

MIDDLEBURG MUNICIPAL AUTHORITY

May 10, 2016

Page 1 of 5

MEMBERS PRESENT: Charles Zechman-Chairman, Dwayne Hackenberg-Vice Chairman, Ray Colestock, Tim Folk, Scott Reigle, Scott Brouse, Doug Hassinger

OTHERS PRESENT: Robert Slivinski-Solicitor, Dustin Zechman-Borough Foreman, Dave Walters-Engineer, Judy Varner, Bill Fegley, Heidi Potter, Brian Lauver, Virginia Zeiber-Borough Administrator

Meeting was called to order at 6:00 P.M.

Motion was made by Doug Hassinger to approve the agenda. Dwayne Hackenberg seconded and MOTION UNANIMOUSLY CARRIED.

Motion was made by Scott Brouse to approve the April minutes. Ray Colestock seconded and MOTION UNANIMOUSLY CARRIED.

LDG REPORT

Well Project-Progress is being made with the well project. The well house walls are up and the plumbing and electrical conduits are installed beneath the floor. The inlet is set for the storm sewer, which will run through the site. The cut in has been made at 522 where the well water will enter back into the Borough's water system. The four inch line has been started. The construction meeting earlier in the week went well so the project appears to be moving along.

Both contractors submitted pay requests for the work that has been completed. LDG is recommending approval of Pay Request #2 for Mid State in the amount of \$85,823.30. There is approximately \$133,000 left in CDBG funding, which will cover both of the pay requests presented tonight. Dwayne Hackenberg motioned to approve payment of \$85,823.30 to Mid State. Doug Hassinger seconded and MOTION UNANIMOUSLY CARRIED.

LDG also recommended payment of Pay Request #2 in the amount of \$4,862.70 to Tra Electric. Ray Colestock motioned to approve payment of \$4,862.70 to Tra Electric. Scott Brouse seconded and MOTION UNANIMOUSLY CARRIED.

Source Metering-LDG has located two meters which can be used to meter the source water from the West Bowersox intake. The best quote was from Gray Line and Dave has a call into their local representative to come up to the site and determine if the equipment will function sufficiently, before it is purchased. The meter cost is \$3,375 including software and it is important that the equipment be installed as soon as possible. Dwayne Hackenberg motioned to purchase the meter at a cost of \$3,375, if it is determined that it will function properly. Ray Colestock seconded and MOTION UNANIMOUSLY CARRIED.

The battery powered meter actually mounts inside a pipe and there also is a software program that comes with it. The meter will actually record velocity and depth of flow and the software program automatically calculates the flow rate. One can then plug in a thumb drive and download the data to the laptop.

MIDDLEBURG MUNICIPAL AUTHORITY

May 10, 2016

Page 2 of 5

Water Allocation Permit-There have been no comments back from DEP concerning the Water Allocation Permit application.

Kissimmee sewer extension-Grace Jordan attended the April Authority meeting to request that consideration be given to extending the sewer line in Kissimmee. Larson was asked to explore the possibility. As part of the plans which were done by the previous engineer, an extension was designed out to the top of the hill but the line was never constructed. The easiest way to serve the area where Grace is would be with a grinder pump pressure sewer system. It would involve about 2600 feet of pressure sewer and would be expensive to run to service that area. The projected cost is about \$527,000. There is contingency included in that cost so one is probably looking at \$450,000 to \$500,000 to run the line. There would only be thirteen homes served and at that cost per home, Dave does not feel that it is cost effective to do such a project. It would probably be more cost effective for the home owners to rehab or put in a septic system than to do a public sewer project in that area. The matter was tabled because of the cost and a letter is to be sent to Grace Jordan.

Water Rates-The water budget for 2016 is about \$361,000 projected expenses. That is a bit higher than what is shown on the budget report because there is an unbudgeted line item of about \$13,000 for design costs on the well project. It was a carry over from the 2015 budge. The projected revenue for 2016 is about \$348,500. That includes \$15,000 which was transferred from the PLGIT account to balance the budget. The actual revenue without the PLGIT amount is \$333,500. Approximately \$327,000 is made up of revenue from water receipts. When looking at the budget, miscellaneous items such as tap fees, etc. should not be counted on. The revenue from selling water is what should be considered because the other items are not guaranteed each year. With the PLGIT transfer, there is a shortfall of about \$12,500. If the PLGIT transfer is not relied upon, there is a shortfall of about \$27,500.

In 2016, there were extraordinary expenses which are not part of the budget. There are about \$76,000 of what Dave would label extraordinary expenses in 2016. There is also \$21,000 included in the budget for the loan for the well project. If Mid States cost for the bypass addition comes in at \$200,000, that amount will need to be borrowed on the loan or be drawn down from the PLGIT account(s). \$17,500 additional was budgeted for loan payments so that would bring the loan payment item to \$38,500.

In 2017, the expenses are estimated to be about \$302,500. Dustin and Dave talked and identified some of the projects that should be done on the distribution side. This includes the six inch line coming out of the reservoir needing to be increased in size, which is estimated at \$50,000 to \$60,000. Provisions to bypass the reservoir, in order to do this project, need to be included in the cost also. In the past, there was discussion about looping the lines at the end of some of the streets which are presently dead end. There is also a lot of asbestos cement and cast iron pipe in the distribution system, which should be changed over gradually. There are lines which need "cleaned out", which would help distribution also.

A few years ago, LDG looked into up sizing the line coming out of the reservoir from six inch to ten inch and it was estimated the cost of such a project would be over a million dollars. Dave

MIDDLEBURG MUNICIPAL AUTHORITY

May 10, 2016

Page 3 of 5

believes that making the improvements at the reservoir and cleaning out the tie in on Paxtonville Road, would help some of the hydraulic issues in the system. He believes getting the reservoir work completed would improve some of those problems and then other items could then be placed on the back burner, so to speak.

Based on the current number of users, if a dollar was added to the base rate, it would generate about \$4000 of additional revenue a year. If a dollar is added to the consumptive rate, about \$25,000 of additional revenue would be generated. Dave believes that it would not be out of line for the capital needs of the system, to try and generate a capital improvement fund of \$80,000 to \$100,000 per year. Dave went over all the present rates with the Authority members so they will have time to think about how to handle the matter.

Bill Fegley water and sewer issue for 403 Grand Street-Bill Fegley has purchased the 401 and 403 Grand Street property. When the Arbogasts lived at the property, they lived at 401. When Nolan Jordan was Borough Foreman, the Arbogasts quit renting out 403 and used it for storage. Bev was left under the impression there was not a meter present after that time. When Bill purchased the property, he took out the kitchen and bathroom and remodeled that unit. After Bill talked to office personnel, he understands the rules now stipulate that everyone pays a minimum, regardless if it is inhabited or not. The Arbogasts were not billed for 403 Grand Street. Bill had a tenant moved in 403 on May 1 and he requested the fee for the 1st quarter be waived. There was discussion on what is considered habitable and Bill believes that until he did the remodel, it was not habitable. Not having electric and the condition of the unit should label it inhabitable and especially for the amount of time it was vacant and used for storage.

Bev had kept the meter page for 403 Grand Street and it had a reading on it. When she realized the meter was still intact, she had it read and the reading had not changed since at least 2003. Dustin also reminded everyone there is only one line into the house, so if it would have been shut off at the curb, it would have shut the whole house off. Instead it was shut off on the 403 Grand side but not on the 401 side. Tim Folk motioned to forgive the fee for the first quarter in the amount of \$99.68. Ray Colestock seconded and MOTION UNANIMOUSLY CARRIED. Bill agreed for Bev to credit the account for that amount.

Angela Pufnak request to eliminate one EDU-Angela Pufnak owns what was the Connie Steiner property in Kissimmee. When Connie owned the property, the sewer was put through Kissimmee. A few years down the line, people reported that she had a line run from her house to the garage building and had a tenant living on the second floor. That was verified. Connie paid tap fees for the 2nd EDU and was billed as such from then on. Now that Angela owns the property, she would like to eliminate an EDU. She does not have a tenant. The person living with her is an artist and would like to use the upstairs as a painting room. They do like having the bathroom, which is downstairs in the garage, but want to know what they would need to do to go back to 1 EDU.

There was question that if they were told to cut off the line to the garage, how the Borough would know if they reconnected it. Also, there are people in the Borough who have water run to their garages so where is the line drawn. Solicitor Slivinski stated if the line is cut off

MIDDLEBURG MUNICIPAL AUTHORITY

May 10, 2016

Page 4 of 5

and then they reconnect it, it is a violation of the Authority rules and regulations. Ginny asked how the Borough would know they had reconnected it, since it was not known the other owner had a tenant in the first place. Bev stated that in the Borough, the kitchen must be removed, in order for it not to be livable or considered an EDU. At the Pufnak property, they would like to keep the bathroom which is downstairs with the garage but wanted to know what would be required of them. Tim Folk felt that if the kitchen is taken out, it would constitute one EDU but then the rules should be revisited. Solicitor Slivinski believes that it is 2 EDU's according to the Authority's Rules and Regulations. Tap fees have been paid and it is classified a dwelling unit.

There was discussion about the removal of the EDU requiring the customer to remove the kitchen and bathroom. It was again explained that the bathroom is not upstairs where the tenant was. It is downstairs and the owner would like to keep it if possible. Raymond Colestock motioned to have the bathroom and kitchen removed, if one EDU is to be charged to the customer. Dwayne Hackenberg seconded and MOTION UNANIMOUSLY CARRIED. A letter is to be sent and if the change is made, Dustin need to do an inspection of the change. The owners will also be notified that followup inspections will also need to be done to ensure there are no changes.

Transitional housing-Solicitor Slivinski received some paperwork for the transitional housing. Originally it had been listed as Woodland Community Church and owned by Grace Covenant Church. Pastor Potter signed as the Pastor and Decision Maker of Woodland Community Church. This will need to be addressed.

Solicitor Slivinski also found that a sewer easement dedicating the line to the Authority from Grace Covenant Church, is incorrect. It will need to be changed to Grace Covenant Community Church.

Access to timber land-Solicitor Slivinski has a letter ready to go out to surveyors. The road has been surveyed twice before. One survey was done by Bickhart in about 1980 and the other by Gene Kreamer in about 2000, when Bickhart got easements from Zimmerman, etc to his property which abuts the Authority's property. His right of way is only fifteen feet wide. Solicitor Slivinski is going to send copies of the survey along with his letter, in an effort to get things moving. He wants to check and see if the other property owners in that area need easements. It is believed that Bickhart got his easement at the time there were disputes about the land with the McAfees. The Authority and the McAfees exchanged land because the McAfee cabin was on Authority land. A survey and a land exchange was done to settle the matter. Solicitor Graybill did the legal work for that matter. Solicitor Slivinski is going to contact the property owners involved but if they are unwilling to work with the Authority, eminent domain can be pursued. The Authority is going to ask for a fifty foot right of way.

Paving of Paxtonville Road-Dustin Zechman, Borough Foreman, reported that Penn Dot is going to be paving Paxtonville Road from Route 104 to Route 522. Just about every manhole along Paxtonville Road is going to need grade adjustment. There are approximately thirty and Dustin will need to get thirty to sixty risers made because at some spots the elevation will need to come up four inches. Dustin believes it will cost approximately \$100.00 per riser.

MIDDLEBURG MUNICIPAL AUTHORITY

May 10, 2016

Page 5 of 5

There was discussion about the risers being needed because a lot of the manholes in the Borough need them. Northway Industries is looking to do an addition onto their plant. They do not want to dig down the whole length of their building to tie into the sewer. They have a grinder pump now and with the new addition, they want to do a new tap to the main and have gravity flow. In digging out manholes to get inverts, it was discovered that some are four inches low already. Risers will solve that issue.

Clarifier at the water plant-There is a drive unit on the clarifier at water plant that does not work. Parts are no longer available and the gear drive is obsolete. Dustin had Williamsport BDS come in and look at it, along with the manufacturer Eurodrive. There is a kit to convert it, which does not include the mounting modifications. The cost of the kit is \$1,363 and Dustin would like to purchase two of them so he can get the spare unit working. Dwayne Hackenberg motioned to purchase two of the kits at a cost of \$1,363 per kit. Tim Folk seconded and MOTION UNANIMOUSLY CARRIED.

Paving issue on Oak Alley in front of Troutmans- A year or so ago, the sewer lateral was separated from Troutman's Meat Market and that paving was never restored. Since the last Authority meeting, Troutmans sewer lateral collapsed. They had four inch orangeburg slipped through six inch clay. The tee was replaced and a new lateral installed. Mid State gave a price quote of \$1200 to square the two patches up. Troutmans is concerned because up to their door, it is stone. Mud and dirt are being tracked inside, which is against regulations in that type of business. Dwayne Hackenberg motioned to accept the price quote of \$1200 from Mid State. Doug Hassinger seconded and MOTION UNANIMOUSLY CARRIED.

Ray Colestock motioned to adjourn at 7:30 P.M. Dwayne Hackenberg seconded and MOTION UNANIMOUSLY CARRIED.

Beverly Inch
Municipal Secretary