

South Middleton Township Municipal Authority—December 12, 2022
Regular Meeting

Board Members Present: Bill Brown, Chairman, Steve Aichele, Treasurer, Duff Manweiler, Secretary, Maurita Abeln, Asst. Sec./Treas., Bryan Gembusia, Vice-Chairman (Absent)

Staff Present: Josephine Hall, Manager

Professional Services Present: Howard Butler, Engineer (GHD Engineering)

Visitors: Cory Adams, SMT Manager, Brian O'Neill, SMT Engineer

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

The minutes from the November 14, 2022 meeting were presented for approval. **Mr. Aichele made a motion to approve the November 14, 2022 minutes as presented. The motion was seconded by Ms. Abeln and the motion carried 4-0.**

The monthly operations invoices were presented for payment and all board members present initialed the payment register. **Mr. Aichele made a motion to pay the monthly operations invoices as presented. The motion was seconded by Ms. Abeln and the motion carried 4-0**

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>
614	GHD, Inc.	\$ 1345.50

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>
514	Doli Construction Corp	\$1,378,689.11
515	GHD, Inc.	\$ 16,692.25

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

<u>Req. No.</u>	<u>Payee</u>	<u>Amount*</u>
38	SMTMA Sewer Operations	\$ 500,000.00

* 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. Aichele made a motion to authorize payment of the following: from the M & T Trust Company 2013 Sewer Bond Redemption and Improvement Fund: Req. No. 642, and from the M & T Trust Company 2013 Water Bond Redemption and Improvement Fund: Req. No. 514 & 515. And from the M & T Trust Company 2013 Sewer Clearing Fund, Req. No. 38 The motion was seconded by Ms. Abeln and the motion carried 4-0.

Public Input—None.

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 a few bullet items on the Manager's Monthly Status Report with the Board.

Penalty Relief for Account # 015009—Ms. Hall asked that this be discussed in executive session.

Generator Preventative Maintenance Agreement—Ms. Hall presented the annual renewal contract for the maintenance and servicing of all the emergency generators at pump stations, well houses and booster stations. The contract is with Winter Engine and Generator Service. The contract with the vendor began last year and the services provided over the past year have been very good with no issues. Ms. Hall asked for the Board's authorization to sign the annual renewal contract in the amount of \$11,685.00. **Mr. Aichele made a motion to authorize Ms. Hall to sign the annual renewal of the Generator Maintenance contract with Winter Engine and Generator Service. The motion was seconded by Ms. Abeln and the motion carried 4-0.**

2023 Holiday and Meeting Schedule—Ms. Hall presented the 2023 Holiday and Meeting Schedule for approval. The schedule for holiday's corresponds with the Township and meetings listed are the 2nd and 4th Monday of each month, with the 4th Monday listed on "as needed" basis. Ms. Hall stated that the Secretary will need to sign the schedule and it will be advertised in The Sentinel and posted on our website. **Mr. Aichele made a motion to approve the 2023 Holiday and Meeting Schedule and directed Mr. Manweiler, the Secretary to sign the notice for advertising. The motion was seconded by Ms. Abeln and the motion carried 4-0.**

Discussion and Potential Execution of Grant Agreement—Ms. Hall presented a Grant Agreement for the South Spring Garden Street Water Line Replacement Project. Ms. Hall stated that she had spoken to Mr. Salzman on presenting the agreement tonight in the absence of authority counsel. Mr. Salzman advised her to move forward with presenting the agreement to the Board for approval at tonight's meeting. **Mr. Manweiler made a motion to approve and execute the Grant Agreement pertaining to funds to be received for the South Spring Garden Street Water Main Replacement Project. The motion was seconded by Ms. Abeln and the motion carried 4-0.**

2023 Sewer and Water Operating Budget—Ms. Hall presented the final 2023 Budget for approval. Ms. Hall detailed many specific items in the budget and explained that with several changes potentially coming for the Authority in relation to an agreement with the Township and also the new method of collection of tapping fees for new development, many line items have been entered speculatively. After a brief discussion, **Mr. Aichele made a motion to accept the 2023 Sewer and Water Operating Budget as presented. The motion was seconded by Ms. Abeln and the motion carried 4-0.**

Rate Resolution 12-12-2022-01—Ms. Hall explained that at the last meeting of the Capital Projects Committee, it was decided that an approximate five percent (5%) rate increase be applied to all water rate classifications. No sewer rate increase is needed at this time. She asked for approval to enact the rate resolution to be effective for all water rate classifications beginning January 1, 2023. **Ms. Abeln made a motion to enact Rate Resolution 12-12-2022-01 to increase water rates by approximately five percent (5%) effective January 1, 2023. The motion was seconded by Mr. Aichele and the motion carried 4-0.**

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.

Task Order Amendment—Mr. Butler presented Amendment #1 to Task Order # 5, which is the annual retainer cost. Mr. Butler asked for approval to amend the amount of the annual retainer from \$7,500.00 to \$9,500.00. Mr. Butler noted that the retainer has not been adjusted since 2013. **Mr. Aichele made a motion to approve Amendment # 1 to Task Order # 5 to increase the annual retainer amount to \$9,500.00. The motion was seconded by Ms. Abeln and the motion carried 4-0.**

SOLICITOR'S REPORT—The Solicitor was not present.

Discussion and Potential Execution of the Management Agreement—In the absence of the Solicitor, the Board discussed the final draft of the Management Agreement. On the most recent draft exchanged on December 9, 2022 by Township Solicitor, Bryan Salzman and Bruce Grossman, Special Counsel for the Authority, the Board held a lengthy discussion related to several final editorial corrections and few final comments/questions sent to both Counsels prior to the meeting. In light of those few

corrections and comments, and the absence of any legal counsel at tonight's meeting, the Board did not feel they could move forward with authorizing the execution of the agreement.

The Board instructed Ms. Hall to provide the most recent agreement documents to all the Authority Board members, specifically including the versions provided on December 9 and the comments Ms. Hall provided on December 12.

SPECIAL COMMITTEE REPORTS

HR Committee—Nothing to report.

Capital Projects Committee—Mr. Brown reported that the committee met on December 6th to review budget information and project outlooks and determined that a 5% water rate increase should be approved. Regarding budgeting and all project timing for upcoming year, everything is looking good.

Tapping Fee Adjustment Committee—Nothing to report.

Transition Committee—Nothing to report.

Special Counsel Committee—Nothing to report.

At 7:21 p.m. Mr. Brown adjourned the regular meeting to enter executive session to discuss personnel and potential legal matters.

At 7:55 p.m. the regular meeting was reconvened.

Mr. Aichele made a motion to hire Wendy Shughart as a part-time employee at an hourly rate of \$33.00. The motion was seconded by Ms. Abeln and the motion carried 4-0.

Mr. Aichele made a motion to authorize a bonus of \$14,400.00 to Wendy Shughart. The motion was seconded by Ms. Abeln and the motion carried 4-0.

Mr. Aichele made a motion to authorize payment of a bonus in the amount of \$7,500.00 to Josephine Hall. The motion was seconded by Ms. Abeln and the motion carried 4-0.

The Board instructed that Ms. Hall review information for customer account #015009 with the billing clerk and authorized the refund of the 1st Quarter 2022 penalty charges.

NEW BUSINESS—None.

At 8:05 p.m. Mr. Aichele made a motion to adjourn. The motion was seconded by Ms. Abeln and the motion carried 4-0.

Respectfully submitted,



Secretary/Asst. Secretary