

**SPRING-BENNER-WALKER JOINT AUTHORITY**

**REGULAR MEETING**

**May 9, 2016**

**ATTENDANCE:**

**AUTHORITY MEMBERS:**

<b>Spring</b>	Joseph Galbraith Gregg Heny Chris McMurtrie Dondi Smeltzer
<b>Benner</b>	Dan Hoffman William Hughes Timothy Miller
<b>Walker</b>	Dennis McDowell Ted Onufrak

**GUESTS:** Randy Brachbill & David Wise

**CONSULTING ENGINEER:** Andy Johnson, P.E. and Brian Book, P.E.

**CONSULTING SOLICITOR:** Robert Mix, Esq.

**AUDITOR:** Rick Bair, CPA

**EXECUTIVE DIRECTOR:** N. Warren Miller

**EMPLOYEES:** Toby Dashner, Tasha Dutton & Kelly Gill

**CALL TO ORDER:**

The May 9, 2016, Regular Meeting of the Spring-Benner-Walker Joint Authority was called to order at 7:00 P.M. by Timothy Miller, Chairman. Mr. T. Miller thanked everyone for attending and stated that the meeting would be recorded for transcription.

**ROLL CALL:**

William Hughes, Secretary, took Roll Call, recording nine members present. Mr. T. Miller, Chairman, noted that with a quorum present, the Spring-Benner-Walker Joint Authority was permitted to conduct business under the laws of Pennsylvania.

**PLEDGE OF ALLEGIANCE:**

Mr. T. Miller, Chairman, led the Board members, Employees and Guests in the Pledge of Allegiance.

**WELCOMING OF GUESTS:** Mr. T. Miller welcomed Randall Brachbill from Bellefonte Borough Council and David Wise, Chairman, of the Benner Township Supervisors.

**APPROVAL OF MEETING MINUTES:**

Mr. T. Miller asked the Board if there were any questions and/or changes to the April 25, 2016 meeting minutes as presented. **Mr. Galbraith moved, seconded by Mr. Heny to approve the Minutes of the April 25, 2016 Regular Meeting as presented. 9 ayes, 0 nays. The motion carried.**

**CORRESPONDENCE:**

**Nittany Engineering & Associates (NEA)** – We received a letter from Robert Decker, President of Nittany Engineering & Associates, which included a response to our Authority's questions in relation to the Act 537 Special Study being completed on behalf of the Bellefonte Borough Authority. Mr. Decker also included a response to the questions asked by our consulting engineers. Mr. Book discussed the Act 537 Special Study approval process in great detail during this evening's meeting. It was noted that PA DEP will not approve this study until Benner and Walker Townships sign off on the study due to the Township's 20 year expected future growth. Mr. W. Miller stated Mr. Decker's response indicates the Special Study does not require the Township's signatures; however, according to the PA DEP they will be required.

**Centre County Planning Office** – Our Authority received a letter from Anson Burwell indicating the Centre County Planning Office has received our Minor Land Development Request for the Pump Station #7 upgrades and is requesting some additional information from Walker Township before the project can be deemed administratively complete. Mr. W. Miller indicated that Walker Township has provided Mr. Burwell with this information; therefore, the request has been approved. Mr. Johnson had indicated that to date Bellefonte Borough Council (BBC) and Bellefonte Borough Authority (BBA) has not approved our 537 Plan for the Pump Station #7 upgrades. Mr. Stewart had informed Mr. Johnson that the BBC and BBA were not sure why they were presented this information for approval due to the project being outside of the Borough. Mr. Johnson requested that Mr. W. Miller contact PA DEP to inquire what the Authority should do if Bellefonte Borough does not approve the planning. Mr. W. Miller stated the BBC has 60 days to comment on our Plan once it is presented to them, which occurred at the

3/21/2016 BBC meeting. If they choose not to sign or comment within that time period, we may proceed with the submission of our Plan to the PA DEP. Once PA DEP would receive this information, they will proceed accordingly.

**Right to Know Request** – We received a Right to Know Request from Ralph Stewart, Bellefonte Borough, asking for copies of our Authority's annual budget reports for 2013-2015 and an electronic copy of our agreement with the Commonwealth for SCI Rockview/SCI Benner. Mr. W. Miller indicated that he will forward the requested information to Mr. Stewart.

#### **APPROVAL OF PAYMENTS:**

Approval of Requisitions:

**Revenue Fund Requisition 2012-77** – Mr. T. Miller asked if there were any questions regarding the presentation of Revenue Fund Requisition #2012-77. **Mr. Hoffman moved, seconded by Mr. McDowell to approve Revenue Requisition 2012-77 payable to SBWJA in the amount of \$46,905.97.** Mr. Onufrak noted a PA State Inspection was completed on the 2012 Ford F-350 truck and asked if there was an emissions test completed. Mr. W. Miller indicated that due to the truck being diesel an emissions test is not required. Mr. Smeltzer asked if the supplies ordered from L/B Water Service, Inc. were for the Benner Pike Sewer Extension. Mr. W. Miller informed Mr. Smeltzer that most of the order was for the Benner Pike Sewer Extension project; however, about one third of the bill was for routine maintenance on our system. 9 ayes, 0 nays. **The motion carried.**

#### **GUESTS:**

**2015 Audit** – Rick Bair of Baker Tilly attended the meeting to present the Authority with the 2015 audit and to answer any questions the Authority may have. Mr. Bair had indicated they conduct their audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Mr. Bair provided the overview of the financial statements with the Board. He indicated that the Authority's total assets consist of \$23,946,135 with the large portion of that being the Authority's fixed assets and the reserves in cash. Mr. Bair also indicated the Authority's Liabilities at \$10,407,603, which the big portion of that being Long-term debt as it relates to the Bond. The total net position was listed as \$13,538,532, which Mr. Bair feels puts the Authority in a strong financial position. Mr. Bair reviewed the annual debt service requirements through 2038.

Mr. Bair briefly covered the Internal Control Over Financial Reporting and stated he did not identify any deficiencies in internal control that he would consider to be material weaknesses.

Mr. Bair indicated the audit is a very easy process because the same general procedures are followed each year and Mrs. Gill is very organized with the Authority's financial records. With no questions for Mr. Bair, **Mr. Hughes moved, seconded by Mr. Smeltzer to approve the 2015 audit as presented.** 9 ayes, 0 nays. **The motion carried.**

Mr. Bair left the meeting at 7:15 p.m.

**Bellefonte Borough Council** – Mr. T. Miller thanked Mr. Brachbill for his attendance and asked that he present the Board with any questions he may have. Mr. Brachbill, SBWJA Board Members, Engineers and Staff engaged in a lengthy, detailed discussion of various issues.

**1976 Bellefonte-Spring Township Agreement** – Mr. Brachbill stated that he has recently been provided the 1976 Bellefonte-Spring Township Agreement for review due to current questioning of updating the Agreement. Mr. Brachbill asked when the 1976 was last revised. Mr. T. Miller stated that he first joined the SBWJA Board in 1981 and there had been no updates; however, there were some topics that were discussed for revision but never finalized. Mr. Brachbill had indicated that the Agreement can be opened every two (2) years in October for revisions. Mr. T. Miller stated that he had recommended a six (6) person committee be formed that would consist of an Engineer, Executive Director and 1 Board Member from SBWJA and BBA, which would meet on a quarterly basis. This committee would open a better line of communication that could help in future upgrades and negotiations; however, the committee was never formed. As Mr. Beigle indicated the BBA was not interested.

**Johnson Controls** – Mr. T. Miller stated that SBWJA was very dissatisfied with Bellefonte Borough's \$1.4 million energy savings project with Johnson Controls due to the multiple unanswered questions and waste of money. It was noted that the BBA did not inform SBWJA of this project until the contract was already executed. It was also noted the BBA is currently in legal litigation with Johnson Controls due to BBA not meeting the savings criteria listed on the contract. Mr. T. Miller stated that SBWJA now has to pay a percentage of BBA litigation fees. The Johnson Controls contract was presented as a ten (10) year payback and when Johnson Controls did not meet their quota they blamed SCI Benner stating they increased the load to the plant, which made it significantly more expensive to treat. Mr. W. Miller stated the SCI Benner prison was fully populated by June of 2012; however, the Johnson Controls project did not begin work until the 4<sup>th</sup> quarter of 2012, which shows it was not due to SCI Benner going on line after the work was completed. Mr. W. Miller indicated the revised BBA Act 537 Plan also misrepresents the time of when the prison was populated to better serve their position.

**Bio-Solids Application** – Mr. Wise commented on how well some of the residents from Benner Township have done with presenting their concerns with the application of Bio-Solids within Benner Township; however, some of their information is not correct. Mr. Wise feels that Benner Township and surrounding residents will all be affected by the way Bio-Solids are handled in the future. It was noted that about 3,000 tons of material needs to be disposed of annually either by land application or land fill disposal. Mr. Wise indicated that he believes the application of Bio-Solids will be treated and viewed as an agricultural practice and as an agricultural practice it is protected by the ACRE Law/Pennsylvania Act 38. Mr. Wise stated that he does not believe this matter will need to be handled with litigation but will need to be handled by the community. Mr. W. Miller informed Mr. Wise that he had invited an attorney, Ross Pifer, from Penn State Ag Law to speak at Benner Township Water Authority's meeting on 5/17/2016 regarding the ACRE Law/Pennsylvania Act 38 and how it applies to this situation to help better educate the community on this issue.

**2008 Bellefonte Borough Treatment Plant Upgrade** – It was noted that Bellefonte Borough Authority continues to state that the 2008 treatment plant upgrade was a success because they have nutrient credits available to sell, but after recent discussion with PA DEP it was noted that the Bellefonte Treatment Plant does not treat to the level needed to generate credits based on the changes that occurred in that program in October, 2015.

**Bellefonte Borough Quarterly Billing** – Mr. W. Miller expressed his concerns to Mr. Brachbill regarding the Borough's billing procedures. It was noted that SBWJA is still waiting for a final bill from the 4<sup>th</sup> quarter 2015 and the 1<sup>st</sup> quarter 2016 bill. Mr. W. Miller indicated the bills are often prepared with multiple mistakes, which result in revised bills. The delays in the quarterly bills also cause significant concerns with the Commonwealth.

Mr. Book, Mr. Brachbill and Mr. Wise left the meeting at 9:10 p.m. The entire Board thanked Mr. Brachbill for his time and his willingness to openly discuss these matters of mutual concern.

#### **EXECUTIVE DIRECTOR'S REPORT:**

**2005 Ford F-550 Dump Truck** – The maintenance department recently encountered issues starting the 2005 Ford F-550 Dump Truck. Mr. W. Miller indicated the truck is currently at L.W. Hose for repair and they indicated it may be head gasket issues. L.W. Hose is not certain on a quote for the repairs at this time.

**Bellefonte Borough** – Mr. W. Miller stated he was very pleased that Mr. Brachbill attended the meeting and he felt it went very well. The Board also expressed their happiness and hopes the good stewardship will continue with additional Borough Council Members.

**Graystone Court** – The 18 month Maintenance Bond for the Graystone Court is scheduled to expire on 5/10/2016. Mr. W. Miller indicated the lines have been video inspected and everything appears to be acceptable; therefore, he suggests the Board execute the paperwork to close the CD and return the monies to the developer, Mr. Long. **Mr. Hughes moved, seconded by Mr. McMurtrie to close out the 18 month Maintenance Bond for Graystone Court. 9 ayes, 0 nays. The motion carried.**

**Bellefonte Borough's Right to Know Request** – Mr. Hoffman informed the Board that the Right to Know Request must be executed within 10 days. Mr. W. Miller indicated that would not be an issue to provide Mr. Stewart with the requested information. Mr. Hoffman then recommended that Spring Benner Walker Joint Authority complete a Right to Know Request. The requested information would consist of the agreement of contract with Nittany Engineering & Associates including all costs and how monies are to be spent for the Bellefonte Treatment Plant upgrades. Mr. Hoffman also recommends obtaining the Bellefonte Borough Sewer Authority's budgets for 2013-2015. Mr. Mix then suggested obtaining the agreement between Bellefonte Borough Authority and Bellefonte Borough.

**SOLICITOR'S REPORT:**

**Bellefonte Borough** – It was noted there are some differences in opinions that are developing among the Bellefonte Borough Council members.

**ENGINEER' S REPORT:**

**Pump Station #7 Upgrade** – Mr. Johnson informed the Board that there are currently 9 general contractors and 7 electrical contractors that have shown interest in the Pump Station #7 project and that the bids will be opened on May 19, 2016. It was noted that Spring, Benner, and Walker Townships have approved the planning for this project; however, the BBC has refused to comment or sign this plan. Their comment period will expire on or about 5/21/2016.

**OLD BUSINESS:** There was no Old Business presented for discussion.

**NEW BUSINESS:** There was no New Business presented for discussion.



**COMMITTEE REPORTS:**

**Personnel & Community Relations Committee** – Mr. Hoffman informed the Board that he has continued research on increasing the Authority’s match to employee’s retirement funds; however, at this time no changes are to be made.


**Facilities Committee:** Mr. Hughes had nothing to report.

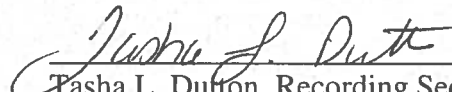
**Financial Committee:** Mr. Onufrak had nothing to report.

**ADJOURNMENT:**

**Mr. Galbraith moved, seconded by Mr. Hughes to adjourn the meeting at 9:30 p.m. 9 ayes, 0 nays. The motion carried.**

Respectfully submitted,

  
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William Hughes, Secretary

  
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Tasha L. Dutton, Recording Secretary

CC: Benner Township \_\_\_\_\_  
Spring Township \_\_\_\_\_  
Walker Township \_\_\_\_\_