

Minutes
North Lebanon Township Municipal Authority
December 8, 2016

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, December 8, 2016 at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following Board members present:

Gary Heisey	Chairperson
Dawn Hawkins	Vice Chairperson
Tod Dissinger	Treasurer
Brian Hartman	Secretary
Rodney Lilley	Assistant Secretary
Frederick S. Wolf	Henry and Beaver LLP
Scott Rights	Steckbeck Engineering
Cheri Grumbine	Manager
Lori Books	Administrative Assistant

Also in attendance were Ed Brensinger, Supervisor; Amy Leonard, Esquire; Paul Kilgore, Attorney and Dawn Miely representing First Citizens Community Bank.

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

COMMENTS FROM THE PUBLIC:

Attorney Kilgore explained he was in attendance representing First Citizens Community Bank. He mentioned he had a letter from the president of the bank. He said Dawn Miely is in attendance also representing the two branches within North Lebanon Township. He explained that both branches employ approximately the same number of employees. However, the Lebanon Valley Mall branch is being billed at just over \$5,000 which is the result of it previously being a restaurant. The other branch is being bill approximately \$500 a year. He said they are requesting the Authority to take action on the request to look at the guidelines as to how the EDU rates are assigned. Chair Heisey explained that they have been looking at this and hope to have it resolved in January. Tod Dissinger asked about an act that was mentioned. Brian Hartman asked if there is something new they don't know about. He asked if EDUs are bought back how would that affect our budget for the next year.

Solicitor Wolf explained the history of how EDUs were assessed, and we followed the case where the law hasn't changed but the circumstances have changed. He said he thought they should be able to be fair and help the people involved without impacting the residential customers. Brian asked how this will impact customers whose situations

have changed and will they be able to come back and request a refund. Sol. Wolf replied we could allow a customer to give back extra EDUs if their situation changes, however, they would not receive a refund on those EDUs. They would also need to sign an agreement stating if the situation changes again they will need to purchase additional EDUs again if necessary according to the City of Lebanon Authorities EDU chart. It was mentioned that maybe we could only address these situations when there is a change of use or a new ownership. Discussion continued as to how different municipalities bill. Tod Dissinger asked if we should change the way we bill and how we will control fluctuation of employees. Discussion continued as to the impact of changing how the billing is done. Brian mentioned we have been proactive in maintaining our system. Sol. Wolf said they would be discussing the issue tonight regarding how EDUs are assigned.

Chair Heisey asked for a motion to approve the November minutes. Lori mentioned she had amended the minutes from both the November meeting and the joint meeting as requested.

MOTION: Motion was made and seconded to approve the November minutes as amended. Motion carried.

Chair Heisey asked for a motion to approve the minutes from the November joint meeting as amended.

MOTION: Motion was made and seconded to approve the minutes from the November joint meeting as amended. With no further discussion, motion carried.

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 invoices and requisitions for payment all subject to audit. Motion approved.

SOLICITOR’S REPORT-Frederick Wolf

Solicitor Wolf asked Lori how much surplus revenue is in the budget at the end of next year to which the answer was \$700,000 which includes the extra \$100,000 to be paid on the debt. He reported Lori and Cheri have been looking at the commercial/industrial customers in regards to number of EDUs assigned versus actual usage. Lori mentioned she looked at every customer who has two EDUs or more and checked property files with original information. She crossed off everyone which indicated what they were using was correct but did not cross off any in question. A few of these are using more than what they were allocated according to their building permits. She asked if they only want to look at change of use or go back and address everyone. Sol. Wolf stated they need to look at the worst case scenario and look at what the impact would be if we change everyone who needs to be changed. Lori mentioned she was unable to determine some

of those because we need more information. Sol. Wolf explained we need to use our EDU chart provided by CoLA. Discussion followed regarding how we monitor if usage changes and will they come forward and let us know if they are using more. Discussion followed. Question was asked if the bank could come back on us for what they overpaid. Sol. Wolf replied that they would need to sue us. Rodney asked how we put a process in place to monitor these situations. Discussion continued. Suggestion was made to work first with the ones we are aware of or change of ownership. It was suggested to have all the research done and make the changes all at one time.

Water Agreement with City of Lebanon Authority

Sol. Wolf reported the City of Lebanon Authority does not want to take on the debt of the water system in the area where we extended water to back in 2004. He mentioned under our agreement with them they provide the maintenance for the water system. Once the debt is paid off, we will then dedicate the water lines to the City. CoLA has notified us that they plan to start charging this area the capacity fee as well as our connection fees. He said the City is recommending to the Authority to notify the Crossings of this change. The Authority members agreed that COLA should contact Landmark (owners of the Crossings) to inform them they will be charged the additional capacity fee from them.

Rockwood

Sol. Wolf mentioned that Att. Leonard received a call for a payoff for the one remaining connection issue.

Christine Drive issue

Sol. Wolf said we were contacted through our website that someone on Christine Drive will be contacting an attorney because we are not providing sewer to her mother's property. Scott reported there is a plan in place where there may be issues with onlot systems. Scott showed the Board the areas where there were pockets of onlot systems in the 537 Plan. He reported that if there is an area where there are a lot of malfunctioning of onlot systems it should be looked at. He explained how the plan works. Lori mentioned that there are no on lot sewage permits for any repairs on Christine Drive. However, we are aware of two properties that have had issues in the past, but no permits were issued to correct the problem. She also stated she was in contact with Gordon Sheetz, the Sewage Enforcement Officer, and he is also aware of the two properties in question and has been monitoring them for some time.

ENGINEERS' REPORT – Scott Rights

Pump Station Upgrades – Update

Scott reported work on the pump stations continue. He mentioned the propane tank for Kochenderfer for the generator is in place and are looking at a startup date of the 19th,

20th and 21st. Suv. Brensinger mentioned they need to do the piping yet. Scott stated B&R is asking for a pay request of \$44,256.78 which brings the total to date of \$199,110.96. We still have roughly over \$50,000 we are holding. Question was asked if we hold anything to which Scott replied yes we do 10%. He further mentioned that once the job is completed we have one year.

MOTION: Motion was made and seconded to go ahead with the pay request from B&R Electrical of \$44,256.78. With no further discussion, motion carried.

Scott reported there was an issue with the control panel at Orange Street. They are replacing the panel which is a little bigger than the old one and they are proposing to mount the panel on the face of the door inside the shed. Discussion followed regarding the red lights on top of the panel and where the panels will now be located as well as the cost involved.

MOTION: Motion was made and seconded to accept B&R Electrical Contractors' change order. With no further discussion, motion carried.

Scott stated B&R would like to delete and credit us for the paving because they would like to close the contract. The credit they are offering is \$4,972.49 to delete the paving from the contract. Discussion followed regarding completing the paving due to the weather. The amount in the contract budgeting for the paving is higher than the \$4,972 they are offering. Ed said he would like to see them complete the job and not accept the credit.

Always Bagels

Scott mentioned Always Bagels installed the Flow Meter on November 17, 2016 and will record for two months.

ADMINISTRATIVE ASSISTANT REPORT- Lori Books

Lori reported she handed everyone the final budget numbers. Nothing has changed in the budget since discussion at the last meeting except the adjustment to a 60-40 split for televising which was voted upon last time. She explained that she and Cheri tried to mimic the Township budget with a history of the Municipal Authority and what the Sewer Operating fund entails as well as the different positions available. The charts for revenue and expenses are included as well amortization for the new bank loans. We will be posting the budget presentation on our Township website as we do with the Township budget. In regard to the Capital Reserve, it shows where the funds come from and what we are anticipating plus the reserve fund for revenue and expenses. The Water Operating Fund was also discussed. The sewer and water rates will not be increasing for 2017. She stated she has the resolution for the Wastewater and Water Operating Budgets to be approved and signed.

MOTION: Motion was made and seconded to approve Resolution 07-2016 for the Water Operating Budget. With no further discussion, motion carried.

MOTION: Motion was made and seconded to approve Resolution 06-2016 for the Wastewater Budget. With no further discussion, motion carried.

WASTEWATER DEPARTMENT REPORT

Suv. Brensinger mentioned there had been an issue regarding the Ed Zellers property in that the basement was never connected to the public sewer and the flows from the basement were still going into the onlot septic system. The remainder of the property had been connected to public sewer as required back then. The property is being sold and a letter was written to the settlement company to escrow money to have the issue resolved if it is discovered it was never completed. Suv. Brensinger is meeting at the property tomorrow morning to investigate whether or not the connection was made and the existing system destroyed.

Attorney Leonard

Attorney Leonard reported there is a property on Cherry Street who has a mortgage with First Citizens Bank who will not now pay the delinquent fees. Since the bank has refused to pay, the property owner has now requested a payment plan.

With no more business for the good of the Authority the meeting was adjourned at 9:08 p.m.

Respectfully Submitted,

Barbara Bertin
Recording Secretary