

Minutes
North Lebanon Township Municipal Authority
June 10, 2021

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, June 10, 2021 at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following people were present:

Gary Heisey	Chair
Dawn Hawkins	Vice Chair
Tod Dissinger	Treasurer
Brian Hartman	Secretary
Rodney Lilley	Assistant Secretary/Assistant Treasurer
Amy Leonard	Henry and Beaver, LLP
Scott Rights	Engineer-Steckbeck Engineering
Lori Books	Assistant Township Manager
Edward Brensinger	Roadmaster/Supervisor

Molly Lum, Sewer Billing Clerk, and Brian Marchuck of BSSF, were also in attendance.

The meeting was called to order by Vice Chair Hawkins and the pledge to the flag was recited.

Vice Chair Hawkins opened the floor for public comments. Brian from BSSF is in attendance to review the 2020 Final Audit. Tod suggested we wait to hear Brian's presentation on the audit until Chair Heisey arrives. It was noted that Chair Heisey called the office and said he may be a few minutes late due to a prior commitment.

Vice Chair Hawkins asked for a motion to approve the May minutes.

MOTION: Motion was made and seconded to approve the May minutes. Motion approved.

Vice Chair Hawkins asked for a motion to approve the invoices and requisitions for payment all subject to audit.

MOTION: Motion was made and seconded to approve invoices and requisitions for payment all subject to audit. Motion approved.

SOLICITOR'S REPORT – Atty. Amy Leonard

Nolt, Weaver & Stoltzfus Sewer Connection – There are two lots located in Swatara Township that have failing onlot septic systems and the property owners have asked to connect to public sewer through NLTMA's lines. The Municipal Authority Board agreed to allow this connection as long as Swatara Township was in favor. Atty. Leonard has heard back from Atty. Gallo, Swatara's Solicitor. Swatara Township has agreed to amend the agreement, so this project will be moving forward. It was verified that both properties are or will be serviced by public water. The landowner plans to consolidate the two parcels into

one. Amy will work on amending the current Intermunicipal Agreement known as the Rockwood Agreement between Swatara Township and the Municipal Authority to include this newly combined lot. Both the agreement and the combining of the two parcels into one must be complete before the Municipal Authority staff will review plans for connecting to the Authority sewer lines.

On-Lot Septic Update – At this time, there are only two (2) properties that are non-compliant with the 3-year pumping/reporting requirement. Both have recently received a second notice from Atty. Leonard.

New Conduit Financing Opportunity – Atty. Leonard was contacted by Peter Edelman of Steven’s & Lee, who has served as bond counsel for NLTMA in the past. He advised her that Moravian Manor is looking to do a tax-exempt financing of \$10,000,000.00 and they would like to know if the Municipal Authority Board would be interested in acting as the conduit again. This has been done in the past for Moravian Manor. It does not result in any obligation for the Municipal Authority to repay the debt incurred by Moravian Manor. The Municipal Authority would receive a fee for acting as the conduit which is usually a lump sum amount in unrestricted funds.

MOTION: Motion was made and seconded to authorize Atty. Leonard to work with bond counsel to move forward with NLTMA acting as a conduit for Moravian Manor. Motion approved.

Delinquent Sewer Accounts – Atty. Leonard provided an updated copy of her lien report. A check for payment in full was received for #21. A partial payment was made for #22.

Vice Chair Hawkins passed the gavel to Chair Heisey. Chair Heisey went back to the public comment section as all board members were now in attendance.

COMMENTS FROM THE PUBLIC

Brian Marchuck, CPA – BSSF – The 2020 Municipal Authority audit was completed by Brown, Shultz, Sheridan, and Fritz. Brian attended the meeting to review the financial analysis with the Municipal Authority Board. The Audit Opinion came back as a “Clean Opinion,” meaning that all financial records are in accordance with United States standards. Brian reported that not only did the Municipal Authority’s cash increase by \$935,474.00 in the year 2020, but the debt was reduced from \$7.1 million to \$5.8 million. Tod questioned why the cash and cash equivalents were around \$3.5 million in 2019 and around \$4.4 million in 2020? Brian explained it had to do with Certificate of Deposits decreasing as CD’s were redeemed. Tod asked what are the “Ready to Serve Charges”? Brian explained that consists of tapping fees and capacity fees to which Lori stated we received additional EDU’s from Project TV last year which was more than was projected. Tod then asked how the total number of EDU’s could possibly decrease from the prior year? It was explained that an agreement exists between the GLRA and NTLMA. The GLRA is not assigned a specific number of EDU’s, rather they pay for their exact consumption from the water meter readings every quarter. Since this number fluctuates every quarter, it sometimes results in a decrease in EDU’s from year to year. Brian pointed to the documentation which states that the Municipal Authority’s financial condition is sound and shows a savings of about \$5.5 million due to refinancing.

Brian reviewed the equities held by the Municipal Authority. Approximately \$5.5 million is held in Capital Assets and \$7 million is held in unrestricted operations. Brian then reviewed the Statement of Revenues and Expenses and Changes in Net Position. The total net income is about \$840,000.00 which is a bit of a decrease from last year due to administrative expenses, wage increases, health insurance, etc. Brian then compared cash/cash equivalents to the expenses which allowed him to see that the Municipal Authority would be able to survive approximately 2 years and 4 months without income.

Brian provided a breakdown of the cash flow statement including operation, investing, financing, etc. Regarding the long-term debt of the Pennvest loan, the Municipal Authority has paid off their portion, with the balance being completely Swatara Township's responsibility. Swatara Township continues to make regular payments. The sewer loan balance is around \$4.4 million and the water loan balance is about \$1.26 million dollars.

Tod asked why the documentation states that the "Municipal Authority's bank balance was not covered by the Federal Deposit Insurance Corporation, but was collateralized in accordance with Act 72"? Brian explained that Act 72 requires banks to have collateral on hand for all government deposits.

While reviewing all the CD's the Municipal Authority currently has, Tod pointed out that most will mature in 2022. He is wondering what the Municipal Authority board members would like to do with the \$2.5 million sitting in CD's. Gary commented that he would like to put it on the debt. Brian from BSSF stated the board may not want to deplete their entire capital reserves account as projects and needs will mostly likely occur over the next several years. This would allow the Authority Board to pay for some projects rather than having to borrow more money in the future. Scott commented the Municipal Authority does have a 10-year Capital Improvement Plan which highlights possible and needed expenses over the next 10 years.

The Municipal Authority Board and staff thanked Brian for all his time and effort!

ENGINEERS' REPORT – Scott Rights

Orange Lane – Scott was informed this week that H&K intends to possibly start construction as early as next week. It seems they have already cleared and grubbed the area. The prior projected start date was the week following July 4th. They expect to complete the entire 2,500 ft run between Elias Avenue and Orange Lane in less than 3 weeks. Half of this footage will be the responsibility of Project TV and the other half will be completed by NLTMA. Once finished, the entire sewer line will be dedicated to NLTMA. As requested by the Municipal Authority Board, Steckbeck Engineering will provide construction inspection services while the work progresses. Scott will need a signature from Gary for the previously approved \$1,800.00 change order and time extension of 45 days for the work to be completed.

While mentioning Elias Avenue, Gary asked if any additional communication was made with James Santana, resident of Elias Avenue. The Municipal Authority completed some stormwater work for his property in return for a signed easement agreement. The original proposal for the new sewer line extending from Orange Lane to Elias Ave was planned to run through his property. With the new design provided by Project TV, this has now

changed. The sewer line will not be running through the Santana property. Mr. Santana approached Gary and stated he would like the easement removed from his property since it is not being used for the sewer line as originally thought.

Ed stated this change could create multiple issues. One being that the Township does not do private stormwater work for free. After working at the Santana property, Ed was approached by a neighboring resident wanting work done. Ed explained that they were not out as a favor to do the work, it was more of a trade-off. The Township agreed to perform the necessary stormwater work in return for an easement through his property for a potential sewer line. If the easement is given back, it defeats the purpose of the agreement and essentially provided stormwater work for free. Ed suggested the Authority Board review their options before deciding to “give up” the easement. This easement could be used for work in the future. An easement may be needed if public water is ever run to Elias Avenue. Ed would not be in favor of giving up an easement already held by the Municipal Authority. The easement does not impact the property in a negative way as it is within the setback area, and nothing could be built on that section of land anyway.

Ed did state that if the Municipal Authority Board would decide to give the easement back, then an invoice should be assessed to the Santana’s for the stormwater work that was completed. Stormwater work is not a free service offered by the Township.

Plan Reviews – Steckbeck Engineering continues to work with the Municipal Authority staff in reviewing plans for the following projects:

1. 891 Kathleen St – Revised plans were submitted to the Municipal Authority on 5/10/21. All technical review comments have been satisfactorily addressed. The sewers will be run in the street and will tie into an existing manhole. The length is approximately 250 feet. The line will be dedicated to the Municipal Authority and become part of the NLTMA sewer system. Lori informed the board that the Letter of Credit has not been provided and one page of an agreement needs to be signed. Once all items are received the plan will be presented for approval.
2. Mapledale Estates – Final Subdivision and Land Development Plans were submitted for Mapledale Estates. The sewer design appears to be identical to the Preliminary Plans previously approved by the Municipal Authority Board on 2/13/2020. The review letter for this plan includes updating the sewers on Lantern Drive as existing and several standard details. This was mailed on 5/12/21. The Township and Municipal Authority are still waiting on revised plans to be submitted.
3. GQM New Ventures – Revised plans in response to the comments made 5/12/21 were received yesterday afternoon. The plans propose multiple building additions to the existing site located at 1415 Weavertown Road. New plumbing facilities will connect to the existing sewers on site. No new connections to the NLTMA sewer mains are proposed according to the plans. There are a few buildings that will be removed to make room for the additions.

Scott provided the plan for the board members to view which allowed them to see Scott’s various comments. One comment referenced an 8-inch line to be installed; what would be run through that line? On the revised plans they are also showing a

new pump station, another grease interceptor, and will be recycling flow back into the treatment center. Scott is requesting further information on these new items.

Dawn asked if all the sewer lines to be newly installed will be 8-inch? Scott responded no; most are shown as 4-inch lines. This will also be one of Scott's comments as the Municipal Authority's specs require a minimum of 6-inch lines for a commercial property. Tod asked how an 8-inch line can run into a 4-inch line? Scott said that is also a comment he made as some of the lines are not labeled with a size.

Brian asked if they will be putting in a pretreatment building? Scott responded yes and Lori verified that the pretreatment building is being required by CoLA.

All comments will be sent to Chrisland Engineering.

Sewer Specs – Updated administration procedures and technical specifications continue to be revised. In addition, work has resumed on updated the standard details.

ASSISTANT TOWNSHIP MANAGER REPORT – Lori Books

Illegal Discharge Update – Repair Permits were applied for, paid, and picked up for the two homes on Hunters Chase Lane. Both have broken laterals which is allowing groundwater into our sewer lines. They are scheduled to be repaired but have not yet been completed. The Wastewater Crew should receive a call when finished for inspection. A second PA One Call was placed.

The property located on Sandhill Road picked up an application for the sewer permit and hired a contractor, but the work was more than this contractor could handle because of the depth of the break. The property owners have now contracted with AH Moyer. A PA One Call was placed for the property. A permit must still be obtained.

WASTEWATER DEPARTMENT REPORT – Ed Brensinger

May Activity Report – The Authority Board members were provided a copy of Tommy's report.

There were 68 PA One Calls this past month. One (1) was an emergency outside of work hours. Five (5) new home connected to the system.

Grease Trap Inspections – Tony completed two (2) grease trap inspections. On May 5th he inspected Lebanon Valley Cold Storage and the Caribbean Restaurant. On May 11th he inspected tanks one and two at Godshall's Quality Meats.

Pump Stations – All pump stations have been cleaned and vacuumed out. All debris was taken to the GLRA.

Water Street Pump Station – Tommy received delivery of the new rotating assemblies and wear plates. These are to replace the worn parts currently at Water Street Pump Station. Tommy does not intend to install these new parts until all the leaking laterals on Hunters Chase Lane and Sandhill Road are repaired. There is no need to pump the extra flow and

put pre-mature wear on the new units.

Sewer Main Repair on Fawnwood Drive – The Wastewater Crew as well as the Highway Department repaired 26 feet of 8-inch pipe that was squashed and restricting flow along Fawnwood Drive. Tommy and Tony took charge on this project. This is the area where a backup occurred in August of 2020 due to a grease build up. The job was completed, backfilled, and compacted with a ho-pac plate compacter. Asphalt was put down the next day and left 1 ½ inches low. The wearing course was completed today. The Wastewater Crew was thankful for the assistance of the Highway Dept. Ed provided pictures to share.

Tommy and Tony are continuing to flush the sewer lines and are using the camera to look for defects and infiltration.

A resident on Solar Drive had complained years ago when the water project went through that one of the contractors removed one of his property pins. This was recently brought up again, so Ed asked Steckbeck Engineering if they could survey the area. Scott will reset the pin and the Municipal Authority will pay the bill.

A resident along Ebenezer Road has been digging a trench on his property. Long ago a stream ran through the property and residents came together to install stormwater pipe. This pipe has since been deteriorating and is now failing. Ed believes it will end up being replaced by the resident.

A sinkhole was reported along 1811 Ashton Drive. After inspecting the area, Ed informed the Municipal Authority Board it was not a sinkhole but rather a sewer trench settlement which can happen over time when it is hot, and the pavement just gives out. Tommy and Tony videoed the line to make sure the homeowner's lateral was not affected/damaged. The lateral seemed in good shape and the hole was fixed.

Additional Comments and Questions

Gary informed Lori and Ed that a few kids were playing on top of the dam breast at Lion's Lake and were rolling the large rocks into the dam. Ed commented that they have thought about installing a fence around the area.

With no more business for the good of the Authority, the meeting was adjourned at 8:12 p.m.

Respectfully Submitted,

Molly Lum
Recording Secretary