

MINUTES OF THE 07/17/2024 MEETING

A meeting of Mifflin County Municipal Authority (MCMA) was held at 73 Reserve Lane (Derry Township Office), Lewistown. The meeting was called to order at 1:00 pm.

BOARD MEMBERS PRESENT: Bargo, Eckley, Griffith, Herto, Pecht, Shirey

BOARD MEMBERS ABSENT: Garver, Parker, Smeltz

BOARD MEMBERS LATE: None

OTHERS PRESENT: Bubb, Castel, Garrigan, Hassinger, Searer, Segursky

OTHERS ABSENT: None

OTHERS LATE: None

PUBLIC PRESENT: David Busch – Keystone Alliance

PUBLIC COMMENT:

Carrie & Robert Marker were not present. The billing exception request will be discussed during the Business Manager's report.

David Busch presented a guide to the Keystone Alliance Rate Model and a detailed review of the MCMA rate study. Busch reviewed the primary goals of the study. The rates must be set to generate enough revenue to cover all fixed and variable expenses of MCMA. The study goals to simplify and update the rates to the current AWWA meter standards was also discussed. Twelve different scenarios were evaluated. The option the Committee recommended for final review of the entire board was presented. Expenses, growth rate based on historical data, and capital projects through 2029 were considered in the rate study. The current charge would be shifted to a service charge structure where a service charge rate is set, and any consumption is charged according to the appropriate rate tier. The total transition to the final rate will take five (5) years. This will minimize the impact to customers across all levels of service. Griffith pointed out the decrease in water consumption due to water saving fixtures and how the committee evaluated this trend and steps to ensure the MCMA rates would be sufficient to cover this ongoing trend. Herto expressed her concern regarding the negative impact to the customers on a fixed income; specifically in year three (2027) when the monthly/quarterly allowance is removed from the base service charge rate. Hassinger stated that the committee held this concern as well. Many of the scenarios that were evaluated and not selected were declined for that exact reason. The final rate structure reduces the charge per 1,000 gallons of usage to address the impact in the year 2027. The usage rate tiers were shifted to the lowest possible amount to reduce the impact to rates while still maintaining coverage of the revenues required to operate. It was also noted there is no increase in year 2028 and 2029 to the 5/8" residential customers. Hassinger will provide additional information on the individual rates by usage and customer education resources for the next board meeting. The approval of the rate study was tabled until the full Board is present to vote.

READING OF THE MINUTES:

A Shirey/Griffith motion was made to approve the 06/19/24 MCMA meeting minutes. The motion passed unanimously.

TREASURER'S REPORT:

The budget and voucher reports were approved unanimously on a Griffith/Bargo motion.

BUSINESS MANAGER'S REPORT:

Hassinger presented her written report.

A leak at account 064021800-2, 36 Eastwood Street – Carrie & Robert Marker that registered 841,000 gallons of water on the quarterly bill issued July 2024 in the amount of \$2,681.43 was reviewed. Hassinger provided the details related to the account. Due to prior payment delinquencies the customer did not qualify for the usage tier reduction to metered consumption. Herto offered an option to encourage on-time payments where the customer must complete on-time payments set up on an interest free payment arrangement. Successful completion of the on-time payments would qualify the customer for the usage tier rate reduction for billing the leak consumption. The credit amount is \$805.60. A Griffith/Eckley motion to set up interest free monthly payments for the leak invoice in addition to quarterly bills with the on-time payment provision being met will qualify the customer for the usage tier reduction to metered consumption. The motion was unanimously approved.

An update on the meter project was provided. 5,996 customer accounts have been completed. The next progress meeting is scheduled for 7/26/24. The project end date is August 31, 2024.

The request to Armagh Township related to sewer capacity charges was submitted and reduced by one (1) EDU at the meeting held 7/14/24. The check has been issued to keep the building project moving forward. Hassinger reported Centre Communications removed all MCMA equipment from the Snyder tower on 7/12/24. The closing photos are pending. The final payment covering the balance of the contract period August 2024 to May 2025 has been issued.

The final labor and material costs for the Airport Road main project are being reviewed and reconciled by Mifflin County Commissioners, by Jim Lettiere. The loan amount of \$409,708.35 is pending final approval. A Freedom of Information Act information request was presented to the Board for informational purposes. This has been identified by other Authorities as an attempt to gain insight to local governmental vulnerabilities for possible security breaches. No response action by the Right to Know Officer will be taken on the request. The Business Managers was unanimously accepted on a Bargo/Eckley motion.

WATER PRODUCTION MANAGER'S REPORT:

Castel presented his written report.

Castel provided updates on filter plant operations with the SCADA system upgrades, remote site security measures and maintenance activities with contact sed basin two.

A quote from X-Pert Communication was discussed. Grace Industries provides a lone worker program that monitors inactivity. The cost is \$31,000-\$40,000 depending on options selected.

Castel reported the cement lagoon gate wall was replace by a steel gate after the wooden gate cracked.

The new equipment installed to monitor water turbidity is being evaluated with parallel testing to qualify the new equipment accuracy.

The drying bed material hauling has started this month. Two loads are processed each day.

The Hawstone well inspection by DEP is scheduled for 7/29/24.

An Eckley/Shirey motion to accept the Water Production Manager report was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT:

Bubb's presented his written report.

Bubb gave an update on projects in progress.

Electric Ave bridge project Chad Bagrosky continues to worked with the contractors to resolve any construction conflict issues.

The Lumber City bridge project is going to require a water line relocation. MCMA will complete relocation work prior to construction.

The PADOT maintenance facility is finally moving forward to the bidding process. The facility will be the main site for local operations.

A possible expansion in Edgewood Estates, twelve to fourteen lots, is being considered by Watson.

The balance of funding available through the Mifflin County Commissioners is \$590,292. A project for a pump station on Tower Hill Rd is the project recommended.

The next phase of fire flow improvements in Yeagertown at Greenwood and 3rd Street is scheduled to begin this month.

Lake cannot procure the hybrid truck. Manheim Ford provided a quote and can order the truck. The Service Tech vehicle is the best fit for a hybrid vehicle. There was no objection by the Board to continue to procure the previously approved hybrid truck. Bubb will contact the dealers to move the purchase forward.

Bubb discussed possibly metering a hydrant for West Granville Fire Company use at the end of SR 522 to fill tankers to reduce the amount of auto flusher water being used.

The main maintenance work in Yeagertown will be within 150' of the Lynch property that has expressed interest in water service. The discussion consensus was Lynch can apply for the water line extension as outlined in the Rates and Rules to serve the property.

ENGINEER'S REPORT:

Buchart Horn:

Segursky presented his written report.

The Juniata Terrace water line replacement Environmental Review was not completed. Follow up and updates will be provided.

No action on any other projects was required.

Herbert, Rowland & Grubic:

Garrigan presented his written report.

Garrigan provided an update on the office and maintenance building project. There were issues this month with the Building Permit acquisition. Efforts to move the permit forward were discussed and the permit has been issued. Site work can now begin without issue.

Garrigan provided an update on the meter reader replacement project and recommended approval of payment #9.

The Engineering proposals for the Lumber City Bridge work and Tower Hill Tank Booster Pump Station were provided and discussed. The proposals are for design work and based on a lump sum amount. Eckley requested engineering rates and questioned the role of the two engineers. Bubb provided a summary of the Consulting Engineer and Construction Engineer roles that were approved at the January 2024 MCMA reorganizational meeting. Hassinger provided input that the rates for both engineering firms were provided at the December 2023 board meeting for review prior to the January 2024 reorganizational meeting. An Eckley/Griffith motion to approve pay application #9 for Contract #23-100 in the amount of \$58,484.85 was unanimously approved.

A Griffith/Bargo motion to approve the Tower Hill Tank Booster Pump professional services proposal in the amount of \$92,000 was approved 5-yes, 1-abstain Herto, the project is in her represented township - Granville Township.

A Bargo/Shirey motion to approve the Brown Township T439 Bridge Water Main Relocation professional services proposal in the amount of \$34,000 was unanimously approved.

SOLICITOR'S REPORT:

Searer provided his written report with no actions requiring action.

OLD BUSINESS:

NEW BUSINESS:

A Griffith/Eckley motion to approve MCMA Water Revenue Bonds, Series 2021 Construction Fund Requisition 29-2022CF in the amount of \$140,661.00 was unanimously approved.

A Shirey/Griffith motion to approve the Armagh Township Developer Agreement was unanimously approved.

A Shirey/Griffith motion to approve the Armagh Township Operation and Maintenance Agreement was unanimously approved.

A Shirey/Bargo motion to assign PMAA Annual Convention Voting Delegate, Craig Bubb and Alternate, Scott Pecht was unanimously approved.

A Shirey/Eckley motion to approve a \$50 gift card for PMAA The Authorities Future Leaders Scholarship Donation was unanimously approved.

CORRESPONDENCE:

An Eckley/Griffith motion to adjourn the meeting at 3:25 pm was unanimously approved.

Attested by:

Barry Bargo
Secretary