

REGULAR MEETING BLOSSBURG MUNICIPAL AUTHORITY
OCTOBER 3, 2023

The regular meeting of the Blossburg Municipal Authority was held on Tuesday, October 3, 2023 at 7:00 PM in the Council Room.

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

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

Section 1: All reports to be accepted in one motion

A.) MINUTES

The minutes from the 9/5/23 meeting were brought up for discussion. There were no corrections.

B.) TREASURER'S REPORT AND BILL PAYMENT

P. Bauman read the treasurer's report. Leesa noted that a bill dated 8/9 was emailed to Cheryl from Martz Technologies for the TR project and Plant Scada in the amount of \$67,344.04, which was 35% net, and due in September. This was not included on our bill list and Cheryl received a reminder. She emailed our members who approved it be paid before tonight's meeting, by a majority of the members, with all in favor. A second bill was received later today by email from Martz in the amount of \$96,205.77, which needs to be added to the water bill list. The Chairman asked this be included on the list but not be paid until we have a conversation regarding the status of the progress. All in agreement. Later in the day today 2 emails were received from Modern Pump. One was for TR Well #1 in the amount of \$16,048.00 and one for TR Well #3 in the amount of \$16,821.00, which totals \$32,869.00. George said these need to be added to the list and paid so there is no hold-up on the project. On the list is a bill from WOC Energy for service to the tank at Taylor Run for the generator.

For the new WWTP, we will be getting two bills for setting the electric poles from Penelec, which will have to be paid before they will do the work. One bill was received in the amount of \$3,945.38, but the second bill has not been received yet. Penelec estimated the total for both would be \$30,000.00. George said when the plant was first designed the pole locations was no problem with the right-of-way. When redesigned the pole location was different for the underground electric line to the pad by the existing plant, and we could not get an easement from the neighbor.

M. Stoudt reported that at Taylor, the fiber is to be here Friday and installed so it will be two weeks before the underground work is in and can be made active. All the equipment will need to be programmed after that. He also noted that a pole study will be done by a third party since Penelec does not do that themselves anymore. Penelec will then allow us to connect to their pole. We will then call PenTeleData for connection. S. Hall asked about the other well and that will be tied into this system also.

There being no further discussion, a motion was made by S. Hall, seconded by F. Wasowicz, "That the minutes, treasurer, and bill payment reports be accepted as presented." All in favor.

Section 2: Old Business

A.) WATER UPDATE. SALT WELL 15

George said there is nothing on the salt well and nothing unusual to report.

B.) DELINQUENTS

The report was put in the packets.

C.) INFILTRATION

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

They are working on the two easements.

E.) CASSELBERRY

He is working on an alternate water source for Arnot. M. Stoudt noted that when they do get to that point, remind them to flush and exercise the valve on a regular basis since it will not be used very often. S. Bray is working with DCNR and George has to talk to the House's about an agreement for access.

F.) OLD HOSPITAL

G.) TAYLOR RUN TANK/NEW CHLORINE BUILDING

This has been a busy month. They are working on the Modern pumps and will allow 2 days to work on Well #3 and 3 days to work on #1 by the fish nursery. They are working on the pipe casings. Mike said Frank has been visiting and is impressed with the company's work. The fence man was there on Monday. In another month we will be in good shape. The one piece of equipment in the building, and the insulation should keep our heating bill very low. Mike thinks we should look into solar panels for on the roof of the million-gallon tank. Since it sits east/west, the sun is on it all day long. He suggested looking into any government funding available for this.

H.) NEW STP

The work is going well. A fact sheet was put in the packets regarding the entire new WWSTP project. There is a summary of regional rates and how we compare to them. A notice was sent to our customers regarding the necessary rate increase, effective 12/23.

Starting on 2/5/24 and again on 8/5/24, we have to make 2 semi-annual payments on the USDA grant/loan funds we received. These payments are separate due to when our grant and loan funding was received from RUS. #1 payment of \$86,174.00 will be taken out on 2/24/24 and #2 payment of \$64,597.00 will also be taken out 2/24/24. These total \$150,771.00. The same two payment amounts will be taken out again on 8/24/24. The total amount that has to be paid out per year, for 40 years, is \$301,542.00. We will be using money from our Sewer Revenue Fund MMI #7218, which will be deposited into the Sewer Project Checking Account #5812, so it is available for automatic withdrawal by RUS.

We had emailed Amy Snyder, RUS, last month, regarding if we could make an extra payment on the loan. We would mail a check to their office in Mill Hall, PA. to her attention. It would be made out to USDA; Rural Development and she would process it to their finance office. The best way to get the most taken off the principle amount is to have it to her office to be processed for the day after our semi-annual payment is taken out, which would be 2/25 or 8/25. She would need to know which loan it would be applied to, #02 or #04 or if both, the amount we would want applied to each loan. P. Bauman said this could be a huge savings when you consider the high interest rate we are earning, versus the interest payment rate having to be paid out on the loan. We have sewer money invested in the BWC MMI #6018, earmarked as such, earning the highest interest rate, instead of leaving it in the sewer money market earning a much lower rate.

George said we are hauling dirt for the driveway at the new plant, from Taylor Run to start to build the road. We are happy with the foreman, and all the inspectors are too. We are going to paint the new building inside walls next week, and George will get the paint from Seals. They plan to start the pump house demolition on 10/12. We have to get the generator and other items out. It will be built from the ground level up. Penelec will do a new temporary service.

I.) BRAY WTP EVALUATION

He is working on this. Scott, Dan, and George went to Shinglehouse to see their system. It is two thirds the size of ours and has been in operation for a month. They process 150 and we do 165. Their filters are on 6" I Beam skids. Scott will look for a place to get the media and is waiting to hear from DEP. Our media has lasted over 20 years.

J.) BR DAM

K.) PAINT BR TANK

We hope to bid out in the beginning of next year and do the work in early spring. By then our new tank will be in operation at Taylor.

L.) CYBERSECURITY

M.) GENERATORS

M. Stoudt said the pad is ready at Taylor Run. They will be doing the conduit. At Taylor there could be 2 separate pours, one slab for the generator and another for the pedestal. He expects to be ready in November.

N.) MURPHY TRAILER COURT

O.) BLOSS TWP BILLING

Chad and Matt will have to learn their process.

Section 3: New Business

A.) HRG REQUEST-No. 2 USDA

This is from funding grant money. It includes: 1.) Herbert, Rowland & Grubic, from 7/31-8/27/23 in the amount of \$9,064.00. 2.) Larson Design, thru 8/12/23-\$14,844.87 and thru 9/16/23-\$18,276.79, which totals \$33,121.66. 3.) Tra Electric 1/1/23-9/30/23 in the amount of \$88,148.36. 4.) AFT Mechanical 8/8-9/12/23 in the amount of \$108,300.00. 5.) Performance Construction 8/1-8/31/23 in the amount of \$607,245.66. The total for all these is \$845,879.68. A motion was made by F. Wasowicz, seconded by P. Bauman, "That we sign Requisition #2 USDA, per their approval." All in favor. J. Bubacz and S. Hall will sign the requisition. George noted that they have stockpiles around the plant.

B.) REPSOL ROYALTY-#69 was received 9/25/23 and direct deposited into the BWC Royalties MMI. The monthly report was received and put in the packets. Treasurer Bauman requested to transfer all but \$2,000.00 from the Royalties MMI to the Blossburg Water Co. MMI #6018 to earn the higher

interest rate. A motion was made by J. Bubacz, seconded by S. Hall, "That the treasurer is authorized to do this transaction." All in favor. He will do this transfer online.

C.) C&N INTEREST STATEMENTS, CD'S, FCCB

The members were given the statement from C&N and FCCB. The treasurer reported that we have a CD, through LPL Financial, at C&N, which will mature on 10/24/23, in the amount of \$100,000.00. He requested to close this out and transfer the funds to the Blossburg Water Co. #6018 to earn the higher interest rate. A motion was made by J. Bubacz, seconded by S. Hall, "That the CD be cashed in and deposited into the BWC MMI #6018." All in favor.

The Treasurer noted that the balance in the sewer Revenue Fund MMI #7218 is increasing since the sewer bills are coming in. He suggested transferring \$60,000.00 to the Blossburg Water Co. #6018 to earn the higher interest rate. Leesa suggested transferring \$50,000.00 right now, since we are waiting for the bill from Penelec for poles for the new WWTP, and only have an estimate on the balance we will owe. A motion was made by J. Bubacz, seconded by S. Hall, "That we transfer \$50,000.00 from the Sewer RF MMI #7218 to the Blossburg Water Co. #6018 to earn the higher interest rate." All in favor. The Treasurer also noted that Government T Bills rates are going up. A 10-year note is paying 4.7% and could go to 5 or more in the near future. We would have to decide what money we need and what money we would be able to invest for a longer term if we got T Bills.

Section 4: Borough Managers Report

A.) George reported he recommended to Council that we hire Troy Dickinson and Daniel Sherant as Boro employees. They both have been working for us as part-time employees. Troy went to welding school and if got private welding jobs, could do it after work. Daniel went to an equipment operator's school and has his CDL license. George talked to them about getting their sewer and water operator's licenses. It was noted it is hard to find kids that want to stay in the area. M. Stoudt said there should be a time frame as to when they would obtain their plant licenses. C. Lantz said you can hire from within. We would not be able to pay Troy what welder's make. Anyone George has talked to looking for welders, all want someone experienced. M. Stoudt said there should be guidelines put in the agreement with them for hiring. The members agreed with this.

REGULAR MEETING BMA 10/3/23
PAGE 6

There being no further business, the Chairman adjourned the meeting at 7:58 PM, on motion of S. Hall, seconded by J. Bubacz, all in favor.

CHAIRMAN

SECRETARY

