

WAYNESBORO BOROUGH AUTHORITY

NOVEMBER 15, 2016

MINUTES

Authority Chairman Jon Fleagle called the regularly scheduled meeting of the Waynesboro Borough Authority to order at 6:00 p.m. with the following in attendance:

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

Borough Staff – S. Leiter Pryor, Director of Borough Utilities
D. Lloyd Reichard, II, Authority Solicitor

APPROVE MINUTES: William Pflager made a motion to approve the minutes of the October 18, 2016 regular meeting and the November 1, 2016 special meeting, as written. Christopher Snively seconded; the motion passed unanimously.

UPDATE – DEBT SERVICE REFINANCING: Jonathan Cox and Ryan Mentzer of Rhoads & Sinon LLP, were present to discuss and review documents with regard to the upcoming refinancing of the WBA's water PENNVEST loan through F&M Trust. They prepared and presented a resolution for the WBA to authorize the refinancing to proceed, as well as signature pages for the loan closing, and explained those in detail. Mr. Cox also explained their fees for representation as both bond and bank counsel.

It was noted that the WBA's water and sewer accounts will be kept at F&M Trust for the life of the loan, and Chairman Fleagle added it should be clearly delineated that there will be no service charges on those accounts.

Clarification was requested to ensure that nothing in the loan documents will prevent the WBA from borrowing additional money for future projects, and it was noted that cash-on-hand should be included in calculating that revenue covers expenses. Mr. Cox read the "rate covenant" section of the documents and assured the WBA there would be no problem with their current practice.

Lee Layman made a motion to approve the resolution (which approves the loan closing documents in draft form and authorizes the officers and solicitor to finalize/sign them). William Pflager seconded; the motion passed unanimously.

UPDATE – DAM STUDY: Mr. Pryor advised that Gannett Fleming has completed the hydrologic/hydraulic analysis and are currently performing the QA & QC on the results. They are also working on finalizing the construction alternatives and will present the study for approval by the Section Chief. A completed study will be available for review at the WBA's next meeting. Mr. Pryor was requested to ask how this work was done without a site visit.

UPDATE – MEMORIAL BRIDGE WATER LINE PROJECT: Mr. Pryor reported that the boring failed, so the water line went through the creek instead of under. He explained the process and noted that the actual tie-in connection will be completed on 11/17 (from 9:00 p.m. until early the next morning). Several staff members will be on-site during the work. They are hopeful that this plan will minimize the service interruptions to customers.

Pursuant to DEP regulations, affected customers will be advised to boil their water before consumption (as a precautionary measure). A press release has been provided to the newspaper, an emergency notification call was made to customers on 11/14, WTMA was notified, information was placed on the Borough's website, and restaurants in the area will be advised. If all goes well, the boil-water advisory will be lifted on 11/19 (and residents will be notified again in the same manner).

UPDATE – STP BIOSOLIDS: Mr. Pryor informed WBA members that there was not sufficient dilution to land-apply the biosolids. There is still a small trace of Molybdenum coming into the plant, and staff members are continually sampling in an attempt to track the source back. As probably 50% of the inventory will need to be de-watered, Mr. Pryor estimated the cost will be at least \$100,000. He is in the process of gathering price quotes and making arrangements to schedule this work before the end of the year. Chairman Fleagle advised that he will attend Council's meeting the following evening to urge their prompt action on the proposed Sewer Use Ordinance and to inform the public of these ongoing and costly issues.

WELL #2 RECOVERY DATA: Mr. Pryor provided a graph from January, 2013 thru September, 2016 indicating that the water level at Well #2 has been "trending down". They are still running it only one (1) hour a day and 3-4 hours on Fridays.

He added that the area is very dry (in fact, the reservoir is down approximately 14"). On a related matter, Mr. Pryor reported that divers (Liquid Engineering Company) have conducted the underwater inspection of the intake structure and drain required by DEP. He noted that everything looked relatively good, and there was not much change since the inspection conducted seven (7) years ago.

Discussion then ensued regarding the possibility of locating another well site within reasonable distance of the existing well. Gannett Fleming has quoted a not-to-exceed price of \$10,000 for a study. Mr. Fleagle noted that, as part of that study, Gannett should look at the data from the existing well for comparison purposes. Christopher Snively made a motion to authorize Gannett Fleming to proceed with the study to try to identify another potential site and review the existing well. William Pflager seconded; the motion passed unanimously.

PAY BILLS: Lee Layman made a motion to approve the payment of the following requisitions –

**Sewer Construction Fund Requisition #1149 – JWC Environmental -
\$15,293.00 – Muffin Monster Replacement**

Sewer Revenue Fund Requisition #SA-185 – Gannett Fleming Companies -
\$861.32 – Engineering services related to review of Frick wastewater
disposal for the period of September 3, 2016 through September 30, 2016

Tank Maintenance Fund Requisition #TM-05 – Mid-Atlantic Pump &
Equipment Company - \$3,805.00 – Grinder Pump at Golf Course

Water Construction Fund Requisition #WC-111 – C. R. Semler, Inc. -
\$1,205.00 – Manhole Frame and Cover for Memorial Bridge Water Line

Water Construction Fund Requisition #WC-112 – PSI Pumping Solutions, Inc.
- \$3,700.00 – Rebuild PRV

Water Construction Fund Requisition #WC-113 – L/B Water Service, Inc. -
\$580.84 – Materials for Memorial Bridge Water Line

Water Revenue Fund Requisition #16-26 – Liquid Engineering Corporation -
\$3,250.00 – Intake Inspection & Debris Removal

William Pflager seconded; the motion passed unanimously.

2017 WATER AND SEWER BUDGETS: Chairman Fleagle led the review of the
proposed 2017 sewer budget, highlighting the revisions from the previous meeting.
After some discussion, Christopher Snively made a motion to adopt the budget as
presented. Lee Layman seconded; the motion passed unanimously.

Chairman Fleagle presented the proposed 2017 water budget, highlighting the revisions
from the previous meeting. Leiter Pryor discussed several rate increase revenue
projections, as the WBA indicated that they felt an increase was necessary due to
several major capital projects scheduled for 2017. After some discussion, Christopher
Snively made a motion to adopt the 2017 budget with a 15% rate increase effective
January 1, 2017. William Pflager seconded; the motion passed unanimously.

Having no further business to discuss, the meeting adjourned at 8:15 p.m. on a
Layman/Pflager motion which passed unanimously.

Respectfully Submitted,

Melinda S. Knott
Office Supervisor