

REGULAR MEETING BLOSSBURG MUNICIPAL AUTHORITY
FEBRUARY 4, 2020

The regular meeting of the Blossburg Municipal Authority was held on Tuesday, February 4, 2020, at 7:00 PM in the Council Room.

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

Guests: Deb Scott and Matt Landis from C&N Bank

Chairman Stoudt called the meeting to order at 7:00 PM.

MINUTES

The minutes from the regular meeting held 1/7/20 were brought up for discussion. 1.) P. Bauman noted that on Page 3, Letter E, his last name is spelled wrong. There being no further corrections, a motion was made by J. Eckman, seconded by P. Bauman, "That the minutes be approved with the one correction." All in favor.

BILLS BE PAID

Unpaid bills for sewer \$26,121.84

Unpaid bills for water \$28,326.46+\$9,264.76 Penn Vest monthly payment

**Sewer-Interest new STP loan-when received monthly

The following discussion was held on the bills: 1.) The Chairman noted that we are still using PACE for testing as is Mansfield University. Dan is looking around for another place to do the tests. 2.) P. Bauman asked about the bill from PRWA. George said this is for him and Dan to attend the conference in State College. By attending the conference and classes that are offered, you get additional credits for your water and sewer licenses, which are required by the State. There being no further discussion on the bills, a motion was made by J. Bubacz, seconded by J. Eckman, "That the bills be paid." All in favor.

TREASURER'S REPORT

J. Eckman reported the balance in sewer of \$142,655.24 and in water \$40,517.51. A motion was made by P. Bauman, seconded by J. Bubacz, "That the Treasurer's Report is accepted subject to audit." All in favor.

GUESTS

M. Landis and D. Scott from C&N Bank were in attendance to discuss the CD's we just invested with them and other options available. We opened 3 e-z Access Flex CD's, earning 1.350% with the monthly interest to go back into the CD, and will mature 4/16/22. They are set up to automatically renew at maturity. After one year and a day, you can take everything out without penalty or leave \$500 in it. There is a 10 day grace period after the maturity date. The bank will notify us to see if we want to reinvest and what interest rates are at that time. These are regular CD's with the bank and different than the CETERA Brokerage CD's we have with C&N. You can set up to get bank statements on line, at no charge. Deb will have the office notify Leesa to set this up.

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Matt gave the members a paper on the CETERA CD's we have and went over them. This is a laddered portfolio we have. At the time when we opened these, the interest rates were up. Today you would not be able to get that interest because rates are down. These are all FDIC insured. He also provided information from the J.P. Morgan balanced value dividends index. Deb talked with John Cox and the money has to be FDIC insured. Matt also provided papers on 4.75 Balanced Value Dividends, 7 year Callable, 7 year Contingent, 7 year balanced, and market linked CD's. Deb said we have to determine how much we want to commit and for how long. If you have projects coming up, you would not want to invest them long term. If you don't need funds you have to be willing to tie the money up for a period of time to get your best return. If we have money set aside for capital improvements, it would be prudent to do something to get a higher return. You cannot reinvest on a brokerage CD but you can on EZ Access CD's. New investing terms and amounts are always coming out and you can contact them any time to see what is available. Mike thanked them for the information, and they thanked the members and left at 7:25 PM.

NEW BUSINESS:

A.) WATER UPDATE

George reported we sent a letter to B. Hamel for his rental property on Spring St. where a leak was located after the meter pit. The tenant located the leak and it was repaired. This was estimated as a 20 gpm leak. The plastic pipe was pulled away at the coupling creating a space. Mike asked if they still had water in the house, and they did. Dan located a spot on Davis St. between Larson's and Zuchowski's where water is going into a catch basin that they have to check the curb boxes. The Gas Co. is doing work by Dixie Pierce's on Davis St.

B.) DELINQUENTS

Cheryl did a report on past dues. Notices were sent out and payments are coming in. J. Eckman said he is glad to see the numbers going down. There is one home on Ruah St. with the water off that owes. It was asked where the person is, but we are not sure. Cheryl wanted to know if it should remain on the books or write it off with a note if ever sold or services back on, we can collect. It costs about \$200 to file a lien. J. Eckman said we can leave it on for now.

C.) INFILTRATION-LETTER TO DEP

We will be relining the main from the corner by the Hardware up to the Bear A, Liberty St. to Nevins, and Gulick by Coal Run. With the ground water level down we do not dig up the mains. We will notify the people along these areas about the upcoming work. We will also tell them to keep their toilet lids down so there is no water splash up from the work and there could be an odor that will dissipate.

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

They are waiting to hear about the offer of funding from RUS. Land through PA. has been impacted by Indian tribal activities and 4 tribes have to be contacted as part of the environmental assessment study. Letters were sent and they are awaiting replies.

E.) TAYLOR RUN-SOUTHWESTERN-Nothing

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F.) CASSELBERRY

He was to be working on our projects and George will call Jim.

G.) OLD HOSPITAL-Nothing

It was noted that the Penelec pole light that was hit by a truck has not been repaired yet and it is very dark up there. Leesa said there is also one by Stempien's that goes on and off and is very dark by the stop sign. The Police Dept. has called them in for repair.

H.) HYDRO-SRBC BILL TO PAY-WAS PAID

It was suggested this can be taken off the agenda until we get the new bill in June for the next year.

I.) PIPELIEN BY TAYLOR RUN

We have had no reply from DEP yet. Nothing has been done but due to the weather we have had, the ground is not frozen and something could be started.

J.) NEW STP

The members were given the progress report from HRG dated 2/3/20.

A letter from DEP dated 1/8/20 said they reviewed our application package for the plant, and identified 4 technical deficiencies: 1.) bridge requires baffles, culverts below natural stream bed, provide cross sections for access road to show impact on floodplain and provide proof of 102 acceptance from the Conservation District. You can request a time extension before 3/7/20 to respond beyond 60 calendar days. S. Bray is replying to it. Title 25 chapter 105 has information to aid in responding.

A letter was received from HRG dated 1/24/20 they are providing a pre-final set of Contract Documents for our review. We secured our DEP Part II Water Quality Management Permit. They are waiting for DEP Chapter 105 Permits for construction which will be issued in February. The documents were submitted to RUS and a copy including the Building Permit Application. A paper copy will be submitted to M. Stoudt on 1/27. They are available to review and discuss the project.

K.) BRAY WTP EVALUATION

S. Bray talked with a salesman who is in the area so they will meet at Bellman. The plans are to do the work in July or August. George said with rain and leaves falling, our THM numbers go up if we don't clean out the reservoir.

L.) BR GENERATOR

It is operating but we need some work done on the dials.

M.) BR DAM

S. Bray is waiting to hear back from Duane Wetmore, but there is no hurry as the work will not be done until late summer.

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N.) PAINT BR TANK-The tank at Taylor Run has to be done first.

O.) CYBERSECURITY

Joe reported that CSR was here last month and installed a firewall. There are 3 computers that will need to be replaced as updating had to be done.

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

Cheryl sent an email to Sunbury and the truck will be on the assembly line in March. Originally the engine would run using propane or gas. If you got that type it would not be scheduled to be built until the second quarter, so George changed it to just gas.

Q.) DEP LETTER WTP ALARMS-NOTICE OF VIOLAITION-SENT LETTER 12/16/19.

NEW BUSINESS:

A.) HRG REQUEST #16 from the line of credit in the amount of \$50,593.59 for the new sewer plant has to be signed and submitted to RUS for payment. This covers 12/2-12/29/19 for engineering. After going over the request, a motion was made by P. Bauman, seconded by J. Eckman, "That this bill be approved for payment." All in favor. J. Bubacz and S. Hall will sign the five copies of the request.

B.) REPSOL ROYALTY #25-Not received yet. M. Stoudt said you can set it up to go on line to get the information if you want to, but Leesa has not done that since we get the statement in the mail.

C.) PA. GENERAL ENERGY-PROPOSED WELL PAD

Nothing further has been received and the member agreed to remove this from the agenda.

D.) C&N STATEMENT FOR 1/20

The monthly statement is for the CETERA brokerage CD's., which is different than a regular bank CD. J. Eckman said we just opened 3 EZ Access Flex CD's with C&N. We do have more money in the Royalties Account we can invest. The Royalties Account is a money market that earns 1.20%. It is good to keep diversified and have reserves for back up. We were given a lot of information by them and are glad they attended.

E.) RECORDS RETENTION

We did the resolution and the Boro is going through their old records and the truck was here from the Sight Services two weeks ago. It will be a while before the sewer and water is gone through. All in agreement this is taken off the agenda.

F.) C&N INVESTMENTS-3 EZ ACCESS CD'S-Discussed

Leesa noted that at FCCB with an EZ Access CD you can make a withdrawal of principal once each quarter without penalty after the interest is added.

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G.) L. GUTHRIE 2019 AUDIT AGREEMENT

The paperwork was received to sign for them to do the audit. George said Cheryl asked about looking for other prices to compare for the Boro. We can wait a month before signing. Leesa noted that the price proposal does not go up very much each year and only is up \$50.00 each for sewer and water.

H.) DEP CHAPTER 94 REPORT 2019

We had submitted our report for 2018 and had to submit a plan for actions to reduce the overload. They also restricted new connections except those that fit the exceptions in the 25 PA. Code until the plan and schedule was approved by them. S. Bray worked on this and submitted it. S. Bray submitted our report for 2019 which he and Dan worked on. This year was another wet one from rain. We have been addressing our I&I problem through line repair or replacement. We are also in the process of getting a new stp and it is being designed to meet the requirements. The sewer line tving work has been continuing. Next week we will be doing relining work on a section of Gulick St. and two places on Main St. George thinks the one on Main by the Acorn is losing a lot which should make a big difference once fixed.

I.) Members were given the annual statement of financial interest which is to be completed and returned to Leesa for the files.

J.) J. Eckman asked if page numbers on the paperwork that is sent from the office can be added where needed, and it can be.

K.) P. Bauman gave the members information on investing with Fidelity Brokerage Services, which is a company he deals with. They offer brokered CD's issued by banks for the customers of brokerage firms. They are usually issued in large denominations and the firm divides them into smaller denominations for resale to its customers. Because the deposits are obligations of the issuing bank, and not in brokerage firm, FDIC insurance applies. They have terms from 3 months with an expected yield of 1.60% and on up to 5 years at 2.00%. A brokerage CD is similar to a bank CD: both pay a set interest rate that is generally higher than a regular savings account. Both are debt obligations of an issuing bank and both repay your principal with interest if they are held to maturity. Both are FDIC insured. Pat also sent Leesa a Fidelity Account for Business application to keep on file should we decide to invest with them. The Chairman suggested checking with John Cox as to what options we have for investing being an Authority.

L.) Chairman Stoudt wanted to share some wonderful news with everyone that on 12/9/19 Leesa reached a career milestone of 45 years of excellent service to the Authority, and would like to honor her for her support as we together overcame obstacles throughout the years and the part she plays in maintaining the Board's performance standards and commitment to excellence. We applaud her performance and appreciate her.

There being no further business, the Chairman adjourned the meeting at 8:04 PM with all in favor.

CHAIRMAN

SECRETARY

