

WAYNESBORO BOROUGH AUTHORITY

JUNE 15, 2010

MINUTES

Authority Chairman Jon Fleagle called the regularly scheduled meeting of the Waynesboro Borough Authority to order at 7:30 p.m. with the following in attendance:

Borough Authority Members – Jon Fleagle, Christopher Snively, S. Allen Stine, William Pflager and Lee Layman

____Borough Staff – S. Leiter Pryor, Director of Borough Utilities
Scott Crum, Chief Draftsman-Inspector
D. Lloyd Reichard, II, Authority Solicitor

APPROVE MINUTES: Lee Layman made a motion to approve the minutes of the May 18th regular meeting and the May 25th special meeting, as written. William Pflager seconded; the motion passed unanimously.

WELL #2 UPDATE: Leiter Pryor noted that he had informed WBA members about the sediment build-up and shortened run times in the pre-filters at the last meeting. Analyses for iron bacteria were conducted on the intake water, which turned up negative (this means it is just an orange sediment). He feels that, due to the large amount of drawdown in the well over a period of 5-6 days of run time, sediment is being stirred up in the well. Subsequently, they have shortened the run time to 12 hours per day instead of around-the-clock; and he is hopeful that this will solve the problem. In the meantime, he will talk with Gannett Fleming to determine if there is some type of pre-filter that can be installed on the head of the sediment filters to catch additional debris (if a drought situation necessitates the well being run for a longer period of time). He will continue to monitor the situation.

Mr. Pryor advised that the Long spring is still running full, and there has been no change in the static level of the well.

Chairman Fleagle instructed the staff to post “No Trespassing” signs at the well and standpipe, as well as “High Voltage” signs on the fence at the standpipe.

Mr. Fleagle also noted that the vehicles mentioned at a previous meeting which were on the well site property have been removed.

RESIDENTIAL SPRINKLER SYSTEMS: WBA members received information in their meeting packets regarding the new Building Code that requires sprinkler systems in townhouses and duplexes; and, on January 1st of 2011, will require them in single-family dwellings (new construction or remodel). Scott Crum noted that Gemcraft recently obtained building permits for several townhouse units, and has already contacted him regarding the sprinkler requirements. Leiter Pryor added that their “fire service people” have also contacted him regarding pressures. Information regarding water and fire service lines was provided, at their request.

Lloyd Reichard stressed the importance of being able to shut-off domestic services for non-payment of a bill; but from a liability standpoint, fire service would need to be maintained. Discussion followed regarding additional costs to the WBA for installing and monitoring (reading) the separate meters and

service lines for the dedicated fire service. Leiter Pryor noted, however, that some of those costs can be calculated into the tapping portion of the connection fee which will be charged. He commented on the importance of metering both lines to deter individuals from illegally tapping off the fire service line and stealing water.

Leiter Pryor explained that the current rate schedule would require a customer to pay a higher capacity-related fee for a 1" service line than two (2) 3/4" taps (the customer would only pay a capacity fee for the domestic portion, not the fire service). A 1" meter would also be required, the minimum bill for which is also higher. Mr. Pryor clarified that a tap fee is not currently charged for fire service lines, but there is a quarterly standby readiness-to-serve fee. Several scenarios were considered, including a \$50.00/year annual charge; and current fees for a 3/4" tap (\$3,000 capacity, \$2,000 distribution) and for a 1" tap (\$4,500 capacity, \$3,000 distribution) were reviewed.

After further discussion, WBA members agreed that the Rules and Regulations should be modified to indicate that residential customers requiring sprinkler systems will be charged for a 3/4" tap (but a 1" service main will be installed). They agreed that they will not charge a standby readiness-to-serve fee at this time; but will check to see how other municipalities handle the matter and can re-visit it at a later date if necessary.

Mr. Pryor was requested to make proposed changes (as discussed) to the WBA's Rules and Regulations for review at their next meeting.

H2O PA GRANT APPLICATION UPDATE: Leiter Pryor reported that a portion of the H2O grant application was submitted electronically the previous day; 15 exhibits, however, will need to be mailed in. (He is still waiting for the final 2009 audit, which should be received within the week.) Christopher Snively made a motion granting approval for the WBA Chairman to execute the H2O grant application documents for submission. Allen Stine seconded; the motion passed unanimously. It was noted that the applications will be considered for award in July or August. Chairman Fleagle asked for a copy of the completed application for his records. He will forward a copy to Congressman Bud Shuster, Senator Rich Alloway and Representative Todd Rock, asking for their support. He added that the application is for \$5.7 million.

Regarding the PENNVEST loan application, Leiter Pryor noted that they won't be ready to submit that until later this year.

WATER AND SEWER AVAILABILITY REQUEST - LEVI PLAZA: Leiter Pryor noted that the proposed Food Lion complex (next to the FOE) was briefly discussed at the last meeting. He has received a formal request for water service availability from WTMA, copies of which were forwarded to the WBA in their meeting packets. He stated he would like to respond that the WBA is willing and able to serve the complex, and the tap fees would be \$210,000 for a 6" line. He noted that, as far as the tap fee is concerned, this would be one (1) customer; but each customer (various shops, Food Lion, restaurant, etc.) will be metered individually. Scott Crum noted that water capacity and pressure, as well as sewer capacity at the Third Street Pumping Station "looks good".

Lee Layman made a motion for a response that the WBA has the capacity to serve both water and sewer for the Food Lion complex. William Pflager seconded; and the motion passed unanimously.

SEWER PLANT UPGRADE - ENGINEERING SERVICES PROPOSAL: Chairman Fleagle noted that WBA members received copies of Gannett Fleming's engineering services proposal for upgrades at the Sewer Treatment Plant. (Changes discussed during the previous meeting with Mark Malarich have been included.) It was noted that payment terms are sixty (60) days, and the total cost will not exceed \$444,000 for pre-design and permitting fees.

Leiter Pryor reviewed various current fund balances, noting they have approximately half what is needed to cover these costs. After much discussion regarding financing options, Mr. Pryor was requested to solicit proposals from various financial institutions for a line-of-credit in the amount of \$200,000. He will also put together some scenarios about where the money will come from, and suggested they consider raising rates by approximately 15% (beginning in August). Chairman Fleagle noted he will request a meeting with Borough Council to discuss the matter, as they need to take action and the WBA will affirm it. Leiter Pryor noted that a 15% increase will amount to approximately \$10.00/quarter on the average customer's bill.

Allen Stine then made a motion to accept Gannett Fleming's proposal for preliminary engineering for upgrades to the Sewer Treatment Plant, for a price not-to-exceed \$444,000. Christopher Snively seconded; the motion passed unanimously.

ADDITIONAL ITEMS: Leiter Pryor noted that he has obtained all EMA signatures on the Emergency Operations Plan for Antietam Dam. Jon Fleagle's signature is required, and then he will re-submit the Plan to DEP.

Leiter Pryor noted that Mr. Hamberger requested he convey to the WBA that the new billing system should be installed and in operation "shortly". Chairman Fleagle requested that the WBA members receive a financial statement for the first half of 2010 at the next meeting.

Leiter Pryor advised WBA members that the field event study with DEP/EPA has been completed. Overall, they received a favorable report and DEP had a lot of positive comments. When a final report is received, he will distribute copies for the Authority's review. Mr. Pryor added that he is very appreciative of the Borough Authority Board and their support of the services and system.

PAY BILLS: Allen Stine made a motion to approve the payment of the following requisitions --

Water Requisition #10-11 - Reichard Law Offices, LLC - \$2,740.50 - 1st, 2nd and 3rd Quarter, 2010 Solicitor Fees (50% paid by Water Fund; 50% paid by Sewer Fund)

Water Requisition #10-12 - Gannett Fleming Companies - \$659.86 - Water System Engineering Services related to the performance of the duties of the Authority's consulting engineer and other services as authorized (Part A - 2010 Annual Services) for the period of April 24, 2010 through May 21, 2010

Water Construction Fund Requisition #WC-73 - Gannett Fleming Companies - \$980.58 - Construction Management Services related to Membrane Treatment at Well No. 2 for the period of April 24, 2010 through May 21, 2010

Sewer Requisition #917 - Reichard Law Offices, LLC - \$2,740.50 - 1st, 2nd and 3rd Quarter, 2010 Solicitor Fees (50% paid by Water Fund; 50% paid by Sewer Fund)

Lee Layman seconded; the motion passed unanimously.

Having no further business to discuss, the meeting adjourned at 9:03 p.m. on a Snively/Pflager motion which passed unanimously.

Respectfully Submitted,

Melinda S. Knott
Administrative Assistant