

NEWPORT BOROUGH WATER AUTHORITY

REGULAR MEETING

December 5, 2016

BOARD MEMBERS PRESENT – Penny Frownfelter, Harry Fahnestock, Jerry Robinson, John McNaughton, Trevor Kauffman.

OTHERS PRESENT – Adam Britcher (Solicitor), Robert Hassemeier (Engineer), Dean Miller (Operations Manager)

MEETING CALLED TO ORDER – By Chairwoman Penny Frownfelter at 7:03 P.M.

PUBLIC COMMENT – Gwyn Smith asked when the membrane plant will be open. No firm date was available. Tim Seiber, Treasurer of the Newport Borough Sewer Authority, asked about the status of the new Munilink billing system. Penny indicated that the new system should be live sometime in December and will be used to generate bills in January, 2017. Mr. Seiber also inquired as to the timetable for the next transfer of funds to sewer. Penny will discuss with the NBWA Office Manager, Debra Kunish when she returns. Penny also indicated that the October and November 2016 payments will be paid by the end of December, 2016.

ENGINEER'S REPORT – Robert Hassemeier

1. Grant application will be considered by DCED meeting for Commonwealth Financing Authority is scheduled for December 6, 2016. They will vote on the grant applications at that meeting and we should know very soon if our grant was approved. Mr. Hassemeier is unable to attend the meeting, however he assured the board that his absence would not affect the outcome. Our state representative will be notified and will most likely be the best source of information.
2. Well 10 NPDES Permit was submitted to DEP. Mr. Hassemeier expects a 90-day waiting period for any feedback. He will check in with DEP regarding its status after the first of the year.
3. Tapping fees study is moving along. Dean Miller is helping to identify what the system includes.
4. He did a field examination of the dam with someone from his office who does riparian studies and is good with dam removals. He is looking at what is needed to upgrade to comply with DEP standards. It will come down to economics. One thing he would like to go forward with is the removal of some trees. His coworker identified about 40 trees on lower part of the dam at the spillway that need to come down. About 10 of those trees are large enough that they may have some value to a sawmill. Could we find a logger who could remove all the trees at no cost or possibly to some benefit to the NBWA. He asked who was willing to pursue finding someone to remove the trees. Robert will mark the trees that need to come down for either dam removal or repairs. This will also allow him to give feedback to DEP that some action has been taken. Penny asked the board for their thoughts on either timbering or just cutting the trees down. John McNaughton said that if Mr. Hassemeier marks the trees to be removed, he will send someone out to assess the situation and offer a bid. He will contact Mike Worthy to see if he thinks it is worthwhile for him to remove. Robert asked for a couple of weeks to mark the trees. He will send an email to Debra Kunish, NBWA Office Manager, when he has completed marking the trees.
5. 5th Street – Working on putting bid documents together.

OPERATIONAL REPORT – Dean Miller

1. Update on 5th/6th at Fickes Lane – We have removed the autoflushing device on November 18 because it has been very difficult to keep it in operation in cold weather. Since removing the device we have not experienced any issues in that area and removal of this device appears to be favorable at this time.
2. New Meters – Waiting for word on the DCED grant.

3. Paving/Excavation contractors – Don't have a list developed yet, however he did use one of the paving/excavating contractors that we have used in the past, for the repair on Fickes Lane this morning. (Grosser Excavation) and they responded within 90 minutes of being called. He was pleased with their responsiveness. He is working on getting a list of multiple excavators/pavers together.
4. Well 1 Quote – A quote appears in the packets distributed to the NBWA members and is attached. There is a problem right now with the bearings on the well pump. The packing which cools the shaft during its operation is not working. The quote is for \$4,860 to take the pump out of the well and take it back to their facility to replace the bearings and then to reinstall the pump. He asked the board to consider the quote.
5. GIS Update – Geographical Information System. He showed the board an identification map and said PA Rural Water Association assisted with this project and was on site with him for two consecutive days on November 21 and 22, 2016. PA Rural Water staff assisted throughout the entire process. Every hydrant, a majority of the valves, water storage tanks, and treatment plants are identified on two maps he displayed. He said the maps are a work in process and now we need to connect the water mains with different valves. Quite a bit of progress has been made, however work continues on this project.
6. SCADA update (Supervisory Control Access Data Acquisition System) – The question is when will the plant be up and running. Keystone Engineering group came in to the plant on November 22 for the entire day to assess the situation. Dean referred to a punch list of items that needed to be completed to make the plant operational. This list was provided to Keystone Engineering prior to their visit on site. After their visit, they provided an email report to Dean. This report was included in the packets of information distributed to each member of the NBWA. Item #3 indicates that all the items listed on the punch list are achievable without any additional hardware installation or instrumentation or wiring. What is required is the reporting software for each of the programmable logic controllers and the SCADA system itself which we currently do not have on site. Dean and Keystone Engineering group have contacts with the equipment suppliers who supplied the equipment for the original membrane plant and they are communicating with them to obtain the programs to get the membrane plant up and running. These are essential for the plant to be operational. Mechanically, the plant can run in a manual mode. We could turn it on right now and start sending water into the system, however, there is nothing to say that when a certain storage tank gets full that the plant will shut down by itself. Someone would physically have to be here on site to make sure that would happen. There are still a remaining few items that must be put in place. Dean does not have an exact date as to when the plant will be operational, however, we could turn it on today as long as a human being is here. He is not comfortable with that type of operation. He would prefer to wait until the remaining items are completed before using the membrane plant. Penny asked about the Innovative Technologies Permit. The permit was issued for one year. Dean confirmed. Penny said the permit was issued in May which takes us six months into the permit period. Dean confirmed. Penny asked Dean how we should handle. Dean said that he has spoken to representatives of the department and they have indicated in an indirect way that once we get the membrane plant into operation they would consider extending the permit. We will need to provide them with 12 months of data. Dean said we will have to ask the Department to extend the permit for us. Dean feels comfortable that we will be able to achieve an extension. Robert - The department sees anything that he and Dean are doing for the NBWA is demonstrating forward progress. The Department will also take into consideration any difficulties the NBWA is having. He used the dam project (which has a completion date of the end of the year but is not achievable at this point) as an example of forward progress in the form of action towards the desired end. The Department will see this as forward progress and allow an extension even though we are not complying strictly with the schedule. Gwyn Smith asked if there is a guestimate for opening the plant. Dean said are there changes that need to be made to the programming. He is hoping to have these changes made in a timely manner. Robert – the software should have been part of the initial equipment purchase and there should be no outstanding fee for the software. Dean said he could not guarantee that because the one supplier said they are working up a cost proposal. He asked the board members to look at the proposal from Keystone Engineering that is in their packets. They indicated a

cost for the software. The changes on the punch list can be made, however Keystone needs the software to do that. That is something that is customarily provided to the owner of the system when a project is closed out. Penny asked if that means we will not need to pay again. Dean is hoping that is the case. He concerned about the cost proposal wording. Penny said the software has to be included in the very large amount of money we paid them. Gwyn asked what will happen to the wells when we turn the plant on. Dean said there are several different scenarios – anywhere from shutting Well 1 totally off to running it intermittently. To running wells 10 and 14 intermittently to shutting those off. Provisions have been installed along Rte. 34 to get water from one hydraulic raidiant to another in Howe Township. There is a booster station along Route 34 to do that. How that was designed and how it should be operated is another challenge we are working on. We could run the membrane plant on its own and shut off all the wells. Dean does not think we should do that to start out. We should work our way into that slowly. Penny – So we we are going to use a combination of all three. Dean – Looking at the system, it does appear that the membrane plant needs to be the primary provider of water to the system.

7. Water Main Break this morning at 569 Fickes Lane – There was a 6” crack in a water main just behind Newport Elementary School. We were able to make the repairs so there was no loss of positive pressure in the water system which means that the school did not have to close and boil water notices were not needed. We were in contact with DEP within one hour of being notified of the break. Grosser Excavating was notified at 8:20AM and they were on site by 9:30AM. The repair was completed by noon. We did backfill and will be applying cold patch into the cut area until warmer weather when the road can be finally restored. We acquired a roadway occupancy permit and notified Oliver Township and Newport Elementary School Superintendent, Ryan Neuhard when the repairs were completed.

SOLICITOR’S REPORT – Adam Britcher

1. Oliver Township Shutoff letter – Adam and Penny had a meeting with Oliver Township just prior to this meeting. They worked out some of the shut-off issues we have had in the past as well as some permit issues. Adam asked Dean if Oliver Township made us pay for the permit they issued for the repairs this morning on Fickes Lane. Dean indicated that on the left side of the permit it reads “Fee Waived”. Penny said Oliver Township has assured us that fees for permits from them will always be waived. Adam – We talked about a mandatory connection ordinance, specifically those who disconnected back in 2006. The Oliver Twp. Officials will bring the issue up to their supervisors. Oliver Township’s main concern is the people they cannot disconnect due to valve issues. They found that sending late notices was costly and not especially useful. Penny – Oliver Twp. told her that if they do not get payment after they send a certified letter, they lien the property after 30 days and then after another 30 days they go to sheriff sale. Penny felt that was pretty aggressive. Oliver Twp. said they have not had to go to any sheriff sales. Adam – From the stats they showed us, their people seem to be more willing to pay than NBWA customers. He said he was not certain about how accurate their statistics were, however, he recommended that we pursue one or two different avenues to see what works. Perhaps because our customer base is larger, it raises the number of those who do not pay. Some people on the delinquent list have been on for a long time. They also owe attorney’s fees, etc. These are people that are turned off that still do not pay. We are finding that people are just finding a way to live without running water in their home. Penny asked why we are not resorting to sheriff sale for these ongoing issues. Adam – It is not as easy as they are saying. Penny – We are sitting on about \$36,000 in delinquent bills more than 120 days overdue. Most of that is those types of issues. At least half of it. Adam – The sheriff sales are for personal items which do not bring a lot of money. He said we can try, but he does not think it will be successful. Adam said we could pick one or two accounts to try this. Adam asked for liberty to come up with a system and a list of accounts he could pursue. All of Adam’s fees are recoverable. Adam does not think Oliver Twp. is going about this the right way. Penny – Oliver Twp. said the threat of the sheriff sale has been effective. Adam concurred. Penny – Anything we can do to collect delinquent accounts will be welcomed.

2. Rules and Regs – Adam is still working on these and will have them to the NBWA by the end of the year.

TREASURER'S REPORT

Penny – We have a balance at the end of November of \$52,202.83. **John McNaughton made a motion to approve the Treasurer's Report. Harry Fahenstock seconded the motion. The motion was approved by a unanimous vote.**

Delinquent accounts were reviewed.

Update on financing/refinancing options - Penny spoke with Zack Williard today from Public Municipal Finance and asked him for the status of refinancing our debt. They are waiting to hear back from PennVest as to whether they will allow their first right of repayment to be waived. PennVest is not willing to give that up. PennVest will provide an official statement to that effect and then we can proceed with approaching banks to see what our options are. They also want to talk with us to make sure we are all in agreement before approaching banks. Gerry – We need to keep moving ahead with this. A PennVest loan would save us some money, but the regulations that PennVest has in place may make them difficult to deal with. He indicated that he would be willing to go with “whatever is expeditious”. Penny agreed.

Audit Quote – The 2016 audit quote from Smith, Elliott and Kearns for 14,500. This was significantly higher than we had been charged in the past. Penny asked Craig Witmer (Smith, Elliott and Kearns) to discuss. Craig explained in accounting terms why the cost was so high and recommended ways to reduce the cost. He recommended we cut back on some of the standards in our current audit that we may or may not need. He sent an email outlining his recommendations. Penny forwarded his email to Zack Willard from Eckert Seamans and asked for his input. They will get back to Penny by Wednesday, December 7, 2016. Zach also expressed some concern that switching auditors could be viewed as problematic. Penny asked for Zack's input as to how we should proceed. We were unhappy with Baker Tilley because of their 9 month time frame to complete the previous year's audit. However, the quote from Smith Elliott and Kearns is over five thousand dollars more. We may need to stay with Baker Tilley for the sake of consistency.

APPROVE NOVEMBER BILLS

November bills were reviewed by the NBWA Board Members.

MINUTES FROM NOVEMBER MEETING

Gerry Robinson made a motion to approve the minutes from the November meeting. John McNaughton seconded the motion and the minutes were approved by a unanimous vote.

OLD BUSINESS

MUNILINK

Penny – We are going live sometime in December, we are working on training and what the bills will look like, etc. Tim Seiber – So January will be the first bill to go out with the new system? Penny – Yes. It will look the same and will still be a postcard bill. It will be set up basically the same, but customers will notice a change. Tim – We have some updates to add into the system. The borough is ready to start accessing the system. Will they have access? Penny – We will give access to the borough to add photos unless you want NBWA to put them in. Tim – Borough will put photos in. Penny – Borough will be able to view anything that has to do with sewer. Tim – That will be a view only? Penny – Yes. Tim – Chris Burkholder was interested in the job notification link. Today may have been a good time to have that in place for the repair on Fickes Lane. Penny – We can also add in information regarding any repairs needed (ie – if a shutoff valve does not work) or other details. It will create a history/paper trail of whatever has been done. Tim – Will Munilink provide onsite training? Penny – Yes, we will coordinate training with the borough. Penny -There will be a lot of opportunity that we did not have with Diversified. We just need to determine what it is we need the system to do.

Maintenance Issues – Drive thru buzzer. Sue – Not aware that any work has been done to fix. Security Gate – Gerry will call Tyson to check on new remotes. Penny asked if we could get a better quality of remote. Only two of the remotes work. Odor in the bathrooms – Harry said the odor has been taken care of. There is still an odor, but it is not sewer. Harry said it smells more like detergent.

NEW BUSINESS

Diesel Engine maintenance – Gerry said there was supposed to be maintenance on the generators twice a year. There were two different manufacturers and they only wanted to work on their own equipment. Dynatec agreed to do the maintenance on both. The generators are used very little. Dean spoke to Dynatec. We have a service agreement with them do service once a year on the generator at the plant. There is no service agreement for the other generator on Rte. 34. Something needs to change to include the other generator. Gerry – We are almost never out of power in Newport so the generator at the other well is not needed. Dean – Dynatec is scheduled to be out this month to service the generator at the plant. Gerry - The generators are tested every Thursday/Friday. The one on Rte. 34 is tested on Fridays and the one at the plant runs on Thursdays. They run for approximately 30 minutes to test. Dean – He will speak to Dynatec to ask what it would cost to service the generator on Rte. 34 so we can decide how to proceed. Once a year service was decided as sufficient. John McNaughton asked if they put treatment in the fuel. It should be treated every year because the treatment gets old.

BOARD COMMENTS

Gerry – The Borough Sewer operator said we did not get very good marks for the repair on Oliver Street water line repair. He expressed concern with regard to how the equipment is being taken care of.

Gerry asked about the status of the water locating equipment. He felt the locating equipment was more reliable than the wand. He felt we need to do a better job of maintaining our equipment. Dean said he would bring the equipment to the next meeting and would report on its condition.

Gerry Robinson made a motion to adjourn. John McNaughton seconded the motion. The meeting was adjourned at 7:59PM.

Respectfully submitted,

Susan Bentzel

Recording Secretary