

**Red Lion Municipal Authority
Meeting Minutes
Wednesday, October 26th, 2016**

Members

Eric Immel, Chairman
Skip Missimer, Vice-Chairman
Michael Poff, Treasurer
Brad Smith, Secretary
Jeff Herrman, Asst. Secretary/Treasurer

Others

Keith Kahwajy, Superintendent
Jeff Beard, Asst. Superintendent
Jason Reichard, Engineer
Andy Miller, Solicitor
Stacy Myers, Recording Sec'y

Visitors

Dianne Price
Tina Frutiger
Dennis Klinedinst
Henry Herrman

Robert Frutiger
Cindy Barley
Nevin Horne

1. The meeting was called to order @ 7:00p.m. All present participated in the pledge to the flag.
2. Mr. Smith made a motion to approve the September 28th, 2016 Meeting Minutes; Mr. Missimer seconded. All were in favor; motion carried.
3. **WATER USAGE REPORT**—3.6” rainfall was received this month; usage has been normal.
4. **CONNECTIONS REPORT**—no new connections this month
5. **VISITORS**—no one to address the Board this evening
6. **WATER AND SEWER—OLD BUSINESS**
 - **Solicitor’s Report**—In addition to requesting an Executive Session at the end of the meeting, Andy reported he spoke to Payment Service Network (for the electronic payment processing) because their agreement did not address security and/or data breaches or the requirement for the company to carry insurance for those risks. These were included in Andy’s comments back to them, to ensure the Authority would have recourse against them should a data breach occur and that the company would carry insurance for that purpose. The company did confirm they carry cyber liability insurance up to \$4 million. Does the Authority feel this is an adequate amount and/or what amount would they accept as limitation of liability? Payment Service Network is a “Level 1 Certified” organization with Payment Cards Institute, which sets security standards for credit card processors. Level 1 is the highest level certification a company can achieve and VISA & Mastercard require that level of certification to be maintained. Andy offered some revisions to the agreement; more to come on this at November meeting.
 - **Engineer’s Report**—Jason reported:
 - 2016 East Broadway/East Avenue Water Main Replacement
 - Main is installed; services have been installed. Curb & sidewalk work is complete. Contractors are now focusing on trench restoration on East Avenue.
 - The delay claim, resulting from uncovering the unmarked Verizon conduit was originally \$10,400, requested from the contractor. Jason & Municipal staffs have negotiated that request down to \$5,000. Mr. Missimer made a motion to approve the Change Order in the amount of \$5,000; Mr. Poff seconded. Motion carried, with Mr. Smith opposing.
 - Application for Payment #3 for the project in the amount of \$256,109.88 which incorporates the above Change Order. Municipal staff & Jason all concur with this amount. Mr. Missimer made a motion to approve the

payment for \$256,109.88; Mr. Herrman seconded. Motion carried, with Mr. Smith opposing.

- Retainage for the project remains at \$25,338.99. Estimated remaining contract value to finish the project is \$78,909.05.

Borough & Authority representatives have held conversations regarding the Authority limiting paving on East Avenue. Barrasso Excavation is only doing trench restoration at this time on East Broadway in anticipation for the 2017 PennDOT paving project. Per Borough Ordinance, longitudinal street cuts are required for milling & overlaying entire lanes in areas of disturbance. Authority project with Barrasso was bid stating the Authority would be responsible for milling & bituminous overlay over half of the roadway. After recent conversations, it was suggested the Borough take over the paving responsibility of this project, proposed for some time in 2017. The Borough Engineer told Borough reps that this Authority project would not be completed until 2017 and this would interfere with the Borough's proposed paving project. The Borough would bid the paving as part of their proposed street project and the Authority would pay a fee "in lieu of" this portion of their contract not being completed by Barrasso Excavation. This portion of the bid contract had a value of \$23,650 to mill & pave in order for the Authority to complete their project this year. Discussion was held with Borough & Authority representatives present tonight. Jason has contacted Barrasso Excavation about this change in the contract, should the Authority agree to it. The contractors were amenable to it. The final payment to Barrasso would be processed minus the quantities for this mill & pave work. Payment to the Borough for the mill & pave work would not exceed the proposed \$23,650 amount, originally bid.

Mr. Missimer made a motion to pay the Borough, in an amount not exceeding \$23,650 for their 2017 project, contingent upon receiving a release from Barrasso Excavation not to do the milling & paving work. Mr. Smith seconded.

Further discussion was held to include final details. The Authority does not want their contractor to be responsible for any settling or trench restoration that would occur over the winter and after their project is complete. Because it involves a State road, Jason said there is a two-year Performance Bond that would require any restoration work to be done, should it be necessary due to the road settling, etc. There would be an inspection prior to the two-year expiration date that would address anything needing done.

Prior to beginning the East Broadway/East Avenue project, extensive discussions had taken place regarding the scope of work for this area and the fact that the Authority project would be complete before the Borough project would begin. The Authority does not want to make their contractor responsible for "not finishing the job right" when they (contractor) didn't finish the job. Should the trench settle 1-2', the contractor may be responsible to come back and repair the area. If it's just a couple inches, the Authority does not want to hold them responsible for repair. Council members Mrs. Barley & Mr. Klinedinst and Borough Manager Mrs. Price asked the Authority to rescind their motion and continue with their (Authority) project as they originally planned. The Authority will finish their project and the Borough will bid their project to begin afterward. Mr. Missimer made a motion to rescind his previous motion; Mr. Smith seconded to withdraw his previous second. All were in favor; motion carried.

Jason will notify the contractor to proceed with the work as the project was originally bid.

- Sanitary Sewer Collection System Cleaning/Televising Contract—will involve televising 25.17 miles of pipe. Jason has prepared the bid specifications and estimated the job at \$200,000-\$225,000. Mr. Smith made a motion authorizing the advertisement of bids; Mr. Herrman seconded. All were in favor; motion carried.
 - **Superintendent’s Report**—Keith reported:
 - Authority members attending Borough Council meetings:
 - October 10th—Eric Immel attended, where Henry Herrman received the 2016 Red Lion Community Service Award. Congratulations Henry!
 - November 14th—Skip Missimer
 - December 12th—Jeff Herrman
 - A water main break was repaired on Cottage Place.
 - A part-time Water Treatment Plant operator started his training on October 12th.
 - A full-time Water Treatment Plant operator gave his two weeks’ notice on October 13th. A new hire has been interviewed & will begin his training on October 31st.
 - Mr. Missimer will finalize his draft presentation for an eastern York County Watershed Association.
7. **WATER AND SEWER—NEW BUSINESS**—Keith reported:
- Discussion on 2017 rental amount for Red Lion Borough to rent 2nd floor of Municipal Building. Authority consensus is to keep it the same as 2016.
 - Demand Response proposals—if there is a potential for high electricity use at the Water Treatment Plant a back-up source would kick in, which is the emergency generator. The generator was confirmed by Gannett Fleming to conform to RICE regulations and the Authority was still taken off the program. No payments were received since July of 2016. Keith reviewed some proposals; one of which is a 5-year proposal from EnerNOC. The EnerNOC agreement guarantees a gain of \$63,658 over the five years. Mr. Missimer made a motion to enter into a five-year agreement with EnerNOC; Mr. Smith seconded. All were in favor; motion carried.
8. **Approval of bills, statements and requisitions**—Mr. Missimer made a motion to approve the bills, statements and requisitions. Mr. Poff seconded. All were in favor; motion carried.
9. **Authority recessed the meeting for a brief discussion @ 7:50p.m.**
10. **Authority reconvened the meeting @ 7:54p.m.** Discussion on East Avenue paving was revisited. The Authority is not opposed to leaving the area sit during the winter and to pay the Borough the \$23,650 to perform the milling & paving. If there is settling over the winter, it would be the Borough’s responsibility to fix that with cold patch, etc. Any major issue or sinkhole damage would be fixed under the Performance Bond; however, minimal damage would be the responsibility of the Borough, not the Authority’s contractor, to repair. Once the Authority’s project is complete, inspection would take place for satisfaction. At that time, possibly Brett Patterson could also inspect to ensure snow plows could move over the area easily. Mrs. Price, Mrs. Barley, Mr. Klinedinst & Mr. Horne agreed that minimal damage would be the responsibility of the Borough. The Authority does not want to call their contractor back to the area for minimal damage and any damage to snowplows would also be the responsibility of the Borough.
- Mr. Missimer made a motion, given that the contractor is amenable to forego the paving portion of the project, that the Authority gives an amount, not to exceed \$23,650 to the Borough for paving when they (Borough) are ready in accordance with their (Borough) project. Mr. Smith seconded. All were in favor; motion carried.
11. **Authority recessed to Executive Session @ 7:59p.m.** to discuss legal matters. Authority reconvened @ 8:45p.m. Mr. Missimer made a motion authorizing Andy to proceed and to authorize PSAB to perform an actuarial study for the pension; cost of the study to be paid by the

Municipal Authority. Mr. Poff seconded. All were in favor; motion carried. This would split the pension into two, with the Red Lion Borough and Red Lion Municipal Authority having their own plans.

12. **Authority meeting adjourned** @ 8:46p.m.

13. **Next Authority meeting is scheduled** for Tuesday, November 15th, 2016 @ 7:00p.m.

Respectfully submitted by

Stacy Myers, Recording Secretary