

Red Lion Municipal Authority
Meeting Minutes
Tuesday, December 15th, 2020

Members present (via Zoom or phone)

Skip Missimer, Chairman
Mike Poff, Vice Chairman
Jeff Herrman, Secretary
Dennis Klinedinst, Treasurer
Chris Minnich

Others present (via Zoom or phone)

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

Visitors present (via Zoom or phone)

Representative Stan Saylor
Dianne Price
Kelly Henshaw
Meredith Yakelis

1. The virtual meeting was called to order @ 7:00p.m. followed by the pledge to the flag.
2. Mr. Poff made a motion to approve the November 17th, 2020 Meeting Minutes; Mr. Minnich seconded. All were in favor; motion carried.
3. **WATER USAGE REPORT**—Keith reported 3.7” of rainfall was received since last month and water usage has been about the same without much change.
4. **CONNECTIONS REPORT**—3 new connections since last month (2-The Paddock; 1-Shawnee Manor)
5. **VISITORS & PUBLIC COMMENT**—Representative Stan Saylor was present via cell phone to discuss his opinion of House Bill 2597 regarding the requirement for the sale of water authorities & other municipal authorities to go through a public notice & a public vote. Prior to Mr. Saylor joining the meeting, Andy Miller distributed both House Bill 2746 & House Bill 2597, being that they’re both similar. He said there is a protective provision for municipal authorities in PA that requires a referendum of the ratepayers’ system to approve any kind of acquisition or takeover by a public utility. Andy believes the legislation being proposed is a good effort to protect the ratepayers, so they understand what they’re getting into. HB 2746 requires the disclosure of information in a referendum of ratepayers before the sale of a municipal authority system to a public utility company. HB 2746 has a ratepayer bill of rights in it, while HB 2597 does not. Andy forwarded a link to Board members regarding the Chester Water Authority (in the city of Chester) where these two bills originated. The city of Chester wants to sell the Authority because they need the money. The public utility company Aqua America made a bid for the Chester water system, Chester turned it down, so Aqua America is now suing them. Mr. Saylor said he has not taken a direct position on the above bills which are currently dead, as of November 30th, 2020. They will need to be reintroduced in January 2021, which Stan does expect. As far as his point of view, he is not in favor of referendums. He said it seems whenever local officials, not only elected officials don’t agree with something, they want a referendum, but on another issue they agree with, they don’t want a referendum because they could lose. Stan believes elected & appointed officials should be transparent on issues, not just regarding water authorities but to make their positions known, i.e., what is being sought after, how much money is involved, what are the benefits to taxpayers, etc. Although he has not taken a stance on the above House Bills, he may need to at some point. Mr. Missimer said he believes there needs to be something done to discourage municipalities from selling authorities in order to fund budget deficits, such as what is happening in Chester County. This is to the detriment of the ratepayers.

Mr. Saylor agrees with Mr. Missimer and believes voters need to be more cognizant of who they elect to office. He said Democrats have done a horrible job managing municipalities & some school districts. As legislators, trying to balance between responsibility & being flexible is difficult sometimes.

Mr. Missimer said Red Lion Municipal Authority is not a profit-making organization like York Water Company. York Water's rates are regulated by the Public Utility Commission, then they send a quarterly dividend check to their stockholders. Aqua America is a similar profit-making company and that's not the route we want Red Lion's Municipal Authority to take.

Mr. Saylor said he has seen what large conglomerate companies can do as far as controlling pricing and it concerns him when they buy out smaller companies. He is a free enterprise person & he has an open mind when it comes to action on these House Bills.

RLMA will be following this issue very closely as things develop and will reach out to Mr. Saylor's office with any concerns or questions.

6. **BIDS**—Water Treatment Plant chemicals were put out for bid for 2021 & results were emailed to Board members. Keith's suggestions are as follows with the per hundred weight cost & total estimated annual cost:

- Caustic Soda—Univar was low bidder with a cost of \$7.41/CWT (approx. \$14,820/yr)
- Liquid Aluminum—USALCO was low bidder with a cost of \$21.658/CWT (approx. \$23,262.80/yr)
- Potassium Permanganate—Univar was low bidder with a cost of \$157.57/CWT (approx. \$6,302.80/yr)
- Carbon—Coyne Chemical was low bidder with a cost of \$99.5000/CWT (approx. \$1,990/yr)
- Sodium Hypo—Univar was low bidder with a cost of \$10.22/CWT (approx. \$19,418/yr)
- Sodium Bisulfite—Univar was low bidder with a cost of \$27.93/CWT (approx. \$1,675.80/yr)
- Fluoride Tote—Univar was low bidder with a cost of \$29.25/CWT (approx. \$7,020/yr)
- Zinc Orthophosphate—Coyne Chemical was low bidder with a cost of \$60.8497/CWT (approx. \$10,952.95/yr)
- Superfloc—Coyne Chemical was low bidder but did not bid the requested chemical; they bid an alternate chemical. Univar bid the required chemical with a cost of \$130.00/CWT. (approx. \$10,400/yr)

Mr. Klinedinst asked if other chemicals would be obtainable in the event we would need to connect to York Water and have our water systems mix favorably; however, Mr. Missimer said the only way Red Lion would ever connect to York Water would be if Red Lion was not producing water. All means possible would be taken to avoid hooking to York Water.

Mr. Poff made a motion to accept the recommendation of staff & approve the above chemical bids; Mr. Minnich seconded. All were in favor; motion carried.

7. **WATER AND SEWER—NEW BUSINESS**

- **Solicitor's Report**—Andy reported the following:
 - **He received Dallastown-Yoe Water Authority's comments** on the proposed contract extension of the bulk sales agreement, which Andy believes is going in a favorable direction. Keith, Andy & Skip reviewed the comments & their proposed responses will be sent to the Board for review & at their January 27th, 2021 meeting, RLMA will hold an Executive Session to discuss this issue. A "marked up" copy of the existing agreement was sent to Board members in December 2019, so this has been in the works for a while. In January 2020, all comments regarding the agreement were to go to Andy & at the January RLMA meeting, Mr. Minnich made a motion to send the agreement to DYWA with all Board members approving that motion.

- **Keith, Jeff & Jason have been reviewing the current language & rate structures** of the Authority's rules & regulations to determine whether any adjustments should be made for the private fire suppression systems and private fire hydrants that are after the water meter & would be billed if used in an emergency. There may be potential changes to the rules & regulations, but staff is still working on this. Andy received a call from Glenn Rexroth concerning billing & rates for private hydrants, since he has some in the industrial park. More on this later.
- **Engineer's Report**—Jason reported the following:
 - **Springvale Road Water Main Extension**—the bidding for this project was held off due to the holidays but should be ready to act on at the January 2021 meeting & a contract turnaround in March is expected. Staff was working on the potential service connections at Red Lion Bible Church & Tate Access Floors.
 - **Edgewood Tank Replacement**—Jason & CSD prepared a scope of work that outlines their recommended approach to the tank replacement project which was emailed to the Board members a few days after December 8th. They broke it into four phases, as listed below.
 - **Phase 1: Existing Conditions**—involves looking at the system operations, pumping cycles, hold a discussion on necessary permitting, hold a site meeting, etc. Not a lot of time is involved with this phase.
 - **Phase 2: Desired/Required Operating Parameters**—estimate the needs of the Authority & what is needed to meet its service area.
 - **Phase 3: Alternative & Options**—location & physical condition of tank based on what is needed to meet the requirements of the water system.
 - **Phase 4: Cost Estimates**—costs associated with a final decision for the project.

As a side note, Mr. Klinedinst & Jeff Beard attended a recent workshop held by Pennsylvania Rural Water Association on water tank storage, inspections & operations which Mr. Klinedinst found very educational.

Mr. Missimer suggested the Board consider approval of Phase 1 of the above scope of work. Existing conditions would be evaluated, a field meeting would be held & discussion with permitting entities. There isn't a lot of time or cost involved with this Phase with Jason estimating an approximate cost of \$3,400.

Mr. Minnich & Mr. Klinedinst questioned the need to spend a lot of money for a tank replacement. Could the Edgewood Tank be saved? Could a pump be installed at the bottom of the hill to aid in distribution from the tank?

Mr. Missimer & Jason stated to try & fix the current tank would probably be a very temporary solution. The problem is not in filling the tank; it's that the elevation of the tank does not allow it to drain into the system when it's full.

This problem has been dealt with for many years & since the tank isn't being used, this scope of work was put together to find a permanent solution. The different phases listed above will be taken in separate steps so the Board will know the time & money involved with each one prior to moving forward.

Mr. Minnich made a motion to authorize moving forward with Phase 1 above; Mr. Poff seconded. All were in favor; motion carried.

- **Superintendent's Report**—Keith reported the following:
 - Shut offs for unpaid bills will be January 13th, 2021. The December shut offs were postponed because the shut off date was not printed on the bills due to an error with the printer & notice must be given to residents prior to shutting off water.

- 2021 Meeting Dates—no conflicts were mentioned since the dates were distributed at the November 2020 meeting, so these will be advertised.
8. **WATER & SEWER—NEW BUSINESS**—Keith reported:
 - The fuel islands out back have now been removed.
 - Keith & Skip are making progress in developing the Risk & Resilience Assessment, required by the America’s Water Infrastructure Act. A draft will be given to the Board for their review, no later than end of February 2021. Comments from the Board will be welcomed after review.
 - Once EPA is notified that the Risk & Resilience Assessment is completed, work on the Emergency Response Plan will begin.
 - A letter of intent to serve on the Red Lion Municipal Authority has been received from Kelly Henshaw. A letter of intent was also received by Jeff Herrman, so this will be voted on at the January 11th, 2021 Borough Council meeting.
 9. **Approval of bills & statements**—Mr. Minnich made a motion to approve the bills & statements; Mr. Poff seconded. All were in favor; motion carried.
 10. **Adjournment**—With no other business before the Authority, Mr. Herrman made a motion to adjourn the meeting @ 7:59p.m. Motion carried, meeting adjourned.
Mr. Missimer wished everyone a happy holiday and thanked Keith Kahwajy & Jeff Beard for all their hard work during this unusual year. Kudos & thanks to all the staff also!
 11. **Next RLMA Meeting will be held January 27th, 2021.**

Respectfully submitted by:

Stacy Myers, Recording Secretary