

**LOWER PAXTON TOWNSHIP AUTHORITY  
RE-ORGANIZATIONAL and BUSINESS MEETING  
TUESDAY, FEBRUARY 23, 2016**

**Call to Order**

The annual re-organizational meeting of the Lower Paxton Township Authority was called to order at 6:25 p.m. by Chairman Pro Tem Steven Stine on the above date at GHD Engineering Services, 1240 North Mountain Road, Harrisburg, Pennsylvania.

Authority members present were William C. Seeds, Sr., William B. Hawk, William L. Hornung, Gary A. Crissman, David B. Blain, Robin Lindsey, and Justin Eby. Also in attendance were George Wolfe, Township Manager; William Weaver, Sewer Authority Director; Steven Stine, Authority Solicitor; James Wetzell, Operations Manager; Jeff Wendell, Kevin Shannon, Mellissa Smith, Alton Whittle, Barry Wampler, Amanda Stank, Josiah Bair, and Mitch Collins, GHD Engineering Services; and Watson Fisher, SWAN.

**Pledge of Allegiance**

Mr. Blain led the recitation of the Pledge of Allegiance to the Flag.

**Election of Chairman of the Board**

Mr. Stine questioned if anyone wanted to make a nomination for the position of Chairman. Mr. Blain nominated William C. Seeds Sr., as Chairman of the Authority Board. The nomination was seconded by Mr. Crissman. The nomination was closed and a unanimous vote to approve William C. Seeds, Sr. as Chairman of the Lower Paxton Township Sewer Authority followed.

**Election of Vice Chairman**

Mr. Crissman made a motion to nominate David Blain as Vice Chairman. Mr. Hornung seconded the motion. The nominations were closed. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Election of Secretary**

Mr. Blain made a motion to nominate William L. Hornung as Secretary. Mr. Crissman seconded the motion. The nominations were closed. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Election of Assistant Secretary**

Mr. Blain made a motion to nominate Gary Crissman as Assistant Secretary. The nominations were closed. Mr. Seeds noted that Mr. Crissman is the Assistant Secretary.

### **Election of Treasurer**

Mr. Blain made a motion to nominate William Hawk as Treasurer. Mr. Hornung seconded the motion. The nominations were closed. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Appointment of Solicitor**

Ms. Lindsey made a motion to appoint the Law Offices of Steven Stine as Authority Solicitor. Mr. Hornung seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Appointment of Engineer**

Ms. Lindsey made a motion to appoint GHD Engineering Services, Inc. as Authority Engineer. Mr. Blain seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Establishment of Regular Meeting Schedule for Authority Board Meetings**

Mr. Seeds noted that the next meetings would be May 23rd, August 23<sup>th</sup> and November 22<sup>nd</sup> and the third Tuesday of each month: January 19<sup>th</sup>, February 16<sup>th</sup>, March 15; April 19<sup>th</sup>; May 17<sup>th</sup>, June 21<sup>st</sup>, July 19<sup>th</sup>; August 16<sup>th</sup>, September 20<sup>th</sup>, October 16<sup>th</sup>, November 15<sup>th</sup> and December 20<sup>th</sup> starting at 7:30 p.m.

Mr. Blain made a motion to approve the meeting dates as listed by Mr. Seeds. Mr. Hawk seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

## **BUSINESS MEETING**

### **Approval of Minutes**

Mr. Crissman made a motion to approve the November 24, 2015 and December 15, 2015 meeting minutes. Mr. Blain seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Public Comment**

Mr. Andrew Fleming, 1142 Daystar Drive noted that his home received a sewer bill dating back to 2008, over eight years of back payments that he was never billed for. He submitted a proposal for some leniency for those payments that were put forth from 2008 through 2015 when he was notified of his first sewer bill. He noted that he was told that he could attend this meeting to address the Sewer Authority Board directly. He noted that the bill that was sent to him was in the amount of \$3,348.11 and he had never been billed from the duration of the time that he has lived at his home. He noted that \$452 of that was for a time period that he was not deeded at the residents which has since been credited by Township staff. He noted that the property was sold again on December 29, 2015 and he was told that additional credits would be applied to his account for the time period of April 2009 through June 2010. He questioned if the Board has met to discuss this billing and if they had any questions from him for the proposal submitted by him on December 29, 2015.

Mr. Seeds noted that this is the first that the Board has heard of this.

Mr. Weaver noted that Mr. Fleming submitted a letter on December 29, 2015 and Ms. Fleck reviewed it and discovered that there was an error and that he was entitled to a credit of \$452 because he did not take deed on the property until June 29<sup>th</sup>. He noted that has been credited to his account but there was another error because the policy allows for back billing for five years, and in the billing process, he was charged for seven years so that has to be corrected as well. He noted that following the Board's policy that was developed, anyone who did not receive a bill that has been discovered would owe for the past five years. He noted that is what staff's intention is and when Mr. Fleming met with Ms. Fleck, she asked him how to proceed and he stated that he would review it with the Board at this meeting. He noted that his recommendation would be to allow Mr. Fleming more time to pay the bill. He noted with five year's back bill he will get a free year of sewer service as he has lived at the property for six

years and we are only back billing for five years. He noted that Mr. Fleming stated that it is a financial hardship and it was no error on his part and he would like to have the entire bill credited starting with day one. He noted that the Board could change the policy but he noted that the Board only recently approved this policy. He noted that we could bring this up at the next Authority meeting which will be in March. He noted that it is staff's recommendation if it is a financial hardship to provide more than five years to pay providing a ten year payment time.

Ms. Lindsey questioned how this was discovered. Mr. Weaver answered that it was a brand new house and if the builder doesn't call for a Certificate of Occupancy (CO) with Mike or Dan in Community Development they don't provide a CO to Ms. Fleck to start the billing process. He noted that the permit sits among hundreds of other permits that are benign construction for occupancy to be sold. He noted that he has not researched this one yet but he suggested that a CO was never issued.

Mr. Fleming noted that he was made aware on August 6, 2015 of the billing and he is up to date with current billing. He noted that he would be happy to pay all of 2015 but his recommendation was that the time period for the past five years, there could be some leniency and he would only pay for the year it was notice in 2015. He noted that a bill of \$2,432 was somewhat alarming to him. He requested that the Board take this into consideration as it was not something that they did not pay as he was not billed for six years.

Ms. Lindsey questioned if Mr. Fleming was aware that there was public sewer. Mr. Fleming answered no as this was the first time that he ever owned a house. Ms. Lindsey questioned if the real estate agent told him about it. Mr. Fleming answered that it was Landmark and a new home. He noted that the initial bill went back to the time that they took over the land. Ms. Lindsey questioned if you have public water. Mr. Fleming answered that he pays all his bills.

Mr. Crissman questioned if we know what the correct amount would be for the five year period. Mr. Weaver answered that we have that broken down by each quarter and it is a matter of totaling for the five years and correcting the bill and sending a new one. Mr. Crissman questioned if it is still the \$3,348. Ms. Lindsey noted that it would be minus the \$452. She noted that he said there was another credit. Mr. Crissman noted that he was looking for the net amount owed. Mr. Fleming noted that the credit was for time that he did not own the house as he had not deeded the property yet. Ms. Lindsey noted that was for \$452. She noted that Mr. Weaver mentioned another credit. Mr. Fleming noted that it would be close to \$570 on the most recent

bill of \$2,826. He suggested that it should be a credit of approximately \$2,300. Mr. Crissman noted that there is also the year six that you would not be billed for as we only go back five years. Mr. Weaver noted that the total amount for five years is \$2,432. He noted that Mr. Fleming is asking to waive all that except for the year 2015 so he would owe \$520.00 He explained that you would be crediting him \$1,912 if you elected to change the policy to bill for one year.

Mr. Eby requested Mr. Weaver to explain the last case and what we chose to do. Mr. Weaver answered that we develop a policy to cover payments up to the past five years. Mr. Crissman noted that it would require Mr. Fleming to pay the \$2,432 over a five year period. Mr. Weaver noted that he recommends that we provide him more time, giving him ten or 15 years to pay the bill. Mr. Eby noted that we can amend the policy. Mr. Weaver noted that the Board can take action tonight or he can put it on the agenda for the next Authority meeting.

Mr. Crissman noted that it is not fair to make Mr. Fleming wait. He noted that we need to take action so when he walks out of the meeting he knows what is happening. Mr. Seeds noted that he paid for one year but if you go back five years, do you take that one year off of the five years. Mr. Crissman noted that Mr. Weaver has already done that and the amount that he owes is \$2,432. He noted that he has no objection to amend the policy to provide a payment schedule of ten years. Mr. Weaver noted that it would be \$20 per month. Ms. Lindsey noted that he would have the option to pay it off earlier if he wants to. Mr. Weaver noted that it would be an additional \$60 per quarter on top of the \$139. He noted that we don't charge a penalty.

Mr. Fleming questioned if there is additional leniency that includes more of 2015 and 2014 but he doesn't want to hijack the evening.

Mr. Eby questioned if we would place a lien on the house. Mr. Weaver answered no. He noted that you could direct the solicitor to do that if you agree to ten years.

Mr. Hawk questioned what the final figure would be. Mr. Weaver answered that it would be \$20 per month and \$60 a quarter for the five-year period to pay back in ten years. Mr. Eby questioned where this new construction was. Ms. Lindsey answered that it is off of Union Deposit Road. Mr. Eby questioned if there is any way to tie the building permits to the sewer. Mr. Stine explained that it is tied to the CO and apparently there was never a CO issued. Ms. Lindsey noted that you can't go back on the builder. Mr. Weaver answered no as the builder is billed from the time he owns it but they won't call for the final inspection so they don't incur a sewer bill. He noted that the builder probably never got a sewer bill.

Mr. Eby noted if you buy a house and you do a credit check there is now a lien on his house.

Ms. Lindsey noted that the one we had for Baywood last year, the same thing happened; what did we do there. Mr. Weaver answered that it had to be paid within five years and they have an equal amount of time to pay it back.

Mr. Fleming noted that he appreciates the extension but at the end of the day it is the \$2,400 that is the burden. Mr. Stine noted that the Authorities Act was amended in 2013 and basically it says that you can't give things away to anyone, noting that it is limited to giving \$1,000 to a community service organization maximum, noting that you can't give money or in-kind things away because of the problem with the City of Harrisburg and the sewer issue.

Mr. Seeds noted that you would have been paying it that entire time and you would have been out the same amount of money. Mr. Fleming noted that he recognized that but he would have been able to budget for it.

Mr. Crissman made a motion that the amount to be paid will be \$2,432 and it be extended to be paid in ten years which is an exception to the five year rule. Ms. Lindsey seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

Mr. Fleming requested to be sent a corrected bill.

Mr. Eby questioned how that would be accounted for in the software. Mr. Weaver noted that he will look to see if it can be added to the billing.

### **Chairman/Board Member Comments**

No Board member comments were presented.

### **Old Business**

There was no old business.

### **New Business**

#### Resolution 16-01-01 through 16-01-04 authorizing the condemnation for temporary construction easement for private sewers in PC-4C/E mini basin.

Mr. Weaver noted that the resolutions are to acquire temporary construction easements for the purposes of replacing the private sewers as part of the project that is out to bid, PC-4C/E. He noted that there are four properties that he hoped to acquire the easements for; two are now

owned by the finance company and another one is owned by AMP but it is listed as a non-adversarial condemnation. He noted that staff recommends that we proceed so that Solicitor Stine can proceed with condemnation if negotiations fail.

Mr. Crissman made a motion to approve Resolutions 16-01-01 through 16-01-04; authorizing the condemnation for a temporary construction easement for private sewers in PC-4C/E mini basin project. Mr. Hawk seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

Resolution 16-02 authorizing the condemnation for permanent and temporary construction easements for the new force main at Parkchester Road Pumping Station

Mr. Weaver noted that this resolution is for the PC-4C/E project. He noted that he and Solicitor Stine were in discussion with staff and the solicitor for Paxton Towne Centre and we did make an addendum to the easement agreement that they requested, however, they have not returned it. He noted that it is his recommendation that we proceed with the resolution for the permanent and temporary construction easement.

Mr. Crissman made a motion to approve Resolution 16-02 authorizing the condemnation for permanent and temporary construction easements for the new force main at Parkchester Road Pumping Station. Mr. Eby seconded the motion. Mr. Seeds called for a voice vote, and a unanimous vote followed.

Mr. Hornung questioned if the changes were made. Mr. Weaver answered that he made them and sent them back to them. Mr. Hornung questioned if the changes were under one amendment. Mr. Weaver answered that it is a resolution, noting that the old easement goes away and Mr. Stine just does a condemnation. Mr. Stine noted that it is typical for a big organization to just not respond.

Ms. Lindsey questioned if it will take care of all the mess that we had with the neighbors. Mr. Weaver answered yes. He noted that it is the first work zone in the project that we will show you.

Resolution 16-03 authorizing the condemnation for a permanent and temporary construction easement for PC-4C/E mini-basin project

Mr. Weaver noted this resolution is with EDU Care Services, the school/daycare that is adjacent to Hoffman Ford on Route 22. He noted that they relocated the sewer and this is a

mistake on the Authority's part in that we needed an easement, but time is of the essence and we have a contract out to bid; we have not contacted them yet. He noted since we are meeting tonight, he is requesting this resolution in the event there are issues with getting this easement and they do not sign.

Mr. Crissman made a motion to approve Resolutions 16-03; authorizing the condemnation for a permanent and temporary construction easements in PC-4C/E mini basin project. Mr. Eby seconded the motion. Mr. Seeds called for a voice vote and a unanimous vote followed.

### **Township Reports**

Review of PC-4C/E Project – Miscellaneous Design issues/Revised Costs;  
Review status of Second Consent Decree mini-basin construction projects;  
Bond Schedule

Mr. Weaver noted that he would like to discuss the design costs for the PC-4C/E project and challenges. He noted that the original engineer's estimate as part of the Paxton Creek CAP cost study that was done years ago was \$7.4 million and it is now \$10 million. He noted that many things have changed noting that stone costs have increased as well as the paving cost for Jonestown Road and for the full width of side streets due to new paving standards. He noted that the most recent projects were bided with 5 foot wide trenches and now we are doing full width for paving. He noted that full width requires that we estimate 25 feet of paving. He explained that the costs are anywhere from \$500,000 to \$1 million in additional paving as it amounts to 33% of the job. He noted that spoils cost will increase due to the limited fill sites as the Wolfersberger tract will fill up. He noted that the contractor may have to dump at the quarry and they charge between \$30 and \$40 a load. He noted that it is estimated to cost between \$350,000 and \$400,000 to get rid of the dirt. Mr. Seeds noted that there has to be other locations in the Township where we can dump fill. Mr. Wolfe explained that someone wanting fill and not being able to allow it to occur has changed overtime. He noted that is one of the reasons why we filled Wolfersberger was to control some of what turned out to be very inappropriate filling of land by contractors working with private parties. He noted that there are no approved fill site that is permitted with DEP in the Township. He explained that he received phone calls from Hershey requesting to use the Wolfersberger Tract. Mr. Weaver noted that the lack of development has hurt as there is not much going on at this time. He noted that the contractors are very savvy about

finding fill sites. He noted that Ms. Smith did not put a lot of money in for this but if the spoils are a big issue we will see it in the bid. He suggested that her estimate may be low. He noted that he is opening bids on Friday and the Board of Supervisors will see the request for bid approval a week from tonight.

Mr. Hornung noted that he knows of two instances where our contractors did fill in areas and they almost filled in a stream bed. He noted that a neighbor notified DEP and they came in and they could have been fined heavily and made to pull the dirt back up out of the ravine but they didn't and made the contractor mitigate what they did. He noted that DEP could have come back to the Township for allowing a contractor to do this. He noted that it is a sensitive area for the Township. Mr. Seeds noted that the bids will tell us what it will cost. Mr. Weaver noted that we are talking about 100,000 cubic yards of dirt. Mr. Wolfe noted that is half of what we put in Wolfersberger. Mr. Weaver noted that the contractor has to add in the bid the fuel costs to drive to where he needs to dump the fill and the labor and the wear and tear on his trucks as well versus dumping at the quarry for \$40 a load. Mr. Seeds noted that it may be years before we are ready to dump at the second section of the Wolfersberger Tract. Mr. Weaver noted that he has a site he wants to look into and will address this issue at the next meeting, at the Commerce Park site. He noted that Mr. Hoffer stated that it was a good buy and if we didn't use it we could resell it but you have to factor making a building pad and there is a need to put fill in that site. He noted that we don't know how to fill it in as we don't know what someone would want to build so it will be an engineering challenge.

Mr. Weaver noted that yard restoration costs money as they have to put down screened top soil, and we have received complaints from people who use sewer right-of-ways as their yard, so now we have a spec for improved right of ways. He noted if someone is using their yard as part of the sewer right-of-way then we will put screened top soil on it. He noted that this has increased the costs about \$40,000 for each job. He noted that traffic control costs are expected to increase as they do a better job with this. He noted when a contractor does not complete a job in the allotted time, there are risks for damages. He noted that the ADA ramps are a huge issues as when we overlay streets we need to comply with the ADA ramp requirements. Mr. Wetzel noted that there are 35 ADA ramps to be installed with this project and they are estimated to cost between \$200,000 to \$300,000. He noted that they will be running into many driveways and parking lots for this project and they expect to pay premium funds for night work as the plant has to open up at night for paving for this project.

Mr. Weaver noted that one challenge is that the final design increased this to a two-year project. He noted that Ms. Smith reviewed the past five year contracts to see if the contractors are meeting the schedules; being too aggressive asking contractors to complete work in a small period of time. He noted that the contractor rushes and it causes issues so since the Beaver and Paxton Creek projects are ahead of schedule, Ms. Smith took the five year average for length of days per contract, mapped out the contract days based upon lineal feet which is 301,800 feet and it comes out to two years. He noted that there are schools and daycares in this work zone and Mountain Road and Jonestown Road. He noted that we have the Hoffman Ford property where they have all the trucks and cars that will have to be moved. He noted that there is a bank that we must maintain access to. Mr. Seeds questioned if we have to compensate Hoffman Ford for their labor to move the vehicles. Mr. Weaver answered that we are providing compensation for the easement. Mr. Stine noted that would not be a compensable item. Mr. Seeds questioned what if they don't agree to this. Mr. Stine answered that they already have. Ms. Lindsey questioned if we will only pave on their parking lot what we dig up. Mr. Weaver answered yes, noting that they were easy to deal with. He noted for the area up on the hillside, they put their light poles over our sewer line as they did not do a land development plan. He noted that we will work with them and we agreed to relocate the sewer so they can keep the poles on top of the sewer. Mr. Seeds questioned if this in a paved area. Mr. Weaver answered that it is in a grass area but the sewer will be moved to a paved area.

Mr. Hornung noted that he had a sewer line go through his property and he wanted to build on top of it and they said go ahead but we may have to dig it up. He noted that whenever you do that you are subject to having it dug up.

Mr. Stine noted that the Sears store was built on top of sewer lines. Mr. Wolfe noted that Baby R Us is another one. Mr. Hornung noted he was told if he did not want his building torn up he could pay to have the sewer line relocated. Mr. Weaver noted that would be if it is possible.

Mr. Weaver noted that utility conflicts required more legal research in regards to gas, water, utility poles and fiber optic lines. He noted that since the projects are so big, Mr. Stine has had to do research on these conflicts. He noted that Mr. Wampler sent letters to UGI and Suez Water and the challenge is that UGI takes the approach that even though they put the gas line on top of the sewer line it is not their problem and if you want them to move it you have to pay for it. He noted that in one instance the gas line is only two feet away and they think we can do that without moving the gas line. He noted that the PA One Call states that you have to mandate

within 18 inches but you can't put a trench box in as it is five feet wide. He noted that Mr. Stine is looking into what the Township's rights are to require the utility to move the lines at their costs. Mr. Seeds noted that we are having the same problem with water. Mr. Shannon noted that United Water agreed to move their lines.

Mr. Weaver noted that Tyco is a significant challenge with the fiber optics, informing us if we hit their line it would cost \$1 million an hour with all their international data. He noted that Mr. Wolfe instructed him to line it.

Mr. Weaver noted that the original high school on Jonestown Road was built with a sewer depth greater than 20 feet to accommodate the original high school lateral so he met with them and they have decided to convert to a grinder pump and low pressure force main. He noted that there are specification changes to paving details for ADA ramps details and yard restoration.

Mr. Eby noted that it has already gone out for bid, but for the future, the area you are talking about would qualify for CDBG funds looking for alternative ways to fund some of it. Mr. Wolfe noted that he has attempted to do this as he has attempted to apply in census tracts that are low mode qualifying and he needed to do an income survey and every time we have done this it does not qualify. Mr. Eby questioned if they are requiring it for every project because by right in the regulations, if it is in a low mode...he stated that he will call them as they are using old data. Mr. Wolfe explained that the last time we did that was for Winfield Street and they made the Township do an income survey and it did not qualify. He noted if the data that you are getting says it is low mod then it should be. Mr. Eby noted that they are using 2010 census and in 2015 they switch to the ACS. He stated that he will talk to them. Mr. Weaver questioned if we can still do it. Mr. Eby answered no as you have to do the bidding after. He noted that you do the application, secure the money, and then you go out to bid. He noted for Lancaster County, we required a 20% match, paying up to 95% of the construction costs of the bid with whatever grant money you are allocated. He noted that there are qualified areas and we are a large township and there are more qualified areas like this. He noted that the applications are going out in March for 2017. He noted that he has a mapping tool that he uses that HUD has and you can click on an area and it will tell you what the percentage is. Mr. Weaver noted that he will look into it as he has been denied in the past.

Mr. Weaver noted that the colors on the chart represent each work zone and the one to the left is Paxton Towne Centre for the force main. He noted that is the first project. He noted that the brown area is work zone 2 at Hoffman Ford and the area around Lakeside Marina. He noted

that work zones 3 and 4 are in the yellow, and the green is the area of Paxtonia. He noted that the purple area is Jonestown Road where the night work will be done because of the school and daycares. He noted that the blue is Tyco and the top blue area is Karns, and to the left is Mountain Road. He noted that there are seven work zones for two years of work.

Ms. Lindsey questioned when the work for the Paxtonia Elementary School will start. Mr. Weaver answered that it is work zone five. Mr. Wolfe suggested that it would be 2017. Mr. Shannon noted that it is in BC-4 and will come up with Ronca's work. Mr. Weaver noted that it stops on the other end. He noted that the work has to be done by August 22<sup>nd</sup>, and with all the daycares, the work will be done at night for certain sections.

Mr. Weaver showed where the boring must occur across the Hoffman property in the area of the new truck lot and the credit union on the other side of Route 22. He noted that the casings rotted away and they also had cradles in them so none of the casings could be used. He noted that we have to put a brand new one in. Mr. Seeds noted that you will have to dig it. Mr. Weaver answered that we can't dig it, we are going to drill and bore it. He noted that we are leaving the old casing alone and will fill it in. He noted for the manhole at the intersection of Carolyn Street, due to Hoffman Ford access, it will be nighttime work. He noted that looking up to the east the sewer has to go where all the cars are parked. He noted that the sewers are not in the roadway. He noted at this time they are on the pole line at the sidewalk and there is no place to replace it so we are moving it back on the Hoffman Ford property through the car lot. He noted that they will have to move their cars and put the cars on a lot that they are buying for future use. He noted at the credit union there is a concrete barricade and we need to get permission to move it and temporary park vehicles in that area. He noted that we will have to shut down the bank to replace their sewer lines as there is no way to get into that entrance. He noted that will be done at night as well.

Mr. Seeds noted that Hoffman bought another lot, where is it. Mr. Weaver answered that they bought the lot next to the dealership to the right corner adjacent to Jaycee Avenue. Mr. Seeds noted that is the conditional use the Board just approved. Mr. Weaver noted that they will move the cars, do the work at night, pave it and it should not disrupt their business.

Mr. Weaver noted where the Feed Store is located on Jonestown Road at Potteiger Avenue, the gas line is 18 inches from the sewer line. He noted that we will have to relocate the sewer in order to be able to install it. He noted that the manhole is shown on the left and two feet to the right is the gas valve. He noted that the gas line goes up the middle of the alley and you

can't put a trench box in there. He noted the easiest thing to do would be to have the gas line moved to the curb line to the right and run their lines up the right side of the alley and we would install the sewer down the middle of it, but they will not do it. He noted that UGI is going to make us pay to move their line and it would cost more as we would have to replace the sewer and build a new gas line so it is cheaper to move the sewer. Mr. Seeds noted that we can contract the gas work. Mr. Weaver answered that the gas company only allows their own contractor to do the work. Mr. Stine answered that it must be one of their approved contractors. Mr. Weaver provided a copy of the letter sent to the gas company along with their response letter. He noted that they also state that it could take two years for them to do the work.

Mr. Weaver noted at Umberger Street the water line is two feet away but they have agreed to move the water line.

Mr. Hornung questioned Mr. Stine if we have any rights to fight the gas company. Mr. Stine noted that he is researching this issue. He noted that utilities are allowed to be within all public right of ways by right. He questioned if they are in your right of way can you make them move it if it is in your way.

Mr. Weaver noted that the area on Jonestown Road in front of Tyco is the night time work. He noted that all the sewer was put around utility poles and fiber optics so they have to move the sewer into the middle of the west bound travel lane and it is very deep so the work will be done at night He noted that it will be a significant savings as they will be raising the sewer lines and installing a grinder pump. He noted that the old sewer will be filled with concrete. He noted that the two manholes in the traffic lane is where the vault was installed by Bell Telephone. He noted that it is right over top of the sewer. He noted that there was no way to replace the sewer where it is currently located. He noted that we have to move it into the middle of a travel lane and we could find concrete here as they used to run trolleys on this road. He noted that the sewer going up to the school will also be night work. He noted to the left of the building they have 300 kids for a breakfast jamboree every Sunday and they have dance school, truck school, and a big basketball program. He noted across the street there are two daycares.

Mr. Weaver noted he will be raising the sewer by installing a grinder pump. He noted that by putting a grinder pump by the location of the gym and by pumping up to the top of the hill we will eliminate the 20 foot depth of the sewer. Mr. Seeds noted that he does not like grinder pumps but with the maintenance over the long term it is cheaper than going to the depth that it is now. Mr. Weaver noted that the cost to install the sewer was \$150,000 and raising the sewer and

installing the grinder pump with a low pressure force main, the cost is \$50,000 saving \$100,000. Mr. Seeds questioned what the cost of maintaining the grinder pump is. Mr. Weaver answered that we are giving them a brand new pump, a dual pump, so if one goes bad the other will continue to work. Mr. Wetzel noted over the past 15 years we occasionally had to rebuild a pump. He noted that the cost of a pump is about \$3,000. Mr. Eby questioned if we have to maintain them. Mr. Weaver answered no, it is the property owner's responsibility. Mr. Weaver explained that he met with the 12 board members from the church and thought it didn't go well, with the option to replace the sewer for \$150,000, they chose to go with the grinder pump. Mr. Seeds noted that even though we are doing all the sewers for free... Mr. Weaver noted that Mr. Stine stated that even though we have a consent order it does not mean you have to replace it and you do not have to do it for free. He noted that it is a private sewer and we take the same approach with the apartment complexes.

Mr. Weaver noted between the school and Jonestown Road we saved \$250,000 in raising the sewer. Mr. Seeds questioned if doing the work at night will cause problems. Mr. Wolfe noted that you would get less work done if it was during the day. Mr. Weaver noted next to the church to the right is the school and there are only two houses in that location. He noted that there are no residential properties in this area and that is why we chose the night work.

Mr. Hornung noted that although grinder pumps are not preferred when we look at some of the difficulties for the projects is it worth putting the grinder pumps as it is a huge savings, but do we have savings where we have these difficulties in other areas along Route 22 for putting a pump station in, noting that we have difficulties with utilities. Mr. Weaver noted when we first started looking at solutions to the I&I issue Mr. Wendle considered using the sewer pipe as a French drain, abandoning the sewers to let them drain the water away and putting a whole new system in for the Township. Mr. Wendle stated that he still thinks it would be a cheap way to do it but do you want to tell people that they will have a grinder pump as it would save a lot of money. He noted that it would be far more effective in the long term in terms of extraneous water getting into the system in the future. Mr. Hornung questioned if he was considering giving each household a grinder pump. Mr. Weaver answered yes noting if we could use the existing sewers as a conduit for the pipe and re-plumb and put in grinder pumps it would be a substantial savings, but the issue is could you go to a neighborhood and tell all the residents they will now have a grinder pump. Mr. Eby noted that he recently did a project and 38 people had grinder pumps. Mr. Wendle noted that he is speaking to neighborhoods that have had gravity service

forever and now you would replace it with a grinder pump. He noted where you have huge conflicts, it may be something to seriously consider. He noted if you went to strictly grinder pumps instead of a 1,000 gallons per day peak flow you could be significantly below that in a larger area offsetting some of the other areas. Mr. Whittle noted that was before we started replacement. Mr. Wendle agreed noting that even with replacement results there is always something. He noted with a pressure system you are not getting anything but it would take going into a neighborhood and telling the residents that you are going to have a private grinder pump.

Mr. Hornung noted with sand mounds you usually end up with a grinder pump connected to it. Mr. Weaver noted that you have to pump up to a sand mound. Mr. Hornung noted that they are becoming more prevalent now a days. Mr. Weaver noted that most developments are gravity and public sewer. Mr. Wolfe noted that we see very few on-lot systems in the Township. Mr. Weaver noted that he did not think it would cost much for GHD to do a rough estimate for the next mini-basin but it would be a political issue and Mr. Wendle's idea of draining the water would not work anymore, as it would be a huge liability for the Township because of the MS4 regulations for samplings as the water would be contaminated. Mr. Wolfe noted that you would have clear water flowing into an old sewer noting the MS4 and Paxton Creek TMDL would not agree with it.

Mr. Weaver suggested that politically a grinder pump system would be a tough sell. Mr. Hornung noted what about using a pump station in the area around Hoffman Ford along Route 22, instead of doing night work at a premium. Mr. Weaver answered for the collector sewers when you have so many properties you could put a pump station in without collection. He noted that you either do the grinder pumps or the collector sewer on your own. He noted that a pump station is not an issue there as we can make to Swatara and the City of Harrisburg by gravity flow. Mr. Eby noted that you have to compare the cost of night work and crossing this and moving that as compared to maintenance costs for a pump station. Mr. Hornung noted that you would have electrical costs, etc. but if you are up in the millions it may not be a bad trade off. Mr. Weaver noted that the night time work premium should not be that high; he noted that we will have a number for you in the next bid.

Ms. Lindsey questioned if the contractors will have a problem working at night. Mr. Weaver answered no as they make their money on production so if they can get it done in a day instead of three days they make money. He noted if they can do it at night without problems and

get it done in a day, they love it. Mr. Seeds noted that it would cost them more so the bid will be higher. Mr. Weaver noted that the costs are lighting, traffic control, and paving costs.

Mr. Eby questioned if there are any ordinance issues for working at night. Mr. Wolfe answered not for utility construction or road construction, but a contractor trying to build a house, yes.

Mr. Weaver noted that the issue with Tyco is the fiber optic line that cuts across the property and the sewer. He noted that is the main sewer going up to the Tyco building and it will be lined so we need an easement for the in and out of their driveways and over the sewer. He noted that they have two buildings; 100 Amp Drive and 200 Amp Drive. He noted that we will line the sewer to the back of the building, and it this will be done during the day. He noted that no digging will be done to avoid the \$1 million issue with the fiber optic system. He noted that they did sub surface engineering as per the one-call process so they had to spend money to have companies do test pits to figure out where the utilities are located. He noted that while the contractor was doing the test pit Tyco had their attorney on the phone over this issue. Ms. Lindsey questioned if their international technology comes into that building through those lines. Mr. Weaver answered yes as it is an international data line. Mr. Wolfe noted that you can't get into that building as their security is really tight. Ms. Lindsey questioned if it is 24/7. Mr. Weaver answered yes.

Mr. Weaver noted that he tried to reduce costs and Mr. Hilson, Mr. Wolfe and he met to discuss the paving costs. He noted that we are doing full width reclamation of the roads. He noted what is in yellow will only have three inches of material instead of five inches as they are side streets. He noted that green area will have five inches of paving and the red will have six inches. Mr. Eby noted that the grants could save the costs for paving so he will coordinate with DCED to set up a meeting. Mr. Wolfe noted that he knows George Connor but we have failed to be approved every time we applied for grants.

Mr. Weaver noted the table in the middle is a first showing of the full width reclamation. He noted that contractors complain that it is not a sewer job, it is a paving job and your specifications are incorrect. He noted that it is not just installing binder and overlay, they have to rebuild the street from scratch. He noted that they will be installing stone and binder and wearing costs. He noted that the roads are so old that there was no material left. He noted that Mr. Hilson did road cores throughout the Township and that is what they based their paving decisions on noting that half of the roads only had an inch or two and a half inches of material, but in some

areas it had six inches of material. He noted that we have the detail to know what is expected to rebuild the roads. He noted that he included the table in the project providing more detail so the contractor can't complain and try to force a change order. He noted that the Township uses a 2% slope and crown for all the streets as most are flat and do not have stormwater drainage. He noted that it is costing a lot of money but we are trying to manage storm water and he is the Sewer Authority. He noted that it is a delicate line that we are crossing and in discussing this with Mr. Wolfe and Mr. Stine, he suggested turning it over to the Township. He noted that the paving should be done by the Township as they understand the stormwater drains and paving better. He noted that we are trying to figure out how this could happen although Mr. Stine pointed out that since it is a Township contract we could have HRG manage the job and meet with Mr. Kline. He noted that Mr. Kline does not have any issues with this. He noted that going forward we will have to get assistance from Mr. Kline and his staff. He noted that we put a 2% crown on a road with no stormwater where there was no crown before and we created a drainage issue and now we have to go back and fix it. He noted that we may have to take road profiles as part of the engineering and we are looking to do that for the next job, and maybe part of this job.

Mr. Hornung noted if the Township does some of the paving, does it open the projects up for more grant funds. Mr. Eby noted that he was looking at the application for municipalities and non-profits and we can create our own policies. Mr. Wolfe noted that we have no public policy, we just make a request. Mr. Weaver noted that it is Authority money. Mr. Wolfe noted that he is not aware of any grant programs that are specific to an Authority versus the Township. Mr. Eby questioned about a PennVest loan. Mr. Weaver answered that we have done that and we don't want to do that again. He noted that it was a disaster.

Mr. Weaver showed what is involved with the ADA Ramp details involving a lot of surveying and design. He noted that the issue for the ramp design is that you can be sued. He noted that he attended a seminar that was put on by PennDOT; noting that they encourage for you to meet with them first. He noted that they could challenge the design. Mr. Wolfe noted that there are no compliant pads in the Township as they are all perpendicular as opposed to diagonal. Mr. Weaver noted that there are many questions for the ramps on Jonestown Road because we are not paving on the side but the ramps are in the area so we put them in for replacement. He noted that they cost \$5,000 to \$7,000 apiece.

Mr. Weaver noted that he recently received the proceeds from the new bond in the amount of \$25 million leaving a current balance of \$28.3 million.

Mr. Weaver noted that he included the bond schedule packet for the \$25 million and the draw down schedule.

Mr. Crissman questioned, when they laid out the schedule is there level debt service. Mr. Weaver answered yes. He noted that they are attempting to achieve it as there will have to be a lot of shaving at the end because when you make a debt service payment from \$7 million to \$25 million for 13 years there will be some peaks. He noted that they have to figure how to shave it out.

Mr. Eby questioned if we are going to talk about alternatives as he is very concerned about rates noting that the \$8 adds up over time trying to have affordable housing. He noted that most can deal with the rate increases but not everyone can.

Mr. Weaver noted that it is a great segway into Mr. Whittle's modeling report.

### **Engineer's Report**

#### Summary of Final Beaver Creek Model Report

Mr. Whittle noted that he would breeze through his modeling report as it takes some information from the Engineer's Report. He noted that the metering program is working well as you have a new employee, Ryan Moran who has been excellent working with staff. He noted that GHD staff has been training him and by June or July he should be ready to work on his own. He noted, for this year all the meters were in by October having multiple wet weather events and the good news is that we completed the season's goals for metering for many locations and are actually looking to move meters to what would be next season goals.

Mr. Whittle noted that Mr. Moran put together test equipment in his workspace to test meters before they are installed in the field. He noted one issue is that we have removed so much flow we need to look at alternate meters to measure low flow positions. He noted that Mr. Moran has been doing work with ultrasonic sensors, measuring PC-4C at the Colonial Commons and Paxton Towne Centre and the meters show that those areas that are PVC have very low flow and no significant increase during wet weather events so that you can exclude them from the contract for replacement. He noted that these are some of the things we can do through flow metering to save costs. He noted that we are cutting down almost half a basin in terms of the replacement program.

Mr. Whittle noted that we evaluated Beaver Creek and have determined that all the areas highlighted in yellow that are PVC sections could be metered for exclusion from future projects.

He noted that they will start to meter these periodically but we need to stay ahead of construction, having a number of years to achieve this.

Mr. Whittle noted that the Wet Weather Comparison Chart has been reviewed in the past. He noted that it started in 2007 for where the system had overflows and the DEP excused events. He noted of the 11 events we have had so far since June only two this season caused overflows in Beaver Creek. He noted that doing the work in BC-1, BC-3, BC-6 and the upgrades to the Beaver Creek Pump Station have removed nine of the 11 wet weather events from having overflows. Mr. Crissman noted that we have made great progress since 2013 when we started all this work.

Mr. Whittle showed the results of individual basins, showing the significant reductions in overflows. He noted that the flows are less than an inch and the meters can't register the flows, thus the needs for an alternative type of meter.

Mr. Whittle noted during the last meeting he did not have the charts and he wanted to show them to the Board. He noted that the model was submitted to DEP in November. He explained that the goals of the model is for how we stack up against our goals in removing overflows in the next 15 years, reducing the hydraulic overloads within 20 years, and accommodating all future buildout projections. He noted that the fourth goal is to meet the IMA Flow for Swatara Treatment Plant. He noted that the current level is 9.49 mgd but they would like to propose increasing it to 11.30 mgd.

Mr. Whittle noted that they provided a proposed schedule for the next 20 years and we are ahead of schedule at this time in Beaver Creek for what was projected to be done by 2018; the areas in gray are done and the areas of green areas in progress at this time. He noted that we are two mini-basins into the 2018-2023 schedule. Mr. Weaver noted that BC-4 is scheduled to be done by the end of 2016. He noted that we are 3.5 years ahead of schedule. He noted that the light green basins are scheduled for 2023 to 2028.

Mr. Whittle explained that he is looking at the goal to remove the hydraulic overflows. He noted in 2007 we had a comparative peak as defined by the consent decree that 4,500 gallons per day is what we used for comparing I&I removal. He noted that the consent decree does not limit how big a storm we have to take before we can guarantee that there is no overflow. He noted since 2007, we have had a number of events larger than the 2007 max storm events that were not excused by DEP. He noted that we have to have a 20% increase in what we can convey through the system then what we would have estimated in 2007. Mr. Wendle noted that the

highest unexcused event would have been 20% lower than what we are seeing today as the highest unexcused event. He noted that the criteria that they go by is if the governor declares a state of emergency and local flooding.

Mr. Weaver noted that there are two key issues that he wants the Board to take away from this model. He noted that the current design storm and the joint use capacity that Mr. Alton will review and the Swatara interceptor that we currently have provides for a peak of 9.49 mgd but we are trying to get Swatara to agree to 11.39 mgd. He noted this is important in terms of what you need for future storage. He noted that we need to meet with DEP over the next couple of years to try to get them to agree to get us back to the lower line as it is significant in terms of cost.

Mr. Whittle noted that Mr. Collins modeled both of these for overflow removals by 2028, and he found that rehabilitation of the basins alone will not guarantee that these storms will not produce an overflow. He noted that the Nyes Road interceptor should be upgraded to meet the overflow requirements and the force main from the Beaver Creek Pump Station should be replaced in place.

Mr. Weaver noted that was the first scenario that Mr. Whittle explained to eliminate the overflows to include future buildout. Mr. Whittle noted in terms of where you met this goal in a design storm, what is shown in red on the map on page 26 would have to be replaced. He noted some of the stuff that is shown in yellow, if you had good results or got DEP to agree to a smaller design storm, you may have the ability to limit some of that upgrade work. He noted that all of the trunk lines going to the main interceptors appear to be sufficient with capacity. He noted that we are narrowing down the upgrade to the interceptors from the Beaver Creek Pump Station to the joint use interceptor and the portion right above the pump station. He noted that originally there was the thought that major work would have to be done for the Trunk lines heading into the interceptors. He noted by the time we get to 2033 with this increased design storm there will still be some need for storage mostly to meet the limit to Swatara. He noted if you can purchase more capacity, rent more capacity from Swatara, or look at other options with them to get a lower design storm this could go away. He noted that Swatara preliminary agreed to the adjusted flow limit of 11.39 mgd, and we need to get them to officially accept that number. He noted that it will put the storage volume to 200,000 to 2 million gallons which is a significant decrease in the storage amount.

Mr. Hornung questioned what the range is. Mr. Whittle answered that it is based upon what your removal rates are. He noted if you hit the 1,000 gallons per day per EDU... Mr. Weaver noted that we are all over the place now, with a range from 300 gpd to 1,500 gpd. He noted when you think about storage needs, this is the flow and the more you bring down the lines, it significantly decreases the storage needs. He noted that this is assuming that the rain fall hits the Township uniformly, but the reality is you get a benefit from the storms being chaotic as it does not all hit at once. He noted that he did not provide this to DEP as it was used more for internal discussions.

Mr. Whittle noted that the mini-basin programs are working, so the things to do are to seek additional wet weather capacity in the Joint-Use Interceptor, consider special purpose tapping free to assist financing so the developers take on some of the cost for the peak flows, and once you get to 2023 when you have had ten years of projects in Beaver Creek see how the results are compared to projections and reevaluate it. He noted that upgrades need to be made to the Beaver Creek Pump Station force main, construct the Nyes Road Interceptor upgrades, pumping storage facilities could happen at any time, and increase the relationship with Swatara Township.

Mr. Eby recommended doing the upgrades and slowing down on the projects and reallocate fund or slow down on what we are borrowing. Mr. Whittle noted if your rehab is not cost effective, you can do storage for the remainder. Mr. Wendle noted that we looked at that last March on a present value basis, they also came out the same primarily because interest rates are so low. He noted if interest rates go up and if we build storage and had to continue doing some level of I&I rehab in the future, it did not get discounted very much. He noted if interest rates go up it would be better to put in storage as you would get a huge discount from those future costs.

Mr. Weaver noted that there are two issues with that. He noted that we have a court order and we would have to negotiate with DEP and then DEP would have to have the court approve it. Mr. Whittle noted that we have that in there as an option. Mr. Wendell noted that you can do storage at any time. Mr. Whittle noted that it says that within 15 years you have to make a decision if you are not going to. Mr. Weaver suggested that we have to do 15 years of sewer replacements and then tell them if we will do storage. He suggested that we do not have the option of doing storage early.

Mr. Eby questioned if there is land for storage. Mr. Weaver answered that we have land at the landfill but the issue with doing storage is you don't fix the problems and you don't know

how much storage you will need. He noted that you build a tank and in 15 years you build another tank and there has to be an end game. He suggested that GHD has to put costs to these as there has been a lot of changes as they have not finished the estimate for the interceptor. He noted that GHD has to rerun the numbers for storage based upon the model, a lot of engineering estimates have to happen before we can talk.

Mr. Seeds noted in 2022 you have to make a determination to DEP for storage. Mr. Shannon noted that is for Paxton Creek as Beaver Creek is on a different schedule. Mr. Weaver noted that the issue that you are trying to get to is how we can reduce the never ending table in the rate increase. He noted that there are ways around it as we don't have to rebuild the Township's street and we can go back to the old way and just repair them. He noted that it would save millions of dollars. He noted that when you go ten years out and look at the rates it is scary. He noted talking about \$285 a quarter and you are at \$130 at this time. He noted that it is getting crazy. Mr. Eby noted especially when people have the option to live in other Townships where it is \$78 a quarter. Mr. Weaver noted that his recommendation is to drastically reduce the paving program, and going back to DEP to see if we can do storage earlier. He noted that Mr. Wendle has a table to show where the lines cross where it becomes cost effective. He noted that there will be a point where it makes perfect sense to do it and he thinks we will be there in seven or eight years.

Mr. Eby noted that he has been on the Board for two years and we have borrowed twice and we haven't moved much. He noted that it takes time to get the numbers but it would be nice to see those numbers. Mr. Weaver noted that we talk about the low hanging fruit and getting rid of it first as we have 10,000 to 20,000 gallons of flow coming in, when you can get it down to 300 gallons per day per EDU that is a no brainer, noting that you have to do that no matter what the costs. He noted that you can't store that but it gets to the point where we can make a recommendation to the Board but he has to get some numbers back. Mr. Whittle noted that some of the basins are so bad you can't get it to the interceptor. Mr. Eby noted that he is not saying stop what you are doing. Mr. Wendle noted that we have quite a few numbers, noting last year the projection was \$90 million to finish doing the replacement in Beaver Creek and another \$65 million in Paxton Creek. He noted that the numbers he is looking at now with the modeling results does not include what are we going to do with the interceptors which was not part of the replacement program. He noted with respect to alternatives if paving is going to continue to be a cost...several years ago we did a double bid with total lining where everything was lined,

manholes rehabilitated, no digging, and we compared it to replacement and the costs were so close that getting new sewers and manholes outweigh it. He noted, at this point, if the costs for paving and road reconstruction and storm water management and all of those kinds of things are going to be so overwhelming, 33% of the costs, then it may be worthwhile to consider what the comparison is again for lining. He questioned if it is worth the extra 33% for the new roads versus doing lining in terms of ways to reduce costs.

Mr. Weaver noted that it is a broken record, it is good news/bad news showing the slides of 300 gallon per day per EDU with the costs going up from \$7.4 to \$10 million. He noted that the good news is that we are getting a lot of water out but the bad news is that it is costing a lot more than we thought. He noted that there is a reasonable solution to achieve what Mr. Eby wants to do is to try to get the table down a little bit. He noted if we reduce the paving program and look at storage earlier. Mr. Hornung noted that the paving has to be done. Mr. Weaver answered yes but you don't have to rebuild the streets. Mr. Hornung questioned if the contractor is saying that we can't just patch the roads. Mr. Weaver stated that you could basically overlay the road. He noted the roads are in such horrible shape, they are so cracked up and anything we do is a huge improvement. Mr. Hornung noted if there are subsurface problems, throwing another layer on top is not going to solve the problem. Mr. Weaver noted that it will solve the Authority's problem.

Mr. Weaver noted that Mr. Hilson showed him ways to do some significant improvements to the program. He noted that you could build the roads anyway you want but if you do some leveling course and scratch it you will get seven to ten years out of the road. He noted if you rebuild the roads you can get 20 to 30 years out of it. He noted that we are not talking about small dollars anymore, 33% of the job, \$3 to \$4 million in paving, and it starts adding up. Mr. Eby noted that you need to show people what their sewer bills will be 20 years. Mr. Weaver noted that some roads are so cracked you can level them but they won't last seven years. He noted that you are trusting the engineer and field people to make educated decisions to save money.

Mr. Hornung noted if we moved the paving costs out of the budget does it make the project costs look artificially lower, but when you do comparisons to look at, it is helpful to have those costs known. He noted that we may not have a need for a newer road at this point, and there should be a deduct when you do some of the analysis, but overall, if you are going to compare that to storage, we need to know what the costs are. He noted that the Township

benefits from new roads but we need to build them up even when we may not have had to. He noted that originally he thought that those paving costs should be taken out and have the Township pay for it, but the bottom line is when you do a project comparison to storage you need to have those numbers there.

Mr. Hornung noted that someone will pay the taxes for the roads. He noted when you go to DEP, they need to know what it is costing the Township as we have a problem with the costs for what it is doing to the rates and how do we fix it. He noted if we are two or more years ahead of the game plan, then let's slow it down. He noted that would slow down the rate increase. He questioned how Actiflow would work. He noted that the cost savings are so huge in going to Actiflow and suggested that we wait it out to see if it will be acceptable to DEP. He questioned if we should play a waiting game as the other municipalities enter into this game, and start complaining, you will get a greater public outcry that it is costing us way too much money. He noted that we need to allow other technology that is much cheaper. He questioned if DEP will change its tone and allow for Actiflow. He noted that we took the opportunity to do the low hanging fruit, using the lower costs for construction but the prices are starting to go up. He noted that we are not getting the lower bids like we used to. He noted that we did not have the ADA requirements before. He noted that Actiflow is permitted for combined sewers. He questioned if we can argue the gray areas and DEP will see it as more acceptable. He questioned if we are putting LPT into a higher cost sewer rate by jumping the gun and trying to get the work done ahead of time. He suggested that we slow it down and wait for social norms to reach the technology norms.

Mr. Eby questioned what has been the public or political representation at more of a higher state level. Mr. Weaver explained that he, Mr. Wendle and Mr. Wolfe have testified to a committee in regards to this. He noted that the environmentalist don't care and you need to go through the legislature and many time they may not help. Mr. Wolfe noted that we are getting off on a long-term tangent and we seem to do this for every meeting and to date we are replacing ACP and terra cotta pipe. He noted that the idea of not replacing ACP and Terra Cotta pipe is ridiculous when we know that it is bad. He noted that we haven't gotten to a point where we are replacing things that are good. He noted that they are materials that have reached their useful life and he believes that storage or Actiflo, if it has a use in Lower Paxton Township, it is after we replace facilities that have reached the end of their useful life. He noted that we are not there yet.

Mr. Eby noted that all other Townships have the same old terra cotta... Mr. Stine answered that there are a lot of Townships that have none. Mr. Eby noted at this point they are not mandated to replace it. Mr. Wolfe answered but we are mandated to do this. Mr. Eby noted that one of the alternatives is not to speed up the process. Mr. Blain noted that one decision that we made as a Board a couple years ago was to speed up the process because we were in a window where construction costs were very low as well as interest rates. He noted if you look at the economy today construction costs still remain low, and although the long term interest rate was raised a quarter a point, there are no indications that they will raise it again anytime soon. He noted for the next couple of years you will have the benefit of borrowing and construction costs will be low. He noted that was a decision the Board made a couple of years ago. He noted ten years ago we were in that nebulous area, should we do storage tanks, or buying property off of Nyes Road to do a huge storage facility, and it was then and there we decided that we needed to replace all the old pipe that is in the Township as we will never get away from having to do that. He noted that our sewer rates for the longest period of time were too low. He noted that it is similar to paying taxes, you have to pay it, but you have the use of the money for a whole year. He noted did we manage it well, back in the day, no. He noted that we are paying for the sins of not managing the situation well 25 to 30 years ago. He noted that the user had the use of low interest rates in a system that provided low user rates. He noted that they are going up as we need to replace all the pipes. He noted that there will be a point in time that we will need to look at other options, but for now we need to fix the pipes that are bad.

Mr. Wolfe noted that we created an internal infrastructure that is now doing it right. He noted it is not one that you can turn off and on very easily. He noted if you turn it off, building it back up will be very difficult. He noted that it took us years to get to where we are now and we are very effective in what we do and our results are showing and we are somewhat ahead of schedule. He noted that we need to plan for the future but we haven't completed the process yet.

Mr. Hawk noted that we tried Actiflo 12 to 15 years ago and DEP wanted tertiary control and they wanted that to make sure we would clean up the system first and then try to sell Actiflo.

Ms. Lindsey questioned if Mr. Weaver received many calls when the sewer rate was increased in the past years. Mr. Weaver answered that he is getting fewer than four or five a week. He noted that the new rate will come out April 1<sup>st</sup>. Ms. Lindsey requested someone to do some research for what other municipalities are charging. Mr. Weaver answered that he has that information and he can bring it to the next meeting. He noted that we were well below the

medium five years ago and now we are at the medium. He noted in a couple years we will be above it.

Mr. Wolfe noted if we are looking at a long-term strategic planning session, this is not the forum for doing that. Mr. Weaver noted that he does not want to leave tonight without understanding... if you go back to that chart showing the next 15 years. He noted what Mr. Wolfe is saying is that we are really early into the program and it is working, it is hard to turn off, but we are way ahead of schedule. He noted if you keep going and don't talk about it and you don't have a strategic plan to stop the train, if you look at those flows per EDU, we will be down to 3,000 where it will make sense to do storage and not rebuild the streets and replace sewers. He noted if you keep going and don't come up with a plan to get it approved, you will be down there in five or six years. He noted that we are getting to those kinds of discussions as strategic planning... Mr. Wolfe noted that we should have a strategic planning session but this is not the appropriate time and place.

Mr. Whittle noted that we are ahead on Beaver Creek and Paxton Creek 1 basins but we are not behind on basins that were previously rehabbed that are still high.

Mr. Blain noted that we talk about rates but he is not on a sewer system. He noted that he has a sand mound and once a year he gets his tank pumped and it costs \$350 to do that. He noted that he is almost paying as much to get his tank pumped as he would for a sewer bill. He noted that he has a grinder pump that pushes the water to the sand mound and it is 15 years old and it will have to be replaced soon. He noted that he got a quote on that and it is \$1,000 to replace the grinder pump. He noted when he built the house they had to build a sand mound and put in the tanks, it was over \$15,000. He noted that it was part of the cost of his mortgage so if the rates were \$200 a quarter you probably make out being on the sewer system versus having your on-lot system. Mr. Weaver noted that we will be at \$200 a quarter in four years.

Mr. Hornung noted if we slow down it would slow down the rate increase. He noted that strategic planning is a good idea. He noted that he is not saying stop the train but do we slow it down.

Mr. Weaver noted that it is his responsibility to keep the Board advised but when the original estimate is \$7.4 million and it is up to \$10 million he needed to let the Board know all the information.

Mr. Seeds questioned if we should schedule an extra meeting to do a strategic plan. Mr. Blain answered yes. Mr. Crissman noted that we have a responsibility to do that. Mr. Seeds requested Mr. Wolfe to schedule a strategic planning session.

#### Review of resident request for private sewer replacement re-imburement

Mr. Weaver noted that we have a letter in the packet from a resident requesting a reimbursement from a mini-basin that does not qualify. He recommended that he should send a letter telling her that the resolution allows that if your sewer is replaced within ten years then we could reimburse her so he would instruct her to keep her receipts. Mr. Seeds noted that her prices was over \$6,000 and staff's estimate would be \$2,000. He stated that he thought the policy was that the Authority would reimburse them for what the normal costs are. Mr. Wetzel noted that she already did the work. Mr. Seeds questioned if we reimbursed them up to a certain amount in the past. Mr. Stine noted only if they were scheduled to be replaced. Mr. Weaver answered that it is not in the mini-basin, in Spring Creek. He noted that we do not have an issue in that basin. Mr. Whittle noted that we had two modeling locations and where they previously had overflows all of the events this season were within the pipe. He noted that there were no overflows or surcharges. He noted that the metering for Spring Creek showed good results.

Ms. Lindsey questioned if the people had insurance, would it have covered it. Mr. Wolfe noted if there is a defect in the line that is causing the backup, yes, it would pay for it.

Mr. Seeds noted that he had a few questions for the Engineer's Report. He had a question about CRW's rates noting that there are a few big jumps; it goes up and down. Mr. Wendle noted that those are the projected rates that CRW has projected for the next five years. He noted that they received a report in November and that is what projected. He noted for the year 2016, the actual rate was close to \$4 but you are only paying \$3.17, because when they wanted to charge \$3.14 last year and you only paid them \$3 they still had more money. He noted that they credited the Township for last year. He noted that next year they are projecting a rate of \$4.68 per thousand in 2017. He noted that we used that in the projections for the bond issue. He noted that he is working on a cost of service study to lower that rate. He noted that some of it has to do with Pay Go projects where they are building capital projects with current funds which we have a disagreement with as they should be capitalized. He noted that he is working with Gary Shambaugh at AUS to do a cost of service study to present to CRW to show why we disagree with their numbers.

Mr. Seeds noted that the rate goes down in 2019 back to \$3.85. Mr. Wendle noted that they are paying for capital projects in 2017 and 2018 and then it will go down. He noted that it plays havoc with the Authorities level debt service.

Mr. Seeds questioned what they mean by frozen funds. Mr. Wendle answered when you had the settlement a couple years ago, there were funds that were frozen that had accumulated for capital projects. He noted that we said some of those funds were ours and the recent agreement stated that we will not argue the frozen funds if CRW releases us from all the underpayment claims that were made against us which they agreed to do. Mr. Weaver noted that they keep the frozen funds and they release us from any billings from the last five years. Mr. Wendle noted that the frozen funds are not CRW's they are everyone's for capital projects. Mr. Weaver noted that they say that it was dedicated to them for the city customers. He noted that it did not include any of the settlement that was done with Scott Wyland. He noted that this was going on for two years and he finally went to the meeting and told them to keep your frozen funds and release us from all the other stuff.

Mr. Wendle noted that we pay a flat rate now based on 65,000 gallons per EDU for residential use which is about 180 gallons a day. He noted when we did the first part of the water study our portion of Harrisburg's costs would be substantially reduced because we are only using 122 gallons a day for residences and 100 gallon per day for apartments. He noted that is consistent with Susquehanna, Lower Paxton and Swatara Townships. He noted when we go back to discuss the service study this will be part of it. He noted that is that we assume, that we split extraneous flows equally.

### **Solicitor's Report**

Mr. Stine noted that he had no report.

### **Adjournment**

Mr. Seeds made a motion to adjourn the meeting, and the meeting adjourned at 8:32 p.m.

Respectfully submitted,

Approved by,

Maureen Heberle  
Recording Secretary

William L. Hornung  
Authority Secretary