

Mount Pocono Municipal Authority
Regular Meeting
February 8th, 2024

The monthly Meeting of the Board of Directors of the Mount Pocono Municipal Authority (the "Authority") was called to order by Chairman Jeff Woehrle at 7:02 PM. The following people were in attendance: Chairman Jeff Woehrle, Board Member Karl Davis, Executive Director Jon Klotz, David Kee from Arro, Accountant Dean Cable, Office Accountant Stephanie Rodgers, Administrative Assistant Alexandria Patrick, and customer Brittany Jackson. Treasurer Christine Farrugia and Solicitor Scott Lipson attended via Zoom. Chairman Woehrle led the Pledge of Allegiance.

MINUTES:

Regular Meeting Minutes:

Minutes of the January 17th, 2024 regular monthly Authority Meeting were presented.

A Motion was made by Board Member Karl Davis, seconded by Treasurer Christine Farrugia, to approve the Minutes of the January 17th, 2024 meeting as presented. Motion passed unanimously.

CUSTOMER APPEARANCE:

Ms. Rodgers presented to the Board a memo, formal request, invoice from the subcontractor, and pictures of the fix for account 000240-0. The customer had an overage last quarter and was provided a credit from Pennsylvania American Water, which the Authority has matched. The fourth quarter 2023 bill also had an overage as a result of a pipe burst. Mr. Woehrle explained that there was sufficient documentation and the Board can safely assume that the water has not reached the Authority's system.

A motion to grant the abatement of \$1,362.77 for account 000240-0 was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

ACCOUNTANT'S REPORT:

Mr. Cable presented the interim financial statements for the Authority. The total in the Authority's checking and savings are higher than last year. Mr. Cable stated that receivables were higher, which is reasonable based on activity occurring. Interest that the Authority has accumulated is significantly better compared to last year. Revenue for the six-month ended December compared to 2022 is higher due to usage and water hauling. Year to date reports compared to the projected budget was presented. The revenue is higher than projected due to water hauling and increased billable usage, expenses are similar, and the Authority gained a significantly higher amount of interest compared to the projected budget. Mr. Cable explained that while reviewing all reports there was nothing that was out of the ordinary.

Chairman Jeff Woehrle inquired if having the capital reserve, the same as the depreciation good for the Authority. Mr. Cable stated that this is something

the Authority should have so that the Authority can replace items once they are at the end of their useful life. Mr. Klotz explained that the Authority will target a certain yearly window for the items to be replaced and save accordingly.

Solicitor Scott Lipson asked Mr. Cable to confirm that the income from the July to December reports are correct. Mr. Cable confirmed that the reports are correct. Executive Director Jon Klotz explained that the plant is receiving more overage flow, and is unsure if this is due to more use, more accurate readings, or more people living in the city of Mount Pocono.

TREASURER'S REPORT:

The Treasurer's Report was presented by Office Accountant Stephanie Rodgers.

Bills to be paid:

A motion was made by Board member Mr. Davis to pay the bills in the total amount of \$56,106.24 as listed in the Treasurer's Report. The motion was seconded by treasurer Ms. Farrugia, and the motion carried unanimously 3-0.

Transfer from Operating to ESSA, Investment to Investment, and Operating to Payroll:

A motion was made by Mr. Davis to transfer \$229,500.00 from Operating to ESSA checking, \$72,450.00 from People's Credit Card to Investment, \$110,000.00 from Investment to Investment, and \$50,730.52 from Operating to Payroll. In total the transfer in the amount of \$462,680.52. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

COLLECTIONS:

Executive Director Jonathan Klotz presented a memo explaining the current payment arrangements and liens. There are currently 15 payment arrangements, as one defaulted and another successfully completed their arrangement. There are currently 63 active liens, and 3 liens have been released since January 17th to February 7th.

SOLICITOR:

Accounts to Proceed in Collections:

Mr. Lipson presented four accounts that require Board approval to proceed with collection matters. Accounts 006072-0, 006071-0, 000930-0, and 000476-0 need approval to file a District Justice Complaint.

A motion to authorize the solicitor to move forward with the collections for the accounts 006072-0, 006071-0, 000930-0, and 000476-0 was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Klotz presented the solids report for January 2024. He explained that the month has gone well, especially with rain events.

SARS Co-V2 report was presented. Mr. Klotz explained that the transition from BioBot to State Laboratories has been finalized.

Chemical Bid:

Mr. Klotz stated that he needed a motion to proceed with a chemical bid. The bid will be open starting end of March, and at the end of April a bid will be selected.

A motion to allow Mr. Klotz to proceed with a chemical bid was made by Mr. Davis, and seconded by Ms. Farrugia. The motion passed unanimously 3-0.

Mr. Klotz stated that there is a Pocono Mountain Industrial Park (PMI) update. Several emails that he has received regarding the Act 547. Several items that needed to be completed in previous months are now completed and moving forward. Mr. Klotz explained that the Authority is currently stale on the asset purchase agreement, but wanted the Board to be aware on the improvement regarding the PMI. He also stated that there is new hire for operations at the PMI and explained that Ms. Rachel Hendricks has excelled in her position and shows promise for the Authority to continue and engage in new projects with PMI.

ENGINEER REPORT:

Mr. Kee presented the Engineer's report.

The DCED H2O grant application in reference to the solids handling system has been approved on December 19th, 2023. ARRO staff will work with Mr. Klotz on the proceeding steps.

The annual DRBC has been submitted on January 29th, 2023.

All other items need no action and are ongoing.

Executive Director Jon Klotz stated that there is going to be an upcoming review for Pennsylvania American Water on two projects. The office has been in frequent contact, and Dave Kee and Doug Kopp from ARRO are taking position to take lead. One project will be located on Edgewood and the other will be on Devonshire. The wells will be freshwater and part of the old Fairview water system. The projects are for per-and polyfluoroalkyl substance (PFAS) removal.

Mr. Klotz also explained that on January 14th, 2024, there was a sanitary sewer overflow (SSO) on Church Avenue that was attended to by Authority operators. On January 15th, Mr. Klotz went to the site to review, picked up the manhole lid, and saw that it was close to overflowing again. GottaGo was called to assist with the cleaning of the manhole. While investigating the situation, operators could not find what was causing the backup. Sewer Specialty Service was previously contacted for another project to find a manhole, and were contacted to assist with the cleaning of the SSO. The SSO was finally able to be rectified. Operators found that the 40-60% of the linear pipe was filled with hand-mixed concrete. Once the SSO was cleaned, Mr. Klotz explained that the Authority tried to find where the concrete was put into the system, but could not find the location. A police report was filed due to the costs of the damages. During the time of the SSO, homes in the area were still able to use services, but the Authority needed to alert the DEP 3 times for this occasion. Mr. Klotz explained that half of the tangible flow comes down this line, and that the concrete could not come from flow that comes from a pit or sump pump.

Mr. Klotz stated that on 196 and Pine Hill, PennDot is planning to put a traffic light. The Authority had Sewer Specialty Services come to locate a manhole in that area, as the Authority did not have the resources to locate it. The manhole was under at least a foot and a half of asphalt, and a metal detector could not detect the cover due to this. Mr. Klotz explained that when PennDot unearths that area, that the Authority will work in the area as well to prevent prolonged work to that area. Either the Authority or PennDot must correct the area. If PennDot chooses to fix the manhole, they will put a new riser on the manhole, or coordinate with the Authority.

New Business:

Request to Adjust Water Usage Due to Leak Prior to First Quarter 2024 Bill Account No. 006277-0:

Office accountant Stephanie Rodgers presented a subcontractor invoice and water readings for the first quarter 2024 bill for account 006277-0. The customer sent a letter and phoned the office explaining that she had a leak inside and outside that had been repaired November of 2023. The Board received pictures of after the incident was repaired prior to the Board meeting. The customer's first overage was removed for the fourth quarter 2023 bill. A Pennsylvania American Water credit was received for the next quarter, but the credit does not cover the total amount of overage gallons in the amount of 16,800 gallons. Ms. Rodgers and Ms. Patrick explained that the water went into the basement/crawlspace area of the home and did not reach the Authority's facility. The office asks for the approval to adjust 16,800 gallons for account 006277-0 prior to the first quarter 2024 bill.

A motion to remove the overage of 16,800 gallons for account 006277-0 prior to the billing of the first quarter was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

Request for Abatement of Overage Account 000565-0:

Ms. Rodgers presented to the Board the request, picture of lawn outside of home, and Pennsylvania American Water invoices. The customer contacted the office January 2nd stating that she had contacted Pennsylvania American Water in September of 2023 and made an appointment. PAW stated that there was not a leak, which prolonged the fixing of the leak. The Authority matched the PAW credit in the amount of \$297.70. As of this time, the customer has not paid the residential base. The customer requests for the overage in the amount of \$261.00 to be abated. Mr. Woehrle asked if the leak had been fixed, and Mr. Davis inquired about where the leak took place. Ms. Patrick explained that the office asked for an invoice from the subcontractor and the customer could not provide the invoice at this time, and the leak likely happened to be outside of the home as the picture shows, but no further documentation was provided by the customer.

The Board states that the Authority will need to be provided more information regarding the leak and the fixing thereof to proceed.

Request for Abatement of Overage Account No. 000559-0:

Ms. Rodgers presented to the Board a formal request, invoice from Shamey Plumbing, a letter from PAW, and a PAW invoice. The customer contacted the office January 2nd explaining that several leaks in July were fixed in her home. Pennsylvania American Water stated that a

credit was to be issued at that time. The customer came into the office January 31st presenting a letter from PAW stating that a credit will not be provided, and all additional information was submitted February 5th. The customer asks for the amount of \$812.00 to be abated and the office request that the late fees in the amount of \$81.84 be abated as well. Mr. Woehrle explained that the leak from the toilet and faucet reached the Authority's plant and could not be abated, but the leak from the hot water tank could be abated if the Board is permitted to do so. Solicitor Scott Lipson stated that the Board is permitted to modify a request that is presented to them. Mr. Woehrle explained that the customer made an effort to get the leak repaired and proposed that the Board abate half of the overage and entirety of late fees.

A motion to remove the overage in the amount of \$406.00 and late fees accumulated in the amount of \$81.84 was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

Approval of Tap-in Application Brunswicke Drive Lot 103:

Mr. Klotz presented a tap-in application for Brunswicke Drive Lot 103. The property is near Pine Hill and runs down a steep hill. The line will be connected to one of our pump stations, therefore the amount of \$2,540.00 will be due for the tap-in fee. Mr. Klotz explained that the customer has provided payment prior to the Board meeting, but the Authority is holding payment until the application is approved. Once the application is approved and certified, the customer will start receiving a bill starting first quarter 2024.

A motion to accept the tap-in permit application from Classic Quality Homes for Lot 103 Brunswicke Drive was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion was passed unanimously 3-0.

Parks and Recreation Project

Mr. Klotz stated that Parks and Recreation are installing two restroom facilities. The facilities are to be located in Oak Street Park and at the park behind the Borough Building. Mr. Klotz proposes that the Authority not charge the tariff fee to Parks and Recreation. The Authority will not abate the fee for service, but Mr. Klotz believes it is best not to move money from "one pocket to another". He also explained that the review process is happening during the same time. The Authority will still require a signature for the tariff fee, will need to receive plans, and still require a permit. When the connection is made live, the tap-in will be paid and service fees will begin. Mr. Klotz explained that the Authority can do this to prevent escrow, as it is an in-house development and the Authority will work on this as a cooperative project.

A motion to not charge the tariff fee just for Parks and Recreation Oak Street Park restroom facility was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

Water Source for WWTP:

Mr. Klotz stated that he would like the authorization to find a water source for the Waste Water Treatment Plant. His request is due to the well water pump for a third time while he has been employed by the Authority. Mr. Klotz also explained that the well water is non-potable, causing expenses for consumable water, and the PH level is below 6,

which overtime will cause damage to WWTP equipment. The Authority has three options: replace the broken water pump, have a new well installed, or run a line with Pennsylvania American Water. Mr. Davis inquired about which option is likely the best for the Authority. Mr. Klotz explained that he will investigate each option and present them to the Authority. Having a new well installed will have a large cost up front but the Authority will have an asset on WWTP property, and having a line with PAW will be the easiest option, but the Authority will have an invoice each month.

A motion to authorize Mr. Klotz to start the process to investigate options for a water source for the Waste Water Treatment Plant was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously 3-0.

Customer Issues:

Mr. Klotz presented a memo provided by office staff that listed current customer issues that the office has been experiencing. Call volumes are at an all-time low, but calls that are being received are static. Mr. Klotz explained that office staff have had customers come into the office and call regarding late payments, and due to policy, are unable to have an abatement, which causes name-calling and verbal aggression from customers. One specific incident caused the Borough Office Manager, Marissa Duffy, to come into the Authority's office because a customer would not leave after office staff requested they leave due to verbal aggressive behavior. Office staff are unsure how to move forward when interacting with these customers. Mr. Davis inquired if the office has a panic button in case there is a situation where the authorities are needed. Mr. Klotz stated that there is a functional panic button in the office. Accountant Mr. Cable stated that the Authority can have phone calls recorded and install a camera with audio in the office for office safety. Mr. Klotz explained that individuals who are abrasive are not likely to care about being recorded, but recordings will give the Authority the ability for recourse. Mr. Woehrle and Mr. Davis inquired about the office being able to hang up on customers or asking customers to leave the office after aggressive behavior. Office staff Mr. Klotz, Ms. Rodgers, and Ms. Patrick explained that to support office staff's decision to refuse an interaction would like to be backed by policy. Mr. Woehrle asked the office staff to present the Board a Zero Tolerance Policy proposal at the Authority's next Board meeting in March.

Mr. Klotz explained that the drop box located in front of the Borough building has caused multiple customer complaints on when payments are received. Customers have been claiming that payments were made earlier than when the office received them from the drop box. Mr. Klotz explained that office staff checks the drop box at least twice per day to collect payments. Office Accountant Ms. Rodgers explained that the drop box is the biggest issue, and the office would like to remove the box. Ms. Rodgers also explained that on the day after the due date, she does not consider payments as late until the deposit is ran later that day. Office administrative assistant retrieves the payments from the box, and when processing payments, includes the date that the payment is received. Ms. Rodgers stated that a customer in recent events stated that their payment was made on time, and when going through the payments found that the payment was collected from the drop box five days after the due date. It was confirmed by Mr. Klotz that payments

are not held in the office after they are collected, and if there had been error in the collection, administrative assistant Ms. Patrick would alert both Mr. Klotz and Ms. Rodgers of the incident. Mr. Davis stated that the Authority can install a camera pointed towards the drop box, so that when a customer states they made a payment on a certain day and time, the Authority may recall the recording. Mr. Woehrle explained that although it may solve the issue, the Authority will also need go through all of the recordings. Ms. Farrugia inquired about installing a timestamp for drop box payments. Mr. Klotz stated that he does not lean either way regarding removing the drop box due to a decrease in usage in recent months. Ms. Patrick explained that most physical payments received are by mail and that the box most days is either empty or have a single payment. If the office staff chooses to remove the box, Mr. Klotz explained that the Authority will store the box in case it is needed in the future. Ms. Rodgers clarified that due dates should be definitive and should not require flexibility because the dates are in the same cycle and do not change.

Ms. Rodgers explained that there has been an additional issue regarding receipts. The Authority has ceased providing receipts to customers during the second quarter 2023 billing. During this time, customers who request a receipt were provided with a receipt and letterhead stating that to receive receipts in the future, to include a pre-stamped envelope with their payment. Ms. Rodgers explained that there are costs to these things that will affect the rates for all customers, and the Authority is working diligently to stabilize rates. Mr. Klotz explained that near the date of the February Board meeting, the office had an incident where a customer called the office, would not allow Ms. Rodgers to speak, hung up and came to the office. The customer aggressively asked for a receipt of payment and stated that the Authority should provide each customer a receipt for their payment. The customer had also asked office staff for a signature stating that their bill was paid and Mr. Klotz presented his laptop with his account showing his balance was \$0.00.

Ms. Rodgers stated that the office has been receiving an influx of incomplete payments. Payments that are received incomplete have the written amount missing, which causes the payment unable to deposit. Ms. Rodgers stated that individuals who write checks know that the check must be fully completed in order to be deposited, and the Authority should not be responsible when checks are incomplete.

Office staff Mr. Klotz, Ms. Rodgers, and Ms. Patrick inquired to the board about office autonomy for the abatement of late fees for customers. The office would like the Board to think about the possibility of autonomy and present all questions and concerns at the next Board meeting in March. Mr. Klotz explained that the office will present a proposal for change of policy regarding this request.

Old Business:

Nothing to discuss.

ADJOURN:

There being no further business to be discussed, the Meeting was adjourned at 8:58 pm.

Respectfully submitted,

Alexandria Patrick
Mount Pocono Municipal Authority