

MANHEIM AREA WATER & SEWER AUTHORITY

Minutes of January 13, 2022 *as approved February 10, 2022*

Borough Hall; 15 E. High St., Manheim; 19:00, EST

- I. Call to Order & Pledge of Allegiance
 - a. Board
 - i. John Haldeman, Barbara Horst via zoom Robert Miller, Bernard Reiley, Robert Swayne
 - b. Staff
 - i. Terry Shaffer, Manager; Deb Tobias, Financial Comptroller; Candace Hoover, Recording Secretary/Billing Administrator
 - c. Professional Services
 - i. Dan Desmond – Barley Snyder; Dan Standish – SSM
 - d. Meeting Commencement
 - i. 19:00: Pledge of Allegiance

- II. Election of Officers
 - a. It was noted that the Board currently has five members making the current quorum requirement three attendees.

 - The floor was opened for nominations for officers.
 - Mr. Reiley nominated Miller for the office of Chair
 - Mr. Miller accepted
 - Mr. Miller nominated Mr. Reiley to the office of Vice Chair
 - Mr. Reiley accepted
 - Mr. Reiley nominated Ms. Horst to the office of Treasurer
 - Ms. Horst accepted
 - Mr. Reiley nominated Mr. Haldeman to the office of Secretary
 - Mr. Haldeman accepted
 - Ms. Horst nominated Mr. Swayne to the office of Assistant Secretary/Treasurer

 - Mr. Miller entertained a Motion to close the floor for nominations and to approve the full slate of officers as presented;
 - It was noted that the bank signing documents would need to be updated
 - Ms. Horst moved
 - Mr. Haldeman second
 - Motion passed unanimously

- III. Committee Appointments
 - a. Finance – Barb Horst & Bernard Reiley
 - b. Personnel – Robert Miller
 - c. Property – John Haldeman

- d. Strategic Planning – Bob Swayne
- e. Source Water Protection – Carl Kline
- f. Route 72 Corridor – Robert Miller, Carl Kline
- g. The intent is to put minimal individuals on a committee until there are more members on the board. At that time, the committees can be rounded out.

IV. Registered Visitors

- a. In relation to the Financing Package, the Underwriter has completed their due diligence call. A rating call was also completed. Borough Council approved the debt guarantee. The bonds are paced to close in February. Per the Bond Council, the bonds are public and may be bought by anyone including board members and staff.

V. Approval of Minutes

- Mr. Miller entertained a Motion to approve the Minutes of December 9, 2021 as presented
 - Mr. Haldeman moved
 - Mr. Reiley second
 - Motion passed unanimously

VI. Reports

a. Operations

- i. The 1-million-gallon reservoir is back in service. All tanks are online. The damaged gate has been repaired. Seeding will take place in the spring after the reservoir coating is reviewed.
- ii. The NPDES Permit¹ draft has been received and testing guidelines are being reviewed.
- iii. WTP² Generator was repaired.
- iv. Water main break on Marie Ave was repaired. Paving will take place in the spring.
- v. Wastewater effluent levels are good.
- vi. Booster Stations have 1 extended contract for inability to obtain materials.
- vii. PennDOT³ Bridge Project costs have been sent for reimbursement. 75% to 80% of the expenses are expected to be reimbursed in about 2 years.

Mr. Swayne arrived at 7:23PM. Mr. Miller reviewed the committee appointments and described how the committees and meetings are run.

b. Management

- i. 2021 Hauled Waste revenue is fairly on track. The program lost several weeks of trucked in waste due to the digester cleaning project. The income looks lower

¹ NPDES Permit: National Pollutant Discharge Elimination Permit

² WTP: Water Treatment Plant

³ PennDOT: Pennsylvania Department of Transportation

that it will be, because a large hauler did not send their December payment on time.

- ii. Utility Access Hole 7 will be lined when the weather is better. That will complete the interceptor relining project.
- iii. Personnel met to provide the manager with the annual review and salary adjustment.
- iv. It is expected that the flows and effluent levels for the year will net nutrient credits that can be sold.
- v. Minor actions taken at the facilities, heater adjustments were made, cracks filled, and weather stripping replaced, etc. Summer vents were sealed, pumps were regulated, older electrical equipment was removed, panel heaters were replaced with thermostat heaters, and backwashing was put on cycled timers. Major actions taken were the interceptor relining which reduced flows in need of processing and reduced the need for operating clarifiers, VFDs were added for pumps, lighting was replaced, and the hauler station was put on cycles. Overall these actions changed electrical costs from about \$13K per month from November 2018 to \$5,700 per month in October of 2021.

c. Engineer

- i. The second project numbered.0024 should be .0025 and named Chapter 94.
- ii. Actions are being taken by regulatory agencies to eliminate nutrient credits in the future.
- iii. Working with DEP for toxicity WETT testing requirements on the NPDES Permit draft. Public comments are due within 30-days and the responses will be reviewed with staff.
- iv. The Chapter 94 Report has been started.
- v. The PennDOT cost sharing estimate has been reviewed. It is \$264,400 for the total utility relocation project. The real property interest, which deals with right-of-way conflicts shows responsibility will be approximately \$14,800

d. Finance

- i. The water budget's year over year cash position can be attributed to capital projects. Revenue was about 7% short as a result of un-bought tapping fees and general engineering expenses were high. The year's expenses ended at 116% (16% over budget). Complementarily the original budget was expected to end in the negative by almost \$61K. The year ended with a net positive of just under \$10K.
- ii. Wastewater year over year ended about 4% under budget in revenue and about 5% under budget in expenses. It was predicted that the year would end with a net positive of about \$12K and it actually ended with a net positive of \$61K.
- iii. Staff was commended on their efforts in managing the budgets.

- iv. The Water Capital Budget shows a major expense for the billing software. It also shows parts for the Filter A rebuild at the WTP.
 - v. The Wastewater Capital Budget also reflects the billing software as a major expense.
 - vi. A temporary transfer of \$4,000 from O&M to Capital was recommended in order to cover the current expenses. This will wash out with the O&M to Capital annual transfer in February.
- Mr. Miller entertained a Motion to approve the financial reports.
- Moved by Mr. Reiley
 - Second by Ms. Horst
 - Motion passed unanimously
- Mr. Miller entertained a Motion to approve the vouchers for \$ 99,568.88, ratify payments made prior to the meeting for \$39,893.06, and authorize payment of invoices received after reports were run for \$3,097.03
- The \$14,690.25 water capital expenditures in the vouchers in need of approval balance includes an invoice for RP Adams as O&M⁴ that should actually be in capital
 - Motion revised by Mr. Reiley to correct the designation of the \$14,690.25 appropriately.
 - Motion by Mr. Haldeman to approve the revised Motion
 - Second the revised Motion by Ms. Horst
 - Motion passed unanimously
- e. Utility Billing
- i. Year-end reports reflect how revenues for monthly billing fared. Payments are still slowed.
 - ii. A flier for LIHWAP⁵ will be included in the next billing cycle.
 - iii. The Collections Summary has no new significant account additions.
- f. Personnel Committee
- i. The Committee met and conducted the annual review of the manager and approved recommended, budgeted, raises.
- g. Property Committee
- i. The office building will undergo review and repair per citations noted by the Borough of Manheim.
- h. Route 72 Corridor Committee
- i. Escrow funds were requested of Rapho Township the documents are being reviewed by the Township Engineer.
- i. Source Water Protection Committee

⁴ O&M: Operation & Maintenance Budget

⁵ LIHWAP: Low-Income Household Water Assistance Program

- i. The Source Water Protection Plan was reviewed for areas where the Authority can act.
 - j. Strategic Planning Committee
 - i. There was no meeting.
- VII. New Business
 - a. Staff was out to mark PA One Calls in Penn Township and found properties that have not connected to public water under the state regulation.
 - Mr. Miller entertained a Motion to request enforcement of the mandatory connection of 44 W Sun Hill Rd., 240 W Sun Hill Rd., and 670 Lancaster Rd., Manheim.
 - Discussion was held on cleaning up agreements, easements, etc. from years past.
 - There are other properties in the area that exceed the water connection distance.
 - There is a project extending water which would put some properties exceeding the mandatory connection distance within the 150-foot mandatory connection distance.
 - Moved by Mr. Haldeman
 - Second by Ms. Horst
 - Motion passed unanimously
- VIII. Old Business
 - a. No items were presented.
- IX. Unregistered Visitor Comment Period
 - a. No unregistered visitors were present.
- X. Announcements
 - a. State Ethics Commission submissions are due for members who served in 2021.
- XI. Adjournment
 - Mr. Miller entertained a Motion to adjourn at 8:11PM
 - Moved by Mr. Reiley
 - Second by Mr. Swayne
 - Motion passed unanimously

Respectfully Submitted,
Candace L. Hoover, Recording Secretary

Attestation of Secretary/ Assistant Secretary

MANHEIM AREA WATER & SEWER AUTHORITY

Minutes of February 10, 2022 as approved March 10, 2022
Borough Hall; 15 E. High St., Manheim; 19:00, EST

- I. Call to Order & Pledge of Allegiance
 - a. Board
 - i. Robert Miller, Chair; John Haldeman, Secretary; Robert Swayne, Jr, Assistant Secretary/Treasurer
 - ii. Absent: Bernard Reiley, Vice Chair; Barbara Horst, Treasurer
 - b. Staff
 - i. Terry Shaffer, Manager; Deb Tobias, Financial Comptroller; David Schreffler, Operations Manager; Candace Hoover, Recording Secretary/Billing Administrator
 - c. Professional Services
 - i. Carl Kline – Kline Water Solutions LLC
 - ii. Dan Standish – SSM
 - d. Meeting Commencement
 - i. 19:02: Pledge of Allegiance

- II. Registered Visitors
 - a. It was confirmed that a quorum was met with 3 members since there are presently 5 members serving.
 - b. Michael Connelly was present to watch the meeting as a potential board member. Mr. Connelly has lived in Manheim his whole life and serves in the Manheim Sertoma Club.
 - c. Michael Ebersole of MAWSA was present regarding his employment status update.

- III. Agenda Revision
 - Mr. Miller entertained a Motion to add the approval of Resolution 1-2022 for the guaranteed water and sewer revenue bonds to this evening's agenda
 - a. Moved by Mr. Swayne
 - b. Second by Mr. Haldeman
 - c. Motion passed unanimously

- IV. Mr. Ebersole has completed his training and proved himself a valuable team player. It is highly recommended that he receives full-time permanent status.
 - a. Moved by Swayne
 - b. Second by Haldeman
 - c. Motion passed unanimously

- V. Approval of Minutes
 - Mr. Miller entertained a Motion to approve the Minutes of January 13, 2022, as presented
 - Moved by Mr. Haldeman

- Second by Mr. Swayne
- Motion passed unanimously

VI. Reports

a. Operations

- i. DEP's¹ WTP² inspection was positive. A few minor requests were received.
- ii. Clarification correspondence was submitted to DEP in relation to the NPDES³ permit draft. The WETT (WET Testing)⁴ requested on the draft permit will be a new experience for the team who are working closely with SSM to plan.
- iii. PennDOT bridge project requires water lines to be moved. Staff are working with SSM to plan accordingly.
- iv. C&D repaired a main break on E. High and another on N. Laurel. They also repaired a curb stop on Market Square. The team has done well streamlining replacements.
 1. A small discussion was held on how leaks are found.

b. Management

- i. Leaks pushed up water loss numbers.
- ii. The water meter replacement project is moving forward.
- iii. A proposal for the upgrade of the WTP is being drafted.
- iv. The biosolids report was completed and submitted to the EPA⁵.
- v. Preparations for the digester cleanout are being completed.
- vi. Weather permitting, the CFA⁶ Grant Project for the Interceptor will continue. The contractor is having difficulty accessing the sanitary access hole needed to complete the project due to the soft nature of the ground within project area.
- vii. Interviews have been scheduled with three managerial candidates.
- viii. Hauled Waste revenue is slightly off due to a delinquent payment received by a large hauler.

c. Engineer

- i. The bridge replacement project is live on Penn Bid. The opening is scheduled for early March.
- ii. A coagulant permit request change is underway.
- iii. Mr. Standish will not be present at the March meeting and will have a colleague attend in his place.
- iv. It was asked that the bridge bid be placed on the March agenda.

¹ DEP: Pennsylvania Department of Environmental Protection

² WTP: Water Treatment Plant

³ NPDES: National Pollutant Discharge Elimination System

⁴ WETT: Whole Effluent Toxicity Testing

⁵ EPA: Environmental Protection Agency

⁶ CFA: Commonwealth Financing Authority

- d. Finance
 - i. Ms. Horst, the Treasurer, attended the Finance Committee meeting earlier this evening and can be reached by phone if necessary.
 - ii. The cash on hand report shows \$2.9M.
 - iii. Water O&M R&E⁷ report should be near 8.3%. Revenues are down slightly due to the delay in the monthly billing.
 - iv. Wastewater O&M R&E has a similar dip in revenue current due to the delay in the monthly billing.
 - v. The invoices approved received after the reports were run has a credit for SSM with a resubmission to supply clearer bookkeeping for self-liquidating debt report that SSM provided for the Series of 2022 Bonds.
- Mr. Miller entertained a Motion to approve the financial reports.
 - It was confirmed that Ms. Horst attended the Finance Committee meeting, reviewed the financials, and supports their approval.
 - Moved by Mr. Haldeman
 - Second by Mr. Swayne
 - Motion passed unanimously
- Mr. Miller entertained a Motion to approve the vouchers for \$127,683.79, ratify payments made prior to the meeting for \$40,631.84, and authorize payment of invoices received after reports were run for \$12,771.08
 - Moved by Mr. Haldeman
 - Second by Mr. Swayne
 - Motion passed unanimously
- vi. The capital rollover and operation reserves were reviewed by the consultant at Trout CPA. The team will be very mindful of expenses this year. The negative was predicted on the Wastewater, and a slate of capital projects has previously been approved. The item will be presented for approval in March.
- e. Utility Billing
 - i. Amounts billed were lower as shown in the water loss report as well as the revenue reports due to the delay in the release of monthly bills as well as a decrease in customer consumption.
 - ii. Customer education is necessary to help customers become accustomed to the new customer web portal.
- f. Personnel Committee

⁷ O&M R&E: Operation & Maintenance Revenue and Expense

- i. Manager candidates will be interviewed.
 - g. Property Committee
 - i. Repairs are slated for the administrative office building.
 - h. Route 72 Corridor Committee
 - i. Rapho Township is in receipt of a proposal to update their Act 537 Plan.
 - ii. Background was provided in relation to the area in the Township, north of the Borough, which needs a sanitary sewer solution.
 - i. Source Water Protection Committee
 - i. The Minutes of the Committee have been reviewed from 2016 through present. The Source Water Protection Plan (and Steering Committee Minutes) were reviewed. This information was overlaid with the implementation plan yielding a 27-item action plan. Some of the action items only require time to complete, other tasks will require consulting and more extensive work.
 - 1. Best practices for wellhead protection are being reviewed and funding opportunities will be researched. It was noted that an alternate well source is of primary importance. A failure of an existing well would be extremely expensive. An interconnect would be a possibility for another water source.
 - ii. Chiques Creek Watershed Alliance is preparing for the annual Watershed Expo.
 - iii. The long-term capital plan, which would be funded with some of the pending bond money, includes looking for an additional water source. As service demand increases the need for an added water source becomes necessary. Additionally, SRBC⁸ will need to see a need for an additional well to approve permitting.
 - 1. It was confirmed that aquifer levels are regularly monitored. Historically, the wells produced a lot of water within drought years. Discussion was held on aquifer zones and what is considered a potential threat.
 - j. Strategic Planning Committee
 - i. No report.
- VII. New Business
 - a. O&M Budget Revision
 - i. The budget line items affected by the bond were presented. They are highlighted yellow on the document (see attached).

⁸ SRBC: Susquehanna River Basin Commission

1. The bonds were purchased on January 27 and closing takes place on March 3. There were savings on both water and sewer from the estimations to the actual numbers.
 2. Discussion was held on the need to revise the budget to reflect the actual bond numbers.
 3. The Board concurred that an official budget revision was not necessary.
 4. Bonds require more extensive reporting, so it was recommended that a separate account be opened for the bond revenue via Resolution 1-2022
- Mr. Miller entertained a Motion to approve Resolution 1-2022 for Guaranteed Water and Sewer Revenue Bonds, Series of 2022
- Moved by Mr. Haldeman
 - Second by Mr. Swayne
 - Unanimously
- b. Meter Grievance Policy
- i. The Auditor requested a policy to illustrate fairness with meter estimations for the upcoming meter replacement project. The Solicitor has prepared the attached policy and it is recommended by management that it be approved.
- Mr. Miller entertained a Motion to approve the Meter Grievance Policy as presented
- Moved by Mr. Swayne
 - Second by Haldeman
 - Over 50% of the system's meters have dead batteries and are not reading causing the need to estimate customers' use based on their previous history. The failures were happening faster than the team could keep up with replacements, highlighting the importance of the bond approval and this year's meter replacement project
 - Motion passed unanimously
- VIII. Old Business
- a. Board Member Appointments were discussed.
- IX. Unregistered Visitor Comment Period
- a. No unregistered visitors were present
- X. Announcements
- a. A reminder was issued to complete 2021 State Ethics Commission forms.
- XI. Adjournment
- Mr. Miller entertained a Motion to adjourn at 8:22PM

- Moved by Mr. Haldeman
- Second by Mr. Swayne
- Motion passed unanimously

Respectfully Submitted,
Candace L. Hoover, Recording Secretary

Attestation of Secretary/ Assistant Secretary

MANHEIM AREA WATER & SEWER AUTHORITY

Minutes of March 10, 2022 *as approved April 14, 2022*
Borough Hall; 15 East High Street, Manheim; 19:00, EST

- I. Call to Order & Pledge of Allegiance
 - a. Board
 - i. Robert Miller, Chair; Bernard Reiley, Vice Chair; John Haldeman, Secretary; Robert Swayne, Jr, Assistant Secretary/Treasurer; and Michael Connelly, Member
 - b. Absent: Staff
 - i. Terry Shaffer, Manager; Deb Tobias, Financial Comptroller; Candace Hoover, Recording Secretary/Billing Administrator
 - c. Professional Services
 - i. Carl Kline – Kline Water Solutions LLC
 - ii. Jamie Lorah – SSM
 - d. Meeting Commencement
 - i. 19:03: Pledge of Allegiance
- II. Registered Visitors
 - a. No visitors were present.
- III. Agenda Revision
 - Mr. Miller entertained a Motion to add the cash reserves and transfer to this evening's agenda
 - a. Moved by Ms. Horst
 - b. Second by Mr. Reiley
 - c. Motion passed unanimously
- IV. Approval of Minutes
 - Mr. Miller entertained a Motion to approve the Minutes of February 10, 2022, as presented
 - Moved by Mr. Haldeman
 - Second by Mr. Swayne
 - Motion passed unanimously
- V. Reports
 - a. Operations
 - i. The Control 21 equipment had an electronic failure which may result in a notice of violation from DEP. The machine was serviced, and no issues were found. A secondary system was added so that there is a backup in place.
 - ii. Work has begun on the first booster station.

- iii. There was an overflow of less than 100 gallons at the wastewater plant due to a stuck valve. The spill was cleaned and reported to DEP¹.
 - iv. The WAS² pit must be drained for repairs.
 - v. Total Nitrogen shows excellent nutrient reduction levels in the effluent.
 - vi. C&D³ has completed almost a dozen curb stop replacements. The vac truck has been very helpful in making quick, easy cleanup, repairs.
 - vii. A valve was put in place at Cherry and Railroad due to a failed valve. A valve exercise program is being pursued.
 - viii. Jetting and camera work is progressing.
- b. Management
- i. Slated projects are moving forward.
 - ii. The materials for the meter replacement project are expected to have supply chain delays.
 - iii. Revenues reflect the recent rate increase.
 - iv. The CFA⁴ Grant project is still waiting for the ground to solidify to gain access to the last utility access hole. Prior to the relining projects flows at the WWTP⁵ were about double.
- b. Engineer
- i. A water storage tank inspection was completed.
 - ii. A grant program opened recently. Applications were drafted for the water meter system replacement (\$1M) and to finish the sewer line interceptor (\$824,050). Discussion was held on how the grant opportunity justifies the decision to borrow as needed to minimize the impact of costs to rate payers. The Finance Committee supports applying for the grant funds. Additional grant opportunities may arise. Potential projects were discussed.
 - iii. There are supply chain issues for the steel needed for the second booster station project.
 - iv. The bridge relocation bids have been received.
- c. Finance
- i. Mr. Swayne will serve on the Finance Committee.
 - ii. Cash available shows about \$2.86M. There is a decrease from January due to the spring debt payment (in the payables).

¹ DEP: Pennsylvania Department of Environmental Protection

² WAS pit: waste activated sludge pump pit

³ C&D: Collection & Distribution

⁴ CFA: Commonwealth Financing Authority

⁵ WWTP: wastewater treatment plant

- iii. The water O&M R&E⁶ saw a boost in revenue with the receipt of a tapping fee. There was a net positive income.
 - iv. Both the water and wastewater O&M R&E shows a credit of retirement funds due to an employee that left prior to being vested. The net negative income on wastewater R&E is due to the spring debt service payments.
 - v. The water R&E budget versus actual should be at 16.7%. The water revenue current is behind by just over 3% due to the delayed invoicing at the beginning of the year. This should catch up next month.
 1. In the expenses, items over 16.7% are typically one-time expenses that are expended early in the year.
 - vi. The wastewater R&E budget versus actual is close to the target of 16.7%.
 - vii. 2022 Water Capital Projects show pending payables slated for review this evening.
 1. The water bond series has been included. The chart will shape up differently once staff has met with the bond advisor to explain how the funds can, and cannot, be used and invested. Breakdowns of expenditures will be provided as projects have funds expensed.
 - viii. 2022 Wastewater Capital Projects do not have any pending vouchers this month and the bond series has been included as well.
 - ix. The various payable reports were explained. Standout invoices for water are Blue Water, Fluid Pinpointing, RP Adams, and SSM, which are all related to special projects. Utility Service's invoice for the 2M⁷ tank is not being presented for payment adjusting the water vouchers from \$121,149.55 to \$95,035.57.
- Mr. Miller entertained a Motion to approve the financial reports.
- Moved by Ms. Horst
 - Second by Mr. Reiley
 - Motion passed unanimously
- Mr. Miller entertained a Motion to approve the vouchers as presented and adjusted for \$135,894.07, ratify payments made prior to the meeting for \$155,497.60, and authorize payment of invoices received after reports were run for \$11,316.98.
- Moved by Ms. Horst
 - Second by Mr. Reiley
 - Motion passed unanimously
- x. Ms. Horst will be attending NWLCA⁸ meetings.

d. Utility Billing

⁶ O&M R&E: Operation & Maintenance revenue and expense

⁷ 2M: 2 million gallon storage tank

⁸ NWLCA: Northwestern Lancaster County Authority

- i. Amounts billed are up which is attributed to the rate increase.
 - ii. The report graph will be revised to include February.
 - e. Personnel Committee
 - i. Mr. Reiley will serve on the Personnel Committee.
 - ii. Interviews for the manager's position are completed. An offer has been made and accepted by the Committee's first choice candidate.
- Mr. Miller entertained a Motion to recess into Executive Session at 08:09PM to discuss the managerial offer.
 - Moved by Mr. Reiley
 - Second by Mrs. Horst
 - Motion passed unanimously
- Mr. Miller entertained a Motion to return from the Executive Session at 8:13PM
 - Moved by Mr. Swayne
 - Second by Mr. Connelly
 - Motion passed unanimously
- f. Property Committee
 - i. Mr. Miller and Mr. Swayne will serve on the Property Committee.
 - ii. The property owner of the office building received approval of engineering drawings sent to the Borough of Manheim.
- g. Route 72 Corridor Committee
 - i. No report.
- h. Source Water Protection Committee
 - i. The consultant's report was missed in the packet printout and will be circulated.
 - ii. The Chiques Creek Watershed Alliance will be reinstating the annual Watershed Expo which was last held in 2019 due to the pandemic. The expo will take place in June and Mr. Shaffer has pledged a space on the MAWSA newsletter to promote it. The date is tentatively June 7 but will be confirmed.
- i. Strategic Planning
 - i. Ms. Horst will serve on the Strategic Planning Committee.
 - ii. The Committee met to review the bridge bid documents and recommends approval in accordance with the engineer's recommendation.

VI. New Business

- a. PAHAF⁹ Participation: The program receives applications from customers to assist with utility bills similarly to LIHWAP¹⁰; however, it has an extended range for customers to qualify.
- Mr. Miller entertained a Motion to authorize MAWSA’s participation in the PAHAF program.
 - Moved by Ms. Horst
 - Second by Mr. Haldeman
 - Motion passed unanimously
- b. PennDOT Route 772 Bridge – Water Main Relocation Bid Review
- Mr. Miller entertained a Motion to approve the bid package from Wexcon, Inc. for \$191,720.00
 - Moved by Mr. Swayne
 - Second by Mr. Reiley
 - Motion passed unanimously
- c. Water Grant Application Resolution 2-2022
- Mr. Miller entertained a Motion approve Resolution 2-2022 for the water grant application
 - Moved by Mr. Swayne
 - Second by Mr. Connelly
 - Motion passed unanimously
- d. Wastewater Grant Application Resolution 3-2022
- Mr. Miller entertained a Motion approve Resolution 3-2022 for the wastewater grant application
 - Moved by Ms. Horst
 - Second by Mr. Swayne
 - Motion passed unanimously
- e. Cash Reserves and Transfer: It was noted that the Motion to include this revision was unnecessary as the item was included in the original agenda as “Capital Fund Rollover”; however, it was poorly displayed and better suited to “New Business” as it was intended as such at the February meeting.
The calculation presented does not include a reimbursement of expenditures for soft costs in relation to the Route 772 Bridge Capital Project. The amount of funds due from Water Capital to Water O&M is \$50,135.44 for the Route 772 bridge project for expenses paid out in 2021.

⁹ PAHAF: Pennsylvania Homeowners Assistance Fund

¹⁰ LIHWAP: Low-Income Household Water Assistance Program

- Mr. Miller entertained a Motion to approve the rollover of the 2022 cash reserve calculation and to make the appropriate transfers as presented and reflected on the attached document
 - Moved by Mr. Swayne
 - Second by Ms. Horst
 - Motion passed unanimously

VII. Announcements

- a. PMAA Workshops are available. MAWSA covers board member fees.
- b. World Water Day is March 22.

VIII. Old Business

- a. No old business.

IX. Unregistered Visitor Comment Period

- a. No visitors were present.

X. Adjournment

- Mr. Miller entertained a Motion to adjourn at 8:44PM.
 - Moved by Ms. Horst
 - Second by Mr. Haldeman

Respectfully Submitted,
Candace Hoover, Recording Secretary

Attestation of Secretary/Assistant Secretary

MANHEIM AREA WATER & SEWER AUTHORITY

Minutes of April 14, 2022 as approved May 12, 2022

Borough Hall; 15 East High Street, Manheim; 19:00, EST

- I. Call to Order & Pledge of Allegiance
 - a. Board
 - i. Robert Miller, Chair; Bernard Reiley, Vice Chair; John Haldeman, Secretary; Barbara Horst, Treasurer; Robert Swayne, Jr, Assistant Secretary/Treasurer; and Michael Connelly, Member, and Bryan Pastor, Member
 - b. Staff
 - i. Terry Shaffer, Manager; Dave Schreffler, Operations Manager; Deb Tobias, Financial Comptroller; Candace Hoover, Recording Secretary/Billing Administrator
 - c. Professional Services
 - i. Carl Kline – Kline Water Solutions LLC
 - ii. Daniel Standish – SSM
 - d. Meeting Commencement
 - i. 19:03: Pledge of Allegiance
- II. Registered Visitors
 - a. There were no registered visitors.
 - b. Mr. Charles Heisey, the oncoming Authority Manager was present to observe and be introduced. He was welcomed.
 - c. Bryan Pastor was welcomed as a new board member. Mr. Pastor shared a bit about himself and family.
 - d. Mr. Pastor will join Mr. Reiley on the Personnel and Strategic Planning Committees.
 - e. Mr. Connelly will take Mr. Swayne’s place on the Property Committee and serve on the Source Water Protection Committee.
 - f. Mr. Heisey’s first day is April 25. He will attend the Penn Township meeting with Ms. Horst and Mr. Shaffer that evening.
- III. Approval of Minutes
 - Mr. Miller entertained a Motion to approve the Minutes of March 10, 2022, as presented
 - Moved by Ms. Horst.
 - Second by Mr. Reiley.
 - Motion passed unanimously.
- IV. Reports
 - a. Operations
 - i. See attached.
 - ii. Vendors have stopped providing dates for pending part shipments.

- iii. The team executed the WAS¹ pit repairs commendably.
- b. Management
 - i. Avery Square is the only development with recent activity.
 - ii. The meter replacement project is suffering from supply chain issues as well.
 - iii. PA One Calls have increased.
 - iv. WET Testing ² preparations are underway.
 - v. The Nitrogen final numbers (post report preparation) was 0.946mg/L, the lowest it has ever been. Mr. Schreffler and his team were praised.
 - vi. Ms. Horst shared about the discussions held on preparing new member/board orientation material.
 - vii. Water loss could be attributed to the number of meters that are out; however, the team is still reviewing the system for potential leaks. The data loggers will help with collection system leak detection as well.
- b. Engineer
 - i. Inspections are the next phase of the High Strength Waste Program.
 - ii. The completed NPDES Permit included the biosolids nutrient reduction.
 - iii. The next CFA meeting is at the end of May, but that might not be a voting meeting. There were a lot of grant applicants.
 - iv. The Booster Station contractor reported that their steel supplier was bought by a larger company, who has not adequately returned their contacts. The contractor has switched to a new steel supplier. Work should begin next week.
 - v. Coagulant testing was completed with one vendor and another vendor will be coming in to do the same as the method would affect the quantity of biosolids. Overall, the goal is to lower Phosphorus. While Ferric is not ideal, if it is the best for treatment the recommendation would be to continue its use.
 - 1. The vendors for the treatment products are fairly local and should have not yet suffered from supply chain issues.
 - vi. Utility Access Hole #7 is still awaiting repairs due to weather delays. The ground has not to be solid enough to support the equipment, so the work is still pending. The contractor is ready when the ground is safe to tread.
 - vii. The design phase of the WTP³ is underway.
- c. Finance
 - i. Cash available just breached \$3 million showing that the cash reserves are increasing.
 - ii. Net income for water in March was over \$45,000.
 - iii. Net income for wastewater in March was over \$141,000.

¹ WAS: waste activated sludge

² WET Testing: Whole Effluent Toxicity Testing (exposing how long organisms survive in wastewater stages)

³ WTP: Water Treatment Plant

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- iv. It was clarified that the Water O&M R&E Budget versus Actual⁴ shows the percent of budget. The goal for the end of March is 25%. The Jan-Mar 22 column shows where funds are to date. The budget column shows the expected budget numbers for the entire year.
 1. There are a large number of delinquent accounts affecting the revenue numbers.
 2. Net income is under. Expenses are on track.
 - v. Wastewater O&M R&E Budget versus Actual net income is also under. Expenses will see a large payment for the debt service payment in August.
 - vi. Water Capital Projects 2022 Budget versus Actual will show the capital projects, expenses pending payment, and expended funds for each project.
 1. The capital cash balance is in a capital checking account. The pending payables are in the same chart so that the funds available can be seen. Additional accounts need to be set up now that the bond money has been received, so the report will look a little different in the upcoming months.
 - vii. Wastewater Capital Projects 2022 Budget versus Actual has a smaller list of projects than water. Bond funds will be displayed on this report as well.
 - viii. Checks Issued Prior to the Board Meeting report shows utilities and payables where Ms. Tobias can acquire discounts for paying prior to the monthly board meeting. These are reviewed and authorized by management and the Treasurer due to a Motion made earlier in the year.
 1. Brooklawn Paving did blacktop work to repair roads where winter break repair patching was done.
 2. Control 21 as noted in Mr. Schreffler's report (attached) is not a typical monthly invoice.
 3. Maintenance agreements (Mueller) is an annual (non-monthly) invoice.
 4. Utility Service Co. invoice for \$26,113.98 is still being held and is not included in the payable amount set for approval.
 5. The 'Invoices received after reports were run' report represents invoices that come in after the Tuesday packet is sent out.
- Mr. Miller entertained a Motion to approve the financial reports.
- Moved by Horst.
 - Second by Reiley.
 - Motion passed unanimously.
- Mr. Miller entertained a Motion to approve the vouchers as presented (which is withholding one invoice) \$160,918.83, ratify payments made prior to the meeting for \$43,813.07, and authorize payment of invoices received after reports were run for \$35,375.47.

⁴ Water O&M R&E: Water Operation & Maintenance Revenue and Expense Budget versus Actual

- Moved by Ms. Horst.
- Second by Mr. Reiley.
- Motion passed unanimously.

- d. Utility Billing
 - i. The collections efficiency index has declined. This number should be like a grade, closer to 100 is better. The days of sales outstanding (DSO) also dropped, which means customers are not paying as quickly. The combination of these two is a red flag to collections. The best possible DSO for March was 28 days, so a number closer to that would be preferable.
 - ii. Over 200 shut off notices were issued (see attached report). Since this is the first round of shut offs in quite some time it is hard to say if we will push down to a handful of actual shut offs, come June, but staff will keep an eye on the numbers.
 - iii. The inserts previously mailed for LIHWAP⁵ and PAHAF⁶ were included with all of the shut off letters. Both programs are temporary and do not have a payback feature.
 - 1. Discussion was held on reasons staff and the board have heard as to why customers are not applying for the program as well as to why customers neglect their water/sewer bill instead of reaching out for a payment plan.
 - 2. There are four mailed notice (two first class and two certified) prior to the 10-day door hanger. In the winter months a 48-hour notice and a 24-hour notice are included in the notification process. A 3-day phone call is missing from the Utility Billing report service discontinuance (shut off) schedule.

- e. Personnel Committee
 - i. The Committee did not meet.

- f. Property Committee
 - i. Mr. Haldeman reviewed some of the ongoing repairs being made by the office building owner. He and Mr. Shaffer also met to look at drainage issues on one of the properties on the north end of town.

- g. Route 72 Corridor Committee
 - i. The Township is still pursuing their Act 537 update.

- h. Source Water Protection Committee

⁵ LIHWAP: Low Income Household Water Assistance Program

⁶ PAHAF: Pennsylvania Homeowner Assistance Fund

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- i. The Chiques Watershed Alliance is planning a large event in June.
 - i. Strategic Planning
 - i. The Committee did not meet.
 - V. New Business
 - a. PLGIT Procurement Card (P-Card): The P-Card is an ancillary service that acts like a credit card and offers financial rebates for participants. There are a number of municipalities that are also members of PLGIT that participate in the program.
 - i. There are a large number of controls that can be set for users and with limits such as ‘this person can only use this card up to this amount at this store.’
 - ii. Over 100 checks go out monthly and depend on USPS prompt delivery.
 - iii. The rebates could supplement the loss of interest on accounts since bank rates have changed.
 - iv. The auditor has suggested participation in the Procurement Card program.
 - v. There is no annual fee.
 - Mr. Miller entertained a Motion to open a P-Card account with PLGIT
 - Moved by Ms. Horst.
 - Second by Reiley.
 - The card would not be used with any vendor that has a credit card surcharge, over the rebate that could be obtained.
 - Orders where technicians need to purchase materials: this could allow for payment at the time of purchase instead of in a lump month-end invoice.
 - The program would be used in baby steps until staff can see how to track it
 - The card could be used to make a debt service payment.
 - The finance committee will determine how MAWSA will use the P-Cards
 - Motion passed unanimously.
 - VI. Old Business
 - a. Senate Bill 597 is back with the appropriations committee in the Senate. There is language in there to put small authorities under the jurisdiction of the PUC⁷. At present, the Bill has language that is in direct conflict with EPA regulations. It is recommended that Senators be written outlining support or opposition of the Bill.
 - b. Mr. Shaffer will mail out bullet points to the Board.
 - c. Some of the associations Mr. Standish works with will also be putting together a form letter.
 - VII. Unregistered Visitor Comment Period
 - a. No unregistered visitors were present.

⁷ PUC: Pennsylvania Utility Commission

VIII. Adjournment

- Mr. Miller entertained a Motion to adjourn at 8:28PM.
 - Moved by Mr. Reiley.
 - Second by Mr. Swayne.

Respectfully Submitted,
Candace Hoover, Recording Secretary

Attestation of Secretary/Assistant Secretary