

MINUTES OF THE REGULAR MEETING  
OF THE LAVALE SANITARY COMMISSION  
FEBRUARY 11, 2021

The regular meeting of the Commissioners of the LaVale Sanitary Commission was held at the Commission's office in LaVale, Maryland on Thursday, February 11, 2021, at 9:00 AM.

Chairman Gehauf, Commissioner George attended at the Commission office. Commissioner Young, Hensel and Supervisor Brodie attended via Zoom. Director of Operations Wendt was present at the office. Commissioner Deffenbaugh was absent.

Larry Boggs, Wells Fargo advisor, was in attendance via Zoom.

Chairman Gehauf called the meeting to order and stated the minutes of the meeting of January 14, 2021 had been mailed to the Commissioners. Commissioner George moved that the minutes be approved. Commissioner Young seconded and it was unanimously carried.

Chairman Gehauf turned the meeting over to Mr. Boggs. Mr. Boggs stated he was in attendance to discuss the Commission's pension plan investment. He stated the fund had been moved into a more conservative plan prior to the elections and the Commission may want to consider returning the funds to the original plan. Discussion followed concerning the market and the investment strategy. Commissioner George moved the pension funds be moved back to the original allocation. Commissioner Young seconded and it was unanimously carried. Mr. Boggs left the meeting at 9:30 AM.

Chairman Gehauf asked Mr. Brodie for his maintenance report. Mr. Brodie stated that Commission personnel were working on problem sewers.

Mr. Brodie reported on three sewer blockages. The blockages were located on Applewood Drive, Cupler Drive, and Second Street. He went on to say the blockage on Cupler Drive was caused by paper towels from Lowes.

Mr. Wendt stated he had contacted Lowes concerning the issue. He went on to say that ultimately the Commission may need to force them to install a grinder pump to eliminate the issue. Discussion followed concerning the issue.

Mr. Brodie then stated that Commission personnel had installed the outside meter at 4 Orchard Street. Mr. Brodie stated it was installed without any issues with the homeowners.

Mr. Brodie then reported that Commission personnel had repaired a leak on the six-inch water main at 1141 Braddock Road. He stated it was a full circle break and was repaired with little interruption to the customers.

Mr. Brodie then reported the Maryland State Police Barracks had finished all testing and was now in service.

Mr. Wendt then presented the Commission with copies of the Water, Sewer, and Revenue reports for January 2021.

During December 2020, lost water was 68,586 gallons per day.

During January 2021, lost water was 60,497 gallons per day.

Zone 1 Lost	0 Gallons per day	Zone 2 Lost	19,286 Gallons per day
Zone 3 Lost	14,796 Gallons per day	Zone 4 Lost	7,115 Gallons per day
Zone 5 Lost	11,088 Gallons per day	Zone 5A Lost	2,377 Gallons per day
Zone 6 Lost	11,591 Gallons per day	Zone 7 Lost	20,093 Gallons per day
Zone 8 Lost	0 Gallons per day		

Discussion continued concerning the reports.

Under the heading of Communications, Mr. Wendt updated the Commission on the bond refinancing. He presented the Commission with a copy of the Request for Proposals as prepared Davenport Financial. He stated the RFP would be distributed to various lenders and were due back in by March 3, 2021. Discussion followed concerning the refinancing.

Mr. Wendt then presented the Commission with proposed updates to the personnel policy and Commission rules. The first change concerned the death benefit policy added at the January meeting. The second updated the Commission's bad check policy. Mr. Wendt stated the wording needed to be updated so that bank charges for returned checks could be passed on to the customers as incurred. He stated that presently it was a fixed charge and did not cover the charges from all banks. He also asked that the Commission returned check fee for a second offence be increased to \$75.00. A copy of the changes is attached to these minutes.

Mr. Wendt briefed the Commission on the virtual PACE meeting held on January 14, 2021. He stated the meeting was held virtually on Zoom. He stated he and Commissioner Young attended on behalf of the Commission. Mr. Wendt stated he discussed the Winchester Road Project with Don Shephard of the USDA. He went on to say that since the meeting he had numerous discussions with the USDA concerning the funding application. Mr. Wendt briefed the Commission on the status of the application process. He stated he was under the impression that the USDA wanted to loan the



money as opposed to the loan/grant package that was originally proposed. Discussion followed concerning the funding. Mr. Wendt stated he would continue to work on the application package.

Under the heading of New Business, Mr. Brodie briefed the Commission on a project on Orchard Street. Mr. Brodie stated that during the installation of the outside meter at 4 Orchard Street it was discovered that the galvanized main is in terrible condition. He went on to say we were working on getting some quotes for the job. Discussion followed concerning the project.

Chairman Gehauf moved the public meeting be closed. Commissioner Deffenbaugh seconded and it was unanimously carried. The public meeting was closed at 10:05 AM.

  
Chairman

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Secretary-Treasurer

## RESOLUTION

### **A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE LAVALE SANITARY COMMISSION TO REIMBURSE EXPENDITURES TO BE INCURRED WITH RESPECT TO CERTAIN PROJECTS WITH THE PROCEEDS OF DEBT TO BE ISSUED BY OR ON BEHALF OF THE LAVALE SANITARY COMMISSION**

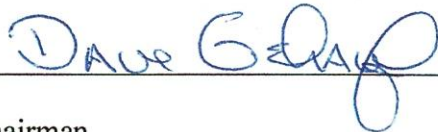
**WHEREAS**, to facilitate an efficient borrowing program, the LaVale Sanitary Commission (the "Commission") intends to expend money on certain projects prior to the issuance of debt by or on behalf of the Commission for such purposes; and

**WHEREAS**, the Commission intends to reimburse such expenditures from the proceeds of debt to be issued by or on behalf of the Commission; and

**WHEREAS**, to comply with applicable provisions of the Internal Revenue Code of 1986, as amended, and Section 1.150-2 of the Income Tax Regulations, it is necessary, in order to reimburse such expenditures with the proceeds of tax-exempt debt, that the LaVale Sanitary Commission declare its official intent to make such a reimbursement of expenditures;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the LaVale Sanitary Commission that, as evidenced by this Resolution, the Commission intends to expend money on the cost of the acquisition, construction, and improvements of the capital projects described in Exhibit A attached hereto prior to the issuance of bonds or other debt obligations to reimburse such expenditures. With respect to such projects, the Commission reasonably expects to issue debt obligations for these projects in the estimated maximum principal amount of two million eighty three thousand nine hundred Dollars (\$2,083,900.00).

**LAVALE SANITARY COMMISSION**

  
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Chairman

Date: March 11, 2021

## **EXHIBIT A**

### **DESCRIPTION OF PROJECTS**

#### **Braddock Run and Wills Creek Water Utility Improvement**

This project consists of the replacement of the twelve inch water main serving LaVale, Corriganville and Ellerslie. The new water main will be routed from the connection with the City of Cumberland through US Route 40 to existing connection in LaVale and Locust Grove. The project will replace the fifty year old existing main.