

**BELLEFONTE BOROUGH
AUTHORITY
MEETING MINUTES
August 1, 2017 6:00 p. m.
236 West Lamb Street, Bellefonte, PA 16823
www.bellefonte.net**

CALL TO ORDER:

The meeting of the August 1, 2017 Bellefonte Borough Authority was called to order in the Bellefonte Borough Municipal Building at 6:00 p. m.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

AUTHORITY MEMBERS PRESENT:

PRESENT: Mr. Frank (Buddy) Halderman
Mr. Greg Brown
Mr. Greg Thal
Mr. Brian Walker
Mr. Joe Falcone
Mr. Daniel Badger

ABSENT: Mr. Joe Beigle

STAFF: Mr. Ralph Stewart
Mr. Matt Auman
Mr. Bob Cook
Mr. Bob Decker, Nittany Engineering
Mr. Eric Lundy, Nittany Engineering

CITIZENS:

APPROVAL OF THE MINUTES:

**Mr. Thal moved to approve the July 5, 2017
Authority Meeting Minutes;
Mr. Brown seconded the motion;
Motion carried unanimously.**

ORAL: None.

COMMUNICATIONS - WRITTEN:

Letter from DEP re: Floating Cover Project

Mr. Stewart explained the letter. He indicated that the Borough communicated to the DEP that they were in the midst of a legal issue. The DEP understood and asked that the cover be kept clean, etc. in the meantime. They would like to be updated as this progresses. Mr. Stewart indicated that they are trying to work out a fair settlement agreement. There are some issues regarding the water draining on the cover and there were some issues relative to the work in the contract from the get-go. Mr. Stewart stated that there were discussions on going after the bond and bringing someone else in to finish up the work. There is no time line at this juncture.

Mr. Auman indicated that the cover was cleaned up about two weeks ago.

FINANCE COMMITTEE REPORT:

Water Finance Report –

Net loss of \$39,970.50

Checking \$354,091.62; Reliance \$353,461.50.

Corning Pump House Loan - \$298,261.60

Mr. Stewart mentioned that he spoke with Lori Walker today and she indicated that she has some pump house expenditures under the Capital Expenditures line item that will later on be removed when the Reliance loan is taken care of. Most of the net loss will disappear.

Sewer Finance Report –

\$101,875.03 net income

Checking balance: \$162,463.24

Bond Redemption Checking: \$72,308.49

Money Market: \$1,336,424.61

Reliance Loan: \$670,586.10

Northwest Loans: \$35,758.30, \$21,284.49 and \$1,139,057.21

Penn Works Loan: \$3,168,072.86

Mr. Stewart added that the one Northwest loan relates to the old debt that was on the bond which was refinanced. The other loans are on the upcoming Bio-Mag project. This was broken into two: Bellefonte's share and Spring/Benner/Walker's share. This will be clarified with Ms. Walker.

Mr. Halderman inquired about the project and how it would affect rates. Mr. Stewart indicated that the rates are going to be stepped up. This can be put onto next month's agenda for discussion.

ENGINEER'S REPORT – WATER:

Big Spring Cover Replacement –

Mr. Halderman reported that the contractor needs to go back to the original design with the only change being use of the solid piping from the drain to the designed invert which is lower than the existing invert. This was shown on the plan. If the contractor is unwilling to do this, then the contract is ended and another contractor is hired to install the drain properly so the cover drains. It is suggested that the Authority use the remainder of the retainer and the bond for this work.

The certificate of completion is mentioned in a letter from the DEP. The reason that this cannot be signed because the cover is not draining. This was the big issue. There is also an issue of the sprinklers not working and getting plugged up. This will be remedied with an inline filter. A filter basket instead of cartridges is preferred.

Mr. Decker offered that there was a meeting on Friday, regarding the waste water treatment project and options for purchasing equipment. It was mentioned about the involvement in approval of the change order in the contract for the drain. The contract needs to be maintained. Things were put into the contract for protection. When a change is approved, it is still the contractor's responsibility to make sure that it functions properly. The bond is insurance. The contractor did not follow through. A letter was discussed relative to the contractor dispute. He has come up with \$2,058.00 that he is willing to credit back. Copies of the letter were distributed to the table. Cashing the bond was discussed.

Mr. Auman stated that there should be a 90 degree elbow at the bottom of the drain but instead the pipe is hooked to that drain. The drain needs to sit parallel. This is the only way it will function. Part of the drain is in the water and part is sticking out because there is no 90 degree elbow. The drain should not be laying the way it is and it should have the 90 degree elbow to have a more natural flow for it.

Mr. Halderman recommended that Mr. Stewart contact the attorneys and tell them the contractor has three weeks to install the drain per original drawings or the Authority will cash the bond.

Mr. Badger moved to move ahead with contacting the attorneys, telling them the contractor has three weeks to install the drain per original drawings, or the Authority will cash the bond;

Mr. Thal seconded the motion;

Motion carried unanimously.

ENGINEER'S REPORT –SEWER:

Mr. Decker reported that there is still an issue with the Centre County prison.

He also reported on the Bio-Mag project and is asking for action tonight on the equipment. After a meeting regarding options, pre-purchasing of the equipment was originally pushed to minimize costs. The schedule was also reviewed as half of the treatment process will be shut down during construction but must stay in compliance. Draft letters are in hand to go to PSU Airport regarding not being able to take deicing fluid for a period of time. Septic waste haulers will also be notified.

It was suggested that engineering drawings be developed before bidding this project out. This saves time and there is no additional cost. Evoqua is asking for \$90,000 to do the shop drawings. That comes off of the \$2.1 million. They are not adding costs for this work.

Mr. Cook had a revised contract. This includes the engineering drawings and also has a price guaranty included. This keeps the project on a schedule of about 7-8 months of construction versus 12 months. If the equipment is pre-purchased, the mark up cost will be saved but if anything goes wrong, the Authority will be the middle man to work it out. Terms are in the contract regarding payment at delivery, start up and final retainage after the project is accepted. The drawings will be paid for at 50% upon submittal and 50% of acceptance of the drawings.

Mr. Halderman inquired about the equipment and the partial payment i.e. payment when it is on site. He does not feel that it should be paid for until it is on the site. The contract states that 85% of the funds are required up front before the equipment is on site. Mr. Decker indicated that when the equipment shows up, a percentage will be paid but they will be in charge of storing it and making sure it is kept safe. Installation is another payment and then retainage will be held until the project is accepted and taken over by the Borough. There is a performance guaranty as well.

Mr. Thal moved to issue the purchase order to Evoqua for engineering/shop drawings related to the Bio-Mag system for \$89,770.00.

Mr. Walker seconded the motion;

Motion carried unanimously.

Mr. Decker will forward an email from Evoqua relative to guaranteeing the original price. He handed out a summary of the project as it stands at present. He also handed out a draft of a letter to Spring/Benner/Walker updating them on the project. Mr. Decker planned on sending the letter out Tuesday, August 2.

NEW BUSINESS:

Opening Bids for Truck Scale Replacement –

Bids came in today. Mr. Stewart indicated there were three bids received. The bids were opened at 4 p.m. electronically. The low bidder was Gearhart at \$42,160.00. The next lowest was Keystone at \$50,193.94 and highest was Fairbanks at \$54,700.00. The bids will be reviewed by Nittany Engineers to make sure they are complete and is everything checks out, those numbers will stand.

Mr. Thal moved to award the bid to Gerhart for \$42,160.00 pending review and acceptance by Nittany Engineers;

Mr. Badger seconded the motion;

Motion carried unanimously.

The timetable was discussed.

Bids for Gravity Belt Thickener Rebuild –

This was discussed in a meeting on Friday, and Mr. Decker indicated that the pricing was obtained on OEM replacement parts. The Authority will purchase the parts, and the contract to install the parts will be bid out. This will save on mark up. Comline, who made the equipment, will have a supervisor on site for the startup process. No action is required by the Authority. This will be ready to bid out probably in the month of August.

Mr. Brown moved to move forward with purchasing the OEM parts as quoted from B&W Equipment, Exton, Pennsylvania, for the replacement project in the amount of \$55,604.00;

Mr. Thal seconded the motion;

Motion carried unanimously.

ADDITIONAL REPORTS:

Mr. Aumen reported the following:

July 10 a fire hydrant was replaced at 747 W. Water Street; July 11 one was replaced at 1210 Summit Drive; July 12 a two inch main break was repaired at 525 E. Linn Street; July 13 another hydrant was replaced at 393 E. Howard. July 17 and 18 the Big Spring cover was cleaned. July 19 another hydrant was replaced at High Street and Monroe. July 20 Glenn from Pa Rural Water helped locate some water leaks. Four were found, three of which were customer side. One so far has been repaired. July 20 Mr. Rehab came in to try to line the sewer main coming from the Big Spring pump house down through the park. They will come back to grout before they can line it. July 24 through the 27 the crew was short staffed. Fire hydrant maintenance was performed at this time. July 31 the new water tap was installed at 633 E. Howard.

Mr. Cook reported on bulk water sales of 205,000 gallons for July. On July 5, a HACH Service technician was onsite to service and calibrate the phosphorous RTC. July 27 the dental offices on the system were notified regarding the EPA regulations about the dental amalgam. The airport will also be notified about not accepting deicing fluid during the upcoming construction project.

OLD BUSINESS:

Ranio Sewer/Water Line Project

Mr. Stewart reported on the Ed Ranio water/sewer line project. No motion was made at the last meeting due to lack of quorum. Mr. Auman recapped the project. The property owner has his sewer line running down through another house. He wanted to try to get his own water and sewer tap which Mr. Auman strongly encourages this.

Mr. Ranio was willing to pay for the pipe for the water and sewer. The cost for the Borough would be the pavement, stone and the labor to do the job. Paving and stone is about \$2,000.00 and about 3 days labor, or about \$4,500.00.

Mr. Stewart indicated that some partnership projects have been done in the past. Generally speaking, the property owners are asked to take care of these projects. Help with the project is recommended to try to clean up these issues and also to divert potential issues in the future.

There is also a pending project on Logan Street but no one has been able to get the property owners together on the project. This involves new taps in the street and is a little easier of a project.

Mr. Stewart indicated that the Borough could offer payment options for a 50/50 share. It is just one property owner taking this project on. There will most likely be more instances of this sewer/water line running through more than one property. They are being discovered slowly on a case by case basis and will be reviewed by the Borough as such.

It was recommended that the Borough purchase all equipment and split the cost and labor at half with Mr. Ranio with a cap of \$3,500.

Mr. Thal moved to approve this project with the Borough sharing 50% up to \$3,500.00 of the cost with the property owner based on Matt Auman's estimate;
Mr. Walker seconded the motion;
Motion carried unanimously.

Reliance Loan

This was money left over from the Corning pump house renovations. The balance is \$298,261.60. Mr. Stewart reported that Ms. Walker has \$353,000 plus in the checking account which was opened along with the loan for the project. Staff is recommending to pay off the Reliance Loan. Although there is a pre-payment penalty, money will still be saved as the loan runs until 2029. Mr. Stewart will take care of this.

Annual Audit

The annual audit is at the table. Ms. Walker just received them. Questions were asked to be directed to Mr. Stewart or Ms. Walker.

Software Update for Sensus

The price has come down \$3,500. This includes all the software, 25 new meters and it came down to \$15,000 from \$18,500. This is the best they could do. This should be addressed before the end of the year. This will be placed on the September agenda.

NEW BUSINESS:

Monthly water report is at the table.

ADJOURNMENT:

Mr. Brown moved to adjourn the meeting.
Mr. Badger seconded the motion;
Motion adjourned at 7:07 p.m.