

Washington Township Municipal Authority
Business Meeting Agenda
March 16, 2010
Meeting Time 7:15 PM

1. Business from the Floor
2. Agenda
3. Minutes of March 2, 2010
4. Amend February 2, 2010 Minutes
5. Open Chlorine Monitoring Bids
6. Tapping Fee Letters
7. Required Forms for Bank Transfer
8. Resolution 10-4 (Transfer Funds from PLGIT to Susquehanna Bank)
9. Water Department Report
10. Sewer Department Report
11. Business Report
12. Ratification of the Bills
13. WTMA Organizational Policy
14. WTMA Subdivision Submittals
15. Acceptance of Registered Plumbers
16. Subdivisions
17. Miscellaneous
18. Adjourn

Washington Township Municipal Authority
Business Meeting Minutes
March 16, 2010

Chairman F. Eisenhart opened the meeting at 7:15 PM. Others present were S. McCleaf, L. Frantz, E. Gladhill, J. Blair, S. McFarland, and S. Trinh.

Business from the Floor

There was no business from the floor.

Agenda

The agenda was approved as presented on an E. Gladhill, L. Frantz motion (5-0).

Minutes of March 2, 2010

The minutes of March 2, 2010 were accepted as presented on a S. McCleaf, E. Gladhill motion (5-0).

Minutes of February 2, 2010

The Manager reported that he had received a request through E. Gladhill from J. Geesaman, requesting a change to the February 2, 2010 Board Meeting Minutes. Mr. Geesaman indicated he was expressing a personal opinion, and not speaking on behalf of the Supervisors when he discussed the two organizations not charging each other administrative fees. The February 2, 2010 Board Meeting tape was reviewed and the words “the Board of Supervisors and” were removed from paragraph 3 of page 3. The minutes were approved as amended on an E. Gladhill, L. Frantz motion (5-0).

Open Chlorine Monitoring Bids

R. Diller and Cory Heckman of Control Systems 21 (CS21) were present for the opening of the bids. Chairman F. Eisenhart opened the sealed bid for Chlorine Monitoring. There was only one bid, received from Control Systems 21 in Dillsburg, PA for a lump sum cost of \$63,424.21. There was a note as part of the bid that CS21 will not be issuing a performance bond with the terms issued in Addendum (I), but they would be willing to negotiate a reasonable performance bond. The Board tabled the bid for review and evaluation by the Manager. The awarding of the bid was tabled on a S. McCleaf, J. Blair motion (5-0).

S. McCleaf asked Mr. Diller to explain what difficulty he was having obtaining a performance bond. Mr. R. Diller explained that in the original bid document, Section 16.4 specified a 10% performance bond. An addendum was sent this morning, March 16, 2010 explaining an error in the Request for Proposal and changing the performance bond requirement to 110%. CS21 added that if the performance bond had been 10%, they would have cut a check for the WTMA to hold until the project was completed, but 110% is more than the company anticipated.

Mr. Diller explained he is having a difficult time obtaining a performance bond from his bonding agent due to the project being a 'design and build' project, but CS21 is eager to work with the WTMA on this project. Mr. Diller offered to do site demonstrations to prove that the communication between the sites will work instead of supplying a performance bond. Chairman F. Eisenhart commented the Manager will review the bid and may be able to come to an alternative recommendation in place of the performance bond requirement.

Tapping Fee Letters

L. Royer, of R. Lee Royer and Associates, and D. Philips and H. Gold, of Capital Camps, were present to discuss the documentation that had been provided as requested by the Board during the March 2, 2010 Meeting. Also present was Steve Patterson, of Salzmann Hughes, representing Capital Camps.

Chairman F. Eisenhart started by summarizing his thoughts about the packet provided by Capital Camps. He felt there were three issues raised in the document supplied by Capitol Camps. There was an apparent discrepancy in the allowable usage in the letter from the Authority dated September 10, 2009. In one place it stated the allowable amount was 1,200,000 gallons, which conflicted with 83 EDUs, or 1,233,000 gallons. There was also a request to consider all of the meters serving the camp, and combine the total allowable EDUs associated with those meters. Finally, there was an explanation and some documentation of two leaks on the lines which Capital Camps allege caused higher than normal usage.

Chairman F. Eisenhart commented the WTMA's policy is to read each meter independently, and not combine them for one location, even if they do serve the same property. L. Frantz cited several other commercial locations have multiple meters that are treated independently. The Manager explained that the allowable gallon discrepancy was a result of a mail merge, and the correct amount was the 83 EDUs that Capital Camps has paid for, or 1,233,000 gallons. That information had been clarified with Mr. Gold.

The Board reviewed the invoice for repair to a leak of a 3 inch main dated July 2008. D. Philips stated that they feel their most recent summer usage, although outside of the review period, is a more accurate reflection of the Camp's water use. The Board agreed to adjust Capital Camps water EDUs from 83 to 85.5 EDUs, and re-bill Capital Camps for an additional 2.5 EDUs based on the Camp's assertions, with a reminder that the evaluation process is an annual one, and increased usage in the future may result in additional tapping fees being assessed, on a S. McCleaf, J. Blair motion 4-1, with E. Gladhill against. The sewer EDUs will remain at 61 EDUs.

J. Meek, representing the Blue Ridge Fire and Rescue Company, was present with additional documentation of a leaking toilet that was discovered during an investigation performed with S. Melego, WTMA Water Superintendent. The Board had previously waived the two highest quarters of usage based on documentation of a large water leak outside of the station and adjusted their EDUs at the next highest quarter of usage. After a review of the additional documentation the Board waived the next highest quarter of water usage on a J. Blair, S.

McCleaf motion (5-0). The allowable water usage will remain at the original 3 EDUs during this review period. Chairman F. Eisenhart informed Mr. Meek the leaking toilet may have contributed to the usage of 57,000 gallons during the most recent quarter, which will be reviewed during the next tap fee evaluation, scheduled this fall.

The Manager reported J. Morris, WTMA Assistant Project Supervisor, inspected Select Vehicles to confirm information that there are two existing apartments attached to the business and should have been grandfathered as 3 EDUs. Their consumption during the review period was 2.5 EDUs. The information was correct, and the Board agreed that the allowable water use would be based on 3 EDUs, and there would be no additional tapping fees assessed at this time. The WTMA will begin billing Select Vehicles based 3 water and sewer units effective the beginning of the current billing cycle, or February 1, 2010.

The Manager reported the only two outstanding cases are the Golden Coral and the Blue Ridge Food Mart. S. Trinh indicated she had mailed letters from her office to the business owners, and in the case of the Golden Coral, the property owner, explaining that water service will be terminated and/or a lien will be posted against their property if payment is not made.

Required Forms for Bank Transfer

The Manager presented forms to open accounts with Susquehanna Bank. The Susquehanna Bank forms require signatures of Board Members with officer positions, and the Manager. The accounts are necessary to move the daily banking from PLGIT to Susquehanna, in accordance with previous Board action.

Resolution 10-4 (Transfer Funds from PLGIT to Susquehanna Bank)

Resolution 10-4 Authorizes changing the financial institutions for the WTMA and establishes the Manager as the Authorized Signer on all forms necessary to facilitate the transfers from PLGIT to Susquehanna Bank that do not require multiple signatures. Resolution 10-4 was accepted as presented on a S. McCleaf, J. Blair motion (5-0).

Water Department Report

The Manager presented the February 2010 Water Department Report. The February 2010 Water Department report was accepted as presented on a S. McCleaf, L. Frantz motion (5-0). The following items were discussed:

- Water usage for the month is currently 42% of the system's capacity
- 13,801,000 gallons of water were produced for the month
- There was one water leak discovered for the month
- There were four new connections for the month

Sewer Department Report

The Manager reported the February 2010 Sewer Report was not available for review at this evening's meeting. O. Benchoff, Wastewater Superintendent has been on vacation and the rainstorm during the weekend created high flows at the wastewater treatment plant which have caused issues requiring O. Benchoff's attention. The report for the Month of February will be presented at the next meeting.

Business Report

The Manager presented the February 2010 Business Report. The February 2010 Business Report was accepted as presented on a L. Frantz, S. McCleaf motion (5-0).

The following items were discussed:

- Water Department Revenue Report
- Sewer Department Revenue Report
- Cash Flow Summary
- Investment Report
- Tap Fee Detail Report

The Revenue Reports had a new format to track Capital Budget projects and year to date expenditures. L. Frantz and E. Gladhill requested a slight modification. The Manager said the change would be reflected on the next month's reports.

Ratification of the Bills

Ratification of the Bills for February, 2010 was accepted as presented on a S. McCleaf, E. Gladhill motion (5-0).

WTMA Organizational Policy

The Manager presented a draft WTMA Organizational Policy and chart. The Policy designates the Business Manager to assume the responsibilities of the Manager in his absence, unless other personnel have been designated by the Manager prior to a planned absence. The policy was accepted as presented on a S. McCleaf, E. Gladhill motion (5-0).

WTMA Subdivision Submittals

The Manager presented the plans for the subdivision of approximately 132 acres of forest land behind Wells 5 & 6 in Blue Ridge Summit. The WTMA plans to sell part of the property to Mr. Dave George, who owns land directly abutting the parcel. The Manager also discussed an

additional right of way requested by D. George on the eastern edge of the property the WTMA is keeping. The Board agreed by consensus to grant the right of way provided D. George pays for any costs associated with surveying the additional right of way.

The Manager presented plans for the subdivision of land on the Hess property. The WTMA would like to purchase a tract of land which will be added to the parcels already owned around the existing Hess Well. The new parcel would include the anticipated Zone 1 area surrounding the new well. The Manager also discussed additional land that will be added to the existing access Right of Way, which will be shared with Mr. and Mrs. Hess.

The Manager will submit both sets of plans to the Washington Township Planning Commission and the Supervisors.

Acceptance of Registered Plumbers

The Board accepted the following plumbers to be added to the Registered Plumbers List on a S. McCleaf, J. Blair motion (5-0).

- Steven M. Nuse Sr. / Bryant Group Inc.
- Steven M. Nuse Jr. / Bryant Group Inc.
- James L. Boone/ Self Employed

Subdivisions

Klein- A letter was mailed to L. Royer to address comments from WTMA and resubmit plans.

Star Apartments- A letter was mailed to L. Royer to address comments from WTMA and resubmit plans.

Hunters Ridge- A letter was mailed to R. Martin to address repairs or the maintenance bond will be drafted.

Klein- A letter was mailed to L. Royer requesting a surety bond for Final Approval.

Zaru- A letter was mailed to S. Zaru stating Maintenance Bonds are held for 18 months until all construction is complete.

CC&M- The Maintenance Bond was returned to Susquehanna Bank. All requirements have been met.

Antietam Commons Ph II- A letter was mailed to R. Rachuba requiring the construction bond to be renewed.

Star Apartments- A letter was mailed to L. Royer acknowledging that all of WTMA's comments have been addressed. The Star Apartments subdivision was recommended for Preliminary Approval by the Board of Directors. On a S. McCleaf, L. Frantz motion, Star Apartments were granted Preliminary Approval (5-0).

Miscellaneous

PMAA Authority Magazine- The Manager briefly discussed the Authority Magazine.

Senator Alloway/ Representative Rock Letter- The Manager presented a final draft of the letters that will be mailed to Senator Rich Alloway and State Representative Todd Rock, which express concerns about the International Residential Code's requirement for the installation of sprinkler systems in new homes. The requirement currently applies to multi-family dwellings. The new requirements will affect single family homes beginning in January, 2011. The WTMA urges some concerns such as pressure and flow needs, backflow prevention and liability be addressed in legislation.

CET Engineering Inc. Water and Sewer Fees Survey- The Manager discussed the results of a survey CET Engineering Inc. mailed to local authorities asking for monthly water and sewer rates. WTMA water and sewer rates are considerably lower than the averages reflected in the survey results.

Financial Interest forms- The Manager reminded everyone the Financial Interest Forms need to be submitted to the Administrative Assistant by mid April, 2010.

Pumping Station- J. Blair questioned the alarm at the Mar Penn Pumping station. The Manager explained the alarm warning was due to high levels in the wet well, caused by the rainstorm during the weekend, and the condition would stop when the flows returned to normal.

WTMA/WBA Future Workshop- S. McCleaf briefly discussed having a workshop in the future with the Waynesboro Borough Authority.

April 6, 2010 Board Meeting- E. Gladhill announced she will be absent for the April 6, 2010 Board Meeting.

Administration Building Analysis- Chairman F. Eisenhart created a spreadsheet of monthly cost differences between the old and the new administration buildings. His analysis compared expenses for electric, oil and gas heat, phone and maintenance for the two buildings, and the cost was only slightly higher for the new administration building. Chairman F. Eisenhart commented the analysis reflects that although the new administration building is much larger, it is much more energy efficient.

Administration Building Snow Removal- Chairman F. Eisenhart expressed gratitude on behalf of the Board to O. Benchoff, Wastewater Superintendent for the excellent job removing the snow at the administration building during the winter.

CET Tapping Fee Evaluation- Chairman F. Eisenhart asked the status of the tapping fee evaluation being done by CET Engineering Inc. The Manager met with CET Engineering on March 11, 2010. The Manager explained that CET Engineering is examining the current systems, and due to some gaps in available data, CET is inclined to calculate the Tapping fees for sewer based on replacement costs of existing facilities. There may also be some reallocation of what is included in the Collection and Capacity portions to better comply with Act 57. K. Shannon expects to present some preliminary data at the first meeting in April.

March 4, 2010 Breakfast Meeting- Chairman F. Eisenhart discussed a breakfast meeting that was held on Thursday, March 4, 2010. F. Eisenhart, S. McFarland, S. Kulla, Chairman of the Washington Township Supervisors, and M. Christopher, Manager of Washington Township were present. Past and future projects of the WTMA and future cooperation methods were discussed.

Adjourn

The Board adjourned at 10:21 PM on a S. McCleaf, E. Gladhill motion (5-0).

These Minutes were prepared by S. Eck, Administrative Assistant and respectfully submitted on this 6th day of April, 2010.

L. Frantz, Secretary/Treasurer