

Minutes
North Lebanon Township Municipal Authority
May 23, 2011

An advertised special joint meeting of the North Lebanon Township Municipal Authority, the North Lebanon Township Board of Supervisors, and Swatara Township Board of Supervisors was held on Monday, May 23, 2011 at 7:00 PM at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following people present:

Municipal Authority:

Wynanne Demler	Chairperson
Richard Miller	Vice Chairperson
Tod Dissinger	Treasurer
Brian Hartman	Secretary
Frederick Wolf	Solicitor
Sheila Wartluft	Assistant Township Manager
Mike Kneasel	Wastewater Foreman
Scott Rights	Authority Engineer
Frederick S. Wolf	Henry and Beaver LLP

Board of Supervisors:

Kenneth C. Artz	Chairman
Edward A. Brensinger	Treasurer
Cheri F. Grumbine	Township Manager
Frederick S. Wolf	Henry and Beaver LLP

Swatara Township:

Dean Patches	Supervisor
Joe Gregory	Supervisor
Colleen Gallo	Solicitor
Jeff Golding	Engineer-Gannett Fleming
Jennifer Harding	Secretary-Treasurer

The meeting was called to order and the pledge to the flag was recited. There was no one from the public in attendance.

Solicitor Wolf welcomed everyone to the special joint meeting for the North Lebanon Township Municipal Authority, the Board of Supervisors of North Lebanon Township,

and the Board of Supervisors of Swatara Township regarding the Rockwood sewer project.

He explained we had filed an application for the State H₂O grant and we did receive a \$912,000 reward. He mentioned he had reviewed the information with Jeff Golding, engineer for Swatara Township, and Colleen Gallo, Solicitor for Swatara Township, last week. He said when they reviewed the numbers he believed the project costs included the \$2,090 per EDU we need to pay the City for sewer capacity. The grant allows for expenditures from March 2010 through June 2013.

Solicitor Wolf said we are here this evening to examine the costs and how the grant impacts the project. He explained part of what the North Lebanon Township Municipal Authority is considering is the funding of the project as it pertains to the North Lebanon Township customers with a target that these customers would be paying the same sewer user rate as the other customers in the Township. He stated both the North Lebanon Township Municipal Authority and Swatara Township may need to make a capital contribution into the project in order to achieve target tapping fees and user rates. He said North Lebanon Township Municipal Authority is prepared to make a contribution if necessary.

Scott Rights, North Lebanon Township Municipal Authority engineer, explained how the information that had been distributed to both townships shows a breakdown of estimated shared total project costs with Swatara's Pro-Rata Share of 88% for its 66 EDUs and North Lebanon Township's Pro-Rata Rata Share of 12% for its 9 EDUs. He then showed how the possible grant scenarios would impact both North Lebanon Township Municipal Authority and Swatara Township. He said the Grace Avenue project was not included in the PENNVEST application because Swatara Township used their Growing Greener Grant to fund that project.

Scott explained the spreadsheet with five different scenarios. Scott's spreadsheet showed the estimated total project costs and the various funding opportunities that have either been received or those where we are still waiting to hear the outcome. The figures were based on 12,000 gallons consumption per quarter for both North Lebanon Township and Swatara Township customers. He showed the capital contribution for each township based on the assumption we would receive a PENNVEST loan at 1% for 30 years. He explained the tapping fees have not been set yet. Jeff Golding asked a question about the additional tapping fee for Swatara Township to which Scott replied this tapping fee is to tap into the pump station and existing collection system.

Discussion followed regarding the different tapping fees and how to establish what these tapping fees should be and if there was a possibility of some additional redevelopment funding to offset these fees. Solicitor Wolf said he and Solicitor Gallo will need to draw up an intermunicipal agreement addressing all issues. He further

replied that Swatara would need to decide how they will determine their tapping fee and user rate. He again explained North Lebanon Township is looking at keeping the user rate the same as the existing rate for all of its current customers.

Scott continued on to the next spreadsheet where the five scenarios were based on a bank loan at 4% for 20 years. Discussion followed regarding the PENNVEST application and the issue of points needed for the application. A brief discussion about possible further development in the Rockwood area was mentioned, to which the answer is that there is not much available in Swatara Township. Question was asked about the PENNVEST loan and how it was decided who would be granted the funding and why is it so hard to get. The points are calculated on environmental issues as well as creation of permanent jobs. Jeff Golding answered that there is only so much money available for projects across the state and PENNVEST takes all the projects that meet their requirements by having the required points and approve applications until the money is gone. He said they also look at what is a viable user rate and then they will make a financial package in order to meet that number. Discussion followed regarding DEP's mandate that the project be completed and the consent order previously issued to Swatara Township.

Solicitor Wolf stated there is the CDBG Grant which could be up to \$500,000 for which we will also be making an application. Solicitor Wolf explained that he and Solicitor Gallo would need to start working on an intermunicipal agreement and if everything would fall into place so that it could go out for bid and start the project next year.

Question was asked about the timeline on the H₂O grant for completion of the project to which the answer was June of 2013. Chairperson Demler asked if we could in fact complete the project by the June 2013 deadline within the timeline suggested. Sheila said we need to sign and return the grant agreement within 60 days of the date of the document which is May 11th. It was decided that the North Lebanon Township Municipal Authority would accept the grant at their June 9th meeting even though there were other project details to work out before the work actually begins.

Dean Patches, Swatara Township Supervisor, asked about the billing of their customers and if they would be able to bill their customers at a different rate than North Lebanon Township customers? The North Lebanon Township Municipal Authority responded that it would not be an issue with them if Swatara Township needed to bill at a higher rate than North Lebanon Township. Solicitor Wolf explained there were some legal issues that may need to be researched which would be part of the intermunicipal agreement.

Ed Brensinger, North Lebanon Township Supervisor, asked about the Water Street pump station and what capacity it could handle, to which Scott replied that due to the location and the high head situation, the newly installed pumps at the Rockwood station will have a fairly large capacity. The Water Street pump station will be able to handle

the extra capacity but that he would check on exactly how much extra capacity they could handle.

Chairperson Demler asked if there were any further comments but due to the fact there was no public in attendance there were none.

With no further business the meeting was adjourned at 8:45 p.m.

Respectfully submitted,

Barbara Bertin
Recording Secretary