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**CONEWAGO
MUNICIPAL AUTHORITY**

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April 3, 2007

CONEWAGO MUNICIPAL AUTHORITY

The Conewago Municipal Authority Board held their regular meeting, Tuesday, April 3, 2007.
Those present were:

Greg Hill
Peter Henninger
Matt Cichy, HRG
Ralph Luttrell

John Rochat
Kim Bloom, DTMA
Mark Derr, HRG
Eric Heberlig

Norman Miller
Paul Gross, B-H
Joel Buckley

The meeting was called to order by Chairman Hill at 7:07 PM. The following items were discussed.

PUBLIC COMMENTS – **Eric Heberlig, Old Hershey Road** – He asked out of the 39 grinder pumps how many on Old Hershey Road will need grinder pumps. Chairman Hill asked Paul Gross, Buchart-Horn to reply to that question. The decision has not been made, but the alternative to raise some lines does not affect many homes on grinder pump installation. It does affect the cut through Roundtop Road where it ties into Old Hershey Road, on the downside where the apartments on Old Hershey Rd, they would be affected by grinder pumps and one or two grinder pumps on top of the hill on Roundtop Rd.

MINUTES OF MARCH 6, 2007 – A motion by Luttrell second by Miller to approve the minutes of March 6, 2007 as submitted. Motion carried.

ENGINEER'S REPORT – Cichy reported the following activities on Engineer's Report, dated 4-3-07.

Phase II Sanitary Sewer Project – He stated HRG attended the 3-15-07, Job Conference held at DTMA on behalf of the Authority. Copies are available if anyone request them.

The Minority and Women's Business Enterprise Firm Utilization Report for the first quarter of 2007 is presented for the Authority's review and execution. At the last meeting we discussed that this report needs to be executed quarterly; since the initial project was awarded we have to submit

ENGINEER'S REPORT, Continued - this report. The contractor awarded two awards to Disadvantaged Business Enterprise Groups this quarter. One was to American Indian for piping and supplies, the second one was to Tally Petroleum for fuel supplies. Cichy will prepare this report quarterly and bring it every quarter to the Authority to be submitted.

A motion by Rochat second by Luttrell to authorize the Chairman to execute the 1st Quarter of 2007 Report for the Minority and Women's Business Enterprise Firm Utilization Report. Motion carried.

PENNVEST ASSISTANCE – PENNVEST approved and processed **Application for Reimbursement Request No. 1** in the amount of \$351,273.69. Cichy reported that the Authority will receive a letter of approval, but it can take two weeks before money is transferred. Cichy said it should be noted that PENNVEST withheld \$42,945.31 from Application No 1 for money for consultant fees, expenses, etc. which were not included in Application No. 1.

Application for Reimbursement Request No. 2 has been approved by PENNVEST in the amount of \$365,699.17 and is currently being processed for the full amount.

HRG developed the following tasks that the Authority should perform each month now that the PENNVEST Application for Reimbursement Requests are being processed and the Contractors has begun submitting applications for payments:

1. Summary of bills and preparation of checks
2. Approval of bills and signing of checks
3. Approval of PENNVEST Application for Reimbursement Request

The Authority should consider who will be performing these tasks.

PENNVEST Application for Reimbursement Request No. 3 is presented for the Authority's execution in the amount of \$106,496.67.

Mark Derr stated considering how long the process takes in getting bills to HRG and DTMA'S invoices, the biggest problem is approving bills and payment to Mazzuca within 30 days. Derr also said if you look at PENNVEST Applications for Phase I coming in and going out it took 40 days. Chairman Hill asked Derr for an example of the process. If the application were dated 3-21-07, Buchart-Horn submitted bills day before, application prepared Friday before, submitted to the Authority on Tuesday meeting, pay bills due to Mazzuca 30 days after approved by Buchart-Horn would be due by 4-30-07. Derr said the problem for an application approved at Authority Meeting, than submitted to PENNVEST you will probably won't see the funds until around 5-11-07. So if the Authority got the application the day after the meeting it would go pass the 30 days.

Chairman Hill said how do we plan for the cash flow. Derr said a possible solution would be to use the Capital Contribution money to help makeup the deficit and second would be to decide who will be responsible for writing the checks and the bookkeeping process.

Chairman Hill summarized the function of bookkeeping process needed to handle the PENNVEST Applications: Summary of invoices, writing checks, transfer money from non-interest bearing account to interest bearing account, checking balances, HRG will compile the applications for reimbursement from PENNVEST, at Authority Meeting they will sign and release checks, check on balance in checking account, DTMA to do Accounting for Authority.

ENGINEER'S REPORT, Continued – A motion by Rochat second by Miller to authorize the Chairman to enter into an agreement to move forward with allowing DTMA to manage the two bank accounts and the bookkeeping for Phase II, and come back to CMA with specifics of final approval at the next meeting.

PENNVEST Application for Reimbursement Request

Cichy stated that the first bill for construction work by Mazzuca was submitted for \$79,938.00 and approved by Buchart-Horn needs approval for payment. A motion by Rochat second by Miller to approve this payment to Mazzuca in the amount of \$79,938.00. Motion carried.

Cichy also stated that Application No. 3 to PENNVEST is presented for the Authority's execution in the amount of \$106,496.67. A motion by Rochat second by Luttrell to authorize execution of Application #3 for reimbursement from PENNVEST in the amount of \$106,496.67. Of which the \$79,938.00 to Mazzuca for construction fees was included as well as administrative fees, and engineering fees. Motion carried.

The CMA Board action must be done separately this time because Mazzuca bill needs to be paid within 30 days of CMA Board meeting. This was a one time timing issue.

DTMA'S REPORT – Paul Gross, Buchart-Horn stated the project schedule for construction will be McCorkel Road is completed through the stream. The schedule is to go to Ridge Road at the Pump Station. Kim Bloom said there are three different telephone companies within Conewago Twp. Cichy said there was a discussion regarding the location along Rt. 743 that we may need 4 additional right-of-ways. Mazzuca wants to move back because of the bill boards signs and utility poles are in the way. Gross stated they will have an updated map for the next meeting.

Bloom sent letter of communication to property owners on 3-22-07 pertaining to the laterals, etc. She brought the letters to the township so Secretary Bretz could include a letter from the Township regarding residents due to pump in the year 2007 that would exempt them from pumping twice if they show proof that are hooking up to the DTMA Sewer Project. Bloom sent a letter on Friday, 3-30-07 to Ridge Road residents regarding putting stake on their property. DTMA included a photocopy to each resident of the plan on the back of lateral form, where the lateral will be placed and to sign-off and send form back to them. If they want the stake moved they must make arrangements with DTMA then to move them. Bloom said each stake has the resident's address, the depth of the lateral and whether they need a grinder pump.

Bloom also said a formal detour of Ridge Road area starting at the Township building will have to close all of Ridge Road to Chestnut. A notice will be given a few days before the road will be closed, and during the day it will open for local residents and emergencies only. She has talked with Lower Dauphin School Transportation, the Post Office, etc. This is about a 2 mile stretch of road and there is no other way to do this or for large vehicles to turn around. There will be at least a

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DTMA'S REPORT, Continued - three week detour on Ridge Road work, one lane opened in the evening for thru traffic, with - appropriate road signs. Bloom also asked if the Authority will be attending the Job Conference Meetings held at DTMA office. The date for April has been changed to April 20, 2007 at 8:00 PM.

SOLICITOR'S REPORT – Solicitor Henninger said last month we briefly discussed a draft of the Contribution Agreement and should have something more specific to report next month. Chairman Hill asked if there are any auditing requirements the Authority needs to be aware of, and should we allow Diana Reed Associates to meet with DTMA on the process of accounting for the Authority. Solicitor Henninger said both auditors are using the same standards, but it doesn't mean they use the same procedures.

NEW BUSINESS - No New Business to discuss.

A motion to Rochat second by Miller to adjourn at 9:20 PM. Motion carried. The next meeting is May 1, 2007.

Respectfully submitted,

Shirley A. Bretz
Township Secretary