

## FOX TOWNSHIP SEWER AUTHORITY MEETING MINUTES SEPTEMBER 13, 2017 @ 6:00 P.M.

Members Present: Russ Braun, Ken Huey, Michael Kamandulis and Jerry Zimmerman, Jr.

Others Present: Jason Fralick of HRG Engineering, Shawn Zimmerman, Wastewater Treatment Plant Operator, Juli A. H. Schlimm, Authority Clerk. Visitors: Dave Mattiuz, Township Supervisor.

The Meeting was called to order by Chairman Jerry Zimmerman, Jr., followed by the Pledge to the Flag. The 8/9/17 Meeting Minutes were approved as written as moved by Russ Braun, 2nded by Mike Kamandulis, motion carried.

Jason was recognized as the 1<sup>st</sup> order of business with the presentation of his Engineering Report. It was mentioned that the board had taken formal action last month acting on the acceptance of the Rebco line.

Jason commented he had been consulted during the month regarding a leaking coupling on the Rebco line. The issue was corrected by Rebco's contractor. The site was restored and stabilized. The state had been informed as well. Cory Nesbitt, Rebco's Manager had documented the occurrence in a 9/6/17 email. There were also pictures which accompanied it. Jason also recommends that the Authority personnel monitor the line closely throughout the one year warranty period. The Authority received all executed and recorded documents from the solicitor on the Rebco Project.

Joseph Weinkauff has submitted another corrected "As-Built" plan dated 8/9/17 for Micale's. HRG has recommended acceptance of Centerville's Phase II within a letter dated 8/30/17. Jason spoke to Solicitor Devittorio regarding the preparation of the deed of dedication for the Authority to act upon. Juli said she also spoke to Jim and that it would tentatively be prepared by the end of September for adoption @ our October meeting.

On HRG's report it indicated there was nothing further on the Delullo Project. Jerry asked Shawn if they had lowered the manhole on site? Shawn said they did lower the manhole. Jason said they were planning on moving it. Jason asked for details. Shawn said it looks like they took the manhole apart lowering the top down. Jason questioned if they had changed the invert? Shawn said they didn't. Jason asked if they were changing the grade around it? Shawn said at this time it just remains open. Jason asked if the guys had been notified? Shawn said they just did it. Juli said the Authority hasn't received any updated plans for the project. Shawn said the foundation is started. Juli said Delullo's had received their building permit in March or April but we haven't gotten anything further. Authority members and Jason talked about the operators going out to view what is actually being done. We haven't gotten any updates in over six (6) months. Russ asked if they need authorization to change the manhole. Jason commented they should let the Authority know what they are doing. It should actually be on

Delullo Project Continued:

the Land Development Plan. Initially they had indicated they were planning to relocate the manhole. It was discussed the operators should view the manhole to see what they're actually doing. Jason said this may only be the start of them relocating it. Members asked them to check it out.

HRG is working with the Authority staff on additional information and final revisions to the GIS System Map. Mike asked if the draft has dates of when each segment of line was installed? Jason said it doesn't have dates or ages only location from the mapping. This type of information can be added. Photos of the manholes can be added. Any inspections, materials, etc. Mike suggested if the lines were color coded it could be dated as to when each project was done. This way it would be obvious on what sections may soon need to be upgraded. Jason agreed this would be useful information. Ken said you can probably add any information with additional time and money into it. Mike asked if there would be additional costs involved. Jason said yes but it may not be significant. It just assigning an age to each component in the system.

A letter dated 6/1/17 was received from the state to FTSA regarding our NPDES renewal. The draft is due to the state per Jason by December 2017. The existing permit doesn't actually expire until May 2018.

ASI Testing results were presented for review accompanied by the July Discharge Monitoring Report. HRG is copied with these.

Nineteen point two (19.2) tons of sludge were disposed of in August @ Greentree Landfill. Shawn stated they are able to do one (1) dumpster weekly.

Ray Krise owner of 1<sup>st</sup> Chance has made us aware that the grease trap installation was recently done. Shawn said they haven't had a chance to view it yet. They will be doing so.

The Jerome Anders installation @ 223 Dagus Mines Road was discussed. Juli shared pictures with Jason and members so they could see the detail. It is a trailer connection. Per Shawn they used heavy schedule 40 through the block wall it then changed to SDR 35. Contractor Bob Vollmer did the installation. Since the trailer is situated on a hill and the ground has not been leveled out the connection is not standard. It isn't covered to prevent freezing even though their intent is to add skirting to the trailer. Members asked if the skirting would be insulated? It is a non- standard installation. Jason asked what kind of slope is on the lateral? Jason also asked if there were any cleanouts? Shawn commented there is slope and cleanouts. Jason asked if there were any bellies in it? Russ thought it may function okay if it has a decent slope to it. Such an installation cannot be approved as it is not to our standards. This will be monitored during the winter weather, etc. and will be revisited again.

GKN has submitted testing results with a disposal request made to FTSA for their process waste. This information has been provided to HRG for their review and comment on it. HRG will do a standard review and recommend to the Authority if this should be a consideration. The review and billing process was explained within an email to GKN as they will be responsible for the costs involved. This will be done within the course of the month and on our October agenda.

The Ron Wildfire home account #7505 @ 114 Cherry Road burned on 8/20/17. Mr. Wildfire had paid his bill in advance for an entire year. The Authority owes him a reimbursement from 8/20 to 12/31/17 in the amount of one hundred ninety five dollars and seventy seven cents (\$195.77). This check is included with the bills to be approved tonight.

The Authority's Pen Fed two (2) year money market account matured on 12/3/16. We had previously discussed reinvesting these funds. The latest options at Pen Fed are: a five (5) year Money Market offer @ 2.10% or a seven (7) year Money Market offer @ 2.20%. There was additional discussion that the Authority would also like to check our local banks for comparisons and also at different lengths of time. This is for an approximate figure of one hundred thousand to one hundred thirty thousand dollars (\$100,000-\$130,000) range. Ken asked what interest rate our loan is at? Our PennVest loan is @ one percent (1%). Members suggested getting rates from area banks for a comparison to Pen Fed's rates. Jerry doesn't like the idea of investing long term. Jerry suggested getting rates for shorter period of time. He asked members if they were okay with a five (5) year term? This information will be gotten for our October meeting.

Consideration for amending an existing financial agreement created in 2003 between the Fox Township Board of Supervisors and the Authority was discussed. This topic had recently been discussed between Kathy Dowie, Township Secretary and Juli. The Township has seen a substantial decrease in landfill money this year due to their decreased tonnage. The Authority had not gotten the subsidy for this year to date. Kathy prepared a summary that was shared with members. To date the Township paid \$1,119,944.00 to PennVest, 1<sup>st</sup> Commonwealth Bank and the Fox Township Sewer Authority combined. Altering the existing agreement was discussed at length. The past subsidy has been used for operational costs. It was also discussed that the subsidy could continue to be taken and be put directly on our PennVest loan. There was additional discussion on not continuing with the current agreement. The general consensus of members was why keep borrowing additional funds if the Authority could payback much less long term.

Juli mentioned a clause had been discussed. This clause would be added to any new or revised agreement that if the Authority should find themselves in financial difficulty in meeting expenses the Authority could request additional payments from the Township not exceeding the seventy five thousand (\$75,000) per year. If this occurred the additional amount would be added to the principal on the payback figure. This option would only be considered to keep customer user fees at a reasonable rate. The Township assumes that the Authority will

continue to raise rates at a reasonable pace to meet our expenses. A sample agreement can be created by Kathy for both entities and our solicitor to review. Jerry commented the repayment doesn't begin for seventeen (17) more years.

Payback to the Township by the Authority would begin in August 2034 one (1) month after the maturity date of the PennVest loan @ a rate of eighteen thousand dollars (\$18,000) monthly the same as our current PennVest loan payment. This would continue until the balance is paid in full. At the current balance, this would be for sixty three (63) months. The revised agreement would change the term of the loan by several years (eight and a half (8.5) years to five (5) years). This would be a considerable savings. No interest would accrue on the outstanding balance due to the Township, at any time during the life of this agreement. There was discussion on by the time this is paid off the Authority will need to start over just to make repairs to the system. Jason said probably sooner. Juli added, the Authority has had a substantial increase in repair costs this year. Mike Kamandulis moved not to continue with the current annual subsidy of seventy five thousand dollars (\$75,000) if the Authority can operate without it, Russ Braun seconded the motion, which carried. It was mentioned that the Township is ultimately responsible for the Authority.

The BILLS were approved for payment and paid with Check #1892 to Check #1932 in the amount of forty seven thousand six hundred forty six dollars and thirty seven cents (\$47,646.37) as moved by Russ Braun, seconded by Ken Huey, motion carried.

Monthly overtime hours were presented. Cameron Uhl had 12.75 hours this month.

The August Fee Statement for Solicitor Devittorio was received by memo of 9/1/17. The Authority has a credit balance of two thousand one hundred eighty five dollars (\$-2,185.00). August hours were: Rebco 1.5 hours, Micale's 0.4 hours both reimbursable to the Authority. The Authority hours were 0.2 hours.

An update was given on the customer billing for the 7/24/17 cycle. Eighteen (18) delinquency letters were sent out owing two thousand six hundred seventy five dollars and twenty eight cents (\$2,675.28) by 8/8/17. Four (4) properties were posted for non-payment for water shut off. All four (4) accounts paid.

The current customer billing cycle for the 8/24/17 cycle there were also eighteen (18) delinquent letters sent out owing three thousand ninety one dollars and thirty seven cents (\$3,091.37) by 9/8/17. Twelve (12) customers had paid, four (4) customers had made partial payments and two (2) remained unpaid to date.

The Bills-In-Arrears Report for this month was presented.

The Next Meeting Date is scheduled for: **WEDNESDAY, OCTOBER 11, 2017 @ 6:00 P.M.** As there was no further business to be discussed the meeting adjourned @ 6:35 p.m., as moved by Ken Huey, seconded by Russ Braun, motion carried.