

GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, JULY 20, 2012 MINUTES

The regular meeting of the General Municipal Authority of the Township of Manheim was held on Friday, July 20, 2012 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, Gary R. Johnson, Steve O'Donnell, and J. Michael Flanagan. Also present at the meeting were Solicitor William C. McCarty, Engineer G. Matt Brown, Dawn Stratchko, and Michael D. Rimer, Recording Secretary.

Mr. Flanagan 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.

By a motion from Mr. Lombardo, seconded by Mr. Plakans the Authority took action to approve the minutes of the January 20, 2012 meeting. The motion was approved unanimously.

Mr. Lombardo motioned to accept the Financial Reports for April, May and June 2012.

Mrs. Stratchko offered a few comments on the Authority's financial trends over the year so far. Currently, financial activity is strong and tapping fees are keeping pace. As of June, the tapping fees equaled around \$250,000 which matched the entire 2011 tap in fee activity. Mr. Lombardo asked if we had any information that will assist in understanding housing and building trends for future forecasting. Mr. Rimer indicated that he would research whether the Code Compliance Department and/or the Planning and Zoning Department was tracking building absorption, which is the development permits tracked over lots subdivided.

The motion was seconded by Mr. Plakans and approved unanimously.

On a motion by Mr. Lombardo, second by Mr. O'Donnell, the Authority unanimously approved the payment of the following bills and invoices:

1. Payment to ARRO Consulting, Inc. in the amount of \$6,559.53
2. Payment to Hartman, Underhill & Brubaker LLP in the amount of \$11,787.59
3. Payment to Manheim Township Commissioners in the amount of \$73,791.88.

The motion to pay the bills #1, #2, and #3 were approved unanimously.

There was no old business.

Mr. Flanagan asked the representatives of the Presbyterian Homes to discuss their project with the Authority. Project is moving at a significant pace above initial plans. Presbyterian Homes is excited to be in a position to complete the campus and create a mark of distinction in the community. Mr. McCarty refreshed the Authority's memory in

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the Presbyterian Homes has been working toward taking advantage of public financing similar to that of Presbyterian Homes initially and Lancaster Bible College. This particular project involves Presbyterian Homes second and third phases. Mr. Lombardo asked whether there was a completion deadline for the project. Representatives of Presbyterian Homes said that there are 208 units in the project and that the buildings will be completed in January 2013, with "move in" date set for February 2013. Mr. Flanagan questioned Mr. McCarty on language in the resolution for the financing pertaining to the Master Trust, which Mr. McCarty indicated had nothing to do with the Authority.

On a motion by Mr. Lombardo, second by Mr. Johnson, the Authority unanimously approved the resolution authorizing financing for Presbyterian Homes, Inc. /The Long Community Inc.

At this point in the meeting, Mr. McCarty started the Public Hearing

PUBLIC HEARING NOTES ATTACHED

Following the public hearing, the Authority focused on a business of a resolution amending the Authority's Articles of Incorporation. Mr. McCarty explained the purpose of the resolution as extending the term of the Authority. Currently, the Manheim Township General Municipal Authority's period of existents ends in the year 2030. Mr. McCarty explained that that the Authority's term of existence is out of sync with the term of recent debt it has incurred with its recent capital project, and the Articles of Incorporation are being extended out 50 years. On a motion made by Mr. Lombardo, seconded by Mr. Johnson, the Authority voted to adopt the resolution amending its Articles of Incorporation. The motion was approved unanimously.

Mr. McCarty inserted a final point on the Authority's financial actions "for the record." Specifically, Mr. McCarty wanted to make sure the Authority was aware that the financing agreement language in this most recent financing included the same provisions as the previous instrument. Mr. Plakans questioned whether the language pertaining to limiting "tax exemption" status was in the agreement. Mr. McCarty indicated that Presbyterian Homes Inc. has agreed to the same terms. Mrs. Stratchko questioned the representatives of Presbyterian Homes, Inc. as to whether the Township could receive a copy of the last "bond documents." It was agreed that these documents would be organized and provided to the Authority.

Mr. Flanagan asked if there was any other business and announced that the authority will be going into Executive Session to discuss a pending law suit. Phil Mellott of the Township staff was present to give the Authority members notice regarding a few matters related to the performance of the Authority's water pumping station and line upgrade project.

Mr. Mellott has received several comments from Township residents in the Four Seasons area and other higher elevation areas regarding the lack of water pressure in

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their areas. Mr. Mellott stated that he has been acting as a "middle man" between resident calls and City Water Department staff. City officials are saying the water is up and the system is working. Mr. Mellott indicated that owners in the area are in process to file complaint the PA Public Utility Commission.

The Authority discussed a variety of possible problems with the pressures as the pump project and line improvement was to correct pressure issues. Mr. Mellott indicated that City officials have been notified about the matter for some time. Mr. Mellott is unable to discern whether the City of Lancaster is interested in taking these complaints to the next level of investigation. Mr. Plakans asked Mr. Mellott at what date did these complaints and issues start. Mr. Mellott indicated about two weeks. The agreed that with the warm water, water usage would be up. Mr. Brown described that the pumps should be keeping the tank up even in the highest usage conditions. Mr. Brown explained that the pumping system response to water level changes with a variable frequency pump systems that is designed to "ramp up" along with the increased usage levels. With the past tank and pumping system, water levels could drop as much as 10 feet, and with a very slow rate of refill, cause low pressure. Mr. Brown explained that this should not be the case with the new system.

Mr. Flanagan indicated that the Authority needs to verify the pump systems performance for the residents experience issues. Mr. Brown indicated that along with water level testing, pressure diagnostics processes in the tank on not expensive.

There was significant discussion about the likelihood that the problem is less about the pump and tank, and more about the possible delivery system issues in the form of valve openings, corrosive lines, cleaning. Mr. McCarty questioned whether the City of Lancaster is capable of doing this diagnostic and potential corrective work. Mr. Plakans asked whether lines can be cleaned. Mr. Brown indicated that they can, but it would also depend on the age and material of the pipe whereby frail and old pipes may degrade from cleaning if they are old.

Mr. Flanagan and the Authority agreed to proceed with checking the pump's performance to insure there are no issues, before focusing on City operations. Mr. Lombardo requested that Mr. Brown develop and present the pumping performance report for the next meeting. Mr. Rimer agreed to provide this in the next meeting packet.

Mr. Mellott sought permission from the Authority to express to the Township residents and complainants that the Authority is taking this matter serious and will be working to diagnose the problem. The Authority agreed to this and felt that it should proceed with diagnosing what it can in the meantime and do anything it can to improve the system performance

With no further discussion, Mr. Flanagan announced that after the meeting the Authority started an Executive Session to discuss current litigations of the Authority. There being no further business, on a motion by Mr. Lombardo, seconded by Mr. Johnson, the

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meeting of the Authority was adjourned at 8:28 a.m. Motion carried unanimously.

The next scheduled meeting will be Friday, October 19, 2012 at 7:30 a.m.

Respectfully submitted,

Michael D. Rimer,
Recording Secretary