

REGULAR MEETING BLOSSBURG MUNICIPAL AUTHORITY  
MARCH 3, 2020

The regular meeting of the Blossburg Municipal Authority was held on Tuesday, March 3, 2020 at 7:00 PM in the Council Room.

The following members were present: Treasurer J. Eckman, Secretary S. Hall and member P. Bauman. Absent: J. Bubacz, Jr., who is sick, and M. Stoudt who is still at work. Also present was G. Lloyd, Borough Manager and L. Lazouras, Recording Secretary.

GUEST: Heather Deitrick and Amy Gundersen-FCCB, S. Bray, Engineer

Treasurer J. Eckman called the meeting to order at 7:00 PM.

#### MINUTES

The minutes from the regular 2/4/20 meeting were brought up for discussion. 1.) J. Eckman noted on Page 2, Letter B, "and we have always kept after them" should be removed. There being no further discussion, a motion was made by P. Bauman, seconded by S. Hall, "That the minutes be approved with the one correction." All in favor.

#### BILLS BE PAID

Unpaid bills for sewer \$69,285.12

Unpaid bills for water \$24,244.64+\$9,264.76 Penn Vest monthly payment

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

Leesa noted she received for sewer testing two bills from Pace: \$65.00+\$143.75, and the interest for the new STP loan in the amount of \$1,352.30, bringing the total to \$70,846.17. J. Eckman asked if there was anything unusual but George said no, other than the bill from Insight Pipe in the amount of \$41,475.00 for the three sewer mains relining work. There being no further discussion on the bills, a motion was made by S. Hall, seconded P. Bauman, "That the bills be paid." All in favor.

#### TREASURER'S REPORT

J. Eckman reported the balance in sewer of \$126,322.48 and in water \$51,577.95. A motion was made by P. Bauman, seconded by S. Hall, "That the Treasurer's Report be accepted as presented subject to audit." All in favor.

#### GUESTS

S. Bray was present to discuss work on the pilot study for Bellman and meeting with DEP for water. He also will discuss the crossing permit, the Chapter 94 report and new WWTP plans. An ad had been placed in the paper regarding bids for the pilot study for the membrane filter, but none were received. Scott and George had met with the Pall Corporation at the site and discussed what was needed. It will cost about \$20,000.00 to bring in a unit and run it for 4 months to get results. This is a mini version run with different parameters. It might be possible to eliminate chemicals and do something with the back wash water so a sewer line would not have to be built. We had expected this company to bid, and Scott will contact them as to why they missed the deadline. We could submit a preliminary plan study and permit application to DEP. It will be late summer or fall before the work would be done.

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PILOT STUDY

Advertising again will take another few weeks. J. Eckman suggested Scott contact the company and we contact Chris Lantz on how to move forward. George and Dan attended a class today on the membrane filter system, and George has information for Scott. It will cost between 75¢-\$1.00 per 1,000 gallons to treat. The cost to modify our existing plant could be between \$500,000-750,000. Hopefully we can reclaim the back wash water. We don't know about the water and the NPDES permit because the stream is considered a high quality trout stream. It would be tough to put water back into that stream. If on flat ground you could use gravel to put the water back into the ground. A motion was made by J. Eckman, seconded by S. Hall, "That we proceed with the pilot study project contingent upon C. Lantz's advice." All in favor. S. Hall asked if the membrane system replaces the traveling bridge, and it would. Wellsboro and MU have this type of system.

NEW WWTP

At the stp, we applied for a stream crossing permit and need to advertise for a box culvert. We are getting the site ready. The bid documents are ready. A motion was made by S. Hall, seconded by P. Bauman, "That we advertise for bids." All in favor. S. Hall asked about the cost and when done in Wellsboro it was between \$125-150,000 with everything. He asked about paying and it will be from our general funding and is separate from the new WWTP project.

A letter was received from HRG showing estimated figures for the new plant in the amount of \$10,397,276.00 with a contingency (10%) of \$1,040,000.00. There are several items that the Boro crew can do to reduce costs. Scott will do a separate cost list to compare. Scott and George will meet with HRG to go over this cost list, and see what we can do to reduce it. It is very important for us to whittle down the I&I to help the numbers at the plant.

George said our funding from RUS was a grant in the amount of \$4,635,000.00 and loan funds in the amount of \$4,628,000.00 for a term of 40 years at 2.3750% interest rate. This totals \$9,263,000.00. So right now they are over \$1,134,276.00. J. Eckman asked if the project would have to be rebid to reduce the cost. We will come up with figures on work we can do, which will reduce it. It could go to bid, we would have real numbers to work with and see where it ends up. It can be sent to RUS for their input. Possibly they would have more funds available to us since right now the economy is low. There are many contractors looking for projects right now, so it is possible their bids would be lower. They could possibly also subcontract some of the jobs which can make a difference. We have another meeting with RUS on 3/16 to brainstorm on reducing costs. The list is in general categories, so the subcategories could be whittled down. A part of the original process was what we can afford. If there is a short fall you look at other strategies to make up the difference.

There being nothing further to discuss, Scott was thanked for attending and left the meeting at 7:30 PM.

The girls from the bank are here to observe.

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OLD BUSINESS:

A.) WATER UPDATE

George said there is a leak on White St. across from Dudder Manikowski's which was fixed and saved about 15 gpm. Tomorrow they are fixing a leak on Davis St. by Percy Johnson's.

B.) DELINQUENTS

Cheryl provided a report. Sewer bills will go out next week.

C.) INFILTRATION-LETTER TO DEP

The relining was done 2 places on Main and one on Gulick. A previous letter from DEP said we cannot hookup anyone new without their permission. The boys will be looking for more I&I after getting the camera back from Wellsboro. The more we fix DEP could allow more connections. We have not had any more overflows at the pump house so we have not had to notify DEP.

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

UTRA is waiting to hear from RUS after reviewing their environmental study. They had to notify 4 Indian tribes who were to respond. They should then receive an offer from RUS in April or May.

E.) TAYLOR RUN-SOUTHWESTERN

F.) CASSELBERRY-George will contact him again.

G.) OLD HOSPITAL

H.) PIPELINE BY TAYLOR RUN-We will need approval from DEP.

I.) NEW STP-Discussed

J.) BRAY WTP EVALUATION-Working on pilot study

K.) BR GENERATOR-They are working on the readouts.

L.) BR DAM

S. Bray is waiting for more information from Duane Wetmore before doing work on the sediment pond.

M.) PAINT BR TANK-After Taylor Run work completed.

N.) CYBERSECURITY-They are working on it.

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

The truck is to be under construction this week.

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P.) DEP LETTER WTP ALARMS-NOTICE OF VIOLATION-SENT LETTER 12/16/19-No reply from DEP.

NEW BUSINESS:

A.) HRG REQUEST #17-We did not get a bill this month.

B.) REPSOL ROYALTY #26-NOT RECEIVED YET

C.) C&N STATEMENT FOR 2/20-Given to members

D.) GUTHRIE 2019 AUDIT AGREEMENT

The members thought they had approved this last month, but had not. Leesa has no concerns and they have done the audit for several years. P. Bauman noted it was a minimal increase in price. A motion was made by P. Bauman, seconded by J. Eckman, "That we hire Lisa Guthrie & Co. to prepare the 2019 audit." All in favor. J. Eckman signed the agreement and Leesa will send it back tomorrow.

E.) CHAPTER 94-S. Bray working on it.

F.) FIDELITY INVESTING, C&N INVESTING, FCCB INVESTING

J. Eckman discussed investing more funds from the Royalties account. He would like us to invest in another broker CD with C&N, and more with FCCB. We can do this and still leave a reserve. He thinks we should look at other instruments for investing. We should keep funds local to support our community, but it is also good to diversify. P. Bauman said we have the information from Fidelity to look over. The Coronavirus is spreading around the world, so interest rates are dropping along with the Stock Market. Rates went down 1/2% today. All funds invested have to be FDIC insured. Another thing we have to look at is the term length if we need funds for a project and can get into them. S. Hall asked when we will be starting the Taylor Run tank, and George hopes in the fall. This gives us some time to invest at a better interest rate. A motion was made by S. Hall, seconded by P. Bauman, "That the Treasurer is authorized to contact Deb Scott at C&N to invest \$100,000 into another account at the best rate. He is also authorized to invest \$200,000 with FCCB for a term of 2-3 years." All in favor. Heather and Amy from FCCB requested a letter to present to their Board. A letter will be written that we are looking for a better return than an ordinary money market account and would like an interest rate of 2.5% or more, with the FDIC guarantee. We would like to be able to withdraw the money after one year with no penalties. George will write the letter and take it to the bank tomorrow. The girls were thanked for attending and they thanked the members for our business.

G.) RESOLUTION EXTENDING TERM OF EXISTENCE

One item we need to have with RUS funding is an amendment to our Articles of Incorporation to extend the term of existence from March 5, 2040 to March 1, 2070. Council also has to approve this. The loan with RUS is 40 years and the Authority has to be in existence to pay the loan off.

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J. Cox from RUS, Legal Counsel had looked over the paperwork and advised this had to be done. A motion was made by S. Hall, seconded by P. Bauman, "BE IT RESOLVED, This Authority proposes to amend its Articles of Incorporation to increase its term of existence, by replacing the following provision "7. The term of existence of said BMA shall be for a period ending on March 5, 2040." The new provision shall read: "7. The term of existence of said BMA shall be for a period ending on March 1, 2070." This will be filed with the Secretary of the Commonwealth of PA., on or after 3/25/20 under the PA. Municipal Authorities Act. This is pending Council's approval." All in favor. George will take this to Council for their meeting on 3/11. Since we are also serving a portion of Hamilton Twp., George will take it to the Supervisors.

H.) INTEREST C&N EZ CD'S

Leesa is setting up the account to view the statement on line for the 3 EZ CD's. The Chairman had sent a letter authorizing viewing on line. Deb Scott provided Leesa with a report until this is completed and it was given to the members.

I.) CORONA VIRUS

J. Eckman asked if plans are being made for the Corona Virus by the Boro. S. Hall, Blossburgs' Emergency coordinator said the County has an emergency plan in affect through the State. When there is a confirmed case it will go into effect. Steve said there is no vaccination available as of today.

There being further business, Treasurer J. Eckman adjourned the meeting at 8:15PM on motion of P. Bauman, seconded by S. Hall, with all in favor.

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CHAIRMAN

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SECRETARY