

Weaverland Valley Authority

Meeting Minutes

September 7th, 2017

The Board of the Weaverland Valley Authority (“Authority”) met at the East Earl Township building 4610 Division Hwy, East Earl, Lancaster County, Pennsylvania on September 7, 2017. Chairman Ken Witmer called the meeting to order at 6:30 p.m. and informed all present that the meeting was being recorded by a resident.

The following Board members were present: Ken Witmer, Harold Kilhefner, Jason Firestine, Scott Marburger, Scot Ash, Gene Pierce & Thomas McDermott. Also present were Bradford J. Harris, Good & Harris LLP; Jeff Sweater, ELA; & Denise Bensing, Administrative Assistant.

Ken introduced the new board member, Thomas McDermott, who will fill the remainder of Jerrene Zimmerman’s term.

MINUTES: A motion was made by Harold Kilhefner, seconded by Scot Ash, that the minutes of the August 7, 2017 meeting be approved as submitted. The motion carried unanimously. Gene commended Denise on the good job she does on the minutes.

PUBLIC COMMENT:

Ken announced that the public comments period will be limited to 30 minutes and each person will be given 3 minutes.

Teresa Wiley, 1487 Ironstone Dr. – Ms. Wiley noted that at the last meeting, she was told there would be a public meeting held with Terre Hill Borough and East Earl Township after the letter was received from Ryan Aument concerning the 537 Plan. Ms. Wiley asked if the meeting has been scheduled yet. Gene explained that he and Ken met privately with Nelson. He will discuss with council about setting up a meeting with East Earl Township if the Township finds a tangible alternative to the 537 Plan option chosen. He expects this could possibly be by the end of September. Jeff said it was his understanding that the \$15,000 was to review the current plan not to look for other options. Randy Heilman, Township Manager, agreed that the money to be spent is to review the current plan not to look at other options. Ken explained that he also understood, like Gene, that it was to look at other options. Scot noted that this option was already looked at by another engineer and he feels it is a waste of money. Gene said he will need to clarify what the intent of the 3rd party review is for. Tom also noted that in the Bylaws it states that the Authority will have an annual meeting with the two municipalities. It was explained that the meeting is not required but is recommended.

RATE STUDY:

David Busch was present to deliver the Final Rate Study Report. The Authority approved the 2018 rate and he would expect the Authority to step up the rates each year to get to the needed revenue for the project. Denise asked how the different meter sizes are handled. Mr. Busch explained that the report provides an AWWA standard equivalent meter ratio. Customers with any size other than 3/4 or 5/8 would need to have their number of EDU’s adjusted based on the meter ratio chart. Tom asked if the report shows what the rates should be after 2018. Mr. Busch explained that for sewer, Exhibit 6-S would show what the rates would be adjusted to based on current assumptions. Depending on how the costs come in for the project, the rates could be adjusted up or down. Tom asked when another rate study will need to be done if there are changes to the plan. Mr. Busch explained that now that the Authority has the study, if capital expenses were to increase, the service charge could be increased and if there was a change in operating expenses, the usage charge could be changed. Gene asked if Mr. Busch could tell him what the cost of the rate study was now that it is complete. Mr. Busch explained that the proposal was \$25,000 and although he went over his time, the Authority will only be billed \$25,000. Denise presented a copy of the invoice to the board.

CORRESPONDENCE:

Weinhold Nickel, LLP – A letter from Weinhold Nickel explaining that they will no longer be performing municipal audits. They provided a list of four (4) local firms that provide these audit services and a sample Request for Proposal (RFP). Harold Kilhefner made a motion to send an RFP to all four (4) firms on the list, seconded by Tom McDermott. Motion carried unanimously.

East Earl Township – Request to release documentation of the Weaverland Valley Authority waste water treatment plant facility. Mr. Heilman was present to answer any questions. He explained that he had conversations with Mr. Warfel (ARRO) and Mr. Sweater (ELA). He is looking to work with both engineering firms amicably. He noted that the letter is asking for the

Authority's permission for ELA to release information to ARRO. Scot asked if the \$15,000 to be spent includes costs generated by ELA to respond to the review. Mr. Heilman explained that it does not. Scot said he does not feel the Authority should pay those costs. Ken agreed with Scot. Ken also said that although another set of eyes can be good, the Authority cannot allow anything to stand in their way of completing the project. Gene noted that USDA will also do a 3rd party review. Jeff explained that he spoke with Matt Warfel at ARRO and together they decided it would not make sense to send them what they have now but that he will be meeting with the Township in the near future to discuss the Land Development Plan and ARRO could have any documents delivered at the meeting. He explained that ELA is not opposed to the review and they are willing to work together, but in the end, ELA is the sealing engineer and the final decision would be up to them. Jeff also noted that decisions of the Authority board will affect the cost of the project.

Matt Warfel from ARRO explained that their scope of work is not to look at the project from a planning and feasibility level. They would be looking at the design and would make recommendations on how to improve the design. It is his understanding that there is no deliverable design to date and their first chance to look at the design may be several weeks away. They are not looking to issue a submittal package but to keep an open line of communication. He explained that DEP will review will only address compliance and capacity and USDA may make high level recommendations based on funding. ARRO's intent is to be part of the design team and provide reviews in a timely manner.

Harold expressed that whatever decision is made tonight, the Authority does not want to appear hostile because they all have to work together. It needs to be known that the Township will need to pay their share of the ELA bills.

Robert Hare, 416 Spring Grove Rd. – From what he hears, there shouldn't be any additional costs. *Mr. Heilman said he thinks there may be additional costs.*

Tom thought they were looking for a lower cost alternative in the existing plan. Gene explained that an amendment to the 537 Plan would be very expensive, very disruptive and DEP has stated that there would be no change to the consent order. Jeff also noted that they have proven that it would not be cheaper to send flows to New Holland or Earl Township over a 20 year period. Gene said he would recommend waiting for clarification from Nelson. Tom feels with the explanation of the ARRO engineer and the Township manager that the request is reasonable. Jason asked what if Terre Hill Borough decides they want somebody to review it. How many people are going to get involved? Harold Kilhefner made a motion to authorize ELA to release certain documents for ARRO to review as ARRO was contracted to do, seconded by Gene Pierce. Motion carried unanimously.

ELA – A letter regarding the Township's request for WVA to allow ARRO to review the wastewater design submissions.

ADMINISTRATIVE REPORT:

Denise reported that the audit has been completed and the audited financials were distributed to the board. It was recommended that the Authority have separate divisions for water and sewer. It was also noted that the Authority is required to maintain a fixed asset schedule. Denise then presented the DCED report to be signed and mailed. Gene Pierce made a motion to accept the Weinhold Nickel audit, seconded by Jason Firestine. Motion carried unanimously.

FINANCIAL REPORT:

The Financial report was read with \$62,414.41 (includes Keystone Alliance invoice) in bills for approval.

Business Checking – Fulton Bank	\$120,246.39
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A motion was made by Scot Ash to approve the financial report and pay the bills including the invoice for Keystone Alliance, seconded by Harold Kilhefner. Motion carried unanimously.

ENGINEER'S REPORT:

Rules and Regulations: Jeff reported that there are still numerous items to be addressed. He also reported that the Rules and Regulations were emailed to Gary Martin in Word format.

Project Design and Permitting: ELA has been working with the architect for the building layout as well as the low pressure systems. Goodville has been modeled in SewerCAD and it appears a Liberty 2-stage 2-hp grinder pump will work. Jeff reported that it is possible that EESA specs may need to be required to be changed by USDA and the opportunity for bidding may change what pumps would be used. Scott said the EESA operators are efficient at what they do because the standards are the same throughout the system.

Land Development Planning: A meeting will be set up with East Earl Township and ARRO within the next few weeks to review the preliminary design concepts and to discuss zoning and storm water management requirements. Some additional

surveying will be needed for Hayfield Dr. and for the rerouting of the Terre Hill pump station. The Fariview St. pump station may be changed to gravity but would stay within the Borough's existing easement. This change may also require surveying.

Geotechnical Assessment: The geotechnical testing has been completed for the WWTP site and the Terre Hill pump station site. The Township and the Borough both provided equipment and an operator at no charge. The testing at the Frogtown Rd. pump station site is scheduled for next couple of weeks.

Terre Hill WWTP: ELA is recommending the Authority demolish all buildings and tanks. This work could be done by the municipalities as time permits. The land development plan is good for five years.

USDA Funding: ELA is finalizing the engineer and environmental reports. The Authority needs to decide if they are going to fund the grinder pumps and laterals. Harold reported that the Day-to-Day committee discussed this topic at the last meeting. The committee was concerned about jeopardizing funding if the Authority would pay for them. Jeff said it would absolutely still be able to be funded by USDA. Scott expressed his concern if USDA would require pumps that are different than the pumps that are currently used. Gene said he thinks it is inappropriate for the Authority to use public funds to pay for private facilities that would improve the property value. Tom noted that in the past, public funds were used for this. Gene responded that he is not saying that if there was a grant to pay for it that he would be opposed. The board asked Brad for his legal opinion on this matter. Brad will get back to the board with his legal opinion in 2 or 3 weeks. Gene cautioned the board that they all have to be in the business of being conservative. This is money that all the rate payers will be effected by. He feels it is more appropriate to have individual property owners pay because they can take advantage of the low interest loans. Jeff reminded the board that if the Authority pays for the grinder pumps they will need to pay for the grinder pumps in all areas. Harold said the committee's recommendation to pay for the grinder pump, tanks and laterals stands.

Teresa Wiley, 1487 Ironstone Dr. – She said this is not a home improvement to the properties. Many of them cannot afford it and many don't need it even though Goodville does.

SOLICITOR'S REPORT:

Brad reported that he is hoping to hear from back from the Hahn's with a proposal for acquiring the WWTP property. He also reported that Frank has not heard from the bank loan committee yet. Brad's is still looking to settle by the end of November. He distributed some of the prepared deeds for the Terre Hill Borough properties. He expects the connection ordinances to be adopted by the municipalities at their next meetings.

DAY-TO-DAY COMMITTEE:

Utility Billing Software – Harold reported that it will cost \$2,300 to merge the data bases, \$300 to get set up to email bills, and \$600 to set up online bill pay. The online bill pay will also have a yearly cost of \$240 for hosting and maintenance. If a customer choses to use the online bill pay, they will be charged a \$3 convenience fee.

David Nonnemacher – said most banks offer auto bill pay so the online bill pay would not be necessary. Denise explained that customers who don't want to use the current online bill pay because of the high convenience fee are directed to the bank auto pay and she does receive numerous payments through auto bill pay. She also explained that she has still had many customers request that the Authority offer it. Harold Kilhefner made a motion to spend \$3,200.00 to merge the databases and set up the email billing and online bill pay, seconded by Scott Ash. Motion carried, Jason Firestine, Gene Pierce, Ken Witmer, Scott Marburger, and Harold Kilhefner in favor, Tom McDermott opposed.

Rules and Regulations – The committee feels that if a flat rate customer elects to be billed for sewer based on water consumption that it should be the customer's expense to purchase and install the meter. They also feel that the Rules and Regulations need to include a requirement that grinder pumps must be connected to a constant power supply. With the resignation of Jerrene Zimmerman, a new member needs to be appointed to the Rules and Regulations committee. Tom said he would be willing to replace her on the committee.

Specifications – The committee would like to recommend that the Authority adopt the recently updated specifications that were adopted by the Blue Ball Water and East Earl Sewer Authorities. Jeff noted that these specifications require that all manholes be lined and he doesn't feel it is necessary to require all manholes to be lined. Scott explained that East Earl Sewer Authority is getting hit with a significant bill to replace or repair manholes that were not lined. Jeff also said that the liner specification also requires a 20-year warranty and that it is difficult to get a 20-year warranty. Ken said he would prefer to require it for all manholes because it keeps things consistent. Jeff said some specifications allow the engineers to call out when a lined manhole is needed. Scott said he understands Jeff's concern but the cost to replace them as they deteriorate is expensive.

Harold said the recommendation stands. Denise will notify Gary Martin to update the Blue Ball Water and East Earl Sewer Authority specifications for the Weaverland Valley Authority.

NEW BUSINESS:

Appoint Secretary – A motion was made by Scot Ash to nominate Thomas McDermott for secretary, seconded by Harold Kilhefner. Motion carried.

Harold Kilhefner moved to adjourn the meeting at 9:33 p.m., seconded by Jason Firestine. The next meeting will be held on October 2, 2017, beginning at 6:30 p.m.

Respectfully submitted,

Denise A. Bensing

Cc: Scot Ash
Harold Kilhefner
Scott Marburger
Randy Miller
L. Eugene Pierce
Kenneth Witmer
Jason Firestine
Thomas McDermott
Bradford J. Harris, Attorney
East Earl Township
Terre Hill Borough
Robert Rissler
Jeff Sweater, Consulting Engineer
Gary Martin, Becker Engineering
Frank Mincarelli, Blakinger Thomas