

**LOWER PAXTON TOWNSHIP  
AUTHORITY MEETING**

Minutes of Township Authority Meeting held November 22, 2011

A meeting of the Lower Paxton Township Authority was called to order at 6:07 p.m. by Chairman William B. Hawk on the above date in the Lower Paxton Township Municipal Center, 425 Prince Street, Harrisburg, Pennsylvania.

Authority members present in addition to Mr. Hawk were: William C. Seeds, Sr., William L. Hornung, Gary A. Crissman, and David B. Blain. Also in attendance were George Wolfe, Township Manager; William Weaver, Sewer Authority Director; Mark Hilson, Authority Engineer; Jim Wetzal, Sewer Operations Manager; Steven Stine, Authority Solicitor; Jeff Wendle and Kevin Shannon, CET Engineering Services; and Watson Fisher, SWAN.

**Pledge of Allegiance**

Mr. Blain led in the recitation of the Pledge of Allegiance.

**Approval of Minutes**

Mr. Crissman made a motion to approve the November 1, 2011 Authority meeting minutes. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

**Public Comment**

No public comment was presented.

**Board Members' Comments**

No Board members provided any comment.

**New Business**

Action on the proposed 2012 Budget  
and  
Resolution 11-09; increasing sanitary sewer rates

Mr. Weaver explained that he would discuss these two items together as the second item

is dependent of the first. He noted that Mr. Wendle has prepared three alternatives for sewer rate projections as requested by the Authority Board, and he will discuss those after he reviews the budget. He noted that there continues to be outstanding issues with both the City of Harrisburg and the Swatara Township Authority (STA) budgets. He noted that copies of both budgets were provided as part of the packet and a few surprises were found in both budgets.

Mr. Weaver noted that the City of Harrisburg Authority's Budget states that they have a deficit of \$3 million and if they can't meet that deficit, they will get the funds from the City of Harrisburg. He noted that is typically the reverse of what has occurred in the past. Mr. Seeds noted that they state that they plan on getting money from purchasing nutrients; however they are the entity that needs to purchase them. Mr. Weaver noted that he and Mr. Wendle looked at the budget and recommend that the Lower Paxton Township Authority (LPTA) offer the typical amount of \$3.1 million noting that the City of Harrisburg must inform LPTA by December 1st if they intend to increase their rates. He stated that he hopes that the rates will not be increased based upon the ongoing legal investigation of their practices. He noted that the Authority can only base the budget projections on the information that is known.

Mr. Weaver noted for STA, their budget shows a slight increase in the EDU's as they are elevated as a result of the high flows for 2011. He noted that the landfill flows have dramatically increased that value and it should decrease when the weather gets back to normal. He noted that STA based the budget on the EDU's from the previous year which shows an inflated EDU value that has slightly increased the 2012 budget. He explained that he received a phone call from STA informing him that they will take the flood damage expenses out of operations/maintenance costs and there should be no capital improvement adjustments. He noted that the percentage that he and Mr. Wendle reviewed today is almost the same for capital flow rates on the load capacity that is 58%. Mr. Wendle noted that it is 58.65%. Mr. Weaver noted that the operations EDU's are 58% and either way the Authority must pay 58% of the \$2 million. He noted that there is an inflated cost in the budget for end of this year, and for next year, since he must come up with \$580,000 per year. He explained that he hopes to get that money back from the Federal Emergency Management Agency (FEMA) noting that they should reimburse 75% of the costs and the remaining 25% should be reimbursed from the Pennsylvania Emergency Management Agency (PEMA). He noted that STA has to file these requests for LPTA behalf as STA is the owner of the plant and it has all the receipts for the equipment. He explained that STA could not

make all the repairs this year as the equipment is very technical in nature for controls and it takes time to get the parts as they practically have to rebuilt half the electronics for the plant. He noted that there will be a deficit for this year and next year will show a positive value. He stated that he hopes to receive the FEMA and PEMA money by the middle of next year. He noted that is the only major change in the operations and maintenance.

Mr. Weaver noted that there were some adjustments with the capital budget based on current information for the contractor payments. He noted that he made adjustments for the paving expense as it was zero the last time and he and staff came up with a value of what he believes to be the amount of paving that can be done in one year. He explained that he added \$1.9 million for paving in 2012 and it is based upon the current mini-basins that the Authority is doing overlays for those streets.

Mr. Weaver requested Mr. Wendle to explain the alternative rate projections.

Mr. Wendle noted that some last minute items were added to the budget on Friday and as a result of that he added a third alternative to the rate projections. He explained that he wanted to show how the projections were done with a comparison of the quarterly rates for 2010 using the projections that were adopted in 2009. He noted in 2009, it was thought that it would have to be higher than it was, but he slowed that down in 2010. He explained that there is not much difference between Alternatives 1 and 2; however he would like to discuss a 3<sup>rd</sup> Alternative that he came up with. He noted, at the suggestion of Mr. Blain, he looked at the 3% inflation factor that he used, noting that he added a foot note stating that for the last several years the administrative costs have basically been about 3.7%, however, there is a 3% increase in salaries and future pay increase will be neutralized by benefit changes. He noted that he projected a lower rate of 2.5% for 2012 and thereafter, however, since it is unknown what will happen with the City of Harrisburg, he maintained a 3.1% increase in the budget. He stated that it does not make sense that the City of Harrisburg could raise rates with the current legal challenge.

Mr. Wendle explained that something that remains consistent for all the alternatives is that in 2013, the operating expense will show a \$1 million increase and this is due to City of Harrisburg having to meet its nutrient requirements in 2013 and 2014. He noted that since they will not have built a plant by that time they will be forced to purchase credits. He noted that they will have to purchase about 800,000 pounds of credits at about \$6.50 per pound, and since LPTA makes up about 23% of the flow it would result in a \$1 million increase. He explained that he

added another \$100,000 for STA since there will be an increase for the Authority when the new plant is operational. He noted that is the explanation for the large increase in 2013. He noted for the following years he calculated a 3% inflation rate. Mr. Seeds questioned if the nutrient rate may be cheaper. Mr. Wendle noted that the City of Harrisburg purchased some credits during the last auction for \$3.10 so it could be half of that price; however, the City of Harrisburg informed him that they tried to purchase long term credits and the price was \$6.50. He suggested that it would be better to be conservative.

Mr. Wendle noted that the 2009 bond issue must be under contract by the end of 2014 and as a result of that he assumed that there will be a need to borrow again at the end of 2015 to do another three-year period of rehabilitation. He noted in 2016 he shows a new debt service, with 2010 Series B & C to end in 2015. He explained that he was trying to maintain \$4.5 to \$6 million with no rate increase greater than \$10 a quarter. He noted that both alternatives 1 & 2 do that. He explained that he spoke with Ms. Knoll today and was given the audit report from the end of 2010. He noted that the projected \$587,000 deficit for this year, which is made up primarily of the STA \$570,000 cost, along with the balances from the end of last year, the LPTA should have a year-end cash reserves in investments and cost equivalents of \$7.2 million. He explained that Alternative 1 never goes below \$6.6 million in 2017; Alternative 2 never goes below \$7.3 million in 2017. He explained that the LPTA is not trying to build up a huge amount of funds and as a result of that he came up with Alternative 3 that would hold the line on rates for another year. He noted that the current rate is \$120 and if he held it at \$120 for next year and raised it to \$125, \$135, \$145, \$155, and \$165 each year, it would still come close in 2017 to where the LPTA would be if it used Alternatives 1 or 2; however you would get there more gradually. He noted that you would have \$4.5 million as opposed to \$7 million and eat up some of the reserve. He explained to get to the final number faster; you could go from \$130 to \$140 next year if you needed it to make it up. He noted that you could go another year at the \$120 rate and still have a cash surplus at the end of 2012. Mr. Crissman suggested that Alternative 3 is an excellent choice in light of what was discussed during the Township budget workshop. Mr. Wendle noted if you look at the top line named reimbursements STA FEMA/PEMA flood assistance, he put zero in that column. He noted that it is not a sure thing, but the STA seems to think that they will get reimbursed. He noted if that is the case then all the year-end numbers would go up by about \$1 million, noting that it would have \$5.5 million at the end of the year.

He suggested that the Authority could go from \$120 to \$130 next year if it appeared that the funds were depleted too fast. He noted that it would meet the maximum of \$10 per quarter increase. Mr. Crissman noted that he likes Alternative 3. Mr. Blain agreed that he liked the idea of holding the line on the rate increase for sewer rates.

Mr. Weaver questioned if the City of Harrisburg raises its rates, would LPTA pay it since it would not be able to get the money back. Mr. Stine answered that it would depend. Mr. Weaver noted that it would force their hands into the legal situation. He noted if the City raises rates by December 1st and we don't raise rates, we would have to open the budget to do it. He noted that he would not expect that to happen, and since the LPTA has a lot of cash at this time, and he has received numerous complaints about the increase in rates. He explained that rates were not increased two years ago, and there is certainly plenty of cash on hand.

Mr. Weaver noted that he needs to have the Board act on the budget and deny the resolution or take it off the agenda. He noted that the budget would have to be amended to reflect the current rate of \$120 per quarter. He noted that he used \$125 as the rate for the budget as it was the rate reflected in the previous schedule. Mr. Seeds questioned if it would throw off the budget by not increasing the rate schedule. Mr. Wendle answered that based upon the projections, if the LPTA did not raise rates it would still provide for \$4.5 in reserve at the end of 2017, however if the Boards want to increase it, it could go to \$130 next year. Mr. Seeds noted that he would not want to increase it more than \$10 per year in the future because it did not increase it in 2012. Mr. Hawk suggested that the Township would not be digging into too many pockets at the same time. He noted that it is unknown what the School District plans to do yet. Mr. Seeds questioned Mr. Weaver if he was okay with Alternative 3. Mr. Weaver answered yes. Mr. Wolfe noted that the Authority is scheduled to take action on the budget to include setting the 2012 sewer rate. Mr. Weaver noted that the Authority would not have to adopt Resolution 2011-09 if it chooses Alternative 3.

Mr. Crissman made a motion to approve the 2012 budget as presented using Alternative 3 for the rate schedule. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Approval of proposal from Dauphin Engineering for site engineering/survey services for the Oakhurst Interceptor

Mr. Wendle noted that the section of the Oakhurst Interceptor from North Progress

Avenue east to Mr. Lenker's development is being constructed this fall and winter and will extend service to the Gale Drive Pumping Station and eventually remove the pumping station from service. He explained that Dauphin Engineering had already done the original design so he felt that it would save money to have them finish the design. He noted that it was done so long ago that DEP now requires new wetlands identification and have changed their attitude towards manholes and wetlands so they will have to do a realignment. He noted that Dauphin Engineering submitted a proposal for \$9,700 to redo the design that will then provide it to CET who will apply for the permits. He noted that the price is very reasonable and very cost effective since they did it for Susquehanna Township years ago and they have all the survey data.

Mr. Weaver noted that this price was included in the budget approved by the Board and provides for the engineering and constructing of the interceptor next year to eliminate the Gale Drive Pump Station that occasionally overflows. He noted that staff recommends that Dauphin Engineering complete the design work for the Oakhurst Interceptor.

Mr. Crissman made a motion to approve the proposal from Dauphin Engineering for site engineering/survey services for the Oakhurst Interceptor in the amount of \$9,700. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Approval of proposal from Dawood Engineering for surveying the  
BC-3A, 4A, 4Bv, and 4 C Mini-Basins

Mr. Shannon explained that his memo dated October 7, 2011 summarizes the proposals that CET received for surveying and mapping services in mini-basins BC-3A, 4A, 4B, and 4C. He noted that Dawood submitted the lowest proposal for \$36,200.00. He explained that they are mini-basins that are included in the 2009 bond issue that are required to be under contract by the end of 2014. He explained that CET needs to move forward with the surveying work to meet that deadline.

Mr. Shannon noted that Dawood was significantly lower than the other three surveyors. He explained that CET has never worked with Dawood before, as they usually work with R. J. Fisher & Associates or Dauphin Engineering. He noted that he made contact with Dawood and they feel that they are comfortable with the scope and that they can do the work for that price. Mr. Hawk noted that it is a significantly lower price from the highest proposal. Mr. Crissman questioned if CET had an opportunity to talk to another municipality that has worked with

Dawood. Mr. Wolfe noted that Dawood did the base engineering work for the alleys in Linglestown. Mr. Shannon noted that they have not done surveying work for any CET projects. He noted that all the surveyors were pre-qualified by Mr. Weaver and CET. He explained up until three years ago, R. J. Fisher had never done any sewer work for the Authority and they have been doing good work for the last three or four jobs. Mr. Wolfe noted that Dawood was a sub for Arora and Associates and they used them to make up the alley descriptions in Linglestown.

Mr. Crissman made a motion to approve the proposal from Dawood Engineering for surveying the BC-3A, 4A, 4B, and 4 C mini-basins in the amount of \$36,200. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

#### Selection of financial institution for banking services

Mr. Weaver noted that the Audit Committee interviewed two banking institutions at its meeting held November 15th. He noted that the direction that he received from the Audit Committee was to review their qualifications and references and staff should determine who it would be comfortable working with that could perform the ProfitStar function, the new software for processing for the sewer bills.

Mr. Weaver noted that Ms. Knoll and Ms. Fasolt checked the references and Ms. Knoll provided a memo to the Board recommending PNC Bank as its choice based upon the following criterion: 1) Experience with ProfitStar's software, currently processing 7 to 8 million payments per month; 2) Ability to process electronic payment files and convert to Check 21 images; 3) Technology and service leader in the banking industry; 4) Multiple services for potential future use; Smart Safe, E-file Lockbox, Electronic Bill payment; 5) Competent and knowledgeable service team; 6) Full service web-based banking platform for inquiries, reconciliations, and transfers; and 7) Lowest monthly fees. He noted that a concern was that they did not have any municipal clients, however it was found that Pittsburgh Water and Sewer Authority is a client and they have been using them for a few years, noting that they also bank with PNC Bank. He noted after checking the references and establishing that they are able to use the ProfitStars system, and based upon their interview, it is staff's recommendation to choose PNC Bank.

Mr. Blain agreed.

Mr. Crissman questioned if staff is comfortable with the people that they will be working with on a day-to-day basis. Mr. Weaver answered that Ms. Knoll is very comfortable working

with the PNC Bank staff. He noted that he did not know who that will be but Ms. Knoll suggested that she would be working with PNC Bank staff at the branch level. He suggested that Scott Cantor would not be the relationship manager for day-to-day operations.

Mr. Blain made a motion to approve PNC Bank as the financial institution for banking services. Mr. Crissman seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed. Mr. Seeds questioned when the change will occur. Mr. Weaver answered the beginning of 2012.

Mr. Weaver noted that he provided a proposal for services from ProfitStars system in the amount of \$14,000. He noted that the proposal was reviewed with the Audit Committee as it was included in the 2011 budget for \$15,000. He noted that he needs to order this software immediately in order to have it in-place for the January billing cycle. Mr. Seeds noted that there was a note about a three-year maintenance agreement for an extra \$980.00. Mr. Crissman questioned if Mr. Weaver has moved forward with this purchase. Mr. Weaver answered no. Mr. Crissman noted that timing is important to get the ProfitStar purchased in order to interface with PNC Bank. Mr. Wolfe explained that Mr. Weaver is looking for authorization to purchase the ProfitStars Software this evening. Mr. Crissman noted that it needs to be purchased immediately. Mr. Seeds questioned if the maintenance agreement needs to be part of the motion. Mr. Weaver answered that staff has not determined that. He noted that he would have to speak to the Mr. Weisinger about this.

Action on Agreement of Sale with Colonial Place L. P. for  
the sewer easement at 4775 Linglestown Road

Mr. Weaver noted that this agreement of sale with Colonial Place L.P. is for the relocation of a sanitary sewer easement in the PC-1C mini-basin which Liberty Excavators is currently working in. He noted that this was discussed during the last meeting whereby the sewer line did not meet the standard for minimal slope. He noted that he and Mr. Hilson spoke with the owners of Colonial Place L.P. and they were very cooperative except that they did not agree to the appraised value of the easement. He noted that he took another look at it as it was an education for him as to how appraisers look at easements. He noted that they appraise the value of the property but then they look at the Authority for the discount. He noted that they did not like the 90% discount. He explained that is why he likes to use Daylor as the appraiser because

they discount it more. He noted that the property owners had more usable space and they could move their drainage easement and the result was that the Authority appraiser agreed with the request that it be discounted at the 80% rate instead of 90%. He noted that the Authority was able to settle with the property owner's attorney, Dave Reager, and they have executed the agreement and it is ready for Board action. Mr. Seeds noted that they settled for \$11,870.00.

Mr. Crissman made a motion to approve action on the agreement of sale with Colonial Place, L.P. for the sewer easement at 4775 Linglestown Road in the amount of \$11,870.00. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Action on Change Order #2 to the Rogele contract for the  
BC-1A and PC-3B Mini Basins

Mr. Shannon requested that this change order be removed from the agenda as Rogele has not signed the change order. Mr. Wolfe noted that this should be removed from the agenda at this time. Mr. Crissman noted that we are withdrawing this from the agenda.

Resolution 11-10; FEMA designation of an agent for disaster relief

Mr. Wolfe noted that this is the same resolution that the Board approved during the Township business meeting designating Ms. Knoll as the agent for FEMA for disaster relief.

Mr. Crissman made a motion to approve Resolution 11-10; the FEMA designation of an agent for disaster relief. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Update on insurance claims for flooding issues

Mr. Weaver explained that there were 15 basement backups in the August event and each claimant received a payment of \$1,000. He noted that the insurance coverage for the Authority was for a maximum of \$25,000, and it had already paid out \$10,000. He noted that the insurance company made a determination that the fair way to handle it would be to provide each claimant with a \$1,000 payment. He noted that the Six Family, who lives in Forest Hills, and appeared before this Board during a previous meeting, noted that they had expenses of over \$25,000 for cleanup only. He noted that they chose not to cash their check therefore he has to discuss this with the insurance agent to determine how to handle this. He noted that the Authority has not received any notification from the Six Family that they are suing the Authority. Mr. Seeds noted

that there were 17 people who did not receive any reimbursement since the insurance policy ran out of funds. Mr. Weaver noted that was for the September event.

Mr. Weaver noted in September, Tropical Storm Lee occurred and there were no approved claims as there were no funds left, and it was looked upon as a natural disaster and an act of God. He noted that there were more storm water events during that occurrence. He noted that the insurance company denied all those claims; therefore he met with Mr. Wolfe, PSD Johnson and Officer Palm, to determine how to file assistance with FEMA. He noted that anyone who had damage for the August event was eligible for a Small Business Association (SBA) loan; however, for the September event people could file a claim with FEMA. Mr. Wolfe noted that the September event was declared a disaster within Dauphin County and property owners could apply to FEMA for funding, however, for the August event; they could only apply for a SBA Loan. He noted that some people have received funding from FEMA for flooding that occurred as a result of the September event. Mr. Seeds questioned if there was an income limit. Mr. Wolfe answered that he did not know. He noted that the Township does not administer the program; it only informs the citizens of where to go to get assistance. Mr. Weaver noted that staff contacted all the people who filed claims for the September event and provided them the FEMA information. He noted that FEMA has extended the filing date until December 14, 2011. Mr. Hawk noted that people could file in person at the Harrisburg Mall. Mr. Wolfe noted that it could be done online as well.

#### Resolution 11-11 assisting customers in building sewer replacement

Mr. Hilson noted that this resolution addresses two issues that deal with building sewer and laterals for the replacement projects. He noted that the first issue is that the Authority does not really air test building sewer lateral unless it is plastic. He noted that it considers all other materials defective and it dovetails into the second issue. He noted that the previous resolution only dealt with laterals and not building sewer. He explained that the lateral goes from the main line to the right-of-way line and the building sewer goes from there to the house. He noted if someone refuses to sign the building sewer agreement, the Authority does not have permission to go on their property and test the building sewer to see if it is defective. He noted if it is clay, or terra cotta pipe, we consider it to be defective as it won't pass an air test. He noted

that cast iron pipe will occasionally pass an air test, but the recent experience has been that it has been in such bad shape that we haven't been testing them.

Mr. Hilson explained that this language addresses the issue when a property owner will not sign a building sewer agreement and it provides direction for what to do in that event. He noted that there are two options in this resolution. He noted that the original resolution that this is based upon was adopted in 2000 and it only dealt with the lateral and indicated a procedure to take for a lateral replacement. He noted that staff does not need to do much for a lateral replacement because it is in the public right-of-way. He noted as a matter of course in a replacement project the sewer main is constructed and a temporary tie in is made to the lateral and then the lateral is replaced at least to the right-of-way line. He noted with the suggested language, staff can pursue legal action to get the air test done, install at T, install a cleanout to facilitate that and depending on which option is chosen, follow up with the sewer replacement contract to replace the building sewer as well. He noted that would be option one, and option two would stop short of the replacement of the building sewer and states that staff would air test it and if it passes the Township has done all it needs to do. He noted if it does not pass the air test then the property owner will have to have replace the building sewer at his cost. He noted that this more closely parallels the original resolution from 2000.

Mr. Seeds suggested that it would take longer for Option 2 since you would have to go to court just to air test, inform the property owners that they must fix the problem, and enforce it. He noted that the Authority may end up in court again. He suggested that the Authority should only go to court once, get the air test done, and then fix it. Mr. Hilson agreed and that is why it is staff's recommendation to go with Option 1.

Mr. Crissman made a motion to approve Resolution 2011-11 assisting customers in building sewer replacement using Option One as outlined by Mr. Hilson. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

## **Township Reports**

### Review of new alternatives for the Paxton Creek Drainage Basin

Mr. Wendle noted that he has been discussing with Mr. Weaver new alternatives for the Paxton Creek Drainage Basin. He explained that he had to get the Department of Environmental Protection (DEP) to accept the Beaver Creek Basin as another 20-year program. He noted that it

is quite evident that trying to do two parallel programs at the same time, over \$150 million worth of projects is getting unwieldy for staff. He noted that so many projects have to be open at one time and it is a strain on staff and a tremendous undertaking. He suggested that some of the work should be pushed back a little bit. He stated that he does not know how to approach DEP to ask to be given a longer time to get the work done. He explained that he met with DEP at the Deputy Secretary level to talk about storage and treatment to see if LPTA could extend the replacement out for a longer period of time in Paxton Creek. He noted that it is a problem with the City of Harrisburg as their lines back up before the LPTA flows get into them. He noted that the City does not have any money to fix their problem, and he was hoping to leverage that into something that would allow a universal solution for storage and treatment. He noted that he does not know where the request will go but staff has a program in place until 2015 noting that we have to use the 2009 bond funds by that time. He noted that it is not too early to start considering what we would do. He noted that Mr. Weaver suggested that he make a chart to explain what he was talking about in terms of the rate of spending and he distributed that chart to those present.

Mr. Wendle explained that he did a quick comparison noting that the blue line represents the current Paxton Creek CAP showing the rate of spending; noting that in 2022 there was an assumption that there would be some storage constructed. He noted that the problems were to be solved by 2027. He noted that the red line is a projection for building storage and treatment now and extending the replacement of the system out 30 years to be done over time. He noted if we did that within the next two years, using underground storage, noting that it would be more expensive, as there are very few places to put elevated tanks in the Township. Mr. Weaver noted that Stray Winds Farms is the best location for storage. He noted that he was to look at this as a solution for LPTA, noting that if this was done in the next two years, spending \$28 million to do it and leveling it off at \$1.5 million per year, what it would look like. He noted if you did the entire project, it would cost about \$14 million more ultimately, but it would be from 2027 to 2037, ten years before you would meet the total expenditure, within \$4 million at present costs. He suggested that you might be able to stretch it out longer as you would have eliminated the overflows long before they would have been eliminated by replacement.

Mr. Wendle explained that he has a meeting scheduled for Monday, November 28<sup>th</sup>, at DEP with other deputy secretaries and personnel that are more senior noting that he wants to discuss technical solutions and what is cost effective to solve this problem. He noted that he is

looking for some agreement with DEP on this issue. He noted that the Board members do not need to do anything at this time, but soon we will need to find locations for storage. Mr. Weaver noted that he wanted Mr. Hornung to hear this before he leaves the meeting since he asked Mr. Wendle to look in this direction.

Mr. Weaver noted when Mr. Stine, Mr. Wolfe, Mr. Wendle and he negotiate with DEP they will need some direction from the Board on what they would like to see. He noted that DEP provided LPTA two months to finish the consent decree and that time is up. He noted that he has to update the Beaver Creek CAP. He noted that now would be the time to inform DEP that LPTA does not want a 20-year program, rather a 50-year program. He noted that Mr. Hornung would like to push the work out further, but we can't unless we have another plan that DEP will approve. He noted that the LPTA has an agreement with DEP that it would be done with the CAP by 2022 and have storage in place by 2027. He noted that the only downside from this is that the storage will have to be bigger than what we were planning to build 15 to 20 years from now. He noted that it is unknown what will have to be built at that time since the Authority does not know what the results will be from the CAP.

Mr. Weaver noted when he looked at the plan he found things that he did not see when it was developed. He noted that 50% of the program is PVC pipe which staff has not scheduled for total replacement. He noted that staff is doing repairs and trying to save money and we have shown over a five-year period in Phase 1 that repairs don't work. He noted that it removed 60% to 70% of the infiltration in Phase 1. Mr. Wendle suggested that it was not for the repair of the plastic pipe, but for one section in the Clermont development. Mr. Weaver noted that staff had good results in the Old Pond Development. He noted that 50% of the CAP for Paxton Creek is PVC pipe. He explained that he hopes to reach the 1,000 gpd per EDU, but it is a dangerous assumption because in doing the repairs we have already seen that we do not get the results we get with total replacement and half of the program is slated for repairs. He noted that you can't predict what will occur in 15 years, but storage is likely based on what we know so far. He noted if the program could be spread out for 30 years as Mr. Hornung suggested then staff would not be overtaxed with projects. He noted that he is looking for feedback from the Board to see if the members would want Mr. Wendle to pursue this line of reasoning. He noted that if the Board feels positive about it he could get more information for the next meeting before he meets with DEP.

Mr. Hawk questioned if Mr. Wendle had gotten any feedback from DEP at the meeting. Mr. Wendle explained that he met with Mr. John Hines who is the deputy secretary and he arranged a meeting to meet with another group of people. He noted that he told him that he wants to meet with people who can make decisions. He noted that he has a second meeting this Monday with DEP. Mr. Hawk questioned if Secretary Krancer will be involved. Mr. Wendle answered that he does not know.

Mr. Seeds questioned what the political climate in Susquehanna Township is as far as building storage at the proposed site. He suggested that the Authority may be able to pursue the storage option off of Crums Mill Road. Mr. Wendle answered that Susquehanna Township is resigned to the fact that they will have to do storage, however they do not want to do storage at that location. He suggested that it might be a good place to put spoil for the Township to fill in the land and be able to sell it for a good price. He noted that the land is not worth much for resale as it is. He noted, once approval is granted to fill the land to grade, it would be worth more money. He noted that Susquehanna Township Authority is seeking a site for storage that is located on the South Side of I-81 and they were going to come to the Lower Paxton Authority to find out if we are interested in a joint operation. He noted that he did not know how well that would be received by this Board after Susquehanna Township did what they did the last time. Mr. Seeds questioned what is wrong with the current proposed location. Mr. Wolfe noted that Susquehanna Township does not want us to locate our storage tank in their Township. Mr. Weaver explained that it was an attorney close to the Board that did not like it. Mr. Weaver suggested that the Board should eliminate Susquehanna Township from the equation and find a site in Lower Paxton Township. He noted that we would have control of the site if one could be found in the Township and Susquehanna Township would be removed from the equation. He noted for the long term cost, the net savings from what they would contribute is very small, only 5% to 10%. He noted that it would be a good idea but if we can't make it happen it would be good to have another site. Mr. Seeds noted that the Stray Winds Development would be an excellent site for storage. Mr. Wendle suggested that it could be built underground and you could put a park over it. He noted that is the best place as it is the location where the two streams come together at the end of Paxton Church Road.

Mr. Seeds questioned if anyone has started to haul soil to the Wolfersberger Tract yet. Mr. Wolfe answered that staff is working towards that. Mr. Wendle noted if the site is not going

to be used for storage in Susquehanna Township; the Authority wants to get a return on its purchase. He noted if we had decent fill we could bring the land up to grade. Mr. Seeds suggested that it might be more important to do fill in that location first and wait to haul the dirt to the Wolfersberger Tract.

Mr. Hornung questioned if staff has a place in mind to purchase land for storage and can we pull it off. He noted that there is no use selling this to DEP if we don't have a place to put storage. He noted that the Authority would be forced to fight with its citizens to acquire land for storage that was promised to DEP. He noted that it is a great idea and it is what we should do since, at some point, DEP will wise up and provide the Authority with some type of Actiflow system. He noted that he is stalling for some time until we are allowed to use the current technology to solve our problems. Mr. Wendle answered that is what he plans to state to DEP that the Authority could build a storage tank that would capture over 90% of all overflow events and if there was a problem that it did overflow it could be treated.

Mr. Wendle noted that there are sites in the Township that he might consider, but he did not know how easy it would be to purchase them. Mr. Hornung noted that he is aware that the Authority could condemn land if it had to but he wants to find a site that is somewhat remote and not in the middle of the Stray Winds Farm. He noted that the Authority needs to acquire the land without huge fallout. Mr. Weaver noted that there are no remote sites in the Township however he would recommend that the Authority bury the tanks because they would be there forever and people would not have to look at huge storage tanks. Mr. Wendle noted that there are some locations along route I-81 that we looked at before that you could put storage. He noted that wherever it is located it will be an issue. Mr. Weaver noted that is why we need direction from the Board to find out if it is interested in doing this before it would even approach DEP with this idea. He noted that we should not approach DEP without having a site for storage. Mr. Seeds questioned if the area by I-81 and Crums Mill Road where Triple Crown Corporation has two office buildings would work. Mr. Wolfe noted that it would be south of I-81. Mr. Weaver stated that it is too far south of the main interceptor, as the interceptor is north of I-81. Mr. Seeds suggested that we would get less opposition if it was placed in a commercial area and not a residential area. Mr. Wendle suggested that you would have to pump it a long way from that location.

Mr. Weaver noted that Mr. Hornung requested staff to look at ways to delay the spending

for sewer construction and this is what he and Mr. Wendle came up with. Mr. Hawk suggested that we should pursue this option. Mr. Wendle explained that his conversations with DEP is to find out if they would be on board to allow storage since there are issues downstream, noting that this type of project received an award in Cincinnati for storage as a long term interim solution. He noted that, previously, DEP would not permit it and if we could permit it, even if there were permit renewals every five years then the Authority would be protected, even if the interim was for 35 years.

Mr. Hornung noted that he likes it but he would want an out clause in the event we can't politically get the site that we could go back to the original plan. Mr. Wendle noted that he would propose it for Beaver Creek as well. He noted that the Authority has a place in Beaver Creek where this could be done at the landfill. Mr. Seeds noted that the landfill would be a better place for a storage tank than solar panels. He noted that it could be located down in the valley where it would not be seen. Mr. Weaver noted that there are lots of sites but they are located in a higher area, noting that there is nothing really low that would work. Mr. Hornung noted that we will not settle this tonight, but if we can't pull it off politically he does not want to be in a position where the Authority is forced to do it. Mr. Wendle explained that the consent decree would have to be changed and we would have to have a site and know that we can do it. Mr. Hornung noted that he would like to change the consent decree for many other reasons. Mr. Hawk noted that Mr. Hornung is stating that he would like to have a site first. Mr. Hornung noted that he would like to build the storage first, to allow a longer time period to do the work so the Township does not look like a war zone. He noted that the Authority could pursue this at a slower pace that our overhead could accommodate at a reasonable fashion. He noted that LPTA will end up with storage anyways but his concern is that it does not get itself into a corner where it signs on the dotted line with DEP that it will do this only to find out that there are no locations for it to be done. Mr. Weaver noted that we did that already with the treatment plant. Mr. Hornung noted the treatment plant was different as the land was not in the Township but if we have to condemn land for a storage tank he does not want a room full of angry citizens and then determine that the Authority would not move forward with storage. He noted then the Authority would have a problem since it would have the authority to do it but it chose not to do it.

Mr. Wendle noted that the Paxton Creek CAP still calls for storage. Mr. Weaver noted if it works in Paxton then we could propose it for Beaver Creek and we would not have to deal

with STA as it could be a local overflow issue once we eliminate them with the treatment plant, and Mr. Wendle could go to DEP and state if DEP let the Township do storage in Paxton Creek, why not Beaver Creek as well.

Mr. Hawk noted once you prove the process works, it may be easier to request. He questioned how it would play out. Mr. Weaver explained that you would pump the tank full and release it over time into the sanitary sewer system. He noted that we would not be treating it. Mr. Seeds suggested that it is like retaining storm water and releasing it later at a given rate that the stream can handle. Mr. Wendle noted that we would know what would happen if we eliminate 90% of the storms and extend it rather than having to treat it, if they will allow an occasional overflow. He noted if we install a 6 million gallon tank in Paxton Creek, and if you look at the overflow events that we had over the past ten years, we would have only had five times in ten years that we would have overflowed the tank other than excused events that are floods. Mr. Seeds questioned what about Beaver Creek. Mr. Wendle answered that he did not know as he is still trying to get flow data to determine these things. He noted that the overflows may have been a couple of million of gallons.

Mr. Wolfe suggested that Mr. Wendle should meet with DEP on Monday and see what happens. Mr. Crissman suggested that we could pursue both items at the same time. Mr. Wendle noted that the Authority is going to be required to purchase storage, noting that the Paxton Creek CAP calls for it and his concern is that the longer staff waits the harder it will be to find. He questioned where you will find storage in 2022. Mr. Crissman noted that we need to be doing this now. He noted if we can't use the site in Susquehanna Township then we need to find someplace else.

#### Update on PENNVEST and Consent Decree Projects

Mr. Weaver noted that this is an update on all projects. He noted that Mr. Wetzel will review the current construction projects and Mr. Hilson will review the design projects.

#### Construction

#### PC4B/6C – Ronca

Mr. Wetzel noted that PC6C has been completed and 4B has 3,200 feet of mainline pipe to finish out of a total project of 33,000 feet. He noted that 4% of the total work remains to be

completed. He noted that there are two manhole sections that will be lined in that basin and there are crews on site that are continuing to replace building sewers and laterals. He suggested that this project will be completed by the spring of 2012 to include the punch list and lawn restoration items.

*Asylum Run A-A Project – Abbonizio*

Mr. Wetzel noted that all pipe installation has been completed and the contractor is finishing the paving in the Colonial Park Mall parking lot. He noted that they are working to test of all the pipes and manholes. Mr. Seeds questioned if the Authority has resolved the issue with the owner of the mall for the replacement or repair of the pipes under the mall. Mr. Wetzel answered that all the pipe work has been completed. Mr. Seeds questioned if the pipes were lined. Mr. Wetzel answered yes except for one section of pipe that staff did not touch, the two parallel lines that run under Boscov's. Mr. Seeds questioned if those lines were tested. Mr. Wetzel answered that there was no way to test them because they are the main line where much of the stores tie in so there are multiple connections. Mr. Weaver noted when Boscov's was being built there was only one line, and Mr. Torok required that another line be placed. Mr. Wetzel noted that everything else within the mall was lined except for the end at Sears where they replaced the pipe. Mr. Seeds questioned if there was a significant reduction in Infiltration and Inflow. Mr. Weaver explained that staff just finished the job and it has not experienced a significant rain flow to meter flows. Mr. Wendle questioned if the sump pumps were disconnected at Sears. Mr. Wetzel answered as far as he knows they have been, but they discovered that there is a possibility that there may have additional one that they didn't tell us about that they reconnected. He noted that he has to do some more investigation to find out where the additional flow is coming from. He noted that they found the flow while the contractor was doing the pipe replacement. He noted that the inspector found a lot of flow coming from the line from Sears. He noted that it has been reduced but not totally. Mr. Hilson noted at 8:30 in the morning a lot of water was coming out and the store was not open. Mr. Wetzel explained that staff tested the roof drains and found that they are not connected into the sewer.

Mr. Weaver explained that Mr. Wetzel just informed him that the Brook Apartments is planning to build a retention wall. He noted that they had two buildings flooded and residents had to move out of their apartments. Mr. Wetzel noted that he received a PA-One Call notice

today from the owners of the apartments who want to build a retention wall in the area parallel to the sewer line to keep the water from flooding back into those buildings. Mr. Wolfe noted that they would need a building permit to do that. Mr. Wetzel noted that he was only informed of this today. Mr. Weaver suggested that they will want to build it in the sewer easement and a permanent obstruction is not permitted in the easement. He noted that he will have to meet with Mr. Stine to see what can be done.

Mr. Wetzel noted that the pipe installation is complete and the contractor is working on punch list items and they should be completed by springtime in order to finish lawn restorations.

#### PC1A/1C Liberty – Excavators

Mr. Wetzel noted that the PC1A portion is complete except for three manhole sections that will need liners. He noted that PC1C also has liners but he will take the lining out of the Liberty contract since staff has done a demo on a new liner that they would like to consider. He explained that it is an ultra violet lining which is a different technique. He noted that staff has elected to try this new process and he hopes that it will provide for a better product. He noted that PC1C has about 1,000 feet of pipe out of 2,700 mainline that has to be replaced. He noted that this is for the easement agreement area that the Board just approved earlier in the meeting for Linglestown Road. He noted that they are doing building sewer replacement and testing as well. He noted that they should also be completed by the spring of 2012. Mr. Seeds suggested that Liberty is doing a decent job. Mr. Hawk suggested that they did not do a good job around Woodview Drive. Mr. Weaver noted that it has much to do with the speed that they had to go at. Mr. Wetzel noted that they brought in four crews to do the work.

#### Design

#### PC2C/2D

Mr. Hilson noted that CET is putting the finishing touches on the design and he expects to advertise the bid, possibly in December.

#### SC1E

Mr. Hilson noted that a public meeting should occur late winter to discuss the design with the public.

BC6A and BC6C

Mr. Hilson noted that the public meeting and bid would follow SCIE.

PC1G/1H

Mr. Hilson noted that the Forest Hills project is a two part project; one consists of building sewer, laterals, installations, testing, lining possible and observation T installation. He noted that the project specifications are done, and CET is finishing the drawings and it should be put out to bid in the next month. He noted that the public meeting has already occurred for this project. He explained that the second part for this project would involve the interceptor that carries sewage away from PC1G/1H. He noted that it surcharges and contributes to basement backups and yet it does experience free flow condition towards the end of it. He noted that staff is looking at options to replace it in order to gain some capacity. He noted that the plan is to reduce the I&I with building sewers and laterals and get some extra capacity out of the interceptor where we can. He noted that more surveying will be done to wrap up the hydraulic modeling that CET is working on to provide options to get it out to bid quickly. He noted that it may be combined with some work from Colonial Road where there were construction issues with the sewer line going up Colonial Road due to the close proximity of a water main and the fear of trench collapse in that area. He noted that staff might rebid that line with the benefit of some design work that the water company did and coordinating with them, grouping it with the PCIG/IH interceptor project to realize some economy of scale since those two locations are not very far apart.

Mr. Seeds questioned if we are concentrating on the areas where residents experience backups into their homes. Mr. Weaver answered that he has a map that Alton Whittle prepared after the last three floods that we had this year and most are in the Paxton Creek interceptor that backs up because the City of Harrisburg does not have enough capacity. He noted that there are some in Spring Creek, and very few in Beaver Creek. Mr. Seeds questioned if it was because the lateral into the City of Harrisburg is not large enough. Mr. Weaver answered that it partly true but Beaver Creek and Spring Creek was so bad for so long that some people just made it go away. He noted that they plugged up their floor drains, took out their basement service and did things like that. He noted that for PCIG/IH, one negative item is that we thought that the interceptor that goes up to Forest Hills that Mr. Hilson was referring to was supposed to

accommodate all of Forest Hills but it can't. He noted that people get basement backups because the pipe is too flat. He noted that the flow is great at the bottom of the hill, at the end of Forest Hills, off of Wimbledon Drive, at the entrance to the Estates of Forest Hills. He noted that there will be digging behind homes that were built a few years ago that people spent over \$750,000 to buy.

Mr. Weaver explained that the Authority can't bid this project until it purchases professional liability insurance for Mr. Hilson. He explained that he is having a hard time dealing with the Authority insurance agent.

#### Review of Delinquent Accounts

Mr. Weaver noted that Mr. Hornung requested an age report for delinquent accounts. He noted that the lion's share of delinquencies is over 90 days totaling \$332,128.67. He noted with a \$13 million revenue budget with accounts that are less than \$500,000 over the life of a year, it comes out to about 2%. He noted that he has some issues to work out with the collection agent. He explained that the Authority went the cheap route and chose to use Gary Imblum. He noted that he does an adequate job but the Authority used him thinking that it would save money but then Mr. Imblum bills the Authority for miscellaneous items.

Mr. Hawk questioned who we use for recovery. Mr. Weaver answered that it is Kodak and Imblum. He noted that he needs to meet with him to discuss his miscellaneous bills. He explained that he will get a bankruptcy notice and spend \$500 on it and staff did not expect that. He explained that he needs to fine tune with him what he is doing.

Mr. Weaver noted that he spoke to Mr. Stine about the use of the constables. He noted that Mr. Hornung insisted, at staff level, that we should make personal contact before sending the past dues bills to Mr. Imblum. He noted that he was using Mike Maugans to serve the notices and the building sewer agreements and he has received some complaints about the building sewer agreements. He noted that Mr. Wolfe suggested that we use our staff and pay overtime to do this. He explained that staff will try that approach but Ms. Fasolt recommends that the Authority continue to use the constable, Mike Maugans for sheriffs sales and heavy delinquent accounts, as he has away of finding people. He questioned Mr. Stine if there was a problem with this. Mr. Wolfe answered that we are fine with it.

Mr. Seeds questioned what the total amount of delinquents is. Mr. Weaver answered that

the total for the year for accounts that are over 90-days is \$332,128.67.

### **Engineers Report**

Mr. Seeds noted for the North Mountain Road project, PENNDOT continues to owe the Authority \$1,343.19. Mr. Shannon noted that we have not been reporting these for a while since nothing has happened for the past several years. He noted that Kevin Fox reviewed where the Authority stood on these and added the information to the report. Mr. Seeds noted for the Union Deposit Road project, we owe PENNDOT \$16,553.00 and they owe us \$4,010.22. He suggested that Mr. Shannon needs direction from the Board for how to proceed on this and he stated that we should forget it. Mr. Weaver explained that we asked that question over a year ago because Kevin Fox did this once before and at that time everyone agreed to do nothing. Mr. Shannon suggested if PENNDOT made their bill go away then we would make our bill go away.

Mr. Seeds noted that PENNDOT will pay 50% of the reimbursement to raise the rings for the manhole covers on Locust Lane if we apply for it. He questioned why we would do that if they are going to put a final wearing course down. Mr. Wetzel noted that we did not place the rings since they were going to put a wearing course over the roadway. Mr. Seeds noted that he did not know how low the manholes are now. Mr. Wetzel explained that PENNDOT paved over the manholes and they are flush with the ground. He noted that staff knows exactly where they are located and they can uncover them if they need to clean out the lines. Mr. Shannon noted that it was a project done by PENNDOT Maintenance Department which is totally different from bid jobs. He explained that they come in with little notice and pave, so this is a follow up when they lay the wearing course so the Authority will have the opportunity to raise the manhole covers and get reimbursed.

### **Solicitors Report**

Mr. Stine had nothing to report.

## **Adjournment**

There being no further business, Mr. Blain made a motion to adjourn the meeting, Mr. Crissman seconded the motion, and the meeting adjourned at 7:45 p.m.

Respectfully submitted,

Maureen Heberle  
Recording Secretary

Approved by,

Authority Secretary  
Gary A. Crissman