

Shippensburg Borough Authority Minutes

June 9, 2015

7:01 pm

Present: Geno Torri (GT)
 Louis Larson (LL) Steve Brenize (SB)
 Troy Pomeroy (TP) Dan Hershey (DH)
 Kerri Burrows (KB) Forest Myers (FM)
 Michael Pimental (MP)

Public Comment: No public present.

CONSIDERATION TO APPROVE MEETING MINUTES OF MAY 12, 2015

SB: Motion to approve the minutes.

TP: Second.

GT: Any other comments? Motion carries. Thank you.

GT: On Tuesday May 26 we had special meeting held here in the Council Chambers to discuss contractual issues and we have minutes before you and we need a motion to approve the minutes.

MP: So moved.

TP: Second.

GT: Hearing no discussion; motion carries.

REPORTS

Engineer

DH: I handed out a copy of the report and I will go over the highlights. On the well #2 improvements we were down yesterday and met with Louis at the site to measure up some things at the well. Regarding the floodplain we have talked to Martin & Martin and it doesn't look like we will need a study. Now, we can make the building as big as we need to. We thought we might not be able to expand in the floodplain but that should not be an issue.

LL: With the rain that we had yesterday there was no water out there at all.

DH: Martin & Martin has been very accommodating to work with and there was really not issue on that at all. No land development submittal will be required just because of the size of the expansion is small enough. Everything is all clear. We will just continue on the 60% design and layout and anticipate meeting with Steven and Troy the week of the 29th. The chiller plant, Louis has been working and coordinating with Gannet Fleming and the last set of drawings we finally got from them looked good. I don't think that they installed anything at this point. We have been going in the right direction with the project anyway.

MP: So, Dan just to clarify what we are talking about here are; tell me about these sets of drawings.

DH: There are showing where the meter was going to go and met all the requirements we wanted for the meter access, reading, etc.

MP: Very good, thank you.

DH: If you would want to add to that.

LL: We required them to resubmit the drawings because the first set of drawings they gave were very confusing and unclear. The way that it looked on the drawings the meter was sitting around all the connections instead of the water going through the meter.

MP: What can you tell me about access to that meter? What has been decided, what has been drawn up?

LL: Well, it is inside their chiller building. We can get access to it anytime that we might need to. It will be very similar to the meter that we have at Schreiber in that we read it remotely.

MP: I see, then you won't physically need to go in there?

LL: The only data we would get from that would be the reading and I can get that from the outside.

MP: Okay.

LL: The only time that we would have to go in there is if something went wrong with the meter for some reason.

MP: Very good, thanks.

DH: Item #4 , Dunkin' Donuts; we continue to work with our engineer and there is nothing at this point to discuss. SR 997; I contacted the design engineer from PennDot that the SBA was interested in relocating the line and we will be preparing a proposal to send them for review as per their letter. Well#4, I met with Forest, Michael, Louis and John yesterday regarding next steps for the well development and I have prepared a memo detailing those next steps, costs, timeframes and those sorts of items. That is all I have, are there any questions on the report?

Solicitor

FM: I do not have any update on the Southern Cumberland Water Authority. I have been waiting on Mr. Flower in Carlisle to get back to me and let me know whether or not and where they are. They are in the process of trying to negotiate with the people of the mobile home park on Kline Rd. concerning various water lines and connections. We did have the special meeting and I will have the report on that later on in the meeting.

Water Foreman

LL: You should have a copy of my report in the packet. Item #5, the maintenance work on the Orrstown tank is complete. We are waiting on the cure time for the sealant and then we will start to fill it. That will be Friday morning. Construction on the permanganate system out at the water treatment plant, we have the panel mounted and all of the electronics up and running and we still have to get the water line back to the building and get that plumbed in. We ordered the chemicals. We can't start feeding the permanganate until we get an operation permit from them. That is DEP.

MP: What do you make of this variance in the well levels?

LL: We have been running well 3 a little harder this year. It is not of any great concern it is just that it stuck out to me and I double checked it and that is where it is at.

DH: Well 1 is down about 11 feet also.

MP: Almost 10%.

LL: Well 2 is down 3 feet. It could be a cycle. We do not know old this water is so we are looking at as far as age. It is holding relatively steady.

MP: So, in your expert opinion you so no cause for concern?

LL: No, nothing.

SB: So, this is just like a blip in the cycle? Generally the cycle goes every 10 years?

LL: It could go 50 – 100, we don't know.

FM: Actually there is a study that was done for the University and he also said about the water and where it came from and the quality. It was pretty informative. Basically the water that you are using

and I assume all three wells is water that was rain 100+ years ago. Somehow he was able to determine that. I am sure that there is a copy of that somewhere?

SB: Yes, but it is to be expected in wells?

LL: Yes.

Secretary:

JE: I have two things. You have a saddlebag in your packet from Better Days Animal League. I talked about this with Nicole and that you only give forgiveness for residential water matters? Apparently Better Days had a water leak resulting in a water bill of \$1,814.72. They are asking for a forgiveness of the bill. As I understand is that you only do a one-time forgiveness. Residential only.

KB: We don't do it for non-profits?

SB: What happened with the Little League?

LL: What happened there is that they had a leak and they didn't want to fix it.

TP: What do you know about this leak?

LL: I know about it when John brought it to my attention that it was leaking. It had to be after the meter. This is at Mongul Hill. The meter would be on Roxbury Rd. This is where they keep their animals and it is their shelter. I don't classify this as a residential place.

JE: I did do a little investigation there. They have been crippled financially because of circumstances.

KB: Yes, there are three members of the previous board being charged.

SB: When we have policies we create them as an off shoot of our bylaws or as an organizational decision to make policies.

FM: Organizational decision to have a policy. The policy does allow a payment plan.

SB: That is what my thought was and because of the situation if we create a policy for non-profits where we will not forgive it but as long as you have a situation like this we will accept a certain % or so much of whatever back you owe until you pay it off.

FM: I think that the standard is that they pay their current bill and have up to one year depending on the amount.

MP: Even installments?

FM: Yes and that would be set up with Connie and she takes care of those things.

LL: Yes, we set up a payment program which we will do for anybody but they have to keep any bill after that current while they are still paying on that.

MP: It stretches the burden out.

LL: Yes.

KB: How out of line is this bill.

JE: I didn't ask that.

LL: That is a very large chunk of water and they do not use that routinely.

KB: This is just the water leak? Is this for the last billing cycle?

LL: This is the bill that just went out for a period of January through March period. April billing.

GT: I think the opportunity to make installment payments.

SB: Yes, my motion would be to have Better Days work with management to find a way to pay their bill over long term.

TP: I would second that.

GT: Motion to authorize management to work with the facility to work out term payments.

Motion carries.

JE: The other thing that I have received from the PMAA their conference and trade show. I don't know if anyone attends this or not. It is in August 23 – 26, 2015.

BUSINESS ITEMS

CONSIDERATION TO ALLOW FARMING ON THE OPEN SPACE ON PROPERTY (12 ACRES)

LOCATED AT 1244 BALTIMORE ROAD – WELL #3 LOCATION

GT: Is this a new request?

JE: Yes, I got received this note. Apparently there are 12 acres of open space at the 1244 Baltimore Rd. location. The open area we maintain and a farmer (provided by Wade) told him that he is willing to use the property for hay that he will harvest and he has offered no compensation. He would be willing to cut and maintain.

SB: Is this the ground like in-between the woods and

LL: I am assuming it will be the front field and the back field.

SB: So, around the building and anything that we own.

JE: The open areas, if you are looking down as you come up the lane there is a big open area there and past the pump station there is an opening there. The remainder is woods.

FM: The history of this is. When the SBA purchased this they did purchase about 30 acres and for quite a number of years they had an agreement with Bill McCullough to farm it. He eventually gave it up and refused to sign the last lease that we prepared which was about 3 years ago. His reason was because it is on a well site any farmer is not allowed to put chemicals or any fertilizer on the land and his comment to me when he refused to sign the lease was; it is nothing but thistles and burrows and had no value to him at least. There was a lease and whomever farms it again has to understand that they can't use any kind of pesticides, herbicides and fertilizer.

MP: Are there any liability concerns?

FM: Well when we had the lease with Bill he indemnified it.

SB: It would be similar of what we have with Mr. Witter except the chemicals.

MP: So, hypothetical a farmer goes on there and does use chemicals and then it is picked up in the well what is the remedy?

FM: Well, Bill also had an insurance policy.

KB: Doesn't it seem that this conversation is a little bit premature since we don't even know the farmers name? It seems to me if we were really going to get into what we would expect of him we would at least want to know who he is.

TP: Yes, I think so too.

SB: I think the valid thing is; are we even interested in it?

MP: Benefits and risks.

SB: We could plow it under and go to the state and get the wildflower mix?

LL: Right now the field is nothing more than a little bit of timothy in the front and then all field grass. Nothing ever planted in the back field. Natural grass has grown back there.

FM: I didn't know if you would even want to entertain the thought of having someone on it. My advice is frankly not. I think that he risks are too much.

SB: What do we do is bush-hog it a couple of times a year?

LL: No, we mow it about every three weeks to keep it down.

FM: I know that it would relieve that. John said the person was only going to cut it twice a year.

KB: Also, he didn't seem to be willing to compensate the borough. I would agree with Forest.

MP: In my opinion it is too much risk.

GT: Please forward that on to him because of the chemical issues and water safety we are not interested.

FINANCIAL REVIEW

CONSIDERATION TO APPROVE SHIPPENSBURG BOROUGH INVOICE FOR MAY 2015

SB: Motion to approve and acknowledge the funds to be transferred.

TP: Second.

GT: To acknowledge the invoice and that the funds be transferred. Any discussion? Hearing none, motion carries. Thank you very much.

GT: We will be going into executive session to discuss contractual issues.

Executive session begins: 7:30 p.m.

Executive session ends: 7:50 p.m.

GT: I would like to entertain a motion to permit the solicitor to move forward with getting some appraisals.

MP: So moved.

SB: Second.

GT: This is to authorize Mr. Myers to get land appraisals on two tracts of land and request that it be here for the next meeting. Any other discussion? Motion carries. Thank you.

OTHER BUSINESS

GT: I have an issue that needs to be addressed at this time. On May 26 we held a special meeting and it was to retain the services of Mr. Klein of Cozen O'Connor to represent us in negotiations with Council. Through correspondence it indicates that it would be prudent on our part to have a regular open meeting that we ratify that agreement requesting that.

MP: Okay, then I would move that we approve the engagement of Michael Klein, Esq. of the law firm Cozen O'Connor act as special council to the SBA and to represent the SBA negotiations with Shippensburg Borough Council.

TP: Second.

GT: Motion by Michael and a second by Troy; for the minutes Kerri is in discussion with our solicitor at this time. Any other discussion on ratifying the retention of Mr. Klein? Hearing none, Motion carries.

GT: Through communication with Mr. Klein it was indicated that there has been some misunderstanding that the meeting was held without the knowledge of everyone. I would like John to give you a copy of the email that was sent to every member of the SBA indicating and announcing the meeting on the 26th and a copy of an email sent to me by our solicitor indicating that members had been contacted and messages were left. I did call and ask Nicole to place a notice on the front door on Thursday and she indicated that she did that.

JE: I was not in the office at that time and when I returned she was out. At that time Louis came in and asked me about a special meeting and indicated to him that I did not.

GT: He knew about it because?

LL: I saw it on the door.

GT: Yes, and you did call me and thank you very much and asked me if there was anything you could do.

JE: I did contact Nicole and asked her if she knew anything about it and she said that the only thing she knew is that you called and asked her to post it and that I should probably call you to see if you needed anything provided by me.

GT: I appreciate that, thank you.

KB: Okay, obviously I am the big elephant in the room here. Just for clarification I was asked if I had been notified about the meeting. I had said "why no I hadn't", however I do not check my borough email very often so let me check that. I checked my email and sure enough there was a message there. I did not see the message prior to the meeting. They were well aware that I received this message; however I was not contacted by phone. Now, I will make the disclaimer that this particular weekend (Memorial Day weekend) I left Shippensburg at approximately 3:00 p.m. and went camping with my family and completely out of cell phone contact until about 5:00 p.m. Now, whether or not a voicemail would have transferred or not I can't state. I can say that I did not receive a voicemail from any individual that is in this room in that 3 day period. The other thing that I can make a statement of and I have said this time and time again is that I would like to think that Steve knows me well enough to know this. I am not on the SBA to try to in some way shape or form fight as a Council member. I am on the SBA as a member. I am on the Borough Council as a council member. They are two completely separate things. When I sit here in this chair in a SBA meeting I am here as a member. When I am there I sit as a member of council. They are two completely separate issues. If there is ever a conflict where I don't feel like it is an issue to be resolved I might remove myself from the situation, however that hasn't come up yet. Now, secondly when I first came onto the SBA that I made it very aware that I do not check my borough email very often. Steve also knows this. It is also, I believe to most people in this room that Tuesday's are days that I am not available. So, do I feel personally that maybe this meeting may have been set up to omit me because there are certain members in this room that feel that I am not impartial, yes? Do I understand why you may feel that I am impartial? Yes, but it is completely basis and not true. So, just so that we get that out in the open.

GT: Well, let's get some more things out in the open. First of all I was not aware that Tuesday's are not a good day for you for anything. This is a Tuesday and you meet on two other Tuesday's.

KB: At 8:00 a.m. I work.

GT: That is understood. It is also very clear that an official email site for any member would be the official site to contact someone, not a personal site. Which I do not have a personal site anyway. If I were to go to the borough website it is the email that is present as your form of communication. There was never any intent to eliminate you from this, that is why your name was on the email. It is a little disconcerting that Council feels that we have shunned the sunshine act which we did not. We did everything appropriate according to our solicitor and it has been done by council over the years. So, hopefully our reaffirming the decision can get this discussion moving with council in a very positive direction. If there is another email address that is more conducive to reaching you please let us know.

KB: Nicole and John are both aware of that email address but I will definitely make sure that I get that to you.

GT: Well then maybe we should have been notified of that also.

KB: Geno you were.

GT: No, no not by you. I have no other email address for you. That is what I am saying, if they know about this email address then we should know that.

MP: I would like to address the issue of sitting on the two boards. I think that is fine and I will congratulate your enthusiasm for helping the community. I think however the solicitor could address this more clearly than I. It does seem to me that one person cannot sit on two sides of the table through an negotiation so when a matter arise that are in negotiation between the two bodies it would seem to me that person would have to excuse themselves or the decision made while that person is engaged in those conversations could be challenged due to the fact that there is a very

apparent conflict of interest. Whether or not the person can be impartial in their mind. I don't think that is the standard.

KB: The reason why it would create a conflict is if I was in some way being compensated one way or the other where in this particular situation I am no way more rewarded as being a member of Borough Council then I am as being a member of SBA. My intention to look out for what is best for both; both of them benefit me in the exact same way.

MP: Conflict of interest I don't think has to go to you personally but the conflict of interest is in regards to the people who you represent. So, in one case you represent members at large who elected you to sit on council and here you are representing the rate payers who are a different body so how can you negotiate for the rate payers against if you will with the council? Somewhere there has to be a difference of opinion. So, regardless....

KB: They are all rate payers. The borough residents are rate payers as well as people who do not live in the borough. It is not a matter of who wins the SBA win or does the Shippensburg Borough win, it is not a matter of that it is a matter of what agreement works best for both parties and I do feel that I am absolutely an impartial individual and I know.....

MP: You may submit in and I think the law is pretty much clear in that you can't sit on the two bodies if they negotiate with each other.

KB: That is actually not accurate. The law doesn't state that because I have been appointed to both and Geno sat on both.

MP: You can sit on both but you can't negotiate.

GT: Never during negotiations.

MP: You can't negotiate for both parties.

FM: I think even it is not technically a conflict Kerri I think it certainly presents the appearance of it and I think the issue could come up and not by somebody in the borough but by someone who may be disgruntled with what happens with the SBA who is outside the borough who didn't appoint you and didn't elect you. They could bring up the issue and say her vote was obviously tainted because she is also a council person. Now, you may take a different position.....

KB: I do take a different position and really what I would take as that is as a borough resident is stating that Troy doesn't live in the borough so his vote on the SBA is in direct conflict to me because he doesn't live in the borough so he is only fighting for people that live outside the borough and not in the borough. I sit on Borough Council as a West Ward Council member and I sit on the SBA as a borough resident. They are two completely separate things. I do understand that whenever you are involved in negotiations how it can appear it is whatever, whatever but the fact is that I receive information here about what the SBA's position is and I receive information there about what the Council's position is and I don't transfer information between the two. I make my decision and take the information in and actually I probably have the best position out of everybody in this authority and that borough council and I have seen both sides of it. So, in all honestly I am probably the only one that will be able to make the best well informed decision out of all of you!

MP: I find that....It causes me to bristle with indignation.

KB: Oh, I understand that it does because you....

MP: However, the fact remains to sit on two bodies that negotiate with each other is improper. You cannot sit on one side of the table and negotiate with a party who is exchanging funds with you and whom you will be making a...

KB: They are not exchanging funds with me. They are exchanging funds with the borough and I am just the representative. I understand what the issue is. The issue is that you feel like I am trying some kind of borough council Kool-Aid.

MP: No, mam' I don't think that at all.

KB: That isn't the case.

MP: That isn't the point at all. I am not judging you as an individual I am simply saying that any person whoever they may be cannot sit on two bodies that are negotiating over anything. How can you?

KB: I disagree.

MP: I think it opens us up and you are of course free to disagree. Again, we have had the conversation and you know where we stand so do as you will and we too will have to do as we think best.

FM: What brought us here tonight to this issue is that Mr. Klein who was retained by the SBA on May 26th had prepared some documents and submitted them to Sam Wiser the solicitor for the council and frankly had not received an answer for a guess one week. Today, he got a call and Mr. Wiser indicated that after council met they were not comfortable with the way the SBA had appointed Mr. Klein and they were non willing allow him to speak to not only him but me regarding this under those circumstances so my recommendation to you is to make a motion to reaffirm the appointment of Cozen O'Connor and Michael Klein from that firm for the purpose of negotiating the operating agreement between the Shippensburg Borough Authority and the Shippensburg Borough Council.

MP: Thank you Mr. Myers, while you were absent we did take that action and make that motion and it was recommended that we duplicate.

FM: I would say since Ms. Burrows wasn't here that you do it again.

GT: I apologize for the misunderstanding and that communication so we will redo that.

GT: I will entertain any motion to ratify the appointment of special council for SBA.

MP: I will move to approve the engagement of Michael Klein of the law firm Cozen O'Connor to act as special council for Shippensburg Borough Authority and to represent the SBA in negotiations with Shippensburg Borough Council.

TP: Second.

GT: Any other discussion?

KB: I know that this is a touchy thing but the only thing that I know is that I am just concerned that I am only getting half the information and I don't know how else to obtain the other half of the information. Does that make sense, since I was not present for the special meeting with the SBA in discussion as to why we felt it was necessary to hire special council? The only part that I got was probably a 45 second clip of it in executive session in borough council chambers I know that I am not getting full story as to why the SBA feels that we need to hire special council. So, in order for me make an informed decision how do I know why or what took you guys I think it was 23 minutes to decide I guess is my question.

GT: Well, we feel that you are a conflict of interest and that will not be discussed with you.

MP: I am going to break with Geno on that. I don't think that there is any problem with you knowing that and I think you already know. We received draft

SB: I think we should go into executive session for this.

MP: We received that draft and it appeared to have significant legal implications. Mr. Myers felt that we would be best served.

KB: The draft of the?

MP: Rewrite of the information.

KB: May I see it?

FM: You have never seen it?

KB: No, I have I just want to make sure that this is the one that I am aware of.

GT: Well, we were told you were given this.

MP: We were told by the president.

GT: This is the one given to me on our second get together.

KB: This is presented when we all met?

GT: No, this is when Joe and I talked. April 24th Joe gave me that copy and I was informed and told by him that all of council had agreed that it was an acceptable document and all I had to do is bring it to the rest of SBA for their approval and that all of you had approved it. Then at a future meeting I asked President Lage if that was actually correct and she wasn't sure. I said, did everyone read it? She said everyone was given a copy and she didn't know if they read it.

KB: There was never a formal vote taken so for there to be assertion that everyone was in concurrence would not be true.

GT: All I can tell you is what Mr. Hockersmith told me.

MP: A representative was sent to negotiate with us then we have to accept their word that it is fact.

KB: I didn't send Joe to negotiate with you.

MP: Well, whoever did we felt that the document really had some legal things that went beyond our understanding and with significant implications so we sought someone who was in the subject matter expert to guide us?

KB: So, just to snippet down to the simplest thing your solicitor after reading the draft that was submitted, start of negotiations felt that it was not beneficial for the SBA?

GT: No, not at the beginning of negotiations. This happened back in April. Our beginning was back in November when we started talking.

KB: Right, we were only two meetings in. I would consider that early.

GT: Don't confuse our group meetings with the two meetings that I had with Mr. Hockersmith. He had approved by Ms. Lage to be here and to negotiate with me and to talk and to me to bring something back to this body. We met April 10 and then again April 24 and he handed me that draft document that was obviously legally prepared and while I wasn't excited about it I felt that it needed review by someone who understood what the implications were on each page.

KB: I was aware that you had meetings with Joe on more than one occasion and I honestly think that the whole entire aspect is not necessarily, the reason why I know that you had two meetings with Mr. Hockersmith was because I sit on Borough Council. I was not aware as a SBA member that you had two meetings with Joe Hockersmith. So, it is very difficult for me once again because I am only getting one side.

GT: You have all the sides that we had. The draft document was given to you to review and that is what we got to review. Same thing, same thing.

KB: You have concerns.

FM: I will tell you just like I told council when they were here that one night. That agreement basically strips this authority of every power that it has. It pretends and tries to make it seem like this would still be an operating authority and in my opinion that was done continuously to try to keep the authority out from under the public utilities commission but the truth of the matter is if this authority signed that agreement the way it was written and presented to the SBA they would be subject to PUC regulation the following day. I have researched that issue and there is no question about it. When you have a council that is determining rates because they are determining rates even though they try to skate around it. When you have a council that will set the EDU's that approves the rules and regulations if the SBA will merge with another entity by saying that they are not they can go and get a resolution and go ahead and do it. All those things are in that agreement and this authority would cease to exist as an operating authority and the water situation in Shippensburg Borough and the townships would be regulated by the PUC and there is not a doubt in my mind that is what would happen.

SB: After reading that and getting the legal advice it was my opinion as a member that I would do a disservice to the water system by allowing us to continue down that road.

KB: I did read that draft and as you know Forest I am able to speak legalese slightly better than the average Joe. I agree some that it does in some way formulate a way that there appears to be intent to strip the SBA of power. However, I will have to read it again and look for some of the points that you are stating.

MP: Excuse me, but lacking your powers of legal acumen we felt compelled to hire an attorney who would understand the document and its implications and then explain it. We hoped frankly to bring some education if that is what is helpful to both parties so that we can return to a common sense working authority and a positive relationship that these two entities have enjoyed for 26 years.

KB: I can honestly tell you that it is absolutely 100% my intention as an individual that sits on both.

MP: Wonderful now all you have to do is get the other 5 members on the board to agree.

KB: I am a little concerned that maybe the negotiation committee for the borough...

MP: That is beyond our control madam'. Whomever agreed that the draft was in fact seen by all and did represent the direction that the body wanted to move in? So, when I saw that I said "I don't know what to do". This is in fact beyond my legal acumen and we need to get some help.

GT: Just for your knowledge no direction was made or discussion to talk and request Mr. Klein's official support until I had the entire document which I waited to have the meeting about the drivers. Once we had the whole thing then I did try to clarify with Andrea is this what council sees as a working document and once we had that then again it was too legally written for us to try to sit around and

KB: I agree with that. This is not something you can throw in front of 10 people and read it and ... One of the reason is why you felt that special council was necessary because the last that I had heard as a council member prior to my meeting last Tuesday was that the meeting in April was canceled because it wasn't meeting people's schedules and you wanted more time to review the information that was given. That was the last I had heard.

MP: That was correct at the time.

KB: That was all I heard. As a SBA member that was the last that I heard; it was still being reviewed but I didn't know by who? It wasn't being reviewed by me as a SBA member.

MP: You reviewed as a council member.

KB: I did review it as a council member but....

MP: There is the problem again. You can't do it on both sides.

KB: You can if you are getting both sides of it. You are really limiting yourself by only allowing me to get one side.

MP: I think the limitation unfortunately comes with this situation where you sit on both boards.

FM: I think that part of the issue is it is and I can say this from the small amount that I have been involved because I haven't been involved with Mr. Hockersmith but what started out as basically a cordial relationship where the SBA members and without council and I think council without council were able to hash out a MOU and put that together to give both sides some time to move forward with the notion of having a productive discussion to clarify as much as anything the management agreement from 1988 which consisted of 9 pages.

KB: Which, both sides agreed needed to be clarified.

FM: Then, at some point the SBA is presented with a 21 page document that basically says. The initial thing that I heard is that we can keep the 1988 agreement and then we can add to it and clarify it and now all the sudden they get this 21 page document that is nothing in the 1988 agreement. Now, someone said this is our opportunity to take over and control the SBA and the SBA felt that was wrong.

KB: I know that I said this in some of the joint meetings; I was very much against adding appendixes to the MOU (memorandum of understanding) because I felt like there was so much murky water in the existing MOU on both sides. There were so many questions. I felt very strongly that it needed to be reworked. My only intent was for both sides to come together and rework not for one side to dictate to the other about how this was going to be. My understanding from the document that you have there is that it was a starting point. Exactly as it is stated on there. It is a draft. I never had the assertion as a council member that it was to be given to you as this is what the expectation of council are.

GT: Whenever I am handed that saying, you can get this through you can stay on the water authority as long as you want all you have to do is get it through that doesn't sound like we are talking negotiations.

SB: That is where the boulder that fell off the cliff. It is things like originally being told that we are just reviewing our contracts and it has nothing to do with financials.

KB: No, no. It did have to do with financials. We were reviewing all the contracts because of financials.

SB: Right then taking the time and you were there, the solicitor was there at the Town Hall meeting where it was pointed out by the manager and the president that there were no actual increases in what was the budget line items of the SBA and no additional expenses then two weeks later we have this MOU that all the sudden the borough needs an extra \$108,000.00 from the SBA which we sign off on to do this job that now our manager and the street manager says can't be done because there are not enough man hours to do it. When stuff like that happens how can I as a member of the SBA trust what I am being told if...

MP: So here is where we are. We have authorized Mr. Klein to be our special council. Mr. Klein is ready, willing and able to speak with the borough solicitor so that this issue can be pushed forward. Then we can come to an agreement that serves the borough and serves the rate payers and hopefully we can all sit around and sign KumBaYa.

FM: There is a motion on the floor.

MP: This is the motion to bring Mr. Klein on board.

GT: All in favor signify by saying. Motion carries. Thank you. John would you officially inform council that we have tried to meet the request ratify Mr. Klein as to what they feel is the proper way to do it. His communication indicates believes that after the issue is resolved; the way of appointing Mr. Klein that they are willing to have Mr. Wisser meet with them and get us back on track so if you would inform council of that.

JE: I will make sure that they know that.

KB: Just so that I understand the negotiations will be happening between Mr. Klein and Mr. Wisser and Forest?

FM: That is the starting point.

MP: Yes, that is the starting point so that everybody sits down at the table.

GT: In our interruption there is a legal phase; I would rather have legal talk to legal to get clarification of points and direction and I am certainly willing to sit down with Andrea also and get back into it.

FM: At some point I would think that would take place. This is not negotiations between attorneys.

GT: Troy? Forest? Kerri? Steve? Louis? Michael?

Motion to adjourn:

MP: So moved.

SB: Second.


Secretary