

ONTELAUNEE TOWNSHIP MUNICIPAL AUTHORITY

MINUTES

January 12, 2017

The regular meeting was called to order at 7:25 pm by the Chairman Richard Reilly.

Executive Session: An Executive Session was held at 6:00 pm to discuss sampling.

In addition to the Chairman Richard Reilly, the attendees were Vice Chairman Katarzyna Azzolina, member Melvin Bailey, member Melissa Becht, member William Klein, Sewer Operator Dale Heckman, Engineer William McMullen, and Attorney Elizabeth Magovern.

The delinquent and lien reports were provided to the Board.

- There are 17 delinquent accounts and the total amount delinquent is \$17,031.05.
- There are 6 accounts for which liens have been filed. Liens total \$8,379.92 including fees. Outstanding balance is \$7,853.32.

Visitor(s):

- Scott Sweigart from Forino: 1) Scott shared that there is negative and false social media chatter circulating though Willow Glen that a price increase is coming. Forino receives calls from potential buyers who are hearing this and tells them this is not true. OTMA will post a statement on the website noting that no rate increases are planned. 2) Bern Twp EDUs (112) for development not happening: Scott noted that Forino is talking with Bern Twp to see if opportunity exists for these to be made available. 3) Willow Glen connection fee waiver: Clarification was made that the \$3,450 currently charged is, per Resolution 2015-23, a water “tapping fee”. No water “connection fee” has been charged. Scott noted that the connection fee is referred to as a “customer facility fee”. Going forward a \$975.00 customer facility fee will be charged in addition to the tapping fee. The Solicitor reiterated there was no Reimbursement Agreement in place for Willow Glen and will send documentation to Forino regarding such.
- Jamie Schlesinger from PJM: Presented for signature the Guaranty and Reimbursement Agreements for Step 1 of the refinancing of a portion of the Series 2009 Bond Issue. Documents were signed. 2) Request for authority to proceed with Step 2 of the refinancing. Was approved by motion.
- Karen Chandler from the Reading Eagle.

NO ONE WAS PRESENT FROM LEESPORT BOROUGH AUTHORITY.

NO ONE WAS PRESENT FROM MAIDENCREEK AUTHORITY.

Resolutions: Resolution 2017-1 Issuance of Guaranteed Sewer Revenue Bond Series 2017 and Bond Purchase Proposal.
Resolution 2017-2 Omnibus Fee Schedule.

Correspondence:

- ARRO Licensed Back-Up Operator Services Agreement. Approved by motion.
- Pump Station #1, #3, and #6 generator maintenance January 3rd and 4th. Completed by Emergency Systems Service Co. per agreement.
- Schneider Electric request for change in permitted discharge levels. ARRO forwarded to Leesport Borough Authority for decision.
- Revised CAP and Schedule for PS#7. Was sent to PADEP.

Motions:

- Richard Reilly made a motion to accept Resolution 2017-1 as noted above. William Klein seconded the motion. The motion was carried 5-0.

Motions: (continued)

- Richard Reilly made a motion to accept and sign the VIST Bank agreement to provide a \$10,000,000 loan to refinance a portion of the Series 2009 Bonds issued by the Authority, conditioned on the guarantee by Ontelaunee Township. William Klein seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to authorize PFM to send Requests for Proposal for Step 2 of the 2009 Bond Series refinancing. William Klein seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to revise the Omnibus Fee Schedule to rename the water connection fee to water tapping fee as documented in Resolution 2017-2. Katarzyna Azzolina seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to add a water “Customer Facility Fee” in the amount of \$975.00 to the Omnibus Fee Schedule as documented in Resolution 2017-2. Melissa Becht seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to authorize ARRO to administer the Pre-treatment Program. Melissa Becht seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to revise the pre-treatment permit for Ontelaunee Orchard as defined in the Engineer’s Report. William Klein seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to resume testing at PS #4 and PS #7. This testing will be supervised by the Sewer Operator and results forwarded to LBA. William Klein seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to accept the Professional Services Agreement proposal from ARRO for “as needed” back-up sewer operator services. William Klein seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to accept the proposal from Envirep to provide annual preventative maintenance to pump stations at a cost of \$6,375.00. Katarzyna Azzolina seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to authorize Envirep to make needed repairs at PS #1, #3 and #4 at a cost of \$2,518.30. Katarzyna Azzolina seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to accept the proposal from Christopher C. Hemmig for bi-annual hydrant flushing at a cost of \$4,500.00. It was noted DEP wants this done to maintain water quality. Katarzyna Azzolina seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to purchase a T4 rotating assembly for PS #6 and a spare one for inventory at a cost less than \$6,000.00. Melissa Becht seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to purchase an automatic hydrant flusher and install at the Harvest to obtain exact flushing flows at a cost of \$5,329.54. This reduces the amount of water unaccounted for thereby lessening the risk of assumed leakage. Katarzyna Azzolina seconded the motion. The motion was carried 5-0.
- Richard Reilly made a motion to install safety fencing at PS #8 at a cost of \$3,056.00. Melissa Becht seconded the motion. The motion was carried 5-0.

Miscellaneous:

None.

Approval of Minutes:

- A motion was made by Melvin Bailey to approve the minutes from the regular meeting held on December 8, 2016. William Klein seconded the motion. The motion was carried 5-0.

Solicitor’s Report:

- Resolution 2017-1 is submitted for approval.
- Resolution 2017-2 is submitted for approval.
- Appointment of ARRO Consulting as administrator of the Pre-treatment Program.

Inspector’s Report:

- Six inspections were performed. Both water and sewer inspections were done at Willow Glen lots 212, 213, and 224. All passed inspection.

Engineer's Report:

- West Huller Lane air release: No verification from PennDOT that the HOP has been closed out.
- Recommend pre-treatment permit changes for Ontelaunee Orchard to require monthly sampling during the harvest season, May – October. Surcharge assessment will remain quarterly but NOV's will be sent monthly if exceedance occurs. Approved by motion.
- 3rd Quarter strong waste NOV's were created and sent to the Secretary for delivery.
- PS#7 CAP was accepted by the PADEP following revisions made, via email. Final version was sent to PADEP December 12, 2016. Waiting for written confirmation.
- Pump Station Testing: LBA forwarded NOV's received from PADEP and their responses regarding influent at the treatment facility. OTMA discontinued testing at PS #4 & PS #7 as planned in August 2016. LBA will test if OTMA doesn't. Recommended OTMA resume testing. Approved by motion.
- LBA Capital Improvement: LBA and OTMA reps met to discuss the improvements perceived to resolve the connection ban. Improvements estimated at \$1 million were included in LBA CAP approved by PADEP. OTMA would be requested to pay its proportionate share which is 42.3%.
- Bond Refinancing: ARRO is working with Jamie Schlesinger (PFM) on Exhibits for inclusion in the report on exclusion of self-liquidating debt for Step 1 of the 2009 Series Bond refinancing.
- Ryder Land Development: Township Solicitor finalized the Improvements Agreement for sanitary sewer and water service on behalf of OTMA and sent it to the developer's legal counsel. Escrow agreement spreadsheets were given to Township Solicitor.
- Sheetz reconstruction: Conditional approval by Township. Executed Improvements Agreement and escrow must be provided.
- GIS Date Mapping: For consideration, ARRO will provide water and sewer system mapping at a cost of \$1,200.00.

Sewer Operator's Report:

- Met with Suburban Testing Lab technician to set up sampler, without a screen, at Redner's Market to eliminate problem of screen and tube being flushed into the system.
- Completed Chapter 110 reports for water purchased from Leesport and RAWA.
- Conferred with Entech (Chris Hannum) regarding sampling issues and high BOD at the LBA WWTP. LBA requests we resume testing at PS #4 and #7. Recent high BOD readings and TSS readings seem to correspond with high BOD and TSS readings at Ontelaunee Orchards. Testing resumption approved by motion.
- The Operator reported 2016 flows to LBA and Maiden creek WWTP as follows:
 - LBA WWTP: PS #4 30,360,246 gal. a 7.4% increase, maybe increased flow at S. Moyer Subaru
 - PS #7 9,072,872 gal. a 9.6% decrease, indicates televising and repairs are working
 - Total Flow: 39,443,118 gal. Avg. Daily Flow: 108,063 gal./day
 - Capacity at LBA WWTP: 211,950 gal./day
 - MTA WWTP: 9,759,220 gal. a 9.3% increase
- Recommended approval of Envirep annual preventive maintenance agreement in the amount of \$6,375. Approved by motion.
- Recommended approval of Envirep to perform repairs at PS #1, #3 and #4 in the amount of \$2,518.30. Approved by motion.

Water Operator's Report:

- Hydrant Flushing & PA One Calls were completed as needed. 18 received for the month of December.
- 3 Water Meter installations were completed: 117 Edinboro Ln, 113 Edinboro Ln and 77 Edinboro Ln

Expenditure's

- William Klein made a motion to ratify payables in the amount of \$18,775.99, and approve payment of expenditures in the amount of \$12,590.89 and the Board payroll in the amount of \$500.00 for January 12, 2017. Richard Reilly seconded the motion. The motion was carried 5-0.

Other Business:

- New Board members Katarzyna Azzolina and Melissa Becht were welcomed.
- The Board agreed testing and penalty fees for the 3rd and 4th quarter 2016 Strong Waste invoices would be waived. The billing policy for 2017 must be documented.
- Richard Reilly and Katarzyna Azzolina will schedule and attend quarterly meetings with the Leesport Borough Authority.
- Previous budget request for an all-in-one printer was dropped.
- Research of new billing software can be done as need and time permit and proposal can be made to the Board accordingly.
- Follow up meeting with previous Sewer Operator was dropped.
- An insurance claim was filed with EMC to recover costs for the repair of the puncture leak caused by construction on Gernant's Church Rd.
- Bewley Lane / Act 537 correspondence with PADEP was completed by ARRO.
- Strong Waste invoices for the third quarter were sent with charges for the surcharge only and any associated NOV's.
- A formal budget is to be completed by June 2017.
- Committees were established to clearly allocate responsibility and source of information for topics and issues:
 - Intergovernmental: Manage relationship and agreements with partner authorities, developers, vendors and the PADEP.
 - Personnel: Develop an organization chart for OTMA delineating sewer and water operations and related functions.
 - Financial: Develop budget, report pertinent information required to make informed business decisions, monitor performance and track debt.
 - Emergency Funding: Define needed reserves and funding, identify risks, create an Emergency Action Plan and review insurance contracts.
 - Rules, Regulations and Rates: Evaluate current RRRs and recommend needed changes, additions, deletions, define criteria for inclusion, approval and dissemination process.

Adjournment

- A motion was made by Richard Reilly to adjourn the regular meeting at 9:58 pm. William Klein seconded the motion. The motion was carried 5-0.

Minutes submitted by: Cynthia L. Harris