

**Minutes
North Lebanon Township Municipal Authority
September 9, 2010**

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, September 9, 2010 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
Richard Miller	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 Mike Kneasel, Wastewater Foreman; and one resident.

Public Comments:

There were no comments from the public.

Chairperson Demler asked for a motion to approve the August minutes.

There was a discussion regarding which minutes were being approved as there were minutes from the regular Municipal Authority meeting and also minutes from the Joint Meeting with the Board of Supervisors and Swatara Township. The joint meeting minutes had not been approved yet by the Board of Supervisors or Swatara Township.

MOTION: Motion was made and seconded to approve the August minutes for only the regular Municipal Authority meeting. Motion approved.

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

Solicitor Wolf stated the minutes from the Joint Meeting may be approved at the joint meeting at Swatara and the Board of Supervisors would be taking their action to approve their minutes at the regular Township meeting on September 20th. He mentioned the next joint meeting would be held at the Swatara Township Building on

September 16th at 7:00 p.m. Solicitor Wolf stated Swatara is taking care of the advertising and will get proof of publication and we will get minutes from that meeting. He stated there will be an agenda prepared.

Grace Avenue

Solicitor Wolf stated he is recording the agreement for Marks to perform the work duly executed by the Authority. He further explained Marks had provided their required performance bond, payment bonds, and insurance certificate. He stated copies of the complete documents were provided to Sheila for the Authority records, a set to Swatara Township's solicitor, Scott Rights, Marks Contracting.

Solicitor Wolf reported that the work would be completed the following day with some additional lateral work to be performed. He explained our agreement with Swatara requires them to pay all the costs incurred in the contract with Marks. He stated the contract amount was \$186,000 and the payment bond is to protect the subcontractor and material should Marks not pay them. He said the performance bond is for one year from date of completion which is for the basic work that needs to be done so we are tied in with the Penn Dot permit which is issued in our name which requires us to be responsible for two years from the date they start. He also explained Marks would be providing us with a maintenance bond. He explained that he would explain to Marks that before they receive payment they will give us a two year maintenance bond. He mentioned we would also need to add the inspection costs, engineering, and legal fees.

Rockwood Sewer Project

Solicitor Wolf said at the joint meeting Swatara stated they would check into having someone do the income survey to get more points for the PENNVEST application and secondly for the block grant with the redevelopment authority.

Solicitor Wolf stated they had contacted the City of Lebanon Authority to inform them of the number of initial customers which would be included in the project and they would provide capacity for those customers. He stated in his letter he included that there may be additional customers in the future. He said he informed them if we get the financing and go ahead with the project that we would expect we would be hooking these people on within a year's time. He explained PENNVEST requires capacity would be good for the entire period of the loan. He stated they would initially be requesting capacity for 75 customers.

Solicitor Wolf stated they would be discussing tapping fees. He said one of the options would be to charge a minimum tapping fee to the initial 75 customers. He said future development would be charged the full tapping fee. He explained on the quarterly billing we would be charging Swatara residents a specific amount for the debt. He stated our customers would be brought in under our uniform fee schedule. Solicitor

Wolf stated that nothing can be finalized until they find out about the grant. An Excel spreadsheet was distributed by the Engineer. Questions were asked regarding clarifying the figures on the chart and how the tapping fees would work. Discussion followed regarding tapping fees for vacant lots and what the options would be for those property owners. It was further discussed that if a vacant lot owner decided to connect initially they would be required to pay debt. Sheila suggested that Scott look into which lots would be buildable lots in the area of the project. Suggestions were made that registered lots would be given the option of paying the initial rate for tapping fees plus the user rate even though there is no existing house on the lot. Discussion followed.

Chairperson Demler suggested that \$1,500 may be a reasonable tapping fee for the initial customers. Sheila asked if a new rate study would be required for basic tapping fees to which Solicitor Wolf stated they would need to do that. Scott explained that we would not know about the H₂O grant until sometime in November but PENNVEST would have an answer by November 9th.

Solicitor Wolf stated that they would also be discussing the grant application and PENNVEST application. Scott explained to the Board in detail where the changes had been made on the H₂O grant application. He gave the Board copies of the figures comparing the initial application and the revised application. Solicitor Wolf stated they would need to pass a new resolution stating the eligible costs of \$1,859,950 as opposed to the wording of the previous resolution stating "maximum eligible costs." Scott explained that we would need to send a letter saying we are willing to be responsible for our shortfall.

MOTION: Motion was made and seconded to pass Resolution #06-2010 regarding the amended amount to \$1,859,000 we are requesting for the H₂O grant and that we authorize Sheila to issue a letter saying that North Lebanon Township Municipal Authority will be responsible for its portion of the shortfall on the project. With no further discussion, the motion carried.

Scott explained the chart regarding the PENNVEST loan and how it would work during construction including interest on the loan. Solicitor Wolf explained that Scott is saying if we get the grant and loan and we pay our part of the money and Swatara will owe the PENNVEST loan. He explained that they could place in the contract documents that the contractor would be paid when the PENNVEST payment comes through. Scott stated the amount on the PENNVEST application for the total project costs is \$3,297,726 and we requested \$3,122,726 with the difference being the \$75,000 tapping fees and the \$100,000 Growing Greener Grant that Swatara is throwing into the project.

Solicitor Wolf explained the letter of responsibility to PENNVEST. He said the letter will need to be signed by Wyanne and Sheila.

Scott stated they had talked about taking the City of Lebanon Authority capacity fee and incorporating it into the loan. He explained the City of Lebanon Authority would need to sign the agreement. Scott stated he had a letter from the City of Lebanon Authority stating they will give us 75 EDUs at \$2090 per EDU for a total cost of \$156,750. Solicitor Wolf said they will need signatures on a capital contribution compliance certification. Solicitor Wolf read the certifications. Scott explained that the resolutions would need to be signed and the PENNVEST loan approved before any work could start.

North Lebanon Township Resolution #04-2010 authorizes the submission of a financial assistance application to PENNVEST.

Solicitor Wolf stated they would need to pass Capital Contribution Compliance Certification and Letter of Responsibility.

MOTION: Motion was made and seconded to pass the Capital Contribution Compliance Certification and Letter of Responsibility both of which pertain to the Rockwood Sewer Project. With no further discussion motion carried.

Restoration Connection

Solicitor Wolf stated Ralph Mase and his stepbrother may be requesting a zoning change for lots which are in the area of the Rockwood Sewer Project. If the zoning is changed a larger area may be developed.

ENGINEER'S REPORT

Hillside Drive

Scott stated the grass restoration has not yet been completed.

Slip Lining Pay Request

Scott said they had a slip lining pay request for partial payment with one more coming which is not included in this request.

MOTION: Motion was made and seconded to pay Abel Recon \$73,468.84 for the portion of the slip lining which has been completed. With no discussion motion carried.

Plan Review

Sheila stated she had spoken to Scott Miller, the engineer for The Crossings at Sweet Briar and he is working on Scott Rights' comments.

ASSISTANT MANAGER'S REPORT

Sheila said she did not have anything further than whatever had been already discussed.

SEWER DEPARTMENT REPORT

Mike stated they have been flushing lines. He explained he and Scott had discussed having Abel televising to get the last 20% of the system done.

MOTION: Motion was made and seconded to accept Mike's report for August. Motion carried.

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