

**WALLACE TOWNSHIP MUNICIPAL AUTHORITY  
APRIL 10, 2007**

The Wallace Township Municipal Authority meeting of Tuesday, April 10, 2007, was called to order at 7:00 PM in the Municipal Building by the Chairman.

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

Also in attendance:   Steve Riley, Entech Engineering  
                              Brian Norris, Clean Water  
                              Nick Rakowski, Nave Newell  
                              Debbie Shulski, Riley, Riper Hollin & Colagreco  
                              Walter Gromo, Rob Schane and Scott Carter, Devereux Brandywine

**PUBLIC COMMENT**

None.

**MINUTES**

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

**CORRESPONDENCE**

1. Clean Water, Inc., dated 4/07/07, re: Operator's monthly report.
2. J. Keath Fetter, Esq., dated 4/06/07, re: Solicitor's monthly report.
3. Entech Engineering, Inc., dated 4/05/07, re: Engineer's monthly report.
4. Entech Engineering, Inc., to Guardian Construction Co., dated 3/14/07, re: response to request to utilize a subcontractor for the spray field improvement project.
5. J. Keath Fetter, Esq., dated 3/16/07, re: transmittal of \$25,000 check from Heritage for the Highspire Estates pump and haul escrow.
6. Heritage Building Group, dated 4/02/07, re: transmittal of all hauling manifests from pump and haul operation at Highspire Estates.
7. Nave Newell, dated 4/04/07, re: sewage flows for Devereux Brandywine.
8. The Hankin Group to Entech Engineering, dated 4/05/07, re: transmittal of various letters from Fire Marshal and copy of Design Engineer's Report.

**TREASURER'S REPORT**

The following bills were presented for consideration:

- a. Verizon - **\$56.30** for phone @ operations bldg.
- b. Clean Water, Inc. - **\$1,595.00** for operator services (March)
- c. Jan Bednarchik - **\$986.82** for secretarial services (March & postage)
- d. PECO - **\$883.59** for electric @ main pump station & Devereux
- e. Entech Engineering - **\$17,236.62** for engineering services (2/24 – 3/30/07)

- f. Swartz Campbell - **\$1,526.00** for legal services (March)
  - g. Ink's Disposal Service - **\$435.00** for cleaning main & Devereux pump stations and 2 individual grinder pumps (440 Fairview & 2120 Creek Road)
  - h. Analytical Labs - **\$51.60** for lab testing (March)
  - i. J. T. Seeley - **\$348.72** for start relay, capacitor & contactor
  - j. East Jordan Iron Works - **\$344.84** for manhole frame & cover for Fire Hall repair
  - k. D&F Contractors - **\$840.00** for excavating to locate leaks @ plant
- TOTAL: \$24,304.49**

Mr. Yuhas moved to approve invoices "a" through "k" above as presented. The motion was seconded by Mr. DePedro and was unanimously approved. The sum of \$13,401.41 will be reimbursed to the Municipal Authority from the various review/construction escrow accounts.

The two CDARS accounts at National Penn Bank were reinvested at a rate of 4.93% for a term of 13-weeks. The maturity date is June 28, 2007.

### **OPERATOR'S REPORT**

Brian Norris attended the meeting to report on plant activities for the month of March as follows:

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

Spray irrigation has commenced but was discontinued when it became obvious that a lateral was broken during installation of the gravity line for the school. The School District's contractor will be out on Friday to make the repair and restore the area. Grass is already beginning to grow in the restored area over the gravity line.

The new manhole frame and cover were received from East Jordan Iron Works for the repair at the fire hall. The frame and cover are oversized to distribute the weight off of the tank. The Municipal Authority previously agreed to purchase the traffic rated frame and cover with the understanding that the Fire Company and Township Road Department will work together on the installation. The macadam will be tapered to prevent groundwater infiltration, and the original lid will remain in place for extra protection.

There were 5 emergency visits in March: 401 Fairview Road (replaced pump), 441 Fairview Road (replaced pump), 2120 Creek Road (stuck Float), 27 and 29 Ashlea (stuck floats). Also, D&F Contractors repaired a broken nipple at 25 Ashlea Drive. The grinder pump station at 2120 Creek Road was clogged with excessive grease and debris, and Ink's Disposal Service was called to clean the two tanks serving this 4-unit apartment building. The property owner will be billed for the emergency visit and cleaning because the tanks had just been cleaned in June 2006. The Operator did speak with some of the tenants about not disposing of grease and toiletry items into the sewer system.

The grinder pump at 401 Fairview Road had been replaced in September 2006. However, the contactor was stuck in the on position and damaged the pump. Ink's Disposal was called to

clean the tank, and the bottom base must have been corroded because it was completely gone. Therefore, PreDOC was called to retrofit the tank with the new Little Giant system. This will count toward one of the scheduled rebuild jobs for the year.

A similar repair was necessary at 440 Fairview Road because there was a bad wire in the junction box. Someone installed a second junction box outside of the junction box on the outside of the tank. PreDOC rewired from the panel to the tank and replaced the pump. This will also count toward one of the scheduled rebuild jobs for the year.

Mr. Yuhas questioned how long the new pumps will run dry before causing irreparable damage. The Operator did not know the answer to that question but did say that he believes more damage can be done from a low level alarm than a high level alarm. Mr. Yuhas requested a schematic of the Little Giant grinder pump system and suggested a low level alarm become part of the retrofit, if possible.

### **SOLICITOR'S REPORT**

The Bankruptcy Court dismissed Nancy McDonough's bankruptcy petition on 3/20/07 because she failed to pay the required filing fee within the time specified. The Solicitor expects her mortgage bank to reschedule the sheriff's sale in the foreclosure action. A municipal claim will be filed for the fourth quarter of 2006 and for the first quarter of 2007. Municipal claims will also be filed against Baum, Hammond, and J. Trego if payment of the first quarter user fees is not received within the next week.

The sewer construction agreement for the Hankin project has now been signed by the Township Supervisors. Hankin's attorney is expected to submit a draft of the water agreement in the near future.

The final construction/operation escrow agreements for Brandywine Hill have been signed by all parties, and the escrow has been funded by letter of credit from Heritage's bank.

Heritage posted the entire \$25,000 pump and haul escrow in cash. Heritage's engineer is preparing a submission to DEP to request an extension of the pump and haul permit which expires in June. Heritage is seeking to reduce the escrow for Authority expenses proportionately as the construction escrow is reduced. Mr. Riley will address this issue in his report.

An updated report on the consulting services agreement with Entech was submitted.

### **DEVEREUX EXPANSION PROJECT**

Debra Shulski, Esquire, of Riley, Riper, Hollin & Colagreco, attended the meeting to discuss the Devereux application for expansion of the Brandywine campus. According to Ms. Shulski, Devereux originally submitted a sketch plan of proposed upgrades to the Township in 2002, and the Board of Supervisors granted Conditional Use Approval in April, 2006. The land development plan review process is now underway, and the issue of sewage capacity needs to be

addressed. Nick Rakowski of Nave Newell, Inc., provided the Authority members with a copy of a letter from John Miller, former Authority Chairman, dated 12/18/91, granting Devereux an additional 3,000 gallons per day (gpd) for a total allotment of 18,000 gpd in the public sewer system. Mr. Newell also noted that, in 2006, the Devereux Foundation installed a number of water saving plumbing fixtures to reduce flows to the treatment facility. Since October 2006, the flows to the treatment plant have averaged in the range of 10,048 gpd to 12,790 gpd. As a result, Devereux is below its original allotment of 15,000 gpd and well below its amended allotment of 18,000 gpd. Mr. Gromo, Executive Director at the Brandywine Campus, advised the pending land development plan proposes one new residential dormitory. However, the new building will take other residential buildings out of service, so the school population will change by no more than ten students. He explained that the school census is a constantly changing number with less students in the summer months and more in the fall/winter, but the total population never exceeds 138 students. Mr. DePedro questioned whether there is a chance the old buildings could be reopened for housing in the future, causing an increase in sewage flow. Mr. Gromo replied that Devereux is licensed by the state for a certain number of students, and the state would have to amend its license in order to use the old buildings. Rob Schane, Building Supervisor, stated Devereux maintains the entire collection system on the campus up to the Authority's pump station.

Mr. Yuhas moved to provide written affirmation to Devereux Brandywine that the sewage capacity previously reserved by Agreement with the Authority in 1986, as amended in 1992, is adequate to handle the additional sewage flow from the nominal increase in student population proposed by the pending land development plan. Mr. Yuhas further moved that the letter of adequacy is contingent upon coordination of the land development plan review process with the Township, including a review by the Authority's Consulting Engineer for sound engineering design, compliance with the original agreement, and verification that the Devereux pump station is rated to handle peak flow, with all professional consulting fees reimbursed to the Authority; and, that sufficient funds are posted in escrow with the Township for testing and inspecting all sewer laterals and manholes. Mrs. D'Angelo seconded the motion and it was unanimously approved. The Secretary will contact the Township to discuss the construction escrow and the coordination of inspection responsibilities for the collection system. Ms. Shulski advised that Devereux is in agreement with proceeding as prescribed by motion of the Authority.

### **ENGINEER'S REPORT**

Rorke Project – Pursuant to the discussion at the last meeting, a sample exterior grating option for the window at the Highspire Estates treatment plant was provided by Pikeland Construction. Pikeland suggested a more attractive alternative would be to mount steel bars on the inside so the window can be opened for ventilation, yet someone cannot break the window and gain access. After some discussion, the Authority agreed with the concept of interior bars on the window, but requested additional details and a higher end paint spec to prevent rust. Mr. Riley will request additional details, but mentioned that security bars were not part of the approved plan, so the developer may balk at footing the bill.

The Developer's request to install the propane tanks above ground at both the treatment plant and the dosing station was also discussed. The original plan called for the propane tank at the treatment plant to be above grade, and the propane tank for the dosing tank to be below grade. Both sites will be fenced. Two 100 lb. propane tanks were originally proposed for the treatment plant, but recalculations by the design engineer determined that a 500 lb. tank is required. The Authority's preference is that both propane tanks be installed below grade. Mr. Riley will relay this preference to Heritage. However, the Authority understands that Heritage may decide to follow the approved plan rather than incur the additional cost to install both propane tanks below ground.

By letter of 3/29/07, Frank Branagan of Heritage requested some direction on what constitutes substantial completion per the terms of the construction agreement in order to reduce the retainage. The agreement states: *"Ten (10%) percent of the Treatment Plant Costs and ten (10%) percent of the Collection System Costs shall be considered a "retainage" amount and may be withheld at the discretion of the Authority until such time that the Treatment Plant and the Collection System are substantially completed in accordance with the terms of this Agreement, as determined by the Authority Engineer, based on such inspections and tests as are satisfactory to the Authority Engineer."* Mr. Riley explained that 10% retainage is withheld on each escrow release and, in addition, there is a 10% contingency fee, so the Authority is actually holding a total of 20%. The agreement does not address a release or reduction of the 10% contingency. To date, Heritage has not sought any release of the 10% retainage or contingency fund. Mr. Riley discussed this matter with the Authority's Solicitor, and they concluded that it would be appropriate for Heritage to request a reduction in the 10% contingency in an amount equal to the percentage of completion of the project. The Authority would continue to withhold the 10% retainage on each escrow release. The definition of substantial completion, according to Mr. Riley, would be when the plant has operated for a period of time and has demonstrated its ability to treat flow and meet the effluent discharge requirements. Mr. Yuhas advised the Municipalities Planning Code allows a 10% retainage to be withheld to the end of the project and then a 15% maintenance bond is posted for a period of 18 months. Since the Authority is able to retain 20% per the agreement, Mr. Yuhas suggested reducing the contingency to 5% and withholding a total of 15% for a period of 18 months after completion. Heritage did not submit an escrow release request this evening, so it was not necessary for the Authority to take action at this time. Therefore, Mr. Riley suggested inviting the Solicitor to attend the next meeting to discuss the terms of the agreement relating to retainage, as well as the maintenance bond period, and ultimate ownership of the plant.

Hankin Project – There was no significant activity during the past month.

Springton Manor Elementary School – Construction of the gravity line began on 3/06/07. Entech provided full-time construction observation as requested. All manholes were vacuum tested and found to be acceptable. Video inspection of the pipeline was performed on 3/27/07, and no signs of pipe sag were noted. The site was reseeded and mulched. As reported by the Operator, a section of pipe was damaged and will be repaired later this week. Copies of the field observer's reports were sent to the Authority for its files along with a copy of the video inspection report, and all photos from the inspection will be provided in electronic format.

Chapter 94 Report – The 2006 Chapter 94 Report was completed, signed by the Chairman, and submitted to DEP on 3/23/07. Base mapping was obtained from the Chester County GIS Department. This mapping can be used for other mapping needs in the future.

Glenmoore Treatment & Disposal System – Per the discussion at the last meeting, a letter was sent to Guardian on 3/14/07 advising that work could not begin until June due to the need to resume spraying. The letter also addressed Guardian's request for permission to utilize a subcontractor for the work by requesting a certificate of insurance and references for Cloudburst. There has been no response to date. Mr. Riley spoke with Bill Hickman, Project Manager for Guardian, to remind him that this information was necessary before approval could be granted to use a subcontractor. Mr. Riley also suggested to Mr. Hickman that consideration be given to engaging the School District's contractor or another local contractor known to the Authority. Subsequent conversations were also held with Guardian to review their proposed credit of \$1,000 for the 71 brass ball valves plus two day's labor for installation. Guardian has since adjusted its offer to \$1,300. Upon receipt of this new offer, Mr. Riley further researched the cost and found prices ranging from \$24 to \$45 per valve, with the supplier for Guardian having quoted a price of \$28 per valve. Mr. Hickman has now inquired about billing the Authority for storage of the materials for the project at Guardian's shop. He was directed to put this request in writing to the Authority. As for the project delay, Mr. Riley acknowledged that Guardian could have started the project in March, but the timeframe for startup and completion was tight. He advised that Guardian is not in default of the contract at this time, and allowing additional time to complete the job is in order. Mr. Riley was instructed to have a candid conversation with Guardian to determine whether or not they intend to do this work and encourage them to engage a reputable subcontractor to do the work so the project does not have to be rebid. The issue of the credit for the ball valves will be handled as a separate item, and, in lieu of the credit, the Authority may consider taking delivery of the ball valves to be kept in stock for future use.

### **OLD BUSINESS**

Mike Marinack advised that he did purchase the property at 161 Indiantown Road and wishes to pursue a public sewer connection. Despite the fact that the property is located within the Sewer Service Area, DEP now requires a planning module submission or a request for an exemption for all new grinder pump connections. The Secretary will prepare a letter to DEP requesting a planning exemption for the Marinack property based on the fact that the on-lot septic system has failed, the property is situated within the Sewer Service Area, the Authority will own and maintain the grinder pump, and that adequate capacity exists for this individual residential connection.

Mr. Riley is continuing to review the Authority's Standard Specifications and will prepare a list of proposed modifications as previously discussed.

Mr. Riley advised he received in today's mail a copy of the Design Engineer's Report for the Hamilton Subdivision Public Water Supply as well as copies of other correspondence from Jeff Seese, Wallace Township Fire Marshal, Mike Holmes, a consultant to the Wallace Fire Marshal,

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Steve Sauselein of E. B. Walsh & Associates, and Mike Kimble of The Hankin Group. This information was received from Mr. Kimble with a request to review and verify the fire flow requirements for the project.

Discussion of the proposed Consulting Services Agreement with Entech was deferred to the next meeting to allow the members ample to time to read the agreement and the Solicitor's comments.

Mr. Riley will establish a new work order number for the Devereux project and will consult with the Operator on what the original pumps are rated for. The Chairman advised Devereux does not have preliminary plan approval yet. The Planning Commission's concerns to date have focused on the amount of police activity at the campus and the proposed demolition of the Croft building, which is a Class II historic resource. A copy of the Township Engineer's most recent review letter will be provided to Mr. Riley.

Statement of Financial Interests Forms are due 5/01/07.

#### **NEW BUSINESS**

Bob Bezgin is expected to begin the 2006 audit in late April or early May immediately following the completion of the Township Audit.

#### **ADJOURNMENT**

Mrs. D'Angelo moved to adjourn the meeting at 8:59 PM. Mr. DePedro seconded the motion and it was unanimously approved. The next meeting is Tuesday, May 8, 2007.

Respectfully submitted,

Jan C. Bednarchik  
Secretary