

EAST BERLIN AREA JOINT AUTHORITY
224 EAST KING ST.
EAST BERLIN, PA 17316

October 1, 2009

The monthly meeting of the East Berlin Area Joint Authority was held on October 1, 2009, at 224 East King Street, East Berlin, PA 17316. The meeting opened with the Pledge of Allegiance at 7 PM.

Members Present: Chairman Gerald L. Mummert; Gregory Green; John Lerew; John O'Brien; and David Richards.

Members Absent: None

Also Present: Secretary, Hannelore Furst; Treasurer, Charles Eisenhart; Solicitor Matthew Battersby; Bruce Hulshizer of Buchart-Horn; Daryl Lease, Don & Judy Shemon, and Randy Hoover of Reading Twp Municipal Authority; Bill Hill and Fred Heerbrandt of Wm. F. Hill & Associates; Randy Test of CW Test; Ken Furst; and Charles (Butch) Krall

Minutes:

John O'Brien made the motion to accept and approve the minutes of September 3, 2009 as written with no corrections, with a second by John Lerew. Motion carried with no dissenting votes.

Payment of Bills:

Chairman Mummert explained the high expenses for the month. A pump was replaced for a cost of \$20,670; we transferred \$75,000 from the water fund and \$25,000 from the sewer fund to the special water/sewer fund; and \$28,357.14 was paid to the Borough's 1998 GON Loan. *Gregory Green moved to pay the bills for September, 2009 in the amount of \$210,381.83; and seconded by John O'Brien.* All members received a copy of the bills and receipts for September. **Motion carried** with no dissenting votes.

William Hill of Wm. F. Hill & Associates; Engineer for Reading Township introduced the members present from the Reading Township Municipal Authority. He gave a summary that Reading Twp applied for the H2O grant and did not receive any money. He stated they would like to evaluate the creek crossing according to the plan they submitted to Bruce Hulshizer of Buchart-Horn, Inc. They picked the point of connection they thought would be reasonable connection behind Dylan's restaurant, parallel to the new bridge. Mr. Hill stated that in order for them to evaluate their cost they need to know where the point of connection would be, and they need to submit this information to DEP in October. There was mention of the flow allocation and the approximate 300 EDU's. Mr. Hill distributed survey information from 4 local systems to the board. He stated that 300 EDU's were excessive. The 3 month peak average of the 4 local systems he used for reference only averaged 141 EDU's and this is consistent with many low pressure systems.

Mr. Hill stated Reading Twp. needs to decide if they are going to connect to the East Berlin sewer system. They would like to connect Conewago Park to the East Berlin sewer system. There are only 30 homes, and they do not anticipate any growth in that area because of being so close to the township line. The township would like to know what their cost would be for those 30 homes, and are requesting a lower amount than 300 gallons a day. Solicitor Battersby commented that the 300 gallons a day was used for planning purposes and is the figure the Department of Environmental Protection (DEP) has been using. He asked Mr. Hill if DEP was requiring Reading Township to connect with East Berlin's system. He responded that Reading Twp was asked to do an evaluation of the cost to connect to East Berlin or build a small treatment system. Solicitor Battersby commented that DEP is more interested in regional treatment plants instead of a lot of small systems.

Bruce Hulshizer of Buchart-Horn, Inc commented that last month it was decided to wait until Reading Twp. Municipal Authority requested help in deciding the potential hook up location, and the Authority authorized him. There would still be some negotiations in regards to how Reading Twp. would be billed; because of the tapping fees and the user's rates. Bruce stated the user rates would be the same for everybody; but the question is whether you meter the flow or not.

Mr. Hill stated they would be forced to pay the entire portion of connecting the lines to the East Berlin system, and crossing the Conewago Creek will not be cheap. He is going to recommend to DEP that if they don't get any assistance they will not connect to East Berlin's system. Reading Twp. wants to connect to East Berlin's system and they have two treatment plants in Reading Twp.; so they know what these projects cost. At one point; Reading Twp had offered \$750 thousand to connect; but the Authority did not accept that offer which was for Conewago Park and Laughman's Bottom.

Bruce Hulshizer explained the breakdown of the costs; the tapping and connection fees associated with them. He stated that since 2004 the 300 EDU's was represented and agreed to by PENNVEST and DEP through all the applications. Bruce's calculation of the unit cost was explained. The cost of the facilities less the grant is \$4,153,407; the capacity in the system (gpd) is 243,000; the cost per gallon per day capacity is \$17.09; unit design capacity (gpd/edu) is 300; and the cost per dwelling unit is \$5,128. Bruce also suggested getting an agreement in place for the \$5,128 per unit. The discussion continued on whether the township would be charged a fixed fee or if there would be measured gallons. The system that is being installed in Conewago Park is a low pressure system; and they would have the ability to meter the flow across the creek. It was mentioned that Reading Twp is not requesting any water services. There was a discussion to have a flow meter at the point before the line crosses the creek. The Authority only needs to know what the total flow is, not the individual home flows.

Engineer's Report:

Bruce Hulshizer reported they closed on the PENNVEST loan. The loan is lower than first announced, instead of \$5,130,000; the loan is for \$4,153,407. Based on the lower loan amount Bruce prepared the capital charges report for the tapping fees. He presented a hand out from the PENNVEST web site with the final costs at settlement showing Pennvest funding is \$4,153,407.00 plus other source (H2O Grant) \$3,950,000.00 for a total of \$8,103,407.00.

Bruce explained the \$5,128 is for sewer tapping fees only. Solicitor Battersby explained and read a proposed resolution for the tapping fees. Chairman Mummert entertained a motion to adopt Resolution 2009-11. *Gregery Green made the motion to adopt **Resolution # 2009-11 A Resolution of the East Berlin Area Joint Authority Establishing and Imposing a Sewer Tapping Fee and Customer Facilities Fee, with a second by John O'Brien.*** David Richards questioned if the interest cost should be included in the 4.1 million. It was stated it should not; Solicitor Battersby showed Mr. Richards the tapping fee laws and what is allowed to be included when calculating tapping fees. By a roll call vote all voted in favor of Resolution #2009-11. **Motion carried.**

Bruce Hulshizer also reported on the pre construction meeting that was held September 29, 2009 with all three contractors. The contractors will receive their notice to proceed Oct 2, 2009, and construction will begin in November. The ground breaking ceremony is scheduled for October 2, 2009 at 1 PM at the sewer plant. Chairman Mummert questioned if Bruce has set up a program yet for the shut off valves; Bruce responded he has not, he was focusing on the Pennvest business.

Solicitor's Report

Solicitor Battersby reported his major concern was the tapping fees, and that has now been addressed. The next thing is to solidify an agreement with Reading Twp.

Treasurer's Report:

Charles Eisenhart reported there are still some problems with delinquent accounts, some of the people that signed the payment plans have defaulted. It was suggested to follow the procedure and shut the water off.

Charles Eisenhart also reported of another program through PMAA about Municipay, paying with credit cards and he would check on this further.

Mr. Eisenhart handed out a preliminary budget. He stated he used the auditor's financial report to consolidate some of the line items. There was a discussion on the capital expenses for the proposed budget.

New Business:

Chairman Mummert reported there will be an executive session after the regular meeting for personnel matters. Chairman Mummert read a note from Mike Wallen suggesting a PVC pipe be installed on the tower on

Boyer Drive. If the tower overflows, there is heavy impact when the water hits the ground. It was suggested to run the pipe along the leg of the ladder and into the storm sewer. It was decided to get pricing for the job.

Old Business:

Greg Green mentioned the Identity Theft Prevention Program and it is a good starting point. It will need to be ratified over time with new technology changes anyway. It was tabled until the solicitor reviews it.

David Richards reported on replacing the front wall of the pump house on the top of the hill on Fish & Game Rd with brick for \$3,600. He stated he did not think the wall needs replaced, but it could use a new door. Mr. Richards mentioned the cost of \$600 a window at the pump house. He located a company on-line called John Sterling Safety Guard that has bars for approximately \$30 each. He handed out information on the bars; these are similar to the ones he had on his previous home. He mentioned another type that is more expensive and are hinged for emergency exit; and could have one of these installed on each floor of the building. Mr. Richards stated he would measure the windows and get a count of what is needed for the next meeting.

Chairman Mummert showed pictures of the improvements that have been done to the buildings. He read a list of items to be done: The wood beam would be wrapped in all weather roof aluminum, installation of snow and ice lockers, heavy gutter with vents, cutting off overhang, new soffit area for support for an estimate of \$1,880.00. Chairman Mummert continued to praise the work that has been done and all the extra work Mr. Reese has done on the mortar at no extra cost, he suggested we pay him \$2,000. It was suggested to dig down around the back side of the building near the road, because the mortar is eroding, to repoint the brick foundation. *John Lerew made a motion to accept Daryl Reese Masonry's proposal of \$1,880 for the roof work and up to the \$2,000 for the additional work of the building. David Richards seconded the motion.* There was a brief discussion, and all voted in favor.

Motion carried.

Correspondence:

- Correspondence was sent to Senators Rich Alloway and Mike Waugh, Representative Will Tallman, Skip Strayer and the Borough Council members inviting them to the groundbreaking ceremony on Oct 2, 2009.
- Chairman Mummert sent a letter to the VFW concerning projectiles located at the sewer plant.
- Received an engagement letter from Frank Leber of Rhoads & Sinon LLP concerning the legal fees associated with the Pennvest loan.
- Received an email of engagement letter of Solicitor Battersby's rate of service for the Pennvest loan.
- Chairman Mummert received a request from Charles (Butch) Krall for consideration for appointment to the Authority board for a future vacancy. John Lerew gave his recommendation for Butch Krall. Solicitor Battersby also highly recommended Phil Keener for a position on the Board.
- PMAA Administrative/Environmental Issue Seminar, October 27, 2009, at a cost of \$75 each.
- DEP Community Water System Report
- A proposal from Utility Service Co. on a service contract for the water tower for \$2,675.

Having no further business to discuss the public meeting adjourned at 9:10 PM; to go into an executive session for personnel matters.

Respectfully submitted

Hannelore B. Furst, Secretary
East Berlin Area Joint Authority

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BARS
SECURITY