

Minutes
North Lebanon Township Municipal Authority
July 11, 2019

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, July 11, 2019 at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following Board members present:

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

William McMichael, resident of 811 Kimmerlings Road, and the auditors from BSSF, Brian Marchuck, Jim Koontz, and Scott Henry, were also in attendance.

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

Gary handed the meeting off to Jim Koontz and Brian Marchuck to walk the Authority through their financial report from 2018. The auditor's opinion is found on page 1 and the conclusion is found on page 2. For the December 31st, 2018 audit they issued an unmodified/clean opinion which is the highest opinion that an organization can receive. The Authority received this opinion last year as well. Pages 3-9 contain the management, discussion, and analysis. The work is a collaboration of Brian Marchuck, Cheri, and Lori. Essentially, the pages are a summary of the financial report. On pages 10-11, the balance sheet presents all the Authority's assets and liabilities. This includes accounts receivable, accounts payable, debt, and property. Tod questioned how the water project is classified. Currently it is considered an asset, but at some point, it will be turned over to the City of Lebanon Authority. The income statement is found on pages 12-13. This recognizes revenues when they're earned and expenses as they occur. Pages 14-15 are all about the cash flow and the health of the Authority. The remaining pages within the report contain the footnotes. Brian highlighted a few key notes but did not address them all. Gary questioned the Pennvest loan on page 20. He wanted to clarify that this loan is all Swatara Township's and is just a pass through for North Lebanon, which was confirmed by Brian. The Authority paid their portion of the Pennvest loan off in 2016. The remaining balance is all Swatara Township's portion. The loan needs to remain in the name of the Authority because the Authority is the owner of the system. If the Authority has any further questions, they are welcome to contact BSSF at any time. Due to recent accusations with the most recent election, Brian Hartman would like clarification for the record from Brian and Jim that the Authority is not being fiscally irresponsible with their funds. Brian and Jim both agreed the Authority handles their funds well and have been proactive with their debts.

The only recommendation was to keep an eye on the transfers between the Authority and the Township, making sure everything balances out, which has not been a problem to date. Gary questioned how difficult it is for the auditors to sort out when the Authority and Township split the cost of equipment. They explained it can be a little tricky, but they can handle it.

MOTION: Motion was made and seconded to accept the 2018 Annual Audit and Financial Report. Motion approved.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

Chair Heisey asked for a motion to approve the June minutes.

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

Chair Heisey 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 – Fred Wolf presented by Amy Leonard

Orange Lane Pump Station – There has not been a proposed plan submitted for this tract yet. Amy explained it may be premature to discuss a game plan/idea of where sewer lines should be until something is submitted.

ENGINEERS’ REPORT – Scott Rights

Project Oak – This project is proposed within the cul-de-sac at the industrial park. Steckbeck Engineering provided comments on the initial submission of Project Oak which have since been addressed, and resubmitted. The revised plan has been reviewed by Scott, Ed, and Lori, and they are now in a position where they recommend the Authority approve the sewer design as presented.

Amy explained to the Authority some issues that aren’t quite resolved yet. Part of this warehouse and project is within Cleona Borough, who has not been approached about anything. They have not received any type of proposal or stormwater plan to review. The part within Cleona is zoned agricultural, not industrial. Amy would like to play their cards carefully if they approve it because the plan could change if Cleona does not approve the submission. Scott believes the plan stated the stormwater was all redirected into North Lebanon. The initial rainfall will flow into Cleona but will make its way back into North Lebanon. The plans do have a spot for Cleona signatures on the front page, so it seems the intention is to run things past Cleona Borough and get their approval. If the plans would change, then the Authority would need to review the changes and approve any new

or revised plans.

MOTION: Motion was made and seconded to approve the Project Oak sewer plans as depicted on the drawings last revised 7/8/19. Motion approved.

Mapledale Estates – This development proposes 38 single family lots on the Old Sanger Farm off East Maple Street. The original driveway will remain, however a 2nd entrance will be constructed which will serve as the entrance/street into the development. In the design, the contractor will change from an 8-inch pipe to a 10-inch pipe to aid the flow into the Authority's manhole. We are not ready for any approval on this plan as we are still in the review process.

Kimmerlings Road Survey – At the last Board meeting, extending sewer on Kimmerlings Road was discussed. Scott brought the original plans of the extension that were drawn up in 2007 before the Crossings began their work. It was at this time the Authority decided to take a closer look at what the manhole depths might be in case they ever decided to follow through with these plans once the Crossings started building.

The potential buyer of 866 Kimmerlings Road made a request to the Authority in terms of extending sewer as the septic system failed inspection. Scott is going off the original plans and thinks that if we extend just a little further past 866, then the Authority could pick up 13 homes instead of 11. There have been multiple emails back and forth in terms of cost. Scott and Lori agree that if the survey comes back positive and the residents would like public sewer, then there should be a plan of what the next step is and how much it will cost. Scott explained this sewer project will most likely not pay for itself, the Board will have to use money from the Capital Reserve Fund. On the last page of Scott's report, he provided a breakdown of the estimated cost, \$160,500.00, and the estimated engineering fees of 25%, which brought them to a total of about \$209,400.00 for the extension.

The Authority's current rates include a Tapping Fee/EDU purchase of \$2,290.00, \$2,090.00 goes to the City of Lebanon Authority and \$200.00 stays with the Municipal Authority. The Base Tapping Fee is \$3,100.00. With the location of these properties, they would also be subject to Special Purpose Tapping Fee IV of \$2,000.00. After adding the fees together, the Authority would get \$5,300.00. If things go as planned and 13 homes connect to the sewer, the Authority would collect \$68,900.00 in tapping fees. Each account is charged \$78.00 per EDU every quarter which partly goes towards operation & maintenance and partly to the debt. After Scott did the math, he estimated the Authority will collect a total revenue of \$128,960.00 from those 13 homes over a period of time. Subtracting the revenue from the estimated total means \$80,440.00 would come out of Capital Reserve. This covers strictly Segment 1. Going through with the Segment 1 plan would cover the North side of Kimmerlings and finish out the pocket of failing systems. Scott explained his numbers and estimates are worst case scenario. Things would hopefully end up cheaper than this.

Scott would also like the Authority to decide on a percentage at which point they would follow through with the proposal. Whether the survey comes back with 25% or 50% of yes's, the Authority needs to think ahead of time of what they are looking for.

Segment 2 would cover the remaining lots on Kimmerlings Road closer to Mt. Zion Road and would be much more expensive. The Authority is not interested in proceeding with Segment 2 at this time. It would not be cost effective and they are not aware of any failing onlot systems in this area.

Gary and Brian both agreed they'd like to pay the \$209,400.00 out of Capital Reserve and would not want to take on any additional Special Purpose Tapping Fees. The Authority has been saving their funds for this reason. It is better to be as transparent as possible. Lori plans to include the cost estimate of a new sand mound for comparison in the survey. The board members would like Lori to send out her draft of the survey for their input. The Authority verbally agreed that in order to move forward with this project, they would need seven (7) residents to say "yes".

650 Weavertown Road – Plans were submitted on Monday requesting a HOP (Highway Occupancy Permit). The owner is looking to build a single-family home for the manager to stay in. They plan to run a sewer lateral into the existing line on Weavertown Road. Since Weavertown Road is a state road they will need a permit from PennDOT, but they need permission from the Authority as it is our lines and we must be the applicant on the HOP permit. Steckbeck Engineering had a few minor comments that need to be corrected before final approval is given and Amy will need to prepare the Indemnification Agreement.

MOTION: Motion was made and seconded to approve the HOP application for 650 Weavertown Road, conditional on Scott's comments being addressed, and an indemnification agreement being done. Motion approved.

ASSISTANT TOWNSHIP MANAGER REPORT – Lori Books

Project Oak – The Sewage Planning Module Exemption has been submitted and needs approval from the Board. 18 EDU's are being requested, and capacity is available.

MOTION: Motion was made and seconded to approve the Sewage Planning Module Exemption for Project Oak. Motion approved.

The Sewer Capacity Agreement has been signed and all EDU capacity charges have been paid for. Lori applied to the City of Lebanon Authority for the 18 EDU's. She is asking the Authority to approve the agreement.

MOTION: Motion was made and seconded to approve the Sewer Capacity Agreement for Project Oak. Motion approved.

The Developer's Agreement is ready for Board approval. \$5,000.00 was deposited into escrow to cover any additional costs. The agreement states capacity was paid for and at the time the permit is applied for, the tapping fee of \$3,100.00 will be paid for each EDU.

MOTION: Motion was made and seconded to approve the Developer's Agreement for Project Oak. Motion approved.

Project Oak has also submitted their Strong Waste Permit application which Scott is

reviewing. He will forward comments when his review is complete.

Maple Dale Estates – The Developer’s Agreement for the Pump Station Upgrades has been completed and needs Board approval. \$6,500.00 has already been deposited into escrow.

MOTION: Motion was made and seconded to approve the Developer’s Agreement for Pump Station Upgrades for Maple Dale Estates. Motion approved.

Toyota Bennett – Toyota Bennett has submitted their Strong Waste Permit application. Scott and Lori both reviewed the application and sent them a letter with their comments and requested additional information. They are waiting on a response.

WASTEWATER DEPARTMENT REPORT – Ed Brensinger

June Activity Report – A copy of Tommy’s report was provided to each member of the Board.

The Highway Crew has been tackling a lot of stormwater work in preparation for all the paving planned. This work will be completed soon.

A few of the pump stations need oil changes.

With all the rain this summer, mowing has been a high priority at the pump stations and the parks. Tommy and Tony have been taking care of it.

Dawn questioned all the PA One Calls and how the data is stored and the number of calls this past month. Ed explained that everything is on their phones and accessible at all times. There were 82 calls this past month which Ed believes is due to this being construction season as well as the gas project on Martin Drive.

Tod mentioned he has done two walk throughs of the Rail Trail section from the new trail head out to Long Lane. The whole area has been opened and the manholes are in. There is still a punch list of things to be completed, but the company has done an excellent job thus far with sealing the manholes and lines.

ATTORNEY REPORT- Amy Leonard

Delinquent Sewer Updates – Amy did not have any new sewer updates for the Authority.

Additional Comments and Questions

Gary announced that the Board will be moving into Executive Session.

The Board reconvened at 9:08 p.m.

MOTION: Motion was made and seconded to adjourn the meeting. Motion approved.

With no more business for the good of the Authority, the meeting was adjourned at 9:09 p.m.

Respectfully Submitted,

Molly Lum
Recording Secretary