

Cecil Township Municipal Authority
Monthly Meeting
November 3, 2005

The Cecil Township Municipal Authority held its' regular monthly meeting on Thursday, November 3, 2005 at the Cecil Township Municipal Building. Chairman Donald Gennuso called the meeting to order at 7:30 PM with Donald Teyssier, Adam Ferragonio and George Elish present. Absent was Stephanie Lucchino recorded as medical. Also present was W. Patric Boyer, Eckert Seamans Cherin & Mellott LLC; Dan Deiseroth, Gateway Engineers; Walter O'Shinski P.E. and Dennis Bell, Administrator.

MINUTES OF SEPTEMBER 29 AND OCTOBER 6, 2005

The Board approved by unanimous vote the minutes of the regular meeting of October 6, 2005 and a special meeting of September 29, 2005 on motion by Donald Teyssier and second by Adam Ferragonio.

ENGINEER REPORT

QUARTERLY REPORT ON EPA GRANT

Dan Deiseroth advised the Board that a quarterly report is due to the EPA for the grant money. He requested that Chairman Gennuso sign the document.

UPDATE ON ALTERNATIVE FINANCING – MILLERS RUN PROJECT

Dan Deiseroth reported he is working with Michael Mc Caig on the alternative financing report and the information will be provided to the Board within two weeks.

SOLICITOR REPORT

Patric Boyer stated there was nothing to report.

BUSINESS MANAGER'S REPORT

UPDATE ON WEB SITE DESIGN

Dennis Bell advised the Board that the domain name is ctma.biz. He further stated a test web site is available for review by the board members. The work will continue on the site by Pinnacle Computing.

DISCUSS INVESTMENT OF CONSTRUCTION FUNDS – 1ST COMMONWEALTH BANK

The Board on unanimous vote on motion by George Elish and second by Donald Teyssier authorized investing \$500,000 of construction funds into a Jumbo CD for a twelve- month period at the interest rate of 4.60 percent.

DISCUSS SEPTEMBER 2005 FINANCIAL REPORT

Dennis Bell discussed the financials for September 2005. The total customers billed were 1803. The user fees billed were \$111,970.19 on usage consumption of 14,345,150 gallons. Collections totaled \$103,487.18. The expenses for September 2005 were \$219,124.20, of which, \$167,512.50 were for the Millers Run bond interest payment. The extraordinary income on the September 2005 financial statement included interest income of \$330.14 and interest income of \$3,775.80 on construction funds for the Millers Run project. Quarterly interest income amounted to \$35,204.72. A tap-in fee of \$2,475.00 was collected.

Dennis Bell reported landlord/tenant quarterly reminder notices were mailed on October 24, 2005. One Hundred and Ten customers were issued letters for unpaid past due wastewater bills. The amount of the past due bills was \$14,837.64. Expenses are under budget through September 2005 except in seven accounts with those expenses over budget by \$21,261.00.

DISCUSS PROPOSED 2006 BUDGET

Dennis Bell presented the proposed 2006 budget to the Board. The package included a 3-year comparison for 2004 audited financials, 2005 projected estimates and the 2006 proposed budget. He stated the expense by account was included with the requested percentages of change from 2005 to 2006. He stated the extraordinary income has been placed below the net operating income line giving a clearer financial representation on expenses to income. He stated a capital budget reflects amounts in the construction fund, debt service fund and debt service reserve fund. It includes the interest expense for March and September 2006.

CORRESPONDENCE

George Elish commented on a PA DEP letter regarding approval for phase one in the Grand Highlands plan. Walter O'Shinski stated the approval was granted with the understanding that if public sewers become available the developer will abandon his treatment plant and connect into the Authority system. Walter O'Shinski stated that tap-in fees would be due from the homeowners in the plan. George Elish questioned on what procedures were in place to assure the future homeowners were notified of the tap-in requirements. Walter O'Shinski stated a disclosure should be made on the sales agreement. A statement will also be attached with the building permit and township no-lien letter. Dan Deiseroth stated it would also be noted on the recorded plan.

PAYING OF EXPENSES/TRANSFER OF FUNDS, ETC.

A unanimous vote on motion by Adam Ferragonio and second by Donald Teyssier the Board authorized payment of expenses and transfers as follows.

Brush Run Expense/Transfer MM to Checking
Teodori Expenses/Transfer MM to Checking
Southpointe Expenses/Transfer MM to Checking
CherryBrook Expenses/Transfer MM to Checking
Gilmore Expenses/ACH Debit and PNC Requisition
Employee Time Reports/Payroll
941 E Tax Deposit
Payment of Invoices
Discharge Monitoring Reports were approved for submission to the PA DEP.

COMMENTS FROM THE FLOOR

Mr. Lynn Foltz updated the Board on plans for Maple Leaf subdivision. He stated his engineers are addressing the written comments from Walter O'Shinski regarding the sanitary issues. He said he plans on building a pump station to accommodate 56,000 gallons of flow sufficient to handle his subdivision and the four adjoining properties i.e. All Clad, Keystone Crane and the gourmet party facilities. He further stated that he met with Ron Sabatino and that all efforts are being made to work together on development along Morganza Road. Walter O'Shinski commented on the planned pump station capacity. Lynn Foltz stated he did not believe it would be an issue once all the parties develop their plans.

EXECUTIVE SESSION

The Board entered into an executive session at 8:05 PM to discuss the solicitor interviews conducted by the committee and recommendations. The Board returned to the general session at 9:00 PM.

BOARD RECOMMENDATION FOR SOLICITOR

The Board on unanimous vote on motion by Adam Ferragonio and second by Donald Teyssier authorized Walter O'Shinski and Dennis Bell to use the services of the firm of Gaitens, Tucceri and Nicholas, P.C. in the event legal services are required.

ADJOURNMENT

There being no other business by unanimous vote on motion by Adam Ferragonio and second by George Elish the meeting was adjourned at 9:15 PM. The next regular meeting is scheduled for Thursday, December 1, 2005 at 7:30 PM.

Secretary