

**EPHRATA AREA JOINT AUTHORITY
MINUTES – JANUARY 17, 2013**

The Ephrata Area Joint Authority met on Thursday, January 17, 2013 at 7:00 PM in the Conference Room of Ephrata Borough Hall, 124 South State Street.

In attendance were members Clark Stauffer, Chairman; Justin Harnish, Vice Chairman; Steve Sawyer, Treasurer; Dale Hertzog, Assistant Treasurer; Greg Schmuck, Assistant Secretary; and Member Steve Doster. Also attending were Gail Bare, Secretary; Robert Thompson, Borough Manager; Scott Hughes, Gannett Fleming; Attorney Gary Krafft; and Kathy Holzinger, Recorder.

Call to Order – Chairman Stauffer

Reorganization

Mr. Stauffer asked for nominations for a Temporary Chairman.

It was moved by Mr. Sawyer, seconded by Mr. Hertzog to appoint Clark Stauffer as Temporary Chairman. Motion to cease nominations unanimously passed. Mr. Stauffer elected as Temporary Chairman.

Election of Chairman

Mr. Stauffer asked for nominations for the office of Chairman.

It was moved by Mr. Harnish, seconded by Mr. Sawyer to nominate Clark Stauffer as Chairman for 2013.

It was moved by Mr. Harnish, seconded by Mr. Schmuck to close nominations. Motion passed unanimously.

Motion unanimously passed in favor of Clark Stauffer as Chairman of the Ephrata Area Joint Authority.

Election of Vice Chairman

Mr. Stauffer asked for nominations for the office of Vice Chairman.

It was moved by Mr. Sawyer, seconded by Mr. Hertzog to nominate Justin Harnish as Vice Chairman.

It was moved by Mr. Schmuck, seconded by Mr. Sawyer to close nominations. Motion passed unanimously.

Motion unanimously passed in favor of Justin Harnish as the Vice Chairman of the Ephrata Area Joint Authority for 2013.

Election of Treasurer

Mr. Stauffer asked for nominations for the office of Treasurer.

It was moved by Mr. Harnish to nominate Steve Sawyer as Treasurer. It was moved by Mr. Harnish, seconded by Mr. Schmuck to close nominations. Motion passed unanimously.

Motion unanimously passed in favor of Steve Sawyer as the Treasurer of the Ephrata Area Joint Authority for 2013.

Election of Assistant Treasurer

It was moved by Mr. Sawyer, seconded by Mr. Harnish to nominate Dale Hertzog as Assistant Treasurer. It was unanimously passed to close nominations.

Motion unanimously passed in favor of Dale Hertzog as Assistant Treasurer of the Ephrata Area Joint Authority for 2013.

Election of Secretary

It was moved by Mr. Harnish, seconded by Mr. Sawyer to nominate Gail Bare as Secretary. It was moved by Mr. Harnish, seconded by Mr. Sawyer to close nominations.

Motion unanimously passed in favor of Gail Bare as Secretary of the Ephrata Area Joint Authority for 2013.

Election of Assistant Secretary

It was moved by Mr. Sawyer, seconded by Mr. Harnish to nominate Greg Schmuck as Assistant Secretary. It was moved by Mr. Harnish, seconded by Mr. Sawyer to close nominations.

Motion unanimously passed in favor of Greg Schmuck as Assistant Secretary of the Ephrata Area Joint Authority.

Approval of Minutes – November 15, 2012

Mr. Harnish said he was not at the meeting but has one question. In reading the minutes it was unclear to Mr. Harnish at the top of page 3 it says the estimated cost of the water we were losing was \$72,056 was that per year, per month? Mr. Thompson said that was annual.

Mr. Harnish asked that it read \$72,056 per year for clarification purposes.

Motion by Mr. Schmuck, seconded by Mr. Sawyer, and unanimously passed to approve the minutes of November 15, 2012 as corrected.

Financial Report – November/December 2012

Mrs. Bare said looking at 6-month YTD sales have been good; about \$17,000 under anticipated. Total operating revenue collected is under about \$19,000 primarily due to sales down. Total operating expenditures are about \$78,000 under. Looking good on operating side. Capital projects paid from operating fund so far expended \$80,000 against a budget of \$130,000 YTD.

Payment of Bills – December 2012/January 2013

There were four check disbursements. Check runs were on December 6 for \$35,494.53; December 20 for \$64,179.15; January 4 for \$20,882.17; and January 17 for \$235,380.12 for a total of \$355,935.97.

Motion to receive and file the financial report and pay the bills of \$355,935.97 was passed unanimously by roll call vote.

Ratify Old Mill Road Apartments (Friendship Community – Request to Reduce Financial Security

It was moved by Mr. Harnish, seconded by Mr. Hertzog to ratify the reduction of the financial security for Old Mill Road Apartments. Motion passed unanimously

EAJA Financial Statement June 30, 2012/Report to the Members of the Board

Mrs. Bare said we received a clean audit; there weren't any findings. There is one discrepancy/deficiency they found and that is the fact that we do not have a written policy for PC, internet and e-mail use. We are working on that and hope to have that in place in the 1st Quarter of 2013. That is the only comment and it is in the Report to the Members of the Board on page 1.

Autumn Hills Phase I – Dedication of Water Facilities/Deed of Easement

Mr. Thompson said back in June 2010 the developer made the initial offer of the facilities for dedication. The staff, working with the solicitor, were verifying the information that was provided on the offering. Mr. Thompson said there was some communication with the developer's solicitor as it relates to certain easements being offered along with the dedication. Somewhere along the line the offer got lost. It was never brought to the board.

Recently they came back, and we rejuvenated the request. They have satisfied all the staff's concerns and satisfied the solicitor's concerns. Since it's been since June 2010, and we have had no problem with the facilities and have done the leak detection on the facilities, they are asking the board to consider waiving the 18-month warranty period because had we accepted it in June 2010 that warranty period would have been exceeded. The facilities have performed as expected. They are asking for the Authority to accept the dedication of facilities of Phase I and asking for relief of the 18-month warranty period.

It was moved by Mr. Sawyer, seconded by Mr. Harnish to accept the dedication of water facilities and waive the 18-month warranty period for reasons stated in the memo from Mr. Burkholder. Motion passed unanimously.

Nextel Cell Site Decommission

A letter was included in the packet. In September 2005 the Authority executed an agreement with Nextel to put antennae on the Lincoln tank. It was an agreement the school district was a party to since the tank is on leased area of what was formerly the school district. They put up the

antennae on the Lincoln tank and have some equipment inside the fence line and EAJA generated about \$2,000/month in revenue for that. Nextel issued to us a preliminary notification of their intent to decommission the antennae on our tank. The solicitor reviewed the agreement. Nextel is exercising it based on having built other facilities in other areas and this is no longer needed. As part of the termination Nextel will remove the equipment and will pay the Authority twelve months rent as a termination pay out.

Mr. Thompson received an e-mail this evening saying they are expecting to get a letter out soon and the date of termination will be February 28, 2013. We expect to get the rent for January/February and expect a twelve-month lump sum payment. This is an FYI for the Authority. The Authority is getting everything they are due subject to the termination clause. Mr. Thompson said in the next year's budget that will be \$2,000/month of revenue we will no longer take in.

East Cocalico Township Authority Correspondence

Mr. Thompson said the Authority received the letter from East Cocalico dated December 27, 2012 because the Authority is a customer of East Cocalico Township on Garden Spot Road.

East Cocalico increased their water rates from \$5.90 to \$6.45 per thousand gallons. East Cocalico is about 22% higher than we are at the current time.

Aqua Pennsylvania Correspondence

Mr. Thompson said Aqua Pennsylvania purchases water systems. We received a letter saying if we ever have an interest in selling our water system we should contact them. Historically the Board has not been interested in contacting them. Mr. Thompson said he wanted to advise the Board that we received something from them.

Engineering Report

Mr. Thompson said after all the leaks have been repaired the system has stabilized and we are seeing now accounted for water has increased to 93%. Previously we were barely pushing 80%.

We found an unusual leak on Old Mill Road where the new bridge was constructed and where the line went under there. It is suspected that probably had a lot to do with it because the timing was coincidental with the losses we started to see. The system integrity has been brought back up. We will keep an eye on it.

Mr. Thompson said there was a capital project in the budget for the last 2-3 years to replace the packing balls at the air striping tower at well #4. There were some issues because the packing balls have become a solid mass. Whether it's through using the acid to clean them or through the hardness that will build up on them, we were unable to get the packing balls out and replace them.

Mr. Thompson reported since the retirement of Steve Bonner, the Water Treatment Plant Operators are currently reporting to Paul Swangren as the Public Works Director to make sure they have all the resources they need to do their job. Between the Director of Operations and Superintendent of Public Works they put together a plan and implemented it beginning last

Wednesday where they took the top off of the tower and brought in Kline's and used their vacuum truck and basically had the suction in there and had someone in the tank breaking the stuff up and sucking it out. It took three and a half days to get the stuff out; everything is now out, the new packing balls have been placed and the unit was put back in service yesterday. Kudos to the coordination of the efforts of Messrs. Swangren and Natarian.

Next Meeting Date – February 21, 2013

Adjournment

The meeting was duly adjourned at 7:35 PM.

Respectfully submitted,

Gail M. Bare
Secretary