

## **MINUTES REGULAR MEETING NOVEMBER 9<sup>TH</sup>, 2009**

**CALL TO ORDER** – Chairman David Monn called the regular meeting of the Mont Alto Municipal Authority to order at 6:30 p.m. on November 9<sup>th</sup>, 2009

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

**MONT ALTO MUNICIPAL AUTHORITY STAFF** – Scott Longstreth, Nassaux-Hemsley, Inc.; Timothy Misner, Solicitor; Patti Strite, Treasurer; Jerry Bakner, Sewer Treatment Plant Operator; Larson Wenger, Maintenance Supervisor and Gloria Socks, Recording Secretary

**INVOCATION** - S. Stymiest

**PLEDGE OF ALLEGIANCE**

### **VISITORS**

Bob Gunder, Quincy Township; Kerry Bumbaugh, Quincy Township; Bill Brindle, Quincy Township; Jens H. Damgaard, Attorney for Rhoads & Sinon, LLP and representative for Quincy Township; Dennis Monn, representative for Borough Council and John Esser, Mayor.

David Monn welcomed the visitors and recognized the representatives from Quincy Township and gave them the floor to state their reason for requesting to be on the Authority meeting agenda.

Bob Gunder stated that he is following up on past correspondence with the Authority from 2007 in reference to the commitment of Mont Alto Municipal Authority to provide water to Quincy Township. Quincy Township is ready to construct their line and hopes to inform their customers by springtime 2010 that they will be able to provide them with water. They hope to get a commitment and agreements from Mont Alto tonight and share with Mont Alto what Quincy Township specifically needs in terms of water service. Bill Brindle, from Brindle and Associates referenced a letter dated September 2007 where the Authority had indicated their commitment of 100 EDU's to the project. He feels that this should be more than adequate for their needs at this time.

Attorney Damgaard addressed the group and wishes to solidify an agreement between Quincy Township and the Authority. He is willing to work with our attorney to study the details to get this accomplished. David Monn stated that the Authority is very willing to look at all the things mentioned to accomplish this agreement for the 100 EDU's, with the stipulation that Quincy Township would be responsible for all of the costs incurred by the Authority to date, and

in the future for Engineering and Solicitor fees in reference to this water agreement and rate fee study. After continued discussion it was decided that the money that Mont Alto has already spent and went un-reimbursed by Quincy Township for our Solicitor and Engineers, would need to be billed and paid and that some type of an arrangement be made by Quincy Township to set up an escrow type account for the authority to draw on to pay any and all bills incurred from this point forward in reference to this water agreement.

Attorney Misner stated that he also feels that the Authority is very hesitant to spend money to make this agreement happen, and that then as in the past, nothing will come of it. It is the fear of this board that this will happen again.

S. Stymiest asked a question concerning whether the pressure is adequate for water flow from Furnace Road to Quincy Township residents. Mr. Brindle said this issue is already being addressed as part of this project.

It is the consensus that the Authority is still willing to provide the 100 EDU's and have instructed Quincy Township to put in writing to Mont Alto Municipal Authority their intent to set up an escrow type account for up front costs and for costs incurred in the past. Mont Alto Authority will instruct our Engineers and Solicitor to research past billing records in order to be able to submit charges to Quincy Township. The Authority also needs to be assured that the systems for both Quincy and Mont Alto be engineered to be compatible. Quincy Township needs a bulk water figure from the Authority.

A question as to whether everyone on the Furnace Road that was required to hook onto water in the past phase, have done so. It was determined that not everyone has, according to Quincy Township. It was noted that there are three residents that have not hooked on. Kerry Bumbaugh stated that there is a new DEP regulation that exempts some residents who can prove they already have an adequate water supply. All new customers will be Mont Alto customers.

Another question raised was if Quincy Township will be enacting an ordinance for mandatory water connection and we were assured that yes, they would be enacting an ordinance to that effect according to the DEP regulation.

Next step will be for the Municipal Authority to let Quincy Township know what escrow amount we would require and to bill them for expenses we have incurred thus far and Quincy is to give us a list of what information they need from the Authority.

#### **ACCEPTANCE OF THE FINANCIAL REPORT**

**October 31, 2009** – Chairman Dave Monn asked for any corrections or additions to the financial report for Sewer and Water– there being none the report stands approved as submitted.

#### **Sewer**

##### **Payment of Invoices**

\$ 12,166	Nassaux-Hemsley, Inc.	Upgrade STP
\$ 6,241	Nassaux-Hemsley, Inc.	Land Development Plan
<u>\$ 632</u>	Nassaux-Hemsley, Inc.	Project Tank
\$ 19,039		

Engineering is about 75 to 80% complete on the project at this time according to S. Longstreth. We have approximately \$ 89,000 left of the grant money after these invoices have been paid.

G. Eigenbrode made a motion to pay the project invoices as submitted against the Project, S. Stymiest seconded, any further questions or discussion, hearing none the motion carries as made and seconded.

S. Longstreth commented that we got a request for payment from Mid Atlantic for the sludge tank project. He requests that we pay the amount requested based on discussions with Larson and George from Kappe, and holding back an amount to make sure everything is done and cleaned up. \$ 127,633.16 is the amount of the request.

G. Eigenbrode made a motion to pay the bill of \$ 127,633.16 to Mid Atlantic out of the remaining grant monies of \$ 89, 247.83 and secure the remaining \$ 38,285.33 from the line of credit, S. Stymiest seconded, any further questions or discussions, hearing none the motion carries as made and seconded.

## **CONFERENCE CALL**

A conference call was made to Gordon Walker in reference to the bank proposals for the Sewer project loan that were received from Susquehanna Bank, Orrstown Bank, Tower Bank and F & M Trust and copies of such were distributed to members present.

G. Walker discussed the pros and cons of each of the proposals. Some of the banks require a guarantee on the debt from the Borough of Mont Alto. One bank, Orrstown did not require a guarantee. If the Borough agrees to guarantee this debt, it would have to go under the Unit Government Debt Act which means there would have to be public meetings and enact an ordinance to this effect. This process is more complicated and increases legal fees and time spent on this more formal type ordinance.

G. Walker stated that Orrstown Bank will go a 31 ½ year loan. As stated in a previous meeting with G. Walker, a 20 year term 4 ½% first 5 years debt service was \$ 328,000/year. If we can go to 28 years of amortized loan at 4 ½% it drops down to \$ 255,000/year or \$ 354 a year per customer. Orrstown's interest rate is also very competitive. Orrstown will require all sewer accounts to be transferred to their bank. There is a 1% penalty for pre-payment in the first five years at Orrstown.

After much discussion on all the options available, it was the consensus of the Authority to ask G. Walker to go the next step with Orrstown Bank and ask them to take it to committee and come back with a formal commitment. G. Walker will take the proposal to Bond Council first to make sure all of the points and issues are covered, then to the bank for their formal commitment.

Conference call ended at 8:03 p.m.

A question was raised by Dennis Monn about USDA loans and projects. T. Misner stated that for them to fund a loan, they need to be on board with the project from day one. Copies of information from the USDA Webinar were distributed.

## **WATER**

**Payment of Invoices for Projects – none**

## **APPROVAL OF MINUTES**

**Minutes Regular Meeting**

**October 12, 2009**

Chairman D. Monn asked if there were any corrections or additions to the Minutes of the Regular Meeting of October 12, 2009, hearing none they stand approved as submitted.

## **MONT ALTO MUNICIPAL AUTHORITY – GENERAL**

**OLD BUSINESS**

Nothing at this time

## **MONT ALTO MUNICIPAL AUTHORITY – GENERAL**

**NEW BUSINESS**

**Deed of dedication – Apex Utilities.**

Memo from Nassaux-Hemsley, Inc. in reference to the as built plan reviews. S. Longstreth stated that he had some comments that have been addressed, but has not gotten response back from them.

**OLD BUSINESS - Sewer FCCD Permit # PAG2-0028-05048-** this was in reference to the Sewer extension project of Quincy Township and the fact that their permit is soon to expire. This was just a carbon copy of the letter sent to Mont Alto Municipal Authority for reference.

The payment request from NHI for Mid-Atlantic was referenced earlier in these minutes.

**NEW BUSINESS - Sewer**

**Operations Report** – J. Bakner gave the following verbal report – operations have been satisfactory. All tests within limitations. DEP checked records today and they were all satisfactory. Average flow for October, 118,500 gallons and maximum flow 166,000 gallons.

Chad Miller will be working on getting his sewer license next spring. He has been working with Jerry throughout this year at the plant on and off.

T. Gilbert asked about a raise for T. Sharrah who got his water license this year. Dennis Monn noted that T. Sharrah does not have his entire water license. He passed one test and must be an apprentice for a year and pass a few more tests before becoming a full licensed operator and can do reports etc. He can operate the water treatment plant.

**OLD BUSINESS - Water**

Both items have already been discussed.

**NEW BUSINESS – Water**

**Operations Report** – Average flow 133,000 gallons and plant is running fine. DEP is concerned about the H1N1 flu and keeping extra back-up supplies on hand and also to let DEP aware if any staff members become sick and that we have back-up operators in place.

**Follow-up on Old Business**

**Right of Way for Fire Department** – Requested a review of their sketch plan and that was completed. The driveway will be right across from the gas company.

**Second Draft of Budget** – no comments. Final vote on the budget will be the December 14<sup>th</sup> meeting.

**Money Market at Susquehanna** – T. Stymiest and T. Misner have moved some of the Sewer CD money into a money market at Susquehanna Bank which yielded the best interest at present.

**Special Meeting** – S. Longstreth stated that they had a meeting this past Friday with Larson, Jerry and George from Kappe to go over some technical issues. Scott doesn't know if the December 15<sup>th</sup> deadline is going to be met to get the plans out – it may take an extra two weeks. Possibly there could be a meeting set up for the first few weeks of December to review specs and plans. Dennis Monn questioned why all of the committee members weren't informed about the meeting that was held this past Friday? S. Longstreth stated that the meeting was simply to iron out some technical issues. In the future, everyone on the committee should be informed of any meetings. D. Monn said he is holding S. Longstreth to his promise that the plans will be completed and out by the end of December with no more delay.

**Adjournment** – T. Gilbert made a motion to adjourn the Regular Meeting of November 9, 2009 of the Mont Alto Municipal Authority at 8:25 p.m., S. Stymiest seconded, so ordered.

Respectfully submitted,

Patti A. Strite, Mont Alto Municipal Authority  
Recording Secretary

Submitted to Mont Alto  
Mont Alto Municipal Authority  
for their approval December 14, 2009