

Dover Township Sewer Authority
2840 West Canal Road
Dover PA 17315

Chairman: John Miller
Vice Chairman: Robert Stone
Treasurer: Dave Hogeman

Secretary: Bob Boyer
Member: Steve Stefanowicz
Attorney: Christian Miller

Minutes: 1/24/2019

Attending Were: J. Miller, S. Stefanowicz, B. Boyer, R. Stone, D. Hogeman (Authority Members), T. Biese (Plant Superintendent), C. Miller (Solicitor), P. Gross (Engineer), M. Fleming (Public Works Director), C. Hamme (Sewer Chief), and Jamie Schlesinger and associate (both of PFM).

Re-Organization Meeting:

Attorney Miller called the 2019 Re-organizational meeting to order at 7:00 p.m.

R. Stone motioned to nominate J. Miller as Chairman, R. Stone as Vice Chairman, D. Hogeman as Treasurer, and B. Boyer as Secretary (all positions previously held in 2018). All nominees accepted their nominations. The motion was seconded by D. Hogeman and unanimously approved. The meeting was then turned over to J. Miller as Chairman.

R. Stone motioned to nominate MPL Law Firm, LLP as Solicitor, with C. Miller as its representative. The motion was seconded by S. Stefanowicz and unanimously approved.

R. Stone motioned to nominate Buchar Horn, Inc. as Engineer, with P. Gross as its representative. The motion was seconded by D. Hogeman and unanimously approved.

The re-organizational meeting concluded at 7:05 p.m.

J. Miller called the regular authority meeting to order for January 2019 at 7:05 p.m.

Opening/Minutes: S. Stefanowicz made a motion to approve the December 2018 meeting minutes. The motion was seconded by D. Hogeman and unanimously approved.

Financial Report: Jamie Schlesinger and his associate from PFM reported on an opportunity to refinance the 2013 bond and 2016 bank loan due to extremely low interest rates caused by concerns in the market. Jamie provided the Authority with a packet of projections based on various interest rates, with savings available for the 2013 bond issuance in the amount of roughly \$50,000 and savings for the 2016 bank loan anywhere from \$400,000 to \$650,000 (estimates) depending on the interest rate the Authority could lock in at. It was noted that the 2016 bank loan must be drawn down by March 15, 2019, therefore it will be prior to any refinancing. The Authority stated it would pass a motion at the February meeting to authorize the draw of the bank loan, to be deposited in a PLGIT account (done by Jamie in 1-2 days). The Authority discussed in depth the timeline and procedure, and questioned on all known variables with the refinancing. P. Gross also mentioned the idea of borrowing additional money (instead of just refinancing) to cover additional projects (to take advantage of the low rates and combine issuance costs (roughly \$75,000 per issuance)). The Authority and Jamie discussed in detail refinancing with additional money, and P. Gross stated that while there was money left from 2016 bank loan, such amount will start to be used quickly with the projects underway. Additionally, the Headworks project was previously unscheduled from a funding perspective. After much discussion, the Authority decided to start the process to obtain total financing in the amount of \$20.5 million (being roughly \$15 million to refinance the 2013 bonds and the 2016 bank loan, and \$5 million of additional/new money). Jamie requested that PFM be authorized to start the process, and that prior to putting the financing out to bids, the amount could be reduced in the event the Authority decided otherwise on the total financing. As such, S.

Stefanowicz made a motion to authorize PFM to move forward procedurally with refinancing the 2013 bonds and 2016 bank loan (in roughly \$15.5 million) and with obtaining new money in the amount of \$5 million above the refinancing. The motion was seconded by R. Stone and unanimously approved.

Engineer's Report: P. Gross provided an Engineer's Report for December and early January which is filed with these minutes and incorporated herein by reference.

P. Gross provided an update on the status of the requisitions. The following requisitions were submitted by Buchart Horn for payment:

- Requisition 33 (ACNB to TD Bank) in the amount of \$119,080.40 for payment from ACNB's construction account to TD Bank as trustee for the Authority (33rd draw from the Construction Account to TD Bank).
- DT-Joint 32 in the amount of \$8,058.00 to Buchart Horn for engineering fees for the Joint Interceptor Project (this is the 138th draw on the 2016 bond fund).
- DT-Palomino 31 in the amount of \$17,801.07 to Buchart Horn for engineering fees for the Palomino Interceptor Project (this is the 139th draw on the 2016 bond fund).
- DT-NOB 27 in the amount of \$1,850.00 to Buchart Horn for engineering fees for the North of the Borough Project (this is the 140th draw on the 2016 bond fund).
- DT-Headworks 15 in the amount of \$10,541.00 to Buchart Horn for engineering fees for the Headworks Project (this is the 141st draw on the 2016 bond fund).
- Met-ED 1 in the amount of \$6,683.37 to Met-ED for electrical hook-up services related to the pumping stations (this is the 142nd draw on the 2016 bond fund).
- Palomino/Anrich 1 in the amount of \$61,046.96 to Anrich, Inc. for general contractor services for the Palomino Interceptor Project (this is the 143rd draw on the 2016 bond fund)
- Lederman 1 in the amount of \$13,100.00 to Joy Lederman for right-of-way consideration (this is the 144th draw on the 2016 bond fund)

R. Stone made a motion to approve the above requisitions for payment & transfer the ACNB funds. The motion was seconded by D. Hogeman and unanimously approved.

P. Gross reported on the status of the Palomino project, stating that the contractor continued work, and was about to move into a section of work in peoples back yards, so BH was making sure to keep watch of the work. P. Gross reported he was working with Anrich (as the general) to get a no-cost time extension to reflect the delays in starting caused by the Bog turtle issues. P. Gross said that a change order would also be required to plug a manhole and fill a line that would be vacated (such work was not originally provided for). He said he has the cost in hand, which will only be \$3,900.00.

P. Gross reported on the bid results from the bid opening for the Joint Interceptor/Headworks project. Anrich was the low bidder at \$6.27 million for the general contractor work on the Project. Because they were roughly \$816,000 lower than the next bidder, BH held a confirmation meeting with Anrich to discuss and review its bid. The meeting minutes were circulated and incorporated herein by reference. Anrich was confident that its bid was complete, and believed its lower cost was due to prior work with the Authority and knowing what was required, having dump site already with prior projects, lower mobilization due to other projects already in the field, and owning all equipment with no debt. BH was comfortable with the outcome of the meeting, and felt Anrich was the lowest responsible bidder, and recommended approval. As part of the bid, the Authority had to determine which screen for the Headworks to use. After input from P. Gross and T. Biese, the Authority decided to move forward with the Enviro Care screen, which required a deduct from the bid. On timing P. Gross reported that the permitting would be held up a couple of months, thus he advised only authorizing a Notice of Intent to

Award. As such, D. Hogeman made a motion to authorize BH to issue a Notice of Intent to Award to Anrich for the general contract, with the deduct for the Enviro Care screen chosen. The motion was seconded by R. Stone and unanimously approved.

P. Gross reported that Garden Spot Electrical was the lowest bidder on the electrical work with a bid of \$270,000. P. Gross had no issues with the bid and was comfortable with it. D. Hogeman made a motion to authorize BH to issue a Notice of Intent to Award to Garden Spot Electrical for the electrical contract. The motion was seconded by R. Stone and unanimously approved.

P. Gross reported that Garden Spot Mechanical was the only bidder on the mechanical work with a bid of \$275,000, which P. Gross believed was high. After discussions with a representative, it was determined that Garden Spot included certain odor equipment in its bid that was included in the general contract (which P. Gross confirmed). P. Gross stated the bid could be accepted and then plan on doing a change order deduct for the amount immediately. After further discussion, the Authority asked P. Gross to confirm in writing the amount of the deduct (to include reduced overhead and profits) to ensure all parties are on the same page, and then the Authority will revisit at the February meeting.

P. Gross reported that there had not been much change since the Dec. meeting on the NOB project.

Treasurer's Report: D. Hogeman reported that the requisitions approved at the December Authority meeting were timely submitted to ACNB and TD Bank, and that the requisitions for the January meeting were reviewed and were found to be consistent with the Treasurer's records.

Plant Operator's Report: T. Biese discussed the December report, which is filed with these minutes and incorporated herein by reference. T. Biese reported that December was another wet month, with daily flow averages of 7.72 MG/day (operating capacity is 8.0 M/day and normal flow average is 4.0 MD/day). He reported that January looked to be a wet month as well. Despite this, T. Biese did report there were no violations for December or January to date.

Sewer Chief Report: The Sewer Chief report was provided for December and is incorporated herein by reference. C. Hamme also reported on a new staff hire.

Public Works Report: M. Fleming reported that the Eagle View Park project was being delayed due to Columbia Gas hook-ups, as well as a DEP permitting issue that had just arose. M. Fleming, with R. Stone, did report that the Twp. Was awarded a \$1.5 million grant on the project for stream restoration work, creating a huge benefit for the Twp.

Solicitor Report: C. Miller requested that the Lederman easement, negotiated by Laurel and prepared by MPL, needed to be approved and countersigned by the Authority. R. Stone made a motion to approve the Lederman easement. The motion was seconded by B. Boyer and unanimously approved.

Public Comment: None.

New Business: None.

Adjournment.

J. Miller adjourned the regular meeting at 8:25 P.M.

Next Meeting Date:
2/27/2019 at 7:00PM

Respectfully submitted,
Bob Boyer, Secretary