

**Military Installation Remediation and
Infrastructure Authority (“MIRIA”)
Board Meeting Minutes
May 7, 2021**

In attendance:

BOARD:

Todd Stephens, Chair
W. William Whiteside, Vice Chair
Thomas Panzer, Secretary
Theresa Harmon, Treasurer
Tara Conner-Hallston
Scott DeRosa
Gregory Nesbitt (absent)

STAFF:

Larry Burns, Executive Director
William Gildea-Walker, Deputy
Director
Mary Eberle, Esq., Solicitor

Mr. Stephens opened the meeting with a Pledge of Allegiance at 9:03 AM in the Horsham Township Municipal Building at 1025 Horsham Road.

Mr. Stephens noted that State Representative Meghan Schroeder was participating today by way of google meets and asked if she had any questions or comments. Representative Schroeder thanked the board for all their hard work and the important work of the year ahead, that their efforts are well appreciated. Mr. Stephens thanked Representative Schroeder for her attendance this morning. Mr. Stephens asked if there were any question or comments from the audience. There were none.

Mr. Stephens asked for the will of the board regarding the April 9, 2021 meeting minutes. Mr. Whiteside motioned to approve the minutes of the April 9th board meeting. Mr. DeRosa seconded. All were in favor and the motion passed.

Mr. Stephens asked if the Executive Director had a report. Mr. Burns confirmed that since our last board meeting, that staff had received a response from the PA Department of Revenue on our Qualified Authority Amendment. Of the 7 properties, Department of Revenue has accepted 5 properties, had requested additional information on the 6th property at 723 Dresher Road, and denied the 7th property at 500 Enterprise. With the 6 properties added, 91.79 acres of the 100 acres is achieved. Mr. Burns confirmed that the Department of Revenue had requested a copy of the Telerx lease and that he confirmed it was not of record and not a public document available for their review. He did however provide the Department of Revenue and email from the management company that managed the property which confirmed the date that Telerx vacated the property and that it had laid vacant after that. Mr. Burns also had the Horsham Fire Marshal

certify that his records showed the property vacant in May 2018 and that it had been and remains on vacant property report that his office maintains. He indicated that with providing these items, he was hopeful that the Department of Revenue were certify the property.

Mr. Burns confirmed that he had signed a services agreement for the recreational fields study on April 26th and that the vendor would be scheduling a kick-off meeting in the coming days. He further confirmed that Michael Baker is working on the intersection and roadways study and that he expected Eric Frary to be available and present an update at the next board meeting.

Mr. Burns spoke to the acquisition of the property at 986 Easton Road and that he hopes to be closing on the property in a matter of weeks. A satisfactory Phase I report was recently completed. He confirmed that he had expressed to the sellers early on that the property is expected to be empty the day of closing and the sellers are working with the tenants to have them vacate the property. He noted that 368 Easton Road would be discussed a little later in the meeting.

Mr. Burns noted that the 2021 grant cycle was beginning and he expected his first grant application from North Wales Water Authority to be dropped off today. All applications are due by May 15th.

Mr. Burns confirmed the social media consultant is on board and that MIRIA's presence on Facebook and Linked-In were up on April 25th. Several stories have been posted including the check presentation to Horsham Water & Sewer Authority as well as a Warminster Municipal Authority check presentation.

Mr. Burns confirmed he had hoped to make a budget presentation at this meeting to incorporate the costs of the social media consultant and the 2 planned mailers into the budget. He confirmed the original budget did not include those costs and when the budget was prepared, it presumed efforts for payroll and legal costs would lessen in 2021. We did not however take into account that staff would be administering 2 grant cycles, both last year and this year, and those impacts on the budget. He hoped to have time to analyze these things further and to discuss an amendment to the budget at the June meeting.

Mr. Burns confirmed that he had sent a certification of no excess funds to the Department of Revenue on April 12th and to date heard no questions or comment from the Department of Revenue on it.

Mr. Burns indicated that as approved by the board at the last meeting, that he engaged the services of Indian Valley Appraisals on April 9th to provide an appraisal to MIRIA to provide an appraisal on blighted property #1, which he expects to receive in late May.

Mr. Stephens commented that he wanted to highlight one of those issues and that it had been a challenge dealing with Department of Revenue on their definition that they use of a deteriorated property. They have their own criteria that they apply. We had some back and forth with the Department of Revenue over which properties are actually deteriorated. Mr. Stephens inquired of Mr. Burns that rejected or sought additional information? Mr. Burns confirmed that the Department of Revenue had rejected the property at 500 Enterprise which Comcast vacated and has been empty for 14 or 15 months. Mr. Stephens noted that the definition in the statute is that a property is under-valued or under-utilized but the criteria the Department of Revenue applied meant that only 20-30% of the property could be utilized and that seemed like a very low threshold. With a property only 50% occupied you could certainly make the case that it was under-utilized and under-valued. In the case of 500 Enterprise, the property is fully vacant for over a year, but for some reason, that property does not satisfy their criteria. This has been a growing source of frustration from my end, as a legislator and as the Chair of this board, so we are trying to work through some solutions there. Mr. Burns has done a great of job of trying to provide Revenue with as much information on these properties. In this case, they requested a copy of the property lease which is not a public document. Mr. Burns interjected that the lease request was for 723 Dresher Road. The information that the Department of Revenue is demanding of us, and the criteria that they are using, have left us scratching our heads quite a bit.

Mr. Stephens referred to the next agenda item of bills or communications and asked for the will of the board regarding the list of checks. Mr. Panzer motioned for approval of the list of checks for MIRIA operational expenses in the amount of \$54,029.50. Mr. Whiteside seconded. All were in favor and the motion passed unanimously.

Mr. Stephens noted under additional business was a Resolution #2021 – 5 authorizing MIRIA staff to certify to the Department of Revenue the amount of local effort that we receive. Mr. Stephens inquired of Mr. Burns that grant applications and local effort are due by May 15th? Mr. Burns responded affirmatively that local effort checks are due with each grant application by May 15th and that by June 1st the statute requires MIRIA certify local effort funds on deposit and in the bank to the Department of Revenue. Mr. Burns indicated that he had polled prospective applicants and expect this cycle to have about \$3.2 million in local effort which could set the potential funding of just under \$16 million everything else falling together and working. Mr. Stephens noted that we were uncertain as to the impacts of COVID19 on the program and that given changes in employers in the zone in the last year that it was expected that funding would not exceed last year's funding. Mr. DeRosa motioned to approve Resolution # 2021-5 to approve and authorize MIRIA staff to certify the amount of local effort funds to the PA Department of Revenue. Mr. Panzer seconded, but confirmed he had a question. Mr. Panzer asked if we know when we have local effort, does the applicant share what part of the project will be funded with local effort or at what point do we know that? Ms. Eberle responded that we have an application form that staff developed and requires applicants outline the projects that they intend to pursue

with the grant funding. Our guidelines allow amendments to those applications between now and December, should the priority of various projects change. She asked if that answered Mr. Panzer's question. He stated yes, to a degree and further inquired when a provider submits their local match is a letter saying they intend to fund? Ms. Eberle confirmed that grant applicants are required to provide a check with the application and that that check is deposited in MIRIA's account and then we are required to certify to the Department of Revenue the total local effort amount before June 1st. Mr. Panzer asked from an understanding where the money is being used, when do we as a board know that. Ms. Eberle confirmed that the applications came before the board in December. Mr. Burns made note that a couple applicants last cycle chose to get quick response grants and we knew that earlier in the cycle. Horsham Water & Sewer Authority and Warminster Municipal Authority both opted for Quick Response Grants, and they were approved at the September meeting. Both were used to rebate surcharges and water charges to rate payers. Ms. Eberle asked if you're asking when the board sees the applications, certainly just email staff and we'll be pleased to share them, subject to the understanding that the providers can and do amend those as the year goes on. She confirmed that the application could be amended but not the local effort amount. Mr. Panzer stated that in the next month, we would know what the applications and local effort were. Ms. Eberle confirmed that in the next week we would know, by the 15th of May.

Mr. Burns confirmed it was a roll-call vote.

Ms. Conner-Hallston-Aye

Mr. DeRosa – Aye

Ms. Harmon – Aye

Mr. Panzer – Aye

Mr. Whiteside – Aye

Mr. Stephens – Aye

Motion passed unanimously.

Mr. Stephens confirmed the next item on the agenda was consider to authorize staff to terminate the agreement of sale on 368 Easton Road. Mr. Stephens asked Mr. Burns to speak to the matter. Mr. Burns confirmed that we had executed an agreement of sale on the property on March 23rd and on March 30th walked the property with our Gilmore & Associates contact as part of a Phase I Environmental Assessment. As the memo in the board package confirmed, past history had ownership and use of the property with Leary Contractors, a large construction company. Large trucks and equipment were serviced on the site and where once stood a large garage on the rear of the property, is a concrete foundation after the building was demolished. Of note as part of the foundation, a pit was identified where truck oil and other materials may have been dumped as part of the repair operation. In their Phase I, Gilmore had made recommendation to do a Phase 2 which would include 6 -8 soil borings at the site to better evaluate the impact of the truck repair

operation on the site. The cost of the Phase 2 was quoted at \$14,000.00. Mr. Burns noted that Philadelphia Suburban Development Corp., the property owner, probably paid cash for the property. The firm is a substantial company, and purportedly did not do a Phase I as part of the original acquisition. The seller is open to MIRIA doing a Phase 2 investigation, but in looking at the past use of the property, it is his opinion that some form of remedial effort will be required and the cost at this time can not be quantified. Mr. Burns' recommendation at this time, is to terminate the agreement of sale as we remain in the 60-day due diligence period and can do so with no cause, and confirm to the seller the recommendations of the Phase I report and our unwillingness to spend \$14,000 on further study and the potential costs of other remedial efforts that might be necessary. Mr. Stephens inquired whether there were additional questions. As there were none, he asked for a motion on the matter. Ms. Conner-Hallston motioned to approve authorizing staff to terminate the agreement of sale on 368 Easton Road, Horsham, PA. Mr. Whiteside seconded. Motion passed unanimously.

Mr. Stephens noted the next item was to consider Resolution #2021 – 6 authorizing MIRIA's Chairman or Executive Director to execute settlement documents and fund necessary amounts to affect the purchase and transfer of the property at 968 Easton Road Horsham, PA. Mr. Stephens asked Mr. Burns if he had anything further to share on the matter? Mr. Burns noted that he looked forward to settling the property but had no intention to take possession until it was fully vacant. He confirmed that Gilmore & Associates had done a Phase I on the property and it came back fine. In the body of the report it did discuss a gasoline spill from years ago at an adjacent property and there remain 16 wells on the 968 Easton Road property. Gilmore is researching whether the wells can be decommissioned as part of the demolition of the property and returning it to green space or if the wells need to remain in place. They have not yet provided a ruling on that. They've given us the go ahead, as the Phase I had no additional recommendations. The property transfer is expected soon, depending on how effective current ownership is in getting the tenants to vacate. Mr. Stephens commented that this site is on the corner of Moreland Avenue and Route 611 and several studies have indicated a traffic light is needed there. Mr. Stephens confirmed he had prosecuted a double homicide by vehicle that occurred at the intersection where a local couple was waiting to make the left-hand turn and was rear-ended and their car exploded many, many years ago. Certainly, there are some safety issues that we're trying to address. Just to compare this with the last property, while there may be potential environmental issues, what we are really looking at is grass and asphalt going over this to allow for turn lanes and things like that at the intersection. We are not anticipating any other uses there or anything else. Mr. Stephens said he wanted to note for the board the differences between the two properties, that why if there are potential environmental issues here, they are less concerning given the proposed use of the property and to get the intersection improvements in place. Mr. Stephens asked if there was a motion? Mr. Whiteside motioned to approve Resolution #2021- 6 authorizing the MIRIA Chairman or Executive Director to execute such documents as necessary on behalf of MIRIA to affect the purchase and transfer of the property

at 968 Easton Road, Horsham, PA and to fund the expenditure of \$625,000 plus other normal closing costs.

Mr. Burns confirmed it was a roll-call vote.

Ms. Conner-Hallston-Aye

Mr. DeRosa – Aye

Ms. Harmon – Aye

Mr. Panzer – Aye

Mr. Whiteside – Aye

Mr. Stephens – Aye

Motion passed unanimously.

Mr. Stephens asked if anyone had any additional business? There was none.

Mr. Stephens noted and wanted the board to be aware that the Air National Guard discharges water into a nearby stream in Horsham that ultimately crosses County Line Road and into Warrington Township and eventually makes its way at the Neshaminy Aqua water treatment plant. A little while back, they applied to DEP for a permit. DEP granted them the permit with the condition that discharges remain under 70 parts per trillion. I was a little taken back that DEP was letting them discharge at 70 parts per trillion given all these municipalities had adopted non-detect standards for drinking water. None the less, that was the permit that was issued. Interestingly enough, the Air National Guard appealed that permit, and is now contesting the fact that they are being asked to remain under 70 parts per trillion for their discharge. Earlier this week, he and Representative Schroeder and Representative Polinchock sent a letter to President Biden, that in essence said, everybody is taking all these efforts, these local organizations, the water providers, the MIRIA, the Commonwealth of Pennsylvania, we are all investing a tremendous amount of resources into remediating PFAS, which your military left us with. Why on earth is your Air National Guard appealing a permit requiring them to stay under 70 parts per trillion? Noteworthy is the fact that the Navy has 2 identical permits on both the former Johnsville property and their Horsham property which they did not appeal. The Navy was content with complying with the 70 parts per trillion standard but the Air National Guard seems to have a problem with it. Which makes me wonder why? Mr. Stephens said he just wanted to bring that to the boards' attention. There may be some things that we may be looking to do to try to help raise some awareness of all the work we've done in conjunction with the local water providers while the Air National Guard continues to appeal decisions on environmental issues.

Mr. Stephens reminded all that the next MIRIA board meeting was to be held on Friday, June 4th, 2021 at 9:00 am at the Horsham Township Municipal Building.

With no other business, Mr. Stephens adjourned the meeting at approximately 9:27 am.

/S/

Thomas Panzer, Secretary