

THE REGULAR MONTHLY MEETING WAS HELD ON TUESDAY SEPTEMBER 18, 2018.
PRESENT WERE MR. KAVITSKI, MR. THOMAS, MR. FISHER, MR. LINDSEY, MR. SPOCK,
CHUCK MADISON, STEWART SMITH, THE SOLICITOR, AND THE SECRETARY.

SALUTE TO THE FLAG AND MOMENT OF SILENCE

The moment of silence was for the family of Daniel Murphy, the Sewer Plant Operator, whose father-in-law passed away and all the people suffering through the floods and bad weather.

CITIZENS PARTICIPATION

Mr. Joseph Mummolo asked for forgiveness of the bills for the 920-922 Pine Street property that he and his partner own in Freeland. The property had a fire prior to him purchasing it and he requested refund of water/sewer bills because all cooper piping was stolen from the home. The entire Board approved the bills to be forgiven.

JOHN NONNEMACHER OF SYNDER & CLEMENTE – 2017 AUDIT

Mr. Nonnemacher had just completed the 2017 Audit and went over the financial statements with the Board. There were no sufficient deficiencies and no material weaknesses with either which makes for a very fine audit. There is a letter for a managerial recommendation to have the physical inventory set up for next year in a software program with a set limit for tracking purposes. Most companies set up either a level of \$500 or \$1000 value of an item for the inventory and as Mr. Nonnemacher explained it will be a Board decision for the value. He complimented Carlene as doing a very fine job during her first official audit.

John Nonnemacher also explained to the Board the due to/due from accounts show the sewer division is healthier than the water division side. He recommends setting up in the accounting system the due to/due from accounts are zeroed out at the end of every month instead of letting the balances increase.

There are also monies due to the water division approximately \$122,000 that paid invoices upfront from the Birkbeck St Reservoir Project that need to be paid back to general fund. He also commented that Carlene has done a very good job at accounting for what has gone through the requisitions and the invoices that have been paid through the ledger and going through the line of credit for the project.

There was a net increase of \$65,000 for the Water Division and a net increase of \$ 25,000 for the Sewer Division of the Authority for residential and commercial revenue accounts.

Mr. Nonnemacher also explained to the Board the pension plan for the Pennsylvania Municipal Retirement System (PMRS) is overfunded, which is a good thing for the Authority. We have a net pension asset. He recommended to the Board not to offer any benefits to an employee past retirement age because it could become a very big liability on the financial statements.

APPROVE AUGUST MINUTES

Mr. Thomas made the motion and Mr. Lindsey second. Vote 5-0.

APPROVE AUGUST PAID INVOICES

Mr. Lindsey made a motion to approve the August paid invoices for the Water Division totaling \$ 129,297.51 and the Sewer Division invoices totaling \$75,206.53, and Mr. Fisher second. Vote 5-0. (Reference 2153-A).

CURRENT INVOICES

Mr. Fisher made a motion to approve payment of the current Water Division invoices totaling \$ 42,249.61, the Sewer Division invoices totaling \$ 30,327.02, and the Sandy Run invoices totaling \$ 54.57. Mr. Thomas second. Vote 5-0. (Reference 2153-B).

While on current invoices, Mr. Kavitski stated that the Authority will have to look into fencing to be done at the Freeland Village Meter Vault because of the increased vandalism that is going on at that location.

FINANCIAL STATUS

The Secretary reviewed the Financial Status as outlined in Reference 2154-A.

SEWER DIVISION REPORT

See Engineering Report Reference 2154-B.

Ms. Samantha Albert of Borton Lawson Engineering discussed the ACT 537 Special Duty. Mr. Kavitski informed Ms. Albert, the flow meters are working, and we are compiling the data and this information will be forwarded to her to prepare the Special Study.

Mr. Kavitski is asking Foster Township about dye testing, so they can pinpoint where the infiltration of rainwater into the sewer system is coming from during rain storms. Is it coming from sewer laterals, sump pumps or catch basins since their sewer lines are newer lines. Samantha Albert recommended smoke testing by Foster Township and Mr. Kavitski asked Mr. Spock to inform the Foster Township Supervisors of this recommendation. Foster Township needs to start working on the correction of infiltration of rain water, so the Authority is not put in jeopardy of violations.

TDS and pH levels by Citterio were at violation levels this month again and these issues need to be taken care of immediately. This situation has gone on too many years now. Mr. Fisher asked Mr. Kavitski if the letter was drafted and sent to Foster Township about Citterio waste discharge and Mr. Kavitski stated the letter is not completed yet.

Samantha Albert and Chuck Madison will work together to complete the POTW report.

The Delaware River Basin Commission (DRBC) renewal docket needs to be submitted by October 31, 2018 and the Application fee of \$513.00 must also be submitted the same time. Mr. Kavitski will sign, and have it notarized and return it to Samantha Albert.

Birkbeck St Reservoir Project operational permit issued effective September 17, 2018.

Samantha Albert estimated 847,000 is left open on the project and USDA will allow the Authority to fix some areas at the other well houses.

Substantial Completion Date for LB Industries and George J Hayden Inc. was September 17, 2018. The end of October looks to be a better completion date according to Samantha Albert of Borton Lawson Engineering firm.

The Authority is looking into renting tanks temporarily until Harding St tank exterior and interior renovations are completed. The Authority will analyze all data before deciding.

Next Construction meeting is September 27, 2018 at 9:00 AM.

Mr. Kavitski is not happy with the disconnect for both pumps. The disconnect shuts both pumps down instead of a disconnect at each pump. Samantha Albert states it is to code specifications and Mr. Kavitski does not agree and wants Borton Lawson Electrical Engineer to write a letter supporting the disconnect for both pumps.

Freeland Public Park tree removal by the park pavilion was awarded to Jim Nowak of Nowak Tree Service motion made by Mr. Thomas and Mr. Fisher second. Vote 5-0. (Reference 2154-C).

WATER DIVISION REPORT

The 2019 Minimum Municipal Obligation is zero and Mr. Thomas made the motion to approve and Mr. Lindsey second. Vote 5-0. (Reference 2154-D).

Approve RUS Reimbursement Request #15 for \$252,503.23 Mr. Fisher made the motion and Mr. Thomas second. Vote 5-0. (Reference 2154-E).

AC Miller and Salnick Enterprises for the Freeland Village Meter Vault were approved previously. There were a few things that needed to be adjusted for the concrete vault to be installed but it is now completed.

George J Hayden Inc. was approved for the Change Order No. 06 for the strand fiber and RTU terminations for \$2722.00 Mr. Fisher made the motion and Mr. Kavitski second. Vote 5-0. (Reference 2154-F).

Mr. Kavitski requested Chuck to contact Hayden to complete as soon as possible.

The 2nd Agenda is to be discussed at this time.

1. Approve wells 4, 9, 10, 11 – three (3) wall addition and slat roof for separation of RTU & electrical from wet areas and associated RTU panel and electrical panels and controls.
2. SCADA monitor panel for front of RTU panel in the new building.
3. Conversion of old standalone computer SCADA pc to new server, hard drives already exist for it.
4. Purchase of laboratory table with sink, spectrophotometer, pH meter, ortho meter for new building and cabinet for spare parts and Water! Pro software.
5. Purchase of ArcGIS/CADD workstation, plotter and related software.
6. Add Non-slip paint with sand in it for coating in new concrete floor. Estimate \$7000 to \$8500

Motion to approve the six above items to submit to RUS – All Agreed.

The next item on the 2nd Agenda is Wyoming St Pump Station and the pump station is having multiple issues that need to be repaired. The Authority will be obtaining quotes for the check valves, air in lines, check air reliefs, bad gaskets, deep pump station requires confined entry. All items will have quotes obtained and the Authority will forward information to Foster Township Supervisors for their approval before work is started.

The next item on the 2nd Agenda is Meiser & Earl – Registration with SRBC and Well #12 is to be made a priority. Rehab of Well #12 needs to be included in USDA Loan closing.

The last item on the 2nd Agenda is the Old Reservoir needs to be demolished. Once that is completed, this will become employee parking area. Converting of old pump room into 2 small offices – 1 for Stewart Smith and 1 for Water Operators, a clean break room, locker room and storage area.

BORTON LAWSON INVOICES

Invoice #27 Pay Only \$20,000 and Give a List of Line Items*

Invoice #28 Pay in Full

Mr. Thomas made the motion to approve and Mr. Kavitski second. Vote 5-0. (Reference 2155-A).

*Inspector on job overseeing project for Borton Lawson was very lax on some things like injection points needed to be rerouted, reducing fittings were upside down, wiring loops, pumping system piping had numerous issues. The Authority had brought these things to the attention of Borton Lawson Engineering firm and Borton Lawson stated the previous Authority Board wanted it this way.

Chuck and Stewart have kept on top of things and they have the credit for the passing of inspection yesterday.

Invoice #6 – Pay in Full

Invoice #7 – Pay in Full

Motion to Pay made by Mr. Fisher and Mr. Lindsey second. Vote 5-0. (Reference 2155-B).

ATTORNEY REPORT

Attorney Fagan stated the mutual release that was approved by Scott Kucharski, Teamsters Local Union #401 Representative and Mr. Clarence Sontag for one week of pay and no contest of UC benefits was mailed to Mr. Sontag. The Authority is waiting for the mutual release to be signed and notarized and returned by Mr. Sontag. (Reference 2155-C)

MANAGERS REPORT

Chuck Madison made the Board Members aware that Mr. Rose was sent home for not being able to perform his job due to a very sore back. Mr. Rose is going to the doctor to start the short-term disability benefits (STD) through MetLife. If this happens, we will be without a back-hoe operator and Mr. Thomas recommended to possibly bring Ryan Gerlach here part time. The other Board Members stated they would like to see what becomes of the doctor appointment with Mr. Rose first.

There was a discussion on health care benefits for employees that are out on STD benefits. A decision should be put in place for the length of time the Authority will pay for health benefits when an employee is out on leave. The Authority will consider putting this in place at the next union contract, this is not covered by the present union contract or the employee handbook.

OTHER/OPEN ACTIONS

Mr. Fisher made a motion to set the Physical Inventory level limit to \$500 and Mr. Lindsey second. Vote 5-0.

Mr. Thomas made the motion to Approve the 2017 Audit and Mr. Lindsey second. If anyone looks through the Audit and has additional questions, we will bring John Nonnemacher of Snyder & Clemente back to review. Roll Call Vote as follows: Mr. Kavitski-Yes, Mr. Fisher-Yes, Mr. Thomas-Yes, Mr. Lindsey-Yes and Mr. Spock-Yes. (Reference 2156-A).

Motion to approve the Training Reimbursement Agreement by Mr. Fisher and Mr. Kavitski second but was rescinded by Mr. Fisher. A few things are to be revised and will be added to the next meeting for possible approval.

Cash Payments for the Municipal Authority customers, if eliminated, the Authority will send out letters letting customers know of the other options available to them to pay their bill.

Discussion to consider moving Authority accounts to First National Bank. This bank has government banking accounts and they paid interest, which the current bank does not. There would be a monthly fee for accounts at First National Bank, but it would be off-set by the interest paid. If decision would be made to move accounts to First National Bank, it would not take place until mid-January of 2019.

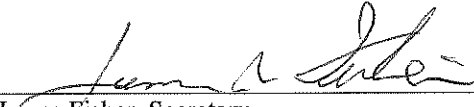
New Service Connections, the procedures were updated, and connection drawings were devised for customer to have a better understanding what the customer and the Authority are responsible for.

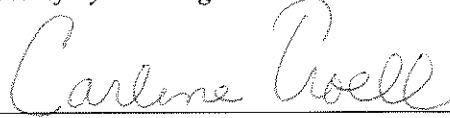
Water Rate increase was discussed but was tabled. It was discussed to increase the flat rate by \$1.00 and increase the gallon rate by \$1.00 for the coming year. The Board Members want to look at the Budget for next year first before deciding.

ADJOURN

Mr. Thomas made a motion to adjourn the meeting. Mr. Kavitski second. Vote 5-0.

These minutes are certified true and correct to the best of my knowledge.


James Fisher, Secretary


Carlene Troell, Non-Member Secretary