

WAYNESBORO BOROUGH AUTHORITY

FEBRUARY 19, 2008

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

Borough Staff – S. Leiter Pryor, Director of Borough Utilities
Scott Crum, Chief Draftsman-Inspector
D. Lloyd Reichard, II, Authority Solicitor
Gordon Cruickshanks, Operations Manager - Water and Sewer

APPROVE MINUTES: Lee Layman made a motion to approve the minutes of the January 15, 2008 meeting, as written. William Pflager seconded; the motion passed unanimously.

SOURCE DEVELOPMENT UPDATE: Tim Glessner (Gannett Fleming) was present and distributed an agenda for items to be discussed. He reported they are moving forward with equipment procurement and reviewed the various design phases (all of which are between 75-99% complete). The legal “front end” portion of the specifications were submitted for review by Leiter Pryor and Lloyd Reichard; and plans/specifications have been sent to Leiter Pryor. He noted there will be one more plan submission for WBA review prior to final bid. Mr. Glessner reviewed the project schedule, as follows: advertise for bids on 03/21, open bids on 04/23, authorize award on 05/20 and issue Notice-to-Proceed on 06/18. Ordinarily, they could plan to break ground shortly after that; but the PENNVEST loan may hold that up a bit (perhaps several weeks). He added that all permits and approvals were in place before the procurement began.

Mr. Glessner presented several design questions to the WBA members. He questioned if there is any existing equipment from the West Penn Pumping Station that is worth keeping? The Authority noted that some electrical components and portable items (such as the dehumidifier, etc.) could be utilized.

It was noted that design work for the pump station is basically done, and financing for the project was discussed. Based on the projected flow contribution from the well, Leiter Pryor proposed 60% (sewer) and 40% (water) contribution to the pump station replacement. Door keying requirements were also mentioned, and it was decided that the locks should be matched to that of the Water Treatment Plant. Masonry colors were reviewed. Gannett Fleming suggested using a red or tan shade; and the block wall can be the same color with different texture or a completely different color. The Authority noted it should be two colors, but recommended that the staff choose the color. Site lighting was discussed. It was decided that there should be dusk-to-dawn lighting on all sides of the building. Fire and intrusion alarms will be sent directly to 9-1-1 and through the auto-dialer to the Water Treatment Plant's computer. Clarification on the submission of contractors' monthly pay estimates was made – those should be submitted to Leiter Pryor, upon review by Gannett Fleming, by the Tuesday before each Authority meeting.

Mr. Glessner then asked for any questions or comments from the staff or WBA on the design. Scott Crum noted that the new sewer pumping station location is outside the WBA's property boundary – he will forward a recommended relocation drawing of the West Penn Pumping Station to Mr. Glessner for

further review. Gordon Cruickshanks noted his concern regarding the door sizes, because of moving chemical drums from room to room. Chemical handling was discussed further, and Gordon Cruickshanks said he would like to view the grating for the flooring before it is installed (because moving a drum cart is not always easy on the type of flooring that was installed at the Water Treatment Plant). They also discussed day tanks vs. changing drums; and Mr. Glessner will look into the possibility of a day tank. Chairman Fleagle asked if there is any room planned for office space or storage. Discussion ensued, and it was noted that a small desk could be placed on the outside wall in the electrical room or at the end of the hallway where the safety eye wash was moved from. The possibility of future expansion was discussed and planned for as much as possible. Mr. Glessner noted that the building could be used, with modifications, if another well is brought into the facility. It was noted that the system will be able to be monitored from the Water Treatment Plant via telemetry.

Gannett Fleming's construction services were discussed. Mr. Glessner confirmed the scope of services, which Mr. Pryor stated is comparable to other projects. No problems were noted and a proposal with a cost estimate will be prepared for WBA review and approval.

Tim Glessner noted that, since much of the work for the project has moved from 2007 to 2008, Gannett Fleming has experienced some inflation in their costs. He questioned if the WBA would entertain an increase in the design budget to cover these additional costs (approximately \$4,000 total). After a thorough review of the original and revised budgets, Jon Fleagle proposed that the WBA would split the increase with Gannett Fleming.

Discussion regarding a bathroom at the facility resumed. It was noted that the cost for a bathroom would be approximately an additional \$20,000 with the required permitting. The cost was discussed early in the design process, and the WBA decided not to put the expense into an unmanned building. If a bathroom is needed in the summer because of grounds maintenance, a "portable potty" will be obtained. It was also noted that the driveway should be extended to accommodate larger semi-type delivery trucks.

Jon Fleagle noted that the bid documents call for breaking ground around June or July, and include a 12-month construction period. It is the staff's responsibility (Leiter Pryor and Gordon Cruickshanks) to determine how to operate the facility. Mr. Pryor noted that they have been discussing this matter. In addition, Mr. Fleagle requested the staff's analysis on where the water from the well will flow (which will depend on pressures).

ANTIETAM DAM INSPECTION REPORT: Leiter Pryor reviewed the Antietam Dam Inspection Report submitted by Dennis Black Engineering. The report refers to the Emergency Operations Plan, which has never been fully adopted by DEP. He discussed various recommendations and the staff's plan of action on those items. An underwater inspection was performed on the trash rack and drain line and incorporated into this report. The deficiencies noted last year have been corrected and found to be satisfactory. Mr. Pryor noted that the staff does an excellent job in maintaining the area, and the recently-purchased bank mower made a big difference. William Pflager made a motion to accept the Antietam Dam Inspection Report, and direct the staff to proceed with any corrective actions required by the report. Allen Stine seconded; the motion passed unanimously.

PENNVEST FINANCING UPDATE FOR MCCLEAF WELL: Chairman Fleagle noted that the WBA received a \$2,600,000 loan from PENNVEST (approximate terms are 2.5% for the first 5 years and 3.1% for the remaining 15 years). He and Leiter Pryor attended a meeting with the Governor regarding the matter. He added that the WBA has also been approved for \$200,000 through the U.S. Corps of Engineers 313 Program. Grant documents should be forthcoming in the near future.

Because of the Authority's existing bond financing and incurring an additional obligation with the PENNVEST loan, Solicitor Lloyd Reichard noted that documentation must be created and filed regarding the existing bond issue. He spoke with Dave Franklin (who was involved with the last bond

issue), and he quoted a fee of \$12,000 for providing this service. He read a prepared statement of the services to be provided for that fee. In addition, Mr. Reichard noted that the fee for the Solicitor's opinion that the revenues and properties can be pledged would be \$6,000. Leiter Pryor added that he spoke with Daryl Ackerman (Gannett Fleming), who felt that these prices seemed in-line. He noted that approximately \$20,000 has been budgeted for legal services in the PENNVEST loan application. Christopher Snively made a motion to engage Pepper Hamilton, LLP as bond counsel. Lee Layman seconded; the motion passed unanimously. Lloyd Reichard will advise Mr. Franklin the following morning. Mr. Pryor suggested that he also be informed that the proposed settlement date is approximately August.

Mr. Pryor noted that he will need to take some online training in the near future regarding applying for payments through PENNVEST.

FLOWABLE BACKFILL FOR UTILITY LINE INSTALLATION: Leiter Pryor reported that he was approached by Borough Manager Lloyd Hamberger several weeks ago regarding Borough Council's desire to use flowable backfill within the Borough's right-of-way for utility line installation and repair. He has since done research on the matter with Gannett Fleming and online; and he is "not 100% sold on it". He doesn't feel that this should be made a standard construction specification. He noted that this will cost approximately 4½ times the cost of regular backfill.

After further discussion and explanation of the process, Jon Fleagle noted that if standard backfill aggregate is used and compacted properly, there should be no problems. He suggested that it may be more feasible to provide certain specifications on compaction, with the addition of a clause that flowable backfill may be required under certain situations. Mr. Fleagle advised Mr. Pryor to inform the Street Committee that the WBA sees no advantage in using flowable backfill in all circumstances. He added that a representative of the WBA could meet with them to discuss the matter further, if they so desire. The Authority members agreed. Scott Crum also noted that flowable backfill doesn't exceed PENNDOT's standard backfill requirements.

ENTERPRISE AVENUE PUMP STATION UPDATE: Leiter Pryor presented correspondence from Gannett Fleming regarding the work which took place on this project since last month. They are currently working with Allegheny Power to obtain a service upgrade from 240 to 480 volts, and the Gas Company should be installing their service soon. A 30-day time extension has been granted; and the project is still on schedule. He added that funding for the project "looks good".

QUINCY TOWNSHIP CORRESPONDENCE: Leiter Pryor noted that he was asked to send Quincy Township a letter about the future of public water in Quincy Township. He has since received their reply, indicating they are looking at a lot of different options. They requested additional information from the WBA regarding past drilling and water quality data for review. No problems were noted with providing the requested information.

SEWER TRANSPORTATION AGREEMENT REQUEST - WTMA: Leiter Pryor noted that he received correspondence from WTMA regarding the Sewer Transportation Agreement. They want to keep the terms of the agreement the same, but are looking for an increase in the daily exchange by 100,000 gallons. This was discussed in the past, but never finalized. Mr. Pryor noted that the exchange balance can be accomplished (full 300,000 GPD) once the Hollengreen Development is completed, but added that there may be some problems with conveyance in the west end of the Borough's collection system. Scott Crum advised that there are two (2) sections of pipe on Eighth Street which will probably need replaced (and increased in size), as they are currently at 25% capacity. Mr. Pryor was instructed to respond to WTMA about the WBA's willingness to go to 300,000 gallons; noting, however, that there may be some conveyance issues and the contractors/developers in the western portion of the Township will be required to finance the upgrade of these sections of pipe once the current 200,000 GPD agreement limit is reached.

Leiter Pryor advised the Authority members that he will need their authorization for transfers of tap fees collected from the appropriate revenue funds into the construction funds, as follows: \$329,100 from Water and \$123,593 from Sewer. Allen Stine made a motion to authorize the fund transfers, as noted. William Pflager seconded; the motion passed unanimously.

PAY BILLS: William Pflager made a motion to approve the payment of the following requisitions –

Water Requisition #08-03 - Gannett Fleming Companies - \$517.82 - Annual services of the Authority's consulting engineer as authorized under the Annual Services Agreement for the period of November 24, 2007 through December 28, 2007

Water Requisition #08-04 - Reichard Law Offices, LLC - \$3,328.19 - Legal Services (4th Quarter, 2007 and 2nd Quarter, 2008)

Water Requisition #08-05 - Gannett Fleming Companies - \$551.70 - Annual services of the Authority's consulting engineer as authorized under the Annual Services Agreement for the period of September 29, 2007 through October 26, 2007

Source Development Fund (Water Requisition) #SD-157 - Gannett Fleming Companies - \$7,406.98 - Preliminary design, final design and bidding of Well No. 2 membrane facilities for the period of November 24, 2007 through December 28, 2007

Sewer Requisition #887 - The Pennsylvania State University - \$325.00 - One (1) DEP Permit 271-Biosolids

Hollengreen Utilities Escrow Account Requisition #HE-32 - Gannett Fleming Companies - \$5,792.04 - Construction Phase engineering services relative to the Enterprise Avenue Wastewater Pumping Station Upgrade for the period of September 1, 2007 through September 28, 2007

Hollengreen Utilities Escrow Account Requisition #HE-33 - Gannett Fleming Companies - \$1,943.31 - Construction Phase engineering services relative to the Enterprise Avenue Wastewater Pumping Station Upgrade for the period of October 27, 2007 through November 23, 2007

Hollengreen Utilities Escrow Account Requisition #HE-34 - Gannett Fleming Companies - \$3,877.69 - Construction Phase engineering services relative to the Enterprise Avenue Wastewater Pumping Station Upgrade for the period of November 24, 2007 through December 28, 2007

Sewer Revenue Fund Requisition #SA-42 - Gannett Fleming Companies - \$101.14 - Sewer system model training and assistance for the period of September 1, 2007 through September 28, 2007

Sewer Revenue Fund Requisition #SA-43 - Reichard Law Offices, LLC - \$3,328.19 - Legal Services (3rd Quarter, 2007 and 1st Quarter, 2008)

Lee Layman seconded; the motion passed unanimously.

Having no further business to discuss, the meeting adjourned at 10:00 p.m. on a Layman/Pflager motion which passed unanimously.

Respectfully Submitted,

Melinda S. Knott
Administrative Assistant