

**Washington Township Municipal Authority  
Business Meeting Agenda  
February 16, 2021**

1. Business from the Floor
2. Agenda
3. Minutes of February 2, 2021
4. January 2020 Water Report
5. January 2020 Wastewater Report
6. GHD Engineer's Report
7. Johnston Construction – Application for Payment #3
8. GHD Interim Brookdale Pine Hill Project Update
9. SEK – Annual Financial Audit
10. Business Report(s) (December / January)
11. Leak Credit Review – November Billing
12. Ratification of the Bills (December / January)
13. Miscellaneous
14. Adjourn

**Washington Township Municipal Authority**  
**Business Meeting Minutes**  
**February 16, 2021**

Chairman D. McCarney called the meeting to order at 7:15 PM. The meeting was held both in the Public Meeting Room and by Zoom. In the WTMA Public Meeting Room were Board members D. McCarney, S. McCleaf, D. McLaughlin, as well as Manager S. McFarland, J. Garvin Director of Business and Finance, J. Schorn, Director of Utilities.

Present by Zoom were Board Members A. Geesaman and D. Parks, as well as P. Boggs, GHD.

The Manager explained that he expected S. Trinh, Solicitor, and K. Stouffer and T. Rote, both of SEK, to join but they were attending an earlier scheduled meeting with another client and would be joining by Zoom shortly.

The Manager confirmed all those in attendance and everyone confirmed that they could see and/or hear each other.

**Business from the Floor**

Noting there was no Business from the Floor, the Chairman moved on to the Agenda.

**Agenda**

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

**Minutes of February 2, 2021**

The Board reviewed and approved the Minutes of the February 2, 2021 meeting as presented on an S. McCleaf, D. McLaughlin motion (5-0).

**January 2021 Water Report**

J. Schorn, Director of Utilities presented the January 2021 Water Report. He reported that:

- Water produced for the month was 22,305,000 gallons for the month and a total of 64,157,000 gallons for the quarter. The recorded water sold was 28,723,000 gallons.
- Estimated water loss from known leaks discovered during the month was 4,878,000 gallons and an estimated total for the quarter of 7,226,500 gallons. The estimate for loss from flushing, fire protection and blow-offs for the quarter was 2,813,000 gallons for the month and 7,363,989 gallons for the quarter.
- He reported that based on recorded production and billing numbers, and the estimates for losses due to other known events, the unaccounted for number had increased from 24% to 32% for the quarter.

- He noted there were 7 new water connections for the month.
- J. Schorn noted that 4 leaks that were discovered and repaired by WTMA and WTS staff during the month of January. He also noted that none of the discovered leaks ever surfaced, and were found by WTMA staff through the use of the data loggers they have put in the system. J. Schorn noted the difficulties of operating a water system in the winter, but commended the staff for staying on top of issues as they arose.

J. Schorn called out the Additional Maintenance and Repair Work portion of the report, noting that beyond general ongoing maintenance, the staff have been spending a lot of time in the field looking for leaks. He also noted that all of the 'winter' blow-offs have been opened and are being monitored, but finding leaks has been the staff's focus.

The January 2021 Water Report was accepted on an S. McCleaf, D. McLaughlin motion (5-0).

### **January 2021 Wastewater Report**

J. Schorn presented, and the Board reviewed, the January 2021 Wastewater report.

- Minimum flow for the month was 700,000 gallons per day.
- Average flow for the month was 870,000 gallons per day.
- Maximum flow for the month was 1,470,000 gallons per day. He explained that high flow coincided with the rain on the snowpack at the beginning of the month.
- Rainfall for the month at the plant was 1.09 inches.

J. Schorn noted that the plant was running very well after the upgrades were completed, but would provide more information in a moment.

- There were 5 new connections for the month.
- Total Hydraulic EDU's connected to the system to date are 6,047 and available hydraulic EDUs remaining for planning purposes are 2,043.
- For planning purposes, the Wastewater Treatment Plant remains at 74% of its capacity.

J. Schorn called out another comment on the Report, explaining that a representative from Aqua Aerobics came to the plant as part of the final Valve Replacement project close-out and was able to make some adjustments to the PLC programming that were previously resulting in air valves not being opened and closed at precisely the right times in conjunction with the blowers. He explained that the momentary injection of air was resulting in a disruption in the fill, settle and decant process. He explained that the blowers would turn on, and then the air valves would open and close as programmed, but the momentary introduction of air into the settling tank had been causing problems, which now seem to be resolved after the changes. He explained that the issue has not caused any violation of our permit and has been happening for years, but as part of the

project close-out, they were able resolve a longstanding headache in lieu of the training that was included in the Contract but was unnecessary since existing equipment was replaced and additional training was not needed.

He noted that the staff continue to use the Jet-Vac truck and remarked on how helpful the hydraulic excavation capabilities in close spaces and around delicate and fragile infrastructure has been for both departments, eliminating the need for a backhoe and disruption of blacktop in several specific instances.

He briefly touched on some of the general maintenance items on the report, including soil samples that have been sent to Penn State in advance of biosolids land application in the spring.

J. Schorn also discussed the security of the WTMA's water system following an attempted hack of a system in Florida that was reported in the news in which someone was able to adjust some chemical feed rates that could have resulted in a dangerous situation. He noted that in that incident, an Operator noticed the change and was able to prevent any actual harm.

There was conversation with the J. Schorn, the Manager and the Board about potential vulnerabilities to the WTMA's system and whether control was available remotely. J. Schorn explained that the SCADA system is in place for monitoring and alarms, not for control. He explaining that any actual changes to the PLCs in Water and Wastewater must be made in-person (beyond a few specific exceptions which he explained) at the physical location, and could not be made remotely. The Manager explained that his opinion remains that if something happens in the system, he wants an Operator, or the on-call person to physically respond and assess that situation. The Chairman and the rest of the Board noted they have resisted having remote capabilities included and repeated their views, thanking the Manager and the Director of Utilities for the conversation.

*The Manager noted that S. Trinh, Solicitor, and K. Stouffer and T. Rote, Smith Elliot Kearns, had joined the meeting by Zoom during the Wastewater Report.*

The Wastewater Report for the Month of January 2021 was accepted as presented on an S. McCleaf, D. McLaughlin motion (5-0).

### **Engineer's Report**

P. Boggs, GHD, presented the Engineer's Report. He noted the Pine Hill Water tank project was a separate item and was on the Agenda after his report.

P. Boggs noted that GHD and the Authority are still waiting for responses from DEP o the Water Allocation Permit and the Interconnection Permits between the WTMA, Washington County and the Borough of Waynesboro, which have been previously submitted. The Authority continues to operate under its previous permits in the meantime.

P. Boggs explained the other items he had to discuss were separate Agenda items.

The Engineer's Report was approved and accepted on an S. McCleaf, D. McLaughlin motion (5-0).

### **Johnston Construction – Application for Payment #3**

P. Boggs and the Manager presented the third and final application for payment for the Wastewater Treatment Plant Valve project from Johnston Construction in the amount of \$6,450.00. They confirmed that hard copies of the O&M manuals and electronic copies have been received, as well as all the corrected as-built drawings. All other close-out documents, and bonding have also been received and reviewed, and everything is in order. P. Boggs agreed that everything was in order and recommended full payment of the balance, including held retainage, in the amount of \$6,450.00. The Manager indicated the final paperwork was ready for signature, and he had also reviewed and initialed the original forms. The Board agreed and approved the payment on an S. McCleaf, A. Geesaman motion (5-0).

### **GHD Interim Brookdale Pine Hill Project Update**

P. Boggs presented GHD's work-to-date on the Brookdale to Pine Hill water transmission project, giving the Board a PowerPoint presentation. The Manager explained that GHD was working within a 6 month investigation, design and evaluation process, but that he and the Board had requested a half-way, or interim report, to better define the project and evaluate issues that may have arisen.

The Engineer reviewed the general scope of the project, which includes a direct transmission line from the Brookdale Water Plant to the Pine Hill storage tank, the construction of a new pump station at Pine Hill, and the delivery and tie-in of a new line from Pine Hill to the existing transmission line that runs from the current Green Ridge tank to the Tall tank.

P. Boggs discussed several alternatives that were reviewed, investigated and eventually ruled out, as well as the related reasoning behind those recommendations. The Board reviewed the maps and related reports and field pictures, and discussed pros and cons of the alternatives presented. Ultimately, GHD recommended a pathway that should minimize disruption to existing customers, and still suit the WTMA's desire for a direct feed line with no other connections, but would require use of an existing utility easement and would travel within a property that is currently proposed for development. The Board discussed ways to minimize the impact of a water transmission through the said property and the path it would follow from that property to the Pine Hill water tank.

The Board and GHD reviewed and discussed the path the line would take from Pine Hill tank to rejoin the existing water system, and potential power requirements and availability of power at the proposed new pumping station. The Board reviewed the Engineer's preliminary costs for the proposed and alternate paths, acknowledging the estimates would change after more field work was conducted in the spring.

P. Boggs also discussed GHD's initial cost estimates for their work on the project. He discussed the original miscommunication between GHD and the WTMA about where to end the new transmission line and tie back into the existing system. He explained that the clarification to go all the way to Pine Hill tank adjusted the scope of their original understanding of the project, but acknowledged that the increased distance would also provide benefits to the WTMA such as

increased chlorine contact time and may eliminate the need for a tank at Brookdale to serve that purpose.

The Board agreed on the recommended path between Brookdale and Pine Hill and directed the Manager to communicate with the property owner and determine the best and least impactful way to accomplish that while the property is being designed and developed. The Manager advised them that preliminary conversations are underway. P. Bogg advised that the next step would be to have the proposed path officially surveyed, as well as beginning wetland and other environmental studies.

P. Boggs explained that with the additional scope of work would likely come additional costs beyond what was originally approved by the Board. He inquired about sending an additional request to their approved budget.

The Manager stated, on behalf of the Board, that he recognized there may be additional costs due to the expansion of the scope of work based on the misunderstanding, but asked GHD to attempt to work within the previously approved budget, which he felt was healthy. He expressed that future requests for funds would be considered with this in mind, to which P. Boggs agreed.

There was also discussion regarding the placement of a new pumping station facility at the existing Pine Hill tank, and the land requirements from Washington Township. The Board asked GHD to investigate an alternative which may reduce pipe and electrical needs, and minimize the additional land necessary for its construction. GHD will review their original proposal. There was also additional conversation about the power needs for the pumps, specifically the need for single versus three phase power.

The Chairman and the rest of the Board thanked P. Boggs for his time and the interim report. They all noted that it clarified the path forward. No official action by the Board was required at the time.

### **2019-2020 Annual Financial Audit Report**

K. Stouffer and T. Rote, of Smith Elliott Kearns & Company, were in attendance by Zoom to present the results of the 2019-2020 Financial Audit to the WTMA Board of Directors. K. Stouffer provided the Board with the Annual Audit, as well as printouts of a summary presentation that SEK had prepared, on which he based his discussion, shared his screen and led the Board through a PowerPoint presentation SEK had prepared.

He started by referring to the more complete documents which had been provided by the Manager in person and in electronic format to the Board, including the Audited Financial Statements, the Management Letter SEK's required Communications with Those Charged with Governance. *(Complete copies available from the WTMA)*

Once again, SEK issued an unmodified audit opinion, which is the best opinion they can issue. He explained that there were no findings to report and that in their opinion the numbers presented in the audit are materially correct and can be relied upon by outside parties. He explained that they do not review every transaction, but perform random samplings of transaction during the period, and they found nothing of concern.

He also noted there was an overall **net** increase in the Authority's financial position compared to last year's loss, due to a significant reduction of depreciation expense as a result of some assets being fully written off at the end of their depreciation cycle during the past year.

K. Stouffer proceeded to review his presentation to the Board and explained several items on the comparative graphs that covered the past five years since the conversion to a modified cash based accounting. He also reviewed the income and expense reports for both the Water and Wastewater departments.

Chairman McCarney thanked K. Stouffer for his report, and the Board acknowledged J. Garvin's hard work and thanked her for another good audit. The Manager explained that the required official publication of the Audit would be performed, with copies to the local newspaper, the Township and the bank. The audit report was accepted on a S. McCleaf, D. McLaughlin motion (5-0).

### **December 2020 / January 2021 Business Report**

J. Garvin, Director of Business and Finance, presented the both the December 2020 and January 2021 Business Report. The following items were reviewed:

- Statement of Revenues and Expenses
- Bank Balances / Capital Expenditures
- Actual vs Budget: Quarter 1
- Disbursement Summaries
- Tap Fee Detail Report
- Business Updates

J. Garvin noted several items in her report, including comparative number from this year and last year on the Statement and Revenues and Expenses noting that the differences are very small.

She noted that the new Water and Wastewater rates approved by the Board are now in effect and were billed with the February billing. She also noted that delinquency and non-payment rates seem to be declining. She informed the Board that all of the appropriate tax filings for 2020 and reporting were sent out on schedule.

J. Garvin spent some time reviewing the Budget vs. Actual for the past quarter calling out some of the variances and explaining each of them to the Board.

J. Garvin reported that she is increasingly paying WTMA bills on line after the frequent interruptions experienced with the USPS. The Manager cited a significant electric payment for the Wastewater Treatment plant that was returned as 'undeliverable' 25 days after it was mailed,

even though it was mailed in the power company's window envelope with the address clearly showing. He also noted he and the staff are receiving similar complaints from WTMA customers regarding the Authority's water and sewer bills.

### **Leak Credit Review**

The Manager presented a summary of the leak credits that he has issued administratively over the last quarter in accordance with the adopted WTMA's Leak Credit Policy. The Board reviewed the report and affirmed the credits

The Manager noted that a review of the Leak Credit Policy and the suggested forms needed for a credit were still on his 'to do' list to review, modify and present to the Board.

### **Ratification of the Bills**

The Board reviewed the Ratification for December 2020 and January 2021, but had no questions about any specific expenses. The Board approved the Ratification of the Bills for the months of December 2020 and January 2021, as presented, on an S. McCleaf, D. McLaughlin motion (4-0).

### **Miscellaneous**

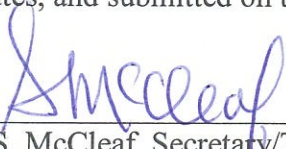
The Manager presented the Waynesboro Borough Authority Minutes for review, and copies of the Authority from PMAA to the Board.

The Authority's Advisor had explained it was needed following the Merger between BB&T and Suntrust banks and was needed for things like the reinvestment of funds upon maturity. The Board reviewed the letter and authorized S. McCleaf, Secretary/Treasurer, to sign the letter on an A. Geesaman, S. McCleaf motion (5-0).

### **Adjourn**

The Board adjourned at 8:43 PM on a D. McLaughlin, S. McCleaf motion (5-0).

Sean McFarland, Manager, respectfully prepared these Minutes, and submitted on this 2<sup>nd</sup> day of March, 2021.

  
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S. McCleaf, Secretary/Treasurer