

A Special Meeting of the Middle Smithfield Township Board of Supervisors was held on Monday, September 12, 2011 at 10:00 A.M. at the Schoonover Municipal Building with Scott R. Schaller presiding.

Members present: Scott R. Schaller, Robert (Bob) F. Spano, Sr. and Mitchell K. Marcus. Also in attendance, Township Solicitor Jennifer Ann Wise, Township Secretary Michele L. Clewell and numerous interested parties.

Appoint Special Legal Counsel

Scott Schaller made a motion to appoint Donald Karpowich, Esquire as Special Legal Counsel authorizing him to create a Sewer and Water Authority, a Parks and Land Holdings Authority, and an Alternative Energy Authority and any and all related documents and to transfer all related assets at the same time.

Mitchell Marcus asked why do we need a special attorney when Attorney Wise is on staff. Scott Schaller replied that Attorney Wise has her plate full and a lot to do with the Monroe / Tego Lake Road project. Mr. Marcus asked if the added expenses of hiring another attorney is in the budget. Mr. Schaller did not answer. Mr. Marcus asked if Attorney Wise had been asked if she could perform this work and Scott Schaller answered "no" we do not want her to do this work.

Mr. Schaller stated that he would like to include as part of his previous motion "amend the budget if necessary".

Public Comment

Disbanding previous authorities, boards and commissions was discussed. Scott Schaller stated that the Sewer Authority was primarily disbanded to balance the budget in order not to raise taxes. Mr. Schaller stated that authorities can have their own bank accounts and write checks and enter into employment contracts.

Creating an Alternative Energy Authority should be put on hold until all the wind data comes in was discussed. Mr. Schaller was asked if he spoke to Ralph Wunder about this yet. Mr. Schaller said no.

Mr. Marcus stated that we have a situation that we may not be able to meet our debt obligations at the end of the year and asked Attorney Wise what her legal opinion with regard to the finances is. Attorney Wise stated that although she is not the financial person, she agreed with Supervisor Marcus's observation.

The finances of the township were questioned and Attorney Wise stated that the budget and finance persons should be present to answer questions.

Mr. Marcus asked how much will Attorney Karpowich charge and how many hours will these authorities be working?

Mr. Marcus asked what are the parks and land holdings? Scott Schaller replied that the Parks and Land Holdings Authority would consist of parks, open space and the golf course.

There were questions as to how to get on the Authority Boards. Scott Schaller replied that anyone may send a letter of interest to the Township Secretary.

When asked if Robyn Pugh will be involved with the authorities and will she be paid, Mr. Schaller replied that she will probably be involved in all (3) authorities and she will be paid. He also stated that the same people may be on all three authorities.

There were questions as to how the authorities are funded. Mr. Schaller stated that there are ways to fund them, the sewer fund would be with the sewer monies.

Mr. Schaller stated that when he receives the documents he will schedule a work session for everyone to view the paperwork.

Scott Schaller stated that Attorney Karpowich charges \$150.00 per hour. Mr. Marcus asked how many hours do we anticipate it will take Attorney Karpowich to do all the necessary paperwork to create all (3) authorities? Mr. Marcus asked Attorney Wise how many hours will it take Attorney Karpowich to prepare these documents? Attorney Wise suggested that the board contact Attorney Karpowich and ask him. Mr. Marcus asked Attorney Wise specific financial questions and she stated that she cannot answer financial questions as she does not have access to the finances and never has. She can answer legal questions. Financial questions should be directed to Sherry Predmore and Robyn Pugh.

When asked what is the time frame for implementation of the authorities. Scott Schaller replied October 1st or November 1st.

Mitchell Marcus stated that all the Supervisors should decide what we want Attorney Karpowich to do, then talk to Attorney Wise, get his estimates and then discuss.

Mr. Schaller stated that once Attorney Karpovitch does the paperwork we will have a work session and discuss what we want to include as these will be generic documents.

Mr. Marcus stated that for the Supervisors to take a vote to hire an attorney it is fiscally irresponsible to make a vote without knowing the hours it will take to complete this task. He asked Attorney Wise for her opinion. She stated that she has no idea how much time will be required to prepare the documents because Mr. Schaller is stating he wants (3) different authorities with (3) different sets of Articles of Incorporation, (3) different ordinances, by-laws, boards and so forth all of He suggested that we contact him and ask him. which require separate advertising and public hearings. As to the cost and whether there would be money somewhere in the budget is an issue that the board would need to meet with the township's financial staff. Attorney Wise stated that she is not prepared to answer or to commit to an answer right now. Mr. Marcus thanked her for her answer.

Scott Schaller made a motion to appoint Donald Karpowich Esquire as Special Legal Counsel, authorize him to create a Sewer and Water Authority, a Parks and Land Holdings Authority, a Alternative Energy Authority and any and all related documents and service agreements and to transfer all related assets

at the same time. Bob Spano seconded the motion. Mitchell Marcus voted no. Motion carried 2-1.

Mitchell Marcus made a motion to hire a Certified Public Accountant (CPA) to determine what we have and to let us know if we are following the recommendations of the 2010 Auditors Management Letter. Motion died due to a lack of a second.

Scott Schaller made a motion to adjourn at 11:45 P.M. Bob Spano seconded the motion. Motion carried 3-0.

Respectfully submitted,

Michele L. Clewell
Township Secretary
September 12, 2011