

Washington Township Municipal Authority
Business Meeting Agenda
March 25, 2014

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2. Agenda
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14. Adjourn

Washington Township Municipal Authority
Business Meeting Minutes
March 25, 2014

Chairman F. Eisenhart opened the meeting at 7:15 PM. Others present were S. McCleaf, E. Gladhill, D. McCarney, A. Geesaman, S. McFarland, S. Trinh, and K. Shannon of GHD Engineering Inc.

Business from the Floor

There was no business from the floor.

Agenda

The Agenda was approved, as presented, on an S. McCleaf, E. Gladhill motion (5-0).

Minutes of March 11, 2014

The Minutes of March 11, 2014, were accepted as presented, on an S. McCleaf, A. Geesaman motion (5-0).

Review Bids for the Blue Ridge Summit Pumping Station

The Manager explained the bids for the Blue Ridge Summit Pumping Station were opened at a previous Board Meeting and ranged from \$507,856.35 to \$1,240,016.25. The lowest bidder was RLS Construction Group. He explained that the Board had asked K. Shannon, of GHD, to gather some additional information about the lowest bidder's experience.

The Manager reported that K. Shannon had previously submitted a Bid Tabulation and Review Letter to the Authority, explaining GHD has no past experience with the RLS Construction Group. The Board had tabled making a decision on the bids, asking GHD to contact RLS Construction Group and schedule a meeting with the Authority.

The Manager reported that he, D. McCarney, A. Geesaman, S. Trinh, Solicitor, K. Shannon, of GHD, R. Schopfer, G. Golden, and B. Golden, representing RLS Construction Group, met on March 17, 2014 at 4:00 PM at the Administration office to discuss the project and their experience.

Chairman F. Eisenhart asked S. Trinh, D. McCarney, and A. Geesaman to comment on what their thoughts were about the meeting with RLS Construction Group. S. Trinh explained they

answered each question favorably, they reviewed their finances, and also discussed their Audited Financial Statement. S. Trinh commented she felt comfortable with RLS after meeting with them. D. McCarney, concurred with S. Trinh's comments, and was reassured with the answers they gave of their experience for past projects. A. Geesaman also concurred with S. Trinh, and D. McCarney commenting that he felt B. Golden had the experience needed for the project and had discussed how he walked the job site for the bid work, and that he gave specific detailed answers about the project, showing his experience and knowledge of the job. The Manager explained he feels comfortable with G. Golden, and B. Golden, and their past experience. K. Shannon commented that after meeting with RLS and reviewing their references, and discussing some of their past projects that involved site work, utility line work, and storm sewer projects, which was not originally elaborated within their bid documents, he concurred with everyone and feels comfortable awarding the bid to RLS. The Board concurred with K. Shannon's recommendation and awarded the bid to RLS Construction Group as the lowest bidder at \$507,856.35 on an S. McCleaf, D. McCarney motion (5-0). K. Shannon will send a letter to RLS awarding them the bid, and asking them to submit the required documentation for the project.

Wastewater Conveyance System Project Update

The Manager reported that Sippel is working on the final pieces of the project. All the lines are in the ground and in working condition. GHD will walk the project with Sippel on March 27, 2014 and create a punch list of items that need to be completed. GHD will reduce the retainage to one and one half times the value of the items on the Punch List until completed. The Manager reported Sippel is working on cleaning up the spoil sites, remaining construction entrances, and that paving is scheduled to begin this week. He reported that A. Gehr will begin lawn restorations when the weather warms.

Smith, Elliott, and Kerns, 2013 Audit Report

The Board moved on with the next item on the Agenda, since C. Witmer and K. Stouffer, of SEK have not yet arrived.

Water Report

The Manager presented the February 2014 Water Department Report. The Water Report was accepted as presented on an S. McCleaf, E. Gladhill motion (5-0). The following items were discussed:

- The water system was operating at 43% of its capacity during the month
- Water produced for the month was 14,084,000 gallons
- There were three new connections for the month

- There were two leaks discovered during the month

Wastewater Report

The Manager presented the February 2014 Wastewater Department Report. The Wastewater Department Report was accepted as presented on an S. McCleaf, A. Geesaman motion (5-0). The following items were discussed:

- Minimum flow for the month was 710,000 gallons per day
- Average flow for the month was 1,134,000 gallons per day
- Maximum flow for the month was 2,260,000 gallons per day
- There were no new connections for the month
- Total Hydraulic EDU's connected to the system to date are 5750.5
- For planning purposes, the Wastewater Treatment Plant is currently at 71% of its capacity

Ratification of the Bills

The Board ratified the bills that were presented on an S. McCleaf, E. Gladhill motion (5-0).

Smith, Elliott, and Kerns, 2013 Audit Report

Craig Witmer and Kevin Stouffer, of Smith Elliott Kearns (SEK) and Company, arrived and presented the results of the Authority's annual financial audit for the fiscal year ending October 31, 2013. B. Carrigan also arrived at this time to be present during the Audit presentation. K. Stouffer started by pointing out that SEK was presenting an unmodified opinion, which is the best audit report that can be given by an auditor. K. Stouffer explained they would be presenting the audit by PowerPoint presentation.

K. Stouffer reviewed the Financial Statements, comparing them to last year and provided information on the differences. He discussed the net losses of the water fund and the increase in the wastewater fund, due to the forty five tapping fees for the New Forge Crossing subdivision and the booking of some of the Wastewater Conveyance system upgrades put in use during the fiscal year.

K. Stouffer also reviewed the Management Letter, and discussed two findings. He reviewed graphical analysis of various revenue, expense and investment positions for the past five years, and reviewed the Standard Communication Letter, and then opened the floor to questions.

The Manager questioned one paragraph related to the Capital Assets that had been brought to his attention by D. McCarney. After reviewing the item in question, the auditors agreed the paragraph incorrectly stated there was a net decrease and it should say net increase. They said they would provide a revision for the Audit. After further discussion, the Board accepted the 2013 Smith Elliott Kearns Financial Audit Report on an S. McCleaf, D. McCarney motion (5-0). The Board thanked SEK for their services, and also thanked B. Carrigan for a job well done working with the Auditors.

Capital Disbursements

The Board approved the following Capital Disbursement as presented on an S. McCleaf, A. Geesaman motion (5-0).

(Wastewater) - Payment of \$9,108.18 to GHD for the Blue Ridge Summit Pumping Station.

AC&T Wastewater Disposal

The Manager presented a letter to the Board from A. Cordell representing AC&T, requesting a waiver from the Board's Fats, Oils and Grease Resolution and be allowed to dispose the wastewater from a proposed Rita's directly into the sewer system. Their letter explained Rita's product is made of sugar and water, and has no fats, oils, or grease in their waste, and their custard will be produced at the Chambersburg Factory, and brought to the Waynesboro location. The Board discussed the custard, the necessity to clean the equipment and possible future use. After further discussion, the Board decided to not grant the waiver to AC&T, requiring Rita's to dispose their waste into a grease trap, as specified in Resolution 08-4 (Fats, Oils, Grease) on an A. Geesaman, E. Gladhill motion (5-0).

Subdivisions

There were no subdivisions to discuss.

Miscellaneous

Water Line Discovery- The Manager discussed a situation that was discovered within the system recently. He explained that during some work they had been doing with Martz Plumbing and a customer, G. Stains, it was discovered that his neighbor, D. Dingle, was being supplied

from lines on Mr. Stains' property. The Manager explained that Mr. Stains reported the Authority had moved his meter from his house out to the road, and Mr. Stains said this was done 20 years prior. The Manager reported that evidently, when this was done, the meter began capturing flows for both of the properties since it was placed in front of this unknown interconnection. He explained that while the Authority has repaired the issue since discovering the situation and provided Mr. Dingle with his own service line, Mr. Stains has been paying for water consumed by Mr. Dingle, but the Authority had also been billing Mr. Dingle based on a separate meter on his property. The Manager explained that Mr. Stains is requesting a refund for the surplus payments he has been making.

S. Trinh explained that there are statutes of limitations imposed by the courts in these cases as four years. The Manager explained he has gone through both files and the only information about the meters was that Mr. Stains had a new one installed in 2008, but it did not mention relocating at that time. He also explained that the Authority had spotty billing records prior to the shift to the new billing system, citing the old DOS based system in use prior to the new one, and the fact that the Authority destroys record in accordance with the State's Disposal of Municipal Records' guideline of 5 years for billing records. He explained that the Authority does have the old meter reading sheets.

After discussion, the Board directed the Manager to attempt to calculate a refund back to the date Mr. Stains got a new meter.


Pennersville Road- E. Gladhill discussed a resident who lives on Pennersville Road who is not connected to the waterline. She asked if someone at the office could do some research for this property and find out why they never connected to the waterline. The Manager explained that research was previously done, and there are no files or any other information for this property. He asked if the Township had any possible information.

RLS Special Meeting- Chairman F. Eisenhart thanked everyone who participated in the RLS Construction Group interview and appreciates their involvement.

Adjourn

The Board adjourned at 9:17 PM on an S. McCleaf, D. McCarney motion (5-0).

S. Eck, Administrative Assistant, respectfully prepared these Minutes, and submitted on this 1st day of April 2014.


E. Gladhill, Secretary/Treasurer