

EAST COCALICO TOWNSHIP AUTHORITY

MEETING MINUTES

NOVEMBER 8, 2018

The regular, monthly meeting of the East Cocalico Township Authority was held on Thursday, November 8, 2018, in the Township Municipal Building, 100 Hill Road, Denver, PA 17517.

Those in attendance were as follows:

Members: Daniel Becker, Samuel Weaver, Gerald DeBalko, Edward Nevling, Bradford Fichthorn, Raymond Wolf and Richard Shober (Absent: David Lutz and one vacancy)
Solicitor: Lucy Dowd, Lucy Dowd Law (arriving at 7:23 p.m.)
Engineer: Rachel Kirkham, CDM Smith
Administrator: Terry Reber
Employees: Kenneth Spitler, Marc Wright, Jodie Eberly
Visitors: None

Chairman Daniel Becker called the meeting to order at 7:00 p.m.

MINUTES: Minutes of the monthly meeting held on October 11, 2018, were approved as presented on motion by Raymond Wolf, second by Samuel Weaver, and carried unanimously.

TREASURER'S REPORT (see attached): Administrator Terry Reber reviewed the October 2018 financial reports. The reports were approved as presented subject to audit.

MONTHLY CAPACITY REPORTS (see attached): The October 2018 Monthly Capacity Reports were approved as presented on motion by Richard Shober, second by Bradford Fichthorn, and carried unanimously.

ADMINISTRATOR'S UPDATE: A copy of the update is on file in the Authority Office. Administrator Terry Reber reported on the following:

TRU BY HILTON: The water and sanitary sewer laterals at Tru by Hilton at 400 North Reamstown Road have been constructed and connected to the Authority's system. They have been inspected and passed by the Authority. All administrative requirements have been satisfactorily completed, and there are no outstanding invoices. Administrator Reber requested the Board's approval to begin this project's 18-month warranty period as of November 8, 2018 and to reduce their cash deposit submitted in lieu of a Letter of Credit from \$10,098.00 to \$1,514.00 (15% of the actual cost of construction). The \$1,514.00 along with administrative escrow in the amount of \$20,000.00 will be held until the end of the 18-month warranty period.

- Gerald DeBalko made a motion to begin Tru by Hilton's 18-month warranty period on November 8, 2018 for construction of a water and sanitary sewer lateral at 400 North Reamstown Road, Denver, and to reduce the amount of cash held by the Authority to guarantee construction from \$10,098.00 to \$1,514.00 representing 15% of the actual cost of construction, second by Samuel Weaver, and carried unanimously.

An informal request was made by Raul Patel, developer of the Tru by Hilton hotel project, asking if the Authority would consider reducing the amount of administrative escrow for the project. The Authority is holding \$20,000.00 as administrative escrow that will be returned at the end of the 18-month warranty period. The initial escrow deposit was determined by using the Authority's Fee Schedule. The Authority

reserves the right to adjust the escrow based on the size of the project or other special circumstances. Administrator Reber requested the Board's approval to reduce the administrative escrow.

- Richard Shober made a motion to reduce the Tru by Hilton project's administrative escrow from \$20,000.00 to \$5,000.00 to be held until the end of the 18-month warranty period, second by Raymond Wolf, and carried unanimously.

LOWELL MARTIN PROJECT: The water and sanitary sewer laterals for the Lowell Martin project at 137 East Church Street have been constructed and connected to the Authority's system. The laterals have been inspected and passed by the Authority. All administrative requirements have been satisfactorily completed, and there are no outstanding invoices. Administrator Reber requested the Board's approval to begin this project's 18-month warranty period as of November 8, 2018, and to reduce their cash deposit submitted in lieu of a Letter of Credit from \$7,700.00 to \$1,155.00 (15% of the actual cost of construction). The \$1,155.00 along with administrative escrow in the amount of \$1,000.00 will be held until the end of the 18-month warranty period.

- Gerald DeBalko made a motion to begin Lowell Martin's 18-month warranty period on November 8, 2018 for construction of a water and sanitary sewer lateral at 137 East Church Street, Stevens, and to reduce the amount of cash held by the Authority to guarantee construction from \$7,700.00 to \$1,155.00 representing 15% of the actual cost of construction, second by Edward Nevling, and carried unanimously.

SECTION 125 PREMIUM ONLY PLAN: The Section 125 Premium Only Plan allows employees to have their health insurance payroll deductions paid with pre-tax dollars. To satisfy IRS requirements, this plan must be re-adopted by resolution each year. The plan year will run from January 1 to December 31, 2019. Administrator Reber presented the Adoption Agreement and Resolution No. 2018-11-08 to be approved by the Board.

- Samuel Weaver made a motion to approve and execute Resolution No. 2018-11-08 accepting the East Cocalico Township Authority's Section 125 Premium Only Plan for the time period from January 1 to December 31, 2019, second by Edward Nevling, and carried unanimously.

HEALTH INSURANCE: The Authority's health insurance is with the Intergovernmental Insurance Cooperative administrated by Benecon. The provider is Highmark Blue Shield. The overall 2019 renewal rate for the Cooperative is 4.5%. The Authority has experienced less medical claims in 2018 than expected by Benecon's actuaries resulting in a 4.1% renewal increase for the Authority for 2019. The Authority is also expected to receive a surplus refund of approximately \$28,636.00 for the 2018 plan year.

LIFE INSURANCE AND SHORT TERM DISABILITY INSURANCE: The Authority provides life insurance and short term disability insurance as part of the full-time employees' benefit package. The Authority rides on the Township's policy and is billed by the Township for both of these insurances. As members of the Intergovernmental Insurance Cooperative (IIC), the Authority now has the opportunity to purchase these two insurances directly and, if no changes are made, save 10% compared to the cost of the Township's policy. The Authority's current short term disability policy limits the maximum weekly benefit payment to \$600.00. This threshold has not been changed in many years. The Authority is currently paying premiums for a benefit that has not kept pace with wages. To correct this, Administrator Reber recommends the maximum weekly benefit be capped at \$1,000.00. The yearly premium increase to the Authority for this change would be \$543.48. Administrator Reber also recommends that the Authority does not renew coverage for life insurance and short term disability insurance with the Township but instead joins the IIC program beginning January 1, 2019.

- Richard Shober made a motion to join the Intergovernmental Insurance Cooperative's Life Insurance and Short Term Disability Insurance program issued by American United Life Insurance Company effective January 1, 2019, second by Bradford Fichthorn, and carried unanimously.
- Raymond Wolf made a motion to increase the maximum weekly benefit of the Authority's Short Term Disability policy from \$600.00 per week to \$1,000.00 per week effective January 1, 2019, second by Samuel Weaver, and carried unanimously.

CERTIFIED OPERATOR OR TRAINEE: The Authority received 17 applications for the recently advertised Water and Sanitary Sewer Operator or Trainee position. Four candidates were chosen for initial interviews by Administrator Reber and Superintendent Spitler. After the initial interviews, two candidates were chosen to meet with the Personnel Committee on October 23, 2018. A few days later, one of the two candidates contacted Administrator Reber and withdrew his name from consideration citing personal reasons. The other candidate, David Beckman, remains interested, and the Personnel Committee members recommend offering full-time employment to Mr. Beckman.

- Bradford Fichthorn made a motion to hire David S. Beckman as a full-time Water and Sanitary Sewer Operator Trainee at a starting wage of \$18.75 per hour plus benefits as outlined in the Employee Manual, with employment to begin on November 26, 2018, contingent on a negative drug and alcohol test, second by Edward Nevling, and carried unanimously.

SUPERINTENDENT'S UPDATE: A copy of the update is on file in the Authority Office. Superintendent Kenneth Spitler reported on the following:

DISINFECTION REQUIREMENTS RULE: The water system Disinfection Requirements Rule Sample Site Plan has been submitted to PA DEP. The water system Revised Total Coliform Rule Sample Site Plan was revised to more efficiently coincide with the Disinfection Requirements Rule Sample Site Plan and was also submitted to PA DEP.

AUTHORITY WORK TRUCK: The new Ford F-350 service truck has been delivered and identification lettering has been performed.

ENGINEER'S UPDATE: A copy of the update is on file in the Authority Office. Engineer Rachel Kirkham reported on the following:

WELL M PROJECT: This project involves installing the well pump and controls at the Well M site on North Line Road in West Cocalico Township, which will connect to the new 10-in raw water main to the Water Treatment Plant (WTP). CDM Smith confirmed with West Cocalico Township that the land development plan for the site, which was approved in February 2007, does not need to be resubmitted. CDM Smith is also coordinating with PADEP on the permit application requirements to begin utilizing Well M at the WTP, since it was in the original construction permit but excluded from the final operations permit. The project will also involve piping and control modifications at the WTP.

RT. 272 & CHURCH STREET INTERSECTION WATER MAIN REPLACEMENT PROJECT: This project involves abandoning the existing 6-in cast iron pipe in the intersection of Rt. 272 and Church Street, while installing two new bored water main crossings outside of the intersection, as well as abandoning a terminal section of 6-in cast iron water main on the west side of Rt. 272. New fire hydrants and laterals will also be installed.

SPECIFICATIONS FOR WATER SYSTEM CONSTRUCTION: CDM Smith provided a final draft for ECTA review and is now addressing subsequent comments to issue the final version.

STEVENS ROAD AND LINE ROAD WATER MAIN REPLACEMENT PROJECT: A portion of the shoulder washed out on South Line Road during an intense rain event in late August. Wexcon stabilized this area on October 31, 2018. A resident submitted a complaint to PENNDOT regarding the depression in North Line Road. Wexcon addressed the pavement depressions in the wearing course on October 31, 2018. Once Wexcon submits their as-builts, the contract can be closed out.

SPECIFICATIONS FOR SANITARY SEWER SYSTEM CONSTRUCTION: CDM Smith is finalizing the revised specifications.

STEVENS PUMPING STATION EXPANSION: CDM Smith has been working on the Stevens Pumping Station submission for the Township and is in the process of updating the plans to include the most recent building revisions.

WABASH LANDING: Final pressure testing was completed. A few laterals will be replaced with 2-in laterals, for which CDM Smith is reviewing the submittal.

BEILER PROPERTIES: The construction cost estimate and letter of credit amounts were approved on October 4, 2018. CDM Smith is currently reviewing submittals for the project.

MEMBERS 1ST FEDERAL CREDIT UNION: The Capacity Review and Request Application was approved on June 20, 2018. The Developer's Agreement was approved at the October 11, 2018 Board meeting. The most recent plans were submitted for review on October 15, 2018, which CDM Smith is reviewing.

HEATHERWOODS: CDM Smith continues to provide periodic construction inspection coverage when needed.

SOLICITOR'S UPDATE: Solicitor Lucy Dowd had nothing to report.

INVOICES (see attached): Bills listed on ECTA Invoices to be Paid were approved for payment on motion by Gerald DeBalko, second by Samuel Weaver, and carried unanimously.

NEW BUSINESS:

2019 BUDGET MEETING: The 2019 budget review meeting has been scheduled for December 5, 2018, at 7:00 p.m. This meeting will be advertised.

Since there was no further business to come before the Board, Gerald DeBalko made a motion to adjourn the meeting at 7:52 p.m., second by Bradford Fichthorn, and carried unanimously.

Respectfully submitted,



Gerald A. DeBalko
Secretary