

EAST BERLIN AREA JOINT AUTHORITY

224 East King Street; PO Box 37
East Berlin, PA 17316

April 28, 2009

An informal discussion was held at 1:00 PM on April 28, 2009.

The following people were present ~~for the meeting~~: Andrew Miller, CW Test's lawyer; Brad Test, Randy Test; Gerald L. Mummert; Charles M. Eisenhart; Bruce Hulshizer of Buchart-Horn; and Mike Thoman.

A discussion was held on the present EDU's that CW Test has reserved. They were told that the 5 year time period for the sewer reservations has expired, and according to the ordinance it reads that if they are not used or hooked up with 5 years they are forfeited. It will have to go thru the board on how they want to handle this situation. The board meeting is scheduled for May 7, 2009. According to DEP there are no EDU's available at this time. CW Test requested a copy of the sewer reservation ordinance stating that information.

Bruce reported on the sewer project, he stated the Authority received correspondence that they would not be getting any financing this round. A discussion was on how much money Pennvest had as grant money or loan money. They also discussed the H2O money. Then it was mentioned that the Pittsburg and Philadelphia area got most of the stimulus money. Adams County didn't get any money. It was suggested to contact the people from DEP, Tallman's and Alloway's offices to stress how important this joint project is to the Borough and Hamilton Township.

Andy Miller wants to know where this leaves the Authority on this project. Bruce stated that the Authority would have to do a Bond. He also suggested contacting DEP and Senator Alloway and informing them on the financial points and how the regionalization will help the area residents.

Gerald Mummert wanted to know if CW Test will now be able to contribute anything to the project; and if so maybe that should be brought to the attention of DEP, so that there may not be as much money needed. Andy Miller stated that they are not that far along, and could not commit yet.

Charles Eisenhart stated we don't know what it's going to cost, there isn't a bundle of money coming in, and until we get bids we won't know what the cost is or the rates. We're at a standstill. He is going to suggest at the board meeting next week, waiting another 3 months. We do need a new sewer plant no matter what.

There was a discussion on the system being organically overloaded, and when will DEP start to fine us. The discussion then went back to contacting DEP and Senator Alloway making sure they know that to build this plant without any money is going to be a difficult endeavor for everybody involved. Maybe the Authority should get Adams County involved because CW Test is working with Dick Schmoyer of Adams Co. Planning & Development on the Buttercup Farm development. Dick Schmoyer suggested CW Test talk to the Authority. Adams Co. Planning & Development is pushing regionalization. It was suggested to get someone to lobby directly with Pennvest, they may have contacts that Tallman doesn't. Gerald made mention that the Authority did have a contact for a lobbyist. He wanted to find out how the clients of that lobbyist fared out in April's

selection. The cost for a lobbyist was approximately \$2500 to \$5000. If the board thinks it is feasible they may decide to get a lobbyist.

It was suggested to have a meeting with the lobbyist, and the local legislators, DEP, Adams County members and those who would make the biggest impact. Should they have more people there to push the project or just a limited amount of people to meet with them?

Gerald Mummert wanted to know if CW Test was still interested in the project. Andy Miller stated that the Authority is not that far along in any discussions for any potential investor to put any money into the project at this point. The investors are looking at this at the back end for the tapping fees connections.

A question arose should the Authority build a plant for just East Berlin or a bigger one for East Berlin and Hamilton Twp. The Authority has to look into the future, and is it economically wise to build a less expensive and smaller plant, right now and then expand it later on. It was stated that the cost savings to scale back the sewer plant would be minimal compared to the EDU's you would cut down on. You would have to redesign the plant and wouldn't be have anything ready for the next round of funding.

Andy Miller stated he has spoke with Tim Shultis last week and he said Mr. Shultis understood the impact on the Borough residents. Gerald Mummert relayed information he received from some Borough residents that they understood CW Test didn't have to join into the Borough sewer system. They don't understand why the rates have to go up, and everything is fine the way it is. The residents don't understand that no matter what the sewer system still needs to be upgraded.

Gerald stated he would check with Skip Strayer whether the email list pertains to the H2O package or the next Pennvest allotment. Bruce stated the H2O was written with a stipulation that 75% has to go outside the Philadelphia area.

Andy Miller questioned if they could talk to Bruce and have Buchart Horn design the water system. They would like to talk to him prior to next week's meeting and put together an application for the water system, and bring a proposal to the meeting next week. They do not want to jeopardize anything. They were told this would have to come before the board. Andy Miller stated Bruce would be the Task consultant on the water system, and any grant application they would apply for would have to come from the Authority, because Test's would not be able to apply for the money on their own. Andy Miller stated he felt the Authority still had an interest in getting the wells developed and they would have the supply available.