

South Middleton Township Municipal Authority—January 17, 2019
Regular Meeting

Board Members: William Brown, Brian Gembusia (Absent) Duff Manweiler, Stephen Aichele, and Craig Wilson (Absent)

Staff Present: Robert Kissinger, Manager, Josephine Hall, Assistant Manager, Howard Butler, GHD Engineer Isaac Wakefield and Scott Wyland, Solicitors

Visitors: Tom Seibert and Brenda Pallante, Residents
Phil Garland, Lexington Land Development Corp. – Morgan's Crossing

Mr. Brown called the meeting to order at 6:00 p.m., and turned the floor over to counsel for the reorganization of officers for 2019.

Mr. Wyland opened the floor for nominations for Chairman. Mr. Manweiler nominated William Brown. Mr. Wyland opened the floor for further nominations, and upon hearing none, the nominations were closed. Mr. Wyland opened the nominations for Vice-Chairman. Mr. Brown nominated Brian Gembusia for Vice-Chairman. Mr. Wyland opened the floor for further nominations for Vice-Chairman, and upon hearing none, the nominations were closed. Mr. Wyland opened the nominations for Secretary. Mr. Brown nominated Rex Manweiler. Mr. Wyland opened the floor for additional nominations for Secretary, and upon hearing none, the nominations were closed. Mr. Wyland opened the nominations for Treasurer. Mr. Brown nominated Stephen Aichele. Mr. Wyland opened the floor for further nominations, and upon hearing none, he closed the nominations. Mr. Wyland opened the nominations for Assistant Secretary/Treasurer. Mr. Brown nominated Craig Wilson. Mr. Wyland opened the floor for additional nominations, and upon hearing none, he closed the nominations. Mr. Wyland suggested by acclamation that the slate of officers for 2019 be established.

Mr. Wyland turned the floor over to Chairman Brown who opened the floor for nominations for Engineer. Mr. Aichele nominated GHD, Inc. Mr. Manweiler seconded the nomination. The motion carried 3-0. Mr. Brown opened the floor for nominations for Solicitor. Mr. Manweiler nominated Salzmann Hughes, PC. Mr. Aichele seconded the nomination. The motion carried 3-0. Mr. Brown stated that the Authority had approved and signed the letter of Intent to secure the services Greenawalt & Co. as Auditor for 2019 at last month's meeting. Mr. Brown opened the floor for the nominations of Bond Counsel. Mr. Aichele nominated Eckert Seamans. Mr. Manweiler seconded the nomination. The motion carried 3-0.

The minutes from the meeting of December 10, 2018 were presented for review and approval. **Mr. Manweiler made a motion to accept the minutes as presented. Mr. Aichele seconded the motion. The motion carried 3-0.**

The monthly operations invoices were presented for payment. The Board members present initialed the payment register. **Mr. Manweiler made a motion to pay the invoices as presented. Mr. Aichele seconded the motion. The motion carried 3-0.**

The following requisitions were presented for payment from **the M & T Trust Company 2017 Project Fund –**

Sewer:

<u>Req. #</u>	<u>Payee</u>	<u>Amount</u>	<u>Which Incurred</u>
S-17	Anrich, Inc. 1271 South Gulph Road Wayne, PA 19087	\$ 180,379.26	Forge Rd Acres Project – Phase I 47% Sewer, Invoice No. 11

S-18	GHD, Inc. DEPT LA 23922 Pasadena, CA 91185-3922	\$ 11,051.51	Inv. No. 112437 – WWTP Upgrade Const Phase Services, Forge Rd Acres Project Phase I 47% Sewer Invoice No. 112419 Forge Rd Acres Project Phase II 47% Sewer Invoice No. 112434
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The following requisitions are presented for payment from the M & T Trust Company 2017 Project Fund – Water:

W-21	Anrich, Inc. 1271 South Gulph Road Wayne, PA 19087	\$ 203,406.39	Forge Rd Acres Project – Phase I 53% Water, Invoice No. 11
W-22	GHD, Inc. DEPT LA 23922 Pasadena, CA 91185-3922	\$ 17,998.03	Inv. No. 112419 Forge Rd 53% Phase I Inv. No. 112421 Water Sys Interconnect Inv. No. 112422 SRBC Waiver Request Inv. No. 112424 Water Model Inv. No. 112433 Water Sys Disconnects Inv. No. 112420 Well 3 Distribution System Inv. No. 112434 Forge Rd 53% Design Phase II

The following requisition is presented for payment from the M & T Trust Company 2013 Sewer Bond Redemption and Improvement Fund:

547	SMTMA Sewer Operations Acct PO Box 8 Boiling Springs, PA 17007-0008	\$ 6,968.59	Reimbursement for Inv. No. 10287886533 for a PowerEdge Server 50% Sewer Reimbursement for Initial Deposit for Crain Contracting to Install New Roofing Admin Bldg 50% Sewer
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The following requisition is presented for payment from the M & T Trust Company 2013 Water Bond Redemption and Improvement Fund:

425	SMTMA Water Operations Acct PO Box 8 Boiling Springs, PA 17007-0008	\$ 6,968.59	Reimbursement for Inv. No. 10287886533 for a PowerEdge Server 50% Water Reimbursement for Initial Deposit for Crain Contracting to Install New Roofing Admin Bldg 50% Water
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The following requisition is presented for payment from the M & T 2013 Water Clearing Fund:

23	SMTMA Water Operations Acct PO Box 8 Boiling Springs, PA 17007	\$ 200,000.00	Day to Day Operations
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Mr. Aichele made a motion to authorize payment of Requisition Nos. S-17 & S-18 from the M & T Trust Company 2017 Project Fund Sewer, Requisition Nos. W-21 & W-22 from the M & T Trust Company 2017 Project Fund Water, Requisition No. 547 from the M & T 2013 Sewer Bond Redemption & Improvement Fund, Requisition No. 425 from the M & T 2013 Water Bond Redemption & Improvement Fund, and Requisition No. 23 from the Water Clearing Fund. Mr. Manweiler seconded the motion. The motion carried 3-0.

Public Input - Mr. Garland was present on behalf of Lexington Land Developers for further discussions on the Morgan's Crossing Pumping Station. Mr. Brown deferred to Mr. Butler, Mr. Kissinger and Ms. Hall for their recommendations with regard to previous discussions about Tapping Fee Credits. Mr. Kissinger explained the breakdown of Tapping Fees and how they are calculated, as well as his understanding of calculating Tapping Fees and the number of EDU's to determine Tapping Fee Credits in order that the Developer may construct a more permanent, durable pumping station. Mr. Wakefield confirmed that Mr. Kissinger's recommendation was appropriate and justifiable and that he would draft a Developer's Agreement to confirm the Authority's commitment to move forward with Morgan's Crossing based on the recommendations made by Mr. Kissinger and Mr. Butler. Upon completion, the document will be presented to both parties for review and approval. Mr. Brown asked for a motion to authorize the Solicitor to prepare an agreement based on the recommendations discussed. Mr. Aichele made the motion to approve and authorize the Solicitor to move forward as stated. Mr. Manweiler seconded the motion. The motion carried 3-0.

Mr. Seibert and Brenda Pallante were both present on behalf of the Diehl family relative to the Trinity project at Allenberry and connection of the Diehl property adjacent to the project. The Diehls were asking the Authority to waive fees for connection of their property to the water main up to and including the water meter pit, and to waive the Water Tapping Fee as consideration for their granting of an easement in the Authority's favor associated with the Trinity project. Mr. Wakefield suggested that letters be sent to the other parties of the Developer's Agreement prior to drafting any agreement of terms for approval. Mr. Manweiler made a motion to approve the drafting of an agreement, subject to the Authority securing the approval of all interested parties for the proposed connection, and that the Authority will waive all fees for the connection up to the meter including the permit and inspection fees, as consideration for the Diehl's granting of the easement in the Authority's favor related to the Trinity project. Mr. Aichele seconded the motion. The motion carried 3-0.

SMT Update/Issues – Nothing to report.

MANAGER'S REPORT— Mr. Kissinger's monthly report was included in the meeting packet for the Board's review. (A copy of the Manager's report is filed as a permanent record with these minutes.)

Mr. Kissinger and Ms. Hall presented the monthly budget for review and he summarized expenditures for the month.

Mr. Kissinger presented the Certificate of Incumbency for 2019 for signature by all Board members for M & T Trust Department.

Mr. Kissinger presented a proposal for a Phosphorus Monitoring/Control System for the Sewage Treatment Plant for approval and purchase. The item was budgeted for 2019 as a measure to remove phosphorus to aid in the management of sludge applications to the farm fields. It will also reduce chemical costs for the Authority. The matter was tabled for future discussion and more information with regard to immediate need and cost savings for the Authority.

Mr. Kissinger presented documents from Brad Remig that revealed a proposed net savings of over \$300,000.00 on refunding/refinancing of the 2013 Series Bonds. Mr. Kissinger presented two documents for signature and approval. The first was the direction letter to M & T to move forward with the refunding/refinancing, and the second was a

commitment letter from BAM Insurance to insure the bonds. Mr. Aichele made a motion to approve and execute the two documents presented. Mr. Manweiler seconded the motion. The motion carried 3-0.

Mr. Kissinger presented documentation on electric rates. The Authority currently has an electric rate of .05635 but has been approached by the broker for further cost savings by securing a new rate of .0538 for a new three year commitment when the current rate expires. Mr. Manweiler made a motion to approve the new contract . Mr. Aichele seconded the motion. The motion carried 3-0.

Mr. Kissinger asked the Board for approval to use a 3% blended average for 2019 employee raises. Mr. Manweiler authorized the approval of 3%. Mr. Aichele seconded the motion. The motion carried 3-0.

CONSULTING ENGINEER'S REPORT (GHD)—Mr. Butler presented the monthly memorandum, as distributed in the meeting packet, detailing the progress of the Task Orders prepared by GHD. (The memorandum is filed with these minutes as a permanent record).


Mr. Butler gave a brief summary of each task order and there were no action items this month.

SOLICITOR'S REPORT - Mr. Wakefield had nothing to report.

SPECIAL COMMITTEE REPORTS — Mr. Brown stated that the Capital Projects Committee met prior to the Board Meeting. He stated that some schedules were adjusted as far as future projects and added that the Authority remains in a good financial position at this point.

At 7:18 p.m., Mr. Manweiler made a motion to adjourn. Mr. Aichele seconded the motion. The motion carried 3-0.

Respectfully submitted,


Secretary/Asst. Secretary