

OXFORD AREA SEWER AUTHORITY

Special Board Meeting Minutes of

September 29, 2010

Chairman, Bob Yeatman called the meeting to order at 7:30 p.m. The following Authority Members were in attendance: Robert Cantarera, Frank Lobb, Neil Pagano, Phil Brenner, Larry Bonam, Joe Scheese and Percy Reynolds. Also in attendance were Edward Lennex, Executive Director; Michele Braas, Rettew; Keith Mooney, Barley Snyder; Marcella Peyre-Ferry; Ron Kepler; Ken Hershey; Joe Chamberlin; Ralph Cheek; Blair Fleischmann; Jane Smeltzer; Spence Andress; Jan Andress; Joel Brown; Sue Cole; JoJo Campbell; Dana Henegel; Betsy Brantner; Randy Teel; Kevin Martin and Greg Martin.

Pledge of Allegiance was said and a Moment of Silence was observed.

The Executive Director introduced Keith Mooney of Barley Snyder who was sitting in for Kathleen Gray.

Public Comment Period

The Chairman asked for public comment. Mr. Teel asked if the audience could ask questions and comment on the Agenda items as they were considered individually, the Chairman stated he would allow brief discussion. Mr. Kepler questioned why the Authority was allowing for the delay of submission to DEP the Revised 2010 Act 537 Plan when we had originally planned for a late August submission and then again in late September. The Board responded that it was to allow all the municipalities the opportunity to review all of the pertinent information and make an inform decision. The Board felt that without all of the municipal resolutions included in the document, the PADEP would have no other recourse than to return the Plan as administratively incomplete. Mr. Kepler asked how long are we going to wait and the Board responded by stating as long as it took.

Mr. Teel questioned the EDUs being used to calculate the percentages each municipality would be responsible for guarantying as part of the USDA loan. The Board responded that it would be the pro-rata share of the EDUs projected in the 2010 Act 537 Plan. Mr. Teel questioned the growth projections being used for demonstrating the Authority's ability to pay from the loan from revenues generated. The Board stated they had reviewed the financial projections and were satisfied with the projections demonstrating the ability to cover the debt service cost.

There was a question from the audience as to why it took so long for the Authority to be aware that the member municipalities as one of the conditions in the Letter of Conditions would be required to guarantee the USDA loan. The Board related that while it became aware of the loan

guarantee requirement on September 8th, it was under a gag order not to discuss it outside the Authority until the Congratulatory Letter was received from the USDA on September 18th. Immediately after receipt, the Authority transmitted the documents to the member municipalities and while the transmittal contained a sample division of the Pro-Rata share but it was not intended to be the final percentage breakdown.

Mr. Lobb asked if the Act 537 Plan and loan guarantee were linked and Mr. Mooney explained how they were not.

Blair Fleischmann asked if the responses to the Public Comments received during the Public Comment Period were available. She was informed that they would be mailed when the Plan was finally adopted and approved for submission to PADEP. She specifically addressed her comment #27 and asked for our response. Michele Braas read the response directly from the letter and addressed additional questions raised by Mrs. Fleischmann.

With that, the Chairman closed the Public Comment period.

The Chairman asked for the Budget Committee's report and the Executive Chairman read the report for the Board. The Budget Committee recommended that the Board adopt the 2010 – 2011 Revenue and Operating Expense Budget. R. Cantarera made a motion for Resolution No 10-09-002 Resolution Approving and Adopting the 2010 – 2011 Revenue – Operating Expense Budget, P. Brenner seconded. The Chairman asked for any questions. Mr. Lobb asked about consideration of accumulated expenditures and the Executive Director responded. The Board approved the Budget.

The Executive Director then presented to the Board Resolution No 10-09-003 Resolution Amending Resolutions to the Rules and Regulations Section 12 Rates and Tables fees. This resolution would amend the fees charged for services provided by the Authority and include a rate increase for sewer charges. The Resolution was read into the minutes. R. Cantarera made the motion to approve the Resolution, P. Brenner seconded. There being no questions or discussion, the Board approved the resolution.

The Chairman asked the Executive Director for his report. The Executive Director pointed out to the Board that in their Board packet was a copy of the news release from the USDA announcing our loan approval along with 88 other projects in 32 states. The Authority received the second highest loan.

The Executive Director presented the Board with Resolution No 10-09-001 Resolution for Plan Revision for their consideration and approval. The Executive Director pointed out that the Resolution presented was different in its final version from the one originally submitted to them for review. The revisions allowed for the Authority Board to approve the Plan but withhold final signatures until all municipal resolutions had been received. J. Scheese made a motion to approve Resolution No 10-09-001 as presented and R. Cantarera seconded. The Chairman

opened the matter to discussion. Mr. Lobb updated the Board on West Nottingham Township's intentions to consider the Resolution and the Executive Director related a phone conversation from the Chairman of West Nottingham's Supervisors that the Resolution would be considered at their October 12 Supervisors workshop. Several members of the audience raised issues regarding the USDA Loan and the Board responded. There being no further discussion the Board approved the Resolution.

The Executive Director requested approval from the Board to establish a work group similar to the Act 537 Plan workgroup that would meet to discuss the USDA – RUS loan and prepare an informative presentation for the elected municipal officials. The work group would consist of the Authority's Finance and Bond Committee which has one member from each member municipality, one elected official from each member and their solicitors. The Authority would also have Kathleen Gray, Michele Braas and Mike Wolf, Boenning Scattergood as Financial Advisor to the group present. Susanne Gantz from the USDA would also be requested to attend. F. Lobb made a motion to establish the group, L. Bonam seconded. There being no discussion, the Board approved the motion.

Mr. Reynolds asked for a motion to authorize the Chairman to contact Eric Todd, Chairman of West Nottingham Township and obtain an update on the status of the approval. F. Lobb made a motion and L. Bonam seconded. Being no further discussion the Board approved the motion.

There being no further business before the Board, P. Brenner made a motion to adjourn and L. Bonam seconded. The meeting was adjourned at 9:16 p.m.