

Mount Joy Borough Authority
Pre-Authority
March 17, 2015
Minutes

The Mount Joy Borough Authority held its Pre-Authority meeting on this date in Council Chambers of the Borough Offices Building. Present were Chairman Gainer, Mr. Weidman, Mr. Rebman, Mr. Derr and Mr. Golicher. Also present were Joe Ardini, Angie Fenicle, John Lemman, Mark Warfel from ARRO Consulting and Mike Davis from Barley Snyder. Chairman Gainer called the meeting to order at 4:00 P.M.

Public Input Period.

Mr. Jim Gohn, Council President was present with nothing to report.

Presentation by RBC Capital on the Authority's Bonds.

Mr. Stephen Flaherty from RBC Capital Markets and Mr. Sean Frederick from Barley Snyder was present to update the Authority Board and staff on the 2010 Sewer Bond Refunding opportunity. Mr. Flaherty stated that three banks have elected to submit a proposal and the winning proposal is from Integrity Bank with a fixed interest rate of 2.48% for the remaining life of the Bonds, with funding in late October to capture \$87,000 value of negative arbitrage. The savings net of all costs and including value of negative arbitrage totals \$506,555. Mr. Frederick reviewed with the Board and staff the Resolution to authorize the issuance and sale of the guaranteed sewer revenue note, series of 2015.

A **MOTION** was made by Mr. Golicher and a second by Mr. Derr to approve Resolution 4-15 authorizing the issuance and sale of up to \$7,255,000 amount of guaranteed sewer revenue note, series of 2015; motion carried.

Authority Manager Report.

Mr. Leaman stated the Authority has a pre-construction meeting scheduled for this Wednesday with M2 Construction for the pump station 2 project. The Authority received the payment and performance bond from M2 Construction on March 4th.

Mr. Leaman stated that Mr. Mike Davis received an email correspondence from Mr. Charlie Courtney in regards to the developer's agreement for the booster station project. Staff is attempting to schedule a meeting the week of March 23rd.

Mr. Leaman stated that the well testing has been postponed because of the weather. Mr. Leaman also presented to the Board the possibility of purchasing the data loggers rather than renting them. The renting price of the equipment is \$9,500 per month in which the Authority would need to rent them for a minimum of two months. Mr. Leaman stated that he was presented a quote to purchase the equipment for \$23,000. Mr. Leaman stated the staff will need to use this equipment again and would have to again pay to rent it. Mr. Gainer asked if this equipment would be possible to rent to other municipalities. Mr. Leaman stated that it could be a possibility. A **MOTION** was made by Mr. Derr and a second by Mr. Golicher to purchase data loggers and related equipment currently being rented by the Authority to take advantage of crediting rental amount already paid against the purchase price of the equipment and recognizing that a two to three month rental of the equipment would be the same effective cost as purchasing the data loggers and equipment; motion carried.

Mr. Leaman stated that he met with Ms. Barbara Snyder today to discuss an article pertaining to the new plant and water and sewer rates for the Authority's annual report.

Mr. Leaman discussed with the Board the suggested water and sewer rate increases for the 2015-2016 fiscal year budget. Mr. Leaman is proposing a \$.75 per gallon increase across each tier for water service and a \$.55 per gallon increase across each tier for sewer service. Mr. Leaman provided the Board with a comparison sheet as to where the Authority rates with other municipalities. Mr. Leaman stated that approval of these rates will be presented at the April 7th meeting.

Mr. Leaman stated that he heard from one Councilor that would like to meet and discuss the new water treatment plant. Mr. Gohn stated that he did not receive any response.

Mr. Leaman stated that Mr. Scott Hershey received notification that the kick-off meeting is scheduled for March 26th relating to the removal of the Jacob Street Bridge. PennDOT Bureau of Public Transportation (BRT) is providing the design and assistance and has retained an engineering company out of Harrisburg called HNTB Corporation. Mr. Leaman stated that staff will be present at this meeting to see if we can incorporate the water main modification work into this project. Mr. Leaman stated that the Authority has a water main on the north side of the bridge that will need to be shortened and place a fire hydrant.

Mr. Leaman stated that Authority and Borough staff has met with Schell Web Designs, JMJ IT Solutions and Revize in regards to the new website. Mr. Hershey will be getting quotes from those companies and possibly an additional quote from PSAB.

Operations Manager Report.

Mr. Ardini stated that a depression occurred in the blacktop on Willow Creek Drive. Staff televised the line and CH&N excavated the sewer main to reinforce the joints and remediated the excavation.

Mr. Ardini stated that staff met with Mr. Matt Brown to discuss options for the filters at the water treatment plant. The current underdrainage would not support the use of an air induction and therefore would need replaced if that method was selected. Air induction could be used through an airline being installed above the gravel in the filter but this would require the removal of filter media and sand.

Mr. Ardini stated that the new oil/water separator was installed at the public works facility last Thursday.

Mr. Ardini provided an update on permitted users: payments from eight of ten properties were received. A meeting is scheduled this week to meet with one of the property owners to discuss the program. Mr. Leaman stated that he sent an email to Mr. Ashton Melhorn asking to submit a plan as to how he would like to proceed with installation of a reclaim system to help draw back on the amount of water being used. It was also suggested that an agreement also be in place when all the known facts are presented.

Mr. Ardini provided an update on the booster station project: The contractor has been installing the internal piping as well as the block filler and base coat of paint have been applied. The masons completed the remaining wall for the generator louver. The pumps were delivered to that station on Monday and the contractor will be installing them along with the remaining piping this week. The electrician is also schedule to begin this week.

Mr. Ardini stated that the Liaison meeting was held on March 11th. There weren't any new projects to report and the next meeting is scheduled for September 8th, 2015 at 4:00 PM.

Mr. Ardini stated that the water treatment plant has been dealing with some influent turbidity from the wells with the previous rain and snow melt that occurred. It also appears that there may be a leak as staff has seen the pumping rate increase. Aqua Tech will be present tomorrow to examine the system.

Mr. Ardini stated that Barley Snyder is unable to locate the recorded Right-Of-Way agreement and feels this was missed when the Donegal School District built the Donegal Elementary School. Barley Snyder is suggesting that the school district execute the ROW for the 12" water main prior to construction of the stadium. Staff will contact the school district informing them that the ROW will need to be executed prior to any utility inspection on the water and sewer laterals.

Mr. Ardini stated that he was notified of some process issues at the wastewater treatment plant. Mr. Paul Ruffini at ARRO was contacted and came to assess the issues and has provided a plan to staff to follow to try to resolve the issues.

Business Manager Report.

Mrs. Fenicle mentioned to the Board that she received a letter from Markley Actuarial Services stating that they have completed their review of the 2013 valuation for the pension plan and the accrued liability came within 2% of the prior actuary. Mrs. Fenicle stated that this is a legal requirement when the plan changes actuaries and is a vital part of the takeover process.

Consulting Engineer Report.

Mr. Mark Warfel provided updates on the following projects and developments:

Marietta Avenue Paving Project – ARRO received the permit for Authority to proceed with repairs prior to start of the project. The resolution was also submitted to PA DOT and are now waiting for the agreement.

Marietta Avenue Bridge Replacement Project - ARRO is working through the design of the thrust restraint system with Heisey Mechanical.

Annual Chapter 94 Report – ARRO has completed the Waste Water Treatment System Chapter 94 Report and is currently under in-house review.

Green Park Development – Plans are ready for construction to begin.

Reserves at Union School Phase 3 – ARRO has reviewed and commented on “as-constructed” plans and are now waiting for another submittal.

Minutes of the Previous Meeting.

A **MOTION** was made by Mr. Weidman and a second by Mr. Golicher to approve the February 17, 2015 meeting minutes; motion carried.

Unfinished Business.

Mr. Leaman updated the Board on the Workplace Safety and Accident Prevention Policy (WSAP) and confirmed that as long as the Authority is showing a good faith effort, the claims will not be denied. The modified WSAP is acceptable conditioned upon the standard development health and hygiene clause is reinstated. Mr. Mike Davis stated that this section is common to have in the policy and is mandatory in every policy. Mr. Ardini will be updating the policy and resend to Mr. Pete Whipple for confirmation. A **MOTION** was made by Mr. Derr and a second by Mr. Golicher to adopt the updated safety manual including provisions regarding safety development and health hygiene based upon written confirmation received from the Authority’s insurance carrier that failure to strictly comply with the adopted safety manual will not waive the Authority’s coverage as long as the Authority is making a good faith effort to comply; motion carried.

New Business.

A **MOTION** was made by Mr. Rebman and a second by Mr. Derr to approve change order #1 for Eastern Environmental Contractors, Inc. request to revise item number 18 by lowering the contract amount by \$400,995 to \$1,296,937 as recommended by ARRO Consulting’s letter dated March 3, 2015; motion carried.

A **MOTION** was made by Mr. Weidman and a second by Mr. Derr to approve change order #2 for Eastern Environmental Contractors, Inc. request to extend the contract completion date to July 10, 2015 due to extreme weather conditions as recommended by ARRO Consulting’s letter dated March 6, 2015; motion carried.

A **MOTION** was made by Mr. Derr and a second by Mr. Golicher to approve Eastern Environmental Contractors, Inc. payment request No. 6 for the Water Main Relocation/Improvements and Booster Station Upgrades in the amount of \$96,344.26 as recommended by ARRO Consulting’s letter dated March 3, 2015; motion carried.

A **MOTION** was made by Mr. Weidman and a second by Mr. Derr to approve Elm Tree Properties Phase 4A Developer’s Agreement; motion carried.

A **MOTION** was made by Mr. Golicher and a second by Mr. Rebman to approve Elm Tree Properties Phase 4A Final Subdivision Plan as recommended by ARRO Consulting’s letter dated March 22, 2015; motion carried.

Any Other Matter Proper to Come before the Authority.

Mr. Gohn commended the staff and Authority Board on a great job in moving forward with the sewer bond refinance.

Authorization to Pay Bills.

A **MOTION** was made by Mr. Golicher and a second by Mr. Weidman to approve the attached Requisition No. 22 as follows: \$43,081.82 from the Water Operating Fund and \$74,428.51 from the Sewer Operating Fund; motion carried.

A **MOTION** was made by Mr. Rebman and a second by Mr. Derr to approve the attached Requisition No. WBRI 15-4 from the Water Bond Redemption Improvement Fund; motion carried.

Executive Session.

An executive session was held to discuss real estate matters.

A **MOTION** was made by Mr. Derr and a second by Mr. Rebman to reconvene the public session at 6:07 PM; motion carried.

Adjournment.

There being no further business, a **MOTION** was made by Mr. Weidman and seconded by Mr. Rebman to adjourn. Motion carried and the meeting adjourned at 6:09 PM.

Respectfully submitted,

John D. Rebman
Secretary