

APPROVED

**WALLACE TOWNSHIP MUNICIPAL AUTHORITY
FEBRUARY 27, 2007**

The Wallace Township Municipal Authority meeting of Tuesday, February 27, 2007, was called to order at 7:00 PM in the Municipal Building by the Chairman. The regularly scheduled meeting on Tuesday, February 13, was postponed due to inclement weather. The rescheduled meeting date was duly advertised in the Daily Local News on February 21, 2007.

Members present: Barbara D'Angelo, Chairman
Tom D'Angelo
Tom Yuhas (left at 7:10 PM)

Also in attendance: Steve Riley, Entech Engineering

MINUTES

On a motion by Mrs. D'Angelo, second by Mr. Yuhas, the minutes of the January meeting were unanimously approved as written.

TREASURER'S REPORT

The following bills were presented for consideration:

- a. Verizon - **\$54.17** for phone @ operations bldg.
- b. Clean Water, Inc. - **\$1,250.00** for operator services (January)
- c. Jan Bednarchik - **\$719.25** for secretarial services (January)
- d. PECO - **\$1,178.82** for electric @ main pump station & Devereux
- e. Entech Engineering - **\$3,147.03** for engineering services (1/01 – 1/26/07)
- f. S C Engineers, Inc. - **\$8,305.07** for engineering services (12/03 – 12/31/06)
- g. Metz Engineers - **\$2,682.00** for engineering inspection services @ Highspire Estates (1/01-28/07)
- h. Swartz Campbell - **\$2,413.00** for legal services (January)
- i. Ink's Disposal Service - **\$260.00** for cleaning main & Devereux pump stations
- j. Analytical Labs - **\$51.60** for lab testing (January)
- k. Postmaster - **\$90.00** for postage
- l. Deckman Electric - **\$2,869.00** for rebuilding 7.5 hp pump and 2 grinder pump discharge assemblies
- m. PMAA - **\$181.16** for 2007 membership dues
- n. USA BlueBook - **\$243.09** for two pressure gauges for the control building
- o. Jelke's Fabrication Co. - **\$525.00** for three manhole covers
- p. Eagle Auto - **\$18.00** for fuses
- q. Wrigley's Office Supply - **\$189.07** for office supplies
- r. H. A. Thomson Co. - **\$202.00** for annual treasurer's bond
- s. National Penn Bank - **\$7,611.37** for quarterly loan payment

TOTAL: \$31,989.63

Mr. Yuhas moved to approve invoices "a" through "s" above as presented. The motion was seconded by Mrs. D'Angelo and was unanimously approved. The sum of \$13,251.85 will be reimbursed to the Municipal Authority from the various review/construction escrow accounts.

The invoice received from Metz Engineers for inspection services at Highspire Estates prompted Mr. D'Angelo to inquire whether a schedule of construction activity could be made available to Authority members so that impromptu site inspections can be made, if desired. Mr. Riley advised that Pikeland Construction is now preparing a weekly detailed summary of activity for the coming week as well as items completed the previous week. Mr. Riley will scan the document and forward it to the members via e-mail on a weekly basis.

ACTION ITEMS

Due to a previous engagement, Mr. Yuhas needed to leave the meeting at 7:10 PM. Therefore, the Authority took action on the following items while a quorum was present:

Mr. Yuhas moved to approve the Irrevocable Letter of Credit from National City Bank guaranteeing the operating reserve in the amount of \$43,095.50 for Highspire Estates and to authorize the Chairman to sign the amendment to the Letter of Credit. The motion was seconded by Mr. D'Angelo and it was unanimously approved.

Mr. Yuhas moved to approve and authorize the Chairman to sign Change Order #1 to the Contract Documents with Guardian Construction Company to increase the original contract price for the spray field improvement project by \$7,670 due to the delay in awarding the project and the ensuing change in labor costs. The motion was seconded by Mr. D'Angelo and it was unanimously approved.

Mr. Yuhas moved to approve Escrow Release #9 from the construction escrow for the Highspire Estates (Rorke) project in the amended amount of \$122,450 upon the recommendation of the Consulting Engineer. The motion was seconded by Mrs. D'Angelo and was unanimously approved. The escrow balance is \$631,015.

Mr. Riley proposed the use of signed work authorizations for the various projects that Entech works on to help define the scope of work, schedule, and the fee to complete the work. For tracking purposes, Entech has already established separate project numbers for Highspire Estates, Brandywine Hill, Hankin, the School District, and the spray field upgrade project. The Authority approved the work order for preparation of the 2006 Chapter 94 Report in the amount of \$3,400. However, the remaining work authorizations will be taken under advisement.

[Mr. Yuhas left at this time]

PUBLIC COMMENT

None.

CORRESPONDENCE

1. Clean Water, Inc., dated 2/08/07, re: Operator's monthly report.
2. J. Keath Fetter, Esq., dated 2/09/07, re: Solicitor's monthly report.
3. Entech Engineering, Inc., dated 2/08/07, re: Engineer's monthly report.

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4. The Hankin Group to Wallace Township, dated 1/10/07, re: transmittal of 15 sets of the Hamilton Wastewater Treatment Plant plans.
5. Entech Engineering, Inc., to Guardian Construction, dated 1/15/07, re: transmittal of project manual and Change Order for the spray field improvement project and issuance of Notice to Proceed.
6. J. Keath Fetter, Esq., dated 1/22/07, re: transmittal of signed originals of the Performance and Payment Bonds between Guardian Construction Company and United States Surety Company.
7. Chester County Planning Commission, dated 1/23/07, re: meeting of Chester County Utility Providers to be held on 2/23/07 at the Government Services Center for an update of the County's policy plan, *Landscapes*.
8. Heritage Building Group to J. Keath Fetter, Esq., dated 1/24/07, re: transmittal of original and amended Letter of Credit for the Highspire Estates Capital Reserve Account.
9. Heritage Building Group, dated 1/25/07, re: Escrow Release Request #9 for Highspire Estates.
10. DEP, dated 1/26/07, re: receipt of an administratively complete application for construction of a water supply system for the proposed Hamilton Subdivision.
11. DEP, dated 1/30/07, re: permit coordination with other regulatory programs within the Department concerning the Hamilton Subdivision water supply system.
12. Entech Engineering, Inc., to Guardian Construction, dated 1/31/07, re: notice that installation of ball valves on the spray risers is not required as called for in Addendum No. 1 of the contract documents.
13. Heritage Homes Group, dated 1/31/07, re: notice that EarthCare, the hauler designated in the pump and haul agreement for Highspire Estates, is being sold to McGovern Environmental, LLC.
14. Notice of Applications received by the Delaware River Basin Commission, including the application submitted by The Hankin Group for the Hamilton Subdivision.
15. Nave Newell to PennDOT, dated 1/12/07, re: renewal applications for the Highway Occupancy Permits related to the school district project.
16. PA Fish & Boat Commission, dated 1/05/07, re: renewal of the Algicide permit issued in 2006 for use in the lagoons.
17. E.B. Walsh, dated 2/12/07, re: response to Authority Engineer's third review of plans for Hamilton Subdivision.
18. Entech, dated 2/19/07, re: approval of amended escrow release #9 for Highspire Estates.

OPERATOR'S REPORT

Flow and sampling data collected for the month of January indicate the plant was compliant with the permit conditions.

There were no emergency visits in January.

D & F Construction excavated a suspected break in the force main from the plant to the spray fields, but no break was found. While on site, D & F repaired a break in a water spigot near the lagoon. Two pressure gauges were ordered to replace the fault gauges on the spray pumps.

For future reference, Mr. D'Angelo mentioned he owns sounding equipment that can be used to listen for breaks in the sewer line before having to resort to the expense of excavation. The Operator will be duly notified.

SOLICITOR'S REPORT

A proof of claim has been filed in the Nancy McDonough bankruptcy proceeding. The court is expected to decide within the next month or so whether an acceptable payment plan can be designed. If a payment plan is not confirmed, the Sheriff's Sale will be rescheduled. A municipal claim has been filed against James Trego for nonpayment of the 4th quarter user fees.

The Solicitor attended the Board of Supervisors meeting on January 17 to review the terms of the Hankin sewer construction agreement. The Board requested additional time to review the document. Hankin's attorney will likely wait for a formal response from the Township before finalizing the water system agreement.

The final details on the sewer construction agreement for the Brandywine Hill project have been resolved with the attorney for Heritage, and a clean copy is expected for final review by the Authority in the near future.

The letter of credit and amendment thereto as issued by Heritage's bank for the operating reserve has been reviewed. The amendment was necessary because of a mistake in wording in the original letter. The documents are satisfactory, and the Authority should sign the amendment and return a copy to the bank. There has been additional communication with Heritage about providing advance notice to the Authority about upcoming property settlements. Details of the pump and haul operation are also being worked out.

Signed originals of the performance and payment bonds for Guardian Construction Company were reviewed and found to be in order. The originals were forwarded for the Authority's files. The Engineer forwarded Change Order #1, and it was found to be in order and ready for signature by the Authority.

ENGINEER'S REPORT

Rorke Project –Construction on the treatment plant building continues. A meeting was held with Metz Engineers at the site to review the status of the project. Metz is continuing with the construction observation due to their involvement and familiarity with the project. A follow-up meeting was held at the site yesterday with representatives of Entech, Metz Engineers, Pikeland Construction, Evans Mill Environmental and Heritage Building Group in attendance and meeting minutes were prepared. The purpose of the meeting was to review the schedule of completion and the current escrow release request. Frank Branigan of Heritage said he anticipates completion of the treatment plant in April, but, due to the slow housing market, he does not envision having enough homes occupied to operate the plant until 2008. However, Mr. Branigan also mentioned he thought that plant start-up could be achieved at 20% rather than 30% of design capacity if raw sewage is brought in to feed the plant. Mr. Riley asked Dan Hudson of Evans

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Mill to discuss this option with the treatment plant manufacturer and provide documentation on the requirements to operate the plant properly. Mr. Hudson mentioned the plant would be turned over to the Municipal Authority as soon as it becomes operational. Mr. Riley said he was not familiar enough with the terms of the sewer agreement to know whether Mr. Hudson meant the Authority would assume responsibility for operation of the plant or take dedication of the plant. He will review the terms of the agreement and consult with the Authority Solicitor, if needed, but did state that it will be necessary for him to observe the pumps in operation and make sure the plant can meet the required effluent removal limits prior to recommending acceptance of the offer of dedication. Upon receipt of the construction schedule from Pikeland Construction on Friday, Mr. Riley will forward it to the Authority members. He will prepare a similar schedule on the elementary school and spray field improvement projects and forward them to the members as well.

Hankin Project – A meeting with the Hankin design team was held on January 30 to review the project. Entech continues to review the plans from the point where they were left by S C Engineers. A workshop with The Hankin Group was also held earlier this evening to discuss various items including a business plan for the water system, mowing frequency of the drip field, status of the DRBC and DEP permits, and the water line through the preserve area. Mr. Riley will contact the Chairman tomorrow with a rundown on the major items in Dan Shoemaker's third review letter of 12/31/06 that remain outstanding.

Springton Manor School – A pre-construction meeting was held on January 26 to discuss the work required across the spray field to connect the proposed elementary school to the lagoon. Meeting minutes were issued on 1/30/07. Constructability issues were raised by the contractor. Nave Newell issued an e-mail on 1/31/07 with potential design alternatives. The Engineer reviewed these alternatives with some of the Authority members on 2/06/07. Additional alternatives were identified and submitted to Nave Newell for further investigation. Mr. Riley and Tom D'Angelo attended a meeting last Wednesday at the site with the design engineer, Nave Newell, and the contractors involved in the project. At that time, Mr. D'Angelo presented his plan for an alternate design installation utilizing a 10" PVC SDR-35 pipe as a casing pipe with an 8" SDR-26 HDPE pipe as the carrier pipe. Stone bedding is to be used minimally, and, wherever possible, native fill is to be placed back in the trench. In the event excessive groundwater is encountered, the contractor will be required to install additional bentonite water dams along the trench and at the manholes to prevent the migration of water along the trench. Entech plans to have a full-time observer at the site during construction. Mr. D'Angelo advised that the SDR 26 HDPE pipe is being held under his name and needs to be transferred to the contractor. Mr. Riley will send an e-mail to Steve Stoltz at E. R. Stuebner tomorrow about contacting the vendor immediately to acquire the pipe.

Glenmoore Treatment & Disposal System – Entech issued the signed contracts, Notice to Proceed, and Change Order #1 to Guardian Construction Company as directed at the last meeting. A pre-construction meeting was held on 1/26/07, and meeting minutes were issued. Guardian has begun to submit shop drawings for the project and had anticipated a construction start the week of February 12. However, Guardian has raised a concern that the design plans,

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which utilized the as-built drawings prepared by Tatman & Lee Associates, had inconsistencies compared to the existing sprinkler heads on site. Potential corrective actions were sent via e-mail to the Authority members, and, as a result, the Township Road Crew will go out with Castle Valley and mark those tie-in points. Guardian expects to start excavating next week and close out the project prior to the Operator's requested deadline of March 15. By letter of 1/31/07, Guardian has been advised that the installation of ball valves on all spray risers as part of their contract is not required because they were previously installed by the Operator. Walter Grube of DEP attended the pre-construction meeting with Guardian and has visited the site to investigate the spray field prior to excavation for the School District project. If the contractor for the school project is not ready to proceed in March, the Operator has advised there is a 2-3 week window in early June after the farmer does the first cutting of the spray fields.

OLD BUSINESS

Heritage Building Group has provided notice that EarthCare, the wastewater hauler designated in the pump and haul agreement for Highspire Estates, is being sold to McGovern Environmental. The pump and haul agreement requires that the wastewater from Highspire Estates be disposed of at the Authority's Glen Moore plant. The Township Building Inspector advised that he refused the first load because it contained paint or paint chips, so the wastewater was disposed of at Pottstown. All subsequent loads were taken to Pottstown as well. Due to the Operator's concerns about storage, the developer was notified to continue hauling wastewater to Pottstown until further notice.

The pump and haul agreement with Heritage also requires a \$25,000 escrow to be posted with the Authority for its use in the event the owner/developer fails to meet its obligations under the agreement. The attorney for Heritage has requested permission to post \$5,000 in cash with the remaining \$20,000 as a bond. The Authority's Solicitor recommended a cash escrow of \$10,000 with the remaining balance as a bond or letter of credit. The Authority concurred with the Solicitor's recommendation for a minimum of \$10,000 cash with the balance in whatever form is easiest for the Authority to execute, if it becomes necessary.

Statement of Financial Interests forms are due by May 1, 2007.

NEW BUSINESS

The PA Fish & Boat Commission provided an application to renew the Algicide Permit for 2007, which now requires the submission of a map of the water body location. The application will be forwarded to the Operator for completion.

The Board of Supervisors received a conceptual plan for development of the Greenfield property on Little Conestoga and Marshall Roads proposing a golf course, country club, and 150 homes. A representative of Albert M. Greenfield and Company contacted the Authority's Solicitor to request a copy of the Hankin sewer agreement. No formal submission has been made to date, and no information has been provided on the proposed water or sewer facilities for the project.

The Secretary reported that the prospective buyer of a home at 161 Indiantown Road has inquired about connecting to the public sewer system. The home is located in the Sewer Service Area, but the previous owner opted out because the home is located more than 150 feet from the sewer main. The septic system has now failed, and the buyer is comparing the connection costs versus the cost of a new on-lot system. In order to save piping and excavation costs, the buyer questioned whether it would be possible to tie into an existing lateral that presently serves two neighboring properties. Mr. D'Angelo commented that each house should have its own individual lateral, and a shared lateral should not be considered under any circumstance.

The Chairman reported that, while reviewing the Hamilton Subdivision, the Planning Commission noticed there are conflicts between the Authority's Standard Specifications and the Township Ordinances, particularly regarding plantings and easements. The Specifications state that "no tree or bush shall be placed within 10 feet of any sewer or lateral" which effectively creates a situation of having 20' wide strips where plantings would not be allowed. The Planning Commission found this provision virtually eliminated the street trees required by the Township Zoning and Subdivision Ordinances for the Hamilton Subdivision. Mr. Riley commented that the issue of root intrusion is not what it once was since the jointing method for pipe has dramatically improved over time. Reducing the setback requirement to 5' would create only a 10' versus a 20' wide strip where planting would not be allowed. In addition, eliminating the restriction against bushes seems reasonable because bushes are typically removable. The utilities for the Hamilton Subdivision will be located in the street, and the street trees will be planted behind the curb. The Authority will have jurisdiction over the lateral from the main to the property line. Planting restrictions for the sewer laterals beyond the curb line can be addressed in the Homeowner's Association documents. The other conflict pertains to the requirement for sanitary systems to be constructed within a thirty foot wide permanent easement, when a 20' wide easement is more typical in utility work. The Specifications also require 24" vertical separation between water and sewer lines, while the DEP requirement is 18" of vertical separation. After lengthy discussion, it was determined the Specifications can be appropriately amended to achieve the objectives of both the Authority and the Township.

Mrs. D'Angelo reported she attended a meeting of Chester County Utility Providers hosted by the Chester County Planning Commission on Friday, February 23. The purpose of the meeting was to provide input on issues related to sewer, water, energy, telecommunications and other utilities for an update to the County's *Landscapes* plan.

ADJOURNMENT

The meeting was adjourned at 8:15 PM. The next meeting is Tuesday, March 13, 2007.

Respectfully submitted,

Jan C. Bednarchik
Secretary