

CALL TO ORDER - Chairman David Monn called the Regular meeting of July 11, 2011 of the Mont Alto Municipal Authority to order at 6:31 p.m.

ROLL CALL - David Monn, Staat Stymiest, Tommy Gilbert, Curtis Finney and Sid Miller present.

MONT ALTO MUNICIPAL AUTHORITY STAFF - Fred Heerbrandt Engineer, Timothy Misner Solicitor, Larson Wenger Maintenance Supervisor, Patti Strite Treasurer and Patricia Kocek Recording Secretary

INVOCATION - P. Kocek

PLEDGE OF ALLEGIANCE

OPEN BIDS VALVE REPLACEMENT PROJECT - F. Heerbrandt opened the bids for the Project.

\$19,533.00	D.L. George and Sons
\$24,590.62	R & D Contractors

F. Heerbrandt stated that George and Sons is the apparent low bidder. The Project was bid with and without the contractor providing the valves (a total of seven valves). D. L. George and Sons is still the apparent low bidder even if the purchase of the valves isn't considered in the bid.

F. Heerbrandt will review the bids and come back to the August 8, 2011 meeting ready to award the bid. F. Heerbrandt to call T. Misner if he has any questions. L. Wenger was instructed to determine the cost at which the Authority can purchase the valves and provide this information to the Engineer so the bid can be prepared to be awarded.

VISITORS

John Kahl - Water agreement with Quincy Township
Paul Gunder - Former Otterbein U M Church Sewer connection
Chuck Frame - Boyer & Ritter Review Financial Statements
Tom Lawson - M A Borough Council Representative Credit Card payments
Dennis Monn - Mont Alto Borough Council representative
Barbara & Kerry Rouzer - Drilling wells in the Borough - Arrived at 6:53 p.m.

Chairman D. Monn recognized Chuck Frame from Boyer & Ritter

C. Frame reviewed the Financial Statements very briefly with the members of the Authority.

C. Frame then reviewed the Management Letter in reference to the internal controls. He told the members that it is not unusual for an entity this size to have the statements concerning the segregation of duties.

C. Frame suggested several ways to negate some of the items in the Management Letter:

1. Bank Statements - Have someone other than P. Strite open and review prior to giving them to P. Strite
2. Have someone review the Bank Reconciliation Sheets after they are completed
3. Review customer account adjustments one time per month and approve at the Authority meeting

P. Kocek was instructed to add #3 as an Agenda item for the Mont Alto Municipal Authority.

D. Monn asked C. Frame if the segregation of duties would throw up red flags to financial institutions that the Authority borrows money from. C. Frame said the Management Letter is not part of the Audit but even if the financial institution asked for a copy of this letter he still doesn't think it would affect the Authority's borrowing ability. C. Frame told the members that any entity the size of the Authority has these same issues.

D. Monn asked if it was decided to have someone review the Bank Statements would Boyer and Ritter be willing to provide one to two hours of training to the person that would be reviewing the statements. C. Frame said that could be arranged.

Chairman D. Monn thanked C. Frame for attending the meeting. C. Frame left the meeting at 6:58 p.m.

Chairman Monn recognized Paul Gunder with Jack Gaughen Realty - P. Gunder is the realtor for the former Otterbein United Methodist Church 11 Park Street and has been trying to sell this property for the past two (2) years.

It has been determined that the church is not properly hooked up to the sewer. The Susquehanna Conference was made aware of this and has submitted a check for one (1) EDU sewer tap fee. The Conference will guarantee that this work is completed.

There is a Contract on the property and if this holds together there will be a settlement coming up. They would like to schedule/complete the work prior to settlement.

P. Gunder would like the Borough to determine if a tap fee was paid previously because there is a lateral at the street for this property and if the tap fee was paid previously they would like a refund.

P. Gunder wanted to inform the Authority that the proper sewer connection will be made at the former church. If the work is not done prior to the final settlement on the property money will be placed in escrow to ensure that the work is completed.

Discussion on the additional water and sewer EDU's that may have to be paid if the use of the building changes. P. Gunder feels this would be the responsibility of the person that changes the use of the building. It would be up to the Authority to make the decision about EDU's at the time of the change.

Chairman D. Monn stated that his personal opinion is that if the building remains a church they should not be charged more EDU's than the current churches. T. Misner said that this bridge will be crossed when/if this happens.

The sink drain in the basement will have to be abandoned or brought up to code if the sink continues to be used.

P. Gunder just wanted to make sure everyone knew about the situation at 11 Park Street and they plan to take care of the sewer situation.

P. Gunder left the meeting at 7:09 p.m.

Chairman Monn recognized Kerry and Barbara Rouzer Re: Drilling wells within the Borough of Mont Alto - Dennis Monn asked Mr. & Mrs. Rouzer to attend the meeting this evening to discuss their request to drill a well within the Borough.

Dennis Monn had P. Kocek review the Water and Sewer Ordinances to see if there were any references to drilling wells. She researched 9 Ordinances and 4 Resolutions and could not find anything prohibiting the drilling of wells in the Borough.

The only prohibition would be that a well could not be hooked into the existing Borough water system that serves the residence. This is prohibited by DEP.

K. Rouzer offered the following:

1. Lawns and gardens are suffering during the dry summers and K. Rouzer does not want to pay sewer in order to water his lawn which he takes pride in and does not want to see it burn up every year
2. Can a second meter be installed and designated strictly for use for exterior watering?
3. Suggested taking an average water usage from the previous summers and add average to the current usage but without a sewer payment for the average water usage over and above the current invoice.

Continued discussion on the options discussed above. If a separate meter is installed a tap fee would have to be paid in order to install another hookup and this line would not be for household consumption but exterior use only. The Authority would retain the right to inspect all hookups.

It was pointed out that if residents would begin to install separate meters the Authority's income would decrease.

T. Misner told the members that they need to adopt an Ordinance to control wells in the future. This would not affect the request to dig a well that was made this evening.

Discussion on an excessive amount of wells being dug and how that could affect the water table. Drilling wells in the area of the Borough wells would be covered under the Well Head Protection Act.

L. Wenger pointed out that the well will have to be inspected by the Authority to check to make sure that there aren't any cross connections to the Borough water system.

The consensus is that there is nothing to prevent the Rouzer's from digging a well other than they have to meet the items discussed.

K. & B. Rouzer left the meeting at 7:26 p.m.

P. Kocek to add Wells to the Agenda for the 8-8-2011 meeting.

Short discussion on geo-thermal heating and digging wells. This is the reason the Authority has to address the issue of wells before further problems develop.

Water meter at the former Otterbein Church - Dennis Monn reported that there is a water meter in the church but it is in the wall in a cupboard. A new meter will have to be installed because the old meter is not compatible with the new remote reads.

He also explained how the sinks in the kitchen and hooked up and how the sewage is transferred to the sewer system. L. Wenger noted that there are two (2) sump pumps hooked to the sewer system.

ACCEPTANCE OF FINANCIAL REPORT

June 30, 2011

Apex is delinquent in paying their electric, water and sewer invoices. P. Kocek explained that they have been sent delinquent notices and she has been in touch with someone at Apex and has told them they if they do not pay their utilities will be disconnected.

L. Wenger pointed out that even though they have a sprinkler system you can turn their utilities off but then the properties have to be posted as unfit for human habitation.

The amount that is due for water is approximately the amount that the water budget is off for the year.

June 30, 2011

T. Gilbert made a motion to accept the Financial Report for June 30, 2011 be accepted as presented, S. Stymiest seconded, any objection to the motion as it was made and seconded, hearing none the motion carries.

Sewer

Payment of Invoices

\$ 63,855.00 Conewago (May 2011) STP Upgrade
\$265,770.00 Conewago (June 2011) STP Upgrade
\$ 23,490.00 PSI, Inc. (June 2011) STP Upgrade
\$ 7,574.16 Wm. F. Hill & Assoc. STP Upgrade
\$360,689.16

S. Stymiest made a motion to pay the Project invoices as submitted and the money being drawn against the Line of Credit, T. Gilbert seconded, any further questions, any objection to the motion as it was made and seconded, hearing none the motion carries.

Water

Payment of invoices - Nothing

Quincy Water Project (Escrow Account)

Payment of invoices

\$ 261.45 Wm. F. Hill & Assoc.
\$ 2,605.50 Timothy Misner, Solicitor
\$ 2,866.95 Total

P. Strite pointed out that Quincy is questioning the invoice from Hill & Associates because the invoice references Slabtown Road instead of Furnace Road.

After discussion it was decided that this was a typographical error and should read Furnace Road instead of Slabtown Road. P. Strite and/or J. Kahl will inform V. Nunemaker that this is a valid invoice.

S. Stymiest made a motion to authorize payment of the invoices out of the Escrow account, C. Finney seconded, any further discussion, any objection to the motion as it was made and seconded, hearing none the motion carries.

APPROVAL OF MINUTES

June 13, 2011 - Hearing no comments Chairman D. Monn asked if there were any corrections or additions to the June 13, 2011 Minutes, hearing none the Minutes of the June 13, 2011 meeting stand approved as submitted.

**MONT ALTO MUNICIPAL AUTHORITY - GENERAL
OLD BUSINESS**

Debit & Credit Card options for Authorities - T. Lowson received information through the Pennsylvania Rural Water Association concerning

paying utility invoices electronically. The Mont Alto Municipal Authority belongs to the PRWA.

The system is called eNetpay and is administered through Hamer Company in Texas. The Borough does not have to buy special equipment, payments can be received 365 days per year 24 hours per day and all of this is at no cost to the Borough. The company transfers funds daily to the Borough's specified account. Only the customers that use this system will be charged a fee and the fee is charged by eNetpay and the Borough would never be involved in accessing the fee.

T. Lowson has received the necessary paperwork to implement this system. T. Misner noted that the fees will have to be disclosed to the customers.

T. Lowson has to present this information to Council for their approval.

C. Finney made a motion to piggyback with Mont Alto Borough on the above system if approved by Borough Council, S. Stymiest seconded, further discussions, hearing none any objections to the motion as it was made and seconded, hearing none the motion carries.

**MONT ALTO MUNICIPAL AUTHORITY - GENERAL
NEW BUSINESS**

PMAA Official Ballot - No action taken on this matter.

OLD BUSINESS - SEWER

Sewer Plant Upgrade - F. Heerbrandt gave a brief overview of the work that has been completed at the Plant. All of the equipment is on site and everything is moving along at a good pace.

Payment of Kline's Invoice - The total bill from Kline's was \$15,854.97. Layman & Hess were also called in to work on this Project because there were unforeseen circumstances when it was time to haul out the sludge from the bottom of the lagoon and this caused an increase in the cost to complete the Project. The Mont Alto Municipal Authority has already paid \$4200.00 to Layman & Hess.

The Authority is working with Kline's in order to recoup some of the money the Authority paid to Layman and Hess.

L. Wenger has been in touch with Kline's and they have offered to reduce their invoice to \$14,000.00. A lengthy discussion followed on whether to accept this offer or to try to recoup the total amount that was paid to Layman & Hess.

T. Gilbert made a motion to pay \$14,000.00 to Kline's with this amount paying the invoice in full, S. Miller seconded, further questions,
Roll Call Vote

C. Finney	Yes	S. Stymiest	Yes
T. Gilbert	Yes	S. Miller	Yes

T. Misner is asking the Authority if they approve the final proposal to be presented to Quincy Township.

Discussion on the proposed Agreement.

S. Miller made a motion to send the proposed Agreement to Quincy Township, C. Finney seconded, any further discussion or questions, hearing none any objection to the motion as it was made and seconded, hearing none the motion carried.

T. Misner presented the proposal to J. Kahl for delivery to Quincy Township.

Water Tap Fee Increase

At the June meeting J. McNally proposed the following water tap fee which is an increase from the previous tap fee.

The tap fees consist of two parts:

Distribution	\$1142.00
Capacity	\$ 825.00
Total	\$1967.00

Under the proposed tap fee increase the water meter would be paid for by the customer in addition to the tap fee and inspection fee. The inspection fee will be charged at the actual cost for the inspection.

A lengthy discussion followed on Developer installed water lines. There will no longer be a separate rate established for Developer installed water lines. F. Heerbrandt explained that if a developer wants to install his own lines then it is up to him to approach the Authority and ask for an agreement that would define his rights to reimbursement under Act 57 if the lines are dedicated to the Authority.

If he does not do this he will pay the individual tap fee for each lot. F. Heerbrandt told the members that Act 57 controls the fees. The Developer cannot make money on the tap fees, he can only recover the amount of money he spent to install the line.

S. Stymiest made a motion that on the recommendation of the Engineer the water tap fee be increased to \$1967.00 per EDU, plus the cost of the meter and inspection fee, T. Gilbert seconded, any further discussion,

Roll Call Vote

C. Finney	Yes	S. Stymiest	Yes
T. Gilbert	Yes	S. Miller	Yes
D. Monn	No		

Motion carried.

Hydrant Test and System Flush - L. Wenger told the members that the hydrants will be flushed the last week of July or the first week of

August. This will be published in the newspaper and the information will be displayed on the sign board.

They will start flushing hydrants in the upper part of town because this helps clean the system.

L. Wenger will also monitor the pressure of each hydrant as they are flushed.

**NEW BUSINESS - Water
Operations Report**

L. Wenger presented the following verbal report:

1. Average daily flow 161,000
2. Water hauler usage is high
3. L. Wenger found out he had a violation on the 4-Log Report. He is working on this to find out what happened and the reason this happened and will do what needs to be done to correct this problem.
4. L. Wenger reported on a problem with the chlorine residual at the Water Plant over the 4th of July weekend. L. Wenger called Foxcroft and instead of ordering a service call he ordered the part and it was shipped overnight and then installed by Maintenance.
5. Dennis Monn reported that the Borough and Mont Alto Municipal Authority commitment on Yew Street is finished. The line is completed and charged.

Mont Alto Municipal Authority Expenses - Chairman D. Monn asked that the members of the Authority think about ways to cut costs. He suggested that at the August meeting they discuss how they can hold the Municipal Authority meetings with the minimum number of paid employees in attendance. Since the Authority is increasing rates he feels the Authority needs to show that they are trying to cut costs.

Adjournment - T. Gilbert made a motion to adjourn the Regular Meeting of July 11, 2011 of the Mont Alto Municipal Authority at 8:39 p.m., S. Stymiest seconded, motion carries.

Respectfully submitted,

Submitted to Mont Alto
Municipal Authority
for their approval on
August 8, 2011.

Patricia A. Kocek

Patricia A. Kocek
Recording Secretary