

Mount Joy Borough Authority
Regular Monthly Meeting
September 6, 2016
Minutes

The Mount Joy Borough Authority held its regular meeting on this date in Council Chambers of the Borough Offices Building. Present were Chairman Rebman, Mr. Derr, Mr. Golicher, Mr. Hamm and Mr. Metzler. Also present were Angie Fenicle, John Leaman, Joe Ardini, Mike Davis from Barley Snyder and Stephen Flaherty from RBC Capital Markets. Chairman Rebman called the meeting to order at 4:00 PM.

Public Input Period

Mr. Scott Kapcsos, Mr. Jason Bowers and Mr. Scott Kling were present with nothing to report.

Mr. James Welch from McNees Wallace & Nurick, Mr. Bill Swiernik from David Miller Associates and Mr. Eric Scott from Oak Tree Development Group were present to discuss Oak Tree Development EDU allotment. Mr. Wallace stated that Oak Tree Development is still constructing the development known as Donegal Square. Mr. Wallace proceeded by stating that as construction continues and the EDU's are purchased, it has come to their attention that the Hotel calculations submitted by Oak Tree Development's Engineer, David Miller Associates, possibly overestimated the capacity needed. Mr. Swiernik responded by stating that the calculations were submitted using a conservative approach and used the operations of a comparable facility that is located in Ephrata. Mr. Scott stated that Oak Tree Development feels that this Hotel will not reach its full level of occupancy rate and therefore the calculations are based on an 81.6% rate. Copies of the invoices for the Ephrata Hampton Inn were provided to compare the similar facilities. Mr. Rebman asked what are they intending to do with the EDU's should the Authority approve the request. Mr. Scott replied the EDU's will be assigned to the other units that will be constructed. Mr. Mike Davis asked Mr. Scott at what point does Oak Tree Development consider the EDU allotment for the businesses finalized. Mr. Scott stated when the development is complete. Mr. Rebman thanked the gentleman for their request and stated that the Board members will have a discussion with staff and will respond to their request.

Authority Manager Report

Mr. Leaman provided an update on the Stream Monitoring with SRBC for Well 3: Mr. Leaman stated that notification was sent to SRBC indicating that the Authority will partner with them on utilizing their Stream Monitoring device and requesting a maximum instantaneous rate of Well 3 be set at 778 gallons per minute.

Mr. Leaman provided an update on the PA DEP Well 2 Amendment Application: Mr. Leaman stated he received a response letter this afternoon and staff will review with ARRO and report back at the next meeting.

Mr. Leaman provided an update on Well 4: Mr. Leaman stated he received the quotes for the well drilling; Eichelbergers totaled \$25,621 and Myers Bros totaled \$18,655.

Mr. Leaman provided an update on the South Jacob Street Water Plant (New Water Plant):

- Mr. Bruce Sherman continues to work on the equipment list for the communication upgrade at Carmany Road plant and the water tanks. Mr. Leaman stated that Mr. Ardini will contact Lancaster County Wide Communications to see if the Authority can get some assistance to move the antenna on the Rapho Water Tank.
- Mr. Stephen Flaherty was present to discuss the timeline for the bond closing. Mr. Flaherty stated that the bond rating procedures has changed approximately four weeks ago and therefore the Borough and Authority will be interviewed separately by Standard & Poors Global Services. Mr. Flaherty stated that settling in October will not change the interest rates and feels the Authority is still in a good position to receive good competitive rates. Mr. Flaherty stated that the Authority will need to receive the bond rating back before the process can move forward. Mr. Flaherty noted that he is hopeful to have the rating within two weeks after the interview and looks to present to Borough Council on October 3rd; however, if the rating is not received, the date will need to change to November 3rd. Mr. Leaman stated that whichever meeting this will take place; the Authority will need to advertise this special meeting that will be held prior

to the Council meeting to close on the bonds and sign documents. Mr. Davis commented by stating to be sure the ad has specific language that the Authority will be making decisions in regards to these bonds.

- ARRO Consulting and Authority staff will be meeting with PA DEP to discuss LT2 sampling requirements for Well 3 on September 14th.

Mr. Leaman stated that staff started working on the grant to submit through the PA Small Water & Sewer Grant Program. This application will be for the nitrate rehabilitation at the Carmany Road Water Plant. Mr. Leaman stated that staff will look for approval of the Resolution to submit the grant which is in your packets for review.

Mr. Leaman stated that he received an email from Stevens College in regards to an internship opportunity. Mr. Leaman stated that the individual is highly recommended and it would be a paid internship program. This individual will work between 15 to 20 hours per week at a rate of \$9 to \$16 per hour. The Authority Board showed interest in the idea and authorized staff to call the individual and discuss the internship. Mr. Leaman stated that this was not budgeted; therefore staff and the Authority Board will need to review the budget to determine if it will be durable this fiscal year.

Mr. Leaman informed the Board that the sewer loan is coming up on its three year mark at the end of September. Mr. Leaman stated that the Authority borrowed \$50,000 of the \$350,000. After three years, the Authority will start paying both principal and interest payments. Mr. Leaman stated he has contacted Union Community to gather options to determine if it would be sensible to close out the loan since the full amount of funds were not borrowed.

Mr. Leaman asked the Board if they are prepared to make a decision on health care changes as presented at the Council and Authority Joint meeting. Mr. Leaman reviewed the changes that were presented and approved by Borough Council at that meeting. A **MOTION** was made by Mr. Metzler and a second by Mr. Golicher to adopt the HDHSA (High Deductible Health Savings Account) Plan as follows: (motion carried)

- Discontinue current HRA.
- The existing \$2,000 single/\$4,000 family coverage deductibles with Highmark would remain unchanged with the employee being responsible for the entire deductible.
- Establish an 80/20 co-insurance for major medical expenses, i.e.: hospital/surgery costs. This would be accomplished by implementing 80/20 co-insurance beginning after the deductible is met.
- Establish \$3,000 single/\$6,000 maximum co-insurance out of pocket. This would be accomplished by established a \$1,000 single/\$2,000 family co-insurance limit.
- Establish a co-pay at time of service schedule as follows:
 - \$20 time of service co-pay for Primary Care/Retail Clinic Visits
 - \$40 time of service co-pay for Specialist Visits
 - \$50 time of service co-pay for Urgent Care Visits
 - \$100 time of service co-pay for Emergency Room Visits
 - It was noted that these co-pays and prescription co-pays would continue until the total maximum out of pocket of \$4,000 single/\$7,000 family is met
- Employee contributions would continue with the contributions being deposited into the employees' HDHSA.
- The Authority would contribute to the HDHSA on a schedule which reduces the Authority's contribution each year. The schedule would use a combination of employee contributions and contributions from the Authority to fully fund the employee deductible in year 1 (2017). Each year, insurance utilization and costs would be monitored and that information will be used to make decisions about additional and future revision to the Authority contribution schedule.

A **MOTION** was made by Mr. Metzler and a second by Mr. Golicher to implement a policy for all employees hired on or after January 1, 2017, if health coverage was available elsewhere to an employee's spouse, the spouse would not be eligible for coverage under the Authority's health insurance plan; motion carried.

Assistant Authority Manager Report

Mr. Ardini informed the Board that the construction department staff installed the new fire hydrant on Walnut Street during the week of August 29th. The installation went well and the staff expects to lift the boil water notice by the end of the week.

Mr. Ardini informed the Board that the sewer plant staff installed the new parts on the screening system of the headworks and everything appears to be functioning as designed.

Mr. Ardini stated that he was contacted by Professional Design & Construction whom is working with the American Legion on their new building site. The company is hopeful that the project will soon be underway. Mr. Rebman asked how the EDU's will be handled since they have an existing building. Mr. Ardini responded the Legion will need to purchase new connections for the new property.

Mr. Ardini informed the Board that the meter readings for this quarter are complete and admin staff are currently working on work orders to investigate the non-read meters.

Mr. Ardini informed the Board that all of the hydrants within the system that were affected by the recall have been addressed.

Mr. Ardini stated that the water plant staff has finished the Lead & Copper sampling and are waiting for the results to come in.

Mr. Ardini informed the Board that the water plant staff is anticipating on having the hydrant flushing completed during the week of September 5th. It was reported that the distribution system appeared to be clean, there was few particles or discoloration in the water.

Mr. Ardini stated that Fluid Pinpointing Services contacted the Authority and is ready to start with the leak detection survey. This will begin August 31st on Kelly Avenue and working towards the eastern section of the distribution system.

Mr. Ardini informed the Board that there was a hit and run incident by a motor vehicle at the Rapho Pump Station that caused damage to the entry doors. Staff has noticed the damage when they were completing their morning checks last Wednesday. The police department was notified and an incident report was filed. Mr. Ardini stated that staff is moving forward to get a quote to repair the station and the incident was reported to the insurance company. Mr. Ardini informed the Board that staff did temporary secure the doors from anyone getting access.

Mr. Ardini made the Board aware that Melhorn Trucking is tracking high on the 3rd quarter's water reading. Mr. Ardini stated that he contacted Melhorn's to let them know and it was stated that they will install a meter as well to track the usage to be sure the Authority's meter is accurate as Melhorn's feel the reading is too high. Mr. Ardini stated Melhorn's allocation is to be 600,000 gallons and the 3rd quarter reading was 1.1 million.

Business Manager Report

Mrs. Fenicle reported that the Authority received notice that 29 New Haven street finalized the settlement and all passed due fees have been collected. The new owner has since filed the proper paperwork to vacate the premises and is in the process of re-construction.

Mrs. Fenicle provided to the Board quarterly budget reports for review.

Minutes of the Previous Meeting

A **MOTION** was made by Mr. Golicher and a second by Mr. Hamm to approve the August 2, 2016 meeting minutes as presented; motion carried.

Unfinished Business

There was no unfinished business to discuss.

New Business

A **MOTION** was made by Mr. Metzler and a second by Mr. Derr to approve the Water and Sewer Improvements Plan for Lancaster County Career & Technology Center as recommended by ARRO Consulting's letter dated June 21, 2016; motion carried.

A **MOTION** was made by Mr. Derr and a second by Mr. Metzler to approve Resolution No. 9-16 to authorize Mr. Leaman to submit a grant to PA Small Water and Sewer Program for Carmany Road Water Plant Nitrate Rehabilitation; motion carried.

Any Other Matter Proper to Come Before the Authority

The Authority Board and staff have discussed the Oak Tree Development request that was presented earlier in the meeting. Mr. Leaman stated that the Hampton Inn has increased their usage since June. Mr. Leaman also stated that the Authority needs to take in consideration of the potential occupancy may increase due to the activities surrounding the Hotel, for example The Nook Complex as compared to the area that the Ephrata facility is located. Mr. Rebman asked if their engineering was the one who submitted the request on Oak Tree developments behalf. Mr. Leaman replied yes and ARRO reviews the submission on the Authority's behalf. Mr. Leaman stated that ARRO had approved the request and the permits were filed as presented. After further discussion, The Authority Board unanimously declined not to honor Oak Tree Developments request to reallocate the EDU's assigned to Hampton Inn.

Authorization to Pay Bills.

A **MOTION** was made by Mr. Derr and a second by Mr. Golicher to approve the attached Requisition No. 9 as follows: \$69,734.61 for the Water Operating Fund and \$81,353.19 for the Sewer Operating Fund; motion carried.

A **MOTION** was made by Mr. Metzler and a second by Mr. Hamm to approve the attached Requisition No. WBRI 16-16 in the amount of \$5,832.51 from the Water Bond Redemption and Improvement fund; motion carried.

Adjournment

There being no further business, a **MOTION** was made by Mr. Derr and seconded by Mr. Golicher to adjourn; motion carried and the meeting adjourned at 6:38 PM.

Respectfully submitted,

Robert R. Golicher
Secretary