

Shippensburg Borough Authority

Agenda

November 10, 2015

7:00 p.m.

Roll Call: _____ Geno Torri
_____ Michael Pimental
_____ Troy Pomeroy
_____ Steve Brenize
_____ Kerri Burrows
_____ Forest Myers
_____ Dan Hershey
_____ Louis Larson

1. Public Comment
2. Consideration to approve meeting minutes of October 6, 2015 1-13
3. Reports:
 - a. Engineer 14
 - b. Solicitor
 - c. Water Foreman 15-19
 - d. WWTP Manager 20-21
 - e. Secretary
4. Business Items
 - a. Discussion of Gandy Manor Project @ 14 East Orange St.
(Samuel F. Cressler, Owner)
 - b. Consideration to establish project and preliminarily approve a water request
of Matrix Development Group/Warehouse/Lot 6 for 48 EDU's
(Exit 24/United Business Park) 22-25
 - c. Consideration to establish a project for a Water Line Extension for the
Rowe Road Realignment Project 26 + Saddlebag
 - d. Consideration of Request by Candy Coldsmith and Kathleen Cassell
to approve a Single Water Tap for property located at 20 Cabin Lane,
Shippensburg, PA 27-32
 - e. Consideration of Request by Lisa Frampton for Reimbursement of an
Unused Water Tap @ 3A Burd Road, Shippensburg PA 33-39
5. Update-Southern Cumberland Water Association
6. Update-Budget Committee (2016 Budget)
7. Financial Review
 - a. Consideration to approve Shippensburg Borough Invoice for October 2015 40-79

8. Executive Session (if necessary)

9. Any other business

10. Adjournment

Next Meeting
December 8, 2015

Shippensburg Borough Authority Minutes
November 10, 2015
7:00 pm

Present:

Louis Larson (LL) Steve Brenize (SB)
Troy Pomeroy (TP) John Epley (JE)
Geno Torri (GT) Forest Myers (FM)
Michael Pimental (MP) Dan Hershey (DH)

Absent:

Kerri Burrows (KB)

Guest-Sam Cressler (SC)
Guest-Mike Wadel (MW)

1.Public Comment: No public Comment.

2.CONSIDERATION TO APPROVE MEETING MINUTES OF OCTOBER 6, 2015:

(MP) I move to approve the minutes of Oct 6, 2015

(SB) Second the minutes

(GT) Motioned by Michael to approve the minutes of Oct 6 and do I have a second?

(SB) Second.

(GT) Seconded by Steve, any other discussion? Hearing none, all in favor signify by saying "I".

*** Unison "I's" are heard

(GT) Motion carries for zero, and Kerri is absent.

4. BUSINESS ITEMS:

a.Discussion of Gandy Manor Project @ 14 E Orange St (Samuel F Cressler)

(GT) John, fill us in on this.

(JE) Mr. Cressler and his engineer Mr. Wadel approached the Borough a few weeks ago to meet and see about getting this Phase 1 of this Gandy Manor Project started back up. So we met and went over some issues that Mr. Cressler wanted to talk about and ultimately it was determined that we believe that this concerns need to be addressed live with the authority. So I asked Sam and Mike to attend tonight to discuss the project with the authority and tell them what the issues are and if we come up with a way to help them get moving along with phase 1. So, Mike Wadel is an engineer with Eric Diffenbaugh's office and I am sure Mike can give us a briefing of where they are at and where they want to go.

(GT)Okay well thank you

(MW) This project was first named Earl Courtyard, it is the old Beistle Building if you know where that's at, where the Thought Lot is currently, Phase 1 is along Earl St, 2 building 6 units each a total of 12 units. And I will just hold this up for you gentlemen, that's Earl, and this is Orange St. So the two yellow buildings are the ones we would be talking about. What I did is, I took one of old plans that I think I sent to Dan, probably a year and a half ago, two years ago, at any rate, some of the work that we have already done is make the connection here on Earl St and then stub in an 8" line, eventually that 8" line will continue up, plus it will go across and connect to Garfield, this is where Garfield comes up right along the railroad. Our initial thought was this connection that I have circled in red that we were going to have to complete it for phase 1. After the meeting that John was referring to, I had dug back through my files and I found an email or several emails between Dan and myself and I wasn't quite sure I understood whether you were saying that we had to make those connections as part of Phase 1 of the water plan because I had two separate plans there and I think that may

have added a layer of confusion if it was possible. So my question would be in this case because we just want to get Phase 1 started can we just make these connections that are shown in Blue in conjunction with that construction that would tie us back across to this 10" line in Garfield and then per your email, if I understood it correctly, can we let this mess go until Phase 2? Is that what you are intending to say with your email?

(DH) Well, when I look back at it Mike, I think what my intention was, when I was looking back at I was looking at phases I was focusing on the water lines, so Phase 2 to me was, Phase 2 water line and I actually, I can't remember if this was something that I emailed out. But it was the red line marked up set. This is Oct 2012, the original approval actually goes back to 2011, and that's not even the original, I came into the middle of it. That was my original approval was 2011.

(MW) yep

(DH) So when I was thinking Phase 2, I know there was, we wanted to get it done so we could get out the roadway and the paving could get done and we didn't have to tear it up. So I was thinking well let's get that done and when we come back, get this part would get cleaned up while you are doing this waterline work and the crews are back out there. So that was my recollection of it.

(MW) Okay,

(DH) Because I don't even think the plan that I have, looking at this, doesn't even show different phasing for the buildings, it was just waterline phasing. So there was a Phase 1 waterline a Phase 2 waterline and a Phase 3 waterline.

(MW) and that's what I couldn't remember

(SB) Phases didn't come until 2012 or was it 2013 that we were getting into, that we needed the phases.

(SC) Well I was asked to go back to the phases project and we went back through with another plan similar with what we had, I can't tell you the dates tonight when those dates were, we went back and phased it and we got final approval on phase 1, and preliminary on the whole plan, and final on phase 1. Of course for numerous reasons we didn't do anything, but now I am in a position where I can move forward with some more downtown redevelopment, but the railroad must have really made the concrete company happy back in the day, because we cannot get to any of that stuff and that's where we left it.

(LL) I think Sam, where this plan is showing it, because it should be above that valve. Yes, it is above the 10" in line valve there, that's not concreted up here.

(SC) Up here, no it's not; our problem is down here where the railroad track is.

(LL) oh down here. The only concern that I have is if that existing 6" water line is in the way, coming down here. The 6" coming down here, if it is in the way of making this connection then this is going to, something is going to have to be done to keep the businesses and the house and the ballfields, and the ballfields are part of it, in water.

(SC) I know there is at least one, if not two water lines preceding that direction.

(LL) There is at least two services that I know that are lined.

(SC) What I am saying, wasn't there one line over here and one line, isn't there one line on each side of that street?

(LL)No, there is only the 10", there is only the 10" going under the railroad. But it is on this side, on Garfield St towards your development but then it goes under the railroad tracks and it's on the other side of the railroad tracks on the other side.

(SC)That's why, I remembered.

(LL) Actually there is two lines, the old 6", 6" or 8" goes through there too.

(SC) The problem is I had Wadel go out, not this Wadel, but Vern, we spent like \$5000 dollars digging around and everywhere we get it is concrete and that is why we have been trying to figure, how do we get around this. That is kind of the biggest, with Mr. Epley, of course we were dealing with zoning, I'm sorry bonding some of those things, but this is pretty, we need to pretty much figure out what we are doing.

(LL) I know where you are showing the proposed tap out here is clean pipe, I know once you get on the ball field side of the railroad tracks, we put a service line for the ballfield it is clean pipe there.

(SC) We found some we dug over there and found a pipe.

(LL) and it is clean pipe over there, anything in between there under the railroad tracks is concrete.

(SC) That is the problem

(LL) There is no breaking it off.

(SC) I am scared, we get in there and start banging around there is other utilities and that's why I want to find out what we can do.

(MW) to back up, Louie, Are you saying if we can make this connection, that this wouldn't be necessary?

(LL) Right now, if the 6" line is not in the way of making the hot tap, what we found down doing all the excavation down there, that Vern was doing that the 6" wasn't but the sewer line was in the way, on down further.

(DH) Well just to be clear here, are we talking about two different things? Are we talking about delaying it or not doing it at all?

(LL) it's got to be done, because that 6" has to go away.

(DH) So I mean if it has to be done, my recommendation would be to do it now, because of how much time is going by, it is already becoming difficult to remember why we are doing this and what needed to be done with what phase, just looking at the plan you have there, Mike, there was a second one that had gone out that was redlined in the sense of let's not have to redo all the plans, that I think that was worked out with Louis and I don't know if it was some of your guys in the field or not Sam just to get that done. This was the tie in so that we could avoid some of that concrete. I had worked it out here.

(MW) Is that a small copy of it?

(SC) This is one where we going back to the new line we put in over here and just completely going around that then. And how is that going get rid of that 6" though?

(LL) it is going to tie in

(SC) Because the 6" goes into that concrete

(LL) the 6" is going to have to cut and capped here.

(SC) But you mean down here to then? It goes into that oblivion of concrete, doesn't it?

(LL) I am not sure that the 6" is concreted, because the 6", matter of fact I am almost positive that the 6" isn't concreted.

(SC) So it doesn't go the whole way to Earl?

(LL) it does come to Earl and then it comes under the bridge, but it was put in 1906 before the highline was put in.

(MW) I hope we missed it, it has been a nightmare. I mean, because you found had 1955 I remember you digging back and found something in 1955.

(LL) when the 10" was put in, but I know where the 6" line goes under the railroad tracks because there is a valve right there.

(MW) Do you think that you have the ability to identify where this stuff is when I start digging?

(LL) to make the connection to this redline here, yes.

(MW) okay

(LL) I am not going to try to locate any of that stuff that is concreted.

(MW) Well that's, I just know that, you know If I hire some guy to come in to start digging I don't want him to hit.

(LL) I know where the 10" is on the ballfield side that is clean to make the connection. Make that connection there and reconnect into Earl St going on the ballfield side and bring it back under the railroad tracks and tie in to Beistle Ave.

(MW) there is a big storm drain basin underneath that bridge.

(LL) I think we can get around it, we can align it so it will be around that and tie in where Beistle alley comes out. And that will be away from all this concrete, it will still be in service, and then we will cut and cap the 6" someplace up by the thought lot, because the thought lot will have to stay in water.

(MW) Well I am not concerned about that cap, but finding the place to cap it on the other end.

(LL) we are not going to need any cap on the other end. Because when you tie in on the 10" at the ballfield side you are going to run across the road and tie into the 8" okay, that is on the ballfield side and when you cut and cap on the hill that all goes away, it will all be dead.

(SB) so what you are saying is the one coming down on Garfield basically isn't supplying water to the current town homes across the street?

(LL) Correct

(MW) Everything comes off the alley

(SB) That's what you are saying, if you kill that line, you got a line in there that basically you are going to cap, that basically this line and nothing else is going to be on that line, because these buildings don't need to be on that line they are going to be on the new line.

(LL) yes,

(MW) Earl St is eventually not going to have hardly any utilities then, at the end of the day.

(SB) So then Louis is it my understanding that there is a way that it can be done that basically takes care of all of our current customers and takes care of the developer's needs?

(LL) yes

(SB) Would that be? would you concur with that?

(DH) yes, from what we laid out before.

(SB) What would there be, some sort of a like a developers agreement or something that we would make, how would we go about that? Do they come back with plans? Do they just work with Louis?

(DH) We already approved the plans, before, I think it was just a matter of timing when these improvements were going to happen and we were willing to wait until to Phase 2, which we were considering Phase 2 of the water line, or at least I was. So that what we are saying the improvements have been looked at, approved and I am recommending that they be done now, with the Phase 2 waterline.

(SB) So okay, nothing in this discussion is different than what we already approved.

(DH) Correct

(SC) How would that work? What that be included in the other bonding or would that be separate bonding? How does that work?

(MW) We ran it separate last one.

(FM) Do they have a bond?

(DH) We don't have any bonding on Phase 2, right now, correct?

(MW) No we drew down Phase 1 completely.

(DH) Then we need it

(FM) Yes, we would need it, I don't know what the cost of the construction is, somebody does.

(DH) Mike put one together for Phase 1 we just need to update it to Phase 2.

(FM) If you get that to me, I'll get it ready

(MW) I think our biggest concern just remembering back a few years was being concerned that we can find clear pipe and it sounds like there is a way to get to that point.

(LL) I know on the ballfield side, I know there is clear pipe over there, because we made a tap for this water service.

(MW) Vern did find something on the other side of the high line.

(DH) We did the developers agreement.

(FM) Doesn't sound like we need any approval

(GT) Okay? Sam, Okay, very good buddy

(SC) Thank you, good luck on the rest of your meeting

(GT) You are welcome to stay for the engineers report!

(DH) It's a page turner!

3. REPORTS:

a. Engineer- (DH) Thank you, a copy of the report is in your packet.

1. I have been talking to Louis about the high DBP results and a N.O.V has been issued by DEP, slightly over on your HA5 your halo acetic acids so at this point a tier 2 will be issued, Louis will take care of that, it is a 30 day notification to the public that it has been exceeded it is not any health risk at this point but they have to be notified in addition you are going to have to prepare a OEL which is an operational evaluation level I believe, so it is a form that the DEP has filled out, Louis has asked for my assistance in this. So I just wanted to make you aware. And we have 90 days to prepare that report from the time the results were received.
 2. Chiller Plant, the reading are in the packet.
 3. The permanganate system when I was up on Friday took a look at that and DEP actually wants to come out and make a site visit with us, so that is scheduled for this Friday. I didn't see anything that I would think that would stop them from issuing the operations permit, and that can be put online. I also mentioned that will be really help, with the DBPs that is one of the, not one of first recommendations but a normal recommendation is to put in permanganate to help knock out some of the DBP precursors.
 5. Well #2 improvements, met Friday with Troy, Louis, Steve and John. I will be sending out a minutes for that, to all the authority members in additional for plans and specs for your review and an updated schedule.
 6. SR997. I sent an email out on the determination by the department, Penn Dot, and they have determined based on doing sub surface utility exploration, they confirmed that the water line won't be in directly impacted by the construction activities, in other words it doesn't need to be relocated because of any of the bridge improvements or drainage improvements, however they are going to have a temporary construction easement over the water line so it is possible there will be construction activities near or on the water line. And they said that they will pay for any mitigation measures during construction that we want to see done, however the department isn't planning on paying on any relocation. Now we have the right to disagree with that and fight it. I don't know that you are going to get very far with that, I mean looking at it. We really don't have a direct impact other than just trying to mitigate during construction so there is no damage.
- (SB) So they would pay for any, any suggestions that were made for mitigation and they would also pay if they rip up the line?
- (DH) correct
- (SB) So that is something that is just normal? Or is there some sort of documentation that we should have from them, like in the form of a signature from a Senior State Employee?
- (DH) it is normal for them, and they have a form of course. I did bring up to them that the question would come up, what if there is damage, we don't want to see a repair, just like under the stream in that area, we will want to see that line replaced. So I want to get that in writing from them, before we just sign off on it.
- (SB) That would be my big concern that we get it in writing from them.
- (DH) I mean worse case they go down there with a back hoe or something, they crack the line, we just don't want to slap a repair sleeve on it, and we want that section replaced underneath the stream at least and get it out of there. That's what we would insist on.
7. No activity on Well # 4
 8. Reviewed the plans and capacity request for the matrix development emailed out our letter. I'm recommending that we can approve the EDUs that is similar what we did at the exit or, however, I said that we couldn't provide the fire request or the fire demand that requested and that we set up a meeting with the engineer and the developer to discuss what we are looking for in the project. So I talked to John and Louis about that when I was down on Friday. I think I mentioned to Steve and Troy also.
 9. US Express the engineers didn't resubmit plans before the meeting so we may have those by next meeting.

Are there any questions on the report?

(GT) Very thorough, thank you

(DH)Thanks

b. Solicitor-(FM) Yes, you have copies of the letters that I sent to Valley Quarries and Southern Cumberland. I haven't got the documentation on Valley Quarries I should get that back this week and Southern Cumberland, I haven't heard anything. My intention is to contact Mr. Flower and see where they stand. Last meeting we talked about the rights of way on Airport Rd. I hate to admit this and but I went back and looked and frankly the authority never had right of way on Airport Rd. it turns out that Pro Logis got those rights of way in their own name and of course the intention would have been, had they completed the project to dedicate, to convey the line to authority to dedicate the line to the authority, that didn't happen. I contacted Mrs. Rosenberry to inform her of that, I think she understood what I was saying, because, I think she did. I told her that she would have to get the easement released; she would have to go to Pro Logis and get them to sign off on the easement. So that is where that stands at this point, and basically we settled on the Randy Chamberlain, we settled on that, got paid, got a check. He paid all the fees that I had incurred, he had paid for the survey himself and gave a check to the borough for the balance due of \$2500.00, I think that is pretty much it.

(GT) anything else for the solicitor?

(SB) I have a question on that, okay so as we are looking at like that property we own there, like where between Randy bought and between where the solar panels are and the building is, there is a lot behind college residential. Would it be like not in our best interest to contact the owner and see if they want to expand? Right behind where we just sold Randy, like there is land that basically butts up against the back of the development out by hot point, I guess it is called hot point commons or whatever. Like there is a little plot of land you know sort of like on this side of the trees that basically they could put another monkey house in.

(FM) Are you talking about the piece of land between the recycling site and

(SB)Right, between the recycling site and where Randy was there is a part of our property there that is sort of a dead area now.

(FM) That would be up to the authority whether or not if they be interested in, I can research it.

(GT) I guess the question might go to John; would waste water need that at some point?

(JE) That is always a possibility.

(GT) Extend the fence over there for whatever purpose.

(JE) It could be, actually we are in the process of adjusting the leased area for the solar array at this point, due to the fact that somewhere down the line, the Franklin County conservation district came along to the solar people, the people who own the solar array, you need to put in a storm water facilities in, and unfortunately where the storm water facilities where going, would not be able to be built in the leased area, so they approached us, Carl Bert's office. But it is the same amount of leased area, only it's going to be, a piece of it is going to be knocked off the corner where they did not build and the area say between the police shooting range and the solar array is now a storm water facilities and the leased area will encompass that, it is just a shifting of the area, it's the same amount of area, just a shifting of its actual location.

(GT) you never know

(JE) yes, you never know when something is going to have to tweaked or adjusted.

(FM) Are they going to need a lease on that?

(JE) They are going to redo the metes and bounds on the leased area and Sam Wiser is involved in that at this point.

(FM) Except that the borough authority owns the land.

(JE) yes

(FM) okay

(JE) And I'm sure that when that paperwork comes through it will be before this board.

(FM) When they first went through this the borough had it all done and then I think I may have said at the meeting how can the borough lease land that they don't own? And somebody said "What"?

(GT) thank you John

c. Water Foreman (LL) My Report is in the packet along with the usage at the Chiller, air and winter mode had dropped off to virtually no consumption, a thousand gallons a day more or less right now from what they were. You will notice that there was three main line leaks repaired, one of them was a major leak down on park place west. It was split with 7 and half feet long and the 10" it took out 96 feet of road, curb to curb. So I've got request in with a local paving company they have given me a price, we are going to end up paving that, unfortunately they are tied up for the next week and a half so it is going to be some place close to Thanksgiving. Hopefully we can get it down, if we can't get top coat in this year what we are going to do is put the base in, feather it out so it will be easy to plow and then in the Spring time comeback, mill out the edge and put top down. But, this is about the 4th or the 5th leak we have had on that 10", the other ones have just been an inch and half to two inch splits on the side that we have caught, this one let go all at once.

(FM) It was quite exciting

(LL) We were losing 5 to 6 thousand gallons a minute of water through this split.

(SB) it didn't get nudged by the gas line, did it?

(LL) No, it wasn't even close to the gas line. So, that's on that one. Dan touched on the notice of violation that we are getting from DEP this is not a system wide notice that has to go out. This is only for the local area that the tests were done in and that failed. So we will have to do that, we got a template for it and we will send it out to the people in the appropriate areas. Probably, we have got an apartment complex in there, so we will probably hand deliver to them, so they can distribute it and the rest of them we will probably send it regular mail, we can do that without any problems, rather than hand delivering all of them. That's about it the rest of it will come up under the agenda items.

d. WWTP Manager (JE) I think Lance covered it, the biggest thing we have been working on is the I & I program, as Lance noted here, we did meet with DEP and they are being more flexible than we had anticipated for us getting things moving along, so they would rather see us do a butt study over two springs as opposed to us pulling flow meters out of man holes every week and trying to put them in different basins, they want them to be set in locations long term, long term, so we are looking at the end of 2017, before we start any type of remediation for inflow and infiltration so it's moving along but it's got to be done, obviously it's a big expense coming to the borough but it is long overdue, absolutely long overdue. It's actually pretty interesting to learn all this as I go along, the good the bad and the ugly.

e. Secretary: (JE) So, I have nothing else Geno as far anything for me to report.

(GT) Thank you very much.

4. BUSINESS ITEMS:

b.Consideration to establish project and preliminarily approve a water request of Matrix Development Group/Warehouse/lot 6 for 48 EDU's (exit 24/United Business Park) (GT) John bring us up to speed.

(JE) Well matrix has submitted through Carl Bert's office a request for, this is for another warehouse, a second warehouse,

(LL) this is lot 6

(JE) And Dan I think has already looked at this

(DH) No I haven't yet.

(JE) You haven't seen this one?

(DH) No, I am sorry.

(JE) We haven't started the project, I'm sorry, we received a letter dated November 4th, I think that is in your packet. They have, they are looking to construct beyond the one we have already approved, a 1.2 million square foot 2nd warehouse at the exit 24 site. It is considered lot 6 that is what they are referring to, matrix

development group lot 6 and we have some calculations here performed by Carl Bert's office, obviously subject to review of Dan

(SB) This is just the typical creating a job, so that Dan can do what he needs to do, so we can get money from them to take care of that

(JE) From the escrow, correct

(DH) And just looking at it quick it looks like they are requesting the same amount of fire flow as the last one, lot 1D.

(JE) So this is even more fuel for the fire

(DH) Luckily, it's the same; at least Scott is the common thread between this

(JE) correct

(GT) So I just need a motion to establish a project

(MP) So moved

(GT) Motioned by Michael

(SB) Second

(GT) Seconded by Steve, any other questions? Hearing none, all in favor signify by saying "I"

***unison "I's" are heard

(GT) motion carries 4-0.

c.Consideration to establish project for a Water Line Extension for the Rowe Road Realignment Project

(JE) There is, should be in your packet an 11x17 plan this is the preliminary layout of Rowe Rd. relocated, to be relocated I should say. As the project is proceeding there has to be some adjustments made for water lines and we talked with Louis. Louis, myself, Scott Bert and Kevin Plasterer, if you look at the second sheet and we have to move the hydrant and extend the waterline, due to the toe of slope of the new Rowe Rd. It is a pretty significant slope that will taper down so based on discussions with Louis we thought it would be better to move it out further and then instead of coming in at what could have been perceived a 45 degree angle, Louis requested that we redesign the water line to try to come in 90 degrees as we cross Rowe Rd due to the fact the SBA in the future is looking to extend a line heading towards Route 11, that way any of the fixtures that are installed won't have to be tweaked as Louis puts it, with multiple bends and turns so it will be a straight shot when you come through the new extended line. What we wanted to do was go ahead and set up a project, the borough is unofficially asking that we don't need to set up an escrow, we hope, you know where we live. So that is what this is, this is an extension as you can see of the water line across Rowe Rd so when its built the toe, there will be no water lines or any structures within the slope, it will be completely out of the slope and accessible for future use or tap ons.

(LL) Also with this project we are installing a cross so that if there is ever future extension back towards the high school where the line comes across or goes out to Route 11, we don't have to do anything other than pull the plug out of the cross and go that way.

(JE) So as the previous we are asking for the SBA to allow for a project to be set up for this.

(GT) Motion to consider establishing a project for the Rowe Rd alignment, realignment.

(SB) So moved

(GT) Motioned by Steve

(TP) Seconded

(GT) Seconded by Troy, any other discussion? being none, all in favor signify by saying "I"

*** Unison "I's" are heard

(GT) Motion carries.

(JE) thank you

d.Consideration of Request by Candy Coldsmith and Kathleen Cassell to approve a Single Tap for property located at 20 Cabin Lane, Shippensburg, PA.

(LL) Ms. Coldsmith lives up on Cabin lane out in Huckleberry Lane water system. She is requesting the water service up to her property, for whatever reason. She believed that in the past there was a connection to her property, when huckleberry had it. As you know when we took over acquired whatever, the huckleberry land system we got all their accounts we do not have an account for 20 Cabin Lane. I checked with Cathy and Tom Ginnick who used to run Huckleberry Land Water, they don't ever remember having an account for this address. Their roughly according to her drawing 400 and some feet from where the line ended, which is not on her property, it is actually on other gentleman's property, his first name is George and I will butcher his last name, so I am not even going to go there! It does not appear that there is any right of way to get to her property other than what is being used commonly now. So and the water line stops down at the end of George's property on the Walnut dale Rd side. Elevation wise we could probably serve it, however the distance, the fact that her property doesn't front a water line. We can't find any record of a service ever being there. I didn't even give this to Dan to run the model on because at that point, there was just too much in my mind against this lot and I figured we would bring it to here to the authority if you choose to proceed it, let Dan look at it, that's fine, my recommendation is that we deny the application because there is no water to her property and she doesn't front the water line.

(FM) Does she have the ability to get a right of way across the person in between the water line and her, to begin with?

(SB) That is out there in a really weird part of Southampton, it is off Walnut dale Road, isn't it?

(LL) Yes it is

(SB) Cabin Lane is off Walnut Dale, yeah, that is in a weird where they just basically have a handshake agreement that they can drive across somebodies property.

(LL) I don't think there is any right of way up there.

(FM) And when they decide they don't like it, they stop it. I have dealt with people in this general area privately, not related to the water line and it's definitely the Wild West, maybe the Wild East I mean.

(LL) without any clear delineations of any right of ways or anything else, I can't in good conscience recommend that we even proceed with the study to see what side of the water line they would need.

(FM) I think if you were to ask me, I would concur with Louis on this. You are going to find that you will end up with more problems than you will solve.

(GT) well it is a request for service, so

(SB) I would move to deny the request based on recommendation of staff and council

(GT) Exactly, I will take that as a motion

(MP) Second

(GT) Seconded by Michael

(LL) I would also recommend that because of the litigation in this area the Forest write the letter of denial on this from a legal stand point.

(SB) That will be included in part of my motion.

(GT) We have a motion to deny a request for service line based on recommendations from management and that a letter will be sent from our Solicitors office. Motioned by Steven and seconded by Michael. Any other discussion, all in favor, signify by saying "I"

***unison "I's" are heard

(GT) Motion carries. Thank you.

e.Consideration of Request by Lisa Frampton for Reimbursement of an unused Water Tap @ 3A Burd Rd, Shippensburg PA

(GT) John tell us about this

(JE) I'm not really that familiar with this one Geno, unfortunately it just showed up on my desk.

(LL) let me help you out then John, it came to me. Apparently there was an email sent to the staff in the office requesting a refund for a water tap that was paid for on Bard Rd, for a property back in 2008 that has never

been used. Ms. Frampton apparently no longer wishes to develop that lot in back and wishes a refund on it. So I provided everything with the authority, in the past we have not granted a refund on tapping fees. We are talking about 7 years here that we have held the water for this one. That is up to the solicitors input.

(GT) Mr Solicitor what is your recommendation on this one.

(LL) Louis is right, we have never done that, there is nothing in the rules and regulations that addresses the issue, but there are parts of the rules and regulations that deal with how someone forfeits a tap by not using it in a certain period of time and that is done without any compensation or reimbursement back to the individual. So if someone comes in here and buys ten taps and uses five they don't get five back once they expire and frankly my advice and recommendation to you is to deny the request because if you don't deny it, you will set a precedent where any one can come in, 7 years later, 5 years later or 3 years later or whatever and say well I decided that I don't want to use this, so you know, give me back my money, as a practical matter Louis's comment is absolute. You have actually held the water for this, because it is included in that listing all the different, how many EDUs do we have, I have heard that discussion by you folks on numerous occasions and this is one less you could account for, because it was already purchased. So my advice to you is to deny the request for reimbursement.

(SB) What is our time table on the life a tap?

(LL) the water request prior to it being paid for, once it is approved is good for two years. Once they pay for it, If I remember what the rules say, they have to begin construction within two years and complete construction within 5 years, in which case we are past that. She hasn't started construction,

(SB) She hasn't started construction, so basically she doesn't have a tap anymore.

(FM) No, and by your rules and regulations she does not have a water tap.

(SB) Even though we continued to hold, according to our rules and regulations she doesn't have a tap anymore.

(GT) In theory, she would have to pay for it again

(SB) Right, if all of a sudden she decided tomorrow she wanted to.

(LL) at current rates

(GT) okay, we need a motion to deny the request for the reimbursement of the unused water tap.

(MP) So moved

(SB) second

(GT) Motion by Michael, second by Steve any other discussion.

(MP) I have a discussion, please

(GT) Okay go right ahead.

(MP) Okay so this then EDU returns to the pool of EDUs, what is the methodology for keeping track of this one.

(LL) as?

(MP) As this one being unused, returned, it was at one time granted the EDU was granted, how do we return the EDU back to the pool? If Dan were to do another EDU study, it would be included in what we currently, what we would now have currently available as opposed to what is spoken for.

(SB) Do we have a master list of granted EDUs that are not currently in, that currently do not have a billable water service?

(DH) We were keeping it, "We" Rettew, was keeping up until about, until after Earl left, and then Lance was keeping, so I don't know where it stands at this point.

(GT) I have a copy of something, like that, that had expiration dates on it.

(DH) Yes, so that is how we were doing it, so every time we did an update in the water system capacity, what I would try to use is the most recent averaged day demand, and max day demand, based on what is being used and had an ongoing record of EDUs that you had granted since we had been here. And the largest one was Schreiber, that was on the books and there was some other big ones, but we haven't been, "we" Rettew haven't been keeping up with that since 2013 or so. So I think staff might have a copy of that now.

(JE) So you probably could ask Lance if he knows something.

(GT) There is something to work on.

(JE) Absolutely

(DH) If you need any help, I mean I have the excel spreadsheet, it was simply a matter of, as they were approved here, we would enter it on there with the expiration date and we would update it each month.

(GT) Sort of go back on the couple we did this year, those warehouses.

(FM) There weren't a lot.

(DH) there weren't a lot that made any big impact

(SB) I mean to me, my common sense would think that basically at this point, unless we had granted an extension, if basically if we approved it before 11-6, the 6th of November 2011, and it hasn't been used, it's ours, because if they haven't started construction.

(JE) the application was dated 3/10/08.

(SB) But what I am saying is other ones, how many other ones do we have like this? How many ones do we have that are just out there floating, that are still considering to be part of our system, that they basically like they no longer.

(GT) Probably not many because you are basing it on water use, and if the water is not being used then we are not counting it.

(DH) I wouldn't say, just from an engineering standpoint, that you don't have enough

(SB) So, we are going to have 5 or 6 of them

(DH) if you were on the edge of water capacity, yes we would have to look at it closely, but right now there are not any large ones and we have enough

(LL) I don't think there is that many Steve may only be 1 or 2 that are of age.

(SB) okay

(DH) Big ones 65 EDUs, 48 EDUs you are granting, and then yes we definitely want to keep close track.

(SB) Then we want to make sure they come back and ask for an extension if they are running behind.

(FM) They don't have anything except a verbal commitment anyway until they pay for that money they really don't have the water, they just have a commitment that if you want to do this there is water there and we have the EDUs so at that point that's when you strike them off the list.

(DH) satisfied

(MP) yes, I think so, so John, Are you going to find that document?

(JE) I'll see if I can find that

(MP) so we can keep track of these

(JE) I will get with Dan and see if we can't come up with a nice clean sheet for our next meeting, alright, you got it.

(GT) okay we have a motion on the floor, we have had a discussion all in favor signify by saying "I"

*** Unison "I's" are heard

(GT) Motion carries, thank you

5. Update- Southern Cumberland Water Association

(FM) I gave you the update, but I also want to add for your thought and thoughts and ideas. Does the authority have any feeling that at some point they just want to say, Look we have been doing this for two years we finally got to the point where you said that you were going to do it and we are ready to go, our solicitor sent you a letter back, whenever that was in October and we haven't heard anything so we are just not interested anymore. So I guess I am just asking for guidance at some point.

(SB) I mean, really we sent them a letter once upon a time, that basically stated that you need to do A,B,C,D,E and F and once you

(FM) and we sent a draft of an agreement

(SB) And once you do A,B,C,D,E and F if the borough authority believes that it is not going to negatively impact the rest of the water system, then we would accept you as part of our water system and make that happen and give you terms of how that would happen. They have that document.

(FM) They never approved it though. That document was sent to Mr. Fink it was never approved, I sent a copy of it as you can see in my letter to Mr. Flower, along with the request that they would give, that they would deposit a check for \$25,000.00 cause Dan and Ed Goodhart haven't done anything because there is no money.

(SB) Well you ask, you tell, and then you assist.

(GT) okay

(SB) so we've asked, we've told and now we assist and we basically give them a deadline.

(GT) Well you have not received the \$25,000.00 escrow

(FM) no

(GT) I would think that we would give authorization for one more final letter, if we don't receive it by next meeting, this December, we are done discussing it, we have no money to pay for the Solicitor or anybody else and we are done footing the bill. Either we get the escrow or it's over.

(FM) I just think that it's a small system, they don't seem to have any sense of urgency and that is just why I am raising the issue.

(GT) It is a good issue because our rate payers continue to have some monetary burden just to find answers.

(FM) right, it's not a lot

(GT) no

(FM) nevertheless it is a \$100 here and \$100 there, its real money

(GT) okay thank you

6. Update- Budget Committee (2016 Budget)

(MP) Okay, so in your packet did you see the new document that replaces the one that came in your packet?

(GT) Okay throw that one away

(MP) the one that came in your packet you can throw that one away. So much of the budget work that has been done since September has been to refine the methodology use to determine as close as possible, actual SBA cost drivers. So, the new item that you have received, tries to attempt to spell out exactly how that is done. So cost drivers fall into two major categories, cost driver #1 is general labor, general government services and office support. And cost driver #2 is maintenance support that includes lots of miscellaneous items including the allocation cost for audits, the public works bldg., support etc. and included the cost allocations for the audit; I already said that, right, so. So that is what this methodology paper is about. Now, I am going to make a recommendation here for you all to consider, and it is that if we, if we all agree upon the methods that our in this document we would perhaps at our next meeting would in fact rescind the earlier methodology described as modified schedule A which was adopted on July 14, 2014 and make a new motion to adopt the budget calculation methodology described in either this document or this document with amendments that we will have finalized by next meeting.

(SB) I would like to do that, but the one thing, and I think that you and I had discussed this, #7 we need to go back. But everything else looks good.

(MP) John if you would please to describe #7 to us, with what this, so we can all understand what's in this.

(JE) I'll try to do my best at this. #7 we were told that the authority did not want to see a line item for benefits. There are benefits that have to be paid to an employee, so we talked with Michael we told him we would prefer, if that is going to be the case we would prefer to adjust the billable rate for the hours worked, which at that rate that Nicole has come up with should cover those costs that the borough has to pay to that employee.

(SB) They would, here is the thing, so, I as a member of the authority I take my physical duty to the rate payers and to municipal tax payers very seriously. So I want it to be balanced and the issue that I have with #7 is on

the opposite end, because this 1.5 when it doesn't factor in the vacation, doesn't cover all the expenses incurred by the borough to perform the job needed done.

(JE) Doesn't come close

(SB) I mean it is close but not completely close, because without the vacation you are looking at like 1.47 we figured out, it is basically when you factor in the actual expense of wages and benefits, it was like 1.47 when you factor in the vacation that escalates that to like 1.53 even though to a lot of people the .03 might not be a big deal, when you are looking at 10,11,12,13 full time employees over the year or the equivalent of that because you got regular guys and then you got part time here, part time here, part time here, you are looking at \$20 to \$25 thousand dollars a year that the borough is not receiving from us because we are not being properly billed for it. So that is my problem with 7 is that we are not really paying all of our bills. We are actually right back to where we were accused of being last year that we weren't doing and now we are actually being subsidized by borough tax payers to perform the job that we are supposed to perform. So that's were, the rest of it 1-6 I think it's great, I think it covers what needs to be covered and it does so in a way that we use, that we basically draw a line in the sand and we say this is the best we can do without incurring a lot more expenses, like we were looking at 3 earlier. And I am sure we could probably try to him/haw roundabout 3 again but the 78 / 22% that's the best we can do without trying to drive Nicole any crazier then we already drove her.

(JE) Believe me she worked hard to get that worked out. She and I were crunching numbers yesterday just trying to give you the answer the most logical answer to your question and we thought this was the best explanation we could use.

(GT) so what are you proposing?

(SB) What I am proposing

(GT) The employee x's based salary which included all these items plus the 1.5

(SB) What I am proposing is that, okay when you look at the actual employee and the true cost whether it is government or business, every expense that you have, okay so if we were being billed by Snokes. Or when we are billed for Dan's services okay, there is the expenses and that is why we are billed. Because we are a municipality and a authority you can't bill us and put extra cushion in there but what you can do, is you need to factor in what the actual expense is, so if the employee makes \$70,000 a year and they work 40 hours a week but they also get 3 hours of vacation, that 3 hours of vacation should be factored into their actually hourly rate. So the easier way to do this, the way to make sure the borough gets compensated in my opinion and to make sure we are paying for what we are paying for is that basically every employee you have the wages that they make but then you have the actual cost so every hour there is a portion of their medical, there is a portion of their pension there is a portion of their vacation there is a portion of all the responsibilities to allow that employee to be paid and taken care of. And what that does is that means that if we are using an employee 75% of the time then we are only paying for 75% of their vacation and you are paying for 25% of it. If one of Louis guys we use him 93% of the time, instead of paying for all of his vacation we are paying for 93% of his vacation. Basically we create a mechanism for getting it down to the hour on an hour/hour basis. So maybe the employee actually makes according to the contract 17.5 and hour but when you factor in all his benefits and everything he actually, his benefits and everything it ends up being \$26.13, so what we get billed for is \$26.13 for each hour and what that does, that creates an actual, since we are trying to do a methodology.

(GT) Excuse me, excuse me though, that is what this whole year of discussion was supposed to be with council. And it never happened, so why are you sitting here discussing what we should have been discussing with council, I am confused, you know that is not your role here.

(SB) That is not my role?

(GT) That whole explanation takes us way back to Sept 30th once again of what happened to the .5 and why are we paying all the benefits?

(SB) I don't think it does. I think it solves the .5

(GT) It doesn't solve the .5 the .5 was to cover all the benefits, that is why we stopped paying the .5 because when we back and researched it, the amendments were never made to the actual agreement, you know that. And that is what caused this problem, but we researched, why are we paying benefits? The .5 was supposed to do that and our research indicated that is why we stopped the .5 because we picked up a larger portion which were the benefits. And we went into an agreement with council to review that and never got a response as to how they wanted to solve it. Why are you trying to solve that for us right now at 8:00, that is what they were supposed to do, they did not do that.

(SB) I am trying to solve it because I don't want to be sitting here next year having this conversation and the next year and the next year, I want to come out of this now that we have a borough manager and a authority secretary that has worked diligently with Mike and I to try to come up with this study methodology that has basically that has the cost drivers and what the actual cost drivers really are sets us up for a long term way.

(GT) And the cost drivers were, to identify the .5 to identify why we stopped paying the benefits, that was the whole argument back then, what is this .5 you are not paying, the .5 we are not paying is because we picked up benefits and that is why it was done, the problem was that past SBA and Councils never revised the agreement and for you to sit here and say, let's revise that right now for them, no that is their role to sit here with us to revise it together, they did not do that. They never responded to us, we gave them a schedule A, based on their own managers assertion and study time and review of what it cost and they did not answer us. I find it troubling that you want to sit here and negotiate for them.

(MP) I think that characterization may not be exactly was attempted here. Now we to take into account the agreement itself, the agreement is pretty clear to me from the beginning, excludes the payment of benefits to the employees that is supposed to be taken care of by the borough. So we can't go to a formula that includes the calculation of all the benefits, the only question that is in my mind is about the sick leave and that is a debate that we can have. Do we want to count those sick leave, vacation, and personal days? Do we count those as a benefit that we exclude from the calculation? Or do we simply say look that is part of their hourly rate and so we are going to pay that times 1.5. But, we will not be billed for any hours that someone isn't actually working. So if they are on vacation, we are not paying for that. But that was vacation hours represented in the hourly rate, to me that's the debate, it's pretty clear to me we are not paying for fringe benefits, because the agreement is clear to me, it says that we do not pay that. So it is really just this matter of vacation time, sick time and personal time, do we include that? Do we accept that is included in the hourly rate or do we not? According to what this document states, this charged rate will not include current sick, one year carryover sick, current year vacation, one year carryover vacation, personal and vacation. That's apparently what was calculated and is calculated and displayed in our budget. Is that correct?

(JE) That's the wages, the billable rate you have two rates here, you got your wage, the actual time

(GT) What line are you on there john?

(JE) it's still under #7. I don't know if this new methodology carries over to the budget that you probably received last week.

(MP) in our packet?

(JE) yes

(MP) this budget that we received in our packet does not reflect

(JE) it may not Michael and I would like to verify that with you first thing tomorrow, because this was just finished this afternoon, this final methodology and this print out, because we were working on the insurance and things and we were. But I think the rate that Nicole had is on here is probably reflected in that budget but please if you allow me to verify it for you tomorrow, because I don't know. I don't know if that carried through, because I think, like you had the old paper here, which was replaced today.

(MP) Okay thank you John, listen folks, SBA members we need to make a decision here on how we are going to go forward, we need to do it in unison together, we are all together at one time let's see if we can come to some consensus. We have said all along that the benefits are to be covered by the .5; by benefits we usually

mean the dental, the health insurance, all of those other fringe benefit items are to be covered the .5. It seems that is the intent of the original document.

(SB) That is the intent of the original document, yes

(MP) the question that we have here that we need to clarify amongst all of us is this. Do we accept that vacation time, sick time and personal days will be part of the formulation that makes up the hourly rate? Or Do we characterize those as fringe benefits and therefore we are not paying for them, we are just going to get strictly the straight hourly rate, that is all we are going to pay, strictly the hourly rate whatever that persons' salary is, on an hourly basis, that's all we are paying.

(GT) The hourly rate is based on their salary of \$70,000 or whatever it is, correct me here guys, in my mind, that includes my sick time, because if I am making \$70,000. If I take a sick day I am still making the \$70,000. Is all in that lump sum, correct? Or am I off?

(SB) Right, but those two or three weeks, that they are getting every year that they are accruing in vacation and sick leave is not billable.

(GT) Right, but it is also not a paid item either, until they take it. And when they take it they are still getting paid at their so called hourly rate for that week that they are off. So there is no need to do any refiguring. So, if I get a vacation week, I take it, I am still getting paid by my rate.

(MP) But isn't the question for us as SBA, Do we want to pay, Can we pay? Can we pay according to the agreement; can we pay for hours that are not worked? So someone's vacation time, are hours that they did not work, according to the agreement that we are working with, in 1988 the agreement, I can pull out and read it for you, it says specifically that we are to be billed for the hours worked at the hourly rate. So, the question is, Do we pay vacation time? or Don't we pay vacation time?

(GT) Well to make your point of being, fair and equitable, how do we cover that?

(SB) And that's where

(GT)And my question is actually now to the solicitor though, How do we cover that? Because, if we...

(FM) you mean the vacation

(GT) As Mike is saying, we can't pay you while you are not working, because that is vacation, but we want to cover that. But how do we cover that legally? That if we have a rate payer saying, wait a minute, you are paying for things that are not covered.

(SB) You are paying for a Borough employee's vacation.

(GT) He is not working, so but if we refigure the hourly rate to include that, does that have any conflict with the contract.

(FM) I mean, the contract is very clear. The borough pays the wages and included in the wages are the vision care, dental, blue cross blue shield, etc. It is silent as far as vacation. So, in order to meld the vacation into someone's hourly rate, I don't think you can do it because, their hourly rate is, I think you said or Mike said, is the same whether they are working or not. So, if they are borough employees they are not SBA employees, if they are not working because they are on vacation, they're not eligible under the contract that you have with the borough to be paid by the SBA.

(MP) okay great, follow you, so take one more step though. Okay so, the borough has these employees, that cost the borough x dollars an hour to keep them employed. So when they do rent them to us, subcontract them out, the hourly rate that they sub them to us, does it or doesn't it, should it or should it not include their cost of vacation and sick leave and personal days?

(FM) I guess I would answer that, two different ways.

(MP) no, no, no, we need one way!

(FM) Well obviously their vacation and personal days and sick leave are a cost to the borough. So, for each individual employee, if someone has 2 weeks or if someone has 5 weeks that is a cost that they are going to incur somewhere along the line. And see the problem that you get into, this is the conundrum that you are faced with, the contract says for hours worked for the authority. And if you take that at its face, then someone

who is on vacation cannot be working for the authority. Now if you had employees that were only ever worked for the authority that creates a situation you could bring in those items.

(SB) And that's a problem, because the only one we really have that only works for the authority is Louis.

(GT) No, it's not.

(LL) there are four operators that are solely dedicated to the authority.

(SB) Every once and a while they will help out with plowing and other stuff.

(GT) But they are still not our employees

(MP) I am going to go back to this point, because I think we are at the center of the knot here, Let me put this to you in a different way, if Troy has an employee that he is going to sub the employee out, and the employee is going to work for somebody for 10 hours, Troy when he calculates that man's hourly cost, he is going to have to include the sick leave, the vacation time the personal time, isn't that correct?

(FM) Exactly, but, so then he gives...

(MP) So can you make a conclusion from that?

(FM) Well I think under that theory yes, you could include those items by each employee, sick leave, annual leave, but see, annual leave and personal days, I don't have so much of an issue with. Because basically if you worked so many years, you get so many weeks of vacation and so many personal days, by the boroughs contract with the collective bargaining agreement, so that's easy to figure out. But, you can have an employee that has 40 days of sick leave accumulated.

(SB) But he still accrues it. When you work as an employee for somebody, you accrue your sick leave the same ways as you accrue your vacation leave and your long term sick leave. So you still accrue it on a paycheck basis.

(FM) but when you figure, when you figure it out, okay I have 20 days accrued sick leave, for 2015. And I don't use it, 2016 I get 10 more days, okay for 2016's salary I know that I have 20 days, so that is easy to figure out, but next year do I go 30 days, 40 days? I mean how far out do you take this, the sick leave? The annual leave you know what they are going to be you can go, John or somebody can go to every employee's time card or whatever they use and say, Wayne Nye has 32 days of accumulated vacation that he hasn't use, do you know what that is going to cost the borough? And that is all that is going to cost.

(SB) I know but he accumulated those when we worked each week based on his contract, so there is 26 pay periods, I am Employee A, I get 26 days of vacation a year, so every pay period, I get one day of vacation, so basically for the 80 hours, that 8 hours gets divided out for those 8 hours, so each hour I work, there is a certain amount of, a very meniscal amount of sick leave that is part of that hour that I am working. And so what happens is, I don't use that vacation or that sick leave, for a year and a half, well at that point the borough doesn't have to worry about getting paid for that hour because they got paid whenever that hour was accrued, since they can't bill us, they got paid when the hour was accrued. Because the hour was accrued, because I worked for that, for a week for two weeks, I got an hour that I used a year and a half from now.

(MP) Okay,

(FM) So if you want to factor that in, that's how you do it.

(MP) Okay, so let's go to the sick leave issue. So, could there be a semiannual or annual tally of the number of sick days that people took? And that is either subtracted from the total number of days we paid for?

(SB) I still think the easier way to do it is based on the actual work performed. So instead of right now we are getting paid for vacation days, so Employee A works 9 days in the week, we get billed that week for the 72, because he is taking 8 hours of vacation that we have already been billed for before because we have been billed for, the problem is where do you draw a line in the sand? Do you basically just acknowledge and draw the line. The other problem is that if you factor those additional expenses into the hourly rate and then take that times 1.5 we are basically back to square one where we are taking 1.5 times a number that we shouldn't be, so you would almost have to do it where you take 1.5 times the base rate, and then you add for each hour the

2.35 or whatever it is the cost of the vacation for that hour. It's probably not 2. (point) it's probably 1. (point) something, 1.01.

(MP) Okay, I didn't quite follow that

(SB) Okay, so I accrue that one hour, okay, for the pay period, 1 accrue one day for the pay period which basically so each day, that's an hour, so divided by 8, that is an 1/8 of an...for each hour I work, for each day that I work, yeah for each day that I work I get an 1/8 of an hour of vacation time, if I am getting 26 days a year.

(MP) I just don't see how that relates to how the SBA pays for vacation time or doesn't pay for vacation time. Do we pay for it or don't we?

(FM) I think his methodology is he is trying to figure out a way to include some number in the hourly wage the employee gets.

(SB) So that is what my methodology is the sevens meth, whether you guys disagree with me or agree with me, the current seven doesn't basically solve what we are trying to solve. It doesn't create like, everything else 1,2,3,4,5,6 is an actual methodology that basically doesn't change in a whim. Like the next contract comes up and all of the sudden the borough decides to give their employees a whole bunch of extra benefits that they are not supposed to, and it is costing them .7 for the expense and we are back at square one where we are being subsidized by the borough.

(MP) I follow that

(FM) Isn't it the boroughs responsibility though to make sure, that they are recovering...

(SB) And I agree, that is the point that Geno brought up, and it is, and my attempt at this was, I don't want to be sitting here two, three, four years from now basically having a continuous conversation that Mike and I have put time into, borough staff has put time into and unfortunately borough council hasn't come to the table, we adopted schedule A, and when we first started Mike said, my suggestion would be, that if we all agree with this, then we rescind schedule A and we adopt this. And my, so when I brought up the conversation my point was 7 doesn't really give us, it moves us, I mean 1-6 moves us in the right direction, but 7 continues to leave that problem there, that is festering at a year and a half, two years from now all of a sudden we are back to getting a September 30th letter.

(MP) I think that's a probability we have to take into account, but again I think the question is pretty straight forward, it's a thumbs up or a thumbs down. Are we going to pay, or allowed to be built into the billable hourly rate a borough employee's vacation, sick leave, and personal days.

(JE) Which, is how it is set up at this point, as we talked about the past budget meeting.

(MP) that's what I thought, but this last sentence seems to indicate that it is not the case.

(GT) that's what I am hearing

(FM) The last sentence on 7, says it won't be charged

(SB) So is the last sentence, basically saying what I was trying to say, that this charged rate will not include the years sick, the one year carryover of sick, current rate vacation one year, so we are going to be charged for vacation but we are not going to be charged by the hour for vacation, which then creates an issue on our end, because like how do we get charged for vacation for like I mean, really, like most of it, like 99%

(GT) John the numbers that's on the budget here, in front of us now. How is line 400-000-31 the labor line determined?

(JE) if you are talking 2015

(MP) 2016

(JE) Because 2015 Michael has asked that, how those numbers came to be.

(GT) No 2016

(JE) Which number?

(GT)The general labor, the general labor it's on

TP) 559,683

(MP) that's the total the line item is 40-000-031

(TP) Clear at the top of the page
(DH) At the very top
(GT) Back of the first page
(TP) Back of the cover
(JE) page two?
(GT) Back of the cover page
(LL) at the top of sheet
(MP) Water Expenses at the top
(GT) How did you come up with that number?
(JE) I don't know Geno, I don't know if this number reflects this worksheet. I don't know that, I apologize for that. The budget that you got in your packet, I don't know if that final number in 2016 budget line is going to conform with the way this is calculated.
(GT) If you are to recalculate it for us right now. How would you do that? What numbers would you be using here? I don't mean to put you on the spot I am just trying to clarify it myself
(JE) I am struggling to clarify it myself, at this point. Wait, the numbers do match on the department total on this sheet that you provided, the 559,683 does match.
(GT) Where is that number?
(JE) It is down, at department total, all the way to the right. yes
(GT) again, were you using?
(JE) She would have used this methodology that she used on 7
(GT) is that extracting time?
(JE) You can see up at the top, she put down hours without vacation, sick, holiday and personal. And she calculated those out, and that just would not, that is the rate that we established at, she established at that would cover what you didn't want to see covered, officially in the budget
(GT) I see a column here that says 1.5 and I see number 559682 and some pennies (559,682.99) then and I see a 14% which is the same number. I am getting confused as to why those two numbers are the same if they are under two different columns.
(DH) there is a 100% there by the 1.5, is that a different that looks like a different calculation then the 14% at the top
(GT) a 1.5 and a 100% number, but it's the same number
(TP) ya they are the same
(GT) So is that 100%, of what, a 100% of what? Is that a 100 of...
(TP) paid without vacation, sick
(GT) but the .5 number, is the 559 number, without the vacation time or is it included? I don't understand, there are too many columns
(TP) I would say yes
(JE) I would think that based upon our conversation, of how we were going to set up a billable rate ?? What's 33731×1.5
(LL) 559,683
(TP) Alright that's it
(SB) So it includes everything
?? No, that doesn't include everything
(TP) that is the yearly cost without vacation, sick, personal and holiday
(MP) 1.5, if I am reading this right, you start at 373, times 1.5 then you end up with 559
(FM) The number up above the 78000 is 1.5 times Jeff Boyer wages and Kevin Plasterer percentage
(TP) that is 14% of the time
(LL) yes

(GT) Steve, let me just talk out loud here, we all want to do the right thing. I guess I can't make much sense. If we make a motion to say that we are going to pay, pay the hourly employees the, based upon their yearly salary, whatever their salary is, which includes all those times, the 1.5, is what the agreement says. But if we put an attachment to that stating, we understand, that it is considered in some circles that the vacation and sick leave are a benefit, we understand that to be fairly compensated for that time and we at one point don't want to be held liable for not covering work, that is not work. Can we stand up in court legally? If we do that in advance in this statement as to why we are doing it, rather than coming up, with all kind of construed, this would change every year. Which Michael is trying to avoid and so is Steve, they want to avoid legal issues but we want to be fair. So, if we stated it in advance.

(FM) if you agree in advance and state the reasons why, yes, I think you are justifying it.

(MP) Agree with whom? When you say agree, you mean all of us, agree? SBA?

(FM) Yes, if the SBA agrees, if the SBA collectively as a body agrees that that's the intent, that they intend to do that in advance and justify it on the basis, that is considered to be part of their fringe benefits if you want to call it that.

(GT) But separate from other fringe benefit packages,

(FM) Other fringe benefits, other benefits

(MP) Which are excluded, because they are covered by the .5

(GT) Yes

(FM) Exactly

(GT) So, do you think you could come up with a statement, if we just sort of throw it out right now, you could come up with a legal statement for us

(FM) Motion that we could put in the minutes, off the top of my head right now,

(GT) Would that satisfy?

(FM) If that's what you want me to do,

(MP) What we want to do is avoid, factors aside here that we have been facing for the past year. If we pay this vacation, sick leave, personal time benefit. Do we increase or decrease the likelihood that we would in fact encounter a legal challenge to how we are paying in the future?

(FM) I think you would decrease that likelihood, because I think it would be very hard for someone to argue. And when I say someone I mean essentially borough council to argue, because I would not see this as something that would come up through some rate payer, but I think it would be very difficult for borough council to argue that somehow they are not being fairly compensated for the services, labor etc, that they are providing to the authority. Since you are basically paying everything when the person is working, I would say it up to them to figure out whether one day is an hour, or sick and vacation, I don't think that is rocket science, I think it can be figured out it just has to be, someone just has to come up with it.

(MP) and Geno's suggestion of a descriptor of why, we are taking this action, does that help if you have to go to court.

(FM) Oh yes, I think it lays out the why, what the reasoning was behind the authorities action in taking that action.

(GT) In an essence we have always done that. For the last 28 years we have done that, we are just trying to clarify it in a statement, how and why it's been done, which actually fixes the fact that we haven't been clarifying things in the past.

(FM) right

(GT) We are just trying to clarify what's been done in the past

(FM) I think you probably have always been paying that, sick leave and annual and vacation

(GT) yes, and by excluding the other benefits, again clarifying what the .5 is

(FM) right

(GT) and so, thank you Steve, for getting it started

(SB) yep

(MP) So John, are you clear?

(JE) What I would like to do Michael, could we possibly try to get together this week again, you, Nicole and I, and Geno possibly,

(MP) We can compare calendars, sure.

(FM) You know you need to adopt a tentative budget.

(GT) If everything else in the budget is okay, I think we can adopt this with the amendment, that line 400-000-031 will be adjusted based on, and we will explain how it's going to be adjusted.

(MP) Excuse me, but also I need to add, wouldn't also line 401-000-010 also needs to be adjusted. Because those are the shared administrative people

(FM) and 404.000.315

(GT) Why does that need to be adjusted, why isn't that one accurate?

(FM) Because those people's vacations aren't...

(MP) I wouldn't say it needs to be adjusted, just included.

(GT) We can add that to the statement that those two items will be reviewed, to appropriately represent what we are about to say, how's that? Those are the two lines we to change.

(LL) Before you get to far, we can advertise this as a draft, but you can't increase it, is that right Forest?

(FM) Right, exactly, you can decrease it, but you can't increase it.

(LL) This is, and my thinking may be off here, you are talking about adjusting those particular line items, they may go up, which means we are increasing the budget, which means you need to re-advertise.

(SB) Until he actually gets the numbers, runs it by, whomever he is running it by, whether it be Mike and Geno or Me and Mike or Geno himself. Or whoever he is running it by, he is not advertising it, what we are doing is adopting this budget knowing that we are going to have those changes. And those changes as we describe to you are the changes you are going to make and then you are going to double check with the budget committee and then once that's done then it gets advertised, can't we do that?

(FM) I think we have to adopt a tentative budget tonight which gets advertised.

(GT) But what we are saying those two lines will represent the actual numbers from the calculation of,

(FM) That is not what this says

(SB) So what is the most it could go up, what is the percentage that it could go up

(FM) What we could do, is just put a number in

(SB) We could be just basically escalate them by \$150,000 for the one and then just reduce them

(FM) I would recommend that you put some number on that rather than saying, okay like Steve say, John will go and get some number and then they will advertise whatever that number is,

(LL) Let me ask this question, the bottom line, the last total on the last page, is \$3,955,000.00 if you would say, advertise the total budget at \$4 million would you think that would be enough to cover it? And when you approve it, it gives you a little bit of wiggle room in those two line items

(SB) Your average employee how much sick time, I mean how much vacation time do they get a year?

(LL) I don't have an average employee,

(SB) So what is a base?

(LL) My base employees get two weeks a year.

(SB) What's your highest? What's it capped at?

(LL) Five, I have 4 employees that get 5 weeks a year.

(SB) So you got 5 and they are making \$20 bucks an hour?

(FM) Well, look Ricky Kelley is making, well Wayne Nye is making \$19.99 an hour he gets 5 weeks. Ricky Kelley is making \$19.59 an hour and he is making

'GT) We are just going off his salary and .5 of that. Not about individual hourly

(FM) Baker, Ryder, Darryl Dubbs they all get 5 weeks right?

(LL) John Baker gets 5 weeks,
(FM) who?
(LL) Baker
(FM) yes, I said, Nye, Kelley, Baker, Ryder and Dubbs all get 5 weeks. And they all make somewhere in the neighborhood of \$20 bucks an hour so 5 weeks is 200 hours, that right there is
(LL) 5 employees at 5 weeks is 25 weeks, is 1040 hours more or less
(FM) times 20 bucks so that would be \$20,000
(LL) \$22,000 more or less,
(FM) That's annual leave; the others probably get what, anywhere from
(LL) I'm the next and I get 4 weeks, and then
(FM) Kirby gets 2
(LL) Mike gets 2, so
(FM) So they make about \$18.50 an hour, except for you. So that is probably another
(MP) This needs to been done correctly, and accurately with care, I don't think we can just plug numbers in here and be not correct. I like Louis's suggestion, can you do that, can you simply increase the contingency line for instance and throw in another number, \$100,000 or \$150,000 to increase entire
(SB) You have to make sure it is high enough
(MP) Should be, a 150 would cover it, we got \$22,000 annual leave for the eight employees, we are not going much higher than that.
(LL) I'm thinking \$45,000 would cover it. It would probably be better to maybe go up a little more.
(MP) Okay, so go to \$60,000 or \$70,000, so far my question is to you, if the average ties a bottom number of say \$4,100,000.00 and but we do that by added the difference into a contingency line, can we then move it from contingency into the other lines, is that legal?
(FM) You can adjust the budget anyway you want as long as it doesn't go up.
(MP) As long as the bottom line
(SB) So as long as the bottom line doesn't
(MP) I like that idea, it's a great idea. So what's being proposed, going back to Louis's suggestion and we take this total number and we add another number that we think will cover the difference, then we will pass this budget and then we will be able to adjust it as get actual numbers established, and done more calculations.
(GT) Sounds fine
(FM) that will work
(MP) We will plug in the added, the budget is at \$3,955,000.00 call it 4, put in \$100,000. Everyone seems to think \$100,000 would certainly cover it. Alright, lets plug that into contingency, so how about another \$100,000 contingency that we can use to distribute into these labor costs.
(SB) That means, that my question can be a question that is asked and comes back, and we can adjust to. I do not see anywhere in here, when you brought up the whole solar panel debacle, I don't see anywhere in here where there is revenue coming in from the solar panel, electric generation when those solar panels were approved, Mr. Torri and I were both on borough council and the motion was made that the money coming from, when the motion was made and accepted the motion was contingent on the money coming from the generation of electric on the solar panels was going to be used to offset expenses incurred by water authority members. Do you remember that Mr. Torri?
(GT) vaguely, I know the money was supposed to be distributed
(SB) When it was approved, which ever minutes it is, is in there, was how it was approved and the authority is supposed to be getting the money, that basically we are getting from Kenyan to basically offset expenses for rate payers.
(GT) We need to go back and check the minutes
(JE) I'll have to review that, I've heard that the solar thing never worked out the way it was supposed to.

(SB) Oh that doesn't surprise me, but if we are getting anything from them, the motion was, when Mr. Torri made the motion it was approved contingent on the money going to the water authority customers.

(LL) It may show up in the waste water budget

(JE) Whats that?

(LL) It may show up in the waste water budget

(JE) I'll look, I will look into it

(FM) You know since you raised that question, I hadn't really looked at this from that perspective, doesn't the borough authority get about \$18,000- \$20,000 a year from the cell tower?

(LL) It's in there

(FM) Up on not Timber Hill

(LL) Reservoir Hill

(FM) Reservoir Hill, I mean it could be in here

(LL) I believe it is, Forest

(GT) It should be on the first page or two, revenues, everything else except for those are expenses.

(FM) I know for a while they weren't getting anything.

(GT) right, and you researched that

(SB) You researched that and we got money because of it,

(MP) If I can bring us back, let's make sure we have the right contingency line, would it be 700.761 contingency 2015?

(FM) That's the only contingency I see

(MP) Me too, since it is currently at \$144,500, so we are proposing to put that \$244,500.

(JE) isn't that the capital?

(FM) No

(SB) It is the water reserve replacement.

(FM) There is the cell tower rental

(LL) I knew it was in there

(FM) 342.010 they put that in a capital improvement fund, \$37,330

(SB) maybe that is where our solar money is hiding too, so which contingency do we want to put this in? Because that is transfer to capital, we actually want to put it in, that's inter-fund transfers, service transfer and capital, interesting. I guess we could just put the amount in the one line item that we are planning on altering. Instead of putting in for a contingency just put it in for the general labor and then move it from there to where ever else we need to, so instead of messing around and trying to figure out which contingency it needs to go into we put it in there.

(GT) So you are putting \$100,000 on which line

(MP) Let's go 400.000.031 currently at \$559,683 would go to \$659,653

(SB) And that would reflect with

(LL) that would take the bottom line up to, 4,055,000

(SB) and then somewhere one of the contingencies will have to decrease, because there won't be money being transferred somewhere. No, one of the fund balances, because when we have revenue coming in, the revenue comes in, goes out and the money goes into accounts. I am just saying there is a third place we are going to have to, there is the end then there where we are taking, we are creating a \$100,000 dollars of expenses, but not depositing \$100,000

(LL) you thinking of the transfer to capital at the end of the year, which is not done until the 1st of the year after the budget, is done.

(MP) I presume that is where it is going to come from, transfer of capital

(LL) That would be, right now that is probably just a guess, it's a good idea, it's a guess, you won't know that number for sure until the end of the year.

(SB) this one here,

(LL) this is the one that actual number won't happen

(SB) This number is the same as the other number at the end, because that is the total revenue, so the total revenue is, that line needs to be the increased one. Correct? So where I am looking at is if we are on page, we don't have page numbers, 1,2,3,4,5,6,7 seven number 37 the water fund capital improvement. If you look down at the total revenue that is where the total revenues are to basically pay for the budget so the total revenue is 395500 which is the same ending number, that we are changing, we are increasing by 100,000. So that revenue needs to go up by 100,000, which then would probably be transferred from operating fund, that's where the 100,000 would come from? What are your thoughts Mike?

(MP) those are operating expenses, so I think it is the right place to take it.

(SB) Are you on page 7, John?

(JE) I don't have numbers and mine aren't back to back. Just give me a line item

(SB) Its line item 39000 well it's below that. So it is 34-394-000, so the 394-000 would go from 780,633 to 880,633 and then the total revenues would go from 3,955,000 to 4,055,000 so that the number, the revenues match the expenses and we have the \$100,000 additionally coming in as revenue from the operating fund, so then we have a budget. So those would be the 4 then whenever we start switching numbers around so as we are switching numbers around, it would be 394,000 and the total revenue and the total revenue at the end and then whichever ones we change. So we are moving to advertise the tentative budget.

(MP) I think it is important that we, if we finally concluded that discussion about compensation for employees' hours, I think it would be important for everyone to take a look at the capital improvements. The capital improvements that are in the budget are the same ones that we met about at the special workshop meeting. And that we all agreed upon, would be in the budget. So it is the 700 series, 700-751 the water capital, So we did drop \$15,000 in there we weren't sure what was going to happen with southern Cumberland, so we thought we would put a marker in there. Right now that sounds like that is probably not going to go forward. We left a \$100,000 in for New Source that is 700.014.312. Now here is a truck replacement \$45,000, and we got a storage tank mixer in-town

(LL) that is carryover from this year

(MP) And Mainsville, another mixer

(LL) that is a new one, the only thing, I don't see on there, guys, is the well #2 project

(MP) it says the in-town transfer station is here

(SB) Upgrade Well #2

(GT) turn the page over

(SB) Maintenance, it got put under maintenance

(LL) Oh okay

(MP) United Business Park Interconnect 1.9, now we have two warehouses coming in there, maybe something else can happen

(LL) The thought process that Dan and I and Bert and Associates were talking is that the two proposed warehouses currently are proposing storage tanks and pump stations that they contribute that money to that line.

(SB) Amen

(LL) so that is what we are talking to them about

(MP) Big benefits for them

(LL) it would be a benefit for them, it will help offset our costs

(FM) How much are they talking about tank-wise?

(LL) probably talking about 250,000 gallons a piece roughly a dollar a gallon, it's a quarter million apiece that's a half million dollars plus whatever the pump station cost.

(MP) That's a nice contribution

(FM) Why don't you just have them pay for the whole thing? That is what everybody else does

(DH) I tell you the fact that now we have two developers, I mean we are pretty close to there

(FM) I mean that is what most others builders do, you tell them you want to build a water tank, build a water tank, you want to really have water

(MP) Think of their liability, if their water tank, for whatever reason, doesn't work the day they need it

(SB) That is you're arguing point is basically you are going to get better performance by doing this, instead of spending \$700,000 on your water tank why don't you spend a million on this so, it gets done

(MP) it's not their worry

(FM) Not that this is the driving factor but, if you look at what these people are going to spend to build a million and a half square foot warehouse,

(SB) It's a drop in the bucket

(FM) Building a two million dollar waterline is like geez where do I sign the check!

(SB) You can write it off, it is a business expense

(FM) I mean honestly, I just it's the authorities

(MP) So how is that done, how is the approach made, how do you do it?

(GT) Well they come to you for water you tell them, that part of the water is, you got to build a line

(MP) okay

(FM) Maybe there is contribution by the authority

(SB) You go for as much as we can get

(FM) this is not something, certainly this is going to benefit the system as a whole, and there is no question about that, right. But you are not going to get hundreds or thousands of customers on Possum Hollow Rd because you have a water line there. So basically that water line is going to serve United Business Park for the foreseeable future now its possible somebody eventually will run a water line out Olde Scotland Rd or something like that and it will generate more, but for the foreseeable future, the only people that are going to benefit from it are two million and a half and million and 200,000 square foot warehouses. So why shouldn't they pay for it? I mean when Deerfield wanted to do their project, you didn't say well, we will build the water line.

(GT) right

(MP) sure

(FM) You said you want the water? You build the line and we will put the water in the line.

(SB) So then, what are direction to while you guys are negotiating it, is that we have this project that will benefit you greatly and you can either pay for the whole thing or you can go ahead and build your towers and then maintain them.

(GT) then we won't need the project

(SB) and then we won't need the project because you have your towers.

(FM) Well ya, but the other thing you talked about if they build water tanks they have to have a pumping station, whatever that costs, maybe that is not a whole lot of money, I don't know. But keep in mind they have to keep the tank they have to maintain them forever.

(SB) They have to continue to maintain them

(DH) I was going to say, if you give them that option, they are going to build the tank. It's cheaper.

(SB) I don't know, we gave Schreiber the option to building their own water treatment plant and they didn't.

(DH) I don't think that they really had the option

(LL) they didn't have an option, SRVC wouldn't give them that option

(DH) I think you could say, were are not going to, as far as saying we are not going to supply water unless you build the line

(FM) I think what will happen is when he is does his calculations for the fire protection, we aren't going to have the ability with what water is out there to provide the fire protection

(DH) What I told them already is we can't provide what you need, however if this line is put in, we can and we would be looking for you, I say contribute, you know, we are talking now maybe you have to build

(FM) its 100%, that's contribution!

(DH) with multiple developers especially, I think it's a lot more palatable

(SB) here is a backup option to go on, we go in and get the two of them to pay, but how more developable land is out there?

(DH) quite a bit

(FM) Create a water district and then they have the possibility of getting some money back

(SB) So what you do is, you basically tell them you are going to pay for this, and then when the other developers come along, they are going to pay, to pay you back. I think that would be our secondary. We go after them for everything and if they balk at that then we basically tell them, here's the thing, you guys pay for it because you are first here and you need it and then we will create a mechanism of water district where the money is going to come and basically and it's going to come back, a certain portion of it is going to come back to you to balance everything out.

(DH) They can get reimbursement costs, my only question is though that is usually direct connection to the line in this case, and United Business Park would have rights to whoever, CVRDC to put that line in, would have reimbursement costs there

(FM) It would be a little more complicated than our normal reimbursement

(DH) It wouldn't be straight forward

(SB) I would say that would be the next to second step, we want to get all of it, but if not, you are going to pay for it now and you will get...

(DH) I think when we talk to them and get a better sense of where they are at, I mean the easiest one is that they have a direct savings, what they don't have to spend on the tank and their own fire system.

(FM) right

(DH) So that is a chunk of money there

(FM) And they get better quality fire protection

(DH) quality and reliability and we could flat out say we are not going to allow a connection

(FM) that doesn't change the budget

(SB) And they get to come in blaring we get to put money into the community

(LL) Well let's get on to the budget

(MP) yes

(FM) Sorry I didn't mean to get you side tracked

(GT) no no

(MP) So would you, if that covers what we need to discuss in the budget then,

(SB) Except as we were going over this, numbers we changed were in the capital improvement, which is not where we shouldn't have changed. We actually changed the 39,55's and all that stuff and we should have been changing the 490,000.490 on page 7, because that is

(MP) yes 490,000.490 okay so the hundred now

(SB) So we should of basically, so we would have the 313970 would increase by \$100,000 and the transfer to capital improvement fund

(LL) would go down

(SB) no it would stay the same, because of the fact that, we are increasing it by \$100,000 that's a transfer

(LL) so you are saying the total budget is 3,239,700?

(SB) The operating budget, because we have the operating budget and the capital improvement budget, correct? So that is 329, that is the one that goes up and then basically, so we already increase,

(JE) I'm sorry

(GT) Steve and Michael will bring you up to speed john

(SB) yes, we will get you up to speed
(GT) no problem, no problem
(FM) John is just going to throw on Nicole's desk and walk away
(JE) I'm sorry, I'm terribly sorry.
(GT) we are together, not a problem, they will get you the numbers
(MP) Forest we need these numbers tonight, to pass, all we need is that bottom line
(FM) That is the capital improvement fund, Michael and what Steve is saying is correct, it should be in the general fund so to speak, so you changed the 31 to 659 and what are you changing?
(SB) So let's start from the back, the last number in the whole budget, that needs to be changed back to what it was supposed to be,
(MP) Back to 3,955,000
(SB) yes, on that one, because that is the capital budget and then if we go back to the previous page to 37 the fund balance that is going to go to 3,955,000 and it's going to go to 78, 394.000 is going to go back to 780,633 so we resolved that, that we made, so then, the one that needs to go up \$100,000 is on page 7 and Louis has it, it is the 3,139,700 and that goes up to 239,000
(MP) So 3,239,700
(SB) right
(MP) That's the total,
(LL) Total, and then the total expenses need to go...
(FM) The revenue has to go up
(SB) Expense goes up we just had another one we needed to do, because we only have that amount of revenue coming in.
(LL) that is what I am saying, that transfer here Steve, it goes down.
(SB) Yes, that transfer goes down but the 3 million 139 stays 3,139,000
(FM) right
(SB) so this goes plus 100,
(FM) Just give it to Nicole and tell her take care of this
(JE) I will see her next week sometime
(FM) why is she away?
(JE) No I will be, (joking)
(TP) it will be safe then
(LL) what he is saying is he gives it to Nicole and she takes the week off!
(FM) you are going to change 490 to 680,633 right?
(MP) Where is that number?
(FM) That is the transfer of capital, is that what you are saying Steve
(SB) Yes we are going to change that, down a hundred on that one and
(FM) And that keeps the bottom line 3,139,700
(SB) And that takes a minus 100k here
(FM) and then you move a 100 thousand to the 400.031 general labor
(SB) right, so basically we are going to minus 100k from there and we basically plus a 100k here, and I don't actually think the number goes up, just the amount of money we are taking out of the capital fund balance is what goes up.
(FM) yes, it goes down
(LL) it goes down, it has to go down
(FM) you take 100 thousand out of your capital fund balance
(SB) right but when you do that, you are not transferring the 100 thousand
(FM) Yeah you are you are putting it in the general labor that is how the two come out to be the same number

(SB) but then that decreases this in order to keep this number, because this number needs to be that number in order to pay for everything and capital improvement we need to take an additional 100 thousand out of the capital fund balance right? So this total revenue stays here, because that is the incoming revenue for the regular funds, so that revenue stays there, so this is where we are adding the 100 thousand, so if we add the extra 100 thousand there.

(LL) Hold on, do we have to add money to both lines or just the one line?

(SB) just the one line because we are going to be moving them, this is just to give us a 100k buffer

(FM) That will be okay

(SB) so move the 100k there and nothing of this changes, the next thing we are looking at, since we increased the expenditures a 100k we got a 100k less to go to the capital improvement fund.

(LL) so that goes to six

(SB) But this number stays the same because we have plus and minus to check it, and so this goes down 100k because it is the transfer from operating, so but we still, if we go back here, we still have expenditures of this number so this number needs to go up a 100k, so none of the actual budget numbers change it is just where we are getting the money from.

(LL) Yes the bottom line budget is still 3,955,000

(SB) and the other one is still 31 okay, so you agree

(LL) I follow what you are saying

(FM) do you want me to, you mentioned about

(GT) I think that would help clarify it for future references, how we are trying to be equitable about covering things.

(MP) So are you ready to, do you want to put this in form of a motion

(LL) don't we have to do two things Forest? Authorize the general and then authorize the capital?

(FM) Yes

(SB) We need authorize the advertising of the operating budget in the amount of \$3,139,700 that is the first motion

(MP) Second

(GT) Motioned by Steve, and Seconded by Michael, any other discussions? Hearing none, all in favor signify by saying "I" motion carries 4-0

(SB) Motion to advertise the capital improvement budget in the amount of \$3,955,000

(MP) Second

(GT) Motion by Steve, and seconded by Michael, any other discussions? Hearing none, all in favor signify by saying "I" motion carries, thank you all, our solicitor will produce a statement as to how the labor costs are being calculated for future references in relationship to our agreement with the borough for managing the water program. Alright, that was exciting, thank you.

7. Financial Review

a. Consideration to approve Shippensburg Borough Invoice for October 2015

(GT) Do I have a motion to approve the finance review?

(SB) Motion to approve and acknowledge the transfer of funds

(TP) Seconded

(GT) Motioned by Steve, seconded by Troy, to approve the invoice for October 2015 and transfer the funds, any discussion? All in favor signify by saying "I"

*** Unison "I's" are heard

(GT) Motion Carries. beautiful

8. Executive Session

(GT) I don't have any need one, we are not having one.

9. Any other business

(GT) Any other business? Troy?

(TP) nothing

(GT) Mr. Solicitor

(FM) nope

(GT) Michael

(MP) I do have a small item here, so tonight we talked about the Chiller plant usage, and Louis you seem to be keeping track of that.

(LL) daily

(MP) I wonder if we want to have some kind of a calendar trip or tickler in the calendar to make sure that we get to that annual time frame, that we do a full on review to see if there is an adjustment

(LL) I have got that in a spread sheet Mike and what you are seeing is a print out, my thought process is every month or two to bring that to the authority so that everybody is aware of what it is and as we get closer to when we started then we will go into that review.

(MP) Sounds good, thank you

(LL) I think that is 17 though, we have to run that through 17, so we actually have to get two years of data

(FM) Does the university have that same information?

(LL) no, they can get it, the meter is in their building

(GT) Steven? anything

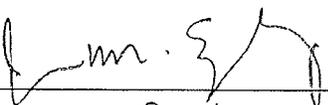
(SB) I'm good

10. Adjournment

(GT) motion to adjourn

(SB) motion

(TP) second


Secretary

Next meeting December 8, 2015