

Minutes
North Lebanon Township Municipal Authority
October 8, 2020

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, October 8, 2020 at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following Board members present:

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
Ed Brensinger	Roadmaster/Supervisor
Absent:	Gary Heisey

Molly Lum, Sewer Billing Clerk, was also in attendance.

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

COMMENTS FROM THE PUBLIC

There were no comments from the public.

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

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

SOLICITOR'S REPORT – Amy Leonard

Rebecca Alley ROW Easements – Scott provided the drawings to Amy's office last month that were to be mailed out with the notification letter for the neighboring properties. After looking at the drawings, there were a few things Amy asked Scott to change prior to mailing them out. The drawings provided included trees which then shaded the details and measurements that the Municipal Authority would be using for the proposed ROW. Scott can remove those features, so Amy asked that he do that in order to clearly mark

where the ROW would end. She also wanted each individual lot/picture to have an approximate measurement of how far into the property it would go. There were a few pictures that she asked to be made larger for the owner to see more clearly their property and not all the lots surrounding it.

Termination Agreements for Associates 500 – Amy reported that the Termination Agreements were signed, returned, and recorded. All of Amy's expenses are in the mail and will be withdrawn from the escrow prior to refunding the balance.

Delinquent Sewer Accounts Update – A list was provided to the Municipal Authority Board of all delinquent sewer accounts to update them on how payments/billing have been going. Penalties were waived for the past 6 months due to CoVID-19. This billing cycle (August) is the first to reinstate those penalties. Some accounts are 2-3 quarters behind in payments and a handful of residents have reached out inquiring about a payment plan now that water termination is approaching. Molly is looking for direction from the Municipal Authority Board as to whether they'd like to stick with their original billing policy and legal advisement of no payment plans for properties with public utilities, or would they like to take a different course of action and allow a time frame for smaller payments to be made.

Tod expressed all the variables that would go into setting up and monitoring a payment plan for each individual account and circumstance. It is tough to justify all that extra work for those residents who are on the list every quarter. Rodney agreed stating that if we allow this for some customers, additional calls will come in expecting the same treatment.

Molly added that this is the last quarter we can terminate water service before March 2021. She is nervous that if payment plans are granted and someone defaults in that plan, there cannot be any threat of termination for another 5 months. At that time, two more quarters would have been billed bringing their delinquent balance even higher.

All Municipal Authority Board members agreed to move forward with water termination for any delinquent account. No payment plans will be offered for anyone with public water and sewer. Penalties had already been waived for the past 6 months and the billing schedule needs to get back on track.

Amy pointed out that the last page contains all delinquent well customers and those are the accounts that concern her. Being on well water, the properties cannot be shut off. There is no incentive to pay their sewer bill. She wants to prepare the Municipal Authority Board that her list may be growing these next few weeks with the accounts already 2-3 quarters behind. Molly will be sending a final notice to them next week before being turned over.

ENGINEERS' REPORT – Scott Rights

Lantern Drive Sewer Extension – SLH is awaiting delivery of manholes. They are scheduled to be shipped around October 16th. The work should take about 4 weeks.

Sewer Spec Updates – Scott and Ed have been working together on revising the sewer

specifications. They continue to make notes for one another to get all the details worked out.

Stoever's Circle – Revised plans were received today around 4:00 pm. The revised plans will be looked at before the next meeting.

Project TV (Bare Tract) – Comments were provided. No new plans have been submitted. Lori asked Scott if he had any updates on the elimination of the Orange Lane pump station. Scott has not heard back from the Developer's Engineer on that matter. The last they spoke Scott had mentioned the Township's 537 Plan encourages the abandonment of pump stations and the developer's help in doing so.

Mapledale Estates Subdivision – Shop drawings have been received for the manholes. Scott spoke with SLH and they have not heard from Mr. Musser, so there is no timeline as to when construction will commence. The Preliminary Plans were approved last year. Final plan submittal and approval is still pending due to some outstanding DEP stormwater permitting issues. Once they receive DEP approval, we should start seeing some activity on this property.

Crossings Phase 3 – The construction of sanitary sewers was finished in August. They waited thirty (30) days to test the lines. They all passed. Vacuum testing on the manholes will be performed sometime soon since the paving has now been completed.

Dawn asked Ed when Landmark is paving Kimmerlings Road. Ed is not sure. He thought it was being completed when they paved this last section.

Rebecca Alley ROW Easements – Solicitor Leonard's comments on the drawings were received by Scott. His office is currently finalizing the revisions requested by Solicitor Leonard.

Dawn asked Scott if the easement is 30' wide the whole way through the alley. Amy and Scott explained that Rebecca Alley, from Water Street to New Street, will be a 20' easement so as not to disturb the existing adjacent buildings. The Perry Street portion, from Water Street towards Gary Heisey's home, will be a 30' easement since space is available.

ASSISTANT TOWNSHIP MANAGER REPORT – Lori Books

Sewage Management Program – Lori gave the Board Members an update on the septic tank pumping program. As of today, 668 properties have pumped. There are still 49 outstanding. This brings us to about 93% completion. Lori sent out her final notices yesterday giving the property owners fifteen (15) additional days to comply before turning them over to Amy.

2021 Meeting Dates – The list of meeting dates was provided to each board member. Lori is seeking a motion to approve these dates. She pointed out that their meeting in November, which is also the Joint Meeting, falls on Veteran's Day next year, which is a legal holiday. She would like to know if the board members want to keep that date or

reschedule to another night. There were no conflicts with any members. They will hold the Joint Meeting and regularly scheduled Authority Meeting on Veteran's Day in 2021.

MOTION: Motion was made and seconded to approve the meeting dates for 2021. Motion approved.

Review/discuss preliminary budget – Lori provided a copy of the preliminary budget to every member. There are a few highlighted items she would like to point out as they go line by line. Most items within the Sewer Operating Revenue budget have remained the same. She did drop the number for Sewage Management Fees quite drastically as the pumping is only required every three (3) years, 2020 being that year.

Lori increased the Sewer Treatment amount. Jon Beers, Director of the City of Lebanon Authority (CoLA), alerted customers of their intention to raise rates in April of 2021. This is a pass-through cost for the Municipal Authority; each resident is billed based on their actual usage. CoLA will only vote on the final increase amount in December. They had last raised their rates in April of 2018, so it has been three (3) years. Lori stated that CoLA is considering eliminating their tier method for water usage. They would instead raise their base rate dependent on the meter size and decrease their flat rate per thousand gallons. This will result in an approximate 7 to 10% increase for customers.

Lori commented on the \$130,000.00 she lists as a transfer from Capital Reserve. This is based on the anticipated tapping fees and special purpose fees to be collected in 2021 and will be placed on the sewer loan as an additional principal payment.

Looking at the Sewer Operating Expenses budget, Lori noted a 3% wage increase for the Municipal Authority employees. She is unsure where the Board of Supervisors will land on raises, but this would be worst-case scenario. This includes on call, overtime, and a portion for the Highway Roadmaster who oversees the wastewater crew.

The unemployment rate has also increased from 3.5% to 3.75% resulting in a \$100 increase in this line item.

Lori increased the amount for vehicle maintenance slightly. The Township Mechanic indicated the flusher truck would need eight (8) new rear tires. The amount budgeted will cover the tires as well as the typical maintenance that each year brings. Dawn questioned how the amount for tires was calculated? Lori responded that our mechanic calls around and gets quotes and then will fill out a detailed report for review. Dawn responded that the amount just seems high. Ed agreed and will ask Timmy how he arrived at that total.

The Repair & Maintenance/Sludge Disposal expenses were also increased. This will then create a cushion for the expenses surrounding the manhole spraying and the potential decommission of the Orange Lane pump station.

Lori bumped up the amount for Office Equip/Computers/IT about \$10,000.00. Lori and Cheri have recently been looking into upgrading the cybersecurity for the Township. A free cyber audit was offered to Cheri through a webinar which pointed out several red flags that need immediate attention. Cheri and Lori would like to make this change so

that we are protected and will then be acting proactively instead of reacting when things occur. They have narrowed it down to two companies but have not decided which one to go with yet. The final cost increases will depend on which company they choose.

There are a few items listed under Capital Improvements that Lori would like to highlight. There is a generator budgeted for 2021. The Office Policies Procedure has also been pushed back from the 2020 budget to the 2021 budget. After everything that occurred with CoVID-19, Cheri preferred to wait another year for that expense. Tod questioned why that would be a 50/50 split when there is only one Municipal Authority Employee in the front office. Lori explained that because sewer bills cause the most monetary traffic within the front office, they decided a 50/50 split would be fair.

A glass divider for the front office is also being budgeted for 2021. This conversation came to be after an intruder drill occurred and the gentleman was able to hop right up over the counter. It would also help reduce the potential spread of germs/CoVID-19 between employees and the public. An estimate has not been received yet, so Lori plugged in \$5,000.00 to be safe.

Ed is requesting the purchase of a trench roller that would be split 50/50 between the Municipal Authority and the Board of Supervisors. The total cost is estimated at \$34,500.00, resulting in \$17,250.00 each. Currently, the crew either rents the machine or they make the trench big enough to drive their black top roller down into it. Purchasing this tool would eliminate any employee from needing to go down into the trench. Tod asked Ed how often this equipment is used. Ed responded an average of 3 times per summer. Tod also questioned the life expectancy of the equipment and how much it costs to rent. Ed is assuming around 20 years but is not sure. Ed will gather information of the rental cost for the equipment each time they use it, drop off charges, the life expectancy, etc.

The final page provided shows the bank information for the loan. Listed is the principal payment, the additional principal payment of \$100,000.00, and the tapping fees from the year prior to also be used as an additional principal payment.

Lori is looking for direction from the Municipal Authority board members regarding the reimbursement for steel tip boots. The Authority employees currently receive full reimbursement for the purchase of steel tip boots. The Township employees currently have a maximum amount of \$100.00 in which they would be refunded. For the 2021 budget, the Township is increasing their maximum reimbursement to \$150.00 per employee per year. After discussions with Cheri, Lori and Cheri thought it would be good to be consistent for both boards to be consistent. Tod agreed that all employees are truly employees of the Township and they should be treated equally. The maximum reimbursement for steel tip boots will be set at \$150.00 for Municipal Authority employees to be consistent with the Township employees.

On the Capital Reserve budget, Lori pointed out the tapping fees that should be collected in 2021. She only budgeted for 10 lots in each development to be conservative, however this is just an estimate and more may come in.

A few items are listed under Capital Improvements including the sewer extension on Lantern Drive, the construction of the gravity line from Orange Lane pump station, and the Hill Street pump station improvements. It was noted that the Lantern Drive extension and the Hill Street improvements may still happen this year and would then be removed from the budget for next year. Lori also explained that depending on the outcome of discussions with the developer for Project TV, the Orange Lane pump station may or may not happen next year.

Tod asked how the escrow for Swatara Township delinquent sewer customers has been going. Lori and Molly responded that it operates quite smoothly. Any well customers who are delinquent are documented in a requisition to Bonnie to cut the check from Swatara's escrow account. A letter is also sent to Swatara Township to notify them of the amount we are withdrawing. This happens every quarter. Swatara Township then replaces that amount to maintain the required minimum balance that would cover future delinquent accounts.

The Water Operating budget is very straight forward. It includes tapping fees from projects within the Water Project area and the monies collected from CoLA for the water debt on our behalf.

Lori provided a spreadsheet for both the sewer loan and water loan for the Municipal Authority board members to review. The sewer loan begins with refinancing in 2015 of 8.8 million dollars and lists every payment made since then including extra payments on principal. The Municipal Authority Board has put about 4 million dollars on the sewer loan over the past 5 years, making the sewer loan balance approximately 4.4 million dollars. The water loan was also refinanced in 2015 with a starting amount of almost 2.2 million dollars. The Municipal Authority Board has put around 1 million dollars on the water loan over the past 5 years, leaving a balance of almost 1.2 million dollars still due on the loan. Lori and Amy are discussing the possibility of reworking the loan agreements to take advantage of the lower rates. They will discuss this in more detail once they hear back from both banks and will then bring a proposal to the Municipal Authority board members.

Escrow money – Lori has two escrow accounts that are ready to be returned and is asking for the approval of the Municipal Authority Board.

Gerald Musser built a new home at 1664 Grace Avenue and was required to place \$5,000.00 into an escrow account. The project has been completed and Ed said everything looks good. Both Scott and Amy have been paid and have no outstanding invoices for this project. The escrow has a remaining balance of \$3,433.50 and can be released to Gerald Musser.

MOTION: Motion was made and seconded to return the unused monies remaining in the escrow account for the project at 1664 Grace Avenue in the amount of \$3,433.50 to Gerald Musser. Motion approved.

Landmark Builders built a home at 1640 N 8th Avenue and was required to place \$5,000.00 into an escrow account. The project has been completed and Ed said

everything looks good. Both Scott and Amy have been paid and have no outstanding invoices for this job. The escrow has a balance of \$5,000.00 and can be released to Landmark Builders.

MOTION: Motion was made and seconded to return the unused monies remaining in the escrow account for the project at 1640 N 8th Avenue in the amount of \$5,000.00 to Landmark Builders. Motion approved.

Pertinent Issues – Last year the Municipal Authority Board had approved contributing 10% towards the IT costs for upgrades to the meeting room. It was estimated to come in around \$5,000.00, so the Board approved budgeting \$500.00 towards the project cost. The final cost has now come in at \$2,7070.58. Lori is asking if the Board still wants to contribute the \$500.00, or if they want to contribute 10% of the actual costs for a total of around \$270.00. All board members agreed to contribute the \$500.00 that was originally approved.

WASTEWATER DEPARTMENT REPORT – Ed Brensinger

September Activity Report – The Authority Board members were provided with a copy of Tony's report.

Tony Oxenreider completed this month's activity report as Tommy Camasta is off on medical leave. Tony was also off this past week due to an injury. He will return to light duty work on Monday.

There were 58 PA one calls with 5 being emergencies.
Tony had 3 grease trap inspections.

Jared Balsbaugh passed his Wastewater license test. He is waiting for the certificate.

Tony has completed a lot of mowing within the Right-of-Ways using the brush mower. They typically get mowed one to two times a year so that the crew has easy access to the sewer lines if needed. He also helped the Highway crew patch a few roadways and trench settlements.

It was discovered that the hydraulic motor was leaking at the N 8th Avenue pump station. Tony ordered seals and replaced the ones not working. Ed ordered a spare motor that would fit both pump stations to be safe.

Ed is still waiting on the spare pump from Keener Electric.

Dawn asked Ed if the new blades on the Muffin Monster make a noticeable difference. Ed responded absolutely, yes. More items can be ground up and the mop head that results should be much smaller than it has been in the past.

Additional Comments and Questions

With no more business for the good of the Authority, the meeting was adjourned at 8:11 p.m.

Respectfully Submitted,

Molly Lum
Recording Secretary