



March 28, 2017

Conyngham/Sugarloaf Joint Municipal Authority Board met for a **Regular Session** on **Tuesday, March 28, 2017 at 7:01 p.m.** in Conyngham Borough Council Chambers, Municipal building, 215 Main Street, Conyngham, PA. The meeting was called to order by Chairman Gallagher, the Pledge of Allegiance was recited, and roll call was taken.

Present: John Cotsack, Marc Eble, Joe Gallagher, Marguerite Woelfel, Jack Wittig, Peter O'Donnell (Solicitor), Ed Gregory (Manager), Fred Blase (Assistant Treasurer), Erika Cook (Recording Secretary).

Absent: Entech Engineering.

Citizens: William McKee, Tim Ference.

Public Comment on Agenda Items: None.

Invited Guests: None.

Motion

Motion to Accept Minutes from the Regular Meeting February 28, 2017 – Woelfel. Second – Cotsack.

ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Abstain
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

Treasurer's Report:

Item 1: Assistant Treasurer Blase presented the Board with the accounts payable for approval and bank account activity for the period. The reports were reviewed in detail; a copy is on file and available for review. The Cash and Invested Cash total is \$2,450,540.47 and the Accounts Payable as of March 28, 2017, is \$452,585.14. Mr. Blase told the Board that the Landmark Loan payoff of \$398,649.57 approved at last month's meeting is included in the AP Report causing it to be higher than normal.

Motion

Motion to Approve Bills for Payment as Presented Totaling \$452,585.14 – Wittig. Second – Cotsack.

Questions on the Motion: None.

ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Affirmative
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

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Item 2: Mr. Blase confirmed the transfer from M&T Securities to PLGIT is complete. Currently there is \$2,300,000 in a PLGIT Prime account earning 0.85% interest. PLGIT offers a 9-month term account in increments of \$1,000,000 called "PLGIT Term" with a rate of 1.25% that complies with municipality requirements. Mr. Blase feels this is the better option to commit to at this time instead of laddering 1 or 2-year CD as CD rates are expected go up this year. The current CD rates are 1-year at 1.2%, 18-month at 1.25%, and 2-year at 1.6%. The CD's are FDIC Insured but the PLGIT Term account is not.

Motion

Motion to Authorize Mr. Blase to invest \$2,000,000 in increments of \$1,000,000 in to PLGIT Term Accounts at a rate of 1.25% for 9 months – Woelfel. Second – Cotsack.

Questions on the Motion: Secretary Eble questioned if investing in PLGIT is safe as it is not FDIC Insured. Solicitor O'Donnell stated that PLGIT has \$3,000,000,000 in a cooperative trust with 2,900 public investors across the state. Both the Solicitor and Mr. Blase are comfortable with PLGIT's financial security. Mr. Eble said if they are comfortable with it, he will approve.

ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Affirmative
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

Item 3: Mr. Blase requested quotes from four auditing firms to do the audit for the Authority. He asked for two sets of quotes – one for a 1-year contract and one for a 3-year contract. Of the four firms, only two provided written quotes:

- 1) **Snyder & Clemente** declined to quote entirely.
- 2) **Kirk, Summa & Co** gave a verbal quote of \$5,000 but when Mr. Blase followed up multiple times for a written quote, he received no response.
- 3) **Fry & Co** provided one quote of "Costs and Commitments" for the 3-year contract only:
 2016 (7-mo period): \$12,500
 2017: \$15,000
 2018: \$16,000
- 4) **Jones Kohanski** provided two quotes of "Preliminary Estimates":
 1-year contract estimate:
 2016 (7-mo period): \$9,500 plus \$1,000-\$2,500 for opening balance procedures

 3-year contract estimate:
 2016 (7-mo period): \$8,000 plus \$1,000-\$2,500 for opening balance procedures
 2017: \$8,250
 2018: \$8,500

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Ms. Woelfel and Solicitor O'Donnell were surprised at how much lower Jones Kohanski's quote is – Mr. Blase confirmed they asked him more questions than any other auditor and was very impressed by their service. Solicitor O'Donnell reviewed the terms of the quotes from both Fry & Co and Jones Kohanski. Fry & Co's bid proposal addresses the quote as "Costs and Commitments Professional Fees". Jones Kohanski's bid proposal is addressed "Cost Proposal" and states that the "fees were determined based upon our estimate of time requirements to complete the engagement and the assumption that you will provide clerical and accounting support as needed to prepare confirmations, schedules, account analysis, and to pull and/or copy original documents for the audit". Jones Kohanski's bid also includes a detailed scope of work and lists some of their other municipal clients to show experience. Neither firm's quote specifies that the quote is contingent upon any terms. Clarification on whether Jones Kohanski's quote contains hard fast numbers is requested by the Board and Solicitor O'Donnell as they cannot ignore the cost savings when comparing the two quotes. The Board wants to make sure that the Authority is getting the best rate and service possible for the residents.

Motion

Motion to Authorize Mr. Blase to accept bid from Jones Kohanski if Jones Kohanski will commit in writing that the 3-year contract proposal is a fixed price and not an estimate – Wittig. Second – Woelfel.

Questions on the Motion: It was asked what will happen if Jones Kohanski will not commit in writing for this proposal – Mr. Blase was advised to ask for a number in writing that Jones Kohanski would be willing to commit to and then the Board will reevaluate at the next meeting, rebidding if necessary.

ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Affirmative
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

Solicitors Report:

Item 1: Attorney O'Donnell had a Resolution prepared to adopt the Water Rules/Regulations and Sewer Rules/Regulations as amended by Entech Engineering but the Engineer was not present to review and the Resolution was not signed. Solicitor O'Donnell reviewed the update to the rates listed in both the Water and Sewer Rules/Regulations. Minutes were provided from previous Board meetings showing how the rates got to where they are now. Entech Engineering updated both the Water and Sewer Rules/Regulations to list the rates currently being charged. Mr. Eble stated that Water rates should be reviewed as they were based upon Conyngham Borough only and did not include Sugarloaf Township. On behalf of Solicitor O'Donnell, Mrs. Cook emailed drafts of both the Water and Sewer Rules/Regulations to the Board. Solicitor O'Donnell asked that the Board review the rates and Water Multi-Meter Billing Alternative before the next meeting. Discussion then ensued regarding ownership of the water meters. The previous Board approved a motion on 12/03/2015 allowing a property owner of multi-family or commercial units to purchase individual meters at their own expense plus 10% to cover Authority overhead. The ownership of the meters once they are installed was not clarified by the motion at the time. It was decided that Mr. Gregory will reach out via phone call to Michael DeGaetano to notify him of the ownership amendment. Mr. DeGaetano purchased 21 meters in 2015 at his own expense but

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there is no record of him paying the 10% fee for overhead to the CBA. CSJMA Board does not want to Mr. DeGaetano to feel threatened by the change in any way and they are not looking to collect the 10% fee. The Board would like to him to be aware of the change before it is official, giving him the opportunity to come to the next meeting if he has any concerns before a Resolution is passed.

Item 2: The possibility of implementing a Call-Out Service Fee for when Manager Ed Gregory gets called out to a residence for a water or sewer issue was discussed. The purpose would be to recoup monies paid out by the Authority for non-Authority related issues. Mr. Gregory gets called out on average once a month to check on an issue. When asked what percentage of the issues are the Authority's responsibility, Mr. Gregory said about 50%. After some discussion about how other authorities handle this situation, it was decided that it is in the best interest of all parties to not implement such fees. The Board does not want the fee to deter a property owner from calling the Authority if they are having an issue.

Item 3: Solicitor O'Donnell will meet with Attorney Karpowich on Friday, March 31st to review the transfers from CBA and Sugarloaf Township. This includes reviewing the division of the 245 Main Street property as asked about by Mr. Blase at the previous meeting. Attorney Karpowich has all the documents and Solicitor O'Donnell will contact Mr. Blase regarding payment for the filing fees.

Engineer's Report:

Item 1: The Engineer was not present but Chairman Gallagher reviewed the Act 537 Plan Master Timeline created by Entech. The timeline takes the project all the way through construction which is tentatively scheduled to begin in 2020. The on-lot inspections are scheduled to begin in April pending DEP approval of the TAR. The timeline for the plan is very aggressive but Entech is reviewing and utilizing parts of the 537 Plan that was created for CBA. As a chapter is completed in the plan, Entech will present it to the Board for review which will make final approval easier. Entech is aware of the urgency for CSJMA to complete the 537 Plan as our plant is organically and hydraulically overloaded now.

Item 2: The flow data from Entech shows there are hot spots in Luchi Manor and in the older section of Brookhill and Chairman Gallagher said there is a lot of I&I flowing into our sewer lines. How much actual sewage we plan to treat in the future must be determined as part of the 537 Plan. Bryon will be meeting with Pilot Oil Corp to determine their intention on connecting to water and sewer lines if the lines are run out there. In the CBA 537 Plan, a 0.6 mgd plant was requested and DEP said it was not needed. If there are plans for development around the Pilot truck stop this could help justify the need for the higher flow capacity. Vice-Chairman Wittig reminded the Board about a meeting that was had with a developer regarding 52 acres located across from Pilot that Karchner owns. If a high enough flow capacity at the new plant is obtained, the developer has previously committed to putting in sewer lines and would build multiple commercial properties to include a car wash, truck stop, fast food restaurants, and hotel with estimates of 110,000 gallons of sewage usage per day.

Item 3: Chairman Gallagher invited the Board members to join along in doing Authority property surveys with Entech once the weather gets nicer. The point of the surveys will be to determine what items need to be addressed for maintenance until the new plant is complete. The treatment plant is 41 years old and

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some of the equipment is getting worn and may need to be replaced. Entech will review the existing equipment to see what can be utilized in the new plant as a cost saving measure. Bryon believes the existing tanks can be reused in the new plant. The development of an Emergency Action Plan will also be prepared for the Board to review and approve. The Emergency Action Plan will act as Board approval in the case of an emergency where a Board meeting would need to be held to approve repairs. It will protect the residents from being inconvenienced any longer than necessary. Ms. Woelfel would like this made a priority as it is very important to not only the residents but the Authority, Board, and its employees.

Manager's Report:

Item 1: The Manager reported:

- The water meter readings were finished yesterday, the bills will go by the end of the week.
- The Discharge Monitoring Report (DMR) for February is submitted to DEP with 2 violations reported for an instantaneous maximum of a fecal coliform, and geometric mean. We are investigating as to why our fecal coliform tests are so high lately.
- Bacteria samples for the water distribution system were taken to the laboratory for the month of March. The corresponding SDWA-S were submitted to DEP.
- The SDWA 1's (chlorine readings for all entry points) for February were submitted to DEP.
- All Pennsylvania One Call's are responded to (marked, etcetera).
- The SRBC has approved our alternate monitoring location at 55 Rock Glen Road rather than 47 Rock Glen in relation to Well 6 aquifer plan. Per Special Condition 23 of Commission Docket No. 20161204, the Authority shall submit a revised residential well groundwater elevation monitoring plan with the alternate monitoring location and methods. Meiser & Earl has already started the revised plan, to be submitted.
- DEP has contacted me about reporting infractions for entry points 107/109 (Well 6, SDWA-1's). Currently I report the same sample reporting results for both entry points. DEP wants samples taken at 2 different locations (for 2 different reporting results). Currently we don't have 2 locations to sample from. I am looking into setting up 2 locations to sample from. I have contacted the school district about installing an entry point close to the entrance to the Valley Elementary School, near the fire hydrant, and the property owner of 25 Edge Trail in Brookhill.

Chairman Gallagher asked Mr. Gregory if there are any criteria for purging a system before collecting a sample and Mr. Gregory said no. Distribution systems are constantly flowing water. The main criteria involved in chlorine sampling is the time frame of contact (20 minutes of contact). Solicitor O'Donnell asked if the yard hydrant installed for sampling purposes ^{would effect} affect water pressure to the residence and Mr. Gregory said it does not. They are a single, standalone hydrant that is secured with a lock. An easement to the yard hydrant is already established for the line allowing access to the hydrant. ELL 4-25-17

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Item 2: Mr. Gregory obtained a quote for a new AED for the treatment plant. The quote is \$1,123 for the new unit. Electrodes for the existing AED in the Authority office need to be replaced for regular maintenance and the cost is \$60.30. Mr. Gregory asked for approval to purchase the AED and electrodes.

Motion

Motion to authorize Mr. Gregory to purchase AED for plant at a cost of \$1,123 and replacement electrodes for AED in office at a cost of \$60.30 – Cotsack. Second – Wittig.

Questions on the Motion: None.

Public Comment on the Motion: None.

ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Affirmative
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

Item 3: Chairman Gallagher brought up an item that was discussed at the Conyngham Borough Council Meeting regarding the smell of chlorine in residents' water. There were complaints of the smell being very strong. Mr. Gregory confirmed that the levels of chlorine are within the acceptable limits. The MCL (Maximum Contaminant Level) dictated by the EPA is 4.0 mg/L. On average, CSJMA's chlorine levels are between 0.8-0.9 mg/L. Mr. Gregory offered that if any property owner is concerned about the level of chlorine, he will take a sample and test the level for them. They can contact the CSJMA Office with any concerns.

Item 4: Vice-Chairman Wittig asked Mr. Gregory if there is still water coming out of the ground at the tunnel at the Valley Country Club and he said he is not sure. He believes if there is that the Country Club uses it for their irrigation along with the reservoir and he will find out for sure.

Old Business:

Item 1: The Feasibility proposal from Meiser & Earl was resubmitted to the Board because the owners of the property where the well was to be placed have decided they do not want a well on their property. Meiser & Earl must now reevaluate the location, referencing multiple sources including aerial photos for potential sites. The location property owner will then be contacted to see if they will allow the well to be constructed. The new proposal estimate is \$13,500. The previous proposal was for \$7,000-\$10,000.

Motion

Motion to authorize Feasibility Study by Meiser & Earl at a cost of \$13,500 – Woelfel. Second – Wittig.

Questions on the Motion: Secretary Eble asked if a new well is needed and Chairman Gallagher said that with the possible expansion of service area the need will be there in the future. Gathering the data now will help determine the actions of the Authority for future plans.

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ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Affirmative
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

New Business:

Item 1: Quotes were obtained from Wandell's Office Furniture by Mrs. Cook for fire-proof filing cabinets. This will be for documents in the office such as deeds, easements, and Articles of Incorporation. A new, letter size cabinet is \$1,569. Both letter size and legal size used cabinets are \$650. Delivery by Wandell's is \$50.

Motion

Motion to authorize Mrs. Cook to purchase a used, legal size fire-proof filing cabinet at a cost of \$650 with \$50 delivery fee – Woelfel. Second – Cotsack.

Questions on the Motion: None.

ROLL CALL VOTE:

Cotsack	-	Affirmative	Eble	-	Affirmative
Gallagher	-	Affirmative	Woelfel	-	Affirmative
Wittig	-	Affirmative			

Item 2: Chairman Gallagher was asked by Conyngham Borough if CSJMA would be willing to waive municipality fees for the Conyngham Borough Building and the Fire Hall. CBA previously waived the hydrant fees for Conyngham Borough which CSJMA has honored. Sugarloaf does not have public water or sewer but they do currently pay \$190/month for hydrant fees.

Motion

Motion to waive Municipal Fees to Conyngham Borough Building and Fire Hall and waive hydrant fees for Sugarloaf Township – Woelfel. Second – Wittig. No Roll Call – Unanimous.

Questions on the Motion: Mr. Blase asked for clarification if this applies to non-profit organizations. The Board said no it does not and Ms. Woelfel stated that only our "parent owners", Conyngham Borough and Sugarloaf Township are to receive the waiver of municipality fees.

Item 3: RFP for Service Contract was discussed for afterhours service. The need is there for a service contract in case of an emergency such as a leak. The contract will provide CSJMA with not only a set hourly rate, but also a specified response time. Mr. Gregory will work with Solicitor O'Donnell to create an RFP for prices which will then be presented to the Board for approval.

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Item 4: Secretary Eble brought up the website for CSJMA and he asked for permission to proceed with creating one. Hosting may need to be purchased and on average runs approximately \$70-80/year. Secretary Eble estimates needing approximately \$100 to complete the website set up. CSJMA currently owns csjma.org which Secretary Eble will use if possible. Once the website is complete, Mrs. Cook will be responsible for updating regularly. Permission was granted by the Board to Mr. Eble to create a website.

Item 5: Mrs. Cook and Secretary Eble will work together to find the best way to preserve CBA records such as minutes and possibly make the records digital. Mrs. Cook will contact the PMAA to see how long they must be kept. Ms. Woelfel suggested sending the records to Iron Mountain for them to preserve.

Item 6: Mr. Cotsack asked if the CVCO pool is on public water but Mr. Gregory said it is on a well along with the showers at the pool. Whispering Willows park does not pay for their water but it is owned by Conyngham Borough and therefore would be waived regardless.

Item 7: Mr. Cotsack would like to schedule a meeting with Conyngham Borough, Sugarloaf Township, local road crews, and the local Fire Chiefs to discuss the clearing of fire hydrants when they are covered in snow. Mr. Cotsack commended all involved for the cleanup done in the recent storm and would like to see a contingency plan set up for future snowfall. Property owners need to be reminded that they are responsible to clear the hydrant if it is located on their property. There is a map of all the hydrant locations that will be provided at the meeting. Chairman Gallagher suggested reaching out to the Boy Scouts as possible volunteers to help.


Item 8: Vice-Chairman Wittig gave an update on the water main break involving property of Mr. Temborski. Mr. Temborski gave verbal permission to Vice-Chairman Wittig that the repairs can be completed as long as everything is restored to original condition. Mr. Temborski will be made aware when the repairs will begin and Mr. Gregory will take before and after pictures of the repair process. Bob from the Conyngham Street Dept. will assist by utilizing the excavator throughout the repair process.

Public Comment: None.

Motion to Adjourn at 8:45 pm – Eble. Second – Cotsack. No Roll Call – Unanimous.

No Executive Session was held.

ATTEST:


Secretary