

GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, JULY 17, 2009 MINUTES

The regular meeting of the General Municipal Authority of the Township of Manheim was held on Friday, July 17, 2009 at 7:30 a.m. at the Manheim Township Municipal Building, 1840 Municipal Drive, Lancaster, Pennsylvania. Authority members present were: James J. Lombardo, J. Michael Flanagan, Edward J. Plakans, Ann M. Krissinger and Gary R. Johnson. Also present were Solicitor William C. McCarty, Engineer G. Matt Brown, Finance Officer Dawn M. Stratchko and Township Manager-Secretary Michael D. Rimer.

Mr. Lombardo called the meeting to order at 7:32 a.m. and led all in attendance in the Pledge of Allegiance to the flag of the United States of America.

The minutes of the April 17, 2009 meeting were approved as presented on a motion by Mr. Flanagan, seconded by Mr. Johnson. Mrs. Krissinger also requested some clarification on the final borrowing figure for the water line project. Mrs. Stratchko indicated that the final figure is \$4 million for the projects. Motion carried unanimously.

The financial reports for April, May and June 2009, were accepted on a motion by Mr. Johnson, seconded by Mr. Plakans. Motion carried unanimously.

After general discussion of the invoices, the following bills were approved for payment, on a motion by Mrs. Krissinger, seconded by Mr. Flanagan:

ARRO Consulting, Inc.	\$84,525.74
Hartman, Underhill & Brubaker LLP	\$1,426.98
Lancaster Newspapers.....	\$49.34

Motion carried unanimously.

Dawn Stratchko discussed the fact that tapping fees are down compared to previous years. The negative trends are directly related to the slowing of the housing development market and general economic conditions. Mr. Lombardo questioned as to whether there are any new developments on the horizon. Mr. Flanagan indicated that there are some projects. He questioned the timing of tapping payments in the development process as a one time amount or spread over time. Mr. Brown and Mr. Rimer indicated that these fees are phased over the course of a development project as a developer prepares the structure for occupancy. Mr. Lombardo asked whether we are OK with the borrowing and the required payments. Mrs. Stratchko indicated that she feels the Authority is OK but that it may need to dip into its reserves when tapping fees are very low.

Mr. Lombardo indicated that the Authority had no "Old Business."

Matt Brown provided an explanation of the West Earl Township water line project and how it related to the General Municipal Authority's Neffsville water line and water tank

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project. Mr. Brown's key point was that additional water capacity for the system in general is a by-product of the Neffsville tank project and will improve the City's capability to send water to West Earl Township. The primary goal of the Authority's project is increased pumping and maintenance of property tank capacity. Mr. Brown also outlined the recent developments working with PPL Inc. on the subdivision process and some indecision by PPL Inc. staff on the final result of the subdivision. This is taking time, but seems to be moving forward. Mr. Flanagan questioned whether the Authority can begin bidding now and before S&LD approval. Mr. Brown indicated that the key to moving forward on the bidding is the DEP permits. The Authority can bid as the permits are administratively complete, but we are waiting for the technical review and final approval. Mr. Brown indicated that the lot has changed from $\frac{1}{2}$ acre to $\frac{1}{4}$ acre in size.

Mr. Lombardo asked how these activities are influencing the start date as the Authority's intentions were to start the project early. Mr. Brown indicated that the project should be under construction by the end of the year. Mr. McCarty indicated that funds for land acquisition will be ready for use shortly. Mrs. Krissinger questioned whether West Earl was aware of our project. Mr. Brown indicated that in our meetings that West Earl Township and the City were present and aware of the project. Mrs. Stratchko recommended getting the design plans to Phil as soon as possible for review and coordination with other Township capital projects. Mr. Brown indicated that he would do this. Mr. Lombardo also requested that since the Authority does not meet for a few months that the members should be kept informed and updated on the progress. Mr. Brown indicated that this would not be a problem. No more discussion. On a motion from Mr. Flanagan, seconded by Mr. Johnson, the Authority agreed to amend the May 27, 1997 Agreement (City, West Earl Township and Manheim Township). Motion carried unanimously.

Mrs. Stratchko indicated that the Township did extremely well on the final financing and rates for all borrowing. All early estimates had the borrowing at 4.5% or 4.6% levels. The final amount for the Authority's \$4.0 million portion will be financed at 4.31%. Mr. Lombardo indicated that the resolution states the Authority will pay the Township. Mr. McCarty indicated for the records that the draft resolution is complete except for a minor adjustment to clarify the project as "pumping station and tank storage." He will amend this for the documents to be executed, if approved. Mr. McCarty requested that Mr. Johnson or Mr. Lombardo would need to execute and return the documents. Also, Mr. McCarty wanted to clarify that although the resolution indicates that the Authority will use its funds to pay the Township for the bond, the Authority will charge its own tapping fees. Mrs. Krissinger requested some clarification on the total amount being borrowed, which Mrs. Stratchko indicated is \$4.0 million dollars. Mr. Flanagan clarified that it is the Authority's obligation to pay the Township back. Mr. McCarty reflected on the process and indicated that this payback alternative was one of several presented and proved to be the most economical alternative. No more discussion. On a motion from Mr. Johnson, seconded by Mr. Plakans, the Authority agreed to adopt the Resolution in

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Connection with the Pump Station Water Line project being financed by Manheim Township. Motion carried unanimously.

Mr. Lombardo looked to the audience for any public comments or other business. Hearing none, Mr. Lombardo handed out and introduced a potential project to the Authority members to assist in installing some improvements to the recently completed Bocce courts located at Overlook Park. The facilities would benefit from lighting, covers to permit play in the evening and to protect the courts from adverse weather conditions. Covering alone could minimize expenses up to \$20,000 per year on seasonal maintenance costs. East Hempfield Township has constructed a similar pavilion structure to protect their assets. Mr. Lombardo directed the Authority's attention to a memo prepared by Mr. Neff, Director of Public Works to Michael Rimer, Township Manager. The memo outlined several different project combinations at various expense levels. The Authority members had some brief discussion. Mrs. Krissinger recommended waiting until September to see what the status of the Authority's project would be then. Mr. Rimer reminded the Authority that it has committed funds in the amount of \$300,000 to assist in the MTPL building project and specifically its geothermal heating/cooling system and that if the PEDA grant for this system, which is covering the total cost, is approved, the Authority members could use these funds for other projects or elect not to do so. Mr. Flanagan agreed the Authority should wait until we hear about the results of the grant. Mr. Lombardo thanked the members for their thoughts and comments. No action was taken and there was no further discussion.

There being no further business, on a motion by Mr. Flanagan, seconded by Mr. Johnson, the meeting was adjourned at 8:34 a.m. Motion carried unanimously.

The next scheduled meeting will be Friday, October 16, 2009 at 7:30 a.m.

Respectfully submitted,

Michael D. Rimer. Manager-Secretary
Recording Secretary