

Wind Gap Municipal Authority
Meeting Minutes
January 26, 2022

The regular meeting of the Wind Gap Municipal Authority Board commenced at 7:00 p.m. on Wednesday, January 26, 2022, at the "Wind Gap Fire Social Hall," located at 111 N. Broadway, Wind Gap, PA 18091. Members in attendance were Mr. Randy Yordy, Ms. Marguerite Mullin, Mr. Allen Schafer, Mr. Michael Laudano, and Mr. Daniel Hendricks. The Authority Solicitor, Mr. Chad DiFelice of Goudsouzian and Associates, and the WGMA Engineer, Mr. Thomas Duffy, were also in attendance. The WGMA Plant Manager; Mr. Terry L. Miklas Sr., the WGMA Plant Supervisor; Mr. Theodore Manento, and the Wind Gap Borough Liaison, Mr. Dave Manzo, were present. The WGMA Administrator, Ms. Monica D. Harrison, was not present for the meeting.

The Chairman of the Board, Mr. Randy Yordy, opened the meeting by leading with the "Pledge of Allegiance"; followed by a moment of silence in honor of the former Authority Solicitor, Mr. John Molnar.

The Chairman of the Board, Mr. Randy Yordy, addressed the WGMA Board in the matter of officer reorganization. The current Chair of the Board, Mr. Randy Yordy, was nominated to remain in the position of Chairman of the WGMA Authority Board for a one-year term; on a motion made by Mr. Allen Schafer and a second made by Ms. Marguerite Mullin, the motion carried. Mr. Daniel Hendricks was nominated to serve as Vice-Chairman of the Board on a motion made by Mr. Randy Yordy and second by Mr. Mike Laudano; the motion passed. Ms. Marguerite Mullin was nominated to serve as Treasurer on a motion made by Mr. Allen Schafer and a second by Mr. Daniel Hendricks, the motion carried. Mr. Allen Schafer: was nominated to serve as Assistant to the Lines on a motion made by Mr. Daniel Hendricks and a second by Ms. Marguerite Mullin, the motion carried. Mr. Michael Laudano was nominated to serve as Secretary for a one-year term; on a motion made by Mr. Dan Hendricks and a second made by Ms. Marguerite Mullin, the motion carried.

The reorganization of officers for the WGMA 2022 are as follows:

Chairman: Randy Yordy
Vice-Chairman: Daniel Hendricks
Secretary: Michael Laudano
Treasurer: Marguerite Mullin
Assistant to Lines: Allen Schafer

Approval of the Minutes:

The WGMA Board approved the Minutes of December 27, 2021, on a motion made by Mr. Allen Schafer seconded by Ms. Marguerite Mullin, the motion carried.

Approval of Expenditures:

A list of unpaid "General Fund Invoices" with expenditures in the amount of \$27,771.51 as of December 27, 2021, was presented to the Board for review and approval; on a motion made by Ms. Marguerite Mullin and a second by Mr. Daniel Hendricks, the General Fund Expenditures were approved for payment; the motion carried.

A list of submitted "Feasibility Invoices" totaling \$2,499.55 as of December 27, 2021, was also presented to the Board for review and approved for payment. On a motion made by Mr. Allen Schafer and a second made by Mr. Michael Laudano, the motion carried.

Member Compensation in the amount of \$1300.00 was approved on a motion made by Mr. Dan Hendricks and a second by Mr. Michael Laudano, the motion passed.

Mr. Thomas Duffy noticed a low Green Knight's feasibility escrow balance of \$1,027.10 and openly requested a replenishment deposit be procured. The WGMA Board reviewed the financials and the investments. The Administrator reported a total of \$36,902.42 of Systems Improvements Charges as procured from customers through December 27, 2021. The Board decided to transfer the funds into an Improvement fund on a motion made by Mr. Allen Schafer and a second made by Ms. Marguerite Mullin, the motion carried. The Board further decided to split the remainder of the revenues sixty/ forty (60/40), allocating \$157,858.55 to the Reserved Improvement Fund and \$105,239.03 to the Reserved Conveyance Line Fund, on a motion made by Mr. Randy Yordy and a second by Mr. Allen Schafer, the motion passed.

The Authority Board discussed the rationale of potential new rates to support the actual flow of wastewater being treated by the Wind Gap Municipal Authority.

Mr. Randy Yordy discussed changes to employee benefits, as proposed by WGMA staffed employees. The employees are requesting a modification of 2 weeks of vacation after one year of employment with the Authority; from the current allotment of two (2) weeks of vacation after three (3) years of service, on a motion made by Mr. Dan Hendricks and a second made by Mr. Michael Laudano, the motion carried.

The Chairman of the Board, Mr. Randy Yordy, expressed gratitude to staff members for performing analysis to test the reliability of the information being reported by PA American Water. After some discussion, the Board determined that local area sewer service customers being improperly billed; assume the primary well users' rate, the Edu charge, and the Systems improvements charge for a total bill of \$199.82; per billing quarter; on a motion made by Mr. Dan Hendricks and a second made by Ms. Marguerite Mullin, the motion carried.

The Chairman of the Board, Mr. Randy Yordy, discussed the possibility of a change in the number of EDUs currently assigned to the "Route 209 Partnership". The historical data suggest that the entity has not purchased enough Edu's to support the usage data at the "Wendy's" location and indicated that the Edu's be raised from Four (4) to Eight (8) Edu's to support the usage reported. Mr. Thomas Duffy stated that written within the "WGMA Rules and Regulations"; that after three (3) consecutive months of monitoring account activity, the Authority reserves the right to reassess the

parcel assignment of "Tapping Fees" based on the actual flows as reported by PA American Water.

Mr. Dean Cable of Lawrence, Cable, and Company addressed the WGMA Authority Board and directly expressed areas of concern, explained the lack of segregation of duties between staffed employees and Board members, compliance issues, and required documentation, periodically reviewed written procedure(s); and general industry standards. Mr. Dean Cable also noted that an Auditors position; is not a part of the internal control portion of any specific entity. Mr. Dean Cable stated that the Authority Board's responsibility is to establish their own set of Internal Controls and safeguards to ensure proper protocol and develop a set of risk mitigation techniques. Mr. Chad DeFelice inquired into the 2.2 million dollars variation between the Audit prepared by the previous auditing firm "Vondercrone and Behrens." Mr. Cable explained that upon audit review, the Authority records yielded no depreciation of fixed assets recorded since 1994 and attributes to most of the discrepancies to this oversight. Mr. Chad DeFelice requested that Mr. Dean Cable break down elements within the distinctions. Mr. Cable stated that accounting errors played a substantial role as transactions were improperly entered, misreported, not recorded, and unreconciled. Mr. Dean Cable reported that other transactions such as "Stale Items" were never adequately cleared off the books upon previously rendered audit services. Mr. Cable stated that he has yet to receive a response or any corresponding documentation from Vondercrone and Behrens. Mr. Dean Cable reported presenting drafts of the financial statements to the WGMA Board. Mr. Dean Cable asked if the Board had any questions pertaining to the audit drafts as submitted upon review. Mr. Cable stated that he intends to have the Audits approved by the Board tonight to proceed with 2018, 2019, and 2020 DCED filings. Mr. Dean Cable also submitted a proposal submitted by Lawrence, Cable, and Company to prepare the 2021 financial statements for the Wind Gap Municipal Authority in the amount of \$10,900; on a motion made by Mr. Allen Schafer and a second by Ms. Marguerite Mullin, the motion passed.

Plant Manager's Report:

The Plant Manager's report was distributed to the Board for review. During the month of December 2021, operational Data yielded flow rates averaging 0.478 M.G.D'S, with a flow range from 0.417 to 0.552 M.G.D's. The Plant's permitted maximum capacity of 1.0 M.G.D'S, was not exceeded during the month of December. The Plant was not in storm flow during the month of December 2021. The total rainfall accumulation for December 2021 was measured at 1.87 inches. The total rainfall accumulation for 2021 is measured at 58.33 inches. Routine work checks and maintenance were performed. NPDES tests were performed both daily and weekly.

Mr. Terry L. Miklas Sr. reported receiving a letter from Dep date 1/1/2022 and noted that the current NPDES Permit expires on June 30, 2022.

Mr. Terry L. Miklas, Sr; reported an aqua alarm, a generator test run, and a failed UPS. Mr. Terry L. Miklas, Sr; reported responding to PA One Calls. Mr. Terry L. Miklas, Sr; reported contacting electrical contractors for replacement cost quotes of the generator.

Mr. Terry L. Miklas, Sr; reported conducting courtesy checks along Alpha Road, assisting the owner in locating the cleanout. Mr. Terry L. Miklas, Sr; reported checking several parcels for active connections to sewer service.

Mr. Theodore Manento reported placing safety signs and caution stickers at the Abel Colony Bridge project site.

Mr. Theodore Manento reported contacting Kryger Construction Company via email regarding the incident at the Abel Colony Bridge requiring repair and the outstanding invoice as submitted by Gene Schmauder. Mr. Terry L. Miklas, Sr., stated that he would follow up with Gene Schmauder to ensure receipt of timely payment processing. The Board decided that if payment is not received that the Authority will honor the bill and seek reimbursement from the responsible parties, in the event that Schmauder Excavating invoice is not honored by Kryger within 30 days; on a motion made by Mr. Daniel Hendricks and a second by Mr. Michael Laudano, the motion passed.

Engineer's Report:

Mr. Thomas Duffy's report indicated that the treatment plant was in compliance with the NPDES permit requirements for the month of December 2021. The average daily flow was measured at 0.478 MGD. The maximum flow was measured at 0552 on December 2, 2021. Mr. Thomas Duffy reported that the lab reports and EDMR had been reviewed. Mr. Thomas Duffy reported submitting additionally required documentation to DEP as per their request based on the Lab Accreditation Assessment. Mr. Thomas Duffy reported awaiting a formal letter from DEP regarding the assessment performed.

Mr. Thomas Duffy reported that the Green Knights still have remaining items to be addressed. Mr. Thomas Duffy reported that the contractor still needs to vacuum test where the forcemain ties into the existing manhole. Mr. Thomas Duffy reported that Muschlitz Excavating requested a waiver from this requirement. Mr. Thomas Duffy reported that a testing and training session for the new pump station was scheduled for January 6, 2022, was postponed and will be rescheduled. Mr. Thomas Duffy reported that all manholes, sewer main, and forcemain were tested. Mr. Thomas Duffy reported that all sewer lines need to be flushed and tested. Mr. Thomas Duffy reported that legal items need to be addressed before the transfer of the Pump Station to the Authority.

Thomas Duffy reported that the JERC Partners/Male Road sewer lines and manholes still were tested. Mr. Thomas Duffy reported that the sewer lines still need to be flushed and televised.

Mr. Thomas Duffy reported that the Authority provided Green Knight Drive (Lot 6C) with a sewage capacity letter in March of 2021 for 1 EDU. Mr. Thomas Duffy reported that the developer has not yet submitted any plans for this development.

Mr. Thomas Duffy reported that Craig Berger of Brothers Auto Transport approached the Authority in January 2021 requesting to connect his existing building(s) to the public sewer. Mr. Thomas Duffy reported that Gilmore and Associates issued an email on January 13, 2021, stating that a connection permit cannot be issued until work on the Green Knights system is completed and turned over to the Authority. Additionally, Mr. Thomas Duffy reported informing Mr. Berger via email of the Feasibility

Escrow Agreement requirement with the Authority. Mr. Thomas Duffy reported a meeting with County to discuss concerns of the sewer pipe installed at the Abel Colony Bridge Replacement project site. Mr. Thomas Duffy reported that the new sewer line as installed may require installed fencing and reported currently awaiting a response from PA DEP. Mr. Thomas Duffy reported that Northampton County's concerns involve the elevation of the new sewer pipe and potentially associated hazards.

Mr. Thomas Duffy reported that the Sullivan Trail Business Center applicant is in the process of addressing comments on their HOP from PennDOT.

Mr. Thomas Duffy reported no further technical comments on the 3rd Street Land Development project.

Mr. Thomas Duffy reported that the developer of 497 Moorestown Road is evaluating the Silver Line property for a possible re-development.

Mr. Thomas Duffy reported that the developer of 6615 Sullivan Trail Associates, the former 'Galley Restaurant' is preparing to submit plans in the near future showing the construction of a warehouse in Plainfield Township.

Mr. Thomas Duffy reported that the developer of Woodward Avenue is planning to build a twin home adjacent to an Authority's sewer main.

Solicitor's Report:

Mr. Chad DiFelice reported recording two (2) easements at the Green Knights Pump Station location. Mr. Chad DiFelice reported preparing drafts of the "Green Knights Sewer Service Agreement"; drafted in parallel with the Male Road/JERC Partners Agreement. Mr. Chad DiFelice requested that the Board conditionally approve and execute the "Easements," the drafted "Sewer Service Agreement" and the pump station "Bill of Sale" subject to final Board approval; contingent on Chairman, engineering, and the legal review; on a motion made by Mr. Randy Yordy and seconded by Mr. Dan Hendricks, the motion carried.

Courtesy of the Floor:

Mr. Peter Albanese appealed to the WGMA Board to discuss strategies surrounding tying the forcemain into an existing gravity line with the Board and the engineer. Mr. Peter Albanese requested the coordination of the Authority and proposed an onsite inspection of the existing manholes. Mr. Thomas Duffy requested permission from the Board to reply to Muschlitz Excavating with correspondence detailing a denial of the waiver request.

Mr. Peter Albanese stated that JERC Partners/Male Road has a tenant scheduled to move into the property location as early as March 1, 2022. Mr. Peter Albanese noted that the project is in a stalemate status due to Authority requirements prohibiting further project development.

Mr. Peter Albanese introduced the idea of attaining a Penn Vest Loan to assist with the anticipated expenditures associated with upcoming Plant projects.

New Business:

None

Adjournment:

The general membership meeting of the Wind Gap Municipal Authority Board concluded at 9:23 p.m., on a motion made by Mr. Allen Schafer and a second made by Mr. Dan Hendricks, the motion carried.

The minute of the meeting held on January 26, 2022; are hereby presented for review and approval.

Respectfully submitted,

Michael Laudano, Secretary

Monica D Harrison, Administrator