

The meeting of the Middle Smithfield Township Municipal Authority was called to order on Wednesday, October 21, 2009 at 6:00 P. M. with the Pledge of Allegiance, Mickey Roth presiding.

Municipal Authority members present: Mickey Roth, Jack O'Rourke, Oscar Woerlein, Gary Summers, and Scott LaBar.

Also present Richard Deetz, Doug Olmstead, Dave Scholtz, Sandra Black, and other interested parties.

Jack O'Rourke moved to accept the minutes of the Authority's meeting held on Thursday, October 1, 2009. Oscar Woerlein seconded the motion. Gary Summers stated the October 1, 2009 minutes had an incorrect date on Page 4, second paragraph. The incorrect date of September 23, 2009 was typed in and it should read "October 23, 2009". Motion to accept the minutes carried 5-0 with the stated correction.

Gary Summers moved to accept the payables for Wednesday, October 21, 2009. Scott LaBar seconded the motion and motion carried 5-0.

|                                      | <u>Winona</u> | <u>MSTMA</u> | <u>Total</u> |
|--------------------------------------|---------------|--------------|--------------|
| 212 Software                         | 28.01         | 56.94        | 84.95        |
| Achterman Associates                 | 0.00          | 15,296.77    | 15,296.77    |
| Alternative Resources, Inc.<br>(ARI) | 3,962.50      | 0.00         | 3,962.50     |
| AT&T                                 | 0.00          | 84.32        | 84.32        |
| Carbtrol Corporation                 | 0.00          | 7,652.38     | 7,652.38     |
| Coyne Chemical                       | 0.00          | 2,820.00     | 2,820.00     |
| Eagle Valley Printing                | 84.50         | 84.50        | 169.00       |
| F. X. Bowne                          | 1,243.65      | 0.00         | 1,243.65     |
| Graymont                             | 0.00          | 5,643.00     | 5,643.00     |
| Kirk, Summa & Company, LLP           | 0.00          | 21.30        | 21.30        |
| Scott LaBar                          | 50.00         | 50.00        | 100.00       |
| Met-Ed                               | 1,084.09      | 5,603.87     | 6,687.96     |
| Middle Smithfield Township           | 2,991.82      | 14,368.43    | 17,360.25    |
| John J. O'Rourke                     | 50.00         | 50.00        | 100.00       |
| Oscar Woerlein                       | 50.00         | 50.00        | 100.00       |
| PA American Water                    | 0.00          | 13.43        | 13.43        |
| Prosser Laboratories                 | 3,414.87      | 14,954.61    | 18,369.48    |
| Mickey Roth                          | 50.00         | 50.00        | 100.00       |
| Serendipity Acct & Taxes             | 0.00          | 600.00       | 600.00       |
| Stotz and Fatzinger                  | 174.57        | 174.58       | 349.15       |
| Strand Pool Supply, Inc.             | 2,797.15      | 0.00         | 2,797.15     |
| Gary Summers                         | 50.00         | 50.00        | 100.00       |
| Verizon                              | 0.00          | 69.96        | 69.96        |
| Waste Management                     | 0.00          | 1,163.40     | 1,163.40     |
| <b><u>TOTAL BILLS:</u></b>           | 16,031.16     | 68,857.49    | 84,888.65    |

Jack O'Rourke questioned Sandra Black as to the invoice from Stotz and Fatzinger – who were they. Sandra Black stated Stotz and Fatzinger are an office supply company from which she orders the copy paper for the printing of the invoices, print cartridges for her printer and other needed supplies.

**Correspondence:**

Mickey Roth informed the Authority Board Letters of Engagement were received from Riley and Company and Weseloh, Carney and Company. He stated he had spoken to Scott Miller of Riley and Company and Deborah Boyle of Weseloh Carney. He requested both companies present the Board with their proposals.

The Letter of Engagement from Riley and Company proposed to review the monthly bank statements and bank reconciliations for about \$100 to \$125 per month depending on the actual time spent reviewing the documentation. Their proposal also included the computing of tapping fees for approximately three to four hours for a price of \$660 to \$880 for three to four hours of service.

Weseloh Carney's proposal for the tapping fee calculations was for approximately 20 hours at an estimated fee of \$3,400. Deborah Boyle would also continue to work with the Authority's secretary on the transfer of the Tops Accounting System to Quick Books and training. Weseloh fees are \$100 per hour for an estimate of \$1,500 for the initial reconciliations and set-up and \$680 a month for the continuing consulting and training.

Gary Summers moved to accept the second page of the Letter of Engagement from Weseloh Carney and Company regarding the installation of Quick Books, reconciliations of the bank accounts currently on the Tops Systems, the transferring of such accounts to Quick Books and the training of the Authority's secretary. Jack O'Rourke seconded the motion and motion carried 5-0.

Oscar Woerlein suggested the Authority should hire Riley and Company for the calculations regarding the new tapping fess for Route 209 since they are already familiar with the works of the Municipal Authority.

Gary Summers questioned Doug Olmstead with regard to the length of time needed to calculate the new tapping fees and how detailed would the work be.

Doug Olmstead stated it would take some time to collect the necessary data, compile it and then sit down with the accountant for the actual final calculations. His recommendation to the Board would be to utilize Riley and Company due to the fact they may already have the necessary information in their files as opposed to hiring Weseloh Carney because they would be unfamiliar with the files of the Authority.

After a lengthy discussion it was decided to table both Letters of Engagement from Riley and Company and Weseloh Carney on the analysis of the tapping fees to give Doug

Olmstead the opportunity to contact Scott Miller and Deborah Boyle regarding the analysis.

Presented to the Board was an application to open an account with Hess Copy Center for the Authority Board. Doug Olmstead explained to the Board it was necessary to open a copying account with R. K. Hess because the Township's wide map copy machine was having problems and the as-builts for Winona Lakes needed to be copied for submission to Alternative Resources.

Jack O'Rourke moved for the Board to approve the Hess Copy Center customer account application. Oscar Woerlein seconded the motion and motion carried 5-0.

Mickey Roth informed the Board of the receipt of the H2O Program commitment letter and grant agreement for the amount of \$1,000,000 from the Pennsylvania Department of Community and Economic Development. The grant agreement required the signatures of both the Chairman and the Secretary of the Municipal Authority Board.

Mickey Roth moved the H2O grant agreement application be signed by the Chairperson and the Secretary of the Authority upon the completion of the review of the agreement by Richard Deetz. Gary Summers seconded the motion and motion carried 5-0.

**Solicitor:**

Richard Deetz reported to the Board the receipt of a letter from Miggy Brothers which stated their letter of credit had been extended to April 30, 2010 by PNC bank. This item can now be removed from the Authority's agenda.

Mr. Deetz informed the Board the Township Supervisors approved Ordinance No. 169 which provides the Authority the optional right to repurchase connection permits but they are not obligated to do so but may at a 15% administrative deduction.

Mr. Avijit Dasgupta presented to the Board his request for the refund of the sewer connection permit he had purchased for his property in 2007. He informed the Authority Board he would not be building on the purchased property and would not be selling the property but at this time did not see the need for the connection permit to the sewer.

Jack O'Rourke informed Mr. Dasgupta the property would be more valuable for sale if it was sold as having a sewer connection permit.

After a lengthy conversation between the Authority Board members and Mr. Dasgupta regarding his request in which it was explained to the customer Ordinance No. 169 gives the Authority the option to repurchase the connection permit less a 15% administrative deduction, Mr. Dasgupta still insisted he wanted the refund of his monies. He objected to the 15% administrative deduction since the Authority had not provided a service to him. Mr. Dasgupta was also informed by the Authority that if he decided to sell the

property at a later date he would have to inform the potential purchaser of the property that it required the purchase of a connection.

Jack O'Rourke stated to Mr. Dasgupta the Authority Board would require a release signed by him releasing the Authority from any obligations regarding the sewer connection on the property. The release will be prepared by Mr. Deetz before the refund is released.

Mickey Roth moved to re-purchase the edu minus the 15% administrative deduction upon the receipt of the signed release by the sewer customer. The customer would then be refunded the amount of \$1,955. Gary Summers seconded the motion and motion carried 4-1 with Jack O'Rourke opposing the decision.

Mr. Deetz reported a detailed request had been sent, dated October 2, 2009, to Kevin James of Keystone Hollow regarding their request for the release of their Letter of Credit and no information has been received. This item will continue on the Authority's agenda.

Mr. Deetz recapped the Winona Lakes situation where a homeowner lost her home to a fire and the home had to be leveled. The sewer customer had requested to be charged "stand-by fees" since there no longer is a structure on the property.

Mr. Deetz drafted Resolution 10-21-2009 and sub-section (a) states "the lateral line on the property shall be physically disconnected from the Authority's sewer interceptor, at the point of connection of the lateral to the interceptor, and the said physical severance of the connection shall be capped and sealed under the direct supervision of a representative of the Authority". Also sub-section (b) of the Resolution also states "after the physical severance of the connection, the billing for the account of the property owner(s) with the Authority shall revert to "stand-by" customer for a period of two years".

At the end of the two year period the property owner will then be deemed to have abandoned all rights to connection to the system and the "edu" will be released and relinquished to the Municipal Authority.

Scott LaBar moved for the Municipal Authority Board to accept the drafted Resolution 10-21-2009. Gary Summers seconded the motion and motion carried 5-0.

Mr. Deetz will update the Resolution and Sandra Black will send a copy of it with a letter to the Winona Lakes customer informing them of the Authority's decision.

The Bushkill closing will be held on Thursday, October 23, 2009. Mr. Deetz distributed to the Board a checklist of everything which has to be approved at the meeting by both the Chairperson and the Secretary of the Municipal Authority Board. No monies will be distributed at the closing. The wire transfer will take place on Monday, October 26<sup>th</sup> and it will be handled by Marianne Glamann of Wayne Bank upon the review of the closing paperwork by the Township solicitor Jennifer Wise who will return from vacation on Monday.

Mr. Deetz requested Executive Session to discuss real estates issues.

Pat Cusmano asked what the Authority Board is purchasing from the Bushkill group.

Mickey Roth explained the Authority would be acquiring 134,069 gallons of capacity, 1.91 acres of real estate, next to the sewage plant and part of the transportation system located in Fernwood. This purchase will give the Authority a total of 671 edus'.

**Engineering:**

Doug Olmstead reported the as-builts and manuals have been received from F. X. Browne. The McElwee group has also submitted their final invoice for Winona Lakes. Barry Hoffman still has several items to finish up at the plant and upon completion a final invoice will be presented to the Authority for payment. Dave Scholtz has not received manuals for Winona Lakes but Doug will verify the manuals will be delivered to Dave soon.

The main plant's budget, meeting with contractor, Lindy Construction Company, regarding the budget and will report on it at the next Authority meeting.

Fred Courtright has submitted his report via email on the status of the pump station rehab, the Route 209 sewer extension and the Fernwood spray investigation. Building permits were filled out for the generators for the pump station rehab.

Damian DeGeorge has submitted a signed document regarding the Taste of Portugal grease trap which states the restaurant is submitting regular reports regarding their grease trap.

Pat Cusmano questioned Doug if Foodtown had requested a separate waste line upon the completion of their new restaurant.

Doug stated they will be informed of it upon submission of their plans.

Jeff Snyder's initial planning approval granted for Meadow Lake Plaza was for 18 edus'. Fifteen of the edus' were for the Perkins Restaurant, one for the bank and two for Jeff Snyder's building. The edus' for Perkins were paid for and they are being billed for them on a quarterly basis. The bank has a paid edu and also receives a quarterly invoice. The balance of the two edus' was assigned by Jack Adams for the Snyder building but they have never been paid for. The records of the Authority only show sixteen edus' were paid. Peter Ahnert may have assigned the two edus' to Jeff Snyder but they were never paid for by either the Ahnert association or Jeff Snyder. Jeff Snyder purchased eleven edus' on September 7, 2005 and purchased another edu on September 16, 2005 for a total of twelve edus'. He does not own fourteen edus'. Doug will submit to the Board a report to the Authority at the next meeting regarding the edu situation with Jeff Snyder. Doug stated Mr. Snyder should be billed by the Authority for the total of twelve edus'.

Gary Summers questioned Doug about the flea market property and the possible purchase of edus.

Doug stated the site testing has been completed, the area is included in the 537 plan and he is now waiting for a letter from the DEP stating the property is not suitable for on-site disposable. The preliminary sub-division plans have been accepted by the Planning Commission.

Gary Summers questioned Richard Deetz as to Ordinance 169 stating “an applicant for a connection permit must hold legal or equitable title to a specifically described lot or parcel of land for which the connection permit is sought”. How will this affect the purchase of edus’ for the flea market?

Mr. Deetz was unable to answer the question because he has not been provided the necessary information.

Doug Olmstead stated the purchaser has a sales agreement subject to the approvals from the Township which has been termed as being equitable in the past. Also the Authority needs to determine what this purchaser will be charged for the edu purchase.

Pat Cusmano questioned Doug Olmstead as to the amount of stores which will eventually be built at the flea market site.

Doug stated three structures will be built, a Price Shopper Supermarket, Rite-Aid, Dollar General, possibly a restaurant or bank and a few other stores. There will be approximately twenty to twenty-two stores built on the site.

Pat Cusmano questioned the Board as to when Ordinance 169 was passed and was it held at a public hearing.

Gary Summers replied that Ordinance No. 169 was passed at the last Supervisors’ meeting. The Ordinance had been advertised. It was also read at the meeting by Jennifer Wise.

After a short discussion regarding the tapping fees, Richard Deetz suggested a tapping fee of \$6,500.

Jack O’Rourke moved the Board raise the tapping fees to \$6,500 for both residential and commercial customers. Oscar Woerlein seconded the motion and motion carried 5-0.

Mickey Roth stated the tapping fee will be in effect as of October 22, 2009 and subject to change upon the completion of the tapping fee accounting analysis conducted by the Municipal Authority’s accountants and engineer.

Mickey Roth reported there is a new GUI report which needed to be taken care for the Route 209 extension and Fred Courtright has taken care of it.

### **Plant Operator**

Dave Scholtz reported the September DMR report for the main plant had been submitted to the DEP with no exceptions. The average flow rate was 395,000 gallons and peak flow was 538,000 gallons per day. No sludge received at the main plant but 41.4 tons of biosolids were processed and disposed of at the Keystone Landfill.

Have continued monitoring the odor situation. Sandy Black phoned and stated Pump Station No. 3 had an odor problem which was immediately looked into. Sulfides were present in the pump station as evidenced by the corrosion on the cement walls. A slight odor was detected when the wet well doors are opened but there is no odor when they are closed. An odor complaint was also filed along Route 209 and the complaint also included the main treatment plant. The carbon filters both at the plant and Pump Stations 4, 5 and 6 have been changed. A copy of a manually maintained odor log for the month of September has been submitted to the Board for review. No odors were observed or recorded during the month of September. An "Oialog" instrument has been installed on the headworks at the main sewage plant and it has been running for about a week. Information from the Oialog will be downloaded to a laptop in approximately three weeks and a report will be submitted to the Board.

It was suggested by the Board members to Dave Scholtz the readings for the odor log kept by the plant employees should be taken at different times of the day as opposed to a 6:00 A. M. reading until a more accurate report is received from the Oialog instrument.

Doug Olmstead stated he would be meeting with Dave Scholtz before the next Authority Board meeting regarding the odor control situation.

The flow meter at CCP averaged 43,000 gallons a day.

Plant electric use was unchanged over the same period as last year. An estimated invoice was also submitted for this period of time by Met-Ed.

The digester pump was removed from the digester tank at the main plant. Request authorization from the Board to send the pump to Stroudsburg Electric Motor who has worked on the pump in the past. Mickey Roth gave the go-ahead to Dave to send the pump to Stroudsburg Electric.

The DEP visited the sewage treatment plant on October 20<sup>th</sup> and copies will be distributed to the Board members of their two page report. The inspectors also visited the pump stations and there was no problems found there.

The electric line to the sludge pump shorted out under the cement floor. A new line and conduit was run overhead so it does not happen again. Also replaced a diaphragm on the

sludge pump. On Pump Station 6 the electrical connection lugs were repaired on the motor starter. The housings of the generators at Pump Stations 3 and 5 were painted. Scheduled service work with ITT Flygt on Pump Station 3 for the first and second week of October and both dates were postponed.

The DMR report was submitted for the Winona Lakes sewage plant and there were no exceptions. The average flow was 17,700 gallons a day with a peak flow of 23,000 gallons a day. No sludge was taken out in September but sludge will be removed in October.

Had one call from the person who purchased the log cabin by the steel bridge. Their grinder pump died and they tried to blame it on the Authority but it is not an Authority problem, it is the homeowner's problem. Doug Olmstead will look into this problem

### **Old Business**

Current delinquent accounts collected were \$2,308.64.

### **New Business:**

ARI submitted a progress report to the Authority on the possible sale of Winona Lakes Sewage Plant.

A copy of Riley and Company's final invoice for the 2008 audit was distributed to the Board for their review. Scott LaBar stated he would like to see documentation justifying the invoice.

Gary Summers stated he wants Scott Miller to justify the charges of \$4,200.00 and \$9,622.07 – the two last items on the submitted invoice.

Mickey Roth directed Sandra Black write a letter to Scott Miller of Riley and Company requesting detailed justification of the indicated charges. Payment of the submitted invoice from Riley and Company is tabled until a response has been received from Scott Miller.

Bids were requested by Sandra Black for the mowing of the grass around the Winona Lakes Sewage Plant because the Township personnel were unable to do it because of difficulties. Two bids were received, Primrose Landscaping and Strauser Nature's Helpers. Primrose submitted a bid of \$70.00 per week for mowing, line trimming and the blowing off of all hard surfaces. His invoice would be received on a monthly basis. Strauser submitted a bid of an initial cost of \$158.00, 24 weekly visits for a total of \$2,712.00 and two fall clean up visits at \$400.00.

After a short discussion, Oscar Woerlein moved to table the landscaping project for Winona Lakes until Spring. Jack O'Rourke seconded the motion and motion carried 5-0.

Sandra Black was directed to write letters of acknowledgement letting them know their bids are under consideration.

Mickey Roth informed the Board that \$5,757,252.77 had been wired into the Authority's construction account at Wayne Bank. He requested the entire Board be presented at the Bushkill Group closing which will be held on Thursday, October 22<sup>nd</sup> at 10:00 A. M. since they were a part of the initial negotiations.

**Citizen's Comments**

Al Decker questioned the Board as to the repurchase of the edu, was the customer paying a monthly charge for it.

Gary Summers responded the sewer customer wanted to sell back to the Authority the \$2,300 connection fee he had paid and there was no quarterly charge for it because there was no initial hook up to the sewer as of yet.

Jack O'Rourke moved to enter into Executive Session at 8:10 P. M. Oscar Woerlein seconded the motion and motion carried 5-0.

Jack O'Rourke moved for the Authority to reconvene at 8:35 P. M. Oscar Woerlein seconded the motion and motion carried 5-0.

There being no further business, the meeting adjourned at 8:36 P. M.

Respectfully submitted:

Sandra Black, Recording Secretary  
Middle Smithfield Township Municipal Authority

Mickey Roth \_\_\_\_\_

Jack O'Rourke \_\_\_\_\_

Oscar Woerlein \_\_\_\_\_

Gary Summers \_\_\_\_\_

Scott LaBar \_\_\_\_\_