

Minutes
North Lebanon Township Municipal Authority
October 9, 2014

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, October 9, 2014 at 7:00 PM at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following Board members present:

Wynanne Demler	Chairperson
Gary Heisey	Vice Chairperson
Brian Hartman	Secretary
Susan Switzer Pierce	Assistant Secretary
Tod Dissinger	Treasurer
Frederick Wolf	Solicitor
Scott Rights	Steckbeck Engineering
Sheila Wartluft	Assistant Manager

Also in attendance were Amy Leonard, Esquire; Mike Kneasel, Wastewater Foreman; and five guests.

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

Comments from the Public

Kochenderfer Church

Solicitor Wolf explained as background information that the church was looking into splitting the water service between the church and the parsonage. He explained that currently there were two EDUs for sewer. There was a discussion regarding purchasing additional EDUs for the daycare according to the City of Lebanon Authority chart regarding this type of facility. He further explained that from what was reported to Sheila an additional five EDUs would be required if they wanted to proceed. Sol. Wolf explained that each additional EDU would be \$1,500 and that the sewer bill would also be impacted at an additional \$78 per EDU per quarter. He reported that he and Sheila reviewed the information and he forwarded this to the church, and they would have an opportunity to ask any questions.

Tom Stewart, representing Kochenderfer Church, said the problem is there is very little water pressure in the parsonage. Discussion followed regarding the water pressure. Brian Hartman explained they may want to investigate whether there is low pressure in

this area before they spend the money to separate the lines, and they may want to check with the city before they proceed with this plan. Discussion followed regarding the pressure in the area and whether they had checked into a booster pump. Suggestion was made that the church explore all the possibilities before purchasing the extra EDUs, and that if they decide to go ahead and purchase them they will always need to pay for them even if the daycare is no longer in existence. Discussion continued. Scott Rights suggested that they check into the pipe and whether the service line is large enough or possibly corroded.

Mr. Stewart mentioned that their consumption has been fluctuating, and they believe it is a problem in one of the restrooms. Sol. Wolf asked where they were with the City of Lebanon Authority and Mr. Stewart replied that they had issued the initial check to the City. Discussion continued.

Chairperson Demler asked for a motion to approve the minutes from the September Municipal Authority meeting.

Tod Dissinger mentioned he was not listed on the minutes for September and that he should be added to the attendance.

MOTION: Motion was made and seconded to approve the September minutes as corrected. Motion carried.

Chairperson Demler 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.

SOLICITORS REPORT

Rockwood

Sol. Wolf reported Gable has now been connected and the new owner for the Burke property will need a right of way agreement to get to the sewer lateral, changing the agreement to reflect the new owner. He mentioned Sheila had sent out reminder letters for payment of the second installment. She explained that one of the properties has not connected nor paid his second payment and she has had a hard time contacting him. Discussion followed regarding the Burke property which was purchased at tax sale.

Sol. Wolf explained that we have been making all the payments to PENNVEST, and we are trying to finalize everything out so that we can pay our share.

Scott Rights reported that regarding any work to be completed by the contractor that the restoration work was completed for the Binner property and the only things left are one insert for a manhole and a check valve at the pump station to be installed. Sheila asked where we were for submission for any invoices to which Scott replied we could make a partial submission to PENNVEST. Sheila reported she had one more person who had paid off their agreement, and there are only a few left to make their second payment.

Miller Street

Sol. Wolf reported that Mr. Tobias is working on his connection.

The Crossings

Sol. Wolf stated that they are working to get all the documents completed for the right of ways. Phase I right of ways have been completed but the sewer service goes beyond Phase I. We need to have all the right of ways for all the sewer and water lines which are being used for Phase I. Scott reported they are currently running service across open area but once the roads are built they will be in the road.

Joint Meeting

The joint meeting with the Board of Supervisors will be at the November meeting. Tod reported they have not been able to get the vehicle committee together. Sol. Wolf mentioned they would be discussing the issue of MS-4 which is mandated by the state and includes marking, mapping, and maintaining the storm water systems in the municipality. Sol. Wolf said the state is allowing Municipal Authorities to have control over the MS-4 program and charge customers for that as well as sewer. Scott explained how the rates work in other areas. Sheila reported on some of the seminars she had attended regarding the MS-4 program. Tod Dissinger expressed that he did not want to be involved with more work and did not wish to take on this project as a Board member. Sol. Wolf explained that Authorities may do this but are not necessarily mandated to do it. Sol. Wolf said he just wanted the Board to know in advance that it will be discussed. He mentioned that the budget will be discussed at the meeting.

Briar Lake Association

Sol. Wolf said the Association wanted the right of way conveyed to them. We prepared the agreement and they would not sign it, nor pay the bill. Therefore, we will not allow them to do anything in the right of way.

Fisher Agreement

Sol. Wolf reported he had sent the Fisher's a letter reiterating that they did not want the \$500.

Class Action

Sol. Wolf mentioned we are getting more claim forms regarding completing the class action suit.

Engineer's Report

Chairperson Demler asked what is happening at the Eighth Avenue Pump Station to which Scott replied they contacted Bowman's who initially installed the heater about a price to convert from propane to natural gas. He said they are trying to get all the companies on the same page to make the conversion in one day. Scott explained that the engine was purchased from Envirep and their rep would have the knowledge for their part of the conversion.

Scott expressed they were not satisfied with the one portion of the sliplining. They completed the work, but we have not received the post video and should not approve payment until we look at it and accept it.

Budget

Scott reported Sheila had given him the operations and maintenance expenses. He said there have been various opinions as to what the capital reserve should be. He explained how the table he prepared works. He stated the user fee is based on three components which include the O & M, the debt service on the bond, and the targeted capital reserve. Divided by four the chart shows what the total quarterly expenses would be. He said there are currently 4,890 EDUs and we are projecting five new connections per year. He said they need to take into account the collection rate is approximately 97%. The difference between the user rate revenue and the total expenses would be the amount retained for the capital reserve.

Scott explained that if nothing was added to Capital Reserve the current amount would be cut in half in ten years. Sol. Wolf asked what we were spending for relining to which Sheila replied they also do spraying and manhole repair. She reported so far to date they spent \$150,000 plus and there was \$176,000 in the budget. Discussion followed regarding the user rates. Sheila mentioned she had proposed a \$5 increase in the budget to allow a \$100,000 Capital Reserve contribution and retain the same level of service. Discussion continued regarding what will be needed to balance the budget and that some of the items in the budget may need to be cut to avoid any increase. Discussion continued regarding paying down the debt, and Sheila explained how the bonds work.

Question was asked about the line item for the pump station monitoring system to which Mike replied basically if the system we have goes down the software is so old that it cannot be repaired. Sheila replied that the system they are looking at is more economical than many that are available. Scott also mentioned that the state is now involved with more monitoring requirements. Question was asked about management consultant to

which Sheila replied most of it was Rockwood this year but there are also fees that we incur each year that cannot be re-couped. When questioned about specific line items, Sheila explained department operating supplies, vehicle maintenance, E & O insurance, electricity rates, office equipment/computer, membership and dues, and Paychex. Sheila said some of the items can be trimmed but need to be in the budget in case there are unforeseen expenses, and such things as electric can't be limited as that is the amount to run the pump stations.

Question was asked about how much we may need to add to the capital reserve fund and another question was asked about when was the last time we had taken funds from the capital reserve. Discussion continued regarding the possibility of cutting some line items and whether the rates should remain the same or increase. The Board discussed cutting the sliplining and placing a smaller budgeted amount into Capital Reserve in order to maintain the current user rate.

Sheila asked if she was correct that the Board's decision would be reducing the sliplining item in the budget and also reducing the contribution to capital reserve to which the answer was yes. Discussion followed regarding the costs remaining for Rockwood. Scott mentioned that some of the other Authority pump stations are in need of repair and what is happening at those stations.

Assistant Manager's report

Sheila reported she had nothing else to report.

Wastewater Foreman Report

Mike reported that they have been flushing and they found out that the Orange Street had been hit by lightning.

With no more business for the good of the Authority the meeting was adjourned at 9:30 p.m.

Respectfully Submitted,

Barbara Bertin
Recording Secretary