

OXFORD AREA SEWER AUTHORITY
Board Meeting Minutes of
August 19, 2009

Chairman, Bob Yeatman, called the meeting to order at 7:30 p.m. The following Authority Members were in attendance: Larry Bonam, Frank Lobb, Percy Reynolds, Joe Scheese and Phil Brenner. Also in attendance were Edward Lennex, Executive Director; Kathy Gray, Solicitor, Barley Snyder; Joel Brown, Blair Fleischman, Kevin Doherty, Wilmer Hostetter, David Ross and Spence Address.

Pledge Allegiance and Moment of Silence.

Motion made, seconded and passed to approve the minutes of the July 15, 2009 meeting as presented. (J. Scheese, P. Brenner)

Motion made, seconded and passed to approve the minutes of the Special Board Meeting held August 13, 2009 as presented. (J. Scheese, P. Reynolds) Mr. Lobb, Brenner and Bonam abstained as they did not attend the meeting.

PUBLIC COMMENT PERIOD:

Action Items:

The Chairman recognized Mrs. Blair Fleischman who had requested to comment on the following Action Items and to pose a series of questions to the Board regarding them. The questions are as follows:

- a. How much is being requested in the USDA loan application?
- b. What is breakdown of project cost?
- c. Is the Authority still waiting for Pennvest?
- d. Generally how many rate payers - users are on the system currently?
- e. How many EDUs?
- f. Were there going to be different rate districts?
- g. Voiced concern for current rate payers paying for expansion projects?

The Board and Executive Director responded to each question presented

The Chairman recognized Mr. David Ross. Mr. Ross addressed the Executive Director to see if OASA received the letter from West Nottingham Township and the Executive Director replied that he had and a copy was in each Board members packet. Mr. Ross then asked for clarification on what was being sent to the municipalities by way of Board meeting material. After a discussion by the Board, it was their consensus that the previous month's Board meeting minutes and the current Board meeting packet less those action items not acted upon that night be sent out.

APPEARANCES:

Request by W&J Hostetter Enterprises for allocation of EDU's for Country Hills. Motion made, seconded and passed to release 2 EDU's for Country Hills. (J. Scheese, F. Lobb)

TREASURER'S ITEMS:

General Fund Bills:

Motion made, seconded and passed to pay the prepaid bills in the amount of \$10,620.21 and the monthly bills in the amount of \$92,820.60. (P. Brenner, J. Scheese)

Revenue Requisitions:

Motion made, seconded and passed to approve Revenue Requisition #156 in the amount of \$110,000 to replenish working capital for the Operating Account. (F. Lobb, L. Bonam)

Motion made, seconded and passed to approve Revenue Requisition #157 in the amount of \$30,000 to replenish working capital for the Operating Account. (F. Lobb, L. Bonam)

Bond Redemption & Improvement Fund:

Motion made, seconded and passed to pay Bond Redemption & Improvement Fund Requisition Request #185 to Rettew in the amount of \$229.52 for professional services associates with Spray field Analysis. (L. Bonam, J. Scheese)

Motion made, seconded and passed to pay Bond Redemption & Improvement Fund Requisition Request #186 to Samuel L. Ross in the amount of \$6,190.43 for September Rent. (L. Bonam, J. Scheese)

Motion made, seconded and passed to pay Bond Redemption & Improvement Fund Requisition request #187 to Barbara H. Ross in the amount of \$13,070.41 for September Rent. (L. Bonam, J. Scheese)

Total Bond Redemption & Improvement Fund Requisitions: \$19,490.36.

Escrow Accounts – None.

Total Escrow Checks: \$0.00

Motion made, seconded and passed to approve the Treasurer's Report. (F. Lobb, P. Brenner)

FACILITY EXPANSION COMMITTEE REPORT:

Mr. Yeatman present to the Board the Facilities Expansion Committee Report which provided the Board with recommendations regarding present and future expansion planning and various financing sources for the plan. (The report is attached to the minutes for the record). It was noted that Recommendation #1 had been acted on previously at the August 13, 2009 Special Board meeting.

Mr. Lobb started a discussion of Recommendation #2 and the issues needing to be addressed and the manner in which they should be addressed regarding the Act 537 Plan. Mr. Lobb recommended that the Executive Director and Rettew Associates work to revise the currently submitted Act 537 Plan by addressing the issues raised in PADEP's December 27, 2007 letter and an update reflecting the effects of the current economic situation and how it impacts the alternative solution currently in the Plan. Then it should be delivered to PADEP when the proper reviewing agencies have commented, public comment received and responded to and the municipalities have approved. Mr. Scheese agreed with Mr. Lobb and made a motion that OASA should file a revised Act 537 Plan as Mr. Lobb had described it. Mr. Lobb seconded the motion. The Chairman recognized the motion and second and asked if there was further discussion.

Mr. Spence Address posed a series of questions to the Board regarding the relationship of what was being proposed for the Act 537 Plan and the Sewage Facilities Planning Modules the Authority and a group of developers he represents were working on. He also asked the Board for clarification on the course it was following. The Board response favored completion of the Act 537 Plan, over the Modules. The consensus of the Board was that filing a response to the Act 537 Plan would allow the filing of the Developers Planning Modules at the same time.

The Chairman seeing there was no further discussion of the matter asked for a Board vote and they unanimously approved the motion.

Discussion moved to Recommendation #3. The Executive Director presented the Board Rettew Associates proposal Project No. 09-07308-005 Addendum #1 for Osborne Lagoon Construction Administration and Observation services to provide professional services to accomplish Recommendation #3. Mr. Scheese motioned for approval of the Addendum #1, Mr. Lobb seconded, being no discussion the Board approved.

Discussion moved to Recommendation #4. The Solicitor and Executive Director updated the Board regarding communication with FOP regarding the proposal they had submitted to the Board for review. Neither felt comfortable with negotiating further with FOP and recommended moving ahead with construction of the new mechanical treatment plant following the more conventional design, bid, construct method prescribed in the Municipalities Authorities Act. The executive Director presented Rettew Project Proposal No 09-07308-013 Wastewater Treatment Plant and Permitting for complete engineering services for a feasibility study to determine the type of treatment process to construct; design and prepare bid specifications preparation; and permitting. Mr. Scheese made a motion to accept the proposal, Mr. Brenner seconded and after a brief discussion of the services to be provided the Board approved the motion.

OPERATIONS MANAGEMENT COMMITTEE REPORT:

None. Has not met.

FINANCE AND BOND COMMITTEE REPORT: None. Has not met.

PERSONNEL COMMITTEE REPORT: None. Has not met.

PENSION COMMITTEE REPORT: None. Has not met.

CHAIRMAN'S ITEMS:

Nothing.

DIRECTOR'S REPORT:

1. Ongoing project status reports

Consent Order: Nothing to report at this time.

Osborne Lagoon: Based upon the recommendations of the Facilities Expansion Committee, Ed has had Rettew prepare an Addendum to Rettew Project No. 09-07308-005 to update the bid spec package to reflect the work that needs to be completed per David Schlott's e-mail and the additional language that needs to be added for CFA and the Federal Government.

Act 537 Plan: Based upon the Facilities Expansion Committee's recommendation and formal Board guidance, Rettew and Ed will meet with DEP to discuss what needs to be done to submit a revised Plan. Refer to Michele Braas' e-mail to DEP included in your Board Packet.

Developers Agreement: Ed has requested that Kathy Gray examine the current agreement so that the Authority can formally issue a letter requesting that this agreement be terminated in order to remove it from the revised Act 537 Plan.

Future Disposal Fields: Nothing to report at this time.

Pretreatment Regulations: Nothing to report at this time.

I/I Study: Nothing to report at this time.

Lincoln/Brick Street Spray Field Analysis: Nothing to report at this time.

Acquisition of Property: Nothing to report at this time.

Lincoln Village: The Authority has assumed operation of the sewer system. Ed will be issuing a letter to Lower Oxford Township requesting a timetable to be established for dedication of the sewer system to the Authority. Currently there are customers attached to the sewer system. Ed will continue to work with Rettew and Kathy Gray to finalize the Rules and Regulations for the sewer district.

Funding Assistance: The Authority has received an official grant award letter from CFA. Based upon the Facilities Expansion Committee's recommendation, Rebecca Denlinger of Rettew is writing a response to CFA for clarification of issues in the award letter. In addition based upon the motion made at the August 13, 2009 Special Board Meeting, Ed will be working with Rettew and Kathy Gray to formally apply to the USDA for a loan to cover the balance of funding needed to match the CFA Award as well as construction of the mechanical treatment plan and debt consolidation. Included in the Board Packet is Rettew Project No. 09-07308-014 proposal for the work to be completed to apply for the loan. The newspaper ad required by USDA has been published.

Mr. Scheese made a motion to approve Rettew Project No 09-07308-014 OASA - USDA Funding, Mr. Brenner seconded and the Board approved. Mr. Scheese then made a motion to authorize the Executive Director to be the duly authorized signer of all documents related to the grant fund and loan application, Mr. Bonam seconded and the Board approved.

Administration Building: Nothing to report at this time.

FOP Development Group: Kathy Gray, Michele Braas and Ed are working on the documents that the Board was presented at the July 8 Special Board Meeting. The three met on July 22 to the agreements and on August 13, Kathy and Ed had a conference call with FOP and their legal counsel and related concerns regarding the agreements. They are to get back to us with amended agreements. Should we not be able to come to an amicable agreement with FOP, based upon the Facilities Expansion Committee's

recommendation, Ed has solicited Rettew to prepare a proposal, Rettew Project No. 09-073080-013 Wastewater Treatment Plan Design and Permitting, which is in your packet. I would like to point out that the Authority will at least have to do Step I the Feasibility Study as part of the USDA application.

II. *Developer Activity*

Elkdale Green: No activity to report on.

Available Capacity: Included with the Board Packet is a letter from W & J Hostetter Enterprises requesting allocation of the available EDUs the Authority has in reserve. Ed would recommend the Board allocate the two remaining EDUs we have towards their project, as we have accepted dedication of the sewer lines and pump station in their Country Hills Development and it will assist with providing sufficient flow to the pump station for its proper operation.

III. *Operations Report*

- Operations Management Report -

The average daily influent was 455,194 with a maximum day of 499,509 for a total of 14,111,016.

The average daily effluent was 992,435 with a maximum day of 1,360,000 for a total of 22,826,000.

Lagoon Levels: #1 = 18.1", #2 = 9.0', #3 = 12.0'

Pump Station Hours of Operation were:

6th Street = 137.0

Grant Street = 134.1

8th Street = 209.3

Q1 = 1.9

Locust Street = 3.0

Locksley Glen = 95.9

Wiltshire = 98.0

OASA Operations Report:

7/1/09 - collected more hay and soil samples from the spray fields and sent to Agra Analysis and Penn State for testing.

7/6/09 - started second hay cutting at the Osborne Farm.

7/7/09 - Sent aerator #10 from Lagoon #1 to Motor Technology for evaluation.

7/9/09 - sent hay and soil sample results to Mr. Walter Grube, Soils Scientist, with DEP as part of the Crop Management Plan.

7/10/09 - sent the 1st quarter monitoring well results to Mr. Mike Grogg with the DEP.

7/11/09 - had to replace the sample hydrant in Zone #1.

7/15/09 - cleaned wet wells at Brookside, Twin Ponds and Wiltshire.

7/16/09 - cleaned the Lakeside Unit and replaced some of the hoses.

7/20/09 - M&S Services replaced the 'float pak' at the Twin Ponds Pump

Station.

7/21/09 - put the repaired aerator back in Lagoon #1.

7/22/09 - UGI damaged an unmarked sewer lateral on 4th Street while installing a new gas main, we repaired lateral.

7/23/09 - Kleinz Construction installed a drain valve in Zone 2-B.

7/27/09 - collected soil samples from the west side of the Ross Farm and sent to Penn State for testing.

7/29/09 - serviced the tractor and replaced the turn signal and light switch, also the radiator over flow tank had to be replaced.

Received 164 loads of septage this month for a total of 495,000 gallons for an average of 15,968 gallons per day.

Received 102 PA #1 calls in July, 12 of which were in conflict and required marking.

Currently have 34 days of storage.

Osborne & Ross Farming Operations: Ed is still working on this and should have everything prepared by the September Board Meeting.

IV. ***Administration Report:***

Customer Correspondence: Nothing to report.

Personnel Issues:

As a requirement for obtaining the USDA loan, the Authority must have in place a Drug, Alcohol and Substance Abuse Policy and it must have been presented to the employees. Mr. Scheese made a motion to approve, adopted and communicate the policy to all OASA employees, Mr. Bonam seconded and the Board approved.

Resolution: Nothing to report.

Consulting Engineer: Nothing to report.

Rules & Regulations: Ed, Kathy Gray & Michele Braas continue to work on updates.

Executive Directors Activities:

July 16 - meeting with Fulton Bank

July 17 - OMI Economic Development Committee Meeting

July 22 - meeting with Kathy Gray and Michele Braas to discuss FOP Proposals

July 23 - meeting with Gary Roeder, FOP

July 30 - meeting with Rettew and USDA

August 5 - Facilities Expansion Committee Meeting

August 11 - meeting with Rettew to discuss new mechanical treatment plant

August 12 - Field Trip with Rettew to view mechanical treatment plant

August 13 - Conference call with Kathy Gray and FOP Representatives.

V. Financial Report:

- A. Financial reports are included in the Board packets.
- B. Septage Billing for June was \$14,460.00 representing 164 loads accepted for a total of 495,000 gallons.

Motion made, seconded and passed to approve the Executive Director's Report as submitted. (F. Lobb, L. Bonam)

RESOLUTIONS: 09-07-001 - Establishing the Lincoln Village Sewer District. Motion made, seconded and passed to approve Resolution 09-07-001. (F. Lobb, P. Brenner)

LEGAL ITEMS:

CORRESPONDENCE: George & Lynch, Inc. letter. Ed will draft a response and Bob Yeatman will sign it.

OLD BUSINESS: None.

NEW BUSINESS:

PUBLIC COMMENT: None.

EXECUTIVE SESSION: None.

ADJOURN: Motion made, seconded and passed to adjourn the meeting.

Respectfully Submitted,

Donna M. Patrick, Recording Secretary

CC: Authority Members
Kathleen Gray, Solicitor
Ed Lennex, Executive Director
Betsy Brantner, Borough Manager
Townships & Borough

