

HANOVER TOWNSHIP, LEHIGH COUNTY  
REGULAR COUNCIL MEETING

August 15, 2018  
7:30 P.M.

Present: Councilmen Lawlor, Paulus, Wegfahrt, Woolley; J. Jackson Eaton, III, Esquire; Al Kortze, P.E.; Vicky Roth

Absent: Councilman Heimbecker, Christopher Gages

Attendance:

Courtesy of the Floor: None.

Approval of Minutes: August 1, 2018 Special Council Meeting

Motion: I move we waive the reading of the Minutes of the August 1, 2018 Regular Council Meeting and accept same as presented.

Paulus, Wegfahrt: Moved and Seconded

Wegfahrt, Woolley, Paulus:

Lawlor:

Aye

Abstained

Reports:

1. Vicky Roth

For Christopher J. Garges  
Township Manager

- A. Mrs. Roth said that the Township has received a Comprehensive Plan Update for the Allen Township Parks and Recreation. She told Council that she has a copy at the meeting if they wanted to look at it. Mrs. Roth said that all other items are on the Agenda.

2. Al Kortze, P.E.

Township Engineer

- A. Mr. Kortze said he had a couple of things to discuss. He started with some updates. He spoke with Eric Miller from Saylor's Mobile Home Court. Mr. Miller recently had a meeting with one of the engineers from the City of Bethlehem. Mr. Miller indicated that they walked the site and they were out there for quite awhile and he said that the engineer was taking notes and was quite interested in helping Mr. Miller resolve the issues via the people in the developments and the businesses within the City of Bethlehem. Mr. Miller will keep Mr. Kortze posted to see what happens. Mr. Kortze said that he may even call Mike Waldron from the City who Mr. Miller met with and so Mr. Kortze can just get a take on how the meeting went. It seems to Mr. Kortze that the City is

- reaching out to assist in taking care of Mr. Miller's problem. Mr. Wegfahrt thanked Mr. Kortze for updating the Board on this matter.
- B. Mr. Kortze gave an update on Lower Lloyd Street. He said all the sanitary line is in place. The manholes have been set. They were actually in the process of finishing up some of the manholes. They are scheduled for vacuum testing of those manholes tomorrow. Mr. Kortze said that the weather has delayed some of this especially in the areas where they had to crust the Allendale swale. They will be doing some restoration of the pavement. Mr. Kortze said they are going to let it wait for about 30 days and then they will pave and they will also pave the basketball court within the apartment complex that they had to go through. Mr. Kortze said everything is looking pretty good and everything is moving along now. They have not submitted a request for payment. He said he thought that would be coming shortly. It won't be the final payment because they still have some work in the pavement are to take care of.
- C. Mr. Kortze gave an update on the Troxell Street Project. He received a copy of the email from the Township Manager, Christopher Garges, that was directed to Council and he had asked Mr. Kortze to follow up on this matter since Mr. Garges would not be at the Council meeting. Mr. Kortze said that they looked at the dollar amount that was proposed by the geophysicist ranging from \$23,000 roughly to about \$28,000 and Mr. Garges, Jeff Mouer, Public Works Supervisor, and himself thought about it and felt that even with the geophysical analysis and they show where the sinkholes are, their remediation efforts are probably going to be very similar to what the geophysicist would recommend and the thought was that \$28,000 could be better spent in fixing the road and utilizing standard technology for sinkhole repairs in an area that has the amount of underground utilities that we have in that spot. Mr. Kortze said that the two options that Council should consider are to go ahead with the geophysicist analysis and follow through with his recommendations and then utilize that information to do a sinkhole mitigation to repair the roads. The other option would be to not go with that, take care of that block of Troxell Street this year by opening it up, addressing the soft soils with either a cement-stabilized subgrade for use in geo grade materials and then putting the pavement on. That \$28,000 could then be utilized for the road repairs. This is kind of what they were looking at but just wanted to bring the other option up to Council for consideration and vote because Mr. Kortze knows that Council wants to move on this one way or the other. Chairman Bruce Paulus commented that he sat with all involved and they discussed this matter and he is with the second option. He would like to see the money going toward fixing the road. He is not for the geological survey. He doesn't think it's a proven method. He feels you could do a survey today and then tomorrow there would be a sinkhole. Mr. Paulus said that we just had heavy rains and the road did not giveaway and he feels that's a good sign. He feels it could be somewhat packing and he feels they should dig down like Mr. Kortze says and just really survey the area and decide to put slurry or a good pack and get a really good base with a good seal down. Councilman Wegfahrt asked if the Township did this is there a guarantee that it's going to resolve any sinkhole issues? Mr. Kortze replied that there is no guarantee either way and you won't find a geophysicist or geologist that will ever make a guarantee that sinkholes aren't going to open up.

He said you could do all of that subsurface investigation and maybe more accurately pinpoint where there may be other voids that haven't shown their face in the surface and try to mitigate those but they are not going to give you a guarantee that even doing it that way is going to solve the problems forever. Mr. Wegfahrt commented that he didn't think the survey was going to solve the problem because all you are doing is looking, but it should, if anything, give the Township a better indication of how severe, if it's severe, if they ever need to do a slurry if it's not something else or whatever the case is on that aspect. Mr. Wegfahrt asks this because his main concern is they are not talking about a traffic light or where a building goes, they are talking about residents' properties and safety. He feels it's a big thing in the area. His concern isn't necessarily budget, but safety of the residents' properties and the residents and what's going to do that best. Mr. Kortze said that they way they are looking at it in the study from curb line to curb line. He said it really won't show enough data outside of the roads into private properties to make any kind of assessment that they will be safe. It's primarily the roadway. Mr. Kortze said maybe some of those sinkholes might stretch a little bit beyond the cart way. But, there isn't really anything that the geophysicist was going to do that would provide any additional safeguards for the houses themselves. It's more or less within the roadway area. Mr. Wegfahrt commented that he thought if they went onto the properties that would be incumbent on the property owner to do that, but if they do find something in the street where signs of everything is happening, except for the one resident with the pool issue that might be associated with that too, at least from a common sense perspective, it would seem that if there is an issue on the property and thee would be an issue on the street, one would show the other a little bit too. Councilman Woolley commented that if they dug up the road and found a sinkhole, obviously you would pack it and if it went underneath you would have to pack it, correct? That wouldn't be solving your sinkhole problem, correct? Mr. Kortze replied that they would probably be able to address the known sinkhole. He believes what Mr. Wegfahrt was referring to are the ones that are unknown or maybe things that are underneath the road or within the right-of-way that haven't come to the surface yet. Mr. Kortze thinks that some of that geo analysis will prove that, but some of the methods of repairing those sinkholes are going to be the same whether that geophysical analysis is performed or not. He said when you open up the road, you are going to find those bad spots. They are going to be mitigated, the road will be repaired and you will probably wind up in those areas with the same results that you probably would have with the geophysicist investigation. Mr. Kortze said what that's going to show is things that haven't come to the surface yet. Mr. Wegfahrt said or things that are lying a little bit deeper. He said you could do the slurry and then two months later, the deeper issue rears its head. Mr. Kortze responded that is always a possibility. He reiterated that there are no guarantees either way. Mr. Wegfahrt reiterated that his big thing is safety before cost. He said that if thee is a better confidence level in doing the survey and spending the extra money, he is in favor of doing the survey just because it's life and property. Councilman Heimbecker commented that if for no other reason they are establishing a knowledge base on that particular piece of ground because those geological surveys, or at least the ones he has reviewed, when someone called there is a hole and excavation was done, there was a hole. He said this is an ongoing problem. Mr. Heimbecker is not in favor of taking \$20,000 and

putting it into a slurry. He agrees it's a safety thing. Mr. Paulus said that if a geological survey would find a sinkhole 50 feet down, there is nothing you can do about it. Mr. Heimbecker said that he understands that the Chairman has taken a position that he doesn't want to do the survey, but he was in favor of it the first time, but now not doing it simply because we did it here and there was a hole. Mr. Paulus said he is just trying to bring forth a little education. He said if the geophysicist would find one that is 50 feet down, they can say ok they know one is there. They are not going down 50 feet and filling that sinkhole. Mr. Wegfahrt said if you found a sinkhole 50 feet down, the engineer would be able to decide if something needed to be done or not. Mr. Heimbecker said that right now they know nothing except that they have a problem that starts at one end of Troxell Street and ends halfway down the 1900 block, which is not good. He said and then there is the Taft Street problem. They don't know what's affecting the swimming pool side because there weren't any pipes or anything that he knows that the city would be working on over there, which leads him to think that there is ground movement. Mr. Woolley commented that it happened when the big brake came. They were out all night. Mr. Wegfahrt said that if the slurry would fix it he would be all for it, but he would rather err on caution than anything else. And, if it means spending a little more money to make sure everything is safe and they have a few more i's dotted and t's crossed, he is in favor of that. Mr. Woolley asked Mr. Kortze how far they would need to dig down when they go to resurface. Mr. Kortze responded that the first step would be to take out the existing pavement, take off the stone base. There are areas out there that a probably not much stone-based to begin with. Then you would do a reevaluation of the subgrade which is the dirt. You proof roll it, look for the soft spots and then do mitigation of it. When you do that, you aren't going to find any obvious eye or anything like that. Chances are it's relatively healed over. He said you can easily tell from the proof roll where the soft soils are and that's usually an indication of where the water has been going, where you have the ground water movement activity, where you're going to have those voids, the old sinkholes that maybe could have filled in that soft material. Mr. Kortze said they are talking at a minimum maybe eight inches by two feet depending on the conditions that they would find there. Mr. Kortze said they will not be able to determine anything that might be hiding underneath. Mr. Wegfahrt said so if there is something five or six feet under, they wouldn't know it. Mr. Kortze replied that you aren't going to know unless there's a change in the soil. It will be unconsolidated, loose and have a higher moist content. These are all signs of sinkhole activity. Mr. Heimbecker asked Mr. Kortze what is the clearance between the existing highest utility pipe in that ground? Mr. Kortze responded that gas is probably two feet from the top. Mr. Heimbecker asked about the water pipes and Mr. Kortze replied that the water pipes are down four and one-half feet generally. Mr. Heimbecker also questioned how far down the sewage is and Mr. Kortze replied that the sewage is down a minimum of six feet. Mr. Heimbecker asked Mr. Kortze if the damage they've seen in the area was related to those types of breaks, then you are not going to find anything at six or eight inches. After discussion, Mr. Heimbecker said that he is still in favor of a geological survey being done. He doesn't see that they are going far enough. Mr. Wegfahrt agreed with Mr. Heimbecker. Mr. Wegfahrt said that it's additional data if nothing else, not less data. Vicky Roth, Township Clerk and Acting Township Manager in Mr. Garges'

absence asked Mr. Kortze if they still have the window available for the geophysicist to even do the work. Mr. Kortze replied that he didn't know because Mr. Garges was in communication with him as far as his timeframe and he didn't relay that to him. Mr. Garges did indicate to Mr. Kortze that at the last meeting that he had, he had a descent window of opportunity to go out there and do the work. Mr. Kortze does not know if that's closed or not. The geophysicist did provide the updated estimate that Council had wanted at the last meeting. Mr. Heimbecker suggested that they table this matter until Mr. Garges returned from his vacation so he can weigh in on it. Mr. Kortze said it's entirely Council's call. Mrs. Roth said that she will let them know what Mr. Garges discussed with her and is for spending the money digging it up as opposed to putting the money toward the geological survey. She said the final decision is the Board's decision. She said she is getting concerned because September is approaching. Mr. Heimbecker asked Mrs. Roth, what difference does that make? She replied, even using Penn bid, they would need to do something relatively soon and Mr. Heimbecker asked her to do what? She replied that she was referring to bidding and getting a contractor either way. She asked Council if they are more disposed to just getting the study done and that's it? Mr. Heimbecker asked Mrs. Roth if she was talking about bidding to repave Sherwood? He said he is not at all in favor of doing that. Mr. Heimbecker said he would anticipate if they are going to do something, they would bid the project. Mr. Kortze said that the window of opportunity is pretty tight. If Council decided they wanted to go ahead with the repairs and forego the geophysical analysis, they would have to get this out to bid in September to try and get it paved in October and even then, they would be pushing the limits. He said it could still be done. They've done work going into late October early November. If the purpose is to do the geophysical investigations, chances are that by the time those results are done, there wouldn't be any paving activity that would take place there. Mr. Heimbecker said he believes that he was vocal on March, April and May about not doing the Sherwood project until the repairs or whatever was done on those streets by the last contractor. Those repairs were insufficient. He said the topping that is on there is not finished grade. It doesn't look like anything that Bethlehem did when they finished Hoover Rd. with. He said there's cracks and holes. They came in and poured hot tar on it. It's a mess. Mr. Wegfahrt said that Mr. Garges had said that he believed he talked to this person that does the geological surveys and they can get things done fairly quickly, which Mr. Wegfahrt would assume they mean mid-September at the latest and he didn't think it would take them long to get results back to the Township. Mr. Kortze said that they would just pluck the data up within one week. Mr. Wegfahrt didn't think it would be a long process if they started it and did it and he doesn't think it would be long to get the results back. Mr. Kortze said it's not weather-dependent anyhow. Mr. Wegfahrt said his point is that he doesn't think it would affect the timetable for putting out the bid if anything needed to be done. Mr. Paulus asked the Board if anyone wanted to make a Motion at this time. Mr. Paulus made a Motion that we repair the road with slurry or pack or whatever a contractor deems necessary. He asked if anyone wanted to Second the Motion. There was no response from the Board. At this time, Mr. Paulus said they would continue to discuss this matter at next meeting. Mrs. Roth asked if at this point there is no decision. Mr. Heimbecker and Mr. Wegfahrt both commented that this will be tabled until the next meeting. Mr.

Wegfahrt said they would decide at the next meeting because a decision will have to be made at that point. Mr. Paulus asked if there were any questions for the Township Engineer. Mr. Wegfahrt addressed the Township Engineer at this time and he wanted to follow up on what Mr. Heimbecker touched on a little bit. He said regarding the repairs that were done to Troxell and Sherwood Streets, two months ago plus, Mr. Kortze was going to ride the streets with people from Bethlehem to see the places that needed to be repaired better. Mr. Kortze said, yes, they were going to do that. Mr. Wegfahrt asked him if they have done that yet. And Mr. Kortze replied that they did. Ed Chromzak from his office met with someone from the City of Bethlehem Water Department and also one of the representatives from the utility contractor and they were going to provide them with quotes for repairing the roads, but it seems that the City's feeling was that the roads were acceptable in their eyes and they probably weren't going to do anything. Mr. Wegfahrt asked Mr. Kortze, it's our Township, it's our Ordinance, whose eyes need to see them as acceptable? He said those are ours. Mr. Kortze replied that he would say it's the Townships and Mr. Wegfahrt replied, exactly. Mr. Wegfahrt said if Mr. Kortze could convey that to them and Mr. Kortze replied that they did. Mr. Heimbecker said that the finish on Hoover Street came out nice and they complained enough about that. He said that same finish should exist all the way up Troxell, all the way down Taft, up and down Tacoma and Sherwood Streets. Mr. Wegfahrt said they are nothing like the finish they did on Hoover. A discussion ensued at this time. Mr. Kortze said he will send a letter to the City. Mr. Wegfahrt asked Mr. Kortze what are the fines the Township could start levying if they don't reply within the time frame they are supposed to? Mr. Kortze replied that he didn't know what the fines were at the Township. Mr. Heimbecker said it did indicate that there was to be a finish. Mr. Kortze replied that they did note that some of the areas were high, some of the areas were low and that the high areas would have to be milled. The low areas would be filled in with wearing course and then it was kind of left that they would get the Township an estimate but the City was not going to be willing to do it. Mr. Heimbecker asked Mr. Kortze why wouldn't the City hold the contractor's feet to the fire and require the proper finish be put on there? Mr. Kortze replied that he didn't know. Mr. Kortze said that's why he thinks it would be best to send something directly to the Water Authority. Mr. Wegfahrt said to simply point out to them exactly what Mr. Kortze just said. He said they pointed it out that these repairs need to happen in a certain fashion and obviously they haven't been repaired to the condition prior to their work. Otherwise, they can come back and say they don't need to do anything. But, they've already admitted that that is what they need to do. Mr. Kortze agreed to send them a letter. Mr. Wegfahrt also wants Mr. Kortze to find out what we can start doing about noncompliance of the Ordinance. Mr. Eaton said he would review the options regarding noncompliance of our Ordinance. He asked if someone actually picked up a permit to do the work or does the Township have a permit. Mrs. Roth asked a permit to do what? Mr. Eaton replied to do the work the City of Bethlehem did or their contractor did. Mr. Wegfahrt said the work when they did the laterals and opened the roads. Mrs. Roth responded that she did not believe they pulled or have a permit. She said that would be a right-of-way permit and she is not aware of a permit being issued to them. Mr. Heimbecker asked would that be the City or their contractor? Mr. Eaton replied that he didn't know which. He thought either one. Sometimes the

contractor pulls the permit for a job. What this says may have something to do with what they've agreed to. It doesn't mean the Township can't go after them anyway. Permits usually have some kind of statements in there about how they are supposed to do the work. Mrs. Roth said she would look into it. Mr. Wegfahrt said he doesn't want their streets to look like Bethlehem's streets.

3. J. Jackson Eaton, III, Esquire  
Township Attorney

- A. Mr. Eaton addressed comments regarding MuniLogic contract. MuniLogic sent back a contract which Mr. Garges forwarded to Mr. Eaton before he left for his vacation. He reviewed it and they have adopted all the changes that were suggested. Mr. Eaton advised Mr. Garges that it is in good form to sign. Mr. Eaton believes that Mr. Garges will do that when he returns from his vacation. Mr. Wegfahrt said that's excellent and thanked him.
- B. Mr. Eaton commented on all the FedEx items. He said they all remain open. They've had some communications with FedEx's attorneys. The open items all involve PennDOT, but they are moving towards trying to wrap up all of the Willowbrook Road infrastructure issues.

Mr. Heimbecker asked if that was the acceptance of liability for the right-of-way work? Mr. Eaton replied that it's a whole thing. It's the whole Willowbrook Road closing. They had a list of documents they were going to provide PennDOT and they've given them the documents some time ago basically saying when the day comes and we hand these to you will they be acceptable. Mr. Eaton said he is waiting to hear back on that. There is also an open matter with regard to the language they wanted us to sign for the Airport Rd./Postal Rd. traffic light repair and he has given them a response as to why their document wasn't acceptable. They still have to work out the Race St. easements. The Infrastructure Agreement required that at the conclusion of the construction of the sewer line that was being constructed for Allen Township, that at that point the Airport would turn over the sewer easements. Mr. Eaton said they are at the point where that needs to be filed. There was a plan for relocation of some of the existing Hanover Township sewer line in Willowbrook Road and we may need an easement outside the existing right-of-way for that. These are all items that have been open for some period of time. It's just now we are looking at the end of September beginning of October road change, FedEx willing to start using the sewer discharge. Mr. Eaton said that at the last Township staff meeting they started the process of looking through how they bill Allen Township for the partial years and so forth. That was all spelled out in the Infrastructure Agreement and the additional Transmission Agreements. Mr. Garges was very good about getting on that so we can bill correctly. So that is underway.

4. Maintenance (Written)

Chairman Paulus acknowledged receipt of a written Maintenance Report, written Fire Company Report, written Code Enforcement Officers' Reports, and written Building

Inspector's Report and same were noted for the record.

5. Storm Water Issues

Jeffrey Mouer, Maintenance Supervisor, reported that we've gotten a lot of rain over the last month. Mr. Wegfahrt said kudos to Mr. Mouer. He knows that in areas that he has driven around in the Township, he has not seen any flooding or water released. Mr. Mouer said the Township fared rather well. They didn't have any damage per se from the heavy rain. They do have their problem areas. Even before the rains, he and Mr. Kortze and Mr. Chromzak have talked about it and been working on a couple different issues to try and move the water a different way. But, basically speaking about damage, the Township really didn't have much. If anything, the ballfield took it the hardest and they are going to repair that tomorrow. Mr. Paulus asked Mr. Mouer if Canal Park flooded out. Mr. Mouer replied, no it did not. Mr. Mouer dis say that they are on overflow status on the lake. Mr. Heimbecker asked if at the Millers it all drained and Mr. Mouer replied, yes. Mr. Mouer spoke with the Airport. There is some washout that went on to Dauphin Street that ended up going through our system to the lake. Mr. Mouer spoke with Ryan over at the Airport and he is going to look into it. Mr. Mouer took some pictures and sent them to him. He is going to correct it. Mr. Paulus said that many times, the lower pavilion, the water comes all the way up to there. That's a flood area. Mr. Mouer said it perked well for some reason. Mr. Heimbecker said it looks like the Great Lakes back in the Airport Shopping Center. Mr. Mouer said those pumps are pumping. Mr. Heimbecker commented that a lot of detention is happening. Mr. Paulus thanked Mr. Mouer and Mr. Heimbecker also thanked him and told him, good job.

6. Treasurer's Report (Written)

Motion: I move we accept the computer printouts dated August 10, 2018, for the General Fund Account, Capital Reserve Account, Escrow Account, Liquid Fuels Account, Sewer Account and Water Account subject to audit.

Paulus, Wegfahrt: Moved and Seconded

Heimbecker, Lawlor, Wegfahrt, Woolley, Paulus:

Aye

Unan.

Unfinished Business:

1. Bill No. 2018-05, An Ordinance Amending Chapter 7, Part 4 of the Statutory Code of Hanover Township to Conform Its Provisions with the State Fireworks Law (Public Hearing)

Mr. Eaton addressed Chairman Paulus to request that this be tabled for the same reasons that he has not heard back from the either of the contacts he has with American Pyrotechs. His initial contact he had about a month ago were very good and they were very responsive at least over the phone and they did send some material, which wasn't what they said they were going to send, but he thinks this may just be summer absence and scheduling from a trade association. Mr. Eaton asked that they give it another week and he will try to press them for a response and if need be he will try some other sources. Mr.

Heimbecker commented that we still don't know what a fireworks professional is. Mr. Eaton responded that no. He said that the name the state law uses is pyrotechnic professional technician. Mr. Wegfahrt said that he thinks there should be some kind of certification. He said we have one gentleman from the fire department who is that and he is licensed and has his permits. He said hopefully that has something to do with it. Mr. Eaton commented that maybe they could speak with him as far as what licenses he has and where he got them. Mr. Wegfahrt said maybe it will help to know when he was officially titled Pyrotechnic Professional. He said at least it will give us something to start with. At this time, Mr. Paulus closed the Public Hearing.

New Business:

Mr. Paulus said that yesterday he cut the ribbon for Lehigh Valley's Health Network. They have 400 employees, they work 24-7 and it's also a phlebotomy school. They teach students three plus process all the bloodwork. Anyone who has blood drawn in this section of the Valley, it goes there. After he cut the ribbon, they were given a tour. When you drive on Route 22, you see the building. Mr. Paulus didn't know it was a school. They charge \$2,000 for an eight-week course, then you become a phlebotomist. It's owned by Lehigh Valley Hospital. They are the leader in bloodwork right now. They did a nice job on the building which use to be the old T-Mobile facility. Mrs. Roth attended the ribbon cutting with Mr. Paulus.

1. Release of funds for completed project, Sherwood Park Ballfield (Vote)

Mr. Paulus asked Mr. Kortze if the work is all done. Mr. Kortze said he didn't have any correspondence on this, but everything was done and there was a payment made. At the last meeting, the only thing that was being held was the retainage until we got the required bonds and those have come in. Mr. Kortze's recommendation is to make the final payment.

Motion: I move that we release the funds for the Sherwood Park Ballfield.

Wegfahrt, Heimbecker: Moved and Seconded  
Heimbecker, Lawlor, Wegfahrt, Woolley, Paulus:                   Aye                   Unan.

2. Letter of Credit Reduction #5, Phases 1 and 2, Rockefeller Group (Vote)

Mr. Kortze didn't know if Mr. Garges wanted him to handle this matter or if Mr. Eaton was going to handle the releases. He didn't make mention of it. But, they provided a couple of releases that were being held on condition that the Applicant provide the necessary funds to replenish the letter of credit account. He didn't get any confirmation that this has been taken care of. Mr. Kortze said they could do these like the last ones that are still pending that recommend the release, the reduction in those two phases conditioned on Rockefeller putting in the \$267,000 in to their letter of credit. He said they will just hold it until that is taken care of. Mrs. Roth said the two reductions total \$118,242.76. She said they can release the funds, but not forward it to the bank until Rockefeller has complied with the

June 13, 2018 letter of credit update which was prepared by Keystone and should it come in then they can follow through with this. Mr. Kortze said that he thinks the ones that they approved at the last meeting was about \$280,000. That's still on hold. It was approved but wasn't released until they reestablished the letter of credit the way they were supposed to and they had been promising for a number of weeks that that was eminent but hasn't happened yet. Mr. Eaton said that Mr. Garges prepared the language and the Resolution that he thinks he gave to Council that has that condition on there. Mr. Paulus asked Mr. Eaton if they were covered. Mr. Eaton replied yes if they pass the Resolution. Mr. Paulus said they have to meet all their steps. Mr. Heimbecker's understanding is that they haven't fulfilled their obligation on the \$280,000 yet. Mr. Kortze replied he was correct, the work has been approved and it's recommending not to release monies until they reestablish \$267,000 that they are short in their letter of credit. Mr. Kortze said there is still like \$3.9 million in it, but they indicated that they were going to provide the additional funds in the letter of credit and in Mr. Garges' Resolution indicates not to send anything to the bank until that's done. Mr. Kortze said the other option is to just table it. Mr. Heimbecker says they should table it. Mr. Eaton asked when the application was made. He said there is a time limit in the Infrastructure Agreement. Once they make a request, by which Council must act. This is standard and have had it in all our improvements agreements and Mr. Eaton thinks it's 45 days. He said Council can turn it down, but they have to take some action and he doesn't know offhand what time that is. Either way, if Council turns it down for the moment it won't be because they didn't do the work, it's because there isn't enough money in the letter of credit. Mr. Eaton said they need to turn it down for a reason or table it unless they have time before the next meeting, which would be the September meeting. Mr. Heimbecker asked Mr. Eaton if they know where they are on the 45 days if it is 45 days. Mrs. Roth does not have the original letters. Mr. Kortze asked when the request was made. Mr. Eaton knows that the clock is running, but asked to add one other thing. He said as Mr. Garges pointed out before they also left out that the whole process requires that they send it by Certified or Register Mail which they did not do. Technically, we could just table it on that. Mr. Kortze said there is still 45 days that will take us beyond the next Council meeting.

Motion: I move we table Letter of Credit Reduction #5, Phases 1 and 2,  
Rockefeller Group at this time.

Wegfahrt, Heimbecker: Moved and Seconded

Heimbecker, Lawlor, Wegfahrt, Woolley, Paulus:                      Aye                      Unan.

3. Resolution No. 2018-40, A Resolution Designating Embassy Bank as an Additional Depository for Township Accounts (Vote)

Mrs. Roth stated that the Township has diligently and relentlessly tried to work with PNC Bank to solve the credit card issue. Through them not responding or going back and forth, it hasn't happened. Mrs. Roth said that Mr. Garges has now gone to another bank, Embassy Bank and inquired whether they would be willing to give the Township Manager, Chairman and Public Works Supervisor a credit card without the Township Manager's signature. All they were asking

before. Embassy Bank is willing to do that. The only thing is Embassy is asking the Township to open an account there of \$10,000 and then as the credit card bills come in, they would draw from that. We would still get the bill and detail and then we would replenish the account. Mr. Heimbecker said, so it's an easy pay, easy pass? Mr. Wegfahrt said it's a debit card not a credit card. Mrs. Roth said Embassy is calling it a credit card. Mr. Woolley asked Mrs. Roth if she checked the bank down the street from us, Peoples Security. Mrs. Roth said they did not. Embassy is where Mr. Garges inquired. Mr. Wegfahrt said its written that PNC has been able to provide cards that do not tie to the personal credit of the Township Manager. Mrs. Roth said that's correct. Mr. Wegfahrt said if that's the case I would strongly suggest ending any business with PNC, closing any accounts we had and moving it somewhere, whether it's Embassy or somewhere else. Mrs. Roth asked Mr. Wegfahrt if he meant all accounts. Mr. Wegfahrt reiterated, anything that is tied to the personal credit of the Township Manager should not be open. Mrs. Roth said that's the credit card. She said that was the issue before. Mr. Wegfahrt asked Mr. Eaton if he is correct, the Township should not be mixing any personal credit with the Township at all. Mr. Eaton replied, absolutely not. Mr. Heimbecker said it's almost like they are asking for a personal guarantee. Mr. Wegfahrt said regardless of where the Township goes, they need to cancel the credit card with PNC. Mr. Wegfahrt said if the Township Manager and everyone is comfortable with Embassy Bank and their stipulations, then he'll move to accept it. Mr. Paulus said he is sure Mr. Garges researched it. Mr. Woolley said he wasn't comfortable with Embassy Bank. Mr. Woolley said the Township should probably look into the smaller bank down the street from us and maybe Wells Fargo and look at what our options are first because it sounds like they are offering us a debit card. Mrs. Roth reiterated that they are calling it a credit card. Mr. Wegfahrt said it's a debit card because it's drawing against an account you already have monies in. Mrs. Roth said that's the guarantee. Mr. Wegfahrt said he would assume that Mr. Garges did call around to other banks, but just to be safe he would like to shop around and get the best deal available. Mr. Woolley said if we go to banks with money, he's sure they'll talk to us. Mrs. Roth said after discussions with other municipalities and other managers apparently the common practice is exactly what we had before and Mrs. Roth, personally, does not feel that's the way to go which is why they reached out to another bank of which they have had prior business with, certificates of deposit, etc. Mr. Eaton said he doesn't know what the particular reason is. He knows that Pennsylvania has limits on municipal debt. Debt meaning even credit cards. Whether those state laws have inadvertently swept up this and made it more difficult for municipalities to get a real credit card even for nominal purchases, he doesn't know. But, he certainly agrees that there shouldn't be any circumstance where an employee's personal credit should be used to support Hanover Township obligations. Mr. Woolley said you never want to do that even as a nonprofit, which the Township is. You're tying someone's personal credit into something they have no ownership in. Mr. Wegfahrt said since the Township doesn't rely heavily on credit, he's fine with the debit account too. He said we're paying the bills every month anyway. Mr. Paulus said if Mr. Garges did not shop around, the Board would like him to shop around and if he did shop around, he will tell the Board in September. Mrs. Roth asked if this is tabled until next meeting. Mr. Paulus replied, yes. Mrs. Roth said she will look into the small

bank down the street from us. Mr. Wegfahrt said whether we go to Embassy or a different bank, he would still suggest immediately that that PNC account be closed. Mrs. Roth asked Mr. Wegfahrt if he meant the credit card and he replied whatever is tied to Mr. Garges or any employees' personal credit should not be opened and should be closed. Mr. Woolley asked if that's the way it's set up now, tied to the Township Manager's personal credit. Mr. Eaton said they are business credit cards and Mr. Wegfahrt wanted it clarified if they are tied to an employee's personal credit and Mr. Roth replied no, it is not. A discussion ensued at this time. Mrs. Roth said if the Board wanted to discuss this further, they could do so in Executive Session since it is a personnel matter. Mr. Wegfahrt said it could be from a general standpoint. His statement is, anything tied to an employee's credit should not be opened and should be closed immediately. Should not mix personal credit with Township. It is not healthy or is it even legal? Mr. Eaton said he is surprised that the banks don't have some other alternative for that and maybe this is the alternative. Mr. Wegfahrt said regardless this is a pitfall he doesn't want to be around. Mr. Woolley said when he does a merchant service app for a nonprofit or government entity, it's a federal violation for him to have them sign a personal guarantee. It's against the Federal Banking Law. Mrs. Roth said she would put it on the next Agenda. Mr. Heimbecker said the President said shop around and Mrs. Roth said he will.

Payment of Bills:

Motion: I move Council authorize payment of Payroll (7/27/18); Payroll (8/10/18), Voucher Nos. 23750-23759 (Prepays), Voucher Nos. 23760-23802 from the General Fund Account in the amount of \$280,348.90; Voucher Nos. 4381 (Prepays), Voucher Nos. 4382 from the Capital Reserve Account in the amount of \$28,360.17; Voucher Nos. 157 from the Liquid Fuels Account in the amount of \$5,351.72; Voucher Nos. 4688-4708 (Prepays), Voucher Nos. 4709-4712 from the Escrow Account in the amount of \$11,584.79; Voucher Nos. 4221 (Prepays), Voucher Nos. 4222-4225 from the Water Account in the amount of \$777.23; Voucher Nos. 5636-5637 (Prepays), Voucher Nos. 5638-5642 from the Sewer Account in the amount of \$10,747.25 for a Grand Total Expenditure of \$337,170.06.

Paulus, Heimbecker: Moved and Seconded

Heimbecker, Lawlor, Wegfahrt, Woolley, Paulus: Aye Unan.

Courtesy of the Floor:

Mrs. Roth said she had one more thing to add. She said the Building Board of Appeals met and had a hearing over a commercial property in the Township that had a trailer on their property. The Decision of the Board was that the owner of the property has a limited amount of time to repair the storage trailer and bring it up to code. They will no meet again and the Decision stands which means September 9 will be the day where the Township and the Building Officials will go and look at it and go on from there. Mr. Eaton said either it will be completely repaired and up to code at that time or there will be citations and he will have no further appeal to the Building Board of Appeals. He can't

keep appealing. Mr. Wegfahrt said, are we sure because this seems to be going on a long time. Mr. Paulus said he's been taking the legal process up to this point. Mr. Eaton said he does have a new attorney, who he feels has explained the facts of life to him.

Adjournment:

The Meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Christopher J. Garges  
Township Manager

DRAFT