded the motion. All voted in favor and the motion carried.

Farmers Pride/Bell & Evans - The Solicitor submitted a proposed addendum to the existing developer's agreement with Bell & Evans which addresses the

needed upgrades to the East Main Street pumping station. Rick Rudy made a motion to approve the First Addendum to Sewer Capacity Purchase Agreement. Ron Thompson seconded the motion. All voted in favor and the motion carried.

USAA Real Estate/Trammell Crow - The developer's agreement was approved at the FSWA Special Meeting on September 12, 2013. The solicitor is still waiting for original signature pages to be returned by USAA Real Estate. USAA Real Estate was scheduled to close on the purchase of the land by the end of September.

South Fredericksburg Construction - The Solicitor continues with the easement issues with R. Smith, J. Derr, D. Maulfair and M. Brendle. The easements are being revised to allow the access road cut into the steep slopes on their properties to remain as opposed to being filled in so as to allow for easier access in the future for any needed maintenance. Rick Rudy made a motion to approve the revised sanitary sewer Right of Way agreements with Dale & Pattie Maulfair, Michael & Wendy Brendle, Joan Derr, and Robert & Karen Smith dated September 20, 2013. Tom Demler seconded the motion. All voted in favor and the motion carried.

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. The office staff is working with Joe Rupe of PEMA to submit the additional information not captured on the original worksheet.

Monroe Valley Sewer Service Area - Work continues on the delinquent sewer accounts and liens.

Fredericksburg Service Area - The October 2013 monthly sewer/water bills were issued on October 4th. Bills are due on October 25th. The October 2013 quarterly sewer/water bills are currently being processed. A Hydrant Flushing Notice for Friday, October 18th is being added to the customer's bill. A Rapid Response notice will be issued sometime during the week of the 14th.

Water Shutoffs occurred on Wednesday, October 2nd:

22 Village Drive - cannot access shut off valve. The property is empty.

29 Shirk Drive - involves a tenant - to date the owner has not paid

108 Elm Ave - no one resides at the property

The September 2013 apartment rent was received in the amount of \$736.00
An October 14th meeting is scheduled with Fulton to discuss ACH procedures.

South Fredericksburg Sewer Project - To date, 95 permits have been purchased with a total of \$340,900 in tapping fees collected.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal operations.

West Main Street manhole repairs will be included in the 2014 budget.

Fredericksburg Water - The East tank was cleaned and the mixer was installed. Caldwell agreed that it was needed.

The filter housing has been in service since 8/20/2013. The micron filters are being changed weekly. Black residue and sediment has been noticed in the bags. This was not noticed when well #5 was only filtered.

Herb Spencer reported that the iron and manganese levels have improved slightly in wells #5 & #6. This along with lower yield is believed to have softened the distribution system ultimately leading to the increased customer complaints. Chemical dosage adjustments will be made after hydrant flushing.

Hydrant flushing is scheduled for Friday, October 18th.

Hydrant painting is ongoing.

Monroe Valley Sewer - The quartz sleeves and UV bulbs were replaced. The sensor that measures the light intensity is faulty.

The operations staff assisted Steve Weaber with his grinder station. All parts were replaced.

Gayle still has not returned phone calls regarding the grinder issue.

Miscellaneous - DMR's for August and September 2013 were presented to the Board.

2014 budget information is ready for discussion.

1,400 gallons of diesel will be needed for the South Fredericksburg generator.

OLD BUSINESS

There was no Old Business to discuss.

NEW BUSINESS

Dale Bevans requested that our IT support remove Patricia Askew from the list of Board members on the FSWA website.

COMMITTEE REPORTS

Budget Committee - A budget committee meeting will be held sometime this week.

Operations Committee - The committee had nothing to report.

Building Committee - The stove was installed and the tree was trimmed for the apartment.

COMMENTS/COMPLAINTS

A question arose regarding the connection procedure for the South Fredericksburg area. This item will be discussed at the next board meeting.

ADJOURNMENT

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

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
October 21, 2013**

The October 21, 2013 meeting was called to order by Chairman Jim Heisey at 6:34 PM.

ROLL CALL

Roll call was taken by Secretary Lorrie Wright. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler and Ron Thompson. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Snader and Lorrie Wright.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

Rick Rudy made a motion to approve the October 7, 2013 meeting minutes. Tom Demler seconded the motion. All voted in favor and the motion carried.

TREASURER'S REPORT

Bills Payables - Ron Thompson made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$8,508.82, the Fredericksburg Water Payables in the amount of \$155,062.90 and the Monroe Valley Sewer Payables in the amount of \$3,852.79. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Financial Statement – Tom Demler 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 work continues along with the installation of the raw water line in the trench with the interceptor. Wear Course paving restoration has begun on Greble Road and will continue in the Deer and Elk Area. The full depth restoration on a large portion of South Center Street has been scheduled for the week of October 28 through November 1. ROW restoration is also progressing well. Mr. Steckbeck gave a status report and provided a plethora of documentation on the road restoration work regarding township concerns with compaction issues.

Contract 2, 3 & 4 - In the Main Building, the insulators are continuing their work and the drywallers have nearly completed their work. The ceilings of the Filter Room and the Garage are installed and, because of a defect in materials, the walls of both those rooms are being reordered. No delay is anticipated in the schedule due to this issue. The site paving has begun and will take most of this

week. The perimeter fence posts have been installed. The fence fabric will be installed after the concrete in the post holes has cured and the fencers can drive on the paving. Permanent utility power has not been established yet.

An updated treatment plant schedule was presented to the Board showing that start up of the plant is expected in January 2014. This date is well ahead of the Contract completion date of March 2014 and the Consent Order completion date of June 2014.

Water System Improvements / New 1MG Tank; Water Source - Geologist Conapitski is coordinating with H&M Drillers to run the pump test and sampling later this month. The driller had two jobs scheduled ahead of ours and is making his way to our site.

The City of Lebanon Authority (CoLA) had its October meeting last week and discussed the renewal of the FSWA Agreement. They have requested an FSWA negotiation team to meet with their team which will consist of their engineer, their solicitor, and two of their Board members. They request the same make-up for the FSWA negotiating team.

CoLA will hold its annual meeting for all municipal and bulk customers on October 24th at 7:30 AM.

East Main Street Pump Station - Engineering has asked that the operations staff perform pump down tests on the pump station so that we can calculate the actual pump rates we are getting when Pump #1, Pump #2, and both pumps are ON.

Engineering has been working with the Solicitor to prepare a revised addendum to the Farmers Pride sewer capacity agreement to address the East Main Street pumping station. Farmers Pride's engineer has finalized the design which minimizes the peak flow from their facility which will allow us to pursue a simple force main upgrade from 4" to 6" pipe in order to gain the capacity needed.

Miscellaneous - 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 back-up power for SCADA controls, space heater and lights in the water tank.

SOLICITOR'S REPORT

Farmers Pride/Bell & Evans - The Solicitor received confirmation that the maximum flow rate for the new Bell & Evans cooking facility will be 125 GPM with an anticipated average flow of 100 GPM. These anticipated flows will result in anticipated upgrades to the East Main Street Pump Station in the range of \$150,000. The addendum to the existing agreement with Bell & Evans, which was approved at the October 7th, 2013 meeting, has been revised to reflect this anticipated cost (anticipated costs had ranged as high as \$300,000). Following a discussion, the Board approved a new, revised addendum to the existing sewage capacity purchase agreement that reflected the anticipated \$150,000 upgrade cost, provides for a maximum flow rate of 125 GPM into the East Main Street pump station, requires flows to be continuously monitored by FP/B&E and tested

with results provided to the Authority and which requires FP/B&E to install a testing manhole or similar infrastructure sufficient to conduct 24 hour composite sampling (with results provided to the Authority). The solicitor will prepare the addendum and forward it to FP/B&E.

New Public Water Source - Martin Property - The surveyors provided the Solicitor with a drawing showing the location of the well and other significant property features, such as the adjacent property lines and likely well head protection area. The Solicitor has not yet reviewed the drawing in detail but expects to have it available at the next board meeting to discuss the particulars of an offer to the Martin's to purchase a permanent easement for the well and corresponding access drive to it. The Solicitor continues to stay in contact with the Martin's in this regard, having met with Mr. Martin this evening before the meeting.

Verizon Lease - West Water Tower - Further revisions were made to the proposed lease for the West Water Tower. The changes were requested by Verizon and related primarily to the start date of the lease - which is proposed to be upon the commencement of construction or November 1, 2014, whichever occurs first. The end date is also proposed to be five years after the lease commences. Verizon did not object to the proposed monthly rental amount (\$2,045) or the annual increase during the renewal term(s) (3% per year). Dale Bevans made a motion to approve the changes to the Verizon lease agreement subject to the receipt of satisfactory exhibits demonstrating an attachment procedure that is acceptable to the Board. Tom Demler seconded the motion. All voted in favor and the motion carried. The solicitor will follow up with Verizon.

USAA Real Estate/Trammell Crow - The Solicitor is still waiting for the original signature pages to be returned by USAA Real Estate. Atty. Fitzgibbons has contacted Atty. Courtney several times with regard to the signature pages and has been repeatedly assured that the signature pages will be delivered in the near future.

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. The office staff continues to work with Joe Rupe, PEMA, to submit the additional information not captured on the original worksheet.

Oakwood Custom Homes/29 Shirk Drive - The office staff continues to try to resolve the issue of the unpaid prior balance due with Melanie/Oakwood via emails.

Fulton Bank's ACH and Remote Deposit - A meeting was held on October 14th with Steve Ulrich and Dave Cherrington from Fulton Bank to discuss ACH direct payment procedure and Remote Deposit procedure. Options and pricing were presented to the Board.

Fredericksburg Water Checking Account - The Office Manager requested approval to transfer funds from the Susquehanna Money Market Account to the Fulton Water Checking Account. The Board authorized Ms. Wright to only

transfer an amount that she feels necessary to cover future water expenses and still maintain a small reserve with Susquehanna Bank.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - Normal operations.

Fredericksburg Water - Hydrant flushing was completed on October 18th. Staff started at 8:00 PM and finished at 1:00 AM. Average time spent on each hydrant was around 9 minutes. No complaints were received during or after flushing. CoLA needs to be added to the Rapid Response for future flushings.

Monroe Valley Sewer - A phone call was placed to Gayle Corporation regarding the grinder issue.

OLD BUSINESS

South Fredericksburg Sewer Connection Procedure - The Board instructed the engineer to contact DEP regarding the language in their Consent Order pertaining to the date certain for customers to be connected.

NEW BUSINESS

South Fredericksburg Lateral Restoration - Ron Thompson questioned when the laterals were going to be restored with topsoil and seed. The engineer stated that he would contact Jerry Kalinoski for information.

COMMITTEE REPORTS

Budget Committee - The Budget Committee held a lengthy meeting on October 10th. Another meeting is scheduled for October 24th. The Operator has provided a list of requests for operations. Engineering and Administration is providing budget information also.

Operations Committee - No report.

Building Committee - Dale Bevans requested Board requirements for gas heating and central air for the office building/apartment. The Board directed Mr. Bevans to obtain quotes to heat the office area and apartment, and to obtain a quote for central air in the office area of the building. Mr. Bevans will re-investigate quotes for ceiling fans for the office area.

The Board went into an Executive Session to discuss the CoLA Agreement renewal.

EXECUTIVE SESSION

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to the adjourn the meeting was made by Rick Rudy and seconded by Tom Demler. All voted in favor and the meeting was adjourned at 8:31 PM.

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
November 4, 2013**

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

ROLL CALL

Roll call was taken by Kathy Gamble, Administrative Assistant. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Tom Demler and Ron Thompson. Also in attendance were Tony Fitzgibbons, Paul Lutzkanin, Kevin Snader and Kathy Gamble.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The October 21, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Dale Bevans made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$10,454.80, the Fredericksburg Water Payables in the amount of \$12,456.09, the Monroe Valley Sewer Payables in the amount of \$1,427.44, and the South Fredericksburg Sewer Payables in the amount of \$936,749.68. Tom Demler seconded the motion. All voted in favor and the motion carried.

Financial Statement – Ron Thompson 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 - The majority of the pipe is in the ground, only a small section of the sewer line installation work remains. Wear Course paving restoration has been completed on most roads. The full depth restoration on a large portion of South Center Street has begun and should be completed by the end of the week. Contracts 2, 3 & 4 - The plant site and driveway have been paved. In the Main Building, the wall and ceiling painting has been completed and the casework has been installed. The new material for the walls of the Filter Room and Garage has been ordered and should be in soon. The man doors, overhead doors and chain link fence have been installed. The gates are locked at night so the site is secure. There is no anticipated delay in the schedule due to this issue. Allied Control Services has been contacted to begin the installation of the facilities required to transfer the SCADA system to the new WWTP. Permanent utility power will probably be switched over this week, weather permitting.

Supervisor Martel and Road Foreman Sidle issued concerns regarding the quality of the paving restoration on Greble Road, line painting, Center Street, and compaction reports. The Board instructed the engineer to schedule a meeting with all parties involved to resolve this issue.

PENNVEST - Pay Request 8 was presented for approval as follows:

Total Amount	<u>\$1,939,922.27</u>
Retainage	90,230.72
Net Payable	<u>\$1,849,692.05</u>
Local Share	373,687.76
PennVest Share	<u>\$1,476,004.29</u>

Ron Thompson made a motion to approve Pay Request 8 in the amount of \$1,476,004.29. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Change Orders - The following Change Order was presented for approval.

Change Order 1-3 - This Change Order covers the costs to restore a large bank of Juniper plants (200) for the Bomberger residence along SR 343. The existing bank of plants, which took about 15 years to establish, were destroyed by the line installation. The cost for this change order was \$4,818.12. The Board did not approve Change Order 1-3.

Water System Improvements / New 1MG Tank; Water Source - Geologist Conapitski is coordinating H & M Well Drillers to run the pump test and draw water samples this week.

CoLA held its annual meeting for all municipal and bulk customers on October 24th. A copy of the CoLA agenda and notes was provided to the Board for their review. Mr. Demler questioned payment of a CoLA water study invoice. The secretary will research the payment.

CoLA Director Beers has indicated that CoLA will renew our capacity agreement. The Authority has been asked to submit their requested terms in writing and CoLA will respond. The Solicitor was instructed to draft a letter to CoLA based on terms discussed and agreed upon by the Board.

The new raw water transmission main is nearly complete, with Rt 22 bored crossing and testing ongoing. As of October 18th, 9,720 feet of water main have been installed. The third invoice for \$182,456.50 has been submitted from the contractor and is presented for approval. Dale Bevans made a motion to approve payment to Joao & Bradley in the amount of \$182,456.50. Tom Demler seconded the motion. All voted in favor and the motion carried.

East Main Street Pump Station - Operations performed the requested pump draw down tests. Calculations are being finalized for the capacity increase to be gained from a force main upgrade. The DEP permit application will be ready to file within the week. Tom Demler made a motion to authorize payment to DEP in the amount of \$500.00 for the permit application fee. Ron Thompson seconded the motion. All voted in favor and the motion carried.

Miscellaneous - 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.

Engineering continues to work with the solicitor to develop a Water Capacity Agreement between FSWA and Farmers Pride.

SOLICITOR'S REPORT

Verizon Lease - The text of the proposed lease agreement with Verizon was approved at the last board meeting. The engineer has received the necessary exhibits and removal bond estimate. The Board expressed concern regarding the attachment of the antenna on the top of the water tank. Mr. Lutzkanin stated that Verizon indicated that they typically spot weld the antenna to the tank. The Board stated that Verizon would then have to be responsible for any damage, if any, to the inside or outside of the tank as a result of the installation of the antenna. **USAA Real Estate/Trammell Crow** - Courthouse records confirmed that US Real Estate Limited Partnership purchased two parcels of land on October 29, 2013. The solicitor is still waiting for original signature pages to be returned by USAA Real Estate.

Farmers Pride - Farmers Pride has signed the addendum to the sewer capacity purchase agreement. The addendum has been approved by board action at the last meeting but was presented to the board for signature at tonight's meeting. The solicitor is also working with the engineer to develop a Water Capacity Agreement.

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 requires copies of paid invoices and proof of payment along with a brief description of the work performed to be submitted to them within 60 days of the September 15th deadline. Information and the request for reimbursement has been submitted to PEMA. Total amount requested was \$35,835.00.

Fredericksburg Service Area

Oakwood Homes - There have been no developments since the last meeting regarding 29 Shirk Drive.

Susquehanna Bank / Water Account - The request to withdraw money from the Susquehanna Money Market account was not necessary due to the plethora of sewer and water payments received since the last meeting.

South Fredericksburg Sewer Project - Two additional permits were obtained since the last meeting. To date, 97 permits have been purchased.

Miscellaneous - The office received notification that the township will take action at their November Supervisors meeting to approve the removal of Authority employees from the shared Life Insurance policy with USABLE. The Office Manager is looking into alternative options for life insurance coverage and also looking into alternate options for health/vision/dental insurance.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer - The West Main Street manholes were repaired by Joao & Bradley. The Authority's expense to Flagger Force will be \$550.00.

Engineering is working on the permit application with PennDOT.

Monroe Valley Sewer - Gayle replied to an earlier email and a technician should be on site this week regarding the grinder issue.

South Fredericksburg - Operations requested that an alarm system be installed at the new WWTP. MBR has provided a quote for a fire alarm system (which would be tied into the SCADA system) in the amount of \$47,485.00. The Operator was asked to investigate other options and bring it to the Board at a future meeting.

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 - Mr. Thompson reported that the Budget Committee met and discussed setting water tapping fees.

The Committee is also discussing raising the rates for the high end users.

Ron Thompson made a motion to change the cost percentage share from 55% for water to 50%, 35% from sewer to 40% and Monroe Valley will remain at 10%.

Jim Heisey seconded the motion. All voted in favor and the motion carried. All voted in favor and the motion carried.

The Committee is looking into proposing changing the retirement from a defined benefit to a defined contribution not to effect current employees only new employees.

The purchase of the administration building was drawn on the \$5 million S. Fredericksburg short term loan. This loan will mature in December 2014. The building purchase amount needs to be removed from the short term loan prior to December 2014. The Solicitor will contact Daryl Peck from Concord Public Finance.

There were requests from Operations and Administration for an extra full time employee. The Board agreed to budget for extra help for operations but not for administration. There was discussion to out-source the customer billing.

Operations Committee - There was no report.

Building Committee - There was no report.

COMMENTS/COMPLAINTS

There were no comments or complaints.

The Board recessed before going into an Executive Session.

EXECUTIVE SESSION

The Board reassembled after an Executive Session. There was no action taken during the Executive Session.

ADJOURNMENT

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

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
November 18, 2013**

The 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, Dale Bevans, Tom Demler, Ron Thompson and Bev Martel. Also in attendance were Tony Fitzgibbons, Jeff Steckbeck, Kevin Snader and Lorrie Wright.

Chairman Heisey welcomed Mrs. Martel to the FSWA Board of Directors. Chairman Heisey reminded Mr. Rudy that his term expires at the end of 2013. Mr. Rudy stated that he would be interested in being appointed to another term.

COMMENTS/COMPLAINTS

Kevin and Karen Kohr, 137 Elk Drive - The Kohr's appeared before the Board to express their concern about the paving and quality of their road (Elk Drive) in comparison to Deer Drive. The Kohr's are also concerned about water runoff from their driveway. Mr. Steckbeck, Authority Engineer, stated that prior to paving work occurring, Paul Lutzkanin, Jerry Kalinoski, Jim Fisher, Terry Knapp and Rick Seidel walked the job site and established the requirements of specs. Work was performed as agreed to during those walk around meetings. Deer and Elk Drives were paved very early on and the Kohr's concern is the first that the engineer has heard that there were complaints. The Board instructed the engineer to meet with those that were involved in the walk around meetings and try to resolve the issue.

Robert Shirk, 169 Elk Drive - Mr. Shirk expressed his concern about the quality of the road construction performed stating that it was "very amateur". Mr. Shirk would like to see Elk Drive widened to what it was prior to this project. The Board again instructed the engineer to look into the situation and report back to the Board.

MEETING MINUTES

The November 18, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Ron Thompson made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$13,669.69, the Fredericksburg Water Payables in the amount of \$59,531.84, Monroe Valley Sewer Payables in the amount of \$4,429.94 and the South Fredericksburg Sewer Payables in the amount of \$2,325.00. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Financial Statement - Dale Bevans made a motion to approve the financial statement as submitted. Tom Demler seconded the motion. All voted in favor and the motion carried.

BETHEL TOWNSHIP REPORT

Mrs. Martel stated that the agreement between the Authority and the Township indicates that the roads will be brought back to road specifications according to Section 510. Attorney Fitzgibbons commented that he reviewed the agreement and it is of his opinion that the roads were to be brought back to the condition prior to construction, not enhanced or enlarged.

ENGINEER'S REPORT

Fredericksburg Plant Expansion / South Fredericksburg - Contract 1 - Only a small section of the sewer line installation work remains. Wear Course paving restoration has been completed on all roads, including South Center Street, and the lines have been painted. The remaining work consists of the tie in point with the existing system.

Contract 2, 3 & 4 - In the Main Building, the flooring has been installed and waxed and a general preliminary cleanup has been performed. The plumbers and electricians are performing their final installations. The new material for the wall of the Filter Room and Garage has been installed. In the Headworks and Plant Buildings, the painting has been completed and insulation of the ceilings is underway. The majority of work in the basins is complete. Allied Control Services installed the antenna and mast at the Main Building and will be performing some of the reconfiguration work on the water system SCADA in preparation for the move. The utility power has not been switched on yet.

The following Change Orders were presented for approval:

Change Order 1-3 - Resubmission - This change order covers the costs to restore a large bank of Juniper plants for the Bomberger residence along Rt 343. The existing bank of plants, which took about 15 years to establish, was destroyed by the line installation. The cost of this Change Order is \$2,953.57 (previously \$4,818.12) Ron Thompson made a motion to approve Change Order 1-3 in the amount of \$2,953.57. Dale Bevans seconded the motion. All voted in favor and the motion carried.

Change Order 3-8 - This Change Order covers the costs to change a breaker in the Main Distribution Panel from a 1000A breaker to an 800A breaker. The cost for this Change Order is \$5,437.72. The Board did not take any action.

Change Order 3-9 - This Change Order covers the costs to provide electrical facilities for a connection between a portable generator and the Main Building electrical system for the purposes of providing temporary heaters and lighting. The permanent utility power has yet to be turned but the installation of drywall, painting another interior work needed to be performed to remain on schedule. Interior lighting was required and temporary heaters were put in place to allow proper drying and prevent

racking. The cost for this Change Order is \$3,076.22. The Board did not take any action.

Change Order 4-4 - This Change Order covers the costs to replace a single bowl stainless steel sink with a double bowl version. The cost of this Change Order is \$235.00. The Board did not take any action.

Mr. Steckbeck reported that he met with the Township Supervisors and the Twp. Road master to discuss compaction issues. After explaining compaction inspection work and sharing the test results Mr. Steckbeck believes that all were satisfied that the compaction was adequately monitored and tested.

Mr. Steckbeck proposed an alternative to paying for an extended insurance policy. The contractor is able to provide a 6 month extended warranty on township roads for \$4,500.00 or a 1 year extended warranty for \$6,000.00.

Another alternative is to draft a letter to the township proposing an agreement between the Township and the FSWA regarding road repairs. The Board agreed to draft a letter to the Township which will cover all of the FSWA service area.

Water System Improvements / New 1MG Tank; Water Source - To prevent tearing up the new WWTP yard area which was recently seeded and mulched, the geologist and well driller have delayed running the pump test and sampling until the ground freezes.

The CoLA Board reviewed our request to renew the existing water capacity agreement under the same terms of the original agreement. CoLA Director Beers and Board Member Marty Yocum have indicated their intention to execute an agreement but want to work with FSWA to insert an "acceleration clause" based on the "use it or lose it" concept. There will be a meeting next week to work up that provision.

The new raw water transmission main is nearly complete. The Route 22 bore is complete.

East Main Street Pump Station - After the Board and Bell & Evans approved the addendum to the Sewer Capacity Purchase Agreement to include the payment for increasing capacity at the pump station, the DEP Planning Module was filed with DEP. DEP has advised the engineer not to submit the Part 2 Permit application until they first approve the Planning Module.

Miscellaneous - 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.

Engineering is working with the solicitor to develop a Water Capacity Purchase Agreement between FSWA and Farmers Pride.

Keith Heigel contacted SESI on behalf of the Kenbrook Bible Camp which is located south of the Little Swatara Creek, in Swatara Township, opposite of the new WWTP. He is evaluating Kenbrook's options for alternative sewage disposal methods since their septic systems are substandard and the soils are poor. SESI provided drawings showing locations of our lines and the WWTP. Mr. Heigel has expressed a desire to attend a future FSWA Board meeting to discuss the potential for Kenbrook becoming a customer of the FSWA.

The engineer provided the Board with a draft letter for the South Fredericksburg Sewer customer briefly providing historical information and a projected sewer rate. A "Notice to Connect" letter will be provided to the Board in the near future for review.

SOLICITOR'S REPORT

USAA Real Estate/Trammell Crow - A copy of the fully executed agreement with US Real Estate was provided to the Board. The agreement calls for a significant extension of our water system at the developer's expense. The extension is to be made within six months of final land development approval.

Sewer Liens/Delinquent Accounts - The Solicitor has been working with the Operator regarding leaking lateral situations located at 1 Pine Avenue and 6 Pine Avenue. The Solicitor is also working with the Office Staff to collect revenue for 29 Shirk Drive.

Farmers Pride/Bell & Evans - The Solicitor is drafting a water purchase agreement with Farmers Pride/Bell & Evans for their new cooking facility. A draft agreement is expected to be available for comment within the next few days.

Verizon Lease - West Water Tower - A new paragraph(#38) has been added to the Verizon lease addressing damage to the tank caused by any welding done by Verizon. Tom Demler made a motion to approve the Verizon lease as amended by the Solicitor. Dale Bevans seconded the motion. All voted in favor and the motion carried.

New Public Water Source - Martin Property - The Solicitor has requested an update from the geologist as to the status of the well on the Martin farm. The solicitor has been contacted by Mr. Martin on several occasions will need to contact him regarding the status. The Solicitor suggested that it might be a good idea to appoint a committee to negotiate with the Martins.

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. Information and request for reimbursement has been submitted to PEMA in the amount of \$35,835.00.

Monroe Valley Service Area

Late Notices were due on November 11th. Total outstanding sewer revenue is \$29,000.

Fredericksburg Service Area

Oakwood Homes - An email was received from Oakwood indicating that they will submit payment for 29 Shirk Drive.

Late Notices - 127 Late Notices were issued. Total outstanding water and sewer revenue is \$33,000.

West Water Tank Loan - The remaining available funds from the water tank loan were transferred into the water checking account in the amount of \$93,407.26.

City of Lebanon/Diversified Billing and Collection Services - Information is being collected on the procedures and requirements necessary to out-source billings.

OPERATION MANAGER'S REPORT

Fredericksburg Sewer

The MLSS is being increased in preparation of start-up for the new WWTP. Letters were sent to 1 Pine Avenue and 6 Pine Avenue to address the I&I. The Operator is working with the homeowners at 1 Pine Avenue. Their repairs will be completed following the next substantial rain. At that time the operator will be able to televise their line and give them a better location. No contact has been made with 6 Pine Avenue.

Fredericksburg Water

The water filter bags are being changed on a weekly basis. No water complaints have been received since hydrant flushing.

Monroe Valley Sewer

A Gayle Corporation service technician repaired the grinder on 11/5/13. A few items needed adjustment. A full system check was performed. The grinder is now in service. The \$2,500 box of incorrect parts was also returned. FSWA never received an invoice for them. The grinder has been out of service since mid February.

Miscellaneous

Mr. Snader has requested vacation during the first two weeks of December. He will provide Mr. Bevans with an Operations Report for the December 2nd meeting.

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 - Mr. Heisey reported that the Budget Committee is working on finalizing budgets. The committee will meet again on November 20th.

Operations Committee - No report.

Building Committee - No report.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to the adjourn the meeting was made by Rick Rudy and seconded by Dale Bevans. All voted in favor and the meeting was adjourned at 8:24 PM.

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
December 2, 2013**

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

ROLL CALL

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

COMMENTS/COMPLAINTS

Kevin and Karen Kohr, 137 Elk Drive - The Kohr's appeared before the Board to inform them of a "ponding" of water at the front of their driveway. They have a concern because their driveway runs downhill towards their home. They also expressed concern about the stone that was placed on their property. The Kohr's provided pictures for the Board to review. Mr. Steckbeck provided pre-construction photos. Mr. Thompson provided Google Earth pre-construction photos of approximately two years ago. Mr. Steckbeck stated that the Authority fulfilled all of their obligations regarding road restoration. Mrs. Martel, speaking as a township supervisor, stated that the Kohr's have a storm water issue which is not an Authority issue but a township issue. She advised the Kohr's to bring the matter before the township supervisors.

MEETING MINUTES

The November 18, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Tom Demler made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$9,980.94, the Fredericksburg Water Payables in the amount of \$189,357.21 and the Monroe Valley Sewer Payables in the amount of \$1,842.80. Ron Thompson seconded the motion. All voted in favor and the motion carried.

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

ENGINEER'S REPORT

Fredericksburg Plant Expansion / South Fredericksburg - Contract #1 - Joao & Bradley should complete the remaining work this week. The only exception will be the rework of the manhole adjacent to the wet well at the existing WWTP. That will be completed when the cutover is made to divert flows to the new WWTP. A punch list has been created and provided to the Contractor. They will be reviewing restoration and addressing punch list items during December.

Contracts 2, 3 & 4 - Lobar's work on the WWTP is nearing completion, also. MBR is continuing the startups and certifications are being scheduled, primarily in December. The utility power has been switched on by Met Ed but is not turned on to all sections of the plant.

PennVest - Pay Request 9 was presented for approval as follows:

Total Amount	\$420,328.33
Retainage	<u>18,486.56</u>
Net Payable	\$401,841.77
Local Share	<u>0.00</u>
PennVest Share	\$401,841.77

Rick Rudy made a motion to approve PennVest Pay Request #9 in the amount of \$401,841.77. Tom Demler seconded the motion. All voted in favor and the motion carried.

Fredericksburg WWTP Operations Support - Engineering has consulted with the Operator and Contractor about the sequence of events which need to occur to divert flows to the new WWTP and take the existing plant out of service. All parties agree on the plan and their responsibilities in it.

Mr. Heisey requested that someone contact DEP about scheduling a tour of the new WWTP. Mr. Lutzkanin will take care of the matter and will keep the Operator informed of any pending DEP tour.

Water System Improvements / New 1MG Tank; Water Source - The geologist and well driller will run the pump test and pull water samples on December 12th. CoLA Director Jon Beers will be coordinating a meeting between his negotiating team and the FSWA negotiating team for the week of December 9th. FSWA has been requested to provide an outline of the terms and conditions for a contract extension, which includes a "use it or lose it" provision.

The raw water line transmission main construction project is substantially complete now that the Route 22 bore has been completed. Clean up, testing and restoration work remains. Joao and Bradley Application for Payment #4 was presented to the Board for approval in the amount of \$16,066.50. Ron Thompson made a motion to approve payment of the Joao & Bradley Pay Application #4 in the amount of \$16,066.50. Tom Demler seconded the motion. All voted in favor and the motion carried.

East Main Street Pump Station - Design plans for the force main replacement are complete. The DEP permit application is complete. Engineering is holding off on filing the permit application with DEP until DEP first approves the Bell & Evans Planning Module for land development.

Miscellaneous - 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.

The Engineer is working with the Solicitor to develop a Water Capacity Purchase Agreement between FSWA and Farmers Pride.

Keith Heigel is on vacation this month and will not be able to attend either FSWA meetings to discuss Kenbrook Bible Camp sewer connection. He will make arrangements to attend one of the January board meetings.

SOLICITOR'S REPORT

The Solicitor was not present but had previously provided a written report which contained the following:

New Public Water Source Well – Martin Property - The Solicitor was advised that the geologist was in the process of scheduling the pump test of the well on the Martin farm. Atty. Fitzgibbons spoke to Mr. Martin who is travelling between Indiana and Iowa visiting relatives. Mr. Martin requested that the water pumped from the well be piped into the woods such that it does not wash away his winter crop. This is a common request and does not add cost to the pump test. This request was relayed to the geologist. The Solicitor does not know if the test has been conducted nor the results if it has been conducted. He continues to maintain contact with Mr. Martin and will advise the Board of any developments.

Verizon Lease – West Water Tower - The lease was forwarded to Deborah Baker along with the removal bond, to be signed by Verizon and returned to the solicitor. As part of this process Ms. Baker has been provided with a completed IRS Form W-9 (required by Verizon even though we are tax exempt) and a completed California Tax Form 587 (required because Verizon conducts operations there – the solicitor simply confirmed that we do not conduct any operations in California). As soon as the completed lease and removal bond is received the Solicitor will forward them to the Board. Ms. Baker has also been asked to advise when construction is scheduled to commence and she has advised that she will do so.

USAA Real Estate/Trammell Crow - No developments since last meeting.

Sewer Liens/Delinquent Accounts - The Solicitor has been in contact with Kevin Snader regarding the leaking lateral at #6 Pine Avenue (Martha Moran). Neither the solicitor nor Kevin has heard from Mrs. Moran. The Operator and Solicitor will follow-up on this matter and see that the lateral is repaired.

Farmers Pride/Bell and Evans - The Solicitor provided a draft water purchase agreement with Farmers Pride/Bell and Evans for their new cooking facility. The draft agreement includes an initial down payment toward the tapping fee of \$250,000 with the balance to be paid over time, with interest.

South Fredericksburg Construction - The Solicitor reviewed the email traffic regarding the road restoration issue being raised by two of the residents on Elk Drive. Based on the correspondence, it appears that the Authority contractor completed the restoration in accordance with the contract documents and to the satisfaction of the Township. As a result, the Authority is not obligated to take any further action with regard to this matter

OFFICE MANAGER'S REPORT

The Office Manager was not present.

OPERATION MANAGER'S REPORT

The Operations Manager was not present.

OLD BUSINESS

There was no Old Business brought before the Board.

NEW BUSINESS

2014 Board Meeting Schedule - The following meeting schedule was presented to the Board for approval:

January 6th & 20th	July 7th & 21st
February 3rd & 17th	August 4th & 18th
March 3rd & 17th	September 15th
April 7th & 21st	October 6th & 20th
May 5th & 19th	November 3rd & 17th
June 2nd & 16th	December 1st & 15th

Tom Demler made a motion to approve the 2014 meeting schedule as submitted. Bev Martel seconded the motion. All voted in favor and the motion carried.

COMMITTEE REPORTS

Budget Committee - Copies of the 2014 Monroe Valley Sewer and Fredericksburg Water budgets were presented for approval. A 2.25% pay increase for all employees is included along with an additional employee for the operations staff. Operator Snader requested the purchase of a new service truck so additional funds were budgeted in the capital equipment expense categories. Jim Heisey made a motion to approve the 2014 Fredericksburg Water budget and rates as presented to the Board. Tom Demler seconded the motion. All voted in favor and the motion carried. After some discussion, Bev Martel made a motion to adjust the Monroe Valley debt service charge to \$132.57 and the operations charge to \$92.43 resulting in a total quarterly charge of \$225.00. Rick Rudy seconded the motion. Mr. Rudy, Mrs. Martel, and Mr. Demler voted in favor. Mr. Thompson opposed. Motion carried with a vote of 3-1. Mr. Heisey made a motion to refer the Monroe Valley budget to the budget committee to consolidate the revised quarterly charge amounts into the budget and have it ready to resubmit to the board at the next meeting. Bev Martel seconded the motion. All voted in favor and motion carried.

Operations Committee - There was no report.

Building Committee - There was no report.

COMMENTS/COMPLAINTS

There were no Comments or Complaints.

ADJOURNMENT

A motion to adjourn the meeting was made by Rick Rudy and seconded by Bev Martel. All voted in favor and the meeting was adjourned at 8:50 PM.

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

**FREDERICKSBURG SEWER & WATER AUTHORITY
MEETING MINUTES
December 16, 2013**

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

ROLL CALL

Roll call was taken by Chairman Jim Heisey. Those in attendance were Jim Heisey, Rick Rudy, Dale Bevans, Ron Thompson and Bev Martel. Tom Demler was not present. Also in attendance were Tony Fitzgibbons and Jeff Steckbeck.

COMMENTS/COMPLAINTS

There were no comments or complaints.

MEETING MINUTES

The December 2, 2013 meeting minutes were accepted as submitted.

TREASURER'S REPORT

Bills Payables - Ron Thompson made a motion to approve payment of the Fredericksburg Sewer Payables in the amount of \$1,766.80, the Fredericksburg Water Payables in the amount of \$3,156.44, the Monroe Valley Sewer Payables in the amount of \$065.59, the South Fredericksburg Sewer Payables in the amount of \$1,423.00 and the South Fredericksburg Sewer Project Payables in the amount of \$515,983.67. Dale Bevans seconded the motion. All voted in favor and the motion carried.

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

OLD BUSINESS

Farmers Pride Water Service Agreement - Dale Bevans made a motion to tentatively approve the revised draft dated 12/16/13, forward to Farmers Pride to begin negotiations and to appoint Jim Heisey and Rick Rudy to serve as the Negotiations Committee. Bev Martel seconded the motion. All voted in favor and the motion carried.

NEW BUSINESS

Northwest Loan / Resolution 2013-7 - Resolution 2013-7 was presented to the Board to accept the Northwest Bank financing package consisting of a \$192,000 sewer/water revenue note to be used to refinance a portion of the Authority's existing debt and designate the chairman and secretary to execute all necessary documents. A motion to approve Resolution 2013-7 was made by Ron Thompson and seconded by Rick Rudy. All voted in favor and the motion carried.

Farmers Pride Letter of Credit Reduction Request - Dale Bevans made a motion to approve Farmers Pride's Letter of Credit reduction in the amount of \$170,000.00. Rick Rudy seconded the motion. All voted in favor and the motion carried.

COMMITTEE REPORTS

Budget Committee:

2014 Fredericksburg Sewer Budget - A motion to approve the 2014 Fredericksburg Sewer budget was made by Dale Bevans and seconded by Rick Rudy. All voted in favor and the motion carried.

2014 Monroe Valley Sewer Budget - A motion to approve the 2014 Monroe Valley Sewer budget was made by Rick Rudy and seconded by Dale Bevans. All voted in favor and the motion carried.

Building Committee - Dale Bevans reported that the heater in the administration building was serviced. Mr. Bevans also received quotes for ceiling fans but will present them at the next board meeting.

Operations Committee - Rick Rudy reported that the staff has started moving equipment from the Route 22 plant to the new plant on FSWA Lane.

COMMENTS/COMPLAINTS

There were no comments or complaints.

ADJOURNMENT

A motion to adjourn the meeting was made by Rick Rudy and seconded by Bev Martel. All voted in favor and the meeting was adjourned at PM.

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