THE TOBYHANNA TOWNSHIP BOARD OF SUPERVISORS AND THE POCONO TOWNSHIP BOARD OF COMMISSIONERS JOINT WORK SESSION JANUARY 9, 2019

A Joint Work Session of the Tobyhanna Township Board of Supervisors and Pocono Township Board of Commissioners Joint Meeting was held on January 9, 2019, at the Pocono Township Municipal Building, 112 Township Drive, Tannersville, PA 18372.

Present are Tobyhanna Township Supervisors Anne Lamberton, John Holahan, Heidi A. Pickard, Brendon Carroll, David Carbone, Solicitor Jonathan Reiss, Esquire, Engineer Robert (Bob) McHale, PE, and Township Manager John Jablowski Jr.

Present are Pocono Township Commissioners Gerald Lastowski, Richard Wielebinski, Chad Kilby, Jerrod Belvin, Solicitor Leo DeVito, Engineers Jon Tresslar and Mike Gable, and Patrick Briegel.

- 1. President Gerald Lastowski calls the meeting to order at 5:01PM. A quorum is present for both parties.
- 2. The Pledge of Allegiance is recited.
- 3. The members of both boards and the audience introduce themselves.
- 4. Gerald Lastowski states there has been a lack of communication. Pocono Township ("Pocono") would like to listen and find out what is going on. Borton-Lawson will speak, then Kalahari, and then Tobyhanna Township ("Tobyhanna").

5. New Business

a. Borton-Lawson (B-L) Presentation - David Wieller. David Wieller states his purpose is to discuss several issues occurring at Kalahari and to present a timeline. The issues Kalahari is facing are: peak flows are higher than should be, sewage discharge is exceeding the allocation, and the ammonia nitrogen concentration has exceeded 36mg per liter. These three issues are interconnected, and addressing one may help mitigate the others. During heavy precipitation, there is an increase in wastewater flows. This indicates that groundwater infiltration is occurring. They are trying to bring down peak water demand, and are considering potential solutions for moving forward.

Chad Kilby asks when Kalahari started addressing these issues. David Wieller replies Borton-Lawson was hired in 2018. Gerald Lastowski clarifies it will take Borton-Lawson two years to accomplish their goals. David Wieller replies there is a lot of water use and discharge associated with the water park. They are considering different options to mitigate the problems.

b. Kalahari - Steve Pine, Director of Development. Steve Pine states that Kalahari never intentionally violated any portions of the contract. Kalahari did not know what formal actions needed to be taken; transparency has always been their intention. He believes

Tobyhanna is uncomfortable with Kalahari purchasing EDUs that are allocated to Pocono Manor. Pocono Manor is discussing loaning EDUs to Kalahari so they can construct employee housing. Transparency and open lines of communication are important. Lawyers from both townships have told Kalahari that Pocono has a contract with Tobyhanna, and Kalahari should stay out of negotiations.

c. Tobyhanna Township – Jonathan Reiss. Jonathan Reiss states he is addressing concerns in a letter from Leo DeVito, dated December 13. The first concern is communication. Pocono Township felt it was not given notice of the employee housing project. Written communication was sent to Pocono Township, but the communication was sent to BCRA two days earlier. From now on, communications will be sent simultaneously. A monthly meeting of the managers to discuss open issues would also help with communication.

The second concern is a potential pretreatment facility and significant overflows. Kalahari will be working on both those issues. Once B-L gathers information on how to address the problems, the timeline will be more viable. According to the solicitor from BCRA, they do not have an issue with the quality of flows entering their facility. There is a letter of credit posted with Pocono in case a pretreatment facility is required. Kalahari should be able to address the concern of overflows. The last concern was timeliness of payments. There are accounts that should be set up within Tobyhanna that would reduce the lag time between invoicing and payment. Lastly, Tobyhanna would like to discuss memorializing potentially purchasing additional capacity to address issues now, but Pocono Manor may need more than they originally thought.

d. Discussion. Gerald Lastowski states Pocono feels like it was trying to help but not receiving necessary feedback. If the communication situation can be rectified, perhaps the capacity problem can be rectified.

Chad Kilby asks how will Tobyhanna control their customers if a customer cannot control their flow? Jonathan Reiss states Article 5 in the intermunicipal agreement addresses excess loadings, and the first step of the process is to meet and try to work through the problem. Kalahari hired an engineering firm to work on these issues.

Gerald Lastowski asks if Pocono can contact Kalahari directly. Both boards agree that they or their representatives should meet once a month.

Chad Kilby asks what Tobyhanna will include in the planning for future projects to prevent this situation in the future. John Holahan states he believes Kalahari became successful far faster than they planned. David Carbone states new projects don't require the water capacity Kalahari uses.

Gerald Lastowski states another concern is the limited capacity of the BCRA plant. Can the townships suggest a rerate again? Jonathan Reiss replies that Tobyhanna isn't a member, so we don't have a seat at the table. Leo DeVito states there was a dispute regarding who would control the rerated capacity, and the BCRA was planning to rerate when Mount

Pocono Borough wanted to join. Gerald Lastowski states BCRA wanted to charge Pocono for the system. Jonathan Reiss states Tobyhanna agreed to pay for the rerate. Robert McHale states Tobyhanna was interested in the rerate because they were originally looking for an additional 600,000 GDP to expand the system's coverage area.

Patrick Briegel states the problem is more than just high levels of ammonia nitrogen, and everything should be addressed. Mike Gable states there are a lot of technical questions to figure out with Borton-Lawson.

Richard Wielebinski asks when pretreatment was supposed to be installed. Robert McHale states the grace period was four years, which expires in June of 2019. Pocono must provide Tobyhanna with a written notice to start pretreatment. Steve Pine states some of the reasoning behind the four-year grace period was to allow Pocono Manor time to develop. Indoor waterpark resorts tend to run higher, and the projection was that Pocono Manor would have something online to dilute Kalahari's wastewater.

Steve Pine states Kalahari would like Pocono to consider an extension of the grace period because BCRA isn't having any issue with system loads. Borton-Lawson is working on normalizing chemical spikes, which requires time. In September 2018, they found and repaired leaks in pipes that were probably present since Kalahari opened. In two months, water usage dropped 20%. Employee housing is estimated to need 8,300 GPD. Kalahari believes it can work that into their allotted 230,000 GPD once the site is under control. Extending the grace period will allow potential new development from Pocono Manor to dilute concentration.

Jonathan Reiss states Tobyhanna didn't want to give authority to Kalahari to install footers for employee housing without Pocono knowing.

Mike Gable states the employee housing at Kalahari is being treated as 83 hotel rooms. This facility is dormitory rooms with 347 proposed beds, and will be occupied full-time for extended periods. A better estimate is 66-74 EDUs. Steve Pine replies he is hesitant to purchase more because Kalahari just purchased 300 additional EDUs. Ten months out of the year, they receive no credit for not using them. He was given these numbers by engineers, who said employees would be working and not contributing to sewage during the day. Kalahari is undergoing an in-building audit to try and reduce water usage. They have purchased 932 EDUs, and there is only a matter of weeks when that is exceeded.

Gerald Lastowski clarifies Kalahari is building a dormitory because Monroe County doesn't supply enough employees. Frank Gauger replies none of Kalahari's sites have adequate workforce in their area. Kalahari was over their limit in July and August of last year. They expect to be under through June, when they will spike again in August. It is our intention to put together a plan that gets flows under the allotted capacity. Frank Gauger states Kalahari has similar dormitory-style housing in Wisconsin Dells, and they used known sewage numbers from that facility to estimate comparable flow. Patrick Briegel replies Kalahari used the same methodology with the hotel, which has been proven an underestimate.

Mike Gable states that Kalahari exceeded 230,000 GPD over last weekend. If everyone only paid for what capacity they used, the system would not be financially solvent. Ralph Gundrum replies the contract requires Kalahari to respond to capacity on a monthly basis, and Kalahari spikes two months out of the year. Contractually, Kalahari is following its obligations. Steve Pine states pretreatment may not be the answer: perhaps an equalization or holding tank. Kalahari was expecting a maximum of 80-85% occupancy, but have hit 95%. Ralph Gundrum states 2018 was the first stable year, and they are looking for the best solution. Patrick Briegel states the hydrogen sulfide issue can be treated with Bioxide. Ralph Gundrum states Kalahari is asking for a three-year extension with the same conditions as the current agreement.

Mike Gable states this problem is complicated. He recommends a working meeting with himself, Patrick Briegel, Robert McHale, and Kalahari's engineers. Aeration and equalization may help. Gerald Lastowski replies yes, please set up the meeting.

Gerald Lastowski suggests Steve Pine, John Jablowski, and Donna Asure set up a subcommittee to keep lines of communication open. When starting an email chain, include all interested parties. Steve Pine, please consider working with Pocono Mountain School District because J-1 students are great cultural resources.

Jonathan Reiss suggests after the engineers have met and the agreement is moving forward, the attorneys can start working on revisions to the existing agreements. Gerald Lastowski states he agrees. Chad Kilby states he is interested in additional data.

Ralph Gundrum states we have the outstanding letter issue. Gerald Lastowski states Pocono needs to know specifics of what Kalahari is looking for. Jonathan Reiss states in order for Kalahari to disturb earth for the footers of the employee housing, Tobyhanna needs a letter from Pocono stating they received the notice. Leo DeVito clarifies it is an administrative letter and can say "we received your letter, thank you for keeping us informed."

Richard Wielebinsi asks for back up data on why Kalahari wants an extension. Mike Gable states the engineers need to meet to advise.

- 6. Public Comment none.
- 7. Meeting adjourned at 6:15PM.

Minutes recorded by Julia Heilakka

Respectfully submitted:

Julia Heilakka, Township Secretary