

South Middleton Township Municipal Authority—August 8, 2022
Regular Meeting

Board Members Present: William Brown, Chairman, Bryan Gembusia, Vice Chairman, Steve Aichele, Treasurer, Duff Manweiler, Secretary, Maurita Abeln, Asst. Sec./Treas.

Staff Present: Josephine Hall, Manager, Robert Kissinger, Consulting

Professional Services Present: Howard Butler, Engineer (GHD Engineering), Isaac Wakefield, Solicitor (Salzmann Hughes)

Visitors: Brian O'Neill, SMT Engineer
Cory Adams, SMT Manager
Bryan Salzmann, Salzmann Hughes-Representing WellSpan
Mickey Thompson, Burkentine Real Estate Group
Cindy Zawrotuk, GHD Engineering

Mr. Brown called the meeting to order at 6:00 p.m.

The minutes from the July 11, 2022 meeting were presented for approval. **Mr. Aichele made a motion to approve the July 11, 2022 minutes as presented. Ms. Abeln seconded. Motion carried 5-0.**

The monthly operations invoices were presented for payment and all board members present initialed the payment register. **Mr. Gembusia made a motion to pay the monthly operations invoices as presented. Ms. Abeln seconded. Motion carried 5-0.**

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

<u>Req. No.</u>	<u>Payee</u>	<u>Amount*</u>
611	Trout CPA	\$ 750.00

The following requisitions were presented for payment from the **M & T Trust Company 2013 Water Bond Redemption and Improvement Fund:**

<u>Req. No.</u>	<u>Payee</u>	<u>Amount*</u>
505	Trout CPA	\$750.00
506	Doli Const. Corp.	\$244,447.02
507	GHD, Inc.	\$ 22,859.25

The following requisition was presented for payment from the **M & T Trust Co. 2013 Water Clearing Fund**—for transfer of funds for daily operation expenses.

<u>Req. No.</u>	<u>Payee</u>	<u>Amount*</u>
35	SMTMA Water Operations	\$ 300,000.00

* A description of all payments is shown on the Summary of Requisitions report distributed in the meeting packet and will be filed with the minutes as a permanent record.

Mr. Gembusia made a motion to authorize payment of the following; from the M & T Trust Company 2013 Sewer Bond Redemption and Improvement Fund: Req. No. 611, and from the M & T Trust Company 2013 Water Bond Redemption and Improvement Fund: Req. No.505, 506 & 507. And from the M & T Trust Company 2013 Water Clearing Fund, Req. No. 35. **Mr. Aichele seconded. Motion carried 5-0.**

Public Input—Mickey Thompson, General Counsel for Berkentine Real Estate Group, was present to discuss possible options for securing sewer capacity for the Cambria Place Land Development Plan. Mr. Thompson explained the desired timeline for commencing construction of the first phase of the development which includes the recently proposed purchase of the existing Sprint building for the construction of a large medical facility by WellSpan Health. In light of the issues confronting South Middleton Township Municipal Authority in being able to reallocate sewer capacity for the Carlisle Sewage Treatment Plant to the drainage area that would serve Cambria Place development, Mr. Thompson inquired whether some other routing of the sewage

would be possible, be it permanent or temporary. Mr. Salzmann, who represents WellSpan Health explained that his client's ability and desire to continue with the purchase of the property is time sensitive. He explained that WellSpan desires to wrap up the sale with the assurance that construction may begin as soon as the next few months and that they desire to have the building vertical by Spring of 2023. After further discussion, the Board directed that Ms. Hall gather information and meet with Berkentine to discuss any possible options for providing capacity more expeditiously for the initial phases of Cambria Place.

SMT Update/ Issues—No report this month.

MANAGER'S REPORT— Ms. Hall's monthly operations status 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.)

Ms. Hall reviewed several items on the monthly report with the Board.

Penalty Relief Request—Ms. Hall has received a request from a customer (Acct. # 019126) asking for a waiver of penalty charges to his account. This account has been an ongoing delinquent account for several years and recently acquired such an excessive delinquency that the Authority had to have a lien filed against the property. The customer just recently came to the office and paid the account in full which included the total lien and attorney's fees. His request is whether the Board would issue a credit to his bill for the penalty charges due to hardship. Ms. Hall indicated that she has worked numerous times over the last few years with this customer to establish payment plans, none of which the customer followed through with. Ms. Hall provided the calculation of the total penalty charges based on the time frame for which the lien was filed. The total penalty amount would be \$442.91. The Board discussed the matter and denied the request for penalty relief.

Flat Rate Charge/Unmetered Customers—Mr. Hall explained that due to supply chain and production issues, the Authority has not had the components to fully install readable meters to new construction houses for several months. The part that is not available is the radio transmitter (MXU) which sends the reading from the individual meters to the truck receiving unit for download to the billing system so that a bill may be calculated according to usage each quarter. Ms. Hall indicated that we have 300+ MXU modules on backorder since June of 2021. In checking with the manufacturer recently, she was informed that manufacture of these units has temporarily been discontinued due to lack of components. As discussed previously, she feels the best way to handle this is to create a flat rate using system wide average usage to be billed until such time as we are able to get MXU's back in stock. The average usage for residential properties is 10,000 gallons per quarter with a cost of \$50.40. A few questions were asked clarifying whether the properties have meters in place and if so, what prevents the meters from being read. Ms. Hall explained that the majority of these properties are new residential constructions. We do have meters available and are installing those in the meter pits. The issue with reading them is that to be able to read the meters, staff would have to drive to each location, remove the pit lid and visually read the face of the meter. With current staffing issues, it is just not feasible to read these manually as we are now accumulating a substantial number of properties in different developments. Mr. Wakefield commented that he had prepared the resolution for approval at the meeting tonight but feels that he needs to revise some of the wording in the document to reflect the correct criteria of the need for the new rate. The Board directed that the resolution be revised and brought back for approval at the September meeting.

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

Task Order Update—Mr. Butler reviewed the task order report, highlighting a few of the items.

Pine Road I & I-Lining Project—Mr. Butler informed the Board that things are getting wrapped up with the bid packet and should be going out for bid in October.

Stonehedge Metering Station Task Order—Mr. Butler has prepared a preliminary draft of the Stonehedge Metering Station task order for the flume replacement at the station. He has given the draft to Ms. Hall for review and should have the final details complete for presentation at the next meeting.

Mr. Brown asked Mr. Butler to provide an update on the progress of the Carlisle Ridge Street PS No. 2 Upgrade. Mr. Butler gave a brief overview of where things stand at this point. The revised Water Quality Management Packet was submitted to DEP last Friday. Mr. Butler has forwarded all documents to Mark Malarich, Director of Public Work for Carlisle Borough for review, and a meeting is set with him on August 23rd. In discussion of the timing of bidding the project and the estimated time to receive the

components for the project, Mr. Salzmann added that many of his clients are beginning to pre-order the pipe for projects prior to the job being put out for bid. This has helped move portions of a project along quicker, as the delay for pipe in this market is months and up to more than a year for some products. The clients pay for the pipe when it is delivered and store it for the project with no negative consequence since the pipe will be used in the project. The pipe quantities are removed from the bid documents thus eliminating at least one delay as materials for a project would not be ordered by a contractor until after the bidding and award of the project. The Board instructed Mr. Butler to look at the long lead items for the project and determine if it is feasible to pre-order certain supply items to reduce delays. They asked that he try to get that information out prior to the September meeting so that they have time to review beforehand.

SOLICITOR'S REPORT—Mr. Wakefield presented one item for the Board's consideration.

Discussion and Potential Execution of 3rd Amendment to Cambria Place Developer's Agreement—Mr. Wakefield presented a 3rd Amendment to the Cambria Place Developer's Agreement. He explained that this amendment revises several dates in the agreement. The new dates are as follows: The Authority/Township, as parties to this agreement, will have all permitting and approval related the availability and reservation of capacity completed by March 31, 2023. The specifications and bid details for the upgrade of the Carlisle Ridge Street Pump Station No. 2 will be completed and out for bid by April 30, 2023. The completion of the Pump Station Upgrade Project will be completed by April 30, 2024. Mr. Wakefield said that the developer, Cambria, LLC, has already executed the agreement and recommended that the Board execute the agreement so that it can be forwarded to SMT for execution as well. **Mr. Gembusia made a motion to approve the 3rd Amendment to the Cambria Place Developer's Agreement as presented. Ms. Abeln seconded. Motion carried 5-0.**

SPECIAL COMMITTEE REPORTS

HR Committee—Mr. Brown reported that a meeting was held earlier today with the Committee, Ms. Hall and Township staff regarding the progress of revisions to the employee manual for the planned staff merger under the management agreement. Mr. Brown felt that it seems that almost all issues have been ironed out and that a date of January 1, 2023 looks to be when the staff change will take place.

Capital Projects Committee—Mr. Brown would like to plan on scheduling another meeting in September.

Tapping Fee Adjustment Committee—Nothing to report.

Transition Committee—Nothing to report.

Special Counsel Committee—Mr. Aichele stated that he and Ms. Abeln along with Ms. Hall interviewed a few candidates for Special Counsel related to actions or projects that may present as conflicts of interest between the Authority and Township and the Committee is recommending Mr. Bruce Grossman of Caldwell & Kearns, PC. Mr. Brown asked for a motion to approve the appointment of Bruce Grossman as special counsel for the Authority. **Mr. Aichele made a motion to appoint Mr. Bruce Grossman as special counsel to the Authority for issues that may be related to matters of conflict of interest between South Middleton Township and South Middleton Township Mun. Authority beginning with review of the Management Agreement presented by the South Middleton Township. Ms. Abeln seconded. Motion carried 5-0.**

Mr. Brown asked that Ms. Hall schedule a meeting with herself, the Special Counsel Committee and Mr. Grossman to present the Township Management Agreement for complete review.

NEW BUSINESS—None.

At 7:21 p.m. Mr. Aichele made a motion to adjourn. Mr. Gembusia seconded. Motion carried 5-0.

Respectfully submitted,


Secretary/Asst. Secretary