

Shippensburg Borough Authority Minutes

April 12, 2016

7:00 pm

Present:

Michael Pimental (MP)	John Epley (JE)	Forest Myers (FM)
Troy Pomeroy (TP)		Louis Larson (LL)
Evaggelos Tsambiras (ET)	Steve Brenize (SB)	Dennis Hammaker (DH)

Absent: Kerri Burrows (KB)

Guest: Edward Goodhart (EG)

1.Public Comment: no public and no members of the press

2.Consideration to approve meeting minutes of March 8, 2016

(SB) motion to approve

(TP) second

(MP) Moved by Mr. Brenize seconded by Mr. Pomeroy, any discussion or corrections or adjustments to the minutes? Being none, all those in favor, all those in favor consent by saying "aye"

***unison "ayes" are heard, those oppose no ***silence

(MP) motion carries unanimously

3. Reports:

a. Engineer- (DH) Everyone has a copy of the engineers report, I will down through it briefly and talk about the items in general, please stop me if you have any questions. Under 1.General a. Bulk water Station permit, we got some comments back from DEP and sent a response letter to them on March the 4th. We have not heard back from them yet. We hope and believe that we address all their issues and that should be forth coming. b. On the HAA Exceedance Response- we discussed that issue at the last special meeting, we provided an HAA action plan at that time and I don't know if there is anything else we need to discuss. I don't see it on the agenda anywhere else that any further discussion is needed or not I don't believe so unless somebody wants to talk about that.

(MP) Well I think we do have added business unless you have it someplace else in the packet. The last time we spoke about the HAA5 issue it was the outstanding question about what do we do about this disparate data (DH) that is right and we did do some research about the issues about the testing results that we have had. I think there was two questions. One was, there are three labs involved, two of them are using one test method and the other one is using a separate method. So that was one question, is there differences in the test methods? Secondly of all we are getting some differing results. Two of the labs there are using the one method are fairly close generally in there results. And then the third lab which is using the different method is getting higher by 50%-75% or more of the other two. My report on the first issue is that both of the test results, both of the test methods that are being used are as we stated before EPA approved, they are for use for reporting of the HAA, we looked at the methodology of each one there is some differences in the way they do their testing, there are some differences in the requirements for instance I know, Louis said that the bottles were different and one of them requires them to be sealed and no air. And the other one right in the requirements does not require that and it specifically says why, most of those are not volatile and they didn't feel that it was necessary. Some of the recoveries are slightly different in the two methods, so in other words as the method is pulling the HAA that need to get measured, there is a different amount of recovery that the two methods pull out but that is very slight not enough to make a difference of 5% or so. So our conclusion after looking at the

two methods were number 1 that they are both adequate and could be used, and should not be providing significantly results one to the other. We don't believe that the difference between the two laboratories is being caused primarily because they are using just different methods. That was our conclusion, secondly of all the concern that the laboratories were not all producing similar results, should you be concerned that none of the results are accurate and we should be looking at either different labs or different way of verifying if the results are adequate or not. After talking that over with some of the senior people in my office, we came to the conclusion that based on the fact that two of the three labs are getting not identical but very similar results on a very consistent basis. We think that that is adequate enough to assure you that those results from those two labs are reasonably accurate for both reporting and for protecting the health of your consumers. So our recommendation would be to use one of the two labs that is ALS and Micro Bac one of those two and we don't have any reason to believe that one is better than the other we don't have any strong recommendations for one or to the other. That using one of those two labs should be sufficient for your needs and you can reasonably expect that those results are going to be adequate for your needs to protect your consumers and to get good regulatory compliance.

(MP) So let me see if I understand that last part of what you said, the recommendation. So we have been using three as a means of trying to be certain of the results because we have had problems with labs in the past.

(DH) yes

(MP) so what you are suggesting is after this look at three different labs that you feel confident that we can be confident and that our customers can be confident using one of these two labs.

(DH) going forward, I am looking at the long road down as you go forward. I don't know that we would tell you that you need to cut out the third lab right now as you are doing your testing. Although looking back on it now, I am not sure if they had any real value because of the concern of the accuracy of their results. We have talked at times about a procedure to take more frequent testing now and then as soon as we got to the place where we are comfortable, that you were on the right road to having a reduction plan that was working. That you could start cutting back, enough that you could assure the public that you had the issue under control and that you are well on your way to compliance you could start cutting back on the number or tests and wouldn't need to running two or three labs in the future. So what I am saying is down the road, as you get out of this more frequent testing phase that one of those two labs should be adequate for future testing as your primary regulatory testing lab.

(MP) While we are in the frequent testing mode what is the recommendation.

(DH) I would continue to use at least the two of them. I mean I am willing to talk about that with Louis and see his feeling about it. At this point I am not sure that the third lab adds any value because of our concerns of their accuracy when compared to the other two. I would think that you would probably be fine going forward with two rather than the three.

(MP) Okay very good thank you, Louis do you have any comments that you want to make on that?

(LL) The only other thing I can add is there seems to be a difference. First of all we got two different test methods we also have the way the sample is taken two different ways. One is an airtight bottle and one is an open air bottle, basically. The open air bottle is the lab that is giving us the higher results of the three. The only thing that we can gather from what limited data we have so far, is that they are actually holding their samples 3 to 4 days longer, in the test cycle. They have a maximum hold period but when we take the samples they seem to be holding their samples before they put them on a tester about 3 to 4 days generically. I don't know if that has anything to do with it or not. But it could be that it is sitting there developing HAA5's in the bottle. I don't know it shouldn't because the water temperature is supposed to be fairly regulated. I think maybe for the next couple of testing cycles, we are taking samples tomorrow, and then maybe the samples at the end of the month that we will be taking that we use all three labs. If and here again both methods are approved by EPA we have two that are relatively consistent using the same method one lab that is using a different method that is routinely higher, maybe after that if we feel confident enough and I do, we will just switch back to the two

labs that are using the same method and continue to test every two weeks. Just instead of using three labs we will use two labs.

(MP) Okay so you lost me there, I was following you, and then the last statement threw me off. So you are going to continue to use three labs every two weeks, or are we going to go to two labs every two weeks?

(LL) What I said is we are testing tomorrow,

(MP) yes

(LL) okay, all the samples that we take tomorrow will go to all three labs

(MP) Okay

(LL) Okay, we will test again in two weeks. Because we have been testing every two weeks

(MP) Okay I follow

(LL) so what I am saying is the next test two weeks from now we will use all three labs. And then the test after that if we decide, we can go to two labs.

(MP) So you are talking two more tests will all three labs, whether if the information comes back as consistent it tells us something, if they are all moving in lock steps, in other words the numbers are all three dropping then that is telling us something. If the numbers are all three rising it is telling us something. If we get a cross I don't know what that tells us. We are back to Rettew

(LL) and then we are back to asking the question "why?"

(MP) yes, "what is going on?"

(LL) But right now we have two labs that are reporting very similar sample results, usually within about 10% to 15% which I have been able to gather is acceptable, industry standards acceptable. Because you may test it and get one result and Steve may test it and get another result then it's just the way you read something or the way you prep something or whatever but you are using the same method. Where Forest is testing in a different method its giving a different results and here again he may be holding the sample a few days longer, I don't know.

(SB) round a number to a couple different decimal points

(LL) well you are so far to the right of the decimal point anyways, I mean you are parts per billion. So yes it could be that way.

(MP) so Dennis, Louis is obviously suggesting something slightly different than you had recommended do you see us getting ourselves into trouble if we continue with the three tests for the next two testing periods

(DH) I don't see any reason why it would cause any problems

(MP) So we can do it that way and then titrate back to one or two that we feel are most reliable.

(DH) You are going above and beyond right now to show the public that you are both solving the problem and serious about solving the problem. Both which are important so I think that you are already doing a really good job at doing that, I don't think you are going to get yourself in trouble by continuing that for the next couple of weeks.

(MP) very good folks, so that what we will do, we will do 3 then will go to 2. Thanks Dennis it is helpful for us to have perspective on how to look at those disparate numbers.

(DH) The second item is SCWA: a. since the last meeting I have reviewed the information which we received over a period of the last couple of years, since this started in 2014 probably before that, and I have put together an additional information request. We have been in touch back a few weeks ago with Martin & Martin I will have to do that again and make this additional request, I brought up with you this afternoon that I thought that it might be appropriate for us to put together a brief scope of what we are planning to do and approximate cost of what we think we are going to have to do the review of the system just to be sure we are on the same page and I will work on that. 3. Well #2 Improvements a. the flood plain management permit did go in on April 1st, that is not an April Fool's Joke, it did go in and so we are beholding to DEP and just will be waiting on them for their comments on that permit. I think it was about 175 pages, it is hard to imagine how you can possibly generate that much information over a corner of a building encroaching into a 100 year flood plain.

(SB) Hopefully it gets into the hands of somebody up there that loves there job and wants to read all that stuff.
(DH) I hope so and sees that we went above and beyond and they will be really happy. Also just a quick comment there that we have gotten review comments on the final drawings and the project manual specs and we are about done incorporating those and when we get this permit we should be in a position where if you choose to, we can go out to bid. We just have to look at the project schedule at that point and look at the construction period and decide if we want to move forward and with the threat of going into winter weather with it we will have to see how that goes.

(LL) In that particular case when we get the permit back from DEP, if we think we can get it under roof before bad gets here, I would suggest that we do that. That way they can work inside for the rest of the winter.

(MP) Okay

(DH) and we will get in touch with the authority as soon as we see that is going to happen and we can make that decision as quickly as you can. The next item is the 4. Possum Hollow water line A. the preliminary design drawings and memo were delivered to Louis and John on March the 4th. Louis got his comments back on the 10th those comments are currently being incorporated into the final documents. B. We expect to have final design drawings and project manual to the authority on the 15th which is Friday. It may spill over into Monday so we are getting close on that. C. preparation of the roadway and railroad permit application is underway. I will tell you that, you know that I wrote this last weds so in fact two of the roadway permits is already been submitted and the railroad and the temporary Penn Dot entrance is close to being done so those will be submitted soon. The Penn Dot temporary entrance is going to require us getting the first easement so I will make a request to Forest to put a priority on the one easement that we try to get first. So we can get that and have it for this entrance application to Penn Dot. D. The erosion settlement control plans and permit application, it says here that it was schedule for the 7th, it did go in I think last Friday, I don't know what date that is I have to back it up from the 12th, I think last Friday it went in, so that has been submitted and we are waiting to hear back from them on comments. E. there is a comment here on easements and plats, and also agenda item, so I think I will wait until that comes up and we can talk about that.

(JE) Dennis can I interrupt you a second?

(DH) yes

(JE) Let's reference the Possum Hollow Rd thing. I did receive a call from Franklin County Conservation District yesterday. The check that was issued for the PA Clean Water Department was they said the numbers were calculated wrong. That the check is too much money, so she asked me to bring her a revised check which will happen Thursday or Friday, that's when Nicole does checks, so Louis plan on making a run to the Franklin County Conservation District, because you or I need to take it out.

(LL) well get an address, because I have no idea where they are at.

(JE) I thought that maybe you would

(LL) no

(JE) She said if we bring up the new check she will just swap out the checks. I just wanted to tell you that, that is what is going on.

(DH) I apologize for that

(JE) When does the government call you and tell you that you have paid too much

(DH) not often

(JE) So that will be taken care of this week, sorry I didn't mean to interrupt you but I just wanted to something before I forget.

(DH) Thank you very much for taking care of that and let me know if there is anything I need to do to help out with that. 5. Well #4 A. Met with the driller about a month or month and a half ago, I guess now it's been and got an update on drilling costs that was built into that project and Louis had a question about that and I think we got that resolved that we are okay. B. the pre drilling plan was completed and sent to DEP and approved so on page 2 the comment there is that we are ready to proceed with this as long as we get authority to spend

that money. I may have gotten a misunderstanding when we met a week or a week and a half ago we talked about this issue. Whether this needed attention by a board or you seem to think that since we were within the budget to proceed, is that correct?

(LL) I think that one of actions that the board took previously authorized us to do that as long as we were in the budget line item but I am not sure.

(DH) the project was authorized at \$100,000 in the capital improvements budget and we, a good part of that is drilling, a driller drilling the test well which would be as a sub consultant to us but it is a significant amount of money to authorize them to proceed. I just want to be sure that based upon all the information that we have done to date the authority is okay with us proceeding with us to expend that money and do the test well.

(SB) I would think we have already expended money letting the engineering report show us where the best place is to do it. Unless we were just going to walk away from it there would be no point of not drilling the test.

(DH) There was an issue of the property too and I think that is being taken care of

(SB) And that has been resolved

(FM) Not yet, I have a meeting with him this week. If it doesn't, it will be resolved, it doesn't work out if we can't come to some conclusion, amicable, I am prepared to get this, we have authorization I am prepared to file the papers for the declaration of taking and give us thirty days and we are in.

(SB) I'm good I want to find our 2 million gallon well.

(MP) We need some water

(TP) We can't use the existing well there for a test well?

(LL) It is in the wrong location and it is not a commercial grade well, it is only a 6" or 8" casing, it is not drilled even remotely close to even test well standards.

(TP) I was just curious

(LL) we are going to use that well for monitoring of the test well that we drill, but as far as using that to drill a hole to see what we are going to find 300 feet away, No

(TP) So the test well will actually be the new well

(DH) it will be

(LL) The site will be the new well location

(DH) as long as it pans out

(LL) as long as it pans out

(TP) As long as we aren't drilling next to a well, I'm good okay

(MP) okay then you are good to go

(DH) the rest of the items are developer status, 6. A Matrix on which started back, last November, we received a request and drawings we reviewed those and sent comments back including the comments regarding the inability to meet the fire flow that they requested. We received revised drawings and those are in good shape except for one item that needs to be addressed. But we have really still have not received anything from the developer, Matrix 1 and Matrix 6 regarding the fire flow issue. Whether they have not made the change they have not said they want to address it this way. We encouraged them to participate in the line before we did the special district. That still is up in the air and I have not heard back from them at all. I don't know whether anybody here has heard back from them?

(MP) Not about the project No

(FM) no not about the project

(DH) so that goes for both of those projects 7. A. Lot 6 is a little bit further behind and they submitted revised drawings but not all the comments had been adequately addressed. I can't remember if that was actually sent out or not. Comments back to get them to revise the drawings again, minor things but still the biggest issue in our mind was addressing the fire flow comments. Now that to some extent may have changed, with the institution of the special district. It may be appropriate to talk to them again approach that subject and say Hey we are going to move forward with the project assuming that happens and see if that addresses the issue.

(MP) doesn't that totally take that issue off the table? The fire flow issue isn't that gone? If the 16" line is clearly going in and obviously it solves the fire flow issue.

(DH) it should, right now we cannot tell them we have it, we can tell them it is going to be there at some point in the future.

(SB) With that improvement with the exception of things within their facility that they would need whether they do their own system or if we give them access to the 3 million gallon tank across the way. Like those expenses are no longer needed to meet the needs that they showed us. If all the sudden their needs change then that is a whole different thing. The inter-connect gives them the fire protection they need.

(LL) I think what it does is, Steve the inter-connect gives them the ability to not have to build on site storage for their pumps. They still may need their fire pumps depending on what they need for downstream pressure. But it takes that out of the equation.

(SB) takes that out of the equation takes the restraints that using that property puts on their property. That is why we moved forward with passing that.

(DH) They had asked for 2250 to 2500 gallons per minute of fire flow at a given residual. Based upon our modeling we cannot provide that now, but we can provide it in the future once the Possum hollow Rd line is in. I would have to think about how I approached a new response letter to them. I would have to state we cannot provide it now but provide it at some future date once we know the final schedule for the installation of the line. If that is appropriate.

(FM) Do you know what their schedule is to build?

(DH) we don't know what their schedule it

(LL) as far as I know that haven't closed on the property yet.

(FM) so it could be 18 months or two years

(LL) Possibly

(SB) Unless DEP really basically drags their feet and our permits on the railroad and 81 really drag their feet we would more than likely have this done before they are done.

(DH) most likely

(ET) I was going to ask, time frame on us getting this done, if everything goes through well.

(DH) There is a current schedule in your packet.

(SB) It's the folded up graph.

(DH) It is one of the foldouts, and it shows, and the drivers in this case are regulatory review periods, which our out of our control. The big items are the review of the NPDES permit and the railroad permit. To a certain extent getting the easement finalized is a little bit beyond our control because it depends upon a process that we are contacting.

(FM) It's not that hard, it's not going to take 110 days I can tell you that.

(TP) ninety days for railroad, that's a big one

(DH) It can be more.

(LL) that one I would say may be a little more.

(DH) We have heard stories with Norfolk Southerland; we hope that because you are a public entity that you are a lot more reliable than other private utilities that want to cross, that your permit should go a little better.

(MP) so if it goes better, is it possible that the project can be completed in the calendar year 2016? Because you are extending out March 17, mid-March

(DH) Yes, the biggest problem that we have is the critical path on this schedule is the review of the conservation district of NPDES erosion control sediment. This schedule and the durations in it are based upon the average processing time they gave us for current permits. Our original schedule for the project was a lot shorter because we used the durations we actually experienced on the last project. Which was the Timber Hill Project either there or processing has gotten a lot more backed up since then or we have a chance of getting this done by the end of this year or early next year.

(LL) I think even if Matrix owned the property today and they broke ground today, I bet you it will be at least 15 months before they have the building up and ready to use

(MP) Okay before they have the building up and ready to use, I am asking can our pipe be in the ground well before they get there...

(LL) I think it's and here again, if they own the property today, they haven't settled on the property yet.

(FM) Do they have any plans approved by the township?

(LL) I honestly don't know Forest, I think they have some sort of a preliminary land use permit.

(SB) They have the sewer approval from CFJMA, preliminary sewer

(FM) I mean as far as the townships land development plan, do they have approval there? I mean that could take, on a project this size that could take, you know the storm water, the...

(LL) I think because part of the issue, with that is the ability for water. So that may be holding that up. But we have pretty much settled that issue.

(DH) the biggest problem in our return letter is, we are not going to be able to give them exact date when we are done. And that may become a sticking point, I don't know whether it will or not, because I don't want to put in the letter that you are going to have fire flow on March 1st or whatever. It is going to be there but there are things that are beyond our control that we can't.

(SB) that is what we put in the letter, or projected completion is March 1st 2017 based on...

(LL) I think what we, if you are going to do that, the fire flow will be there on completion of the waterline and not give a date. That is my thought

(MP) not give a date, can you put the predicted start date of the project then, when you intend to start? Let them extrapolate on how long it will take.

(LL) But then, here again, we don't know, we have permits that need to be reviewed, so we can say Yes preliminary we are going to start in June and you know then we don't get all the permits back.

(MP) so better to just say at completion of

(LL) Yes that leaves it open but if we get all the permits and they run through the time Dennis has put on his schedule, we are into March of next year. If they were to break ground right now, I don't think that they would have their warehouse ready to occupy by March of next year. Given how long it took to build Proctor and Gamble, now granted it is 600,000 square feet bigger but, I mean it is still going to be similar construction and it will be concrete tilt up built on site, so they have cold weather to deal with also.

(SB) and with the research that Rettew has done and the effect that is going to be, their fire demands taken care of, that is data that we can give them during that process. So, as they are working with their occupancy permits and they are working with the state, and they are working with the township. They can see all that and know okay we can approve this even though there is not water now, because there is going to be water there. And so you get to a situation because the worst thing that could happen is that we put this line and somebody fouls it all up and makes them put towers in anyway even though they don't need them.

(DH) I propose that I just get in touch with Scott and find out where they are and get the minor drawing things resolved with them and then I can give them a letter that you suggested that says that the fire flow at x gallons a minute and x residual pressure will be available upon completion of the project and our projected start date is such and such and see where that goes.

(FM) Don't they have a lot of excavation, earth moving to do out there, because that is not exactly a flat field?

(LL) they probably have a month, month and a half of 5 days a week, 10 hr. days, land moving to do. There is an awful lot to do out there.

(DH) I think the biggest issue is they needed assurances that it was going to be available at some point to move forward in their process.

(ET) and we can give that to them now with what we have done

(DH) I believe so, so the last one is 8. A. Phase 3 water line, we got a submittal from them and sent them a review letter and we are kind of waiting for them to address those issues and that is the last item

(MP) Excellent, thank you, any other questions for Dennis concerning his report?

b. Solicitor- (FM) Just a couple of things, one is SCWA, Dennis talked about that. I have been in contact with Tom Flower their solicitor he is putting together a package with all the loan documents and their corporate documents to give to me, so I can begin my review. So when Dennis and Ed have finished it we will have a complete picture of what is going on with Southern Cumberland. I did schedule an appointment with Mr. Johnson, I am going to meet with him later this week, Thursday and go over this whole thing with him. See if we can't get some sort of resolution. Dennis and I have been talking about the easements for Possum Hollow. (DH) We are going to look at those quickly. I got some drafts with me.

(FM) As soon as I get those easements, my process just for those are new to the authority, I will contact the individual land owners and go over and visit them. Show them and explain what we are planning on doing and show them what we will be taking from them, except in this case it is really just an easement. They will have the use of the surface of the land, the only thing they can't do is build a house over it. Theoretically they are not supposed to put a tree over it. That is probably more honored in its breach, the risk if we have to take the water line up we have to take their tree down. But you know, just again for those who are kind of new to the process and haven't been around. We have very good success with the individuals, as I think I mentioned once before in the time that I have been doing this which is about 27 or 28 years now. I don't think we have had to condemn more than two pieces of property and probably would have paid, literally paid for the easements maybe in 2 or 3 cases as contrasted with other municipalities who pay as high as \$10 a foot. We have had very good cooperation with the folks that we work with. One of the things I will tell you is, we generally make the offer if we are running a water line by them, that they can hook onto our line and we will put the, we will do the connection, up to the meter pit at the authorities cost and don't charge them tapping fees. That is a payment but it's...

(SB) right it is like, the water line is coming through your yard, if you want to be part of the public water system. You can tap on and then pay us every quarter for the water.

(FM) And we had that same situation, with the properties along Possum Hollow Rd. Again, I don't know how many people actually connected to it.

(LL) Well, the ones that connected, were the ones that were actually coming through other people's property and we rerouted them. The only thing I would like to add to that Forest is we make that offer, that it is only good while the contractor is there. Putting the line in, once he essentially is done, and he starts property restoration then it goes away.

(MP) You can't go back again.

(LL) you can't say, well we said this today, and three years from now you want a service. No

(FM) I don't think we ever had that happen

(LL) We haven't had that but I wanted to...

(FM) You are right it is a good point.

(LL) Just put it in their mind that this offer is good for only when the contractor is physically here doing the work. So we don't have to do move in move out and traffic control and restoration and all that again.

(DH) one quick question, on the SCWA, in my mind there is probably three separate issues to be looked at, maybe more, but these three, one is legal which Forest is going to do. Engineering which we are going to do, and then there is financial in the middle.

(FM) which is Ed

(DH) Okay I just wanted to be sure that it's being covered and sometimes the engineers get into a little bit of the financial stuff because it mixes into operations and things like that, but as long as Ed is taking care of that then we are go to go.

(LL) the other thing is, I have to get my electronics guy down here to look at the equipment to make sure it is compatible with in

(DH) We can coordinate, because I want to go out there for a day and say the three of us need to go out there and pick a day when he is available and just tour the thing and we will talk about all the needs, and gather that into the report

(LL) I mean generically I know, some of the stuff but we need to basically see all the components and see if we have to change anything to make it work.

(MP) sounds like a plan

(SB) If you guys do that and it be the will of the rest of the board that we include Troy in that walk through to, since he is a member of the board and he also has a little bit more expertise in the actual function of the water.

(MP) great idea, thanks Steve. Okay, is that the total report?

(FM) that's all for me

(MP) thanks

c. Water Foreman (LL) First thing before I get into my report. I would like to apologize to the authority for any comments that I may have made at the last meeting that were out of line. I may have been out of line there and I apologize for that. Now on to my foreman's report. 1. First of April we started our new testing protocol with DEP, now we are having to do 20 coliform tests a month as opposed to 15. This falls under the new revised total coliform rule that went into effect on 1 January. We actually had to provide DEP with not a schedule but a list of sites that we would use and they also required that we have alternate sites. So should we say that I am going to test at Troy's house today and Troy is not available then I can use Angelo's house. Then I have to call DEP and say we are not going to use Troy's house this month we are going to use Angelo's house. It is a phone call that we have to make, but that is already on the list that we have submitted to them. That is basically that. We pretty much beat 2. to death, the only thing I want to add to that...well I got it further down. 3. We did do two service taps in the last month; we have two more scheduled, one tomorrow and one Thursday. Haven't had any leaks this month that is a good thing. Leak tech will be in here the 2nd and 3rd week of May to do their annual survey. 4. The Hach DR 6000 UV tester that was recommended by Jason has been ordered and the ship date is the 20th. Preliminarily they said it should ship around the 20th. I am going to have to get with Jason and see what kind of expendables I am going to have to order to do those tests. Because there are some expendable items that we need to get. 5. Sampling requirements for the NPDES permit at the water treatment plant are in progress, we are taking the last full set of samples Thursday. But the following Thursday we are going to have to take two tests that the lab sent us the wrong bottles on the first test. So we are just having to make those up, so the requirement is that the tests have to be a week apart. But the tests that we will take next week, it is only just two samples out of the whole 20 or 30 samples. 6. You can see the Well levels here, Well #3 is coming up, Well#1 is coming up, Well #2 is holding steady right now, it is where it was last month, it hasn't started showing increase but it should here shortly. This is the time of the year we start seeing those increases. We have had an issue out at the Water Treatment Plant with some of the control valves for the filters. They come in pairs one for each filter train, the valves are 26 years old the electronics in them are 26 years old, we were being able to get those rebuilt up until about 2 years ago the guy who rebuilds them can no longer get the parts to rebuild the cards. We put the last card in the valve today in one of the valves today, it has helped it, but it hasn't fixed the problem and we also have two other ones that aren't functioning at 100%. So they are probably not going to last very long. The good side of that is that we don't have to replace the entire valve. We only have to replace the electronic operator that is on the valve. The bad side of that is that we have to take the train out of service while we are doing that. That is not a big deal because each train is capable of producing 800,000 gallons of water a day. We are only pushing 500,000 through the plant, we are not over loading the train or having to cut back or anything like that. Just wanted to bring you up to speed on that, I have no idea how much these things are going to cost. I am waiting for a report back from our electronics person, once he tells me what we need. Then I will have to find a manufacturer, there is a local PA manufacturer for actuators hopefully, I can get them from him. I talked to him about a year

and a half ago. He said he could make his operator to just about any valve that was manufactured. So that is a good sign.

(MP) got a wild guess?

(LL) It would be very wild! I am not sure I want to go there. I'd rather have some good solid numbers. I am thinking of probably a little on the high side, I want to have something a little better than that. But we are going to have to replace all 4 of these. Even though there is three that is malfunctioning, they do run in pairs. If we replace one it is probably going to destroy the other one and we might as well replace all four of them at once. I had something else, I had written down. It slipped my mind right now, if I think about it, I can add it under other business or I'll add it at that time. That is all I have, Sir.

(MP) Let me just make a comment, if I would please back to you. Your expertise is appreciated; this body makes much better decisions because of the contributions that you bring to the table. Absolutely appreciate, Retnew your passion for having the SBA operate optimally and efficiently and thirdly your apology is accepted, thank you. So if anybody has any questions, for the water foreman, if not we will move on.

d. WWTP Manager (JE) Lance is continuing to make adjustments down at the plant, as you can see with this inflow issues. I think I mentioned this before, where we were having problems every now and then we get flow into the plant that was just blowing his numbers off the charts. He is getting that worked out and we are working with the person we believe is responsible between us and CFJMA we are hoping to bring result to that to the solicitor and the borough is going to be involved that as well as we review NPDES permits that this person owns, has in place and the operations. It is Chamberlain and Wingert is where we believe that our problems are, because he discharges to our system and unfortunately he discharges very heavily on occasion. It just overloads the plant we are operating within our perimeters but is definitely an issue that has to be resolved and apparently it has been going on for some time.

(SB) it has

(JE) well it is going to get resolved

(ET) is this the ammonia level

(JE) It is several things, words I can't even pronounce, and I am not going to try to, it has really messed it up. Did you want to say something Louis?

(LL) no, excuse me

(JE) the inflow and infiltration program is still going on, just today, I don't know if you heard Troy and I talking we are looking at one of the systems that we might consider. Lance is kind of in the mindset that it might be more beneficial to the borough to purchase the equipment as opposed to hiring someone to do it. Because actually if you purchased the equipment and do it yourself it would be cheaper than what we pay, \$3 per lineal foot. So we are looking at these options nothing is in stone, but the option is there and we are reviewing it. It would be obviously a cost to the borough and not the SBA. We did see, just for a quick example of I&I, the other company that was demonstrating equipment last week ran down to Richwalter St the whole way down to King St and just what they found, now that is a terracotta pipe and at sewer locations the unit actually submerged because of the big dips in the lines, that is how deep or depressed they were. Just a few infiltration areas they found equated to close to 40 gallons per minute. Just in that one run, so we believe we are going to find significant I&I throughout the borough, significant. Which ultimately when we get it repaired it is going to be a huge asset to the plant, because we are treating water that we should not be treating.

(MP) just for flow significant, does anybody have an estimate on what the reduction of flow might be

(JE) We don't know at this point Michael because we really haven't started any I&I, just some demos for the equipment. I am just going to say from what I have seen in these demos there has been significant I&I. And this one unit can actually estimate, and that one is 40 gallons a minute alone and you can see as you come up with the camera, it is just amazing, it is just pouring into the cracks, it is incredible.

(LL) Well that 40 gallons a minute equates 64,000 gallons a day

(JE) and that is one spot!

(LL) that is one

(JE) So we know that we are going to find significant and then obviously remediation. This is a couple years out before we get to this point, but it is pretty significant, King St is going to be done soon because we think Penn Dot is going to come along in 2017. The last time I spoke to somebody at Penn Dot they shrugged their shoulders and rolled their eyes. I didn't take that as a good sign, but he didn't say no. The upgrades to the plant are continuing, they are working on tanks at this point. We did have an issue and it is on page, not sure where he wrote it, but discovered that some of the design work in the original design put some rather large concrete pads underneath the power lines that run past the WWTP owned by Penelec. Penelec is not happy about it and they said that you can't put anything under there. We did some research and they do have easements in place, although we do believe that possibly we have the right to continue what we are doing. We believe it would be a legal challenge so, we ultimately decided to move this powerline at a cost of \$45,000 to the other side of the street. So that action to start paperwork and design for that was authorized by borough council last week at their regular meeting. So that is another issue that came up at the plant that was not expected but the fact of the matter is, you can pour the concrete pad underneath to get the cranes in their to install these aeration machines, these bubblers, we won't be able to access them because of the power lines, we won't be able to get the equipment in. So the lines have to be moved and not to mention the significant infrastructure has already been installed that leads the conduit to these paths. So it would be much more, they estimated a couple \$100,000 more to relocate these paths as opposed to \$45,000 to relocate the poles. This all leads back to the original design and I am not going to say the name of the company but their names are on several of these maps. Specifically that side and it has just been a hassle and it has slowed down work, but the work does continue. Lance has done a great job since he has been there getting the numbers tweaked and getting things in place. He cracks the whip down there when the contractors are there I know that he is doing a great job. So I am very thankful he is there.

(MP) good

(JE) I think that pretty much covers his report Michael

(MP) thank you and now your report please as secretary

e.Secretary (JE) Michael, the only thing I had I actually deferred to Forest. I don't know if he is, it is actually something I should have probably had on the agenda. I apologize for that, I didn't catch it until after the fact.

(FM) if you recall back in January we were offered a loan modification by the Farmers & Merchant Trust Company, the purpose of the loan would be not to extend the term of the loan or anything along those lines. But to reduce the interest rate, to what would be considered a competitive rate of 2.7%, and Ed what is our current rate?

(EG) I can't off the top of my head tell you what it is, it is higher

(FM) it's like 3.5% or 3.75% or something like that. This is the loan that was taken out to replace the Roxbury Rd line and refinance other debt that we had. I think that the other debt we refinanced was part of Penn Vest and

(EG) the only outstanding debt on the water system is the F&M and at this point it is around, 9 million dollars and the money borrowed, although we did not use it for Roxbury Rd

(FM) didn't use all of it

(EG) and borrowed what was left

(FM) So I think this is a good deal, its relatively painless, relatively little paperwork involved, very little cost involved to the authority to do this. I think we would be remised not to take advantage of having this loan modified to reduce the interest rate for the term of the loan. Again it is a 10 year term and then it is a floating rate at quarter percent over prime for the remainder of the loan. And that loan was for 20 years

(EG) 20 plus

(FM) 20 plus years

(EG) but the over prime that is adjusted to be tax exempt and there is a ceiling and a floor

(FM) yes, the ceiling is 5.3% and the floor is 1.98%

(SB) and in 5 or 6 years from now we would of locked it in for another 10 years. We would have to go to F& M to do that

(FM) So I would recommend that you

(MP) You recommend that we do this, what is the savings in our budget if we take this step, I know we had this number, do you remember it?

(JE) the president of F&M had indicated to myself and Bryan Salzman that he felt that this would be about \$170,000 plus or minus savings to the SBA over the life

(MP) over the life, \$17,000

(SB) so \$17,000 a year

(FM) that is the number I recall too

(EG) this would be the second time that this has been done

(MP) and what action would be required for us to take this step?

(FM) Just to accept the offer currently and then there will be documents that will have to be approved and signed by the authority later on. But right now, all you have to do is just accept the offer.

(MP) so Mr. Myers has let us know that there is an offer from F&M to reduce the interest rate that we are currently paying on the existing loan and all we need to do is accept that offer in order to take the next steps.

(SB) motion to accept the offer

(ET) second

(MP) moved by Mr. Brenize and seconded by Mr. Tsambiras, any further discussion? No discussion we will move on to the vote. All those in favor consent by saying "aye" ***unison "ayes" are heard any opposed No? ***silence

(MP)I hear no "No's"

Motion carries unanimously.

(JE) that was the only thing I had and I talked to Forest about it.

4. BUSINESS ITEMS:

a. Consideration to Approve Revised Scope of Work for the Possum Hollow Road Inner Connect

Line (DH) the document that I provided is putting it in black and white, an agreement for our services for the Possum Hollow water line. As I came on board in January, and I tried to get up to speed on your procedures and policies and everything part of that was a review of our agreement with the board and that base agreement calls for when you authorize us to do a project that we are supposed to come to you with a proposal that shows a scope a fee and a schedule for approval and that works is to be done under our base agreement. When I took over the Possum Hollow Rd project it had just been started in December I believe, we had kicked it off and it had been authorized. We had been authorized to start the project based upon an approval of a budget item in your capital improvements budget as I understand it. But it was a single line in the estimate for the job that was there in my eyes as a place holder, it was a 15% on top of the estimated construction costs at the time that was put there for engineering but there was no real scope associated with it. It was there, it was calculated based upon purely a percentage of the estimated construction costs at that time. So I felt as I understood the situation that it would be both in the authorities' best interest and our best interest to have something that was a little bit more, formalized or more in line with our base agreement scope. Here is the services that we believe are needed here is our estimated fees for those and to have you approve that as it is stated in our base agreement. Unfortunately, me getting up to speed on everything going on and a couple things, special purpose district came up and then the HAA issues and some other things it didn't get done as fast as I would of liked. So now we got a lot of the work done without this being in place, but I still felt it was important to put it into place as a precedent for work going forward to be sure that I understood your preferences on how our work was to be done and to be sure of that, that we are doing things in a way that is

acceptable to the board! So that is why I produced this document. It is also a document that I used internally to manage the project and be sure that work gets done efficiently and correctly within my organization. I have got different parts of my organization doing different pieces of the project and I want them to have budgets that I hold them to and I want this to be official. I think that is in your best interest and I think it is in my best interest that we have a means of communicating what we are doing for you and what it is going to cost and what scheduling is going to be and hopefully if this is the way you would like to do it in the future. We can use this as a precedent.

(MP) I think you are absolutely correct it was the base agreement states. I think what happens like in a lot of organizations you start becoming familiar and you don't what is easy and you take the short cut and you just understand. But that can lead to misunderstandings later. This is a way to eliminate those possibilities.

(DH) our goal is for you to be an extremely client of ours and we want you to know what we are doing and why we are doing it and what is going to cost and we think that gets done best when there is good communication and that is my goal.

(MP) Does anyone have questions for Dennis concerning the scope of the services and the cost? When it came to the costs I thought it was important that we review for everyone where we stand with the costs. We are this year initiating several expensive projects, large scale projects with big dollars and price tags on them. So I asked treasurer Goodhart to join us this evening and give us a quick review of our capital funds and where we are and just how close we are going to come to perhaps going too far in our expenses.

(EG) okay first of all, capital improvement fund the budget expenditures at \$3.4 million, 3 million 421, would totally deplete the capital improvement fund including the \$680,000 budgeted in 2016 water operating fund and the \$150,000 that is budgeted as a transfer from the reserve. Basically that would give us about 3 million 430 and 3 million 420 budgeted so that will literally zero the capital improvement fund if you do the projects. The business park at 1.9 Well #2 1.4 approximately is \$3.3 million and \$100,000 for a new source and 50 for mixer. Basically they will be nominal amounts there and with contingencies possibly and some of those budget numbers we could be at, at a deficit. But it is a balanced budget and we are basically the only potential danger, and I will mention with Forest is that if we would have to revise any of the budgets for capital improvement. What we would need to do would be get money from reserve or operating fund. Otherwise we have an issue of a deficit and under borough code and I assume it applies equally to the authority that we can amend our budgets as long as we have sufficient monies available for those amendments. If we were going to amend the budget such that we would have to issue debt then we have to go through advertisement and a number of other steps. So we are okay that way, I mean as far as if we need to increase for example an operating funds contribution to capital improvement it would be an amendment of the budget or both budgets actually but it would be action taken within the authority.

(SB) right

(EG) you don't have to go to court or anything

(SB) the other account has

(EG) okay the reserve account has a balance in it of about \$2.5 million, we have budgeted just \$150,000 to go over to the capital improvement fund which is a minor portion of their fund balance. The operating fund I will call it, but the operating fund has a fund balance of approximately \$4.2 million. Now I would be safe in my mind, I would like to if we were contemplating using any of that for projects other than those budgeted here or contingencies that the maximum would be \$3 million that would leave \$1.2 plus hopefully we have a surplus this year, maybe \$1.5. But that would be a one time and we can't spend that next year again and the year thereafter. Now of that \$3 million in my opinion there should be about a half a million of that go in the capital improvement because a number of years ago. When Earl was here he and I looked at and we feel as a minimum capital improvement and reserve needs a half million dollars balance to do projects. And we would have nothing based upon your budget, so I would suggest or offer as a suggestion that at most 2.5 million from operating could be looked at for capital projects, the other half million in the capital improvement as a balance.

(SB) so you would keep it with 1.2 and then you would, okay

(EG) that would still leave 1.2 or more in operating fund balance and in the reserve the balance there is approximately 2.5 million and my suggestion there would be at a maximum to take from there is probably would probably be about 1.5 million and that would still leave a million in the reserves. So the would give you for potential capital improvements without going into debt, and without having to do anything other than amend budgets about 4 million dollars. Now my caution is that means we are cutting to the bone, it took a long time to build the surplus in water.

(SB) Right, that is why we are getting the 1.8 million dollars back through the special fire district over the years.

(EG) to cover some of that project out there, Possum Hollow Project, but we have to fund it up front. That will build some things back up, but I would feel safe at having \$4 million dollars available and that would leave us with a \$1 in reserve and a \$1.2 to a \$1.5 by the end of the year in operating and a half million dollars in the capital improvement. Which would be about \$1.5 and \$1.5 would be about \$3 million dollars.

(SB) Does that factor in the historically, the rates that come in, tend to bring us an extra half million in over the operating so that factors that half million and the rates bring in an extra

(EG) yes, for the first quarter for example of 2016 we had a surplus of \$146,000 so about a half million would be reasonable to look at there and that plus the 1.2 would bring us up to about 1.5 to 1.7 at the end of the year.

(MP) Okay so let me see if I can understand what you told me. So what you are saying in plain language is we can safely spend up to \$4 million for the projects that we put into the budget. Is that correct?

(EG) That is correct

(MP) so let me just recover something here. So in our budget the 2016 budget under capital projects we have a total of \$3.766 budgeted.

(EG) 3 million what?

(MP) 3 million 766

(EG) the budget that I had showed \$3.4, that was a new source for a hundred, mixer at 50, well 2 at 1.370 and \$1.9 for business park.

(MP) Alright so let me look at the numbers I have here. Line item 700.014.312 new source \$100,000, a storage tank mixer for 50, a storage tank mixer 45,

(LL) No we only got one of those approved, there was only one of those approved in the final budget.

(EG) One approved at 50

(MP) okay so just one of those at 50, so then in town transfer station at 300,000

(LL) that is the difference between your numbers and his numbers

(EG) that is not in the budget

(LL) it is in the capital budget it was approved

(SB) we approved it

(MP) this was the

(EG) It has not been entered into the budget that I entered into the accounting system did not have that.

(MP) this is the 2016 budget as passed, that is just what my notes say

(EG) I am going by what the budget I entered did not have that \$300,000 so \$3.7 no,

(MP) so let's continue and see if we have the last two items the same

(EG) the last two items would be the same

(MP) 1.9 and 1.371

(EG) right that would be correct

(MP) so that \$300,000 has us separated. And I have a question, so we budgeted 1.9 for the pipe project. But Dennis today was redoing numbers, but the project is actually going to cost 2.4 so that is a \$547,000 increase so if we add that in puts our budgeted expenses at about \$413,000 and you have to take out the \$40,000, the \$45,000 out of that but still putting us at 4.2. So we are \$200,000 over your recommended limits of spending.

(EG) My recommendation is assuming that those items budgeted. I am addressing for beyond the budget that was entered. \$300,000 and I can add that to the Edmunds system budget, I don't know how I missed it or it might have been in one and not the copy I was given to use, the additional \$500,000 approximately for the Possum Hollow Rd project capital, Matrix and all that, okay then that would be about \$800,000 and that would come out of the \$4 million that I had talked about so that would leave you with about \$3 million, okay and again for that \$300,000 that was missed we will have to increase the operating budget capital improvement from \$680,000 to a million because your capital budget is at a deficit. Of that \$300,000 because not including the \$300,000 we are basically breaking even between the budgeted expenditures and reserve and operating and the existing fund balance in capital improvement. So the budget that you are looking at Mike should show a, does it show a transfer from fund balance to balance the budget? And if so, mine is, if you will, basically it is the amount of money we had in capital improvement to add that \$300,000 is going to show it as a deficit.

(MP) so I am not sure what line item you are talking about. I have an inter fund transfer here from capital improvement, is this what we are talking about here?

(EG) yes there is \$680,000 and if you look here, the 3 million 9, 95 we did not have 3 million 1 hundred eighty two thousand dollars in fund balance. The fund balance at the end of last year was about 2.58, 2.6 million. So that budget there is a deficit in that budget for that money coming in the fund balance was not sufficient to balance that budget. Meaning we did not have three million...

(MP) 995 you say

(EG) right, we did not have 3 million 182

(MP) You are saying we had 2.58

(EG) in the fund balance

(MP) But I have to ask the question, why that disparity. I don't understand how these numbers don't reflect reality

(EG) they don't and as I say the budget that I recorded is basically balanced but this one, that 3.1 you have the additional 300,000 in the capital improvements that I don't have budgeted.

(SB) There is in money in, money out. So if the expense is the capital improvement increase, then the money comes from the other accounts.

(EG) from the operating funds

(MP) it has got to come out of here in order to fund this line

(EG) yes

(MP) it has funded that line but it never came out of here, is that what we are saying? This line clearly was funded we put it in here, where is the number, right here. We put that number here and we approved that number but you are saying that this was not decreased in accordance.

(EG) What I am saying is, the amount shown as transfer from fund balance is more than the fund balance.

(MP) It is more than the actual fund balance

(EG) yes

(MP) Okay, Alright Louis do you have something to contribute here?

(LL) I have a question, because I seem to remember this when we were doing the budget last year. That a couple of the projects that are shown on the capital improvement budget they were going to be funded out of the reserve for replacement.

(EG) The amount out of the reserve for replacement that I have in my budget is \$150,000 and we have about \$2.5 million dollars here. So that would be enough money, we just have to amend some budgets to get the money to cover that.

(LL) and the reason that I ask that, I remember, at least I believe I remember in the discussion with those budgets we were looking at the reserve for replacement and I asked the question if we could fund the in-town transfer station and the Well 2 improvements out of the reserve for replacement fund if that was a legitimate

expense for that fund. And I believe that answer was yes, there again I made an assumption, that is where that money was going to come from that may have been wrong.

(EG) And what was budgeted was only \$150,000 now and my response to that is to Forest. He and I have talked about this forever, we are not sure, well at least I am not sure how much of the reserve for replacement must be if you will, spent or dedicated to improvements future improvements that were paid for by certain tapping fees.

(FM) the law is such that as if you have a tapping fee, i.e. this per acre that you approved last week, if you have a regular tapping fee and then you impose like we have done, an additional developers fee or something like that. That developer's fee has to be spent in that district. In other words you can't take rate district 9 monies and pay for rate district 11's improvements

(MP) You charged those folks; they have to get the benefit

(FM) Right

(MP) got it

(FM) exactly

(SB) but that is for a special

(ET) That is for the special that is my question, so if we charge whatever the tapping fee is for a residential in zone nine and we need to make an improvement in zone 8 we could use that, whatever that tapping fee is I think it right around \$2000 bucks right now. So that can be used, right

(FM) The tapping fee can be but not the special rate fee

(SB) Yes, the regular EDU fee

(EG) And I think at this point, if I just may interject Steve, there is a time limit

(FM) 10 years

(EG) I think most of those special tapping fees the add-ons have expired.

(FM) Have expired, the only one that may not have and it is getting real close, pushing it, is the Possum Hollow Rd one.

(SB) That is where I want to go, because the numbers you presented of the accounts that we have and the amount that we have in the accounts. So as of this moment we have 10.1 in the accounts, correct?

(EG) yes

(SB) that is that on a normal year when we do debt service and we have our rate payers come in and we run the system without any improvements at all, we add a half million dollars

(EG) yes a half million approximately

(SB) so in theory, at the end of the year we are going to have 10.6 if we didn't do any capital improvements

(EG) Yes exactly

(SB) So if we are doing, what is the number now? 4.26

(MP) 4.268

(SB) then at the end of the year we are going to have

(ET) no 5.8

(LL) more or less

(SB) 5.8 in the accounts so we have the ability it is just making sure we can move everything around the way that we need to move around

(EG) yes, yes that is correct and the only caution is and I will just mention it again is I think we should keep somewhere about 1.2 to 1.5 in operating fund balance, the half million in capital improvement and the reserve fund a million. Although initially we thought a half million but, if most of those things have expired and that wasn't what I was sure of

(FM) yes they have

(EG) we probably could

(LL) I think there is 3 left, one is due to expire next year and the other two are several years longer

(SB) So that gives us even with the increase on this job 2.8

(EG) That you can spend?

(SB) no 2.8 that you basically are saying you don't want us to spend.

(EG) my recommendation would be not to spend

(SB) right, not spend the 3 million so that gives us another 2.8 in that area that still leaves the 3 million that you don't want us to spend.

(EG) I would rather rephrase it as my recommendation for balancing capital improvements or balancing reserve or balancing the operating fund

(SB) best accounting practices not to spend that \$3 million dollars

(EG) yes

(ET) okay, let me understand this, at the end of the year we are still going to have somewhere in the excess of 5 million dollars spread out over several accounts

(EG) That depends if you don't budget any more, as things stand now, yes. Now that includes the \$300,000

(MP) it includes that number

(EG) and the additional \$400, \$500

(MP) 547

(EG) for that project, yes, so yes that would include that so you would have as I am suggesting somewhere 2 to 2.5 million that you could use for projects. This year or any year for that matter, it's like once you spend your savings account, there is nothing there

(MP) plus we contribute about \$500,000 a year to build it back and if we get a developer and we get something happening out at Matrix we will bring back in somewhere around 1.8.

(EG) yes

(ET) just remember Matrix is only like 600,000

(LL) that money that Matrix would have that fee would have to go to the Possum Hollow Rd line

(SB) yes, what it does is replace the money that we outlaid for Possum Hollow

(FM) that is exactly what it is,

(ET) correct me if I am wrong, those two plots they are going to develop only return 600,000 and some dollars to use immediately, it is the intention that in the future something else goes out there and then we will recover that other money.

(FM) Yes, as it gets built up it is going to increase

(MP) that is correct

(SB) and that was the general thought when we pulled the trigger on some of these projects was we were getting nothing, just money sitting in the bank, so let's put this pipe in the ground now and you know start moving forward to start seeing some of the benefits that you know, it is easy to have like Matrix coming along and you know seeing this project coming. But a lot of where Possum Hollow is, is already zoned commercial/residential, commercial/industrial a lot of that sets that up to be developed because now there is public water there.

(EG) and Forest any monies that would come in the future on this special fee, the add-on we could take that money to repay

(FM) ourselves

(EG) repay what we have already spent it is not something that have to be saved to spend in the future it could reimburse our costs.

(LL) but it is specifically up to the amount of the Possum Hollow Rd line because that is what that district was put in for

(EG) yes

(SB) well the 86.7% of it

(ET) We are not going the full two million

(LL) we are not going to collect 100%, yes the 87% or whatever, but any monies from that special rate district that we passed at the last meeting that money would reimburse whatever account we pulled this money out of.

(EG) Yes

(FM) This is an unusual situation for the authority because in the past, probably 95% of the water lines that were extended were extended at someone else's cost. This is something that rightly so, you folks you decided, and it makes sense to do this at your expense and get this back later. Because there is not much likelihood, that there is going to be enough development in Possum Hollow Rd area for someone to go ahead and extend the line to create the flows that you need.

(SB) there is additional benefits as you look, even though we don't have a master plan. We have an idea of what we want the master plan to be. And moving forward, the new well that we are testing additional wells and if we end up and when decide whether we are going to fix the treatment plant or take it off line. It is all contingent upon what we are doing right now. So it gives us more options in the long run by doing this.

(MP) Okay so we need to take an action right? To square these budgets away now, because we seem to have some...

(EG) What I will do is, I will put together a schedule showing the amendments that should be made and to bring in the additional approximately \$600,000 for the Possum Hollow Rd and the \$300,000 other item that is there and amend both the reserve budget and amend the operating budget and the capital improvement budget to keep us within "legal balances"

(FM) you have to keep it balanced so to speak, you have to do that at your next meeting Michael

(EG) I will get that together for the next meeting

(FM) Ed will have and you can do it at your next meeting, you are not spending money right now anyway. It is just being identified

(EG) that way we can spend it and I would say that it was oversight that I missed that \$300,000, because then we would have had to change the budgets for this year. But it was not in the form that I used, and the other thing if I just might add back to Southern Cumberland I have done some initial analysis of their financials they are basically running break even. They collect enough revenue to make their debt payment the interest and principal and all their operating expenses and if there is going to be anything, you would have to consider any capital improvements to be funded somebody is going to have to pay for them they are not generating enough revenue to have any capital improvements, they have about \$80,000 in a savings account but

(LL) but when we talked about this over the past period of time, there has always been a rate district discussed with the Southern Cumberland District, they would actually have to fund their own improvements. So they would pay the regular water rate plus a special rate district

(EG) the analysis that I have done basically shows break even, cash flow wise, they have a little bit of excess revenue but then you take principal payment out and that wipes that out. I just thought I'd add that

(LL) they did give you enough information to make that determination that they are running at a break even numbers

(EG) their financial statements are done by Marchal over here and they look reasonable but again its

(ET) We are not sure that everybody is paying for their water out there right?

(EG) that is a possibility, I don't know

(SB) their rate structure is a little bit different than ours to

(EG) I did not have their rate structure, I had their financials and I don't have their debt statements which Forest said he was going to get, to look beyond year to year

(MP) okay, so if I could just ask for one more final question, just to wrap this discussion up, in your opinion as Treasurer of the SBA our proposed expenses in the budget of \$4.268,000 are reasonable and will enable the SBA to remain in prudent and safe financial condition, would you agree to that statement?

(EG) That would be correct and if you have some other projects in mind or contingencies on these we can handle those but, we cannot continue if you will, in the future, to have these large capital projects without ensuring some debt.

(MP) we will have to cut up the credit cards

(SB) right we can't spend \$4.2 million dollars next year too

(EG) No, that is correct

(MP) thank you Dr. Goodhart, appreciate the information.

(SB) which one are we approving the 30" line or are we approving the 26" line?

(LL) the 24"

(SB) the 24" line that is the one we are approving

(FM) It doesn't matter, as far as what you are approving, as far as the design bidding and construction phase, there is differences in the estimated costs that Dennis put together

(DH) yes, correct

(FM) which would be what people bid

(SB) ok

(FM) At that point you will have to, I don't want to speak for Dennis, but at that point you are going to have to decide if you want to put a 24" line or a 16" line

(DH) Our intentions is to bid both and then we will see where the actual costs come in and you can make a decision on whether you need to or want to save money on doing the 24" casing and the pvc. I was looking and when I saw that these costs were coming in above the original budget. I was very concerned and so I went looking for any place where I thought there was an option to save money and still produce the project that you needed and wanted. Louis and I talked about and looked at a number of different options we actually looked into some other design potentials including horizon directional drills and some other things just looking for ways to get the project back down at least somewhat. This was the only one we thought from a technical standpoint would save you some money and would also achieve the objectives of the line. I still think we would like to have the ductile line underneath the interstate, all your system is ductiled on, I think that is great. Doing that other option would save about, well we are projecting it would save about \$90,000 we don't know that until the pricing comes in. We have talked to several boring sub-contractors including the PVC manufacturer that does the fusible PVC to try and get some pricing from them. We feel like the current estimate is right now in the right ballpark but until we have the bids we just don't know what the actual costs are going to be, that is the goal.

(ET) so this bid that you are looking at is instead of the ductile iron being used for the pipe

(DH) Yes the two options are to put ductile iron underneath the interstate and underneath 696 Old Scotland. You need a 30" casing because the outside diameter plus the bells on the ductile iron pipe are in the order of 20 to , 20 and change, inches in diameter and you just can't do that in a 24" casing. If you 16" fusible PVC it has not bells, so the outside diameter of the PVC is just over 17" if you can then put that in a 24" casing. So that saves on the size or the bore, the PVC is probably just as expense or a little more expensive because it takes a specialized contractor to do the fusible PVC. But the good thing about the PVC is the outside diameter of that pipe is the same as the ductile. So you use standard fittings and Louis could repair it with a repair clamp if it came to it and some things like that, that is a good thing.

(ET) Question, is that PVC as strong as ductile?

(DH) It is not as strong as ductile, but I would tell you that it is far stronger than it needs to be. In other words the ductile iron pipe that you are putting in the ground your pressures out there are up to maybe 150 psi you could probably put 400,500,600 psi into that ductile and it wouldn't phase it. The PVC is probably 250, 300, I would have to look at it, it should be very stout stuff.

(LL) it would be 2 and ½ times the working pressure so if it was 150 psi pipe roughly 375, as opposed to 525.

(DH) It is the same as what they call AWWC905 pipe and it is very substantial. I mean it is used a lot of places, the only unusual thing about this is it is fusible, so instead of having bell and spigot joints with rubber gaskets in

it you are actually taking two plain ends of piping and you are fusing them together and making them one piece of pipe.

(ET) it is like a weld

(DH) It is like a weld but it's...

(FM) that what they did with that gas line up there in front of our house, that is exactly what they did, it is just one big, they put it together and pushed it through.

(JE) Is it high density polyethylene?

(DH) no, no we are talking about PVC now, we also looked...

(JE) the green PVC

(DH) it is not green it is white,

(LL) Blue

(DH) um blue, mostly, green is generally used for sewer just as an identifier

(ET) I am worried about it going outward, pressures from within; I am more concerned with pressures from the outside with the traffic on 81.

(LL) but see the pipe that we are talking about will be inside a piece of steel pipe so the steel pipe will bear that weight.

(DH) there will be no weight on it at all

(ET) ok, alright, I am just learning

(DH) no that's fine, it is good and important to understand it, and of course we will only have PVC extending out the two sides of the casing by like 3 to 5 feet, and then everything else is ductile.

(SB) and that is depending on how the bids come in

(DH) exactly, we may end up with ductile

(SB) if there is not much of a difference between the bids and the benefits of doing the 30's

(LL) and it also depends on what Penn Dot tells us, for the bore under 81

(DH) there was another concern at, if you look at the statutes the way they are written, if you are at 30" and above there is a requirement that you grout the casing and without getting into a great amount of detail. The larger the bore you do, the more of a chance that as you bore you create some voids on the outside of the casing because you hit rocks and things like that that tend to make some voids between the outside of the bore casing and the soil around it. So they actually make you go in and either dig down or put some kind of a tube down there to fill the voids. That gets very expensive, now what we are being told in talking with this district of Penn Dot is that they historically have not required that on 30". But there is that, it is right on the edge of whether you need to do that statute or you don't need to do it and if you go to the 24" it is not a requirement by statute. That is another potential savings of money and some of the boring contractors may look at this and say, I might have to grout it when I am done. I have to put a contingency in my bid. So you may see a larger difference between those bids than we are anticipating it is hard to say.

(SB) I like options

(DH) and we do too

(MP) okay so what is the wish, does anybody wish to take an action here considering, to approve this revised scope of work?

(ET) I make a motion to approve as written by the letter dated March 25, 2016 addressed to John, the estimates for the project the Possum Hollow Inner Connect

(MP) very good thank you, moved by Mr. Tsambiras

(SB) second

(MP) Seconded by Mr. Brenize, any more discussion? No more discussion, let's vote all those in favor consent by saying "aye" ***unison "ayes" are heard

any opposed No? ***silence

Motion carries unanimously.

(MP) thank you Dennis appreciate the explanation

b. Consideration to Approve Easement Preparation for the Possum Hollow Inner Connect Line

(MP) Motion to approve the Easement Preparation for the Possum Hollow Inner Connect Line

(TP) second

(MP) Moved by Mr. Brenize seconded by Mr. Pomeroy any further discussion? Let's vote all those in favor with and "aye"

Motion carries unanimously

c. Consideration to Approve In-Town Transfer Station Project(Lurgan,Budget Item #700-016-316)

(LL) Given the discussion that we just went through on finances do we want to go ahead and authorize this project now, or wait until the budget amendments?

(MP) Since technically according to Mr. Goodhart the budget that he has doesn't even have this item in it. Why don't we wait until we clear this discrepancy up and so that everything we do is in proper order?

(EG) It could very well simply be since there were a number of budgets floating at the end of last year and Nicole was using this one, no don't, use that one and that is probably how the \$300,000 got missed.

(LL) you will have those amendments for us?

(EG) for the next meeting, yes sir

(LL) why don't we delay this until the next meeting

(MP) So we will table this until the next meeting, do we need an action to table this, forest?

(FM) no

(MP) okay, very good

d. Final Approval for Sheetz Project @ Exit 24

(LL) I believe we are ready to approve this we got the final drawings back

(DH) I think I forwarded the approval letter. I am looking to see if I have copies with me

(FM) there is no line extension with this?

(LL) No this is just a water meter installation, a movement of a fire hydrant, and a plugging of the original fire hydrant location and the original tap. So it is all on site work.

(SB) motion to give final approval to the Sheetz project at Exit 24

(MP) alright Mr. Brenize thank you, got a second?

(TP) second

(MP) seconded by Mr. Pomeroy any more discussion? Okay let's vote

Let's vote all those in favor consent by saying "aye" ***unison "ayes" are heard

Any opposed No? ***silence

Motion carries unanimously.

e. Consideration to Approve Water Service Request for 224 Walnut Dale Rd

(LL) this item is before you because the length of the service line, this is out in Huckleberry Land system, it is a single service but it is a very long service line that is why it is here. I asked Dennis to look at it and see what his recommendations were on the service line size from the meter to the house

(DH) I actually have a letter of recommendation here for a 1 ½ line

(LL) a 1 ½ line

(TP) does anything get billed for his time for that or not?

(LL) we haven't in the past

(TP) okay, I was just curious

(DH) I think Andy spent an hour

(LL) on these water service things we haven't generally been doing that, with the engineers recommendation of the 1 ½ water line this is ready for approval

(MP) Ready to go, alright, so we would need a motion to make this happen right?

(SB) Motion to approve water service request for 224 Walnut Dale Rd

(MP) thanks Mr. Brenize do I have a second?

(TP) second

(MP) seconded by Mr. Pomeroy, any further discussion?

Let's vote all those in favor consent by saying "aye" ***unison "ayes" are heard

Any opposed No? ***silence

Motion carries unanimously.

f. Re-Authorize 23 EDUs for Briary Ridge Project-Phase II

(MP) We had contact with the developer here, they have asked us to table this issue they are not ready to go forward, so we will table the issue.

5. Update-Southern Cumberland Water Association

(MP) is there more to say, I think we covered that

(LL) we beat that to death

6. Discussion of Hydrant Markers

(LL) had a request from fire Chief Randy O'Donnell about installation of fire hydrant markers on the fire hydrants. Given our snow storm that we had last winter at least these things would stick up above the snow banks. It would also aid in local agencies when they are plowing a road they know that they are there, so they won't hit them like they did in a couple of places, we had here. So I prepared for your packet, four different types of markers. I kind of rated them in what I feel would work the best. I provided pictures of them that we already have in the system. I think there are some costs in there to. I am not recommending and the Fire Chief is not asking that we put them on all the hydrants all at once but we phase them in with our fire hydrant maintenance program.

(SB) They hydrants in Southampton Franklin are already done because Southampton Franklin choose do them.

(LL) the majority of the hydrants in Southampton Franklin are done because the supervisors out there in the past funded that out of their budget for West End Fire and Rescue. Randy was asking us to consider that for the stuff in the Borough plus any of the agencies that we deal with.

(MP) so I don't see a proposed cost for this project

(LL) I did not propose a cost, I put a cost per unit in there and my thought was to stay within the budget line items that I have for this year, for maintenance and do as many as I can out of that line item and when it comes time to discuss 2017 we will see what we want to do with that, that is my thoughts.

(SB) Does this or any of these in particular impact the fire rating that we are attempting, the rationale for doing the hydrant maintenance because of the impact that it can have on our rate payers and their fire insurance

(LL) Yes and No, I don't believe that it would have much of an impact on the rating process itself, the other side of that is that it will enable to the fire departments to locate them quicker at night. These things do stick up about 4 feet above the fire hydrants the top part of it is reflective so when the lights hit it they will see it going down the road. I am a little hesitant okay in town, especially down at King St, where we are highly commercial developed, of not putting them there. I just think or at least not until the latter part of the system.

(ET) How many did you want to put in the first year?

(LL) I have roughly \$25,000 in my line item for maintenance and it's not going to buy a whole lot and I also have to fund any repairs to the fire hydrants and stuff out of there, so probably not more than a hundred.

(ET) so \$2500

(FM) Have you ever talked to the townships, Southampton Cumberland, Lurgan?

(LL) I have not personally talked to them

(FM) Shippensburg, can you ask them to put their own flags up?

(MP) that is a good thought Forest helps their citizens

(LL) we could try to do that, I will at least make an attempt to contact them

(SB) Angelo, has anybody explained to you the fire hydrant maintenance schedule program, and why we are doing it specifically

(ET) yes

(SB) okay, I do agree with Forest, we are putting significant ratepayer's revenue to get us where we need to be that is beneficial to the rate payers. I don't think it is unrealistic to ask for the township's to do what the one township is already done. In lieu of the fact them using our labor, I mean of course, as we are doing the maintenance process if they put aside the tags for their township when we are doing them in their township. We could use our labor to do that.

(ET) you would have to request the borough to do the same thing

(LL) Now, I would make a recommendation that we say which hydrant locators we want. Because I believe it's the very last one in your packet is the one that goes

(MP) the wire

(LL) the wire one

(MP) looks like rebar

(LL) it's basically just a piece of steel that wraps around the nozzle cap and the nozzle cap holds it in place.

The down side of that is, you don't get a good seal on that nozzle cap, so in order to hook to the larger port on the fire hydrant you have to take that cap off, take the marker off, put the cap back on and take the big cap off. So, I would not recommend that we use that particular one.

(SB) So we are getting rid of the last one

(LL) that has other dangers involved in it also, this one, get rid of that one. The other one that has a spring on the back, I see hazards with that. If you have to push it down to operate the fire hydrant and the hand slips off of it, it is going to smack you in the head.

(ET) So which one are you recommending?

(LL) What I am looking at is either this one or this one.

(SB) So page 61 or 62? I probably have the original

(LL) it is either the round one or the flat one,

(MP) What's in the background, you got the farm building or the house

(LL) the flat one has the farm building the round one actually has a house behind it, yes

(MP) What would be the best way to approach the townships on this? Should you do it? Should John do it?

(SB) Should the fire departments do it?

(MP) let the fire chief do it

(ET) He is the one that originally asked us

(SB) our response would be, we will use our labor to add this to the maintenance project but we would like you to get the material from the townships and the borough

(LL) have John talk to Randy

(FM) With at least one township he is likely to get a better reading than someone from our authority.

(SB) Do you have an idea what it costs to do the ones in Southampton or did they just do them?

(LL) I would have to say, look at the price tag on it, they may have gotten a price tag on it by buying so many, I don't know.

(SB) I think we would want to communicate that we are moving forward with this project we are putting resources towards this project and one of the townships has already done this and therefore because of that and trying to be fair to all the rate payers we are asking for the townships to do that part and we will do the labor of putting them on. I guess you guys did put them on right?

(LL) yes

(SB) We have already given the labor to the township and we are willing to give the labor to the townships and the borough

(LL) we didn't put the ones on in the other townships, the fire department did.

(ET) That even better, the whole fire department can do it.

(LL) well, we are going to be there

(FM) your point though is well taken, by going into this maintenance program and spending authority funds to maintain the fire hydrants their residents get a lower insurance rate

(SB) right

(ET) I am going to tell you something, this ISO rating system. I don't see how they are going to benefit in the borough, because I think they get pretty good rates, what really screws up the rates now is their credit.

Because everybody is going to credit, checking your credit and if you don't have good credit you are paying a higher rate for your house verses the guy that has the same house next door that has an 800 credit score.

(LL) the base rate for any fire insurance that I know of is based on the rating that you get from ISO and that's, so if your street has a three and the borough has a three that is what their base rate, unless the individual insurance companies do something different.

(ET) No they pull it from ISO and most of the places if you are below an 8, unless they changed it in the last few years, if you are below an 8 you are getting a decent rate, it is the credit score that screws you.

(FM) so maybe out in the townships they maybe above an 8, because of the spacing between the hydrants

(LL) Some places are nines

(ET) nines because there are no hydrants or the distance from the fire house, if it is over 4 miles

(SB) There is the ISO rating and there is also the fire protection, if we find that during this process one or two hydrants that are not functioning. And that happens to be the hydrant that needed to be used for a major fire and we have done our due diligence. I mean if we are going to have fire hydrants we should make sure that they work.

(JE) yes I will talk to Randy, his concern is because we have had several hydrants damaged over the winter and \$24.00 is worth the price of not seeing hydrant knocked off

(MP) Yes having a hydrant damaged is one issue the other issue is having a hydrant found in case it is covered with snow or who knows what else

(JE) exactly

(MP) so there is two ways to look at that

(JE) Can I ask just a quick question, Forest municipalities can as I understand it, because we have paid it. We paid a maintenance fee to the hosting municipality. The borough of Newville charged us \$100 every year for maintenance and with that maintenance there was a guarantee of certain maintenance

(FM) That has been a topic of discussion in this authority on a number of occasions over the years. At least up until now the authority and the prior authorities have elected not to assess the fire hydrant maintenance

(JE) but we can

(FM) Yes absolutely, in fact you put it right on your tax bill. If you have it, they put it on their tax bill, fire hydrant I imagine that is what they did in West Pennsboro, right?

(JE) Actually they sent us a bill every year.

(FM) Some townships have it, actually bill it to the tax payer as part of their bill

(JE) we just paid it out of our general fund

(ET) you were talking about taxing a municipality, I mean billing a municipality

(JE) Newville Borough, every year would send us a bill, it says you got 70 hydrants a \$100 times

(ET) \$7000

(JE) and they never did anything with the hydrants but I just

(SB) I think that is just an option, I think if we can get them to cooperate with us, most of our fire hydrants are within a certain distance of one of our rate payers or multiple of our rate payers.

(LL) Yes of the rate payers not necessarily the township residents

(SB) right and I think that if we can get the townships to jump on board and give us these things like the other township already has and we can continue to try to foster some type of cooperation with the townships it is

better than just trying to you know send you a bill for \$100 a hydrant, but you have 150 hydrants in our system we are going to send you a bill for \$15,000 every year. That is just asking the townships to be in an uproar.

(MP) it is intriguing let's consider that as time goes by here. But for tonight okay, are you ready to go John; you know what you are going to do with these hydrants?

(JE) did you decide on the marker so we have a rough idea of the cost

(MP) It is either these two

(TP) the one with the farm behind it right

(JE) I think that is the nicer one, and it is the least expensive of the two

(LL) the one with the barn behind it is probably

(JE) The one with the barn behind it is \$80 a piece

(ET) the one with the barn is \$80 and this is the one that is \$24 something

(LL) The one with the barn behind it is the cheaper one that is the one that is \$27 a piece.

(JE) They are \$27 those would be...

(LL) Well list price \$27

(JE) is that the one you would go with?

(LL) that is the one that I would recommend

(MP) Okay John do you have it all

(JE) yes sir, I do

7. Financial Review

a. Consideration to approve Shippensburg Borough Invoice for March 2016

(SB) Motion to approve the invoice and acknowledge the transfer of funds has taken place

(TP) second

(MP) moved by Mr. Brenize and seconded by Mr. Pomeroy any discussions

Let's vote all those in favor consent by saying "aye" ***unison "ayes" are heard

Any opposed No? ***silence

Motion carries unanimously.

8. Any other business

(LL) I remembered the two things I wanted to talk about. The Roxbury tank was scheduled to be painted last year under our maintenance contract. That project is going to starting approximately the second of May. The tank will be off line for roughly 4 to 5 weeks. I will inform the fire departments to make the appropriate adjustments to their fire cars if they so desire. That will be a complete painting the inside of the tank will be sandblasted down to near white conditions and then almost bare metal and brought back up with primer and finish coats and the outside will be pressure washed and brought up with a fresh coat of paint on the outside. There is no expense to the authority for this project it was already included our maintenance agreement that we have in our utility services. On another note I just got a letter today, Utility Services Group a parent company of Utility Services Incorporated has aligned themselves with I believe it is Suez which is a big conglomerate and they will be labeling some of their stuff as Suez, however the information in our contracts are valid it will still come up Utility Services the other thing back at the end of the year when we were discussing budget. You requested that I try to put a vehicle replacement program together, it is coming. I should have a draft for first review with you Mike, and Steve and John and myself, probably within the next week or so.

(MP) oh good I'd like to see it

(LL) it has been enlightening experience to say the least, but it is coming about, I just have to put a couple finishing touches on it. The overview there is three options in there, in this program so it will be up to the authority which option they take. One of the options is already the resolution that is in place that I shared with you several months ago.

(MP) So you are putting this together, you are running it through with John right?

(JE) yes

(MP) okay great

(LL) Some of the information that I have on it I was only able to go back to 2011 to capture data reliably I did get data from 2010 but it is not complete so, anything prior to 2010 I have no knowledge of as to what was spent on what vehicle that we currently have in our fleet. So there is a lot of data missing, so there are some projections that have to be made.

(MP) some guess work

(LL) educated guess

(MP) that is just a guess with an adjective in front of it

(LL) right, those were the two items I had to think of

(MP) Okay thanks, I look forward to seeing that vehicle replacement information, thanks

(MP) Angelo?

(ET) Nothing

(MP) John

(JE) No Sir I think we said enough

(MP) Dennis

(TP) What is the latest on the Rowe Run Rd? Up there, anything?

(JE) Rowe Rd? Sorry wasn't following you there, Troy.

(JE) The project is, the bid packet and the bid manual is going to be reviewed hopefully this week, finally. As far as moving along, Penn Dot is kind of, been shoving us saying your time is coming, you need to be out to bid, so we scramble to do that. We met with property owners and Penn Dot and you name it, it was quite an undertaking to get to that point that quickly and when we said ok, we are ready to go to bids, they said Whoa, Whoa, we need to get our agreement for this grant in place with everybody before you go out to bid. So now they have kind of kaboshed the time line that they put on us because Mr. Kennedy with Penn Dot will not let us go to bid until the agreement for the grant is in place, although it doesn't seem to be a big issue of time for them, although we were hoping to be going out to bid in April. We were hoping to be under construction when the school season is out because the time line from start to finish is not long for actual construction. We are still clinging to that time line, but right now Penn Dot has halted us on moving along. But the good thing it has given our engineers more time to prep the bid packet which is as I understand pretty significant. And based on the bids we still don't know if the project is going to take place. This is all contingent upon it coming under the budget, if it comes in over the budget, unless by some miracle additional funding is found, it is going to fall to the way side.

(TP) just curious

(JE) there has been significant money spent already and it is not just the borough, there is other key players in this, Volvo is involved, Mike Ross's group out of Franklin County, they are involved. Did I say Volvo yet? The Cressler's are involved, not Sam Cressler

(LL) School District

(JE) The school district has nothing in this whatsoever

(LL) Oh really, okay

(JE) so it is not just the public we have a private sector people involved that are willing to work together and get this happening, so we are all this is going to bear fruit soon but, at this point we just don't know yet. Penn Dot has kind of screeched us to a halt at this point for moving along.

(TP) just following up that's all

(JE) Yes Sir it has been an interesting project to be involved in

(MP) Anything else Troy?

(TP) That is it nothing further

(FM) no I have nothing, thank you

(MP) Steve?

(SB) I bring this up every once in a while, any legal recourse to do anything about the solar panels that are on our property, that are not benefiting authority rate payers in anyway

(FM) well I would have to take a look at the contract again, obviously we didn't, this authority did not write that contract, and it was written by the borough solicitor. So I would have to refresh my recollection, my recollection of the broad outline of it was that the electric was first to go to the treatment plant. And then if there was any excess in it was to go into the grid and the people who put the solar panels in would get that benefit.

(SB) well the motion was made on borough council the benefit if there was any was supposed to offset the rate payer's expenses for the authority...

(FM) I don't know is it generating electric is there an offset?

(SB) I think the last that John looked at it and you said there has been nothing

(JE) It generates electric obviously, but I have tried to get a handle on this agreement and exactly what it means. The answer I got is it is very complex and it is, when you try to follow it

(SB) it involves carbon credits

(JE) but we, somehow paid this company that owns the solar panels a significant amount of money every year

(MP) who is paying

(JE) the borough

(FM) that was never supposed to be part of it,

(SB) well the way it works is that you pay them the borough pays them a lower rate for the electric that is generated on those, even though there was three million dollars of state and federal money used for the project and it is on our property. I don't want to take anybody's time we have been here long enough. Is it okay if Forest looks into this?

(MP) Yes, I guess, you know I guess it's the old thing, how much are we going to spend to find out and how much can we possibly we get. Do you think it is worth looking at, Steve?

(SB) I think it is worth, how many hours do you think you are going to need?

(FM) maybe a couple hours

(SB) I think it is worth spending a couple hours of Forest time to look in to it and see if he can figure a way out for us.

(MP) Sure I like that

(FM) you know if you remember and I don't know if any of you were here, you might have been here. If you remember the authority wasn't even involved until I brought it up and said how can the borough be signing a lease for land they don't own.

(JE) that is a great question

(FM) This authority owns the land

(SB) maybe that is our out!

(FM) I should of kept my mouth shut, but you know it wasn't until I raised that question that Earl said, oh, oh I didn't know they owned the land. Who did you think owned it out there?

(MP) okay take a look at it, then

(SB) I don't want to go too far down the rabbit hole but I think it is worth the couple of hours of his time to try to see if there is a way for us to either force them to start compensating properly or give us our ground back.

(FM) or this could be the cell towers, remember? None of you remember that either.

(??) OH Yah!

(FM) The question was how, are we getting all of the revenue that we are entitled to? And they would never us who is on the tower and then all of the sudden Grace called me one day and said that we just got a check for \$69,000 what should I do with it? And I said cash it! I don't have anything else

(SB) that is my last item

(MP) Well that's good one thank you for bringing it up!

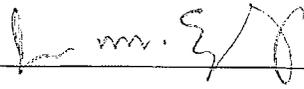
9. Adjournment

(MP) Motion to adjourn,

(SB) motion

(TP) second

(MP) Moved Sir, "aye"



Secretary

Next meeting May 10, 2016