MAIDENCREEK TOWNSHIP AUTHORITY

Regular Meeting Minutes
December 12, 2012

Attending: Robert Shinn, Earl Rothermel, Gary Saggio, Kim Rossetti- Recording Secretary, Patrick Donovan- MTA Manager, Robert Hobaugh- Stevens & Lee/ MTA Solicitor, Greg Unger- Systems Design Engineering, Inc./ MTA Engineer

Absent: Patricia Hecker

Guests: Tom Duffy- Systems Design Engineering, Inc., Cody Rhoads, Diane Hollenbach- Maidencreek Township Manager, Christopher Bradley

Chairman, Robert Shinn, called the Regular meeting to order at 6:06 PM.

PUBLIC COMMENT:
None.

PLAN REVIEW STATUS:

Village at Summit Crest
Robert Hobaugh reported that draft copies of the engineering review letter and revised Development Agreement were sent to the developer and his professional staff; he has since been in contact with the developer's attorney. Greg Unger stated that he has been in contact with the developer's engineer. Mr. Hobaugh stated that both sides are working to obtain a consolidated as-built plan and there is still a need to identify the three lengths of pipe along the cross-country run so the property owners and developer/owner can convey the easements. He added that once the linear description of the in-fill is complete it would need to be documented. Christopher Bradley asked if it was necessary to have three descriptions for the cross-country run. Mr. Hobaugh stated that, based on his experience, he recommended separate descriptions because property owners usually will want to only sign off on what is on their own property, not adjacent properties. Mr. Hobaugh said he would entertain an alternate way if it was agreeable to all parties. Mr. Bradley stated that his staff is working to comply with the review letter items and hope to complete it in the near future.

Crossing at Maidencreek
Patrick Donovan reported that he contacted the conflict attorney, but has no update at this time. Mr. Hobaugh confirmed that he forwarded all related documentation to the conflict attorney.

DEVELOPMENT CLOSEOUT STATUS:

Melrose Place
Mr. Donovan reported that the hydrant was relocated without issue and the Cipa's are pleased with the new, more secure, location. Mr. Hobaugh stated that a revised agreement was ready for the Novakovich's to sign. Diane Hollenbach confirmed that Mr. Novakovich came to the Township office on Monday (December 10, 2012), she notarized the agreement and it was given to the MTA office staff that same day.

Mr. Hobaugh again recommended not recording the signed Deeds until the Authority is ready to accept dedication and all other outstanding plan issues are resolved.

APPROVAL OF PRIOR MEETING MINUTES:

Robert Shinn stated that the office rent proposal included an option for a 5-year extension to the rental agreement and that must be included in the motion and reflected in the minutes.

Motion:

Earl Rothermel made a motion to approve the November 14, 2012 Regular Meeting minutes with the change, seconded by Gary Saggio. Hearing no questions, the motion passed unanimously.

The motion has been amended as follows:

Office Rent

Motion:

Earl Rothermel made a motion to authorize Mr. Shinn and Mr. Donovan meet with the Maidencreek Township Manager on November 15, 2012 with a verbal proposal of paying $15,000 per year in rent, creating a new 5-year lease beginning, January 1, 2013 and expiring December 31, 2018, including a COLA, and option for a 5-year extension; further proposing that MTA will agree to break the current lease agreement which expires May 31st, 2013, seconded by Patricia Hecker. Hearing no questions, the motion passed unanimously.

NEW BUSINESS:

Pension Plan

Mr. Hobaugh presented Resolution 01-12-2012 to amend the pension plan administered by PMRS. PMRS has not sent the amended plan that will become effective as of January 1, 2013. Mr. Hobaugh recommended adopting the resolution in advance of receiving the completed plan. He stated that when the plan arrives, if additional changes are needed, a new resolution could be adopted.

Motion:

Earl Rothermel made a motion to adopt Resolution No. 01-12-2012, seconded by Gary Saggio. Earl Rothermel, Gary Saggio, Bob Shinn and Kim Rossetti voted Aye. Patricia Hecker was absent. The motion passed unanimously, 4-0.

Office Rent

The offer was made to the Township following the November meeting. Mrs. Hollenbach stated that the Township Solicitor is reviewing the documents. Mr. Hobaugh confirmed that he has been in contact with the Township Solicitor to discuss the matter. A response is expected following the Board of Supervisors meeting, December 13, 2012.

January 2013 Reorganization Meeting

The Board discussed scheduling the January meetings. Kim Rossetti requested the meeting time be moved to 6:30pm. The Board agreed the January meeting would remain at 6:00pm. Mr. Shinn stated that any potential meeting time change could be discussed at the Reorganization meeting.

Motion:

Earl Rothermel made a motion to authorize the Office Secretary advertise the MTA Reorganization Meeting is scheduled for Wednesday, January 9th at 6pm and the Regular Meeting will immediately follow, seconded by Kim Rossetti. Hearing no questions, the motion passed unanimously.

2013 Budget and 5-Year Plan
Mr. Donovan provided the Board with draft copies of the budget and 5-year plan prior to the meeting. In presenting his report, he confirmed that MTA is in a very strong position going into 2013. His budget and plan reflect many projects and the addition of a 5th operator/trainee. The draft contains a $2,073,812 budget presented in three different ways. He stated that there would be a deficit and he recommends Option 1 by drawing from the savings to cover the shortfall rather than a rate increase. The Board discussed whether to include depreciation expenses on the budget. Mr. Hobaugh explained that while general accounting practices show depreciation, it is not necessary to include that in an operating budget. Mr. Donovan confirmed that the auditors always include depreciation in their reports and there is a continued record of the amounts. The Board agreed not to include depreciation expenses in the budget. Mr. Donovan also recommended purchasing CD's with staggered maturation dates to increase the earned interest on the savings assets. Mr. Rothermel and Mr. Donovan will meet with banks regarding the CD terms and rates.

Mr. Donovan presented his 5-year plan. The Phosphorus Removal project is being reviewed by the DEP and that project will be completed in 2013. A future project he is considering would be combining some of the dewatering operations with the ferric, into one building. He stated that the dewatering device is about 10 years old, was not designed to be a permanent installation, and will not last. Mr. Unger added that SDE has designed and will be installing a dual-purpose press at the Deer Lake System. This system dewaters and can flip a gate to a high-pressure system that will allow one to take the waste to a landfill. Mr. Unger would like to see how this system operates for a year to determine if it would be cost effective and appropriate for MTA's operations.

> **Motion:**
> Earl Rothermel made a motion to approve the Option 1- $2,073,812 budget for 2013 and the 5-year plan, as presented, seconded by Kim Rossetti. Hearing no questions, the motion passed unanimously.

UNFINISHED BUSINESS:
Excess Use Letter
Tabled until the February 2013 meeting.

Home Occupation
Tabled until the February 2013 meeting.

LEAK REDUCTION:
None.

SOLICTOR'S REPORT:
Mr. Hobaugh provided the Board with a written summary report prior to the meeting. Mr. Hobaugh circulated the Order dismissing Mr. and Mrs. Seyler's Bankruptcy, signed November 29, 2012. The lead creditor on the mortgage was granted relief to foreclose. Mr. Donovan confirmed that MTA sent a notice, one each, to Mr. & Mrs. Seyler regarding the amounts due on their account.

ENGINEER'S REPORT:
Mr. Unger provided the Board with a written summary report prior to the meeting. Mr. Unger added that the Phosphorus Removal Project is awaiting the construction permit from DEP before it can be bid. He anticipates work will begin in early spring.

AUTHORITY MANAGER'S REPORT:

Stream Improvement Update

Mr. Donovan circulated aerial photos, provided by the Berks County Conservancy, of the WWTP and surrounding area. Mr. Donovan stated that the DEP has a concern regarding algae growth from the two clarifiers and continuing about 100 yards into the Willow Creek. Mr. Donovan had the area tested and also met with Larry Lloyd of the Conservancy. Mr. Lloyd believes that the WWTP is contributing to the algae growth, but is not the cause of it. The DEP recommended planting shade trees along the stream. The Conservancy, with a grant already obtained for Maidencreek Township's Willow Creek Stream Project, offered MTA a $20 reimbursement per tree. Mr. Donovan stated he has established a $10,000 budget and has purchased 40 trees to initiate Phase 1 of the Stream Improvement Project. Mr. Donovan is pleased with the Conservancy's involvement in assisting with this sensitive area. He will also coordinate with Mr. Lloyd regarding planting in the area behind Well 3.

Mr. Donovan also advised the Board that representatives of the Reading Water Authority have shown some interest in the Willow Creek.

OFFICE ADMINSTRATOR BUSINESS:

Reduction Letters

None

Inter-Account Transfers (Approval and Release)
Bills- (Approval and Release)
Solicitor's Reimbursable Expenses
Engineer's Reimbursable Expenses

Motion:

Earl Rothermel made a motion to approve the Account Transfers, Bill Payments, Solicitor's Expenses and Engineer's Expenses all at one time, in one motion, seconded by Gary Saggio. Hearing no questions, the motion passed unanimously.

Motion:

Gary Saggio made a motion to approve the following transactions:

Transfer funds -	None.
Payment of Bills -	December 7, 2012 bill list totaling $60,607.65.
	December 12, 2012 bill list totaling $39,693.48.
Solicitor Expenses -	December 7, 2012 bill list totaling $2,659.70 billed directly to the developer or paid from Escrow Funds.
Engineer Expenses-	December 7, 2012 bill list totaling $1,162.94, billed directly to the developer or paid from Escrow Funds.

seconded by Earl Rothermel. Hearing no questions, the motion passed unanimously

CORRESPONDENCE:

None.

COMMENTS FROM THE CHAIRMAN:

There was a discussion regarding the vacancy that will occur when Patricia Hecker's term expires on December 31, 2012.

EXECUTIVE SESSION:
None.

ADJOURNMENT
Having no further business, Earl Rothermel made a motion to adjourn the meeting, seconded by Gary Saggio. Hearing no questions, the motion passed unanimously.

The meeting adjourned at 7:23 PM.
The next meeting will be Wednesday, January 9, 2013 at 6:00pm. The Regular Meeting will immediately follow the Reorganization Meeting.

Respectfully Submitted,

Kimberly Rossetti
Recording Secretary

Minutes are subject to change prior to approval of the Maidencreek Township Authority.

cc: Maidencreek Township Authority Board
Patrick Donovan, Maidencreek Township Authority General Manager
Greg Unger, Systems Design Engineering, Inc., MTA Engineer
Robert Hobaugh Jr., Esq., Stevens & Lee, MTA Solicitor
JoAnn Schaeffer, Maidencreek Township Authority Secretary
Maidencreek Township Authority Plant Operators
Maidencreek Township Board of Supervisors
Maidencreek Township Planning Commission
Eugene Orlando, Esq., Orlando Law Firm, Solicitor
Diane Hollenbach, Maidencreek Township Manager
Ontelaunee Township
Kosmerl & Company