

Palmer Township, Northampton County
Stormwater Authority Meeting Minutes

November 6, 2023, 2PM, 3 Weller Pl, Main Level Training Room

1. Overview of Management Agreement

- a. Present: Bob Blanchfield, Craig Swinsburg, Robert Lammi, Ann Marie Panella, David Pyle, Bruce Hulshizer, Ryan Cummings, George White, Lee Stinnett, Jamie Paetzell, James Farley, Thomas Adams, Kathy Raub and Paige Strasko
- b. Absent: K. Michael Mitchell.
- c. The meeting was called to order at 2:03PM.
- d. Stinnett discussed the draft management agreement and asked Authority members what account collected rates would go to and suggested that it be an Authority fund. Farley described the billing, invoicing, and collection process that will take place with current billing software that was previously discussed with Dallas Data. Farley also discussed using Embassy Bank as a possibility for the Authority, and that an EIN number needs to be established. Stinnett, Farley, and Blanchfield discussed Salzmann and Hughes setting up the EIN number and Blanchfield stated that the Authority will follow up.
- e. Stinnett also asked about the period for reimbursement, Farley stated that the Township was looking for reimbursement in 2024 for deficit spending. Stinnett finished by discussing follow-up documents that his office would provide after further consultation with HRG and Authority members.
- f. Hulshizer and Stinnett discussed suggested agenda items for the regularly scheduled Authority meeting including approving the Management Agreement, Lease Agreement, timing of the Rates, Rules, and Regulations and other documents that will be discussed in December. Hulshizer also suggested approving the five-year budget at the regular meeting. Blanchfield asked clarifying questions on the EIN process.

2. Overview of projects included in the five-year budget

- a. Pyle discussed the five-year budget model that was given to Authority members and explained line items that were included in the budget, specifically various projects that the Township started with HRG that would be transferred to the Authority for completion, such as Kingwood Street, and Meadow Avenue, how the larger items impact the utility rate, other big ticket items, and making sure the Authority wants to move in the same direction as where the Township has started.
- b. Pyle updated everyone on the status of the Kingwood Street project, stating that the project has been designed and it will be ready to bid in spring of 2024, and it was an easy cash project to show residents results. Blanchfield and Paetzell discussed and confirmed that Public Works agrees this would be a project that could be completed quickly. Authority members, HRG staff, and Farley discussed the project from a financial standpoint, timing of when the Authority would be able to open a bank account for project payment and utility collections and

decided that to keep the Kingwood Street project on track for 2024 as previously planned, the Township should sign the supplemental agreement and continue to track HRG invoices for Township reimbursement in 2024.

- c. Pyle and White also discussed the Meadow Avenue project process, the phasing approach, permits that may be needed in future phases, grant applications, grant money that was already received, survey and data collection that has been completed so far and beginning final design of mitigation measures in January. Authority members and HRG staff also discussed future grant money that will be applied for, having the final project design approval go through the Authority, Meadow Avenue as a historical known problem area in the Township, encroachment within the drainage easement, underlying geology of the area, size of nearby drainage basins, a full project proposal presentation for the Authority and the public, high visibility of the work to be completed, drainage area that flows through Meadow Avenue infrastructure, funding measures for the budget, priority of the project, and possible agreements or easements that may need to be obtained to complete necessary work.
- d. White also discussed outstanding storm damage projects with Authority members including Wedgewood, Riverview Bike Trail, and the 25th Street culvert, what the overall progress was, how each area needed a permanent repair installed but should hold up with the temporary repairs that are already in place and that there would be no additional financial assistance from FEMA for the storm damage. Authority members asked clarifying questions on how well the storm repairs will perform until permanent repairs are put in place.
- e. Pyle discussed PRP phase one and two projects, timing of permits for work, and Blanchfield asked clarifying questions. Lammi asked about MS4 and water quality specific projects that the Authority should be focusing on. Cummings described that the Pollutant Reduction Plan (PRP) required by the MS4 permit had to be implemented within the five (5) year permit term and explained the amount of sediment reduction required by the MS4 program, and how HRG in his experience has retrofitted basins for water quality that were constructed pre-2006. Cummings also answered clarifying questions regarding the retrofitting process, and how similar projects could count towards fee credits. HRG staff and Authority members also discussed the current stormwater management ordinance provisions, and briefly discussed what is covered in the new stormwater management ordinance.
- f. HRG staff also discussed the Public Works Department projects that were included in the budget for inlet repairs, that Kistler's crews would be able to replace 100 feet of linear pipe or less at a time, and funding for other internal projects that Public Works may want or need to pursue. Farley discussed 2024 acting as a benchmark year for the Authority and the Township to better understand budget needs of the MS4 program, staff, and infrastructure updates that need to be made.

3. Five-Year Budget

- a. HRG staff and Authority members discussed the budget model that was presented and discussed how the average rate was calculated, why HRG staff highly recommend a stepped fee approach to avoid a large jump to recoup costs in future years, contingencies to plan for that would allow for greater flexibility, how a stepped increase in the fee allows for other funding choices besides PennVEST, and how to cover expected increases like inflation.
- b. Authority members also asked clarifying questions about Homeowner's Associations (HOAs), how they would be assessed fees and credits, and billing rates for residents that live in an HOA.

4. Rate Determination

- a. Authority members asked about how the fee rate was calculated and possible approval of the budget at the regularly scheduled meeting on November 15, 2023. Authority members also asked questions regarding specific line items in the draft budget related to field services expenses, salaries and benefits for administrative staff, and the goal of continuous improvement to replace and update the stormwater infrastructure system. Blanchfield asked Strasko to add the five-year budget to the agenda for discussion on November 15.
- b. HRG staff and Authority members also discussed the retainer agreement for HRG that includes terms and conditions, rate schedules, and legal provisions for the Authority to approve to retain HRG's services. Authority members also discussed project assignments from HRG that details specifics for each project that HRG will work on that includes deliverables from the project, proposals, cost, timing, and construction and bidding processes that will be followed. HRG staff also discussed that there may be supplemental agreements for certain projects, such as Kingwood Street, that was discussed earlier in the meeting.
- c. Authority members asked clarifying questions about construction inspectors for projects to ensure that all work is performed to the Township's standards, and HRG explained that one of their staff members would act as the construction inspector for Authority projects with HRG.
- d. Authority members and HRG staff discussed how to proceed with contracted projects that are currently ongoing between the Township and HRG. Authority members decided to let current projects signed by the Township finish and the Authority will take over all new agreements moving forward.
- e. Strasko clarified that the agenda items for the November 15 meeting would include the retainer agreement from HRG and the project assignment to assist the Authority with the utility fee implementation. Authority members also discussed other existing projects.
- f. Authority members asked clarifying questions about opening a bank account and Farley described why it was better to wait, to keep finances clear for the auditors. Authority members also discussed the current invoice approval system for HRG bills, that Strasko is the point of contact for approving invoices, having invoices

or bills on the Authority agenda for approval, and other bank information that will be needed to pay invoices.

- g.** Authority members and HRG decided to send the retainer agreement and project assignment to Stinnett and his associates for review prior to the November 15 meeting.
- h.** Raub discussed credit and appeals documents that she found on the Farm Association of Northampton and Monroe Counties website and asked HRG to consider the credit provisions in the documents. White shared that HRG completed the documents for Silver Spring Township that Raub had mentioned.
- i.** With no further discussion, the meeting was adjourned at 4:28PM.