

REGULAR MEETING BLOSSBURG MUNICIPAL AUTHORITY
FEBRUARY 6, 2024

The regular meeting of the Blossburg Municipal Authority was held on Tuesday, February 6, 2024 at 7:00 PM in the Council Room.

The following members were present: Chairman M. Stoudt, Vice Chairman J. Bubacz, Jr., Treasurer P. Bauman. Absent was Secretary S. Hall, who had called George to say he would be absent. Member F. Wasowicz is at the Babbs Creek Watershed meeting, so will be late. Also present was G. Lloyd, Borough Manager, and L. Lazouras, Recording Secretary.

The Chairman 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 1/2/24 meeting were brought up for discussion. J. Bubacz noted that on Page 3, Letter L, "skat" should be "Scada". There were no further corrections.

B.) TREASURER'S REPORT AND BILL PAYMENT

Treasurer Bauman read the treasurer's report and bill list. Leesa noted on the water list, there are new tests for PFAS which is expensive and have to be done quarterly. George said hopefully if you get good results over a period of time they will not have to be done forever. There are extremely specific instructions for taking samples to avoid contamination from anything. On the sewer list, there is the new WWTP insurance bill for new work done for what is there now. When the job is completed, it will be increased and when the old buildings are gone, it will decrease. Running the extra small generator and the big at the plant will also be a difference. Leesa asked the members if we will still pay sewer bills back to the Boro out of water this year, and all in agreement we do that. The loan payments to RUS start this year. The first repayment has to be made to RUS before 2/24/24 and we have to decide what accounts will be used to make this payment. The second payment has to be made before 8/24/24. The money has to be transferred into the Sewer Project Account for RUS to make the automatic withdrawal. In the sewer MMI we have almost enough to take the RUS payment out of, but after paying this month's bills, we will have to transfer money into the sewer. P. Bauman said he will do the transfer out of our sewer money in the BWC MMI #6018, which is in that account to earn more interest. We will need to leave a minimum balance in the sewer RF MMI, so the account does not purge, and we don't get a bank charge. We had previously discussed being able to make an additional payment toward the RUS loan principal balance. J. Bubacz noted that we have two more

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quarterly sewer billings in March and June before the next loan payment has to be made. The members agreed we do not make any additional pay at this time, since it is our first year and will have to see how close we are on our proposed budget. There being no further discussion, a motion was made by J. Bubacz, seconded by P. Bauman, "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

B.) DELINQUENTS

The report was in the packets. George said when the weather starts getting nice, we will start doing shut offs.

C.) INFILTRATION

A bypass had to be made. When it was running the impellor plugged up, and the contractor also cleaned off the screens, and then it was back to normal. George did report this temporary problem to DEP.

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

George said they had talked with Tom Wellington from RUS about getting more funding from them. They got an initial amount around \$7 million, but with all their delays and material costs increasing, their total project will be around \$12-15 million. Tom was not optimistic they could get more funding from RUS. They are looking for any grant money available from other sources. If they were to get any grant money it could have to be deducted from the RUS funding, since the initial project cost had been submitted. UTRA is meeting with the County Commissioners this week to see if they can help with locating additional funds. RUS is letting them bid it out to see what amount the bids will be, and what additional funding will be needed. George said they are now looking at ways to save on the initial amount needed. He said UTRA has to pay us tapping fees to hook up and wondered if we could extend the time out longer and not get the money all at one time. When getting our water, they will be billed under our bulk water rate, which at this time is \$3.45 per 1,000, and are projected to use 61,000 gpd.

E.) CASSELBERRY

F.) OLD HOSPITAL

G.) TAYLOR RUN TANK/NEW CHLORINE BUILDING

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Mike has been working with Martz and the generator. Blue Ridge is doing the line and the cable from the Ogdensburg Road to the pedestal, which is on the last desk for approval, which we hope to be this week. In the next few weeks it should all be complete. Mike said they had a meeting with Martz. They were one company which has now split the ownership into two between the original owner and the other side employee owned. Costream works on the scada part and Martz on the field work. Martz said we have the option to have either one or both. There is no big difference in the original contract. Mike, George, and S. Bray feel we should stay with Martz for the whole thing. A motion was made by P. Bauman, seconded by J. Bubacz, "That we stay with Martz, so there is one point of contact." All in favor. The standby generator for Taylor Run came last Wednesday. When delivered, it was damaged and it appears it is just the outside shell, but Mike did not look at the equipment inside, nor the bottom. The side is crinkled and up on its side toward the top is indented. We called the company and want it checked, so they will send out a field representative. It has not been unwrapped and is sitting in the Boro garage. Mike is waiting for the actuator louvers in the chlorine building and are to be delivered 2/21.

H.) NEW STP

George had included in the packet breakdowns for the two RUS loans. He also included copies of a letter from RUS dated 7/25/23, with the Letter of Conditions. We have established a Debt Service Reserve fund by opening CD #3025, with FCCB, in August. It earns 5% interest that compounds every 3 months and goes back into the CD. There will be a one-time adjustment on 8/25/25 for the interest rate to be 4%. This matures on 8/25/28. The letter also discussed establishing a short-lived asset reserve fund. We have to deposit at least \$10,560.00 annually for the life of the loan to pay for repairs and/or replacement of major system assets. We are to assess our short-lived asset needs on a regular basis and adjust the amount deposited to meet those needs. He also did a yearly estimated charges to operate the new plant. We do not know what the electric costs will be. M. Stoudt thinks we should look into any grant money available to put up solar panels on both sewer and water facilities. The new VFD unit is now to come the end of February. They are working on the electricity with Penelec. Leesa had included information in the packet regarding sending the letter and the bill with the increased sewer rate amount due to Hamilton Twp. for this year. George said we are getting enough income from them that we don't need to raise their rate this year and can look at it again in 11/24. We will see what the O&M costs to run the new plant are, then know what need from them next year if we need to increase their bill. She also included pages from the

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original agreement with Hamilton Twp. regarding future upgrading of the treatment plant.

I.) BRAY WTP EVALUATION

Scott and George had gone to Shinglehouse to see their new system and the total cost was between \$3-400,000. S. Bray got 2 quotes for the filter media changeout: 1.) Continental Carbon Group-\$39,820.00, located in Ohio, and the quote is valid for 30 days. It is for supply, delivery, and installation of new filter media. 2.) Performance Construction-\$83,900.00 located in Pottsville, to remove and replace the water filter media in 3 water tanks at the Hillside Well location. The difference in prices is that Continental is in the business of doing just this type of work. This project cannot be done until we have Taylor Run online. It was suggested that S. Bray contact Continental about the validation days, and our timeline. A motion was made by J. Bubacz, seconded by F. Wasowicz, "That we accept the proposal from Continental, following verification by S. Bray." All in favor.

F. Wasowicz arrived at 7:43 PM.

J.) BR DAM

K.) PAINT BR TANK

S. Bray is preparing the documents. We will not have the documents here but will be online through Penn Bid. A motion was made by J. Bubacz, seconded by P. Bauman, "That the bids be advertised." All in favor.

L.) CYBERSECURITY

Joe reported the first training is 75% complete. They have a meeting Friday with CSR and will talk with Martz on the new equipment being installed and having the firewalls in place.

M.) GENERATORS

The one for Taylor Run was delivered and are going to meet with the field rep. The one for R&G is to be delivered in June.

N.) BLOSS TWP. BILLINGS

They are interested in getting our water service and doing the work in stages and looking at 3-5 years down the road to complete. They would tie into the 6" DIP from Bellman and start at Bloss Mountain Road. They would put their 8" line on the side of the Arnot Road and hire Stuart Lisowski, up to under the highway overpass. George is looking at using our labor force and they would repay us. There has to be an 8-foot separation between the water and sewer lines.

Section 3: New Business

A.) HRG REQUEST-No. 6 USDA

This is from funding grant money. It includes: 1.) Performance Construction from 12/1-12/31/23 in the amount of \$1,893,853.50. 2.) HRG, for engineering from 11/27-12/31/23 in the amount of \$16,374.63. 3.) Larson Design thru 1/13/24 in the amount of \$12,037.03. 4.) Tra Electric from 1/1/-1/31/24 in the amount of \$605,671.59. 5.) AFT Mechanical from 12/13/23-1/8/24 in the amount of \$63,521.13. The total amount of these is \$2,591,457.88. Work is going along good on all parts and on schedule. There is a retainer in the contract that will not be paid out until all work is at 100% completion. A motion was made by P. Bauman, seconded by F. Wasowicz, "That we sign Requisition #6 USDA, per their approval." All in favor. S. Hall and J. Bubacz will sign the paperwork.

B.) REPSOL ROYALTY-#73 was received 1/22/24 and direct deposited into the BWC Royalties MMI. The monthly report was received and put in packets. Treasurer Bauman requested to transfer all but \$2,000.00 from the Royalties MMI to the BWC MMI #6018 to earn the higher interest rate. A motion was made by J. Bubacz, seconded by F. Wasowicz, "That the Treasurer is authorized to do this transaction." All in favor. He will do the transfer online.

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

Since the Treasurer was absent last month, we did not have the C&N statements. Pat had received an email from Tonya, FCCB, Cash Management Section asking if he wanted to set up a meeting to discuss special money markets available, like was done last year when we opened the first one. The current special has a 24-month timeline on it so at the end of this year we will discuss what to do next. FCCB does have 2 CD specials at this time. Since we need to make our RUS loan payment and decide which accounts to use, at this time we will not look for any new investment deals. Pat has talked with Matt at C&N about investing accounts, and they have CD's that pay 5% for a longer term. He does not feel the prime will be cut before June. Pat does not think we need to do anything this month.

D.) CCR REPORT 2023-Leesa reported the annual ad was sent to the PennySaver. This tells what is in the water people consume.

E.) A letter was received from C. Lantz explaining their rates and was put in the packets.

Section 4: Borough Managers Report

A.) George discussed the age of meters in peoples' homes and the remote outside readers. Most of the meters in town are over 30 years old which is past their usual life of 20-25 years. He has talked with L/B Water about costs for both replacing them and the reader. Penelec is using smart meters now when replacing electric meters. At the present time, we can rebuild some of them. There is a new box available to cover the outside remote. It was asked if there was any grant money available to do such a project, because it would be costly to do the entire town. It could be a split done in sections and so many per year. It was asked who would install them and George said our boys and it would be good training for the new guys. George will see if they would be available to come to our next month's meeting to do a presentation, and it was suggested to meet at 6:00 PM before the regular meeting.

B.) F. Wasowicz asked about outside lighting on our new facilities and on the generators and Mike said there will be, and he will look into solar operated.

There being no further business, the Chairman adjourned the meeting at 8:15 PM, motion by J. Bubacz, seconded P. Bauman, with all in favor.

CHAIRMAN

SECRETARY