

**MINUTES OF THE APRIL 5, 2022 MEETING OF THE
WEST CORNWALL TOWNSHIP MUNICIPAL AUTHORITY**

The following are the minutes of the meeting of West Cornwall Township Municipal Authority held at the West Cornwall Township building situate at 73 South Zinn's Mill Road, Quentin, Lebanon County, Pennsylvania, on Tuesday, April 5, 2022 at 6:00 p.m. The meeting was duly advertised as required by the applicable statutes of the Commonwealth of Pennsylvania.

Present at the meeting were James Shoemaker, Robert Kolb, Glenn Yanos, William Matthews, Marty Daigle, and Dennis Tulli, Authority Board members; David Lloyd and Russ Gibble, West Cornwall Township Supervisors; Jeffrey Steckbeck, P.E., Manager/Engineer; Amy B. Leonard, Esq., Solicitor. Joseph Foltz was absent.

A motion was made and seconded to approve the meeting minutes from the February 1, 2022 meeting of the West Cornwall Township Municipal Authority, with all voting in favor.

Manager's / Engineer's Report – Mr. Steckbeck reviewed the financing options for the \$1,000,000 loan from People's Security Bank & Trust for the purchase of the Quentin Water Company. The first option was a 20-year fixed rate of 2.75% with a 20-year amortization. The second option was a 15-year fixed rate of 2.50% with a 20-year amortization and a maximum floating rate after the 15th year of 3.25%. The third option was a 10-year fixed rate of 2.25%, with a 20-year amortization and a maximum floating rate after the 10th year of 3.25%. Option 3 resulted in the lowest overall repayment (assuming maximum floating rates applied) of \$1,289,545.00. Mr. Tulli made a motion, seconded by Mr. Matthews, to choose Option 3. All voted in favor of the Motion.

Mr. Steckbeck reviewed the Quentin, Stoberdale, and Money Market accounts for February and March 2022, and directed that those statements be attached to the minutes. Mr. Steckbeck noted that the Quentin and Money Market accounts were combined into one account and transferred to a new account at People's Security Bank & Trust. The Stoberdale account was also moved to People's. In addition, Mr. Steckbeck opened a specific water account with People's, anticipating the water company purchase. A Motion was made and seconded to approve the financial reports, and all voted in favor.

Mr. Steckbeck reviewed the Envirep Service Agreement. Replacement of impellers and wear plates on 4 pumps was recommended. This expense was in the budget. A Motion was made and seconded to approve the expense, with all voting in favor.

Mr. Steckbeck also provided a copy of the Chapter 94 report, which was submitted to the City of Lebanon Authority. Mr. Steckbeck reviewed the report, including the average flows per EDU and the portion that reflects infiltration and inflow. It was noted that there is still capacity in the system at this time.

Solicitor's Report – Attorney Leonard reported that the USDA loan refinancing with People's Security Bank & Trust was completed in late February. Attorney Leonard reported that she completed a draft Asset Purchase Agreement related to the purchase of the Quentin Water Company, and had provided that draft to both Attorney Christianson and the Authority members for their review. Attorney Leonard advised that she anticipated certain provisions would require discussion prior to the Agreement being finalized for execution. The Water Company would need to provide information related to all of its infrastructure and permits to be conveyed to the Authority. In addition, because the Quentin Water Company is subject to PUC regulation, it was anticipated that the PUC would need to approve the sale of the Water Company to the

Municipal Authority. Attorney Leonard was not certain how long this process would take or what steps would be involved, but this will need to be coordinated with the Quentin Water Company. Attorney Leonard noted that the Authority would need to close on the loan to purchase the Water Company prior to finalizing the Agreement with the Water Company to take advantage of the current interest rates. If for any reason the purchase of the Water Company did not go forward, the Authority could prepay the loan without penalty.

Mr. Matthews made a Motion to adjourn at 6:25 p.m., seconded by Mr. Yanos.

The next meeting of the West Cornwall Township Municipal Authority will be May 3, 2022.

Respectfully submitted,
Amy B. Leonard, Solicitor