

WALLACE TOWNSHIP MUNICIPAL AUTHORITY
APRIL 10, 2012

The Wallace Township Municipal Authority meeting of Tuesday, April 10, 2012, was called to order at 7:05 PM in the Municipal Building by the Chairman.

Members present: Barbara D'Angelo, Chairman
 Steve DePedro, Vice Chairman
 Tom McClung

Also in attendance: Matt Boggs, Entech Engineering

PUBLIC COMMENT

None.

MINUTES

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

CORRESPONDENCE

1. Clean Water, Inc., dated 4/07/12, re: Operator's monthly report for Glen Moore.
2. Clean Water, Inc., dated 4/07/12, re: Operator's monthly report for Highspire.
3. J. Keath Fetter, Esq., dated 4/09/12, re: Solicitor's monthly report.
4. Entech Engineering, Inc., dated 4/09/12, re: Engineer's monthly report.
5. Entech Engineering, Inc., to Heritage Building Group, dated 3/21/12, re: request for dedication punch list for Highspire Estates.
6. DEP to Rouse/Chamberlin, dated 3/30/12, re: approval of exemption waiver for one additional lot at Brandywine Hill.
7. PMAA Newsletter dated 3/23/12.

TREASURER'S REPORT

The following bills were presented for consideration:

- a. Verizon - **\$182.93** for phone @ operations bldgs. (Glen Moore & Highspire)
- b. Clean Water, Inc. - **\$2,125.00** for operator services @ Glen Moore & Highspire (March)
- c. Jan Bednarchik - **\$1,086.75** for secretarial services (March)
- d. PECO - **\$1,733.13** for electric @ main pump station & Devereux (\$964.20) and Highspire WWTP and pump station (\$768.93)
- e. Analytical Laboratory - **\$1,147.45** for lab testing (Glen Moore & Highspire)
- f. Entech Engineering - **\$9,145.15** for engineering services (2/25/12 – 3/30/12)
- g. Wetzel Gagliardi & Fetter LLC - **\$645.00** for legal services (March)
- h. Ink's Disposal Service - **\$1,120.00** for cleaning main and Devereux pump stations; pump EQ tank, clean clarifier tank and haul sludge @ Highspire

- i. PreDOC - **\$195.00** for service call @ 664 Fairview Road
- j. W.G. Malden - **\$26.38** for pens for chart recorder
- k. Daily Local News - **\$86.59** for legal notice

TOTAL: \$17,493.38

Mr. DePedro moved to approve invoices “a” through “k” above for the month of April, as presented. Mr. McClung seconded the motion, and it was unanimously approved.

OPERATOR’S REPORT

Glen Moore WWTP

There were no violations of permit conditions in March.

There were no emergency visits in March. PreDOC was called to pull a pump at 664 Fairview Road because it was difficult to remove. They cleared the clogged pump and returned it to service.

Spray irrigation continues. Larry Hepner is working on the annual Crop Management Plan for the spray fields. G. Bauer Pest Control will be notified to order the algae control chemicals for the lagoons.

Repairs on the Devereux valve vault continue to be a great improvement. The pump at Devereux will be rebuilt by Deckman Electric.

The Township Road Department will clean up a tree on the edge of the property that fell over the winter.

Highspire WWTP

The treatment plant has been experiencing some operational issues due to the microorganisms not settling properly. The Operator borrowed a microscope to view a sample and detected a higher percentage of younger, less developed organisms and filamentous algae. Steps have been taken to correct this condition, and the plant has been performing much better. Ink’s Disposal assisted with some cleanup at the plant

DynaTech has been experiencing some difficulty in securing the wiring ribbons for the generator which were damaged by mice. The manufacturer, Cummings, is showing a single ribbon for replacement when the generator requires two ribbons.

SOLICITOR'S REPORT

User fees for the first quarter remain unpaid from John Hammond, Michael Marinack, Nancy McDonough, Frank Styer, James Trego, and Marie Trego. Municipal claims will be filed after the May meeting against those accounts that remain delinquent.

The signed originals of the assignment agreements between Heritage-Brandywine Hill and Rouse/Chamberlin and of the escrow agreement between Rouse/Chamberlin and the Authority were sent to the Solicitor by the title clerk following the settlement on Brandywine Hill, together with the check to reimburse the tapping fee escrow. This check has been forwarded to the Authority Secretary, and the original agreements are also being sent for the Authority's files.

The Solicitor communicated with Steve Riley regarding Heritage's request for a punch list of items needed for dedication of the Highspire system.

In response to an email from Michael Wolf, and after consultation with Ms. D'Angelo, the Solicitor spoke with Thomas (Tim) O'Neill, Esquire, of Lamb McErlane PC in West Chester. He has indicated his availability to serve as bond counsel to the Authority for the grinder pump project. Mr. O'Neill's initial opinion is that the proposed project would not be eligible for tax exempt financing if the pumps are turned over to the homeowners.

ENGINEER'S REPORT

Devereux Valve Vault – This project has been completed.

Purchase of E-One Grinder Pumps – Bidding documents have been prepared and incorporate the comments from the March meeting. The project was advertised on March 28, and there will be a mandatory pre-bid meeting on Tuesday, April 17, at 9 AM in the Township Building. The bid opening will coincide with the next meeting on May 8. A copy of the plans and specifications was provided to the Authority. To date, ten potential bidders have contacted Entech for a copy of the bid specs.

Brandywine Hill Pumping Station – Following the walk through at the pumping station, a punch list review letter was issued on 3/07/12.

2011 Chapter 94 Reports – Final edits were made to the Chapter 94 Reports for both Glen Moore and Highspire treatment plants. The reports were submitted to DEP prior to the March 30th deadline.

Highspire Estates WWTP – The developer agreements were reviewed and discussions were held with the Solicitor regarding Heritage's request for a dedication punch list for the treatment plant. Steve Riley performed a walk through of the plant with Township Engineer Craig Kologie of Castle Valley. A letter was prepared to the developer for further discussions and to set up a meeting.

The Chairman reported that the Board of Supervisors has been made aware of the grinder pump replacement project and that the project financing will require the Township's guaranty of the loan. The Board members expressed no objection to assisting the Authority in this effort.

OLD BUSINESS

By letter of 3/30/12, DEP granted approval of a planning exemption waiver to Rouse/Chamberlin to allow one additional lot at the Brandywine Hill Subdivision.

Statement of Financial Interests Forms are due by 5/01/12.

NEW BUSINESS

The engagement letter was signed and returned to Bob Bezgin for the 2011 Audit. The annual audit will begin next month.

The PMAA Newsletter included updates on the following legislation: SB 375: which prohibits authorities from providing loans, grants or expenditures to any purpose not related to the service or mission of the authority; HB 1165: which requires an authority to provide all municipalities in their service area with a copy of their annual financial report; and SB 1261: which adds the words "storm water management planning and projects" as a new power for municipal authorities.

In anticipation of the bid opening next month, Mr. McClung expressed some concern about the impact on the budget and the user rate. He explained that a rate increase will need to consider the routine operating expenses that increase over time, a capital reserve component for major equipment replacement, as well as amortization of the loan for the grinder pumps. His concern is that the necessary rate increase will be too substantial for the users to manage. Mr. DePedro responded that the rate increase would be even higher if the Authority continues to own and maintain the grinder pumps. He explained the intent is to finance the project over twenty years in order to keep the rate increase lower, with a certain percentage set aside to fund a capital reserve account. Once the loan is repaid, only moderate step increases should be needed for the operating expenses. Mrs. D'Angelo added that the project is being bid in alternate ways so that, if it is not economically feasible to purchase and install all 150 grinder pumps, then the Authority can purchase just the pumps and do the replacements on a piecemeal basis. Also, once the bids are opened and the financing quotes are obtained, David Busch will be able to run the numbers to determine the user rate increase needed to cover the operating expenses, capital reserve, and loan repayment. A public meeting will be scheduled once the project and user rate information is determined. The public will also be educated on the proper use of the E-One grinder pump at that time since they will be responsible for maintenance and replacement costs going forward. Mr. Boggs commented that the pump is relatively maintenance free and will respond well to proper treatment. Site Specific will provide users with warranty information and instructions on the care and use of the grinder pump. The Authority may also consider continuing the tank cleanings and perhaps offering some type of maintenance program.

ADJOURNMENT

The meeting adjourned at 7:36 PM. The next meeting is Tuesday, May 8, 2012.

Respectfully submitted,

Jan C. Bednarchik
Secretary