

MINUTES OF THE GETTYSBURG MUNICIPAL AUTHORITY BOARD OF DIRECTORS MEETING

May 17, 2010

The duly advertised Meeting of the Board of Directors of the Gettysburg Municipal Authority ("GMA") was called to order at 6:00 p.m. at the GMA office, 601 E. Middle Street, Gettysburg, PA 17325, by Chairman Melvin D. Crouse. Present were Mr. Melvin Crouse, GMA Chairman; Dr. Tim Good, Vice Chairman; Mr. Ted Streeter, Secretary; Mr. Bill Monahan, Treasurer; Ms. Dorothy Puhl, Assistant Secretary/Treasurer; Mr. John R. White, Authority Solicitor; Mr. Mark Guise, Utilities Manager; Mr. Brian Funkhouser, P.E. of Buchart Horn, Inc., Authority Engineer; Ms. Ramona Overton, Financial Director, and Jesse Mains, Recording Secretary.

Also in attendance were Mr. Pat Naugle, Mr. Frank Leber and Mr. Jens Dangaard, with Rhoads & Sinon, GMA's bond counsel, and Mr. Robert Sharrah, PLS, representing Country Meadows.

Water Agenda:

Public Comment:

Chairman Crouse called for Public Comment and none was given.

Minutes:

Mr. Streeter moved, seconded by Ms. Puhl, to approve the Minutes of the Board's April 19, 2010 meeting. The motion passed unanimously.

Approval of Invoices:

Mr. Streeter moved, seconded by Ms. Puhl, that all invoices for the month be paid. The motion passed unanimously.

Gettysburg College Bond Refinancing:

Mr. Leber reviewed with the Board a Resolution, dated May 17, 2010, which authorizes the refunding of the bonds previously issued by GMA on behalf of Gettysburg College in 1998. **Mr. Monahan moved, seconded by Mr. Streeter, to approve and sign the Resolution, dated May 17, 2010, authorizing the refunding of the 1998 Bonds on behalf of Gettysburg College. The motion passed unanimously.**

Country Meadows Retirement Communities:

Mr. Sharrah stated that Country Meadows, a 162 bed assisted living complex, is pursuing the option to purchase the development currently known as "The Ridge". The Ridge's current owner currently holds 81 EDU's of reserved water capacity; however if this property is purchased, Country Meadows is requesting that the 81 EDU's be transferred to their facility, since the EDU's will be used on the same parcel as originally agreed upon. Mr. White confirmed that GMA's policies permit the transfer of reserved water capacity to a new owner of the same property, but not such a transfer to a different property. In light of water consumption figures derived from Country Meadows' Allentown facility, Mr. Sharrah then requested that GMA concur that 81 EDU's of water capacity will be sufficient to service Country Meadows' proposed 162 bed complex in and upon "The Ridge" property. Mr. Funkhouser suggested that GMA review the estimates as outlined in the Metcalf & Eddy manual, and Mr. Guise added that PaDEP's Chapter 73 Regulations should be reviewed as well. The Board agreed to revisit this request after further research was completed.

Electrical Generator Provider:

Following up from the discussion held during the Board's March 15, 2010 meeting regarding the pending electricity rate increase (during which the Board instructed Ms. Overton and Mr. Guise to explore additional group electricity purchase options), Ms. Overton noted that she was able to speak with Benchmark Energy Solutions, Inc., which represents another joint electricity purchasing consortium. Benchmark was unable to provide a specific proposal or a quote, but did indicate that their group provides electric power tariffs and rates that are locked in quarterly, regardless of price fluctuations. The Board and Mr. Guise agreed that they feel far more comfortable entering into an agreement under the

original proposal of Constellation NewEnergy, Inc., which involves an Amended and Restated Intergovernmental Cooperation Agreement (the "MUA Agreement") with the Municipal Utility Alliance (created by the Pennsylvania League of Cities and Municipalities), to provide fixed electrical rates on a group basis to customers with large electrical usages. Mr. Funkhouser inquired as to whether the upgrade and expansion of GMA's Rock Creek Wastewater Treatment Plant will have an impact on the potential electric power rate that GMA will be able to obtain under the Constellation NewEnergy, Inc. program. Mr. Guise responded that, if anything, adding more usage could help to lower the rate that GMA would lock in under the program. **Mr. Monahan moved, seconded by Dr. Good, to adopt the proposed Resolution authorizing GMA's officers to sign the proposed Joinder to become a party to the MUA Agreement. The motion passed unanimously.**

West Middle Street:

With regard to the proposed PennDot/GMA construction along West Middle Street, **Mr. Monahan moved, seconded by Mr. Streeter, to have Buchart Horn, Inc. proceed with the engineering and specifications drawings for the replacement of the laterals along the West Middle Street sewer line. The motion passed unanimously.** Mr. Guise noted that all forms have been submitted to PennDot for the project, and that final plans and specs will be submitted in the near future, followed by bid placement and spec discussions with Valley Quarries. Mr. Streeter suggested hosting a public meeting at the Charlie Sterner Rec Building regarding the replacement of laterals. Such meeting could then be followed by a supplemental letter explaining the project details. The Board agreed to this idea and will begin planning efforts.

Water Treatment Plant:

Mr. Guise stated that Roberts Water Technologies, Inc. has arrived at the Marsh Creek Water Treatment Plant, and is in the beginning stages of removing the first underdrainment. This should be re-installed in approximately a week, at which time Roberts will proceed with testing and have the filter up and running. Roberts will then continue the same procedure with the remaining two filters. Bids will be out by the end of May for the re-coating of the backwash tanks. Bids will be due by mid-June.

S&A Hauser/Davis Well Update:

Mr. Guise noted that he, along with Mr. Crouse, Mr. White and Mr. Funkhouser, met with S&A Homes representatives on Monday, April 26, 2010, to discuss S&A's proposals regarding GMA's acquisition of the Hauser Well/Well #10 and the renegotiation of GMA's Developer's Agreement with S&A relative to such Well and S&A's contribution for the elevated water tower in the Cumberland Township "High Service Area". S&A has proposed that, in exchange for its dedication of the Well unto GMA, it will initially receive 400 EDU's of reserved water capacity for use in the GMA public water system, noting that they will pay normal tapping fees for these EDU's as and when building permits are issued. GMA would construct the elevated water tower (the timing of which construction will be determined by GMA), with S&A contributing \$600,000.00 toward the cost of the elevated water tower, and also thereafter paying an additional \$1,000.00 toward the elevated water tower's cost for each of their EDU's in the "High Service Area" that exceeds 600 EDU's for all tracts that S&A currently owns. In return, S&A has requested an additional 200 EDU's of reserved water capacity (for a total of 600 allocated EDU's). Mr. Guise stated that feels that this is a reasonable offer, but would prefer and recommend that S&A contribute \$750,000.00 toward the cost of the elevated water tower, rather than the \$1,000.00 per EDU future payments alternative. GMA would offer the additional 200 EDU's of reserved water capacity upon S&A's payment of the \$750,000.00 at the start of the water tower's construction. Mr. Funkhouser recommended that, as part of the arrangements, GMA should receive performance guarantees from S&A regarding the Well's actual in-service water supply production and water quality, because neither GMA nor its Engineer was involved in the original testing of the Well's capabilities. The Board concurred with Mr. Guise's and Mr. Funkhouser's recommendations, and Mr. Guise agreed to respond to S&A with GMA's above-mentioned counter-proposals.

Andrew/Kozak Easements Update (Andrew Well):

Mr. Guise informed the Board that the Andrew Well Easement Agreements have been prepared by Solicitor White and presented to the property owners, Mr. and Mrs. Andrew and Mr. and Mrs. Kozak. Mr. Guise indicated that the Andrews have approved their proposed Easement Agreement, however, GMA is still awaiting the Kozaks' response. Mr. Guise is hoping to have both Easement Agreements signed and returned by the June Board Meeting.

Misty Ridge/ Orchard Development/Carlisle Street Apartments:

Mr. White informed the Board that PICPI is purchasing from GMA 24 additional EDU's of reserved water supply capacity for Phase 1 of PICPI's "Misty Ridge" Development, which EDU's were returned to GMA from the Orchard Development Corporation relative to its Carlisle Street, Gettysburg apartments development. Mr. White provided the Board with a proposed First Addendum to the GMA - PICPI "Misty Ridge Phase 1" Development Public Water Service Infrastructure Extension And Security Agreement. **Mr. Monahan moved, seconded by Ms. Puhl, to approve and sign the First Addendum to the Misty Ridge Phase 1 Developer's Agreement. The motion passed unanimously.**

129-131 North Washington Street (Gettysburg) Property Fire Suppression Water Line:

Mr. Guise reviewed correspondence from Gettysburg College regarding the property located at 129 - 131 North Washington Street, Borough of Gettysburg, which is owned by Francis and Jean Herring. Mr. White explained to the Board that Gettysburg College owns the adjoining property, 133 - 135 N. Washington St., and due to fire regulations, has previously installed a 4" fire protection water line to and within the College's property. The College and the Herrings are requesting GMA's concurrence with the parties' plan to extend and connect the existing 133 - 135 N. Washington St. fire suppression water line into the Herrings' 129 - 131 N. Washington St. property. After discussing such proposal, the Board directed Solicitor White and Mr. Guise to advise the College and the Herrings that GMA cannot concur with their fire suppression water line extension and connection proposal.

Sewer Agenda:

Plant Upgrade/537 Study:

Mr. Funkhouser provided his monthly report stating that Buchart Horn, Inc. has submitted the 50% reimbursement application to PaDEP for the Act 537 Plan, and that it could possibly take up to two years for GMA to receive reimbursement fees. Mr. Funkhouser also noted, with regard to the WWTP Upgrade and Expansion Project that, if GMA decides to proceed with the addition of tertiary filters, a Chapter 106 Floodplain Encroachment Permit would need to be obtained from PaDEP, along with an Amendment to the Land Development Plan submitted to Cumberland Township for the Project.

Route 30 Lien Status Update:

Solicitor White noted that he had nothing to report on this matter.

Correspondence:

Mr. Guise reviewed the following correspondence:

- Land Conservancy "Thank-You" for renewal of membership.

Executive Session:

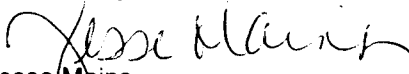
Mr. White noted that, although an Executive Session to discuss pending litigation was listed on the Agenda, one will not be necessary at this time, pending the conclusion of settlement negotiations with John Wolfe, Esquire, attorney for Mr. Billy C. Leonard, in the Stream Well litigation.

Adjournment:

With no other business to come before the Board, **Mr. Monahan moved, seconded by Mr. Crouse, to adjourn the meeting at 7: 45 p.m. The motion carried unanimously.**

The next regular GMA Board of Directors meeting will be held on Monday, June 21, 2010, commencing at 6:00 p.m. at the GMA Office.

Respectfully Submitted,


Jesse Mains
Recording Secretary