

Mount Pocono Municipal Authority
Regular Meeting
October 12th, 2023

The monthly Meeting of the Board of Directors of the Mount Pocono Municipal Authority (the "Authority") was called to order by Chairman Matthew Hensel at 7:57 p.m. The following people were in attendance: Chairman Matthew Hensel, Treasurer Karl Davis (arrived at 7:57 PM), Board Member Christine Farrugia, Executive Director Jon Klotz, David Kee from Arro, Solicitor Scott Lipson, Accountant Dean Cable, Ed Overberger consultant, Office Accountant Stephanie Rodgers, and Administrative Assistant Alexandria Patrick. Also in attendance customer Jermaine Walls via zoom. Chairman Hensel led the Pledge of Allegiance.

An Executive Session was called at 7:13 PM to discuss legal issues. The Board retired from Executive Session at 7:52 PM.

MINUTES:

Regular Meeting Minutes:

Minutes of the September 14th, 2023 regular monthly Authority Meeting were presented.

A Motion was made by Treasurer Karl Davis, seconded by Board member Christine Farrugia, to approve the Minutes of the September 14th, 2023 meeting as presented. Motion passed unanimously.

Special Meeting Minutes September 26th 2023:

Minutes of the September 26th, 2023 special meeting were presented.

A motion was made by Ms. Farrugia, seconded by Mr. Davis, to approve the Minutes of the September 26th, 2023 special meeting as presented. Motion passed unanimously.

CUSTOMER APPEAL:

Appeal of Rejected Payment Agreement Account 009131-0:

Owner of Account 009131-0 has made a request to appeal the Executive Director's decision to reject a proposed customer payment plan. Due to technical difficulties, the owner was unable to present his appeal. In his place, Executive Director Jonathan Klotz and Office Accountant Stephanie Rodgers presented the owner's request.

Mr. Klotz presented the Board a memo of the owner's request, a record of payments between November 30th, 2022 and September 8th, 2023, the owner's official request, the rejected payment arrangement, and the arrangement in place if Board approved. Mr. Klotz explained that the owner has been on several payment plans before and has defaulted. Ms. Rodgers explained that the owner has been making consistent payments since March of 2023. Chairman Matthew Hensel stated that it was notable that the owner has been making payments on a consistent schedule for this period of time.

A motion to put account 009131-0 on another payment plan was made by Treasurer Karl Davis. The motion was seconded by Board member Christine Farrugia, and the motion passed unanimously.

Request of Approval of a Customer Payment Arrangement Account 008312-0:

The owner of account 008312-0 has made a request to be put onto a customer payment arrangement. The owner has been in frequent contact with the office, trying to bring the account into a good standing.

Office accountant Stephanie Rodgers presented a memo of the request. Ms. Rodgers explained that the account has had previous customer payment plans that have defaulted, but the primary contact used to be the owner's wife (co-owner). The wife is now no longer on the premise.

Mr. Klotz explained that the owner has been consistent with payments and working the balance backwards.

A motion to put account 008312-0 onto another payment plan was made by Treasurer Karl Davis. The motion was seconded by Board member Christine Farrugia and the motion passed unanimously.

CHAIR REPORT:

Executive Director Jonathan Klotz presented a quote for a plow and the installation of the plow for one the Authority's vehicles. West End Equipment is a local dealer, and the addition of the plow will be a beneficial asset during the winter months.

A motion to approve the purchase of a plow and the install by West End Equipment in the amount of \$6,250.00 was made by Treasurer Karl Davis. The motion was seconded by Board member Christine Farrugia. Motion passed unanimously.

ACCOUNTANT' S REPORT:

Accountant Dean Cable presented a draft of the Audit for the Authority from June 2022 to June 2023. Mr. Cable explained that the financial statements are similar to those prior due to similar activity. Documentation needs to be improved and there is evidence of the Authority working towards these procedures.

Mr. Cable explained that the Authority does not have a high credit allowance because collections are being made. In previous years, the impact of COVID-19 was a point of concern for the Authority, but the outcome has been better than expected.

In the Audit Report, the long-term debt has a high amortization because the debt is new. In future years, it is expected that the amortization will decrease.

No Motion was made.

TREASURER' S REPORT:

The Treasurer's Report was presented by Treasurer Karl Davis.

Bills to be paid:

A motion was made by Mr. Davis to pay the bills in the total amount of \$65,347.61 as listed in the Treasurer's Report. The motion was seconded by Ms. Farrugia and the motion carried unanimously.

Transfer from Operating to ESSA Checking:

A motion was made by Mr. Davis to transfer from Operating to ESSA Checking in the amount of \$72,450.00 as listed in the Treasurer's Report. The motion was seconded by Ms. Farrugia and the motion carried unanimously.

Transfer from Operating to Investment:

A motion was made by Mr. Davis to transfer from Operating to Investment in the amount of \$299,500.00 as listed in the Treasurer's Report. The motion was seconded by Ms. Farrugia and the motion carried unanimously.

Transfer from Operating to Payroll:

A motion was made by Mr. Davis to transfer from Operating to Payroll in the amount of \$30,836.04 as listed in the Treasurer's Report. The motion was seconded by Ms. Farrugia and the motion carried unanimously.

COLLECTIONS:

Mr. Klotz presented a memo for collections, including customer payment arrangements, liens, and accounts for shut off. There has been an increase in payment arrangements with no defaults.

The office staff confirmed that 11 liens have been released since the last Board meeting.

Mr. Klotz explained that there was a total of 61 accounts eligible for shut off, 25 accounts could not be shut off, and others have either paid the balance in full or are on a customer payment arrangement. A total of 14 accounts were sent for shut off October 9th, 2023.

SOLICITOR:

Mr. Lipson communicated updates to the accounts that were sent collection letters August 22nd, 2023. Office Administrative Assistant Alexandria Patrick explained that there have been some recent updates to this list due to payment and payment arrangements being made.

Sheriff's Sale on September 28th for 146 Foxfire Units 101 and 146 has passed and there has been no update to the office on the outcome of the sale.

Ms. Patrick explained that the Sheriff's sale of 21 Sterling Road

EXECUTIVE DIRECTOR'S REPORT:

Mr. Klotz presented the solids report for September 2023. The data shows that the waste water plant has been carrying a small portion less than previous months.

SARS Co-v2 report was explained by Mr. Klotz, stating that the data has been irregular and there is an increase of SARS Co-v2 in the wastewater. The Authority expects to see continued increased rates of SARS Co-v2 over the winter and flu season.

Mr. Klotz provided a data spreadsheet regarding water hauling with Williams Transco Pipeline. The MPMA waste water plant has sent around 3.1 million gallons of effluent and has been returned about 1 million gallons. Mr. Klotz explained that this company is taking effluent from the waste water plant and then returning the clean water back to the waste water plant.

The solar renewable energy letter of intent has had minor updates, as explained by Mr. Klotz.

The MPMA had attended Harvest Fest October 8th, 2023. Throughout the time at the festival, several individuals came to the table to collect information and others showed concern of the increase of rates.

ENGINEER REPORT:

Engineer David Kee presented the Engineer's report.

Mr. Kee explained that the Pine Hill Pump Station is complete and the generator is now in service. Payment applications four, five, and six have been presented with the recommendation that the Authority approves of applications four and five, with conditional approval of payment application six. Payment application six is missing closing documents, and once the documents are received, the Authority can continue with the approval of the application.

Payment Applications Four and Five:

Motion to approve the applications for payment four and five was made by Treasurer Karl Davis. The motion was seconded by Board member Christine Farrugia, and the motion passed unanimously.

Payment Application Six:

Motion for the conditional approval for application for payment six was made by Mr. Davis. The motion was seconded by Ms. Farrugia, and the motion passed unanimously.

Mr. Kee stated that ARRO has sent review letters for Summit Pointe Lot 57 and Knob Road Lot 68, and are currently waiting for submissions.

The PennDOT Fairview Avenue Culvert Project bid is on schedule for January 11th, 2024, as explained by Mr. Kee.

Engineer Ed Overberger has accepted an early retirement offer from ARRO beginning the end of September 2023. The Authority would like to thank Mr. Overberger for his positive contributions to the Authority and to the City of Mount Pocono, and wishes him the best with his retirement.

New Business:

Request for Abatement of Surcharges Account M01235-0:

Chairman Matthew Hensel presented a letter from the property manager of 1235 Pocono Boulevard received on September 28th, 2023. The property manager stated that there was a clerical mistake and had forgotten to pay the bill before the weekend in April of 2023, which resulted in late payment. The property manager has asked for the abatement of the late fee.

Mr. Hensel stated that he knows the individual that has submitted the request for abatement due to his personal business.

Office accountant Stephanie Rodgers explained that the owner has paid the entire account as of October 12th, 2023. If the abatement were to occur, a credit would be put onto the account. This is the first occurrence of delinquency from the owner of the property.

A motion to approve the abatement of late fees for account M01235 was made by Treasurer Karl Davis, and was seconded by Board member Christine Farrugia. The motion failed with a vote of 0:3.

Old Business:

An executive session was called by Chairman Matthew Hensel at 8:58 PM to discuss a contractual and legal issue. The Board retired from Executive Session at 9:12 PM

A motion to terminate a property purchase was made by Treasurer Karl Davis, and seconded by Board member Christine Farrugia. The motion passed unanimously.

ADJOURN:

There being no further business to be discussed, the Meeting was adjourned at 9:14 pm.

Respectfully submitted,

Alexandria Patrick
Mount Pocono Municipal Authority