

EAST BERLIN AREA JOINT AUTHORITY
103 LOCUST STREET, PO BOX 37
EAST BERLIN, PA 17316
November 1, 2012

The monthly meeting of the East Berlin Area Joint Authority was held November 1, 2012 at 103 Locust Street, East Berlin, PA 17316, and was conducted by Chairman Gerald L. Mummert. The meeting opened with the Pledge of Allegiance at 7PM.

Members Present: Gerald L. Mummert; John O'Brien; Robert Clayton; David Richards; and Charles Krall

Also Present: Solicitor Matt Battersby; Secretary, Hannelore Furst; Treasurer, Charles Eisenhart; Bruce Hulshizer of Buchart-Horn; John Scrivens; Nathan Boyer; and Roberta Teal

Monthly Meeting Minutes: *A motion was made by John O'Brien to accept the minutes of October 4, 2012; with a second by Robert Clayton. **Motion carried.***

Payment of Bills: All members received a copy of the bills and receipts for October, which totaled \$50,278.42 from the operational funds. *Robert Clayton moved to pay the bills for October; with a second by John O'Brien. **Motion carried.***

Public Comment: None

Engineer's Report: Bruce Hulshizer of Buchart-Horn reported Penndot reviewed the restriping of Route 234 east bound from when Gregory worked on the looping of the sewer lines and the road was torn up. A year later; Penndot is requiring them to be corrected. Paving was done April 2011; the job was done by Penndot's direction and approval and inspected by Penndot; the sensors do not line up with the traffic lanes, and Penndot wants this corrected.

He also reported on Pennvest; he received a notice of the funding offer. Pennvest approved the Authority's application for 1.6 million dollars for a loan of 20 years. The 1st five years the interest; from 6 years to maturity the interest rate would be 2.317%. The estimated monthly payment for the 1st five years would be \$7,968.20; that would be \$95,618.40 a year assuming the Authority actually borrows the whole 1.6 million dollars. When the application was submitted it included: Developing and connecting Well #6; control systems for the wells, the asbestos cement project, the SRBC work (aquifer testing); and the engineering for all the work. It was suggested to ask for a 30 year loan. Solicitor Battersby mentioned that if any of the grant recipients do not procure their grant then the Authority has a chance to receive a grant instead of a loan. Bruce suggested that if the Authority were trying to reduce the amount of the loan then eliminate the asbestos cement project or do a small portion of this to loop the water lines. Bruce also mentioned if Well #6 doesn't get done then the Susquehanna River Basin Commission (SRBC) permit and DEP permit will expire. He suggests getting Well 6 project done because of potential problems with the other wells. Bruce stated the construction of Well 6 would cost \$660,000.00; which included \$59,000.00 for design and \$95,000.00 engineering services. There was discussion on whether we would be using a radio system or mission system. The mission system (cell) price is \$563.40 per unit and increases each year. The radio system (\$124,325.00) would be less expensive than mission system \$233,470.00.

We have to respond to Pennvest within 30 days whether we will be accepting the loan. Charles Eisenhart stated if the Authority accepts the loan; then the water funds will be a concern. The sewer funds are holding their own right now. Bruce suggested trimming the projects down such as the asbestos cement project; the other projects we really need. *A motion was made by Robert Clayton to accept the Pennvest Funding of a loan for 1.6 million dollars; with a second by Charles Krall. By roll call vote: all voted yes, **Motion carried;** to unanimously accept the Pennvest funding.*

The Authority will table their decision whether to accept the environmental control system for another month, and the Board by consensus authorizes Buchart-Horn, Inc. to notify the bidders of the delay.

Solicitor's Report: Solicitor Battersby presented information on a stub street located in Branch Circle owned by BD Equities. There was discussion on the stub street and access from Buttercup Farm to Beaver Colony. Bruce mentioned that we were waiting to get through the Pennvest work first before we start bidding for the work on Well 6.

Treasurer's Report: Charles Eisenhart reported at the end of this quarter there were 99 accounts due for a total of \$41,618.78. Mr. Eisenhart reported on the rupture of the water main on October 9, 2012 at Third and Locust Streets; caused by Kinsley Construction; while replacing gas lines. Due to old valves the water could not be shut off and we had to get a contractor in to help fix where Kinsley broke the line, shutting down the water, replacing a valve and the loss of an estimate of 325,000 gallons of water. There was discussion on whether to report it to the insurance company to recoup some of the expenses of over \$8,000. *A motion was made by Robert Clayton to turn it into the insurance company to recoup some of the expenses; with a second by Charles Krall. **Motion carried.***

Mr. Eisenhart mentioned the bills from McNees, Wallace, and Nurick need to be paid; he would like to know which account the Board would like the money dispensed from. It was suggested they use the Pennvest loan money. Solicitor Battersby would contact McNees, Wallace, and Nurick and inform them of the delay in payment.

Mr. Eisenhart also mentioned a bill received from Hamilton Township. Their solicitor did research on the wells and permit on the Buttercup Farm; for \$145. This certification was for the Pennvest application. Hamilton Township would like to be reimbursed. *A motion was made by Charles Krall to pay the bill; with a second by Robert Clayton. **Motion carried.***

Mr. Eisenhart handed out copies of the 2013 proposed budget for the operational funds. He started with the water fund revenues; using 34,104,933 gallons paid for in a 12 month period at \$6 per thousand gallons which would equate to \$204,629.60. The sewer fund revenues used the same 34,104,933 gallons paid for in a 12 month period at \$9 per thousand gallons and that would be \$306,944.40. The expenses were briefly discussed and a few new accounts were added for both water fund and the sewer fund, such as District Justice, pension, and continuing education. He also added a 3% increase to the salaries. *A motion was made by Robert Clayton to increase the salaries in the budget by 3%; with a second by David Richards. Roll call vote: All voted yes. **Motion carried unanimously.*** There was some discussion on the engineering fees and what is covered under a retainer. There was a brief discussion on retaining bond counsel. *A motion was made by Robert Clayton for Solicitor Battersby to get 3 quotes for bond counsel; with a second by John O'Brien. **Motion carried***

New Business: The Board received a letter from Hamilton Township reappointing John O'Brien to the Authority Board for a five year term to expire December 31, 2017.

Chairman Mummert stated there have been problems with leaking valves and Nathan Boyer gave Mr. Mummert a list of valve that will eventually need replaced. It was suggested to get valve prices, then plan and prioritize the replacement of the valves.

Old Business: The Authority received a response letter from SRBC concerning our letter and check sent to them stating payment in full. Their response was we still owe them \$9,940.00. Solicitor Battersby will check this out further.

The two year electric contract was accepted and signed with First Energy to start January 2013; with the electricity rate of 6.68 and we should save approximately \$10,000.

Operator's Report:

- Nathan Boyer –Nathan reported the reroofing of the pump house on Fish and Game Road is complete and presented pictures showing the before and after pictures of the job. Mr. Mummert commended the boys on the nice job they did on the roof. Nathan also reported they would be replacing a shut off valve next week at Locust Street and 4th Avenue. Nathan will be getting estimated prices for replacement of the rest of the valves.

- John Scrivens– Nothing to report, everything is good for now. He stated he had an inquiry from Sheryl Martin (DEP) concerning generator power for the wells during the storm. There was a brief discussion on generators for sewer stations and the well pumps. It was suggested we may want a rental contract for generators in case of another severe storm like the one last week (October 30). John will check on companies with generator rental contracts.

Chairman Mummert brought to the Boards attention the Rapid Response System is owned by the Authority; and there is cost factors involved with its usage. It was decided there should be a policy set up concerning the usage of the system and an agreement should be sign with the different organizations that would be interested in its usage. The secretary will devise a policy and agreement for the next meeting.

Charles Krall recognized and thanked the Authority employees for their job well done during Super Storm Sandy.

Correspondence:

- DEP General Permit Acknowledgement Permit # GP-05-01-12-116
- SRBC Response letter
- Adams Co Conservation Dist review letter
- Liberty Power-Contract expiration notice

There being no further business, *John O'Brien made a motion to adjourn the meeting; with a second by Robert Clayton. Motion carried.*

Meeting adjourned at 8:35 PM. Next meeting will be held December 6, 2012 at 103 Locust Street at 7 PM

Respectfully submitted,
Hannelore B. Furst,
Secretary EBAJA