

GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, APRIL 16, 2010 MINUTES

The regular meeting of the General Municipal Authority of the Township of Manheim was held on Friday, April 16, 2010 at 7:30 a.m. at the Manheim Township Municipal Building, 1840 Municipal Drive, Lancaster, Pennsylvania. Authority members present were: James J. Lombardo, Edward J. Plakans, and Gary R. Johnson. Also present were Solicitor William C. McCarty, Engineer G. Matt Brown, Engineer Dale Kopp, Finance Officer Dawn M. Stratchko, Michael D. Rimer, and representatives of the Lancaster Bible College consisting of Kathy Gray, Rich Wilson and John Yoder. J. Michael Flanagan and Steven O'Donnell were absent.

Mr. Lombardo called the meeting to order at 7:35 a.m. and led all in attendance in the Pledge of Allegiance to the flag of the United States of America.

The meeting began with a presentation by the Lancaster Bible College (LBC) regarding a proposal to assist in the financing of certain improvements on the college's campus. Kathy Gray began the presentation and outlined some of the history between the LBC and the Authority regarding tax exempt financing. The LBC has a new project in mind and took the early part of the meeting to outline the proposal for the Authority members. After the presentation, the Authority was asked to consider the options and the group agreed that they may need to meet again.

Dr. Wilson and Mr. Yoder focused their presentation on the attached packet of material (attached and incorporated as part of the meeting minutes).

Mr. Lombardo asked when this proposal needed to be finalized and concluded. Ms. Gray indicated that building permitting and financial timing were closely linked. The term of financing (50 years) was also discussed at some length as was the need to amend the Authority's Articles of Incorporation or similar requirements.

Mr. Plakans raised a question regarding the use of Authority funds for religious buildings at a religious school. Mr. McCarty confirmed that religious buildings would not be permitted to be financed with public funds under the requirements of the PA Authorities Act and that LBC does issues bachelor degrees. Mr. Yoder used the illustrations to describe what buildings on the campus were deemed to be exclusively religious and those that were not.

Mr. Johnson asked about the previous financing done for a similar LBC project and it was mentioned that the amount was \$3 million dollars and the LBC paid this loan off earlier than anticipated. Mr. Johnson also asked the LBC reps about the level of enlistment in the current capital funding drive at LBC. Dr. Wilson indicated that it has been going very well. Planning is underway. Ms. Gray also indicated that LBC was essentially debt free and in a good financial position to proceed with capital improvements.

GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, APRIL 16, 2010 MINUTES

Mr. Lombardo asked how the bonds would be owned or controlled...would these be Authority bonds or not. Mr. McCarty outlined the bond procedures and "pass through" and "conduit" type arrangement in the past. Mr. McCarty indicated that Commissioner Flanagan is the only one with historical knowledge as to how this was done in the past. Mr. Lombardo questioned whether the financing being proposed would have an effect on the Township or Authority credit rating or debt capacity.

At this point in the meeting (8:00 a.m.), the Authority recessed for a short Executive Session to discuss real estate acquisition matters.

EXECUTIVE SESSION

At 8:06 a.m., the Authority concluded its executive session and Mr. Lombardo proceeded with the meeting.

Mr. Lombardo questioned Mr. Rimer on the status of The Crossings. Mr. Rimer indicated that he had not heard anything in the recent months, but recently did hear "rumor" that the developer has been exploring various alternatives in terms of site development intensity and use, but that he was not aware of any official applications for development or building.

Mr. Johnson motioned to approve the minutes of the January 15, 2010 meeting. The motion was seconded by Mr. Plakans and approved unanimously.

Mr. Plakans motioned to accept the Financial Reports for January, February and March 2010. The motion was seconded by Mr. Johnson and approved unanimously. Mrs. Stratchko informed the Authority that the tap-in fee trends were reflecting activity and good numbers. Data from February was the last Mrs. Stratchko had to report due to the Township Audit being underway and putting a demand on her department. She would follow up with the full quarter info at the next meeting.

Mr. Plakans motioned with a second by Mr. Johnson to approve the following bills and invoices for payment:

1. Payment to ARRO Consulting, Inc. in the amount of \$19,494.11.
2. Payment to C. S. Davidson, Inc. in the amount of \$635.25.
3. Payment to Hartman, Underhill & Brubaker LLP in the amount of \$7,730.53.
4. Payment to Lancaster Newspapers in the amount of \$2,460.34
5. Payment to PMAA in the amount of \$928.32.

GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, APRIL 16, 2010 MINUTES

Mr. Lombardo noticed that the PMAA dues were up this year. Mrs. Stratchko indicated that the PMAA dues are based on revenues and the Authority's revenues are also up.

The motion to pay the bills was approved unanimously.

Mr. Brown of ARRO provided the Authority members with an update to the Booster Pump Project. He indicated that the bids are in and there are three contracts related to the project. Mr. Brown discussed the disposition of each bid and indicated the total project by bid would be approximately \$4.596 million in cost. Mr. Brown further explained some issues with bid communications and the process required of moving the 4/18/10 bid deadline to another future date and meeting. The Authority members felt all of the members should be present and it was felt that an extension can and should be done. Mr. Lombardo suggested a short lunchtime meeting or other meeting convenient to all members would be most desirable for such an important project.

Mr. McCarty provided a short update to the PPL Inc. land acquisition process and how this was in the final stages of completion, though he did not have a definitive date. Extension of the bid timing may be necessary as the acquisition of real estate wraps up. Mr. Brown indicated that the Notice of Intent (NOI) to bid could be adjusted accordingly. Mr. McCarty offered to monitor the PPL, Inc. RE transaction closely and advise Mr. Rimer and Mr. Lombardo in 60 days as to whether a separate special meeting would be necessary or not. Mr. Kopp of ARRO indicated that the water main component of the project is a stand alone item with only minor R/W issues that are being worked out.

Based on the timing of the various facets of the project, Mr. Lombardo felt that the authority should hold off on a special meeting and there was consensus that a special meeting was not necessary in exchange for finalizing the bid and awards at the Authority's next meeting. Mr. McCarty and Mr. Rimer agreed to coordinate any needed meeting after the 60 days.

Mr. Lombardo requested improvement in the dissemination of information as we go forward and Mr. Brown agreed to send all information electronically to Mr. Rimer and Mr. Lombardo to ensure quick and efficient distribution of info to the Authority as needed.

Mr. Lombardo requested that, based on the meeting discussion and update, the Authority table the bid award. The motion was made by Mr. Johnson, seconded by Mr. Plakans and approved unanimously. Mr. Brown agreed to proceed with these recommendations and notify all low bidders with the extension schedule and the basis for the changes.

Mr. Lombardo asked if there was any other business for the Authority. Mr. Rimer mentioned that the staff is interested in bringing to the Authority's attention the need for a water line extension at the Weaver Road park property. The Township was interested

**GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, APRIL 16, 2010 MINUTES**

in determining the willingness of the Authority to assist in the project. The Authority raised a few question about the project and Mr. Rimer agreed to invite key staff members to present the project proposals and more detailed information about the project for discussion at its next meeting. This was agreeable to the Authority members present.

There being no further business, on a motion by Mr. Johnson, seconded by Mr. Plakans, the meeting was adjourned at 8:47 a.m. Motion carried unanimously.

The next scheduled meeting will be Friday, July 16, 2010 at 7:30 a.m.

Respectfully submitted,

Michael D. Rimer,
Recording Secretary