

**MINUTES
NORTH LEBANON TOWNSHIP
BOARD OF SUPERVISORS
NOVEMBER 22, 2011**

An advertised special joint meeting of the North Lebanon Township Municipal Authority and the North Lebanon Township Board of Supervisors was held on Tuesday, November 22, 2011 at 6:00 PM at the North Lebanon Township Municipal Building, 725 Kimmerlings Road, Lebanon, PA with the following people present:

Board of Supervisors:

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

Municipal Authority:

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| Wynanne Demler | Chairperson |
| Brian Hartman | Secretary |
| Susan Switzer Pierce | Assistant Secretary |
| Tod Dissinger | Treasurer |
| Sheila Wartluft | Assistant Township Manager |
| Mike Kneasel | Wastewater Foreman |
| Scott Rights | Authority Engineer |
| Frederick S. Wolf | Henry and Beaver LLP |

The meeting was called to order and the pledge to the flag was recited. One resident was in attendance.

Rockwood Sewer Project

Solicitor Wolf reported that they have been working with Swatara for a PENNVEST loan and also an agreement. He explained that Swatara has also been working on obtaining a loan for their portion of the project. He said Scott had received a call from PENNVEST that not many people were applying at this time and after it was approved by both Townships to go ahead and make an updated application, it was completed and sent in. Solicitor Wolf explained that there are a lot of costs which are not eligible for PENNVEST financing including engineer costs, rights of ways, and costs for the pumping station compensation. He said the Authority will be paying for the costs incurred by our nine residents and that the Authority will not be borrowing any money. The debt incurred would be Swatara's. He reported that if the PENNVEST loan requires the Authority to be liable for the debt, that type of financing will need to be rejected.

Solicitor Wolf explained they had identified the rights of ways which are needed and the land which needs to be acquired for the pump station. It appears they are in agreement with the property owner for the pump station and would like to finalize those documents within thirty to sixty days. Solicitor Wolf asked if they would need permits in place to which Scott Rights replied that they need to make application.

Rockwood Sewer Project (con't)

Scott explained that they need to complete the design and get the bid documents ready and get the contracts awarded over the winter so the contractors may be able to start in early spring because we are under a deadline date per the terms of the H₂O grant. He reported they expect Swatara to complete their financing during January. He explained the Boards will be provided with a copy of the agreement once Swatara's financing is complete and the billing process is finalized.

Question was asked about the tax millage increase in Swatara to which Solicitor Wolf stated he is under the impression they will be looking at a combination of things making some contribution from their capital reserve account so that the debt service from their customers isn't extreme. Scott explained the Mountville project is also part of their equation. Question was asked about the timeframe of the PENNVEST funding. Scott responded that it would be announced January 25th. Scott explained how the points work toward approval of the loan. Solicitor Wolf clarified that this loan would not help North Lebanon Township even though the application is in the Authority's name, and we will own and operate the system we don't want to be responsible for the debt.

Capital Improvement Plan

Solicitor Wolf explained the ten year schedule of capital expenditures that the Authority has planned. He stated they could revise the schedule anytime.

Sheila explained that regarding the Capital Improvement Plan which was developed several years ago, in 2011 they had not placed anything in the capital reserve budget. However, she said for 2012 they had placed the replacement of the 2004 service truck on the list. Mike reported that the crane on the truck is currently broken and the truck is showing age that it may be time to rotate it out. Solicitor Wolf asked about the maintenance that may be needed on the truck and if they had a price for a replacement. Sheila said they were quoted \$16,000 trade-in for the truck. She said previously they had used the crane from the old truck and placed it on the current truck. Question was asked what the truck was used for to which Mike explained how the truck is used. Questions were asked if they had an estimate of any repair costs at this time and what the problem was with the crane. Mike and Sheila responded that they were waiting to see if the replacement truck would be purchased in 2012. Discussion followed regarding the pros and cons of repairing the current crane and whether there were any other township vehicles which could be used to which the answer was no there are no township trucks with cranes. Further discussion followed about the feasibility of replacing a truck with 31,000 miles. Solicitor Wolf explained that the purpose of discussing this issue with the Board of Supervisors is to keep communication between the Boards. Supervisor Brensinger said his opinion is that the seven year rotation may be too short of a time period dependent upon the equipment. Solicitor Wolf stated that Sheila is trying to prepare the budget so that the funds are there if the need arises.

Sheila explained that they would need to repair the crane if the decision was to not purchase another vehicle. Discussion followed regarding the possibility of an administrative vehicle or pickup truck and the feasibility of that option.

Capital Improvement Plan (con't)

Mike explained how the depreciation works on the type of vehicle in question. Solicitor Wolf pointed out the significance of having the equipment in working order in case of emergency.

Sheila said she would like to continue with other parts of the budget including the new rates from the City of Lebanon Authority which will become effective after the first of the year. At this point no sewer user rate increase for North Lebanon Township Municipal Authority has been discussed or proposed in the budget. The Water Operating Budget does contain a proposed \$5/quarter/EDU increase. Sheila explained the plan is to complete slip lining all of our clay pipes in 2017. She further reported they are waiting for Abel to continue to spray the manholes and that they are almost at the end of the televising cycle. Supervisor Miller asked where the clay lines are located to which Sheila explained some of the older developments and some of the state roads. He also asked why the water operating owes the capital reserve fund to which Sheila explained there were costs overruns to the water project causing a deficit in the fund. Discussion followed regarding the future development and what it would mean to both sewer and water. Supervisor Miller asked if there were any areas of the township that would be scheduled to be under water or sewer projects to which Sheila replied there are some problem areas of the township which have failing onlot systems and once Phase IV of the Crossings is complete there is an area along Kimmerlings Road that may be addressed.

The Boards adjourned to Executive Session at 8:45 p.m.

Respectfully Submitted,

Theresa L. George
Recording Secretary