

**Minutes of the Meeting
of the
Collegetville-Trappe Municipal Authority**

**Collegetville Borough Hall
Collegetville, Pennsylvania
August 18, 2015**

Chairman Keenan called the Collegetville-Trappe Municipal Authority meeting to order on the above date at 7:00 PM. The Chairman called for the Pledge of Allegiance to the Flag. Members present were Mr. Schuetz, Mr. Scholl, Mr. Edwards, Mr. Traupman, Mr. Mann, and Mr. Keenan. Also present was Attorney Ed Mullin, Director Joseph Hastings, and Matt Boggs, Entech Engineer.

MINUTES:

Mr. Mann made a motion to approve the July 21, 2015, meeting minutes as presented. Mr. Scholl seconded the motion and it passed unanimously.

PUBLIC INPUT:

Ms. Pat Webster asked Mr. Keenan if there was a conflict of interest with his association with the Collegetville Fire Department and his CTMA position. Mr. Keenan stated that there was no conflict of interest whatsoever as he had recently resigned his position as Collegetville Fire Company Financial Secretary.

ENGINEER'S REPORT:

The Engineer reported on the I/I Project and receipt and review of video files of sewer mains and laterals. There are a few sanitary sewer videos that do not have acceptable quality which will need to be re-televised. No payment is recommended for payment at this time.

The Capital Improvements Plan was revised to include annual costs for the manhole adjustments.

TREASURER'S REPORT:

The Chairman called on Mr. Mann for the Treasurer's Report. The beginning balance was \$134,907.57, deposits were \$210,763.18, and disbursements were \$84,453.24, leaving an ending balance of \$261,217.51. Mr. Mann made a motion that check numbers 2231 through 2242 be approved for payment including interim checks for Peco and Verizon. Mr. Scholl seconded the motion and it passed unanimously.

DIRECTOR'S REPORT:

The Director presented the Director's Report and is attached herewith.

SOLICITOR'S REPORT:

There was no Solicitor's Report.

CHAIRMAN'S REPORT:

There was no Chairman's Report.

Mr. Edwards made a motion to approve the Business Reports, which was seconded by Mr. Mann. The motion passed unanimously.

OLD BUSINESS:

After discussion on insurance quotes by PIRMA and EMC, Mr. Mann made a motion to select the PIRMA Insurance quote for \$7,983.00 and authorized PIRMA as CTMA's insurance carrier with the effective policy date of 8/26/15. Mr. Scholl seconded the motion and it passed unanimously. Mr. Edwards made a motion authorizing Director Hastings as the Authority's Proxy and Attorney Mullin as the alternate. Mr. Traupman seconded the motion and it passed unanimously. Mr. Mann made a motion to approve the Intergovernmental Contract contingent upon review by the solicitor and authorized the Chairman and Secretary sign the document if necessary. Mr. Edwards seconded the motion and it passed unanimously. A Resolution will need to be prepared by the solicitor and adopted within 60 days.

Mr. Keenan spoke to the authority members regarding the proposed loan to the Colleeville Fire Department. Mr. Mann and Mr. Keenan met with a representative of HRMML to discuss the Loan Agreement. Mr. Keenan distributed a Term Sheet and outlined the loan terms and amortization schedule. Craig Penuel from the Colleeville Fire Company reported that the Fire Company reviewed the Term Sheet and has approved it. Mr. Keenan also reported that the Colleeville Fire Company has no debt and that the disposable income is more than \$50,000.00 per year. Mr. Scholl reported that he has reviewed 990s from the Fire Company for 2012 and 2013 which shows considerably less income. Mr. Schuetz commented that he was not comfortable with CTMA facing the potential of being a property owner, and a better alternative would be lending the money to Colleeville or Trappe Boroughs so they could finance these projects and guarantee the loan. Mr. Scholl stated for the record that the Colleeville Fire Department does not have enough net income to service the proposed loan debt and that the ability to pay has not been demonstrated. Mr. Mann commented that the 2014 and 2015 financials, when available, might show a higher net profit than the 2011, 2012, and 2013 financials that have been provided so far. Discussion ensued. Mr. Scholl stated that he would like to see both fire departments merge to save money. Mr. Scholl made a motion to engage Trappe Borough counsel to review the proposal and provide comments on the loan and authorized CTMA to pay for this legal service. Mr. Schuetz seconded the motion. The motion failed with Mr. Mann, Mr. Traupman, Mr. Keenan, Mr. Schuetz, and Mr. Edwards voting nay. Craig Penuel stated that a PIMA loan is available to the Fire Company for up to \$400,000.00 at an interest rate of 2% which would reduce the amount needed from CTMA. Mr. Edwards asked the Fire Department to provide more information to CTMA including the PIMA loan and reevaluate their income and expenses in order to provide a more accurate financial picture. Mr. Scholl asked the solicitor to look into ways that Colleeville Borough could guarantee this loan since the Borough Code prohibits boroughs lending money.

NEW BUSINESS:

The meeting was adjourned at 8:34 PM.

Secretary