

**WALLACE TOWNSHIP MUNICIPAL AUTHORITY  
FEBRUARY 14, 2012**

The Wallace Township Municipal Authority meeting of Tuesday, February 14, 2012, was called to order at 7:00 PM in the Municipal Building by the Chairman.

Members present:     Barbara D'Angelo, Chairman  
                           Steve DePedro, Vice Chairman  
                           Roger Ireby

Also in attendance:  Matt Boggs, Entech Engineering  
                           David Busch, Keystone Consulting Alliance  
                           Steve Gallo and Jonathan Penders, Rouse/Chamberlin

**PUBLIC COMMENT**

None.

**MINUTES**

On a motion by Mr. DePedro, second by Mr. Ireby, the meeting minutes of January meeting were unanimously approved as written.

**CORRESPONDENCE**

1. Clean Water, Inc., dated 2/13/12, re: Operator's monthly report for Glen Moore.
2. Clean Water, Inc., dated 2/13/12, re: Operator's monthly report for Highspire.
3. J. Keath Fetter, Esq., dated 2/13/12, re: Solicitor's monthly report.
4. Entech Engineering, Inc., dated 2/12/12, re: Engineer's monthly report.
5. Entech Engineering, Inc., to DEP, dated 2/07/12, re: transmittal of 2011 Annual Groundwater Monitoring Report for the Glen Moore WWTP.
6. Ehrlich, dated 2/06/12, re: proposal for aquatic vegetation control @ lagoons.

**TREASURER'S REPORT**

The following bills were presented for consideration:

- a. Verizon - **\$173.18** for phone @ operations bldgs. (Glen Moore & Highspire)
- b. Clean Water, Inc. - **\$2,125.00** for operator services @ Glen Moore & Highspire (January)
- c. Jan Bednarchik - **\$902.00** for secretarial services (January)
- d. PECO - **\$1,722.92** for electric @ main pump station & Devereux (\$772.29) and Highspire WWTP and pump station (\$950.63)
- e. Analytical Laboratory - **\$298.15** for lab testing (Glen Moore & Highspire)
- f. Entech Engineering - **\$3,272.50** for engineering services (12/31/11 – 1/27/12)
- g. Wetzel Gagliardi & Fetter LLC - **\$1,290.00** for legal services (January)
- h. Ink's Disposal Service - **\$260.00** for cleaning main and Devereux pump stations
- i. PreDOC - **\$195.00** for service call @ 650 Fairview Road

- j. Vernon May - **\$50.00** for plowing driveway to Highspire WWTP
- k. Pipe Xpress, Inc. - **\$190.60** for pipe materials for drain @ Devereux pump station
- l. Wrigley's Office Supply - **\$139.73** for office supplies (paper, toner)
- m. Keystone Alliance - **\$3,800.00** for Capital Reserve Study
- n. Postmaster - **\$90.00** for stamps

**TOTAL: \$13,609.08**

Mr. Irey moved to approve invoices "a" through "n" above for the month of February, as presented. Mr. DePedro seconded the motion, and it was unanimously approved.

### **OPERATOR'S REPORT**

#### Glen Moore WWTP

There were no violations of permit conditions in January.

There was one emergency visit in January: 9 Ashlea Drive (PreDOC replaced pump with a rebuilt Hydromatic pump and replaced the corroded discharge assembly). Ink's Disposal cleaned toiletry items out of the grinder station at 1920 Creek Road.

A street light at the Brandywine Hill pump station was turned off in response to some apparent complaints from neighbors.

The Operator met with the Authority Engineer and Anthony DiRousso of Site Specific to inspect several grinder stations and panel installations to look for issues that may need to be addressed as part of the pump rehab project. One issue noted was the need for some cosmetic work where the original control panels are attached to the house siding because the panels for the E-One pumps are smaller. Mr. Irey suggested gutting the existing panels and retrofitting the boxes with the components from the new control panels. Mr. Boggs will contact Site Specific to find out whether this is a feasible option.

#### Highspire WWTP

The plant is running well with no operational issues to report. Ink's Disposal was called to haul sludge and do some clean up at the plant.

Vernon May plowed the driveway to the plant for the last two snow events.

### **SOLICITOR'S REPORT**

User fees for the fourth quarter remain delinquent on the following accounts: Brian Baum, David Larkins, Nancy McDonough, and James Trego. Municipal claims will be filed on these accounts shortly. The claim filed against James Jenks for the third quarter user fees has been paid, and an Order to Satisfy will be filed.

The Solicitor was contacted by Steve Gallo of R/C Management Corporation, General Partner of Rouse/Chamberlin Ltd., concerning an agreement with Heritage-Brandywine Hill to acquire ownership of the remaining lots at Brandywine Hill. The agreement is contingent upon R/C obtaining Township approval to add one additional lot to the plan, increasing the total number of lots to 19. Mr. Gallo inquired about the assignment or replacement of the Authority's existing agreements with Heritage regarding Brandywine Hill; namely, the Agreement for Reservation of Wastewater Capacity, the Agreement for Construction and Operation of Sewage Facilities, and the Community Sewage Facilities Escrow Agreement. The process of agreeing on assignment of Heritage's rights and obligations under these agreements was complicated by the fact that, in 2009, Heritage agreed the Authority could withdraw funds from the tapping fee escrow account to pay the quarterly user fees for the original 13.3 EDUs and other related engineering and legal expenses because Heritage could not otherwise make those payments, which meant there was much less in that account than R/C expected. However, the Solicitor has reviewed and approved amended agreements as follows:

1. Assignment from Heritage to R/C of the tapping fee escrow agreement, with the Authority's consent. Pursuant to this assignment, R/C will replenish the tapping fee escrow account to \$22,500 and will be entitled to use those 4.5 EDUs of capacity at the previous tapping fee rate of \$5,000 per EDU. The funds will be withdrawn by the Authority as the reserved EDUs are connected, or at the end of one year, whichever occurs first;
2. Assignment from Heritage to R/C of the construction and operation agreement. Pursuant to this assignment, R/C will succeed to all of Heritage's rights and obligations under that agreement, including the right to connect the remaining lots to the system and the obligation to post a maintenance bond at the time of dedication. Once that assignment is signed by all parties, the Authority will release Heritage from any obligations under the original agreement; and
3. A new construction escrow agreement between R/C, its lender Wilmington Savings Fund Society, and the Authority establishing the amount of the remaining construction escrow at \$15,141.94. Once the agreement is signed, both Heritage and Commerce Bank will be released from any obligations under the original construction escrow agreement.

Mr. Fetter determined the above agreements are all satisfactory and may be approved and signed by the Authority. However, the letter releasing Commerce Bank from any further obligation under its letter of credit should not be signed until the other parties have signed the three main agreements.

Mr. Gallo confirmed that R/C has entered into an agreement to purchase Brandywine Hill from Heritage and Heritage's lender. He requested approval of the assignment agreements since the settlement will take place prior to the next Authority meeting. Mr. Gallo also mentioned that R/C revisited the density calculation for the subdivision and has made application to the Township to add an additional lot to the plan. Therefore, a planning module exemption was also submitted, and R/C requested the Authority's approval for an additional EDU of capacity. Settlement on the property is scheduled for March 12, 2012.

Mrs. D'Angelo asked R/C to consider adding some landscape plantings to screen the pump station to make it more aesthetically pleasing. Mr. Gallo said this issue was brought up at the Planning Commission meeting, and R/C has committed to consider some landscape improvements.

Mr. DePedro moved to approve the three assignment agreements and authorize the Chairman to sign them. Mr. Irely seconded the motion, and it was unanimously approved.

Mr. DePedro moved to approve the Planning Module Exemption and authorize the Chairman to sign it. Mr. Irely seconded the motion, and it was unanimously approved.

Mr. Gallo inquired about the possibility of dedicating the Brandywine Hill pump station in the near future. The current agreement states the Authority shall accept dedication of the sewage facilities when the developer dedicates the streets to the Township, but also gives the Authority the discretion to accept dedication earlier. A walk-through of the pump station will be scheduled with the Authority Engineer to make sure everything is still working properly. Mr. Boggs noted that Steve Riley is currently reviewing the video tapes of the collection system. Mr. DePedro explained the Authority did not want to run the risk of incurring expenses from equipment failures because the pump station has not been fully operational with only two homes connected. The Authority agreed to revisit the subject of dedication depending on the future home sales and favorable recommendations from the Authority Engineer and Solicitor. The purchase of an additional EDU of capacity will be discussed later pending approval of the revised plan.

### **ENGINEER'S REPORT**

Devereux Valve Vault – J. Lewis Excavating made a utility location request through the PA One Call system and purchased pipe materials to install a drainage swale at the Devereux pump station. Completion of this work was delayed due to illness.

Asset Management Plan – A workshop was held on 1/24/12 with David Busch and the Board to review options for a rate increase in relation to ownership of the grinder pumps. David provided information illustrating the effect of borrowing money on the user rates.

Purchase of E-One Grinder Pumps – Based on the workshop held on 1/24/12, two estimates were prepared for replacement of the existing grinder pumps showing the cost to replace the units on a case by case basis versus replacing them all at once. This information was circulated to the Board and David Busch. Estimated costs are significantly higher than the replacement cost provided by Site Specific due to additional work needed to be performed, use of prevailing wages, and a potential increase in pump costs. A site visit was held with Brian Norris and Site Specific on 2/03/12 and included an inspection of two grinder stations adjacent to the Glen Moore WWTP. The Operator mentioned there is no isolation valve located between the grinder pump basin and the force main. If there is a problem with the check valve, the force main will drain back into the basin. Mr. Boggs will research the possibility of installing a shut-off valve inside the basin to address this issue. It was also noted that the E-One control panels are smaller

than the existing panels, which will cause some cosmetic issues where they are mounted to the houses. Homeowners will be advised to remove any landscaping that encroaches on the tank.

Mr. Busch suggested preparing an annual bid for a certain number of pumps to be kept in storage and a separate annual bid for the installation in order to comply with the bidding requirements. In the alternative, Mr. Busch suggested bidding the entire project with a bid for procurement of 50, 100, and 150 grinder pumps as well as a separate bid for procurement and installation of 50, 100, and 150 grinder pumps in order to compare the whole range of pricing and determine the best course of action. One item of concern about keeping the pumps in storage for a length of time is the impact on the warranty. Mr. Boggs was instructed to proceed with preparation of the bid documents for further discussion at the next meeting. Mr. Boggs explained the bid advertisement normally remains open for two months, and then the Authority has two months to either award or decide not to award.

For project funding, Entech has utilized Scott Kramer of RBC Capital Markets to solicit bids from funding agencies. Mr. Busch is also familiar with companies providing similar services and will contact Michael Wolf of Boenning & Scattergood to submit a proposal for the Board's consideration. The financial advisor does not get paid unless financing is obtained. Mr. Busch also advised the Authority will need the Township's guarantee in order to secure a loan. The Chairman will broach this subject at the next Township meeting.

Brandywine Hill Pumping Station – Discussions were held with Mike Honan of R/C Homes regarding outstanding punch list items. R/C recently videotaped the sewers and provided a video to Steve Riley for review.

Glenmoore Groundwater Monitoring Report – The final report was submitted to DEP on 2/07/12, and a copy was provided to the Authority.

2011 Chapter 94 Reports – Work continues on compiling the operational data from 2011 for development of the Chapter 94 Reports for both Glen Moore & Highspire.

### **NEW BUSINESS**

Martha Roeder recently inquired about reserving one additional EDU of capacity for a possible subdivision of her land abutting Marty Close Road. The Chairman confirmed that capacity is available, and that the Authority could provide a letter of commitment that would not prejudice a future subdivision or amend the Township's Act 537 Plan. At such time as a subdivision plan is submitted and approved, Mrs. Roeder would have to pay the then-current tapping fee.

Statement of Financial Interests Forms are due by May 1, 2012.

**ADJOURNMENT**

The meeting adjourned at 8:45 PM. The next meeting is Tuesday, March 13, 2012.

Respectfully submitted,

Jan C. Bednarchik  
Secretary