

**SUMMIT TOWNSHIP SEWER AUTHORITY
MONTHLY BUSINESS MEETING
JUNE 27, 2024**

The regular monthly business meeting of the Summit Township Sewer Authority was called to order with the Pledge of Allegiance at 9:11 a.m. at the Sewer Authority Building, 8890 Old French Road, Erie, Pennsylvania. CALL TO ORDER

Present: Michael Rose, Vice Chairman; Laban Marsh, Secretary; Michael Andrus, Asst. Secretary; William C. Steff, P.E., Manager; Chris Hodge, Operations Supervisor; Solicitor George Joseph, The Quinn Law Firm; Jeff Kordes, P.E., Greenman-Pedersen; and Wendy Burbules, Administrative Supervisor. Absent: Chris Fette, Chairman; and Mark Welka, Treasurer. Visitors: Mike Sandford, Rashi Dev-Ochs, Romesh Dev and Bryan Kowalczak. ROLL CALL

Motion by Mr. Andrus, seconded by Mr. Marsh, to approve the minutes of the May 30, 2024, Regular Business Meeting. Vote 3/0. 05/30/24 MINUTES

Motion by Mr. Marsh, seconded by Mr. Andrus, to approve the Treasurer's Report as submitted to and reviewed by all Board members. Vote 3/0. TREASURER'S REPORT

Motion by Mr. Andrus, seconded by Mr. Marsh, to approve the Expenditure Report as submitted to and reviewed by all Board members. Vote 3/0. EXPENDITURES

RESIDENTS TO BE HEARD

Bryan Kowalczak, Developer of Treehouse Lane thanked the Authority for their assistance in getting the sewer for Robison Road. He wanted to get clarity on the payment being made to the contractor. Manager Steff added that sanitary sewer has been completed for the proposed 2-phase, 8 EDU residential subdivision. The Authority needs to have Engineer Kordes submit a Certificate of Completion for the work performed. The Authority is to acquire a portion of this sanitary sewer improvement. The developer was required to move the pipe into the bank that was in the PennDot Right of Way which caused a full lane restoration to the roadway that would have caused a significant expense for the developer. This sewer expansion was beneficial for the Authority and helped to get through a dip in the road. This acquisition will need to be acquired at a later meeting after the expansion costs are determined. The contractor and developer are requesting that the Authority pay the costs to the developer's contractor directly instead of the developer as stated in the developer agreement. Manager Steff recommends doing this contingent on acceptable documentation of the costs and a Certificate of Completion from Engineer Kordes. Solicitor Joseph added that the amendment would be a 3-party agreement with the Authority, developer and contractor. The project is completed but is waiting for a final test on July 5th. The homes are not connected but are scheduled to be next week. Mr. Rose added that this is money that the Authority was going to spend, it is just going to the contractor instead of the developer. Manager Steff added that it will cost money for our solicitor to draft the agreement but that is paid for by the developer's escrow. TREEHOUSE LANE PAYMENT

Motion by Mr. Marsh, seconded by Mr. Andrus to approve payment to the contractor instead of the developer on the Treehouse Lane project, in a third-party agreement, contingent on the acceptable documentation of costs and the Certificate of Completion from Engineer Kordes. Vote 3/0. MOTION TO APPROVE TREEHOUSE LANE PAYMENT

Romesh and Rashi Dev-Ochs, developers of 8066 Old Oliver Road are concerned with the Oliver Road Project. Manager Steff introduced Romesh Dev and Rashi Dev-Ochs as the owners of the vacant property at 8066 Old Oliver Road which is in route with the Oliver Road Realignment Project. He added to date we have 3 out of 4 easements signed for this project. Manager Steff has met with the Dev's and have had several conversations with them both. He mentioned that EASEMENT FOR 8066 OLD OLIVER ROAD

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EASEMENT
FOR 8066 OLD
OLIVER ROAD,
CON'T.

the Authority could have capacity issues without this project being completed and a DEP Corrective Action Plan to follow. The Authority doesn't typically pay for easements, but the Dev's are welcome to ask before the board. The only time the Authority pays for land is if the Authority takes ownership. Purchasing easements drives up the sewer costs for all the sewer users. He added that the subject easement property is already restricted by zoning. The Authority is looking for a 20-foot easement in a non-buildable zone. Having the sanitary sewer is an improvement for the property. Rashi Dev-Ochs thanked the Authority for taking the time to speak with her. They are in the early stages of developing a hotel on the property. She agrees the sewer line is in the best interest of the Township and the residents, but she is concerned about the impact it could have down the road. She is concerned if something were to happen in the future and if the line would need to be dug up how, how would the Authority compensate them for lost revenue. This line would run through the planned parking lot. If something were to happen they wouldn't have adequate parking if all the rooms were sold out. This would result in them needing to find and pay for accommodations elsewhere. The Devs are also concerned with the noise and disruption the construction could have with guests especially since they're open 24/7, 365 days a year. Disruptions like this can cause bad reviews which can cause lost customers. She is requesting that repairs are made when it is less disruptive to the hotel, digging at 9am instead of 7am. She understands during an emergency that can't always happen. Manager Steff added that he did discuss this issue with the Devs and explained to them at it is difficult to manage a contractor's schedule. Emergency versus non-emergency is also a factor. Manager Steff added that the Authority will make those accommodations whenever possible but it's not something we add to an easement agreement. The construction portion of this project will be completed long before there is a hotel on the property. He explained that is also very rare that the Authority would have a full-length replacement to disturb the property. Mr. Rose asked to see where the current sewer layout is. Supervisor Hodge showed its location and added it is very uncommon to have to go in and dig back up a line like this. There may be maintenance required but there's little to no interruption to a business. Operations Supervisor Hodge added that if there was an issue there is relief from a back lot sewer. There would be a way to divert flow in two different directions once this project is completed. Mike Sanford, Sanford Engineering, asked if the easement agreement was non-exclusive? The Dev's project may need a storm sewer in that easement. Solicitor Joseph added that there are certain restrictions with other utilities. Manager Steff added that the storm sewer could be in the easement, the sewer line would be below it. Solicitor Joseph added that we could add non-exclusive language to the easement, but it would have to be added to the agenda for the next meeting since it was not on this agenda. Manager Steff is concerned about the Eminent Domain deadline if this waits until the next meeting on July 25, 2024. He needs to have Eminent Domain filed on any outstanding easements by July 1, 2024. Solicitor Joseph suggested scheduling a special meeting to have it signed before the July 25th meeting. Manager Steff scheduled a special meeting for July 1, 2024.

The Devs are also requesting that the Authority waive the tap fee for the project in lieu of the requested easement. She explained that all the costs have increased for their project. She believes the hotel would be beneficial for Summit Township. Manager Steff told her previously that there was no compensation for the other properties, but she is requesting consideration since they were operating companies, but they are just in the beginning stages. Mr. Rose added that he can't remember ever waiving a tapping fee. He would like to table this for the next meeting when the other board members are able to attend. He would like to have the full board involved. He added that he couldn't promise what that outcome would be. Mr. Rose requested that the Devs sign the easement in the meantime so the project could move forward. The Devs stated that they would not be available to attend the July 25, 2024 meeting. Mike Sanford also wanted to add that currently the Authority has no cost into restoring the property on 8066 Old Oliver, where the other properties are going to require restoration. He added that going through the Dev's property

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is going to save the Authority money. Mr. Rose asked what the cost is for the tapping fee. Manager Steff stated it was \$68,744.70. Discussion ensued. The Devs would rather discuss the compensation request at the, proposed, July 1, 2024 special meeting so they are able to attend. The board agreed. She thanked the board for their time.

EASEMENT FOR
8066 OLD OLIVER
ROAD, CON'T

SOLICITOR'S REPORT

Solicitor Joseph stated at the last meeting, after the bids were opened for the Ennis Subdivision Sewer Repairs, a question was asked about a bid being sealed with just the closure clasp and the lack of name on the outside of the envelope. Solicitor Joseph researched both concerns and concluded that they were not defects that would affect the bids, therefore the Authority and GPI could move forward with the bid process.

ENNIS
SUBDIVISION
SEWER REPAIR

Solicitor Joseph is reviewing the documents sent over for the PennDot Relocation Reimbursement Agreement. The bill that PennDot sent was for \$122,450 with no consideration of PennDot's reimbursement to the Authority. After Solicitor Joseph talked to PennDot it was determined that two different departments are involved from two different accounts. The Authority will need to pay the invoice for \$122,000 but the Authority will receive the check for the reimbursable expenses of \$31,000. The Authority is still waiting for supporting documentation for the \$122,450 invoice that was received.

PENNDOT
RELOCATION
AGREEMENT –
FIVE POINTS

Solicitor Joseph was asked by Manager Steff to contact the property owner of Abington Crest. The property is now owned by an LLC. Solicitor Joseph reached out to the company to purchase additional land for the lift station by that property. The current Abington Crest lift station property is very small and is located at the bottom of the hill with a blind spot making it a safety issue for Authority employees driving in and out of that station. Solicitor Joseph has not heard anything back from the current owner.

ABINGTON CREST
PROPERTY
REQUEST

Solicitor Joseph prepared a temporary connection agreement with National Fuel Gas several months ago. The request from National Fuel was to connect out of the back lot to Route 97. There have been revisions between the Authority and National Fuel. National Fuel has also enclosed the easement they obtained from the landowner. National Fuel has been informed that when a sanitary sewer becomes available at Robison Road, they will be required to disconnect and connect at Robison Road. Mr. Rose and Mr. Marsh were disappointed that the agreement didn't sound "temporary". Discussion ensued.

NATIONAL FUEL
GAS TEMPORARY
LATERAL
CONNECTION

Motion by Mr. Marsh, seconded by Mr. Andrus to approve a Temporary Lateral Connection for National Fuel Gas to connect to Route 97. Vote 3/0.

MOTION TO
APPROVE NFG
TEMPORARY
LATERAL
AGREEMENT

ENGINEER'S REPORT

Engineer Kordes reports the Old Perry Highway Contract 1 is still waiting for flume testing results. He hasn't had any updates from Advanced Instruments. Operations Supervisor Hodge reported that he just received an email from Advanced Instruments, they will be reviewing the data and getting back to him next week. Contract 2, Electrical, is still delayed until the flume issue is resolved.

OLD PERRY
HIGHWAY FLUME
TESTING

Engineer Kordes reports that the Oliver Road Gravity Replacement Project is moving forward. An inspector from GPI stated that TerraWorks has completed a tie in on Peach Street. When it was opened there were conflicts with a water line, gas line and storm water. The storm water was moved slightly to be able to make the tie in. They are currently at the manhole at Burger King. Engineer Kordes states that the only outstanding easement is 8066 Old Oliver Road.

OLIVER ROAD
RE-ROUTE

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Engineer Kordes reports that the remediation project with TerraWorks was set to begin in the middle of June. Due to the delays in the Oliver Road re-route the estimated start date is now July 15, 2024.

OLIVER ROAD
GRAVITY
REPLACEMENT
PROJECT

Engineer Kordes states that since the issue about the bid openings previously discussed had been resolved, the Ennis Subdivision Project has been awarded.

ENNIS BID

Engineer Kordes has been told by a GPI inspector that the sanitary sewer connection for Treehouse Lane has been completed. The mandrill testing still needs to be completed after the 30-day waiting period, July 5, 2024. The final paving still needs to be completed.

TREEHOUSE
LANE

Engineer Kordes reports that a GPI inspector confirms that the Tom Church project at 1241 Townhall Road West, has been completed.

CHURCH
PROJECT

MANAGER'S REPORT

Manager Steff requests a motion to retain the electrical engineering firm, Redcon Engineering, to perform the electrical design, bid package and provide as-builds for the Valley View generator replacement.

REDCON
ENGINEERING

Motion by Mr. Andrus, seconded by Mr. Marsh to retain Redcon Engineering to perform the electrical design, bid package and provide as-builds for the Valley View generator replacement. Vote 3/0.

MOTION TO
RETAIN REDCON
ENGINEERING

Manager Steff requests a motion to enter into a Sanitary Sewer Right of Way Agreement at 7792 Peach Street, Scotts Development Company and 7810 Interstate Drive, Cracker Barrel Old Country Store.

RIGHT OF WAY
AGREEMENTs

Motion by Mr. Andrus, seconded by Mr. Marsh to enter into a Sanitary Sewer Right of Way Agreement at 7792 Peach Street, Scotts Development Company and 7810 Interstate Drive, Cracker Barrel Old Country Store. Vote 3/0.

MOTION TO
ENTER INTO A
R.O.W.
AGREEMENT

Manager Steff requests a motion to enter into an Indemnification Agreement for a Highway Occupancy Permit for the purpose of connecting an existing home owned by Joseph Banister to the public sanitary sewer system located in the Right of Way, 3301 Flower Road. This should be the final step for this project.

IMDEMNIFICATI
ON AGREEMENT

Motion by Mr. Andrus, seconded by Mr. Marsh to enter into an Indemnification Agreement for a Highway Occupancy Permit with Joseph Banister for the purpose of connecting his home to the public sanitary sewer system located in the Right of Way, 3301 Flower Road. Vote 3/0.

MOTION FOR
IMDEMNIFICATI
ON PERMIT - 3301
FLOWER ROAD

Manager Steff recommends the Amendment to Developer Agreement, (Vince Palermo) authorizing the Authority to acquire the sanitary sewer extension on Cherry Street Extension for \$22,501.90 less any past due escrow balance and contingent on the submission of the proper Sanitary Sewer Right of Way Agreements.

AMEND
DEVELOPER
AGREEMENT

Motion by Mr. Andrus, seconded by Mr. Marsh to acquire the sanitary sewer extension on Cherry Street Extension for \$22,501.90 less any past due escrow balance and contingent on the submission of the proper Sanitary Sewer Right of Way Agreements. Vote 3/0.

MOTION TO
ACQUIRE SEWER
EXTENSION –
CHERRY ST. EXT.

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Manager Steff would like to present the 2024-2025 budget to the board for review. Manager Steff suggests a rate increase for the upcoming year, there hasn't been a rate increase since September 2021. The increase would help with the upcoming costs for the year. Manager Steff requests a \$1.00 per month increase. The estimated costs for projects are \$4,307,341 and the current Capital Cash Balance is at \$4,496,402. The Authority received \$711,125 in grants, leaving a balance of \$3,596,216. The Authority anticipates an additional loan added to PennVest for the Millcreek Township Sewer Authority Kearsarge Force Main Project. This additional amount will put the Authority's annual loan payments at \$260,976. Manager Steff noted that the strategic reserve of \$1.0 million dollars is starting to erode as project costs are added. In addition, the actual and expected annual debt payments are exceeding the net income of the Authority. Discussion ensued.

2024-2025
BUDGET

Motion by Mr. Andrus, seconded by Mr. Marsh, to increase the rate from \$93.00/quarter to \$96.00 effective for the September 2024 billing cycle. Commercial rates to be adjusted accordingly. Vote 3/0.

MOTION TO
APPROVE A
RATE
INCREASE

Motion by Mr. Marsh, seconded by Mr. Andrus to approve the 2024-2025 Budget. Vote 3/0.

MOTION TO
APPROVE
BUDGET

Manager Steff called for an Executive Session at 11:10 am.

Motion by Mr. Andrus, seconded by Mr. Marsh to hold an executive session. Vote 3/0

EXECUTIVE
SESSION

The meeting was called back to order at 11:48 am.

NEW BUSINESS

With no further business to come before the Board, Mr. Andrus motioned to adjourn, seconded by Mr. Marsh. Vote 3/0.

ADJOURN-
MENT

Vice - Chairman Rose adjourned the meeting at 11:50 a.m.

Respectfully submitted by,

Wendy Burbules
Administrative Supervisor

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