

BENNER TOWNSHIP WATER AUTHORITY

REGULAR MEETING

January 20, 2009

ATTENDANCE:

AUTHORITY MEMBERS PRESENT: Mark Capriani
Tom Eby
Steve Lanich
Andrew Swales

OTHER ATTENDEES: Ed Guenot – Grove Park Associates
Warren Miller – SBWJA
Kelly Gill - SBWJA

CONSULTING ENGINEER: Don Schwartz

CALL TO ORDER:

The January 20, 2009, Regular Meeting of the Benner Township Water Authority was called to order at 6:33 P.M. by Tom Eby, Chairman.

ELECTION OF 2009 OFFICERS:

Mr. Eby opened the nominations.

Board Chairman- **Mr. Lanich moved to nominate Andrew Swales as Board Chairman. Mr. Capriani seconded Mr. Lanich's motion to nominate Andrew Swales as Board Chairman.** Mr. Swales withdrew his nomination for Board Chairman stating that he has other commitments that would prevent him from taking this position. **Mr. Swales moved to nominate Tom Eby as Chairman and Mr. Capriani seconded the nomination. 4 ayes, 0 nays, 1 vacancy. The motion carried.**

Vice Chairman – **Mr. Lanich moved to nominate Andrew Swales as Vice Chairman and Mr. Eby seconded the nomination. 4 ayes, 0 nays, 1 vacancy. The motion carried.**

Treasurer – **Mr. Swales moved to nominate Steve Lanich as Treasurer and Mr. Capriani seconded the nomination. 4 ayes, 0 nays, 1 vacancy. The motion carried.**

Secretary – **Mr. Eby moved to nominate Mark Capriani as Secretary and Mr. Lanich seconded the nomination. 4 ayes, 0 nays, 1 vacancy. The motion carried.**

Mr. Eby closed the nominations.

APPOINTMENT OF PROFESSIONAL SERVICES:

Retaining Engineering Services for 2009 – Mr. Eby moved, seconded by Mr. Lanich to retain Herbert, Rowland & Grubic, Inc. as Consulting Engineer. 4 ayes, 0 nays, 1 vacancy. The motion carried.

Retaining Solicitor for 2009 – Mr. Eby moved, seconded by Mr. Capriani to retain Miller, Kistler & Campbell as Solicitor. 4 ayes, 0 nays, 1 vacancy. The motion carried.

Retaining Accountant for 2009- Mr. Eby moved, seconded by Mr. Capriani to retain Parente Randolph as Accountant. 4 ayes, 0 nays, 1 vacancy. The motion carried.

APPROVAL OF MEETING MINUTES:

The Minutes of the December 16, 2008 regular meeting were presented for review. Mr. Swales stated that he liked the new format of the meeting minutes. **Mr. Swales moved, seconded by Mr. Eby to approve the Minutes of the December 16, 2008 Regular Meeting as presented. 4 ayes, 0 nays, 1 vacancy. The motion carried.** Mr. Eby suggested contacting Sharon Royer regarding having the meeting minutes placed on the Township's website. Mrs. Gill stated she would contact Mrs. Royer regarding the issue.

TREASURER'S REPORT:

Approval of Expenses:

Paid Checks for Approval - Mr. Swales moved, seconded by Mr. Eby to approve payment of the Paid Checks in the amount of \$2,617.05 as presented. 4 ayes, 0 nays, 1 vacancy. The motion carried.

Bills by Vendor for Approval – Mr. Eby moved, seconded by Mr. Lanich to approve payment of the Bills by Vendor in the amount of \$1,827.78 as presented. 4 ayes, 0 nays, 1 vacancy. The motion carried.

Mr. Lanich reviewed the Treasurer's Report as presented. The total balance as of December 30, 2008 for all three bank accounts, including the maintenance bond for the Benner Elementary School, is \$105,218.31. **Mr. Swales moved, seconded by Mr. Eby to approve the Treasurer's Report as presented. 4 ayes, 0 nays, 1 vacancy. The motion carried.**

SOLICITOR'S REPORT: Mr. Campbell was not in attendance at the meeting; however, he submitted an Open Records Policy for the Board to review and adopt as a result of our Legislature enacting an Open Records Statute. Mr. Eby suggested Mrs. Gill scan and email the proposed policy to each of the Authority Board members for review and discussion at the next meeting. Mr. Miller informed the Board that SBWJA adopted an Open Records Policy (Right to Know Law) earlier this month and we could compare the policy provided by Mr. Campbell to the policy provided by SBWJA's solicitor.

SBWJA REPORT:

Mr. Miller informed the Board that an operator checked the system every day over the Holidays to ensure the system was functioning properly. The parts purchased from Dennis Chlorination were used to rebuild a chlorine pump which we were experiencing problems with.

Mr. Miller indicated we currently blow off the Crestview Line once every two months to maintain the chlorine residual. Mr. Eby questioned Mr. Miller about the availability of capacity for future service in the surrounding area of the existing facilities. According to Mr. Miller we are currently using approximately 20% of the system's capacity; therefore, this would not be an issue.

Mr. Miller apologized for not providing the Board with the trending of well levels; however, indicated this would be prepared in the very near future since we now have two years of flow data.

Andrew Swales left the meeting at 6:55 p.m.

ENGINEER'S REPORT: See the attached Engineer's Report as presented for discussion and made a part of these official Minutes.

Village of Peru – Mr. Schwartz informed the Board that there are monies available through PennVest as part of the Federal Stimulus package and was inquiring if the Authority would be interested in applying on behalf of the residents of Peru. The Board suggested Mr. Schwartz contact the residents of Peru to determine if this would be of any interest to them. Mrs. Gill will provide Mr. Schwartz with the contact information.

Grove Park Water System – HRG has not been able to complete the Act 57 study due to needing additional information from Garen Smith, who has been out of town. Ed Guenot stated that Mr. Smith would be returning this week and he will provide the remaining data to HRG at that time. If HRG receives the information within a timely manner, the Act 57 study should be available for distribution during the February meeting.

Mr. Capriani suggested a preliminary budget be prepared to determine the estimated cost of operating the system and possible improvements that will be necessary after the purchase. Mr. Miller indicated that he would prepare the budget; however, there are some costs/estimates that Grove Park Associates would need to provide to assist with the budget preparation. Mr. Guenot offered to provide the following information:

- Monthly Electric Bill
- System Appraisal/Value (To Obtain Insurance quotes)
- Contact Information for purchasing generator

Once Mr. Miller has the information, he will be able to prepare an estimated operating budget for the Grove Park system.

Mr. Guenot indicated that a homeowner's association meeting was scheduled within the next few weeks. At that time, he will inform the association that the Benner Township Water Authority may be purchasing the system and changes will be forthcoming, such as metered billing.

The Board discussed possibly having a work session just prior to the February meeting to review and discuss the Act 57 Study, if completed.

GUESTS: Ed Guenot was present to answer any questions the Board may have pertaining to the Grove Park water system.

CORRESPONDENCE: There was no Correspondence presented for discussion.

OLD BUSINESS:

Ken Schleiden Resolution – Mrs. Gill informed the Board that she forwarded the amended resolution to the Benner Township Supervisors for discussion at their 01/19/2009 meeting. Once the resolution is approved and signed, Mr. Lanich suggested having the document framed and provided to Ken Schleiden.

NEW BUSINESS:

2008 State Ethics Forms – The State Ethics Forms were received and must be completed by each Board member who served on the Board in 2008. HRG was also provided with an ethics form for completion.

Meeting Date Change – Mrs. Gill informed the Board that we received notice from Benner Township stating the Board of Elections would be using the conference room on 05/19/2009; therefore, we will need to reschedule the meeting or change the meeting location. Mr. Miller suggested using the pavilion for the meeting to avoid advertising the meeting change which would cost the Authority additional money. This will be discussed further at a future meeting.

ACTION ITEMS:

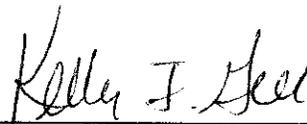
Completion of the State Ethics Commission Forms for 2008

Next regular scheduled meeting is February 17, 2009 at 6:30 p.m., with the possibility of a work session at 5:30 p.m.

ADJOURNMENT:

Mr. Lanich moved, seconded by Mr. Capriani to adjourn the meeting at 7:45 p.m. 3 ayes, 0 nays, 1 absent, 1 vacancy. The motion carried.

Respectfully submitted,



Kelly J. Gill, Recording Secretary

CC: Benner Township 02/19/09

January 20, 2009

474 Windmere Drive, Suite 100
State College, PA 16801
(814) 238-7117
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www.hrg-inc.com



January 19, 2009

Benner Township Water Authority
1224 Buffalo Run Road
Bellefonte, PA 16823

Re: Status Report - Engineering Activities

Dear Authority Members:

The following summarizes our recent activities on behalf of the Benner Township Water Authority.

Retainer (1494.000)

All activities this month focused on the Act 57 tapping fee report, as discussed below.

Act 57 Tapping Fee Report (1494.007)

Our original schedule proposed completion of the Act 57 tapping fee report in time for the January meeting of the Authority board. This schedule was dependent upon timely submittal of all required technical and financial data from Grove Park Associates (GPA). We have been in contact with the owner, who is currently vacationing in North Carolina. He cannot access some of the data that is necessary to complete the report until he returns from his vacation later in January. Assuming the data is obtained upon his return, the report will be available for the February meeting of the Authority board.

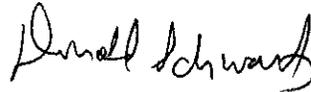
Although the report has not been completed, some issues can be reviewed at this time:

- GPA would like the Authority to pay \$12,000 for the system (estimated construction cost of \$700,000), and would like to collect \$850 from each of the remaining 45 lots in the development. The \$850 figure is equal to what is currently charged by the developer at settlement to defray the cost of the water system (total settlement cost of \$1000, with \$850 for the water system and \$150 for the homeowners association).
- The Authority can enter into a reimbursement agreement with GPA to pay for the \$850 per lot, and also add an administrative fee for collecting the reimbursement part. For example, an administrative fee of \$50 would result in a total of \$900 per lot.
- The Authority could also assess its own tapping fee on top of the \$900 reimbursement part, based upon the \$12,000 purchase price. The Authority's tapping fee cannot be determined until further information is received on the design capacity of the system. However, it is likely that the maximum tapping fee would be \$12,000 divided by the remaining 45 lots, or about \$270. The tapping fee could be significantly less than \$270, depending upon the information to be received from the owner.

- Under the scenario outlined above, a potential, overall fee would include:
 - \$850 Reimbursement
 - \$ 50 Administrative
 - \$270 Authority tapping (possibly lower)
 - \$1,170 Total
- Section 5613(b) of the Municipal Authorities Act (Transfer of existing facilities to authority) states that, "The proposed action of the authority and the proposed agreement to acquire shall be approved by the governing body of the municipality which created...the authority and to which the report was made." It appears that Benner Township may have to approve the purchase agreement.

Very truly yours,

Herbert, Rowland & Grubic, Inc.



Donald Schwartz
Project Manager

DS/dlp
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