

WAYNESBORO BOROUGH AUTHORITY

MAY 19, 2009

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 – Lee Layman, Jon Fleagle, Christopher Snively 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: Lee Layman made a motion to approve the minutes of the April 21st meeting, as written. Christopher Snively seconded; the motion passed unanimously.

Regarding the “Jeff Mace issue” discussed at the last meeting, Chairman Jon Fleagle noted that the procedure is still in place to bill if a meter is not removed, but Leiter Pryor is authorized to make policy adjustments in cases where there isn’t access to the house in order to remove the meter. It was further noted that Mr. Mace paid for all the “back usage” on the meter; and because they couldn’t get in to remove the meter, it wasn’t fair to charge him a minimum bill. Authority members concurred.

SOURCE DEVELOPMENT UPDATE: Leiter Pryor began with an update on the wastewater pumping station. The generator load test was conducted last week (it checked out fine) and the pumping station was started yesterday on generator power. Allegheny Power will do the permanent power switch-over (from 208 to 240) on May 21st. He foresees no issues with the start-up.

At the well building, Mr. Pryor noted that the paving has been completed (base and top coat), as well as the hydro-seeding and grading. ITT (the membrane equipment supplier) did a preliminary evaluation of the equipment, and the motor control center was supposed to arrive today (but was not here as of 3:00 p.m.) He added that some minor modifications may need to be done to some process piping, but all the programs were run temporarily and there seemed to be no problems. The general contractor is currently working on building clean-up (power-washing, painting, etc.). The systems will be fully tested in mid-June, and plant start-up is scheduled for the first or second week in July.

Mr. Pryor noted that PLC work started today at the main plant, and he explained the plan to shut-down the plant. He anticipates the new programming and modules to be installed by this Friday, and progress seems to be going well.

PENNVEST UPDATE: Mr. Pryor reported that the automatic transfers are taking place now, and it seems to be going well. He provided the Authority members with a spreadsheet on the actual costs to date, which includes the requisitions for approval at this meeting. Approximately half of the engineering budget has been spent, there is still approximately \$400,000 to be paid to the general contractor, and the electrical contract is approximately 1/3 complete. He anticipates that the project will come in around budget. He added that the construction management costs have been kept to a minimum, as much of the work is being done in-house and Dave Averso (Gannett Fleming) keeps “on top” of things.

Discussion followed regarding change orders for the project. Chairman Fleagle instructed Mr. Pryor to ensure they are not charged for the plumbing change (design work), as it was due to Gannett Fleming's mistake.

FOG ORDINANCE: Leiter Pryor provided copies of the "Fat, Oil and Grease Ordinance" adopted by WTMA. They have observed increases when we give them flow into their plant, which could be due to various eateries, the schools and hospital in the vicinity of the Enterprise Avenue Pumping Station. He noted that he has read through WTMA's ordinance, but is unsure what direction the WBA wants to take on the matter. Enforcement will definitely be an issue, as well as who will "fight with" organizations when there is no room for a grease trap to be installed.

Discussion followed, and Mr. Pryor stated that, as far as he knows, none of these establishments have grease traps; but some of the new construction in town (such as Rutter's and Turkey Hill) have installed them voluntarily. He noted that the National Plumbing Code may require them, but he will check into the matter further.

It is his understanding that inspections were conducted at the establishments in Washington Township, and letters were sent to business owners giving them 180 days to comply with the ordinance. Suggestions for the WBA's ordinance included: (1) the recommendation that any new construction must have a grease trap; and (2) if an existing establishment causes problems on a routine basis, the WBA has authority to require a grease trap. The Borough's current Sewer Use Ordinance has parameters for discharge, and language of this nature could be incorporated in it as well.

After further discussion, it was requested that a copy of the Sewer Use Ordinance be provided to the Authority members for review. Mr. Pryor noted it is "old" and they may want to look at having it revised.

BOND REFINANCING PROPOSALS: Mr. Pryor noted that he received two (2) unsolicited proposals for bond re-financing. The PFM Group did the bond issue for the School District – they propose to refund the existing bond issue, re-issue new bonds and probably net approximately a \$65,000 savings. When entering into a bond issue, however, there are a lot of hidden costs. PFM assured him that they are included, but when the extra costs are paid (to bond counsel, solicitor, etc.), it "eats up" much of the profit.

The second proposal was to refund existing bonds and roll them over into a bank loan.

The Authority didn't seem to be interested in pursuing the matter at this time. They felt that the more appropriate time would be during a major plant upgrade (such as the upcoming sewer plant upgrade) when costs could be consolidated more. Mr. Hamberger will be requested to check with the banks to see what kind of rates they are currently offering.

ENGINEERING STUDY UPDATE - SEWER TREATMENT PLANT: Mr. Pryor noted that Gannett Fleming is working on the engineering study for the sewer treatment plant. This involves a lot of information-gathering, which the staff has been assisting with. During their walk-through at the plant, they commented that it is in good shape (overall) for its age. Some needed repairs were also pointed out. Mr. Pryor noted that the plant staff maintains it well.

Mr. Pryor provided Authority members with a copy of correspondence received by the Borough of Greencastle from DEP. Waynesboro has not yet received their letter, but he has contacted them to send another copy. It is his understanding that a compliance plan is required within 180 days.

In the meantime, Mark Malarich has provided comments on the condition of the existing plant and items which can be incorporated into the upcoming plant upgrade. It will take a lot of time to pull information together, but Gannett Fleming anticipates completion of their report six (6) months after notice was given to proceed (February/March).

Quincy Township has also contacted Mr. Pryor to see what direction the WBA was heading with regard to biosolids. They are hopeful that Waynesboro and Washington/Quincy Townships can work together and reap coordinated efforts.

BIOSOLIDS UPDATE: Authority Chairman noted that an executive session will be held to discuss this matter.

WBA AUDIT: Leiter Pryor noted that the auditors have almost completed the WBA's audit, but its receipt will be "slowed down" because information from the Borough's records is required (and the Borough is behind in their bookkeeping). He feels it would be a good idea for Craig Witmer to attend an upcoming meeting to fully explain the audit (as was discussed last year by the WBA). Authority members concurred.

PAY BILLS: Christopher Snively made a motion to approve the payment of the following requisitions –

Sewer Requisition #898 - Gannett Fleming Companies - \$1,100.14 - Engineering services related to Initial Process Evaluation of the Waynesboro Wastewater Treatment Plant to achieve compliance with nutrient cap loads for the period of February 28, 2009 through March 27, 2009

Sewer Requisition #899 - Material Matters, Inc. - \$7,930.00 - Environmental services in connection with general biosolids consulting for the period of February 14, 2009 to March 27, 2009

Sewer Requisition #900 - Reichard Law Offices, LLC - \$1,827.00 - 1st Quarter Solicitor Fees

Sewer Requisition #901 - Gannett Fleming Companies - \$5,259.84 - Engineering services related to Initial Process Evaluation of the Waynesboro Wastewater Treatment Plant to achieve compliance with nutrient cap loads for the period of March 28, 2009 through April 24, 2009

Water Requisition #09-13 - Reichard Law Offices, LLC - \$1,827.00 - 2nd Quarter Solicitor Fees

Water Requisition #09-14 - Gannett Fleming Companies - \$86.92 - Water system engineering services related to the performance of the duties of the Authority's consulting engineer and other services as authorized (2009 Annual Services) for the period of March 28, 2009 through April 24, 2009

Water Construction Fund Requisition #WC-35 - Johnston Construction Company - \$207,601.44 - Construction of Well No. 2 Membrane Treatment Facility (Contract Two - General Construction) - Estimate No. 8 for work performed up to and including April 24, 2009

Water Construction Fund Requisition #WC-36 - Hickes Associates, Inc. - \$89,046.00 - Construction of Well No. 2 Membrane Treatment Facility (Contract Three - Electrical Construction) - Estimate No. 4 for work performed up to and including April 30, 2009

Water Construction Fund Requisition #WC-37 - Gannett Fleming Companies - \$10,584.16 - Construction Management Services related to Membrane Treatment at Well No. 2 for the period of March 28, 2009 through April 24, 2009

Water Construction Fund Requisition #WC-38 - Gannett Fleming Companies - \$701.80 - Water system engineering services related to the performance of the duties of the Authority's consulting engineer and other services as authorized (PENNVEST Assistance - Well 2) for the period of March 28, 2009 through April 24, 2009

William Pflager seconded; the motion passed unanimously.

Authority members adjourned to executive session at 8:36 p.m. Following the executive session, the WBA returned to regular session at 9:16 p.m. and adjourned at 9:17 p.m. on a Layman/Pflager motion which passed unanimously.

Respectfully Submitted,

Melinda S. Knott
Administrative Assistant