

REGULAR MEETING BLOSSBURG MUNICIPAL AUTHORITY
DECEMBER 3, 2019

The regular meeting of the Blossburg Municipal Authority was held on Tuesday, December 3, 2019 at 7:00 PM in the Council Room.

The following members were present: Chairman M. Stoudt, Vice Chairman J. Bubacz, Jr., Treasurer J. Eckman, Secretary S. Hall and member P. Bauman. Also present was G. Lloyd, Borough Manager and L. Lazouras, Recording Secretary.

Chairman Stoudt called the meeting to order at 7:04 PM.

MINUTES

The minutes from the previous meeting held 11/5/19 were brought up for discussion. The following changes were noted: 1.) P. Bauman asked George if on Page 1, Letter C, last sentence, it should be MGD and not GM, and it should. 2.) P. Bauman noted a spelling change on Page 2, Letter I, should be sloped not slopped. 3.) J. Eckman noted on Page 4, Letter F, take out stock market and put in money link CD's. There being no further corrections, a motion was made by J. Eckman, seconded by J. Bubacz, "That the minutes be approved with corrections." All in favor.

BILLS BE PAID

Unpaid bills for sewer \$33,848.56

Unpaid bills for water \$21,308.07+\$9,264.76 Penn Vest monthly payment

*Sewer-Interest new STP loan-when received monthly

The following discussion was held on the bills: 1.) S. Hall asked about the bill from Graham for sewer. George said it was for a new heater for the stp, and can be used in the control room when we get the new plant. There being no further discussion on the bills, a motion was made by S. Hall, seconded by P. Bauman, "That the bills be paid." All in favor.

TREASURER'S REPORT

J. Eckman reported a balance in sewer of \$107,480.07 and in water \$61,668.36. There being no further discussion, a motion was made by J. Bubacz, seconded by S. Hall, "That the report be accepted subject to audit." All in favor.

OLD BUSINESS:

A.) WATER UPDATE

They are always looking for leaks and there are some minor ones but nothing major at this time. George gave the members a copy of the report of water from the B&D hydrant, and there had been not much activity last month.

B.) DELINQUENTS

The members were given the past due report. One customer's final bills were paid by the bank, and they asked for figures due from another customer. There are 7 that have liens against them; one has been shut off; a lien will be filed against another one. The 10-day notices will be sent this week and then the 30 days. J. Eckman said it is nice we can work with our customers.

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C.) INFILTRATION-LETTER TO DEP

When we have to by-pass the pump house, George calls them within a half hour and we also send a letter. A letter was received on 11/26 from DEP regarding our 10 unauthorized discharges from 5/17-6/19, over the past 31 months. These have been caused by the amount of rain received and snow melts. They also included the effluent exceedances in chemicals. They are aware we are in the planning stages of stp upgrades. Noncompliance can lead to penalties if not remedied. This is a notice of violation but does not impose nor waives any enforcement action available to them. George talked with B. Shihinski, who receives our letters and said we do not have to send them anymore. Dan called them to verify we do not have to do this and asked for a letter or email to have on file. They are supposed to do this and if we do not get it soon, will contact them again. After we build the new plant and still cannot control the I&I, they can come back on us.

We have done tving and found a leak by the Acorn, another further up on Main St. and one on Gulick. Last year we did work on N. Wmsn. Rd., which reduced flows. George had the repair man here again and looked at the tving results. It could cost about \$30-40,000 for these 3 location repairs. George said if they fix by the Acorn it should make a big difference as from the video they estimate the flow of 15-20 GPM and you can see the top of the pipe is broken. They would put a liner in the pipe. M. Stoudt asked if there is a warranty on the work once completed, and George will ask. There have been no problems from the repairs made on N. Wmsn. Rd. This company can work through Costars so we do not have to bid out. RUS said the more work we do ahead of the new stp the better. There is also work to line the lateral to the repaired main and seal it, which another company will do. A motion was made by J. Eckman, seconded by S. Hall, "That we have the repair work done not to exceed \$40,000." All in favor.

D.) WATER FUTURE I-99/BUSINESS 15 CORRIDOR

They worked with Larson Design to get the information into Penn Vest. They had environmental information to submit so they hope to hear back by January. Mary Beth's boss is going to retire next December at RUS.

E.) TAYLOR RUN-SOUTHWESTERN

George talked with Ericka and she cannot write the sign off letter, but George can call the DEP man who possibly can. Southwestern did a great job and Mike said we have to have someone sign off since we are the owners.

F.) CASSELBERRY

Jim called George back and said he has been very busy with another job and put us on the top of his list and will get ahold of George by Christmas. If he doesn't then George will call him again.

G.) OLD HOSPITAL

This has been quiet.

H.) HYDRO-SRBC BILL TO PAY

This is for the salt well across from the Arnot Rd. They spent a lot but cannot get anyone to buy the water.

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H.) HYDRO

S. Bray received an email that they are going to rescind their rights to sell fresh water from the Route 15 well. Our agreement expires 7/19/20. There is one well close to this which is across from Wesneski's home at the end of S. Wmsn. Rd.

George talked to a person from Repsol that said they are going to shut down for 2020 and start back up in 2021. People will still receive their Royalty payments.

The SRBC bill amount is \$950.00 for the annual compliance and monitoring fee for FY2020 for the Route 15 well. This should be winterized so it does not freeze up. George said if not paid, he is not sure how much it would cost us to get it back. It is not a big expense and could cost a lot more if let go. George said the last time it was used was for water for dust control when new Route 15 was built. George said the water is high in chlorides, and regulations changed in the 90's. There is no problem with pressure. A motion was made by J. Eckman, seconded by S. Hall, "That we pay the bill to SRBC." All in favor.

I.) PIPELINE BY TAYLOR RUN

George said they levelled the road to get rid of the dips for when the line is put up the road. The permit was submitted for the water line and tank and is in DEP for review.

J.) NEW STP

The paperwork is into DEP for different review processes. The timeframe is 93 business days. George and Scott met with HRG in November and discussed the plans. A copy of their discussion was emailed and sent to the members. We would like to get as much equipment through Costars as we can and contacted RUS to meet to discuss this. J. Eckman said he would like to see us plant some trees as a wind break and also from the new road you would not look into the sewer plant. The new access road is into DEP for review. Instead of having one large generator we will get individual natural gas driven. The one at the pump station will be trailer mounted so it can be moved during flooding events. M. Stoudt said we already have a 125 KW generator on a trailer that can run the pump house and Rod & Gun. It also can run on propane. S. Hall asked about the ladder or manhole rungs along the walls to access the bottom of the tank. We did not want that because of space inside and not getting into the sludge. S. Bray is looking into a ladder, about 26-30 feet, on the top that can be lowered down and can be brought back up to be cleaned.

K.) BRAY WTP EVALUATION

He is working on this. M. Stoudt said they can visit MU to see how their membrane system works, which they are happy with. There is a class in Wilkes Barre in February on this type that someone should attend.

L.) BR GENERATOR

The mechanic replaced a gasket and leaky seal. The water pump was bad and a new one put on. George will have Hunter-Lomison service it when they come to do other work.

M.) BR DAM-This is being reviewed by DEP.

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N.) PAINT BR TANK

This will be a year out and when the new tank is in at Taylor Run we can refurbish it.

O.) CYBERSECURITY

The Boro has hired a cyber security company. The cost is approximately \$11,760.00 a year. The Authority's share would be \$2,940 each for water and sewer. They will meet two times a year with George. P. Bauman asked about liability. J. Eckman asked if there was any guarantee if breached, but none of companies have a guarantee. He also asked if there is some form of insurance. This is a three year agreement for the hardware also. The recovery time is remote access 24/7 and a quick response time. A motion was made by J. Bubacz, seconded by J. Eckman, "That the Authority pays half the cost for computer security." All in favor.

P.) DAN'S VAN, TRUCK-DOWN PAYMENT TRUCK BED WATSON DIESEL-OUT ROYALTIES

George said the old water truck that Scott drove went in for inspection but was too expensive to repair. He would like to take it to the auction in Waverly like they did with the old police car. A motion was made by S. Hall, seconded by J. Eckman, "That the truck is taken to auction." All in favor.

Q.) DEP LETTER WTP ALARMS-NOTICE OF VIOLATION

LRM removed the old paper recorder and installed a new chart recorder wired with alarms and tested the alarms back to the dialer. Dan checked the alarms calling out to everyone should something happen. It is in operation and Mike asked George to send DEP a letter asking for someone to come check our repairs so the notice of violation can be removed.

NEW BUSINESS:

A.) HRG REQUEST #14

A progress report dated 12/1 was given to the members. Request #14 from the line of credit in the amount of \$14,783.09 for the new sewer plant has to be signed and submitted to RUS for payment. This covers 9/30-10/27/19 for engineering. After going over the request, a motion was made by S. Hall, seconded by P. Bauman, "That this bill be approved for payment." All in favor. J. Bubacz and S. Hall will sign the five copies of the request.

B.) The payment was sent to the Forestry Dept. on the lease to obtain water from State Forest land in the amount of \$1,014.40. This is 1/2 of 1% of income collected.

C.) REPOSOL ROYALTY #22 CHECK WAS RECEIVED

J. Eckman said we should discuss further investing with this account. He talked with M. Landis at C&N. We have CD's with interest going into our operating account, and the interest goes back into some of the CD's. He thinks we should have all the interest going back into the CD's because when they mature and you reinvest, you can get a better interest with the larger balance. We have the CD's laddered, and the longer terms earn more interest. It was noted we have the work coming up next year for the water line to Taylor Run and the tank and will have to use reserve funds. All money has to be FDIC insured. It was suggested that we can ask both FCCB and C&N to attend a

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future meeting to discuss more investing and options. If you invest in a one year term you have more flexibility. C&N CD#4 matured last month and we agreed to reinvest it for one year.

D.) PA. GENERAL ENERGY-PROPOSED WELL PAD-Nothing

E.) PURCHASE SEWER CREDITS WHEN DEP APPROVES-Approved and the payments are on the list of bills to pay. When we get our new plant we hope to be able to sell credits and not have to buy them.

F.) PROPOSED 2020 BUDGETS

The members were sent copies. P. Bauman hopes the new STP will progress without cost overages. M. Stoudt said the Royalty income is really a big asset for the Water Company and years back we really struggled. A motion was made by J. Bubacz, seconded by P. Bauman, "That the proposed budgets are accepted." All in favor.

G.) C&N STATEMENT FOR 11/19 was received and given to the members.

H.) SEWER RATE INCREASE

George reported that we are entering the third year to do the sewer rate increase so we will be ready to repay our funding from RUS for the new stp. He and S. Bray worked on the figures and gave the members the information. They figured on not having to increase by 50%, but 41% on the base rate for the first 7,000 gallons per quarter; 45% for the next 293,000 gallons and 30% for over 300,000 gallons. For the following year they hope it will be not as much and less than 40%. With the new plant our electrical costs will increase. J. Eckman asked about solar panels or windmills for the new plant, as a lot of places are using that and George will talk to S. Bray about it. The base rate will go from \$85 to \$120 per quarter. The price per 1,000 over the minimum will increase to \$4.47 from the previous \$4.09, and over 300,000 cost \$3.66 per 1,000. All agree we have no choice as our plant is 50 years old and we have to do the mandated construction or be fined. Our user rate has to be enough to satisfy our loan payment obligation. A motion was made by S. Hall, seconded by J. Bubacz, "That the sewer rates be increased." All in favor. This will be effective 3/20. George will write up a customer notice and have the members review it before sending it out. This will be mailed with the sewer bills going out this month.

There being no further business, the Chairman adjourned the meeting at 8:45PM, with all in favor.

CHAIRMAN

SECRETARY

