

MINUTES
LOWER SWATARA TOWNSHIP MUNICIPAL AUTHORITY
AUGUST 24, 2015

Chairman Gingrich called the Regular Meeting of the Lower Swatara Township Municipal Authority to order at 7:00 P.M. The record indicated the following officials in attendance:

- James Gingrich, Chairman
- Todd Truntz, Vice Chairman
- Charles High, Secretary
- Richard Wilkinson, Treasurer
- Thomas Mehaffie
- Samuel Monticello, Manager
- Matthew D. Cichy, Engineer
- Tracey Bechtel, Recording Secretary

Absent: Peter Henninger, Solicitor

Residents and visitors in attendance:

Debra Messick
Brian Straub, Waggoner, Frutiger & Daub
David Spaulding, SARAA
Steve Severin, (LSTMA)
Dan Wagner (LST Public Works)
Lisa Mundis (LST Director of Finance)
Rebecca McClain (LST Accountant)

Public Comments: None

A motion was made by Mr. Truntz seconded by Mr. Wilkinson to approve the July 27, 2015 Meeting Minutes. The motion was unanimously approved.

2014 Municipal Authority Audit: Brian Straub, Auditor for Waggoner, Frutiger & Daub presented the Municipal Authority Board with the 2014 Municipal Authority Audit. Mr. Straub indicated that nothing came to their attention that caused them to believe that the Authority was not in compliance with the financial provisions of the Trust Indentures dated November 1, 1986, August 10 1992 and October 1, 1997 and with the financial provisions for the lease agreements dated November 1, 1986, August 1, 1992, October 1, 1997, September 1, 2002, August 15, 2009 and December 1, 2009.

Mr. Monticello asked Mr. Straub to address the Board concerning the few items they had talked about over the phone. The first Due from Developers. Mr. Straub explained that the due from developers is based on going through the engineering invoices on a monthly basis and extracting what is related to developer's cost responsibility, then billing the developers for that reimbursement. Mr. Straub has forwarded a spread sheet on the detail to Lisa.

Mr. Straub also explained the calculation done on the compensated absences payable line which is based on the Police and Non Uniform employment agreements. Those agreements states that when someone leaves, they are paid for their sick days and unused vacation days. The sick days are calculated based on their salary times the number of days times 25% of whatever that liability is. They normally get paid in full for the number of unused vacation days.

Review Statement of Revenues and Expenditures compared to Budget: Mr. Mehaffie asked about I & I expense that shows an over budget amount of \$43,938.08, is that due to the purchase of the meters? Ms. Mundis acknowledged that was correct. Mr. Mehaffie also inquired that it was directed by the Board to take that out of the Bond issuance, there should be an adjustment showing that. Ms. Mundis stated that funds have been transferred initially from the Sewer Investment Account into a Capital Projects Account, on July 24, 2015 the funds for the meters were transferred into the Sewer Revenue Fund to cover the cost of I & I expense. The reason for the I & I over budget is that the meters were not initially a budgeted item. There will be a budget adjustment to account for this.

The Board and Mr. Wagner indicated that they would like to see a more detailed report showing transfers, receivables and expenses each month, so they have a more accurate account of what each account currently has. The current Statement of Revenues and Expenditures only

show a lump sum amount. Ms. Mundis reported that the accounting department is in the midst of upgrading the accounting software and included in that upgrade they would be able to activate a receivable module which will allow a much more detailed day to day report.

Mr. Mehaffie also requested that the Warrant be distributed to each Board member in their packets prior to the meeting.

Mr. Mehaffie inquired about the PA One Call expense and the Capital Construction expense where it looks like money was put back into it rather than being taken out. It was explained that we received a refund check from PA One Call and the money received for the overpayment from Highspire Borough last year was put back into the Capital Construction account.

Engineer's Report: Mr. Cichy distributed the monthly written report.

Pennsylvania Avenue (& Blacklatch Lane) Sewer Improvements Project: Executed Contract Documents including the Agreement, Performance and Payment Bonds, and Certificates of Insurance were provided by the Contractor, E.K. Service, Inc. reviewed by the Engineer and Solicitor, and provided to the Authority Chairman and Secretary for execution. A preconstruction conference was held on August 18, 2015.

The Contractor will be providing shop drawings submittals for review. At the preconstruction conference the Contractor noted that they planned to work five (5) 10 hour days a week. Per the Contract requirements a work week is defined as a 40 hour work week. To exceed this limit, the Contractor must submit this request in writing for the Owner's approval. We have not yet received a written request, however, we note that the HRG RPR services were based on a 40 hour week and if a 50 hour week is approved and HRG is requested to provide full time RPR coverage of this, overtime would be accrued, which is not within the budget. The Owner can approve with a provision that the Contractor is responsible for any overtime, or have Township Staff supplement HRG RPR, or limit HRG RPR to 40 hours per week.

Mr. Cichy noted that United Water is also proceeding with replacement of the water main on Pennsylvania Avenue. E.K. Services, Inc. is also the Contractor for that work. The sanitary sewer replacement installation will be coordinated with the water main replacement work. Still awaiting a proposed schedule from the Contractor. Project is expected to be completed this fall.

Amtrak Middletown Station Utility Relocation: Amtrak is proposing a new Middletown Train Station near Ann Street. The new station is proposed to include a pedestrian bridge across SR 230 and connect to the student housing off of Lawrence Street. The new pedestrian bridge will impact the Authority's sanitary sewer system in this area, and portions of the sanitary sewer must be relocated as a result.

Penn DOT is requesting that the impacted utilities provide proposed designs and the necessary forms for the relocation of the utilities to their consultant, HNTB Corporation, by October 1, 2015. Penn DOT has indicated that the Authority may be eligible to request reimbursement for a portion of the sanitary sewer work required by this project. Note that since the Authority's impacted facilities are located outside of the PennDOT ROW full reimbursement may be possible, but must be confirmed with PennDOT. PennDOT typically provides 50% to 75% cost reimbursement/sharing.

It is requested that the Authority authorize HRG and Township Staff to submit the necessary forms to PennDOT and develop the relocation plans associated with this project.

A motion was made by Mr. Wilkinson seconded by Mr. High to authorize HRG and Township Staff to submit necessary forms to PennDOT and develop the relocation plans. The motion was unanimously approved.

Mr. Cichy asked Chairman Gingrich if he would like to discuss Hershey Creamery at this time. Chairman Gingrich indicated that he has had several conversations with Phil Keeney with Hershey Creamery responding to the letter we had sent. They are very willing to cooperate and work with HRG with installing a meter and meter pit to comply.

Mr. Truntz inquired on the status with Phoenix Contact and the School District increase in EDU's. Mr. Severin reported that he has not had any response from Phoenix Contact in regards to the letter that was sent. Mr. Severin indicated he is working closely with Bill Meiser, from the School District. They have been televising all their lines to try to find out where the problem is.

Mr. Severin noted that they want to put a meter in at the Mid Atlantic Credit Union's line to monitor how much they are actually discharging. Once the Authority obtains more accurate

readings we can move forward with contacting them on purchasing additional EDU's if necessary.

Mr. Severin reported that he received a call from Randy from Highspire Authority. On Race Street we have an 18 inch gravity line that goes down to the Western Interceptor. Where our line is there is a large depression in the road. Highspire has an 8 inch line that runs underneath our line the goes down the alley way. Randy indicated to Mr. Severin that they televised their line and found that it is crushed 60% and it is leaking water. Apparently they tried to televise our 18 inch line, but they did not have the capability to see anything to see if we had a depression in our line causing the collapse in their 8 inch line. Mr. Severin said he is currently waiting to back from Highspire, they are going to plug our line, bypass it so we can televise it with our camera so we can get a proper look to see if we have any issues with that line. Mr. Severin indicated he will keep the Board updated.

Solicitor's Report: Chairman Gingrich reported for Solicitor Henninger, who could not be in attendance this evening. Chairman Gingrich noted he signed the letter that will be mailed to Swatara Shores in regards to installing the mermaid pump.

The Sauder property has been foreclosed and we are anticipating close to a \$7800.00 payoff.

The final item is setting up a date and time to meet with Highspire. It was decided September 8, 2015 at 10:30 a.m.

The final item is in reference to placing a lien on the Messick properties at 1710, 1808 and 1810 Oberlin Road. Debra Messick is in attendance and addressed the Board stating she will be paying at a minimum of \$500.00 every two weeks to get all three accounts current. The Board was in agreement to hold off on placing a lien if the agreed payment plan was met as stated by the Messick's.

Manager's Report: Mr. Monticello reported that he is in receipt of a letter from Ryan Woerner of Capital Valley LP requesting an additional 10 EDU's from the Authority. They had previously allocated 24 EDU's. Mr. Monticello asked for a motion from the Board.

Mr. Cichy indicated that there should be a sewage capacity request which would consist of a form that needs to be completed with either an exemption or requirement for sewage planning. The Board tabled this request till the needed paperwork is submitted.

A motion was made by Mr. Wilkinson seconded by Mr. High to approve the August expenses in the amount of \$133,982.05. The motion was unanimously approved.

New Business:

The next meeting is scheduled for Monday September 28, 2015 at 7:00 P.M.

Mr. Mehaffie requested an executive session to discuss contractual and personnel issues.

Mr. Wagner noted that we have received our DEP permit to replace the water line at the Green Plains Pump Station. Mr. Wagner requested a meeting with the water company and was hoping to meet this week, but has not heard from them as of yet. The hope is to get this completed early fall.

Mr. Wagner also mentioned the great job the Authority staff has been doing to improve the I & I issues.

A motion was made by Mr. Mehaffie seconded by Mr. Truntz to adjourn and proceed into executive session. The motion was unanimously approved and the meeting adjourned at 8:14 P.M.

ATTEST:

Tracey Bechtel, Recording Secretary