

CARROLL VALLEY BOROUGH
PUBLIC SEWER ADVISORY COMMITTEE
REGULAR MEETING
MONDAY, AUGUST 14, 2023 – 7:00 P.M.

AGENDA

Roll Call

1. Approval of Minutes: June 26, 2023
2. Open to the Public
3. Administrative Business
 - a. Sewer Treatment Plant - Update
4. Open to the Public
5. Adjournment

**CARROLL VALLEY WASTEWATER
TREATMENT PROJECT**

BID OPENING: August 8, 2023 @ 2:00 P.M.

BIDDING COMPANY:

BID AMOUNT:

Conewago Enterprises

\$5,836,381

Hickes Associates

\$5,315,000

HRI, INC.

\$6,509,459

M2 Construction

\$5,848,643

Johnston Construction

\$6,671,550

Notes:



420 Allegheny Street
Hollidaysburg, PA 16648
Phone: 814.696.7430
Fax: 814.696.0150

www.keller-engineers.com

4529-1

August 9, 2023

Carroll Valley Borough Council
5685 Fairfield Road
Fairfield, PA 17320

RE: HICKES ASSOCIATES INC.

Dear Council Members:

As you are aware, Hickes Associates, Inc. of Alexandria PA is the apparent low bidder for your recently opened wastewater treatment facility expansion project. Please let this letter serve as reference for Hickes Associates and as a recommendation of award.

I have personally worked as lead engineer and construction manager on projects for which Hickes Associates served as contractor. This includes a \$4 million wastewater treatment facility improvement project for the Union Township Municipal Authority in Belleville, PA. That project was similar in nature to your proposed undertaking and was completed just last year. Hickes Associates has a reputation as a professional organization with qualified craftsmen, foremen, and managers. They have the equipment and expertise to complete the treatment facility project.

Upon review of the subject bids, I can confirm that they are the lowest responsible bidder, and I recommend award of the project contract to Hickes Associates, Inc. Please do not hesitate to contact me at 814-696-7430 or dcunningham@keller-engineers.com if you have any questions or would like additional information.

Sincerely,

David M. Cunningham, P.E.
Vice President, Associate Director of Water/Wastewater

cc: file

August 10, 2023

Carroll Valley Borough Council
5685 Fairfield Road
Fairfield, PA 17320

Re: HICKES ASSOCIATES INC.

Dear Borough Council Members:

William F. Hill & Assoc., Inc. worked with Hickes Associates Inc. (serving as the General Contractor) for the Newville Borough Water and Sewer Authority (NBWSA) in Cumberland County for the construction of a 650,000 GPD Wastewater Treatment Plant to replace the prior facility. The facility was very similar to the proposed Carroll Valley Borough Wastewater Treatment Plant. The process included a Sequencing Batch Reactor, Removal of Nitrogen, and UV Disinfection. The Newville Borough serves four municipalities in Cumberland County.

The Newville WWTP project was constructed during 2008-2009 by Hickes Associated Inc., the contractor proved to be reliable, fair in negotiations, and performed quality construction. At the conclusion of the project, the NBWSA was satisfied with the relationship during construction and with the completed project by Hickes Associates Inc. Newville Water and Sewer Authority won an Excellence Award for Plant Operations and Maintenance, taking first place in a state-wide competition for wastewater treatment facilities treating less than 2.0 MGD in 2011.

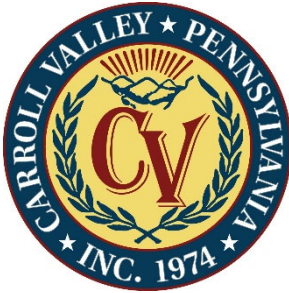
We have also worked with Kappe Associates on approximately ten new or upgraded/replaced WWTPs. They have demonstrated how reliable they are in facility start up and continued service. Kappe Associates is providing the entire SBR Equipment Package and UV Disinfection System for the Carroll Valley WWTP upgrades.

If you have any questions, feel free to contact our office.


Sincerely,


William F. Hill, P. E.

MEMORANDUM



TO: PUBLIC SEWER COMMITTEE; BOROUGH COUNCIL; MAYOR

FROM: DAVID HAZLETT, BOROUGH MANAGER 

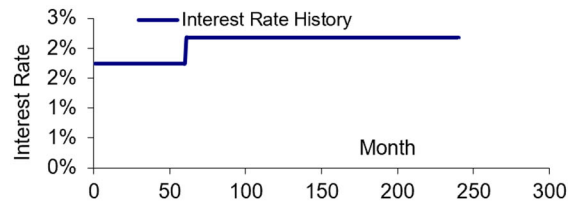
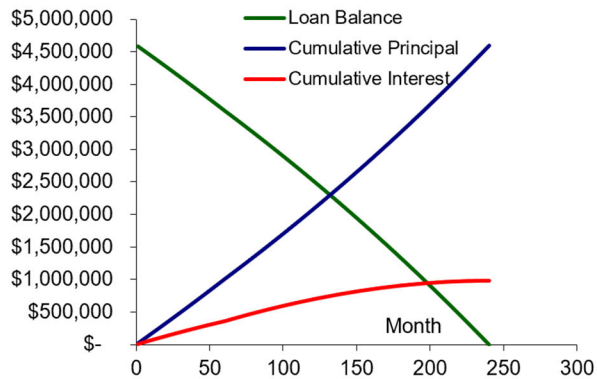
SUBJECT: SEWER PLANT CONSTRUCTION

DATE: 8/10/2023

CC: GAYLE MARTHERS

At this time, the Borough has not received a formal amortization schedule from PENNVEST, but the staff has approximated our potential annual debt service costs. For the initial 5 years, we are expected to pay \$272,578.80 annually to repay the loan. (22,714.90*12 months)

Loan Information	
Loan amount	4,600,000.00
Term (years)	20
Starting interest rate	1.743%
First payment date	1/1/2024
Starting monthly payment	22,714.90
Rate Adjustments	
Rate remains fixed for	5 years
Months between adjustments	12
Expected adjustment	43.600%
Interest rate cap	2.179%
Summary	
Est. Max rate	2.18%
Est. Max monthly payment	23,435.51
Total payments	5,581,284.98
Total interest	981,284.98
Internal Rate of Return	1.98%



Based upon this estimate, we anticipate the following actions needed to pay the annual debt service, all of which have been included in the above calculation:

- Apply the remaining portion of the \$700,000 grant toward the costs. (THIS ISN'T OPTIONAL)
- Liquidate the Holding Tank Reserve Fund (\$215,000) (SPEND ALL AVAILABLE CASH)
- Reevaluate the Administrative transfer amount to ensure accuracy (potential \$65,000 savings) (DECREASE EXPENDITURES)
- Raise all user rate classes by 37% (INCREASE REVENUES)
- Prior to the end of the first 5 years, evaluate rates again to consider the additional \$8,647.32 in costs with the introduction of the higher interest rate.