

**HOWE TOWNSHIP MUNICIPAL AUTHORITY (HTMA)
300 NORTH FOURTH STREET
NEWPORT, PA 17074
REGULAR MEETING MINUTES
May 15, 2017**

Members present: Burd, Campbell, Kessler, Sheaffer, and Turner

Members absent: None

Guests: Solicitor Dave Jones, Engineer Josh Fox, Tim Seiber Newport Borough Municipal Authority (NBMA), and Residents Christine Campbell and Richard Reisinger

The meeting was called to order at 5:31 PM by Chairman Campbell.

- 1. Public Comment, Tim Seiber outlined the pre-construction loan from Juniata Valley Bank (JVB) comes due mid-fall, the construction loan is a two year loan at 2.55% resulting in \$300,000-\$350,000 interest.**
- 2. Seiber stated that Shawn McElroy with USDA stated that NBMA is moving too fast.**
- 3. Seiber reported that Josh Owens, NBMA engineer said there is \$400,000-\$450,000 interest built into the construction loan.**
- 4. JVB has agreed to hold “temporarily” the 2.55% rate, depending on if the Fed starts to jack up interest rates.**
- 5. There was a discussion regarding the timeline of the Newport project between Owens, Adam Britcher NBMA solicitor, McElroy, bond council, and Judy, the USDA person that needs to sign off on the changes resulting from NBMA redesigning the plant to address the 500 year floodplain.**
- 6. Judy was commenting to start construction of the Newport project in 2018.**
- 7. NBMA can’t bid the project until Judy gives her ok on the 500 year floodplain revisions.**
- 8. There was a discussion regarding contacting our political representatives in DC because USDA is holding up two constituents, NBMA & HTMA.**
- 9. Seiber then reported that McElroy is requiring that going forward all bills go through design loan for the storm water & sewer.**
- 10. There was no explanation, other than probably to make his paperwork easier, he also wants some old bills “traded around”.**
- 11. Rick Reisinger inquired how HTMA’s timeline links up with NBMA.**
- 12. Campbell answered that we can’t get too far ahead of NBMA, since we currently are not permitted to hook up to the existing plant. HTMA can’t have the infrastructure in place and not have it operational, and generating income.**
- 13. Jones asked Seiber why NBMA still has to deal with Newport Borough Council.**
- 14. Seiber responded because the lines are under Borough streets.**
- 15. Jones stated he doesn’t feel that Newport Borough should be part of the inter-municipal agreement (IMA).**
- 16. Seiber said that Newport Borough is using their tax guarantee of the Borough for the NBMA loans.**
- 17. Jones, there is nothing in the IMA about Newport Borough “no rights & duties”. The NBMA became an operating authority.**
- 18. Seiber indicated there would not be an issue with removing Newport Borough.**
- 19. Jones inquired if the Newport Borough owned the storm water system.**
- 20. Seiber said that NBMA turns over storm water improvements to the Borough.**
- 21. Jones questioned if NBMA is doing separation for the Borough.**
- 22. Seiber responded that NBMA is fixing old lines, then turn over to the Borough.**

23. Jones: so then Newport Borough is getting the benefit from the storm water improvements, but not paying anything. Perhaps Newport Borough should be contributing.
24. Seiber responded that HTMA & Oliver Township Municipal Authority (OTMA) do not benefit from this because separation is billed separately.
25. Josh Fox led a technical discussion regarding the capacity of the new plant from 510,000 gallons to 1.85 mgd “settled on”.
26. DEP “not happy” with NBMA data from flow studies of one year.
27. Jones/Fox stated our agreement was for “sanitary sewer only”. Our portion should only be for the portion of the plant built to handle “sanitary sewer” not storm water.
28. Jones inquired how did McElroy come up with the \$15.5 million figure for the project?
29. Seiber said USDA can’t “go back” once a loan is offered so they always go on the high on the side of caution.
30. Jones/Fox informed Seiber that HTMA intends to pay a lump sum to NBMA up front.
31. Seiber said he would have to check with McElroy about how NBMA can use this money, i.e. to pay debt up front or later.
32. Discussions will continue.
33. Burd presented the minutes of the meeting on April 17, 2017.
34. Sheaffer moved, Turner seconded, motion carried to approve the April 17, 2017 minutes.
35. Sheaffer presented the May Treasurer Report.
36. Burd moved, Kessler seconded, motion carried to approve the May Treasurer Report.
37. There were no transactions as the books are with the auditor.
38. Burd distributed correspondence.
39. CDBG Workshop, Campbell will attend to see if there is anything available for HTMA.
40. Jones reported that he met with Adam Britcher the NBMA solicitor to discuss the sewer project.
41. Jones is working on an agreement for an escrow account for reviewing Buffalo Crossing plans for sewer facilities.
42. Jones also reported he is working on deed changes for the Christine Campbell pump station property.
43. Jones will have an update on grinder pump/easement agreements for the next meeting.
44. Kessler moved, Burd seconded, motion carried to approve HRG to request Sippel Development to extend their bid for 90 days.
45. Bid 16-2 for the electrical work is on hold until we have a better numbers from NBMA.
46. Fox reported that Buffalo Crossing will pay for the entire application fee to submit a CFA application, amounting to about \$3,000.
47. Kessler moved, Sheaffer seconded, motion carried for HRG to proceed with the CFA application for service to Buffalo Crossing.
48. Campbell reported that he spoke with Senator DiSanto’s office regarding the PENNVEST funding. They are going to look into it. Campbell will also talk with Representative Keller.
49. Fox reported on HRG’s file review of NBMA to check correspondence timeline.
50. There was a question by the auditor of funding that was listed as Zion Trust. Fox reported that PENNVEST had the wrong name on it.
51. Discussion regarding tapping and users fees was tabled.
52. Sheaffer moved, Turner seconded, motion carried to adjourn at 7.12pm.
53. Next Meetings: June 19, 2017 at 5:30pm.

Respectfully submitted,

Charles Burd, Secretary

Howe Township Municipal Authority