

KELLY TOWNSHIP MUNICIPAL AUTHORITY 10/08/25 MEETING MINUTES

At 4:00 PM Chairman Chris Baylor called the meeting to order with the following in attendance: Vice Chairman Cody Lytle, Treasurer Lucas Criswell, Asst. Secretary/Treasurer Clint Morris, Josh Satteson HRG, Matthew Aikey and Contessa Koch.

A motion was made by Clint Morris and seconded by Cody Lytle to approve 9/10/25 Meeting Minutes as recorded. All in Favor. Motion carried.

A motion was made by Clint Morris and seconded by Cody Lytle to approve the KTMA Financial Reports for September. All in Favor. Motion carried.

A motion was made by Clint Morris and seconded by Cody Lytle to approve the Kelly Crossroads Financial Reports for September. All in Favor. Motion carried.

A motion was made by Clint Morris and seconded by Cody Lytle to approve Revenue Check# 1216 in the amount of \$130,000.00 for October Working Capital. All in Favor. Motion carried.

A motion was made by Clint Morris and seconded by Cody Lytle to approve Construction Check# 1213 in the amount of \$410.00 to PA Department of Transportation for HOP application fees for the Roundabout sewer replacement project. All in Favor. Motion carried.

Approve Construction Check# 1214 in the amount of \$18,900.00 to Buffalo Valley Fence for repair/replacement to the damaged fence at the main plant. All in Favor. Motion carried.

Approve Construction Check# 1215 in the amount of \$7,015.00 to HRG for RT 15 project and the Roundabout sewer replacement project. All in Favor. Motion carried.

REPORTS

Solicitor's Report – Rob Martin, Esquire
Nothing to Report

Engineer's Report – Josh Satteson (HRG)

Rt 15 Sanitary Sewer Forcemain Replacement Project

Nothing to Report – Government Shutdown

USDA will require resumes for Resident Project Representatives (RPR) to oversee the project to consider funding for the project. The Authority can provide employee resumes to act as RPRs or HRG can help with this as well if needed.

Harold Pawling Lane

HRG continues to work with the Authority and is helping with postponement of this project until 2026.

Matt Aikey sent emails to Angie Hunselman of SEDA-COG and the commissioners explaining our position that we accept the grant money but ask that the Authority be considered for more funding next year to complete the project.

A response was received by Angie requesting a user fee analysis form be completed to attach to the application. Matt Aikey will reach out to her for clarification of the form.

Roundabout Project

The Highway Occupancy Permit (HOP) was granted for the roundabout project. The next step will be putting it out for bid.

NPDES Permit Renewal

HRG is working with the Authority to complete the NPDES permit renewal for Kelly Crossroads treatment plant. It was submitted and is waiting for approval. If the permit expires before renewal the Authority can continue to operate under the old permit until it is approved.

Dubois WWTP Site Visit

HRG designed a large wastewater treatment plant in Dubois. Josh would like Matt Aikey and any Board members who would like to take a tour of the plant to see the electrical building. This will be something the Authority will need to upgrade soon, and it would be beneficial to look at this system. Josh is working on setting up a day and time for the tour.

An electrical assessment was performed by Matt Moore, the electrical engineer for HRG and it was presented to the Board for review. There are several areas that need to be addressed as soon as possible. A tentative estimate would be around \$400,000.00 for the building, \$400,000.00 for the electrical system and \$250,000.00 for the generator.

As discussed at last month's meeting, a new chlorine building should also be built to separate the electrical building from the chlorine building. This estimate is approximately \$600,000.00 with everything included.

Overall, the project would be about \$1.7 million for the upgrades.

Executive Director's Report – Matthew Aikey

2024-2025 Fiscal Year Audit

The 2024-2025 Audit was completed by Doug Parker, and a copy was presented to the Board for review.

A motion was made by Lucas Criswell and seconded by Cody Lytle to approve the 2024-2025 Fiscal Year Audit as presented. All in Favor. Motion carried.

Sewer Rates

After a long discussion and review of the recent cost increases in operation expenses and plant updates, the Board agreed to a sewer rate increase of approximately 10%. The increase will be \$44.00 for Residential customers and \$95.00 for Commercial customers effective January 1, 2026.

A motion was made by Cody Lytle and seconded by Clint Morris to approve a sewer rate increase of 10% rounded to the nearest dollar. \$44.00 for Residential customers and \$95.00 for Commercial customers effective January 1, 2026. All in Favor. Motion carried.

457(b) Plan

The Authority has a qualified Governmental 457(b) Deferred Compensation Plan for retirement. Employees are required to contribute 1% to the plan but can contribute up to 15%. The Authority contributes 5% to the plan for qualified employees. A question has been raised about taxation of the Employer contribution to the plan regarding state and local tax. After much research and discussion on the subject, it is still unclear how to handle the taxation of the employer contribution. It clearly states that the employee contribution is taxed for FICA, State and Local but not Federal. It is also clearly stated that the Employer contribution should be taxed for FICA and not Federal, but it is unclear regarding State and Local tax for employer contributions. Research will continue to find an answer to this question and a resolution to this matter.

Kelly Crossroads Agreement

Matt Aikey, Contessa Koch and Chris Baylor met with the Kelly Township Supervisors to discuss the Kelly Crossroads Sanitary Sewer Agreement. The Authority would like to review the agreement and reevaluate the operation and maintenance of the treatment plant. The Authority does not currently bill the Supervisors to operate and maintain the facility, and the Authority requested a meeting to discuss the cost of operating the treatment plant. The Supervisors are open to discussion and would like the Authority Board to make recommendations regarding this matter. A future meeting will be held with both Boards to decide what is best for all parties involved.

Sludge Income Report

The Sludge Income Report for September was \$19,259.08. The Board discussed increasing the sludge disposal rates as of January 1, 2026, due to cost increases to process sludge and haul sludge to the landfill. Matt Aikey will present a recommendation for increase at next month's board meeting.

Resolution for LSA Grant

Matthew Aikey is working to obtain multiple grants for equipment for the Authority. The grants are complete and require Resolutions to finish the submission process. They are due by November 30, 2025.

A request was made to pass the following resolutions:

1. Resolution 2025-02 requesting a Statewide Local Share Assessment grant of \$499,295.53 from Commonwealth Financing Authority to be used for the purchase of a Jet/Vac Combination Truck.

A motion was made by Clint Morris and seconded by Cody Lytle to pass Resolution 2025-02 as written to apply for a grant to purchase a Jet/Vac Combination Truck. All in Favor. Motion carried.

2. Resolution 2025-03 requesting a Statewide Local Share Assessment grant of \$221,612.98 from Commonwealth Financing Authority to be used for the purchase of an Inspection Camera Unit.

A motion was made by Cody Lytle and seconded by Clint Morris to pass Resolution 2025-03 as written to apply for a grant to purchase an Inspection Camera Unit. All in Favor. Motion carried.

(A copy of the Resolutions is included in the official meeting minutes.)

Municibid

The Authority listed the following items on Municibid for sale.

1. 2017 Ram ProMaster Van – FINAL BID - \$12,100.00

A motion was made by Lucas Criswell and seconded by Clint Morris to approve sale of the 2017 Ram ProMaster Van in the amount of \$12,100.00 All in Favor. Motion carried.

2. Power Angle Broom - FINAL BID - \$800.00

A motion was made by Clint Morris and seconded by Lucas Criswell to approve sale of the Power Angle Broom in the amount of \$800.00. All in Favor. Motion carried.

3. Hydraulic Unit – FINAL BID - \$61.00

A motion was made by Cody Lytle and seconded by Lucas Criswell to approve sale of the Hydraulic Unit in the amount of \$61.00. All in Favor. Motion carried.

Personnel

Contessa Koch presented a letter to Matt Aikey and the Authority Board resigning from the role of office manager. She is committed to ensuring a smooth transition and will train a new employee for the bookkeeper/treasurer position. Her last day of employment will depend upon the length of time it takes to train a new employee but will not exceed July 19, 2026. The Board supported her decision and wished her all the best in her new endeavor.

NEW BUSINESS

Bookkeeper/Treasurer Position

The position for bookkeeper/treasurer was posted on indeed. There were approximately 15 qualified candidates that applied for the position. One candidate stood out from the rest of the applicants and possessed every requirement of the position. The applicant was interviewed and after an impressive interview was made an offer for the job. She accepted the offer and will start in November.

Safety Walkthrough

Cody Lytle suggested having a safety walkthrough done to see what concerns in the plant need to be addressed immediately. Matt Aikey will look in to setting this up.

New Truck

A proposal was presented to the Board to purchase a 2025 Ford F-250 4x4 SD Super Cab in the amount of \$63,907.57 minus \$12,100.00 down payment for sale of the van. After review and discussion, the Board agreed to purchase the new truck from Sunbury Motors Ford.

A motion was made via e vote by Lucas Criswell and seconded by Clint Morris to purchase the 2025 Ford F-250 4x4 Super Cab from Sunbury Motors Ford in the amount of \$63,907.57 to replace the van.
All in Favor. Motion carried.

A motion was made by Chris Baylor and seconded by Clint Morris to adjourn. The meeting was adjourned at 5:45pm. All in Favor. Motion carried

Respectfully Submitted,

By: 
Contessa R Koch, Recording Secretary