

Cecil Township Municipal Authority  
Monthly Meeting  
October 2, 2008

The Cecil Township Municipal Authority held its' regular monthly meeting on Thursday, October 2, 2008 at the Cecil Township Municipal Building. Chairman Donald Gennuso called the meeting to order at 7:30 PM with Kenneth Heirendt, Blane Volovich and Brian Altland present. Absent was Stephanie Lucchino. Also present was Romel Nicholas, Gaitens, Tucceri and Nicholas; Eric Tissue, KLH Engineers; Walter O'Shinski P.E. and Dennis Bell, Administrator.

MINUTES OF SEPTEMBER 4, 2008

The Board on a three to one vote on motion by Kenneth Heirendt and second by Brian Altland approved the minutes of the regular meeting of September 4, 2008. Blane Volovich abstained.

ENGINEER REPORT

UPDATE ON MILLERS RUN PROJECT

Michael Sherrieb presented his report to the board. He stated no pay estimates were requested for approval by the Board. He stated that eight items remain to be completed at the treatment plant and one item at the pump station. He stated Kranick Environmental provided contract closure documents for review by the Solicitor's office. He anticipates the project will be closed within the month. He stated Kranick Environmental contract is 179 days beyond the completion date and the issue related to liquidated damages would be addressed in executive session.

Scott Rusmisel discussed with the Board items on the punch list and associated costs. He stated on sections of the interceptor line the grade is slightly less than PA DEP standards and Gateway Engineers will present to the Board a formal recommendation and estimate to correct the problem. He stated lateral connection issues are being resolved as they are discovered in the field. He stated that additional estimates for the lateral connection at the Tea Room, 3280 Millers Run Road will be solicited to provide service from De Paoli Road.

Walter O'Shinski stated no time schedule has been prepared for repair work and the items listed for restoration should remain on the list until the work is completed.

## AUTHORIZE CONDITIONAL ACCEPTANCE OF SANITARY SEWERS - HEARTWOOD FARMS 3 - B

Walter O'Shinski advised the Board that two punch list items – as-built plans and easements remain outstanding on the Heartwood Farms Phase 3-B project. He recommended acceptance of the sewers contingent on completion of the punch list. The Board on unanimous vote on motion by Blane Volovich and second by Kenneth Heirendt authorized acceptance of the sanitary sewer line contingent on the completion of the punch list.

### COMMENTS FROM THE FLOOR

Milton Kosanovich addressed the Board for the third time regarding his previously discussed restoration issues specifically damage on his driveway. Walter O'Shinski stated that Gateway Engineers addressed the issues in writing. Mr. Kosanovich requested copies of the pre-construction photographs and information of the contractor bonding company. Walter O'Shinski stated pre-construction photographs are available in the office. Romel Nicholas requested Mr. Kosanovich complete the request for information under the freedom of information act and the material will be provided.

Arlene Curry inquired on the notice of intent lien letter mailed from the Solicitor's office. She stated the property has one water service and on tap-in was provided to the house. She further stated that someone advised her that only one tap-in would be required. Walter O'Shinski stated the house is a duplex and therefore two tap-in permits are required. Donald Gennuso stated everyone in the project has to be treated equally. Kenneth Heirendt stated he would be in agreement to offer the tap-in at discount due to the misunderstanding. Dennis Bell stated the first notice of tap-in was mailed on February 15 with the tap-in paid at discount through May 30, 2008. The Board on unanimous vote on motion by Kenneth Heirendt and second by Brian Altland authorized the tap-in be held at discount for the same time period.

Carol Long, South De Paoli Road addressed the Board on the notice of intent to lien letter from the Solicitor's office. She further stated that she does not believe that she should have to pay the tap-in fee until her property is restored to the original condition. Romel Nicholas informed her that paying the tap-in fee is a separate issue from the restoration work still to be completed. She did not agree with his assessment of the issue. He continued that the tap-in fee is due by the due date or the property will be liened. She stated that she requested the restoration list and that she will pay the one dollar fee for the copies.

Gerald Godfrey, 6 Belgium Hill Road addressed the Board to request a sixty-day extension on paying the tap-in fee. He stated he hired a consultant who informed him that only by directional drilling could he make the tap-in. He stated the cost quoted was two hundred dollars for lineal feet with an estimated cost for the drilling of \$20,000. He further stated the drilling poses issues for his hillside and potential damage to the home's

foundation. Mr. Godfrey stated he would probably have difficulty obtaining insurance if the directional drilling takes place on his property due to the liability issue. Donald Gennuso inquired if the tap-in location was the only option for servicing the property. Ed Kuenzig stated the property is approximately fifteen feet below Belgium Hill and Coppola Road and can only be serviced from Mawhinney Road. Romel Nicholas requested Mr. Godfrey provide the office with a letter explaining the issue and requesting the sixty-day extension from the October 16, 2008 date. The Board on unanimous vote on motion by Kenneth Heirendt and second by Brian Altland authorized the sixty-day extension to pay the tap-in fee.

James Michelka, 50 Brookside Drive addressed the Board on the slide located near 42 Brookside Drive. Walter O'Shinski stated the issue is on the punch list. Donald Gennuso inquired if the slide is a restoration or liability issue. Romel Nicholas stated a meeting is scheduled for October 14, 2008 with KLH and Gateway Engineers to discuss all the punch list items and to determine if the issue is restoration or an insurance liability claim. Romel Nicholas suggested Mr. Michalka complete a request for information form under the freedom of information act requesting detail of what is in or outside of the sanitary easement.

John Taylor, 3378 Millers Run Road addressed the Board regarding a storm drain on Coleman Road. He stated that the contractor cut his drainpipe while installing the sanitary manhole. John Taylor stated he is concerned for water ponding and creating an ice hazard at the intersection of Coleman Road and S.R. 50. Donald Gennuso inquired if the issue is a restoration or liability issue. Ed Kuenzig stated A. Merante Contracting did not remove a storm pipe during his excavation of the area and therefore is not his problem. He stated if the pipe existed the contractor would be held responsible for the repair. Donald Gennuso inquired if the water ponding issue could be a state or township responsibility. He requested that Gateway Engineers speak with A. Merante Contracting again about the issue.

Donald Gennuso stated during the past month the engineers collected information on the property listed on the restoration punch list. He stated the work under Sitarik Contracting would be a long protracted issue as the bonding company is now involved. He stated it would take upwards of nine months to one year for the bonding company to respond with another company to complete the work. He stated the Board has elected to provide the residents, whose properties are on the restoration list, with two options - a cash settlement for the work to be completed with a release signed by the resident or the property remains on the restoration list until another contractor has been assigned to complete the work which could take up to one year. He stated the letters would be mailed within one week or by October 10, 2008.

Romel Nicholas addressed the issue of property liens. He stated the restoration issue and municipal lien issue are not related. He stated the lien must be filed to protect the Authority for the ability to collect the tap-in fee.

## SOLICITOR'S REPORT

Romel Nicholas presented his monthly report to the Board. He referred to item IV gas line mismarkings and the relationship with item VI contractor issues. He stated his calls to the gas company have gone unanswered. His concern is on how to deal with the Merante claims realizing that part of the claim is gas line related. He stated that Bill Clifford has been appointed as mediator to hear the issues presented by Merante Contracting. He suggested the Authority hire an expert witness to assist in reviewing the information and preparing for the hearing, which may be held by the end of the year. He referred to item XII Right to Know Policy specifically to information requested by Karrie Sitarik and Charles Long. In item XIII Saut PUC Company was dismissed by PUC. Item XVIII Millers Run Tap-In Fee Collection, letters of intent to lien have been mailed. He stated the Authority is statutorily obligated to file the liens. He stated the legal costs of the notification letters and the actual lien filings would be recouped upon satisfaction of the lien.

## BUSINESS MANAGERS REPORT

### AUTHORIZE SIGNING PA-AMERICAN WATER COMPANY EXTENSION DEPOSIT AGREEMENT – CREEDMORE ROAD

The Board on unanimous vote on motion by Blane Volovich and second by Kenneth Heirendt authorized signing the Extension Deposit Agreement for the water line installation along Creedmore Road, Cecil PA and the payment of \$5,171.05 to PA-American Water Company representing the difference in cost of installation and the difference of bona fide service applicants.

### AUTHORIZE SIGNING CONSTRUCTION AGREEMENT FOR MAPLE RIDGE PHASE 2

The Board on unanimous vote on motion by Brian Altland and second by Blane Volovich authorized signing the sewer service and construction agreement for the Maple Ridge Plan Phase 2 contingent upon receiving a check for the developer escrow account.

### DISCUS AMENDMENT TO RESOLUTION 3 OF 2008 ESTABLISHING SEWER CHARGES FOR MILLERS RUN PROJECT AREA

Dennis Bell discussed with the Board Resolution 3 of 2008 and the monthly debt service charge of \$11.25. He stated a supervisor questioned the charging of the debt service on apartment buildings. He stated as the resolution is written, an apartment house with one water service would be billed one debt service fee compared to an apartment house with five water services would be billed for five debt service fees or \$56.25. He referred to an amendment to the resolution prepared by Gaitens, Tucceri and Nicholas. Kenneth Heirendt stated the debt service should be billed by EDU, as the financial model was prepared using the EDU's. Blane Volovich inquired on whether the apartment house

would be residential or commercial. Dennis Bell suggested the item be tabled until a review is done on the terminology for residential versus commercial properties. Donald Gennuso suggested getting the information to the board members prior to the next meeting.

## DISCUSS AUGUST 2008 FINANCIAL REPORT

Dennis Bell discussed the financials for August 2008. The total customers billed were 2,305. The user fees billed were \$174,008.51 on usage consumption of 18,298,700 gallons. Collections totaled \$136,425.90. The expenses paid for August 2008 were \$162,536.49. The extraordinary income on the August 2008 financial statement included interest income of \$13,916.48. Expenses were under budget through August 2008 except for six accounts with a net overage of \$27,972. The accounts over budget are legal \$2278, office supplies \$111, office telephone \$212, treatment \$23,863, postage \$135 and advertising \$1,373. The income accounts with variances in August 2008 were user fees over budget by \$77,624; tap-in fees over budget by \$4,085 not including Millers Run; planning module fees over budget by \$1,200; and misc. income over budget by \$1,892.

## CORRESPONDENCE

The correspondence was reviewed for filing.

## PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

A unanimous vote on motion by Blane Volovich and second by Kenneth Heirendt the Board authorized payment of expenses and transfers as follows.

Brush Run Expense/Transfer MM to Checking  
Teodori Expenses/Transfer MM to Checking  
Southpointe Expenses/Transfer MM to Checking  
CherryBrook Expenses/Transfer MM to Checking  
Gilmore Expenses/ACH Debit and PNC Requisition  
Employee Time Reports/Payroll  
941 E Tax Deposit  
Payment of Invoices  
Discharge Monitoring Reports were approved for submission to the PA DEP

## EXECUTIVE SESSION

The Board on motion by Brian Altland and second by Blane Volovich entered into executive session at 9:30 PM to discuss contract issues for Merante, Sitarik and Kranick's liquidated damages. The Board returned to the general session at 10:20 PM.

The Board on unanimous vote on motion by Kenneth Heirendt and second by Blane Volovich authorized engaging an expert witness for work completed on the Merante and Sitarik contracts upon review of the applicants and the recommendation of the staff.

The Board on a three to one vote on motion by Brian Altland and second by Kenneth Heirendt authorized soliciting proposals for televising the sections of the sanitary lines on the punch list as recommended by KLH with an amount not to exceed \$10,000. Donald Gennuso abstained.

## ADJOURNMENT

There being no other business by unanimous vote on motion by Brian Altland and second by Blane Volovich the meeting was adjourned at 10:25 PM. The next regular meeting is scheduled for Thursday, November 6, 2008 at 7:30 PM.

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Secretary