

MONT ALTO MUNICIPAL AUTHORITY
MINUTES REGULAR MEETING FEBRUARY 12, 2007

CALL TO ORDER - Chairman David Monn called the Regular meeting of February 12, 2007 of the Mont Alto Municipal Authority to order at 6:30 p.m.

ROLL CALL - Staat Stymiest, David Monn, Gary Eigenbrode, Sidney Miller and Tommy Gilbert present.

MONT ALTO MUNICIPAL AUTHORITY STAFF - Maurice Gossert and Tom Smith Nassaux-Hemsley, Inc., Patricia A. Kocek Recording Secretary, Patti Strite Treasurer and Gary L. Calimer, Jr. Maintenance Supervisor

INVOCATION - P. Kocek

PLEDGE OF ALLEGIANCE

VISITORS

Dennis Monn Mont Alto Borough Council

ACCEPTANCE OF FINANCIAL REPORT

January 31, 2007 - This report was not presented. Instead P. Strite presented some of the new reports that are available and she has others for the Authority to review to determine the types of reports they want in the future. The reports presented this evening have to do with the bills for the month for the MAMA that need to be reviewed/approved.

P. Strite reviewed the reports page by page with the members.

P. Strite also presented the Budget figures for approval. Chairman D. Monn does not agree with the Budget as presented. P. Strite said the figures were arrived at using last years' figures. Chairman D. Monn stated that this is not what he wanted.

D. Monn said that he can't understand the reports. P. Strite told D. Monn that there are more reports to look at and the Authority can decide which reports they want each month.

A lengthy discussion followed on all aspects of the finances of the Mont Alto Municipal Authority. Chairman D. Monn expressed his displeasure with all of the financial reporting and how the accounting is being handled.

P. Strite told the members that the reports do show all of the transactions, income and expenditures.

S. Stymiest stated that the Authority needs to move on and use the new program. Chairman D. Monn said that he just wants to be able to show you when you need to raise the rates. He also told the members that he is not going to try to get it right, I don't care if it is right or not, no one else seems to care. Chairman D. Monn feels they are going to run out of money and be in a hole. He said he has been trying to tell the members this for over an year.

Continued discussion on financial matters including discussion on Projects and the Budget. P. Strite does not have the beginning figures for the projects. T. Misner

pointed out that you can only budget for Debt Service on the completed projects. As the projects are completed and the final financing is obtained then repayment of the debt will be included in the Budget.

Discussion on removing the Project items from the Budget.

P. Strite told the members that she was only going by what Chairman D. Monn wanted on the reports.

P. Strite does not understand what Chairman D. Monn wants.

Discussion on only having one set of accounts for paying invoices. The Authority would not transfer money to the Borough and the Treasurer would pay everything out of the Authority Water and Sewer funds. P. Strite suggests keeping the accounting the same for this year and start out next year with all invoices being paid out of the Authority funds. This would avoid the confusion of having a partial year the old way and a partial year the new way.

Discussion on raising rates. T. Misner stated that you cannot raise rates unless the rate change can be justified.

T. Misner told the members that M. Gossert cannot do a realistic rate increase study until after the Well #3 Project is completed and the financing is in place. The fact that we didn't raise rates for two years doesn't mean we can raise rates now. The Authority has to be able to justify the raise, using the expenses and allowing for a reasonable reserve.

Discussion on the time table for completing the Well #3 Project and borrowing money to finance the Project.

S. Stymiest made a motion to accept Financial Reports, T. Gilbert seconded, any further discussion, hearing none is there any objections to the motion as made and seconded, hearing none the motion carried.

SEWER

Payment of Invoices

\$118.50 Nassaux-Hemsley, Inc. Project Guilford Township
\$ 79.00 Nassaux-Hemsley, Inc. Project Internal Sewer lines
\$197.50

G. Eigenbrode made a motion to pay the invoices, S.

Stymiest seconded, properly moved and seconded to pay the invoices against sewer, any further questions, any objections, hearing none, the motion carries.

WATER

Payment of Invoices - Projects

\$ 1,580.00 NH Inc. (Project) Ramsey Water Line
\$ 1,136.50 NH, Inc. (Project) Well #3
\$11,598.50 NH, Inc. (Project) Slabtown & Furnace Road
\$14,315.00

S. Stymiest made a motion to pay the invoices, T. Gilbert seconded, any objections to the motion, hearing none the motion carries.

Invoice from Quincy Twp. Re: Installation of the public water line extension on Furnace Road - Discussion on

various aspects of this project. The invoice presented this evening is the final document for approval in the amount of \$50,006.24. The MAMA expressed their displeasure with the amount of money Quincy Township charged them to complete this project. The MAMA will be cautious and explore more options before working with Quincy on any future projects.

T. Gilbert made a motion to pay the invoice in the amount of \$50,006.24 to Quincy Township, S. Stymiest seconded, any further comments or questions,

G. Calimer, Jr. doesn't feel the Borough Maintenance workers should do the finish landscaping for this project. Chairman D. Monn said that the invoice does not include the cost for final landscaping. No decision was made as to how the finish landscaping would be handled.

Any further questions, any objections to the motion as it was made and seconded, hearing none the motion carries.

Line of Credit

\$50,006.24 Quincy Invoice
\$ 7,850.82 Nassaux-Hemsley, Inc. Projects
\$57,857.06

G. Eigenbrode made a motion to borrow \$57,857.06 against the Line of Credit at 1st National Bank of Greencastle, S. Stymiest seconded, any objections to the motion as it was made and seconded, hearing none, the motion carries.

T. Misner will need copies of the invoices in order to make the draw on the Line of Credit.

Discussion followed on revenues and expenditures for the Mont Alto Municipal Authority.

P. Strite pulled all of the water and sewer invoices that were paid for 2006 that could possibly be billed to Quincy Township in reference to water lines. T. Misner stated that these costs cannot be recouped because the water line now belongs to the Authority. Chairman D. Monn said that since P. Strite copied the information he and M. Gossert will review the invoices.

APPROVAL OF MINUTES

January 8, 2007 - T. Gilbert made a motion to approve the Minutes of January 8, 2007, G. Eigenbrode seconded, it has been moved and seconded to approve the Minutes as presented, any objection, hearing none the motion carries.

MONT ALTO MUNICIPAL AUTHORITY - GENERAL

OLD BUSINESS

Illegal water use on Furnace Road - It has been continued to a later court date.

2007 Budget - Discussed previously.

MONT ALTO MUNICIPAL AUTHORITY - GENERAL

NEW BUSINESS - Nothing.

OLD BUSINESS

SEWER

Guilford Township/MAMA Sewer Connection - M. Gossert reported that he was in touch with an associate of Frank

Leber's and M. Gossert was assured that the agreement would be completed this week. M. Gossert, T. Misner, MAMA and Guilford Township will review the Agreement once the information is received.

J. Holloway called Chairman D. Monn to ask if the MAMA would be interested in accepting up to 30,000 gallons of sewer per day from Guilford.

After this conversation Chairman D. Monn of the MAMA and John Holloway Guilford Township met informally to discuss the Cooperative Agreement between the MAMA and Guilford Township. At the informal meeting J. Holloway told D. Monn to forget the 30,000 gallon per day request. Guilford is more interested in going forward as quickly as possible with the upgrade of the MAMA Sewer Plant. Chairman D. Monn on the advice of M. Gossert and T. Misner will set a Special Meeting at which J. Holloway will attend and present his request.

J. Holloway has to wait until after his Board meeting on February 19, 2007 to get approval to set a special meeting between the two entities. This will be an advertised Special Meeting. Continued discussion on the upgrade to the Sewer Plant.

NEW BUSINESS

SEWER

Operations Report - The Plant is operating satisfactorily except for some foam and grease. All of the tests were within limitations. DEP inspected the Plant on Thursday February 8, 2007. Daily flow is 101,400 and the maximum was 142,000 gallons. The Travel Lift broke down in the very cold weather. G. Calimer, Jr. has found a source to buy the chains and has ordered two new chains.

Grease - The question was asked, if there is any way to monitor the grease coming into the Sewer Plant, that would fit in with the new system that is being planned. M. Gossert will check this out. Continued discussion on the grease coming into the Sewer Plant.

Preliminary Chapter 94 Report - M. Gossert briefly reviewed the Chapter 94 Report with the members of the Authority. The Report is due by March 31, 2007. Members of the Authority can review the report during the coming month and then it will be placed on the Agenda for approval at the March 12, 2007 meeting.

Severn Trent/ADA - M. Gossert reported that he finally has the Severn Trent/ADA invoice squared away. The check will be made out to Severn Trent. The Authority will receive a final invoice from Severn Trent/ADA and M. Gossert should have this for presentation at the March meeting.

OLD BUSINESS - WATER

Curb Box Locations - G. Calimer, Jr. reported that the Maintenance Department is working on this project. The broken ones will be replaced in the spring.

Yohe Water Line - Guilford Township is working on replacing this line and connecting the individual homes. There hasn't been any dialogue with Guilford Township as to the status of the project. M. Gossert said that the Authority needs to close down the water line before Guilford taps in. There will have to be coordination between the two entities. The last valve to shut down the line is at the cemetery. G. Calimer, Jr. will check to see if the valve is functional and check on the status of the Yohe water line project. Continued discussion.

Guilford Township interconnection - Nothing at this time.

Repair of cover on reservoir - M. Gossert reported that the repair is scheduled for April. Digital pictures will be taken for the contractor to review. The contractor will then inform M. Gossert how far down the reservoir needs to be drained in order for them to do the work. M. Gossert told the Authority that the bypass needs to be installed prior to the repair work being done. This will allow the spring to be taken out of the reservoir and bypass that down into the creek.

M. Gossert and G. Calimer, Jr. are working on this. M. Gossert spoke to P. E. Nunemaker, Jr. and M. Gossert has been able to make a rough sketch of how the bypass would work.

G. Calimer, Jr. reported that there is already a patch on the cover/liner of the reservoir and it is loose. M. Gossert said that the cover/liner had been repaired previously. M. Gossert will tell the contractor that this patch needs to be repaired.

Roots - G. Calimer, Jr. reported that there are roots in the Pearl of the Park (spring house). G. Calimer, Jr. will try to remove them.

Water Line extension further into Quincy Township - Remove from Agenda.

Furnace Road 12" Water Line Project (Letter to Quincy Township & reply from Quincy Township) - The members reviewed the letter from Quincy Township stating the various conditions for installing the water line in Quincy Township. The Authority reviewed a draft letter prepared by M. Gossert in answer to Quincy's letter that lists the various items that need to be clarified or changed in order for the project to begin.

After review and discussion M. Gossert was directed to add a paragraph to the letter asking for a waiver of the fees because the water line will benefit the citizens of Quincy Township.

Jack Bishop Right of Way - The right of way across the Bishop property is needed to proceed with the 12" Water Line on Furnace Road.

T. Misner met with Jack Bishop and the following is J. Bishop's proposal for allowing the right of way across his property.

1. \$7000.00 to go across his property
2. Construction to be completed within two weeks across his property (not counting bad weather, unforeseen rocks, or other natural disasters)
3. One month after the digging is done he wants his lawn reseeded, walk replaced and his macadam repaired
4. If the roof spouting drains get damaged they have to be relaid
5. He wants a tapered bank
6. He wants the tree north of his driveway cut down and the logs placed in his yard
7. He wants the Authority to be responsible for two years to make sure the grass doesn't settle when the macadam settles
8. A bush replanted
9. He wants the house washed after the completion of the Project (Not power washed)

T. Misner said that if the Authority moves to condemn the J. Bishop property the Authority will have to hire an appraiser and go to Court. It would be the responsibility of the Authority to pay for the appraiser. The Authority would also have to pay J. Bishop \$4000.00 to reimburse him for his engineering fees, attorney and appraiser fees if he so chooses to use an appraiser.

The moment the Authority would file condemnation they will owe J. Bishop \$4000.00. The Authority has to consider whether the \$3000.00 is worth it to avoid condemnation and any Authority related expenses in respect thereto.

Discussion.

T. Gilbert made a motion to sign an Agreement with the \$7000.00 under the terms and conditions through the Solicitor, S. Stymiest seconded, properly seconded, any further question or discussion,

T. Gilbert instructed T. Misner to ask J. Bishop about removing the house washing from the Agreement.

Hearing no further questions or discussion, any objections to the motion as it was made and seconded, hearing none, the motion carries.

This is the final right of way except for Stull, but since there is all of the masonry work on his property, the water line in that area will go out into the road.

M. Gossert will proceed with the Specs and get it ready to be sent out for bids.

CDBG Funds - M. Gossert reported that there is a possibility that the CDBG might complete the Authority funding this year. The MAMA requested \$200,000.00 and received \$65,000.00. This will depend on the other organizations applying. These funds are for the 12" Furnace Road Water Line Project.

Well #3 Project

M. Gossert told the members that the last inspection was on February 8, 2007. He reported on the items that have been

completed and several small changes that will be made.
Discussion on the contractors and subcontractors working on the Project.

Backup Operator - Chairman D. Monn reported that Willis Hess has both water and sewer license that would enable him to operate the water and sewer plant.

Weir - Dennis Monn reported that the weir is completed and in operation. P. Strite to compare the invoice for the weir against the amount of money received from FEMA and provide a copy of the invoice to Dennis Monn.

NEW BUSINESS

WATER

Operations Report - No report.

Well #1 - Chairman D. Monn reported that since the repair work has been done at Well #1 the Well has been working very efficiently.

Antrim Township Agreement - Discussion on Paragraph 11 of the Agreement. T. Misner stated that if the Borough and Authority can get Willis Hess on board as a backup operator the Agreement can be signed with Paragraph 11 included. Discussion on how W. Hess would be paid for his services at the Water and Sewer Plant.

David Monn, Dennis Monn and T. Lowson will set up a meeting with Willis Hess to discuss how he would want to be paid to retain his services. After that time an Agreement will be drawn up. W. Hess will have to be hired in such a way that he will be covered by insurance.

Draper Property - Discussion on whether or not this piece of property would be a good site for a well or tank site. M. Gossert checked this property out and he doesn't feel the site is worth considering because it is too far away.

Monacacy Valley Invoice - M. Gossert initially presented this invoice in the amount of \$750.00, but the actual bill was \$3667.50. This was a legitimate invoice but M. Gossert did not have the total figure the night of the meeting. T. Misner stated the bill has been paid in the amount of \$3667.50. M. Gossert just wanted to make sure there was a clear audit trail for this expenditure.

Adjournment - T. Gilbert made a motion to adjourn the regular meeting of February 12, 2007 of the Mont Alto Municipal Authority at 8:55 p.m., S. Miller seconded, Chairman D. Monn stated so ordered.

Respectfully submitted,

Submitted to Mont Alto
Municipal Authority for their
approval on March 12, 2007

Patricia A. Kocek
Mont Alto Municipal Authority
Recording Secretary