

June 16, 2021

7:30 PM

The Municipal Authority Workshop was called to order by Chairman Miller.

ATTENDANCE

Kevin Miller, Chairman

Matt Bugli, Solicitor

Andy Clancy, Vice Chairman

Karen Lowery, Recording Secretary

Jeff Clay, Secretary

Derek Mongelli, Asst. Sec/Treasurer

Mr. Miller asked the Board had any other questions that should be added to the list. Mr. Clancy felt the memo provided a good start for moving forward.

Mr. Clay asked what is driving this discussion, a lack of capacity? Mr. Miller said yes and the high sewer rates that have been driven up due to debt. Working with SMTMA would enlarge the user base and hopefully balance the rates with other local areas.

Mr. Miller said that if we don't work with SMTMA the township could possibly do something on their own, such as making the entire township one district and have all parties participate whether on sewer or septic.

Mr. Clay asked why SMTMA wants to get involved with our system. Mr. Miller said to control what comes off of the mountain.

Mr. Mongelli asked how many users SMTMA has compared to how many users are in the Southern District. Mr. Miller wasn't sure, but said we could ask.

Mr. Miller said if there was a merger it would no longer be the SMTMA, it would need to be a regional authority with appointed representation from each area.

Mr. Clancy asked what portion of the treatment plant upgrade Monroe was responsible for – 15%? Mr. Miller thought it was 7% and said it was based off the contract.

Below are the questions proposed in Mr. Rogalski's memo:

1. What is the primary goal of this transaction? Rank highest to lowest: a. eliminate township debt; b. eliminate township's involvement in system operations; c. lower sewer rates; d. better position the township for future growth requiring public sewer.

The Board really didn't rank these items in an order. Mr. Clancy did say that eliminating township debt should be lower on the list. Mr. Miller added that we need to know the value of the system

2. What is the desired form for the transfer of assets? a. outright sale with a desire for profit and less future control; b. merger with existing SMTMA board with little or no profit and greater stake in future decision making.

Mr. Clancy feels the goal would be to sell the system for the amount of debt that is owed and then Monroe maintains representation on the board for the residents.

3. Will the Northern District be part of these transaction discussions?

Mr. Miller and Mr. Clancy agreed that the Northern District is supported by another area, so this may be something to look at in 3-5 years with Mechanicsburg.

4. How would Monroe residents/customers be represented in the new configuration? a. formation of a joint authority (identify number of members and minimum Monroe share); b. maintain existing SMTMA structure and "dissolve" Monroe Twp Municipal Authority.

Mr. Miller said the Boards and public would need opportunities to provide input with public hearings being held. He added that representation should include 1 Supervisor, 1-2 Monroe Authority members and citizens.

5. Identify the composition of the core decision making group between Monroe stakeholders:

Number of Supervisors – 1

Number of Authority members – 1-2

Number of private citizens - yes, citizen involvement, no number provided

What area of the township should the private citizens be chosen from – no area was discussed

6. When do we complete the process summary valuation? a. prior to or after the initial discussions with SMTMA.

The timeframe wasn't discussed.

7. When and how should Monroe Township formally approach South Middleton?

Mr. Miller said that we need to keep communications open with SMTMA and also work on our own to see what might evolve. This could take a year to work through.

Other discussion items:

Mr. Clancy said the benefit to Monroe would be to help with the limited EDU's, but there would need to be a joint authority. He feels that SMTMA is making significant money from the Porches of Allenberry agreement and by expanding their number of users they could possibly upgrade the system.

Mr. Miller said maybe we should look at changing the current contract with SMTMA. He's not sure what the implications would be, but if we can't grow because of contract limits we need to find a way to be able to grow.

Mr. Miller suggested restructuring the current debt.

Mr. Clay suggested that when we have a full board to make a list of the issues and the options and then create a pros and cons list for each item.

Mr. Miller welcomes all ideas and said we need to look at the best solutions for today and the future to ideally reduce rates for the residents.

The Board agreed to schedule another Workshop on July 21 at 7:30 PM, after the regular meeting.

On the motion of Mr. Clay, and seconded by Mr. Clancy, and by unanimous vote of the members it was duly RESOLVED to adjourn the workshop at 8:00 PM.

Respectfully Submitted,

Karen M. Lowery
Recording Secretary