

**Minutes
North Lebanon Township Municipal Authority
July 8, 2004**

The meeting of the North Lebanon Township Municipal Authority was held on Thursday, July 8, 2004, at 7:00 PM at the North Lebanon Township Municipal Building, 725 Kimmerlings Road Lebanon, PA.

Thomas Parry	Chairman
Wynanne Demler	Vice-Chairman
Tod Dissinger	Treasurer
Ronald Ensminger	Secretary
Susan Switzer Pierce	Asst. Secretary
Sheila Wartluft	Asst. Mgr.
Thomas Harlan	Henry & Beaver
Scott Rights	Steckbeck Engineering

Also in attendance were Wastewater Foreman Mike Kneasel and 6 Township residents.

At this time, Chairman Parry called for a motion to approve the June minutes.

MOTION: Motion was made and second to approve the June minutes. Motion approved.

Next, Chairman Parry asked for a motion to approve all invoices and requisitions for payment, all which are subject to audit.

MOTION: Motion was made and second to approve the invoices and requisitions for payment all subject to audit. Motion unanimously approved.

COMMENTS FROM THE PUBLIC

Pam Parr – 806 Patmar Drive

She said before she makes any comments or asks any questions, at the last meeting she asked about the curbing and when it would be restored. She said the contractor did a fantastic job and it looks beautiful and looks better than it did before. She also told the gentleman that was working on it that looked really well. Her question now is, she posed a question at the last meeting about amending the mandatory connection ordinance and the agreement with the City about using both well and city water within the home. Has the Board been able to approach this with the appropriate people? Parry said you could have both well and City water to your property; however, you cannot have both within the home. That would be cross-contamination and is not allowed. She asked whom he asked to get this answer? He said this is the way the ordinance reads and he doesn't know that they are inclined to make a recommendation to change the ordinance. He can only

Pam Parr – 806 Patmar Drive(cont'd)

Parry said he would speak for himself, not for the rest of the Board, but that is his opinion. They would have to petition the Board of Supervisors to do so and, again, he doesn't know that they are inclined to do that. Ms. Parr said she doesn't mean to pick, but after reading the ordinance, there is nothing in the ordinance that states both sources of water cannot be inside the home. The agreement mentions that, but not the ordinance. She again asked to pursue this matter a little further. Parry said as was stated before and she can speak to our Solicitor about this, we, the Authority Board, did not pass the ordinance, but we did request that the mandatory connection ordinance be adopted. It was adopted and we as a Board are inclined to not change the ordinance. We feel that it is good and proper. Parr said, but there isn't anything in the ordinance that even mentions this restriction. Parry said she would have to take this up in another form. We believe that the ordinance is good and proper. Parr said that this Board has told them that if they want to know what the Supervisors have to say on this, they would have to attend their meetings. Parry said any changes that are done to Township ordinances would have to be done by them and he is not sure what their procedure is. She then asked about the request she made at the last meeting concerning a joint meeting between the Board of Supervisors and this Authority Board. Has this been arranged or scheduled? Parry reported that they have meetings on a regular basis with the Township Supervisors, he cannot tell her when the next one is scheduled. Sheila reported that they have nothing scheduled at this time that she knows of. Sheila asked to speak at this time. She said that she thinks the question that Ms. Parr has is mostly with the agreement that we have with the City. That agreement has been gone over time and time again, and what is in it, is there by the City's' request. She honestly cannot see them re-visiting this again after so much time has already been spent on it and having the agreement changed. They are in the same position as us and also, have a Board that they have to answer to as well. The agreement is pretty much the way it is going to be. Ms. Parr thanked them for their time and said she would attend the next Supervisors meeting.

SOLICITORS REPORT

Pertinent Issues

Atty Thomas Harlan attended this evenings' meeting for Solicitor Wolf who is on vacation this week. He said he gave the Board members a 4-page report that Sol Wolf prepared for them.

The first item is the Lebanon Valley Economic Development Corp project that is going on in the Township. A company by the name of Valspar has an agreement of sale for 20 acres of the property. Sol Wolf indicates that after speaking with the Economic Development Corp, they were going to pay for the costs of the survey to determine whether or not the Hill Street Pump station could be eliminated and the sewer could be sent by gravity. Sol Wolf notes that the survey is underway and will

SOLICITORS REPORT(cont'd)

Pertinent Issues

be examined. The other issue deals with the number of EDUs that will be assigned to the facility. There is some question whether it will be an EDU or a gallon age basis. Apparently, Sol Wolf and the City have already started to discuss this. Parry said this would be an issue between Valspar and the City. Atty Harlan said it impacts you directly on the tapping fees and this is why they are looking into which basis this number will be developed from. He said that Sol Wolf feels it should be based on a gallon age basis. There is no action to be taken on this, this evening. Tod asked for his own knowledge, how is this normally done? Is it done usually by gallon age? Scott said it is done multiple ways. He said you try to get the industry to make their best guess as to what they might have. In this case, since they have other facilities, they will have a better idea of their usage. They have been using the figure of 220 gallons per day as an EDU. You can convert your flows into EDUS. Tod said the reason he asked this question is because he attended the meeting 3-4 weeks ago and he thinks that water is part of their manufacturing process. So indirectly it will not be dumped into the sewer system, so you would think they would fight the gallon age. Scott said they would probably do one of two things. They will either put an internal meter on the water that feeds their process or they simply put a sewage meter in a sampling manhole, which will be required by your Strong Waste Management Program already in place. So there are a couple of options for them to consider. Sheila also mentioned that another option they have is to go by the number of employees, which sometimes is very difficult. She said that both she and Sol Wolf are going to work with the City and try to come up with some numbers.

The next item for discussion is the pumping station lot on North 8th Avenue. There is a building on the site that may have asbestos in the building and they are investigating this and the scope of the removal process. This removal will have to be done under the laws and after that is resolved, the bids will go out for the demolition and removal of the building. Apparently some of the work is going to be done by the Township employees, but the rest would have to be done by a contractor. Mike continued on by saying they need to get an inspector in there to see exactly where the asbestos lies in the building. Once that is determined, then we can get a quote to see if we need to bid it or not.

The last item on Sol Wolfs' list is a copy of a proposal from the Lebanon Valley Farmers Bank dated June 17th, this year, stating they are willing to loan the Authority \$850,000, a 15 year term with the first 7-years, a fixed rate of 3.52%. The re-payment in the first year is by interest payments only. You have the right to pre-pay it without penalty and they are taking a security position in certain monies that you have deposited with them in the form of a certificate of deposit by the Authority in an amount equal to the amount of the loan. He mentioned that the Authority has to pass a resolution to accept the bank commitment and then sign the commitment. Parry asked if everyone has a copy of the banks' commitment to

Pertinent Issues(cont'd)

look over? Everyone has a copy and has been able to review. Tod's position is that he is still against it, but he suggested the Board do what they feel they need to do. Parry said as you will recall, this is not a loan, rather a letter of credit that is made available to the Authority, should they need it. If we don't need it, we don't use it and nothing has to be paid back. If we use some of it, then that is what we pay back. Tod asked if they use certificates of deposit for collateral up to \$850,000, are we still going to be collecting interest on those CD's while they are used for collateral? Atty. Harlan said they would continue to collect interest. Tod then asked, if the term of this loan or commitment is 15-years, does that mean we cannot cash those CD's in until the end of that term? Atty. Harlan said, not unless they are replaced by something else or provide additional security or pay off the loan. Tod again said, so as long as you have this agreement, you cannot use any of these CD's that are held as collateral. Tod said he doesn't think he understands this whole scenario correctly. If you are in a 15-year term for \$850,000, they are going to take \$850,000 in collateral as long as you are in this agreement. You can spend that \$850,000 at any time, is that correct? He was told yes. So what he is saying is that while this agreement is in effect, we will not be able to cash any of those CD's in, because we are in this agreement. Harlan said if we decide a year down the road that we do not need to keep this money in reserve or keep the line of credit, then it ends and the CD's are released as collateral. If the amount can be lowered to, for example, to \$500,000, then the collateral amount is reduced as well and a loan modification agreement is done.

MOTION: Motion was made and second to approve the bank agreement with Lebanon Valley Farmers Bank in the amount of \$850,000, as explained. Motion passed with 4 yes and 1 no, vote.

Atty. Harlan suggested that the Board designate the Chairman and the Secretary as the authorized officers to sign the commitment letter with the bank. He also suggested the Chairman and the Secretary execute the loan commitment document. Parry said then we would need an additional motion to authorize the Secretary and the Chairman to enter into the agreement with the bank.

MOTION: Motion was made and second to authorize the Chairman and Secretary to enter into the agreement commitment with the bank. Motion approved.

7th Street Rights-of-Way for the Water Project

Sol Wolf has indicated that one of the ways to possibly save money on this project is to move one of the lines into the yards of 4 private properties. Wolf has talked to 4 of the owners, and 2 have expressed a willingness to sign the rights-of-way agreements to avoid condemnation proceedings. The other two have not responded yet. Sol Wolf believes they will respond favorably later on, but to get in

7th Street Rights-of-Way for the Water Project(cont'd)

position to do this, he wants to pass a resolution authorizing the Authority to file condemnation proceedings against all of the properties. If he is able to get all 4 properties to sign the agreements, then we can withdraw the condemnation proceedings. Sheila asked to interrupt at this point. She said she just spoke to one of the gentlemen today and he is willing to sign the right-of-way. So this would leave only one that has not responded. Scott said the intent is to keep the line out of the yards and keep it in the banks along 7th Street. The intent is to stay within the PennDot right-of-way. Chairman Parry asked about the sewer line that is in there. Scott said they are trying to stay about 3-4' away from that sewer line. Parry asked if they could do that? Scott said they can, that is one of the benefits of shifting the water line over.

MOTION: Motion was made and second to adopt Res. 08-2004, authorizing condemnation proceedings against the four property owners involved in the rights-of-ways for North 7th Street, Phase IV, of the current water project. Motion approved.

Valspar Project

Apparently there is a review process as to getting documentation from them to determine whether or not their sewer discharge will have to meet the requirements of the Strong Waste Management Program.

Mavin Fulk – East Maple Street

This particular person wants to have water and sewer service to a vacant lot that he is going to build on, but has to go over another property in order to get this service. This has not yet happened between the two property owners, so there is no action needed on our part.

Jeff Kreiser – Richard Drive

This is a property along Richard Drive that has sewer service to his property and wants water service as well. There is an agreement in process right now to achieve this and it hasn't been agreed to or drafted yet.

Tim Gingrich – East Maple Street

Atty Harlan said that Scott would report of this one. Scott said he sent him two letters in the last month. The City said they would not take dedication of a line if it were installed along North 4th Avenue, as Mr. Gingrich wants. Mr. Gingrich is still upset because he thinks we should be providing him with the connection along North 4th Avenue. Scott told him this is not going to happen and he has to the end of the week to locate the lateral. If this is not done, we will locate it for him and

Tim Gingrich – East Maple Street(cont'd)

put it in. He called Scott back and left a message stating he thinks we should put this line in 4th Avenue. He said the only difference he feels is between the 2" line and the 6" line is the cost of the digging. Scott gave him the breakdown according to Marks' numbers and put that in the letter. He told him, this is the way it is, mark the lateral location or we will. He has not done it yet, but kept his rebar up at 4th Avenue. Scott directed the contractor to install the lateral just beyond the paving patch where the line crosses 4th Avenue. He told the contractor he does not want the paving disturbed in any way, rather put it as close to the paving patch as possible without having to re-pave. He then received a voice mail back from Gingrich stating he could not believe that they would put the lateral where they did, along with some comments that he cannot repeat at this public meeting. It boils down to the fact that the guy is just not cooperating at all. He thinks he finally picked up his notice to connect packet, but refuses to sign the agreement. He told Gingrich, this is a two way street and we are not going to go out of our way to meet you, if you are not going commit to connect. As of now, the lateral should be put in the end of this week or beginning of next. His curb stop and lateral at the end of the property will be put a 1" line. It is then his problem to decide how he is going to get it to his house to connect.

Briar Lake

Atty. Harlan reported that Briar Lake was told they have to provide bonding prior to picking up any sewer or water permits for the development. It was determined that the bonding shall be in the amount of \$210,000 for the station and \$218,000 for the water -tapping fee. He is not sure if they have responded to this letter or not.

Countryside Mobile Home Park

Sol Wolf has prepared an agreement for this one and has sent to Mr. Piazzas' attorney Feather. He has not received this agreement back yet.

Harlan Bross Tract – Narrows Drive

Sol Wolf has provided the developer with the proposed agreement for the future water and sewer hook up, along with the costs of the tapping fees. He hopes to have an answer back on this one by the next meeting.

Babe/Plasterer Tracts

Sol Wolfs' report states that he and Sheila have an agreement, but the plan is not far enough along to finalize the agreement. When the agreement is ready, whatever the standards are at that time, they will have to abide by. Whatever the tapping fees are at that time, they will have to pay. Chairman Parry said when this

Babe/Plasterer Tracts(cont'd)

project is over, the \$1,000 tapping fee will end. It is his opinion that they will probably not make it under the time frame we have now.

Letters to Residents

Harlan stated that letters have been mailed to those residents that did not pick up their notice to connect packets at the Post Office. When the time expires, either Fred or the Authority will arrange for a Constable to personally serve the packets on the property owners. In August, a list of those property owners will be made and those who have not made arrangements to connect will pay the tapping fee. Sheila said we still have about 5 or 6 people that have not picked up their packets. She just did a rough count today and they have about 115 people that have not come in for their permit yet from Phase I and II, which is roughly about 300 people. Chairman Parry said he should point out that the people that paid their tapping fee and may not be able to make their hook up for a number of reasons, would be a different issue than Sheila is referring to. Sheila then said that they did discuss the fact that some of the plumbers may be very busy and in the notice to connect packet they did include a request for extension of time form that could be filled out by these people. So if they think they may not be able to connect in time, they need to get this form back to us as soon as possible. She has received very few of these requests, maybe 10 total.

City Information

Atty Harlan said it seems that the City is giving out incorrect information concerning this water project. Chairman Parry said he is not so sure it is the City, rather, some of the employees. He personally spoke to Dave Etter who is the Chairman of the City Authority and he in turn spoke to Jon Beers about it. He told Etter that there has to be correct information given out. He realizes that people talk and sometimes it is not always correct, but in fact they are half right or completely wrong. We have to be aware of that and if people have any questions, they need to come to us for the answers, don't depend on the guy in the street. He doesn't always know what our stand is on some of the issues. Scott concurred with Chairman Parry on this.

ENGINEERS REPORT

Water Extension – 7th Street

Scott reported that the last month the paving and restoration continued. Not a whole lot of lawn restoration was done, mostly paving and service lines. Right now we have roughly, 10 service lines that have to be done, not including 7th Street. We have a couple on the north end of 8th Avenue between 7th Street and Woodridge Court. Woodridge Court and Oakridge Court are now completely done. There are a

Water Extension – 7th Street(cont'd)

few stragglers in the first phase, including Gingrich, Williamson, the Mavin Fulk issue, etc. Scott has talked to the consultants that were working for Fulk and told them that if you get there fine, if not, we are no longer waiting. We have already paved this area and we are not going to wait. If he understands correctly, Fulk is having a hard time getting the right-of-way from his neighbor for the service lines. It is his opinion that this will fall through and he will not get it.

The service line for the Christian Academy should be going in next week and all of the services should be in by the end of the week and wrapped up. The paving restoration should be done by tomorrow. Chairman Parry asked why the stragglers are still hanging and the restoration is being done, without the service lines being done? Is this a matter of choice or is there a reason for it? Scott said there was only 4 service lines to be done on North 8th Avenue and everything else is done. When the weather is good, they like to get the paving done, because when it is not nice, they cannot pave. We would rather have them do some of the service lines, but we only have so much leave way, because their contract is for a set number of days. They have 240 days to complete the project. How they go about getting from point A to point B is their discretion as long as they meet the contract time.

Scott has received a pay request this month, which he has reviewed. He has verified the quantities with the men in the field and the total amount that they are requesting is \$184,365.29. This brings our total for the project being paid as, \$2,156,797.18. The original contract cost was \$2,293,345.00, so there is a balance of \$136,500, roughly. We know they are going to go over the estimated quantities, because of some of the revisions that were made in moving the line from grass areas into the paved area. We still have 7th Street to do yet. They are talking about going up into the grassy area on Township property along 7th Street, which will save us some money. He will verify with the Township one more time, to make sure that we are all clear on this, but if this is the case, they will proceed in this manner. Tod asked if we are still holding the 5% retainer? Scott said he was asked to reduce this amount to 2%, but he would not do it, because we have issued substantial completion for Phases I and II, which the City consented to in writing. So that has been released. But when we did it, the restoration has just been started and we did not have the punch lists ready and we know that there will be more restoration complaints that will have to be worked on. Because we don't have the lists ready, he did not feel comfortable releasing anymore of the retainer.

MOTION: Motion was made and second to approve pay request #6 from the contractor in the amount of \$184,365.29. Motion approved.

Chairman Parry expressed his feeling that from what he has seen of the restoration, it seems to be going quite well. Scott said for the most part, the residents have been very polite and understanding of the restoration process. You will always have those that will complain, but that is normal. There are some lawns that have

Water Extension – 7th Street(cont'd)

settled, but those people are not demanding a repair immediately, they are very patient. This will continue to be monitored.

As an added note, Scott corrected himself to Sheila by saying it is the Certificate of Substantial Completion for Phases I and II, not a pay request as he previously stated. He sent these out to Ralph Mase of Marks and asked that they sign it, so he could bring it to the meeting for the Board's signature. Jon Beers did e-mail Scott and send him a letter that saying that he is OK with the Certificate of Substantial Completion as well. Scott has the papers dated June 15th, which is the date they were sent out to Marks and the date of Jon's letter. He will leave the papers here for the Boards signatures.

The only issue he wants to bring up on the water project is the Grubb property on Maple Street. They are land locked, meaning they have no access to the street or road frontage. They have an access easement to go over a driveway, but that is it. They sit back about 150' off of East Maple Street. They would like to run a water line out the back of their home up to Wynnewood Drive, because their house sits right next to Wynnewood Drive. Sheila obtained a copy of the deed for the property, and you really can't tell if the property abuts the right-of-way or not. Chairman Parry asked what address we are talking about here? He was told it is 604 East Maple Street Rear. There was some discussion as to the exact location of this property. Tod asked what the big deal is about this property if they have the access easement? Scott said because the City does not want a 90 -degree bend in that line. Tod said make a radius and bring it around the other side. Scott said they would not allow us to do that. Chairman Parry said, but what is 90-degree bend in the main line? Why could they do that? Scott said because it is the main, not the service line. The inspector in the field is saying no to it. That leaves the Grubbs coming out onto East Maple Street. The issue there is can they get an easement from the other property owner? He talked to them and said, how bad do you want the water? They said they really don't. Scott isn't sure if the Board wants to exempt them because of this or make them try to get the easement because they are part of the project. Tod asked why the City couldn't come off of Wynnewood Drive with a 6" stub for them to connect into and forget about it? Scott said we could do that, but it would cost big bucks to do it. Plus the line is already charged; so to go back and cut into it would be about \$2,500 just to put the fitting on. Tod then asked what the cost would be to the property owner to come all the way down to the line? Scott said it would be a big difference because it would be a ¾" service line not a 6" main line. If the Board wants to extend the line for them, then that can be done. Before it is all said and done, you will be looking at about \$5,000. Mike brought up the fact that there is also a sewer issue with this property as well. From what he has heard the on-lot system to this house is failing. There were three properties total that had on-lots for this area, but the trailer that was there has since burned down, so we are left with two buildings not connected to the sewer. Scott said, if we could get there to connect the home to the water line, then the other issue that we don't

Water Extension – 7th Street(cont'd)

know at this time, is the deed does not indicate if the property butts up against the right-of-way. It is a possibility that there is a strip of land that separates their property from Wynnewood Drive. Sheila said we have been trying to resolve this issue for the last 2 months and have not been able to. We have the right-of-ways for Wynnewood Drive, Scott said, but we would have to have a site survey to get the exact lines and where they lie in relationship to this property. According to the aerial maps, the tax maps, there appears to be a sliver of land that separates the Grubb property from the Township right-of-way, although, these are sometimes not all that clear. Tod asked when this was designed, why was the line not brought down and around and the fire hydrant moved elsewhere? Scott said because the intent was that this home would hook up on East Maple Street. When we saw the driveway, we assumed that they had access to Maple Street from their own land, not someone else's'. Chairman Parry said it sounds like we need to resolve all of the boundary issues first before we proceed in this matter. Scott said the boundary issue coming out the front is clear, they do not own it. If we cannot resolve the issue coming out onto Wynnewood Drive, then they cannot connect. Sheila said it is her understanding that the owners of the 5-unit apartment building on Wynnewood Drive, the Brightbills', do own the particular strip of land that we have discussed this evening and they are not interested in giving any right-of-ways, to anyone. Parry said we have to get all of the issues resolved, then we can make an intelligent decision on it and go from there.

Sheila asked Scott what we are going to do about Phase III of the water project? Scott said we could release Phase III of the water project and hold the four properties that do not have the service lines in yet and release them separately. Sheila is getting a lot of phone calls from those owners in Phase III and asking when they can hook up. Tod said the faster we push this through, the faster we will get the funds through for the hook ups and the faster we will get the debt service money to make our payment. Scott told the Board that this line is charged, ready and could be connected to, with the exception of the four homes that were previously discussed. With that being said, Sheila was told to release the Notice to Connect Packets for Phase III of the project, while holding the other four packets. There is no motion needed for this direction.

Re-Line Project

Scott reported that we received a request for a final payment on the reline project. This request is in the amount of \$11,312.20 which would finalize the project with no retain age. The work has been inspected and as long as nothing else has come up with the project, it is complete. Mike said he is going to go out tomorrow and do the 12-month inspection to see if there are any failures going on. If there are any failures, then we will go by the proper procedures because we still are holding the bond. Parry asked if we were given any kind of guarantee for the work? Sheila said

Re-Line Project(cont'd)

we have a one-year warranty that expires one year from the date of the substantial completion. Parry asked if it would be proper to with hold 10% on this until we get the substantial completion? Scott said he doesn't think, because of the way this project was bid, there is a clause that talks about substantial completion. He asked Sheila to get the contract so they would review it before we release the contractor from the job. We have been fooling around with this for too long. Will the bond stay in place until the warranty is up, Parry asked? Ron said he doesn't think so. Parry said if it would, he would not worry too much about it, but if it does not, we could get into trouble. Tod said what scares him is that we are in a warm climate right now, what happens when it gets colder, will the liners hold up? Our past discussions on the failures all had to do with the colder climate when the liners were installed. What happens when the weather gets colder?

At this time, Atty. Harlan reviewed the original bid documents for the reline project. It states, "The bidder shall remedy without cost to the Authority all defects which develop within one year from the final approval date or the warranty date, whichever is greater, and shall provide a bond for said work in the amount of the bid." Sheila said she did receive that, so we are OK for a year from the approval date of the work. If we give the final approval this month, that will get us through the winter months, as well as some of the summer months next year. Parry said then it would be proper for us to approve payment and then the clock will start ticking down for the warranty. Atty. Harlan said that the bond is not returned until after that year is up. Parry suggested that when we send the payment, we include a letter reminding them of the continuing obligation they have to the Authority. Tod asked if we should send the letter and check certified mail, in order to cover ourselves. Scott said all we should have to say in the letter is that the warranty starts effective the date of this letter.

MOTION: Motion was made and second to approve payment to Swerp Inc., in the amount of \$11,312.20. Motion approved.

8th Avenue Pumpstation

Scott reported that they are still finalizing the site plan with Mike and they have started some of the process lines as well. That will continue throughout this month.

PLAN REVIEWS

Carpenters Training Facility

Scott reported that Sheila received a plan for the Carpenters Training Facility on Heilmandale Road. They are planning a building addition of 27,000' onto the building. This has an on-lot sand mound on the property. The building is about 500' from the public sewer. The 537 Plan does not say anything about running public

Carpenters Training Facility(cont'd)

sewer up into that area, so the on-lot seems to be OK. He told them that, if for any reason, they would want to consider public sewer, they would have to contact us, because they would have to obtain a grinder pump to get into the sewer on Heilmandale Road. Both Mike and Scott decided if they would want to get into that, they would like to take a look at that whole drainage area before we say, go ahead and hook up. We have to look at what is best for the long-range needs of the Authority. His guess is that since they have already done perks and probes in the area, they are not looking at public sewer and are content with the on-lot system they have.

Briar Lake

This was discussed earlier in the Solicitors Report and this is currently pretty much under construction. They are probably about half way done with the sewer installation of Phase I of the project. They had a trench of about 20' deep and had it done in 2 days, with no water. Scott reported that John Jackson is out on site and on a daily basis, keeping construction reports as they go along. Mike asked Scott if he is aware that they are going to possibly put in the sewers for Phase II and III right away? Scott said he is not aware of this. He doesn't think they can because Phase II and III have not been approved yet. Mike mentioned that Marks is doing the sewer installation for them.

Valspar Property

Scott said this was mentioned earlier as well. He does know that the topography work has been completed and it does appear that it can be served by gravity. Additional right-of-ways would have to be acquired between the pump station site and the 25th Street Industrial Park Site. Parry asked what that does to the homes on the extreme east end of Hillside Drive? Mike said we would be able to pick them up. There is one home that is not connected and the man that sits right next to the pump station is connected and he came to us last year and wanted to run sewer to the vacant lot that he has there. With this happening, we will be able to accommodate him by putting a tee and a lateral in. That would make his lot marketable. Mike said that Jeff had talked to him today and said they would want to make a 10-12' cut through the hump of the driveway to get in to there. Scott asked if it would make sense to come back to the Board now that we know this and give a brief report on what needs to happen for this to fall into place. Tod asked if any of this proposed line goes through the Bowman Property? Mike said it goes along side of it, not through it. Tod said he asked because of the Farm Preservation project that the Bowman Property is part of.

ASSISTANT MANAGER'S REPORT

Water Project Update

Sheila said we have people coming in the office everyday picking up their permits and this is moving along quite well. We have quite a few agreements that have to be recorded in the Courthouse. She will send the Notice to Connect Packets out for Phase III of the project tomorrow, with the exception of those 4 properties that we spoke about earlier. She mentioned to the Board that she finally had a chance to go out and drive the route and she was impressed with the restoration that has been done. We have been getting very positive comments from the residents. She said that she and Sol Wolf would be sending out some letters in August reminding those that are still waiting to connect, to do so. She reiterated if any of the Board members know of anyone that has not filled out their paperwork and sent it to the office, to tell them to do so, because if we do not have any type of response from them, we will assume they do not want to connect and will have to take further action.

Plan Review – North Lebanon Township Business Park

She reported that she and Mike met with John Poff to go over the plan. They reviewed it and have a copy of the comments. Some of the comments concerned the pump station, but the biggest concern is the stretch that runs about 600' on a fill area. Scott explained that they have to add to the elevation in order to cover the sewer pipe. Sheila also said that we wanted to make sure we have a big enough easement to accommodate our flusher truck. Mike went on to show the Board members the map of the area and the fill area that they are concerned with. When they were talking to John Poff they said, let's encase and get the soil compaction up to 100%. When you go into the field and do a soil compaction test, you are never going to get 100%, but you may get 95%. With that you are compromising the pipe underground and what if it settles? Then what? They are leaning to the fact that when the pipe was burned under the railroad bed, they had to pay to get it fixed. He then asked John about the length of the pipe and the weld that would be holding the pipes together. What if the weight on top is too heavy and the pipes break? He feels they should have a weld abutment where the seam is right on the ground and then let them fill it in. He would also suggest moving the manholes back so there are none in the structured area of fill. That way, if that pipe were to ever break, they could go in and slip the pipe out and put sections in. Another point that was brought up was that we are not sure what is going to be going over this area and the weight of it. Tod said he is concerned because it may not be developed for another five years, and then who is to say what will go there. Tod then asked the distance of this line? Mike said about 700'. The Board was astounded at the length of this line. They then understood Mike's concern with this line and the importance of the compaction of the soil. If they are laying pipe that is in 20' lengths, that is 35 abutments and welds that have to be made. There is the great possibility of the line shifting and breaking. Tod asked what the Gas Company

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does in this instance as they probably have the same problem? Mike said the gas company is a little different because they don't have the weight in the line as we do, plus they don't run in fill areas. Sue asked if we could require that they do not have any manholes in fill areas? Mike said they discussed that because we do have a manhole run that is 719', but is not an issue to clean because it is out on the railroad bed. Tod asked if there could be an issue because of the length, but also how much fill is going to be used surround the line and what could possibly be built on top of the fill? Scott said this is a significant project and it could be quite a large amount of fill around the line. It is also a significant cost to do the project itself by the people doing it. In order to run the line by gravity it is going to take a lot of money and a lot of work. Chairman Parry asked if there isn't a special type of pipe that could not be used that would "flex" a bit under the fill to avoid breaks and shifts in the line? Scott said normally in this type of situation, you could use ductile iron pipe to go through there and compact it and that is it. Although, he did say Mike's point is correct in that, if it is not compacted correctly, you do risk the chance of breakage and/or shifting of the line. Tod asked Scott why he feels he is in a tough spot in this situation? Is it because his firm is representing the Authority and also, this project or what? Scott said because his firm is representing the project. Sheila said that is why we had someone totally different review this plan so it would not create a conflict of interest. Scott said also, because he and Mike have not discussed this project at all and normally, when he comes to a meeting like this, he and Mike have already reviewed and discussed the various concerns and problems with a plan. They have not done this in this case. When this design first started, they did put their heads together, because he knew what the Authority would want and he then told Jeff what he had to do to get the plan approved. At the last Board meeting, he met with Mike and Sheila again to go over what was going on and to stay in the loop. Sol Wolf then suggested that he back off so no conflict would be involved in any way. Tod asked if the Lebanon County Economic Development Authority were the ones that were to pay for this going in? Scott said he feels that is correct. Tod said his next question is, by us doing it is not going to enhance any of what they are planning to do in their park? It will really only benefit the North Lebanon Township Municipal Authority. Scott said the fill would be put in only for the sewer installation. There was quite a bit of discussion about the pipe that would be installed in this run of 700' and the type of encasement that could possibly be used to protect the line. Mike said the other thing he would like to mention about compacting. He had a situation in the field at Deerfield North Phase 4. The guys were hammering on the ground trying to get it tight and it was too wet. The guy that was doing the testing asked the Road Foreman at the time, what he would like the compaction to be? This is one of the concerns that someone is able to tell another what the test results should be, not what the standard is. That is why Mike went to the next level and said every weld seam should be in an abutment. He did not want to take a risk with it and we do not need to take a risk like that. But again, this is just his personal opinion. Parry then said that the weld seams would then be on the casings and he agrees that some support would be needed, but he is not

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sure that the support is needed every 20'. Mike said that depends on the casing length. Tod asked how the plastic pipe is held inside the casing? Parry said it just lies there and has no movement. Scott said there are spacers that fit all the way around the pipe and that gives the pipe some movement within the casement. Parry asked how close they are to doing anything? Sheila said they are hoping to have plan approval by next month. Parry asked if after all of this discussion, are we prepared to make a recommendation to them? Sheila said no, that is why we sent the letter to them with our comments. They need to respond to the letter and need to have everything addressed by the next meeting. Parry then asked what Valspar is suggesting? She said what is in the letter, using 15" pipe. Our suggestion is exactly what we outlined in the letter. Our concern is that we have infrastructure that is going to last. Tod asked if anyone could build overtop of that line or structure when they go to do future development? Scott said probably not without the Authority's consent. Sheila said there would probably be a sub-division plan for the balance of the land and at that time, it would be addressed and reviewed. Scott said he would think that they would want to do an easement agreement as they have been doing lately, so that they are protected and they hold the cards. That way, when these developers come in and present plans, we are in the driver seat. Sue asked if the agreement has to spell out in detail the entire development or just this parcel and will it include the intricate details of the plan? Sheila said this is a unique plan and that is why she and Mike want to make sure that they get the infrastructure put in properly. We want to make it once and done and make it last. Tod thinks one day down the road we are going to see this property split up and then we are going to be glad that we did what we did and they may be too. Parry asked if we need any approvals at this time? Sheila said she doesn't think so; she just wanted to warn the Board that next month we will most likely have to make a decision. Sue asked why the rush on all of these plans? Scott said because Valspar is in a hurry and have indicated if they do not get started next month, they will pull out their plans to build.

Pertinent Matters

Sheila wanted to mention that every year or so, we change cars over, from the Police Dept to the various other departments in the Township. This year the sewer department is going to get the "New" old police car. So the current staff car will be put on the list to be bid. Bonnie just gave her the information today to get started. We will go through the bidding process and the highest bidder gets the car.

SEWER DEPARTMENT REPORT

Mike reported that they flushed another 13,000' of sewer line since the last meeting. That brings us up to a total of 192,000' flushed. We are now getting into more difficult areas to flush, state roads which requires flagging, right-of-ways, so it

SEWER DEPARTMENT REPORT(cont'd)

becoming more difficult. We are moving around more in multiple areas, about 5 that we are working on right now.

Mike mentioned that last Monday night, we had an emergency down at Spruce Park around 10:30 PM after receiving a call from a Township resident saying he smelled sewer. They went down and through investigation the next day, they discovered that the complex' pump station failed, backed-up into an apartment, and were not able to make contact with anyone that evening. The issue has been resolved, the station has been repaired and Spruce Park has had Compleat Restorations come and tidy up the apartment that had the back up. The manager, Ching Stoddart was grateful for the information that she was given by the Township after the incident. Mike asked if anyone had any questions on his report? Chairman Parry asked why Tom C is working on the Police car? Mike said because we are using Tim, the Mechanic, to help us flush, so we are returning the favor. Sheila added that the vehicle that they are working on is the one that will soon be our new staff car. We have been swapping personnel around to get issues done as they come up. Mike wanted to report that we have been very fortunate to have Tim help us out, because Scott asked us when he was doing the report for the Trustee, how many feet will you be able to flush this year, he told him zero, the way things were going. They put down 10,000' in the report and with Tim's help; we have been able to exceed that number, 4 times.

Sheila asked to interject at this time. She wanted to update the Board on the on-lot project that we are working on. We have Tom K working on coming up with a list of the properties with on-lot systems. He has been going through all kinds of records to compile this list. She did say that we are supposed to have this program implemented by October of this year. They told us if we are able to get this together, the initial indication is that we could start the beginning of next year, DEP would be OK with that.

With no more business for the good of the Authority the meeting was adjourned at 9:00 PM.

Respectfully Submitted,

Tina M. Haser
Recording Secretary