

Orwigsburg Municipal Authority
Meeting Minutes
September 11, 2017

The Orwigsburg Municipal Authority met on Monday, September 11, 2017 in Council Chambers. Chairman Rod Schaeffer called the meeting to order at 1:00 pm and the Pledge of Allegiance was recited.

In attendance were: Chairman Rod Schaeffer, Vice Chairman John Boyer. Members: Randy Lindenmuth, Bill Bandholz, Rick Bubeck and Matt Baran via web cast.

Visitors: Bryon Killian and Natalie O'Conner of Entech Engineering; Bobby Shappell of 680 S. Liberty St.

Minutes

A motion to approve the July 10, 2017 meeting minutes as presented was made by John Boyer, second by Matt Baran. Unanimous.

Public Comment

Randy questioned the time change in the meetings from 4:00 pm to 1:00 pm and being publically documented.

Bob noted the time change was discussed at the June 12th meeting where there wasn't a quorum and minutes were not taken. Future meetings have been or will be advertised for 1:00 pm.

Bobby Shappell questioned flows from #443 (Lee Development) and what impact it has on the manhole at Hope Ave (#211A).

DJ noted the SCMA has acknowledged they do have problems there (Lee Development) which impacts manhole 211A. SCMA installed a pressure main and pump station about 2 years ago; could be part of the problem but not all.

Randy asked to research the Inter-Municipal Agreement with SCMA to determine metering and costs.

Treasurers Report

A motion to approve the September 11, 2017 Treasurers Report as presented was made by Randy Lindenmuth, second by John Boyer. Unanimous.

2017 Budget

The 2017 Budget was presented to the Authority members for their review.

Randy questioned if the \$3000.00 for audit services was appropriate.

A brief discussion was held on how few companies perform audits for municipalities and look at reducing the figure for next year.

A motion to approve the 2017 Budget as presented was made by Randy Lindenmuth, second by Bill Bandholz. Unanimous.

Bills List

A motion to approve reimbursement of \$59.27 to the Orwigsburg Borough for the Republican Herald advertisement for the July 12, 2017 meeting was made by John Boyer, second by Bill Bandholz. Unanimous.

A motion to approve payment to Entech Engineering for Invoice #56638 in the amount of \$380.00 and Invoice #56613 in the amount of \$560.00 was made by Randy Lindenmuth, second by John Boyer. Unanimous.

Engineer's report

Bryon and Natalie reviewed the draft Wastewater Collection and Conveyance System Capital Improvement Plan:

- Executive Summary
- Backgrounds – will add more to this section – break down terminology in laymen's terms.
- Previous Completed Projects – goes back to 2004
 - 2004 – Smoke Testing Program
 - 2005 – Cleaning and Televising Inspection Project – Root Removal Project
 - 2006 – Grouting Project – Longevity for this project is 7 to 10 years
 - 2008 – Chapter 94 – Summarizes ARRO's previous work to identify I & I
 - 2008/2009 – Entech became Borough's water & sewer engineer
 - 2009/2010 - Manhole Inspection Program / GIS Mapping2009/2010
 - 2008/2010 – Home Inspection Program – Illegal connections
 - 2010 – Ridgeview Manhole and Lateral Rehabilitation Project
 - 2010 – Manhole Rehabilitation Project
 - 2011 – Sewer Main Point Repair Rehabilitation Project
 - 2012 – Emergency Sectional Dig and Replace Project – structural failure at blinker light
 - 2015 – Interceptor Realignment Project

- 2016 – Sewer Flow Redirection – Temporarily plugged manhole 52 outlet to West Mifflin St
 - 2016 – On-line Asset Database – no cost to borough or authority
- WWTP Flows
 - 2004 – Annual Average Flow, 814,675 gpd
 - 2016 – Annual Average Flow, 420,000 gpd
 - Annual Average Flow capacity remaining, approx. 400,000 gpd
- Wastewater Collection and Conveyance System
Breakdown of (Basin) Drainage areas 1 through 5
- Rehabilitation / Replacement Alternatives – Complete mainline replacement - \$11,527,890
 - Basin #1 = \$27,060
 - Basin #2 = \$554,565
 - Basin #3 = \$4,278,780
 - Basin #4 = \$2,848,890
 - Basin #5 = \$3,818,595
- User Rates / Tapping Fees
 - Current rates - \$95.00 for first 5,000 gallons, \$2.50 additional 1,000 gallons, flat rate \$108.00 (well users)
 - Survey of Sewer Rate Chart based on 15,000 gallons average water use per quarter \$40.00 monthly – Orwigsburg stands at the lower end – Average rate on chart \$47.13
 - Flat rate users are paying 20% less than the average user rate of those customers billed on actual water usage
 - Sewer Tapping Fee - \$1,691.57
- Recommendations for Financial Assistance
 - Pennvest – 1% to 6% interest with 20 year or 30 year terms with a \$11,000,000 cap.
 - Rural Utilities Services (RUS) – Population less than 10,000, offers up to 40 year loans with fixed rates:
 - Poverty 0 2.000%
 - Intermediate – 2.625%
 - Market – 3.250%
 - Grants
 - Municipal Bonds – rate vary between 2.50% to 3.05% for 20 years
 - Sewer Revenue Funds – increase rates
- Quarterly increase/EDU/every \$500,000 borrowed:
 - Pennvest – 1.55% - 20 Years - \$4.84 increase (quarterly)
 - RUS - 3.25% - 40 Years - \$3.72 increase (quarterly)
 - Municipal Bond - 3.05% - 20 Years - \$5.56 increase (quarterly)

Municipal Bond – 3.20% - 30 Years - \$4.32 increase (quarterly)

- Recommended Alternative
 - Manhole 65 & 153 Project – Cost \$500,000 – Municipal Bond 3.05% for 20 Years - \$5.56 quarterly increase
 - All Drainage Basin 5 – Cost \$4,000,000 – Penn Vest 1.55% for 20 Years - \$38.74 quarterly increase
 - All Collection System – Cost \$12,000,000 – RUS 3.25% for 40 Years - \$89.24 quarterly increase

Bryon will investigate how additional funding for road projects will impact the borough financial stability ratings and incorporate into the plan.

- Financing Summary
 - Spreadsheet on borrowing \$500,000 to 11,000,000 in 500,000 increments with each Financial Institution, interest rate and term. Annual and Monthly loan payment and Monthly and quarterly rate increase.

Randy suggested - Combine street projects with correcting the infrastructure beneath.

DJ suggested doing a project now with very minimal repair work to the streets – the manhole that goes from a 15” down to 8” which would tie back into the interceptor. This covers manhole #52 to #55 – (Long Ave) then across dirt until you cross N Warren St to tie into #86 and #87. This will alleviate the bottleneck situation. This will eliminate two SSOs and 90% of the pipe is off the road.

Matt suggested partnering with SCMA for the capital plan - they have a lot more resources, power buying capacity and Orwigsburg representation. We have the opportunity here to put a package together to have them replace all this for us they could give us a better rate this is a conversation we should be having for our rate payers.

Bob noted some changes to the plan:

Executive Summary - add the SSOs (Overflow) - spill location and date
Be a little more direct mentioning how this sanitary system is deteriorating here and there and needs to be fixed this year

Background – Put an age and percentages – what percentage of our system exceeded its expected life span

The Authority will meet for a Work Session on Monday, October 16th at 1:00 pm. Any comments about the plan should be forwarded to Bryon's e-mail by September 29th.

There being no further business the meeting adjourned at 2:30 pm on a motion made by Bill Bandholz, second by John Boyer.

Respectfully submitted,

Sherry M. Edwards
Borough Secretary