

JOINT MEETING MINUTES – January 13, 2010

WEST EARL SEWER AUTHORITY

PO BOX 725

BROWNSTOWN, PA 17508-0725

WEST EARL TOWNSHIP BOARD OF SUPERVISORS

PO BOX 787

BROWNSTOWN, PA 17508-0787

A joint meeting with the West Earl Sewer Authority and the West Earl Township Board of Supervisors was held in room 102 at the West Earl Township Municipal Building, 157 West Metzler Road, Brownstown, Pennsylvania on Wednesday, January 13, 2010. Board of Supervisors Vice-Chairman John Ford called the meeting to order at 7:05 P.M. and immediately called for a recess of the Board in order to proceed with the Sewer Authority's meeting and the reorganization of the Authority.

Authority Chairman Dale Wissler called the Sewer Authority meeting to order at 7:06.

ATTENDANCE

Authority members: Jim Houser, Mike Reed, Dave Noyes, Dale Wissler, Rick Weik.

Supervisors: John Ford, Dale Wissler, Russ Ressler. Member Dick Stover arrived at 7:40 P.M.; Chairman Butch Keppley was absent.

Also present: Yves Pollart and Manyi Yeung, Rettew; Paul Lundeen and Benjamin Ried, Rhoads and Sinon LLP; Lauren Eby, RBC Capital Markets, and Teresa Beever, Recording Secretary.

1. SEWER AUTHORITY REORGANIZATION 2010

WESA Chairman Dale Wissler welcomed new members Mike Reed and Dave Noyes to the Authority.

The Chairman asked for nominations of officers for the Authority.

Rick Weik nominated **Dale Wissler for Chairman**. Jim Houser seconded the nomination.

Passed 4-1, Dale Wissler opposed.

Dale Wissler nominated **Jim Houser for Vice Chairman**. Rick Weik seconded the nomination.

Passed 4-1, Jim Houser opposed.

Jim Houser nominated **Rick Weik for Secretary/Treasurer**. Dale Wissler seconded the nomination.

Passed unanimously.

Dale Wissler nominated **Mike Reed for Assistant Secretary/Treasurer**. Jim Houser seconded the nomination. Passed unanimously.

The **motion** by Jim Houser, seconded by Rick Weik was approved unanimously to re-appoint **Rettew as Authority engineer**.

The **motion** by Jim Houser seconded by Rick Weik was approved unanimously to re-appoint **Morgan, Hallgren, Crosswell and Kane as Authority solicitor**.

The **motion** by Dale Wissler, seconded by Jim Houser was approved unanimously to re-appoint **Rhoads & Sinon LLP as the Authority Bond Counsel**.

2. Paul Lundeen introduced Lauren Eby, who distributed copies of the loan refinancing review document. Ms. Eby explained how the current refinancing will be used to refund the 2005 bond and the 2009 Bank Loan and will yield a savings of approximately \$172,000. Mr. Lundeen distributed copies of Rettew's cost estimate for the Talmage Extension Project from August and asked the Authority to confirm an amount for the actual bond issue to avoid over borrowing. Rettew's original construction contingency was 30%, but since August the bids have been awarded and work has begun. Engineer Yves Pollart suggested a 5% contingency would be adequate. Following some discussion by the Authority, the members agreed to the 5% construction contingency. Mr. Lundeen then recommended the Authority take action on Resolution 01-13-2010-01 securing the Series of 2010 Bonds for the purpose of capital projects, and the Board of Supervisors take action on Ordinance No. 209, to guarantee the Authority's financing.

The **motion** by Mike Reed, seconded by Jim Houser was approved unanimously to adopt **Resolution 01-13-2010-01** that establishes the refinancing of previous borrowings into the Series of 2010 Bonds. .

Board of Supervisors Vice Chairman John Ford reconvened the Supervisors meeting at 8:05 P.M. in order to act on Ordinance 209. The **motion** by Dale Wissler, seconded by Russ Ressler was approved by a vote of 4-0 to adopt **Ordinance No. 209**, a Guaranty for the Sewer Authority's borrowing.

Chairman Butch Keppley	absent
Vice Chairman John Ford	yea
Russ Ressler	yea
Dale Wissler	yea
Dick Stover	yea

Paul Lundeen provided a number of documents to be kept on file at the Township office, including the Third Supplemental Indenture to the Trust Indenture, Guaranty Agreement and Escrow Agreement.

3. **Jeff Zimmerman** requested a **waiver of land development** for the property at 490 Millway Road. Mr. Zimmerman is replacing a job trailer on the property with a larger one.

The **motion** by Dale Wissler, seconded by Russ Ressler was approved unanimously to approve the waiver of land development as requested.

4. **PUBLIC WORKS**

Jim Houser informed the board that in ordering the new **pick-up truck**, he was told the orange paint that we use for all the other trucks is not a standard **stock color**, and there will be a \$700 mark up for this color. He asked the board for their opinion on whether to special-order the orange, or order a standard stock color, white. He said that reflective material can be added to the white paint for visibility. The consensus among the supervisors was to order the stock color, white.

5. **ADJOURNMENT**

The ***motion*** by Dale Wissler, seconded by Russ Ressler was approved unanimously to adjourn the Board of Supervisor's meeting at 8:15 P.M.

6. **SEWER AUTHORITY MINUTES**

The ***motion*** by Jim Houser, seconded by Dale Wissler was approved unanimously to accept the minutes of the December 9, 2009 meeting as presented.

7. **PUBLIC COMMENT/GUESTS**

None

8. **ENGINEER'S REPORT**

See attachments

Lancaster General Hospital

DS Waters

Darl Yoder

Brownstown Commons

Talmage Extension Project – the engineer presented Requisition No. 83 for payment of \$336,458.50 to Bulldog Construction Company. Payment Application No. 2 is for 423,706.50. The Authority's portion after grant monies have been applied is \$336,458.50.

The ***motion*** by Jim Houser, seconded by Rick Weik was approved unanimously to submit Payment Application No. 2 for \$423,706.50 to the Lancaster County Redevelopment Authority for payment.

The ***motion*** by Rick Weik, seconded by Jim Houser was approved unanimously to authorize **payment requisition No. 83** for \$336,458.50 for Payment Application no. 2 from Bulldog Construction Company, Inc. The Authority and engineer signed the document.

Engineer Pollart informed the Authority that Bulldog most likely will not be finished the southern phase of the project by the target date of March 1, 2010 and therefore will probably ask for an extension.

Millway Acres Commercial

Rose Hill Road Development

WWTP Rerate

Oregon Pike Developments – the engineer provided information on several different options to provide sewer service to these developments. A copy of Rettew’s feasibility study is included with these minutes, containing the engineer’s recommendation for option No. 3A, which is the most cost-effective. This option proposes a combination of gravity and low pressure sewer lines and will serve both the Oregon Pike Developments and the proposed Rose Hill Road development. As informed by Rettew, a Component No. 3M Planning Module will need to be submitted to PADEP for approval. The ***motion*** by Rick Weik, seconded by Mike Reed was approved unanimously to direct Rettew to prepare a Component No. 3M Planning Module for submittal to PADEP.

Rettew thanked the Authority for re-appointment for the upcoming year and informed the members that rates were not increased for 2010 due to the current economic situation.

9. **CORRESPONDENCE**

Aqua-Aerobic Systems acknowledged receipt of the signed proposal from the Authority and anticipates shipment of the fine bubble diffuser equipment in April, 2010.

A letter from Morgan Hallgren, Crosswell and Kane regarding the proposed **LGH project, and draft agreement** were provided to the authority for their review and comment. Rettew is in the process of reviewing the draft agreement and will be submitting their response to MHCK.

10. **MILLWAY ACRES CAPACITY RESERVATION CALCULATIONS**

A table of calculations was distributed to the Authority regarding refunds of user fees to developers and individuals who had been charged user fees to retain capacity in the system. According to the addendum to the agreement of April 8, 1998 between Millway Acres and the Authority, user fees will no longer be used to reserve sewer capacity. All developers and individuals will pay Capacity Reservation in accordance with resolution 3-11-09-1.

The ***motion*** by Mike Reed, seconded by Rick Weik was approved unanimously to issue refunds to Cocalico Properties for \$893.65 and to Butch and Robin Keppley for \$154.50.

11. **BILLS**

The ***motion*** by Dale Wissler, seconded by Rick Weik was approved unanimously to pay total monthly construction expenses of \$13,672.38.

The ***motion*** by Jim Houser, seconded by Dale Wissler was approved unanimously to pay total monthly operating expenses of \$30,441.51.

12. **PAYMENT REQUISITIONS**

The ***motion*** by Jim Houser, seconded by Mike Reed was approved unanimously to authorize payment requisition No. 82 for \$13,672.38 for construction expenses.

The ***motion*** by Jim Houser, seconded by Mike Reed was approved unanimously to authorize payment requisition No. 95 for \$30,441.51 to pay operating expenses.

The Authority and engineer signed the documents.

13. OTHER BUSINESS

Rick Weik asked the Authority if the **chain across the second driveway at the Lion's Park** could be removed while construction is going on in Talmage, as it causes a hindrance to the truck drivers who use the area to turn around. The Authority said the Township will be notified and request that the chain be removed temporarily.

Jim Houser informed the Authority that since **sludge hauling** by Klines has become fairly expensive, he sought pricing from competitors. Red Rose Sanitation Services quoted a price of .75¢ per gallon. Klines price is currently .78¢ per gallon. Jim will verify contract details with Klines and report back to the Authority at February's meeting.

TALMAGE PROJECT ISSUES:

1). The Authority discussed using one designated inspector to perform **electrical inspections** for the Talmage project hookups in order to simplify the process for the homeowners. After discussion among the members, it was decided that since the Township has authorized three inspectors to work in West Earl, they should all have the opportunity to compete for the job. Each homeowner will be responsible to obtain pricing from the inspectors, and will need to decide which inspector to hire. Because the Township has waived permit fees for this project, a special permit application will be created so each is easily recognizable. All three inspectors' information will be included on the application for the residents' use.

2). Jim Houser was told by one of Bulldog's foremen that the underground connection from the control panel to the grinder pump could possibly break due to the rigidity of the pipe and the potential of ground settling and movement during construction in Talmage. A **flex connection** could be substituted for the remainder of the connections for a cost of about \$2,900. The cost to excavate and reconnect the fifteen tanks that are already in place with the flex connection would be about \$6,900. The Authority felt it is too costly to replace the piping for the grinder tanks that are already installed. The **motion** by Rick Weik, seconded by Jim Houser was approved unanimously to authorize the use of flex connect piping for the remainder of the grinder connections in Talmage.

3). Due to repositioning of the sewer line near **157 Locust Street, the John King farm** is now required to connect to the public sewer line. Jim Houser informed the Authority that we will need to order a grinder tank and equipment for this connection.

4). When the tank was installed at 318 South State Street it was installed too close to the dwelling to also accommodate **9 Stoltzfus Avenue** which is on the same property. A separate grinder tank and equipment will be ordered and installed for this residence.

5). Chairman Dale Wissler spoke with the solicitor regarding the connection of **14 Stoltzfus Avenue** to the sewer line. Because the residence is within one hundred fifty feet of a sewer line that is maintained by the Authority, the mobile home on this parcel must connect.

The **motion** by Jim Houser, seconded by Mike Reed was approved unanimously to remove Sylvan Fisher and John Ford as **signers for the Sewer Authority's** accounts at the Ephrata National Bank.

The *motion* by Mike Reed, seconded by Rick Weik was approved unanimously to add Jim Houser and Dale Wissler as signers for the Sewer Authority accounts at the Ephrata National Bank.

Lancaster Labs has raised the cost of their lab fees substantially; therefore, the treatment plant operator sought pricing for lab work elsewhere. Analytical Labs quoted a price of \$169 per month for lab testing compared Lancaster Lab's charge of \$361 per month. The operator asked for authorization to switch labs effective February 1st. The *motion* by Jim Houser, seconded by Rick Weik was approved unanimously to authorize the plant operator to switch from Lancaster Labs to Analytical Laboratories. Jim Houser will inform Butch Garnett to contact the labs to make the necessary changes.

14. **ADJOURNMENT**

The *motion* by Jim Houser, seconded by Dale Wissler was approved unanimously to adjourn the meeting at 10:12 P.M.

WEST EARL SEWER AUTHORITY

Engineer's Report

January 13, 2010

1. LGH: We are in the process of reviewing the Agreement between West Earl Sewer Authority and LGH.
2. DS Waters: RETTEW contacted DS Water on December 2009 to find out the Status of the additional capacity. DS water informed RETTEW that they will not have the capital available to purchase the additional EDUs at this time, due to the economic challenges they have faced throughout the year of 2009.
3. Darl Yoder: No update.
4. Brownstown Commons Lot No. 2: No Change.
5. Talmage:
 - a. Construction in progress. Work executed as of 1/7/10:
 1. Forcemain:
 - i. State Street South of the Conestoga Creek
 - ii. Marlou Avenue
 - iii. Elizabeth Avenue
 - iv. Evergreen Avenue
 - v. The private drive off of State Street
 - vi. 1,700 feet on Locust Street
 - vii. 400 Feet at the Wastewater Treatment Plant Driveway
 2. Rt 772 forcemain crossings:
 - a. Locust Street
 - b. Evergreen Lane
 - c. The private drive off of State Street
 3. 23 mainline cleanouts
 4. 15 simplex grinder pump stations
 5. 5 duplex grinder pump stations
 6. Approximately 6 electrical conduits and control panels
 7. 7 terminal cleanout manholes.
 8. The directional drilling crew is installing laterals for the odd-numbered houses on the east side of State Street through underground boring

9. Bulldog's crew is installing laterals and grinder pumps for even numbered houses on the west side of State Street through open-trenching and mole drilling.
 10. First Public Grinder Pump meeting is scheduled for January 11, 2010. Second meeting will be on the 23rd.
- b. March 1, 2010 is the target date for completion and testing of the southern phase of the project. All Work shall be completed and ready for final inspection and payment on or before March 7th, 2010.
 - c. Application and Certificate for Payment was received in an amount of \$423,706.50. Once approved by the Authority, a portion will be paid by the Lancaster County Housing and Redevelopment Authority. The Authority is responsible in an amount of \$336,458.50 for this month. Please refer to the following table for additional details.

Total Grant Money Received	\$250,000.00
Retainage by LCHRA`	\$5,000.00
Payment Application No.1	\$157,752.00
Remaining Grant Money after Payment Application No.1	\$87,248.00
Payment Application No.2	\$423,706.50
Remaining Grant Money after Payment Application No.2	\$(336,458.50)
Amount responsible by the WESA	\$336,458.50

6. Cloverbrook Lot 1 to Lot 4: No change.
7. Millway Acres Commercial Tract: No change.
8. Rose Hill Road Subdivision: RETTEW contacted RGS Associates, Inc regarding the status of the project. RGS said they anticipated to start engineering design at the beginning of this year. They will provide us update on the progress of the project in the future.
9. Brownstown WWTP Rerate:
 - d. Aqua-Aerobic Systems, Inc., anticipates the equipment being shipped in April 2010.
 - e. RETTEW met with DEP on January 7, 2010 to review the Authority's future planning and to learn what DEP is looking as far as permitting and planning issues. DEP is to provide direction. Upon receipt of this direction, we will provide meeting minutes.

10. Eagleview Phase II: No change

11. Oregon Pike Developments: we will have a letter report regarding the various routing and technologies to discuss with the Authority.

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