

**CHALFONT-NEW BRITAIN TOWNSHIP JOINT SEWAGE AUTHORITY**

**BOARD MEETING MINUTES**

**August 23, 2016**

The semi-monthly meeting of the Chalfont-New Britain Township Joint Sewage Authority was held on Tuesday, August 23, 2016, in the Authority's meeting room.

**Present:** Joseph Bonner, Chairman; Gustave Haun, Treasurer; Timothy Hagey, Assistant Treasurer; and Donald Cameron, Assistant Secretary. Also present were Joseph Nolan, P.E., Authority Engineer, John Schmidt, Executive Director, Thomas Hauser, Superintendent and Andrew Freimuth, Authority Solicitor. William Rissing, Vice Chairman and William Evans, Secretary were absent.

The Chairman called the meeting to order at 4:00 p.m.

**PUBLIC COMMENT**

No members of the public were present.

**REPORTS OF OFFICERS**

No reports of officers were presented.

**COMMITTEE REPORTS**

No Committee reports were presented.

**SUPERINTENDENT'S REPORT – Thomas Hauser**

Mr. Hauser reported that treatment plant operations for the month of July were normal. The process performance and resulting effluent quality were excellent.

Precipitation: 7.95 inches

Average Daily Flow: 2.75 MGD

Peak Day Flow: 6.07 MG

Process performance was within all parameters with nitrate and fecal coliforms levels well within their respective limits. Routine maintenance was performed as scheduled in the plant. Mr. Hauser reported the necessary work performed in the plant. Plant staff removed biosolids and sand from the drying beds to enable contractors to perform necessary work. Plant staff repaired lights in the centrifuge building and assisted the electrical contractor on the site to restore electrical power and internet to the administration building. A new drive and bottom bearing on the inclined sludge conveyor from the centrifuge were installed and Mr. Hauser noted that there were multiple alarms at the influent pump station on July 25, 2016. The controls were rebooted, which returned the influent pump station to normal operation. Mr. Hauser also

reported that sludge leaked from a partially removed pipe for the No. 1 digester and accumulated in the basement. The leak was stopped and plant staff cleaned-up the leakage.

In the collection system, the “B” meter run was read, twenty-three (23) manhole chimneys were sealed and three (3) manholes were raised. A lateral installation at 119 North Lane was inspected. Verizon addressed issues within the operation of the telephones at Pump Station Nos. 4 and 6. PA One Call markings were performed along with sanitary sewer installation inspections for the Colebrook development on School House Road.

A question was asked from the Board about the extent of the sludge leak. Mr. Hauser reported that the leak was minor and contained.

### **EXECUTIVE DIRECTOR’S REPORT – John E. Schmidt**

Mr. Schmidt introduced Jamie Schlesinger from PFM Financial Advisors LLC to discuss renegotiating and refinancing options related to the Authority’s existing debt. Mr. Schlesinger presented the Board with information regarding the possibility of refinancing the Authority’s existing debt with another bank for a fix term and the possibility of renegotiating the terms of the existing debt with Univest Bank. Mr. Schlesinger recommended that the Authority approach the marketplace about a possible refinancing while at the same time discussing the possible renegotiation of the existing terms of the debt with Univest. He noted for the Board that one downside of refinancing existing debt with a new bank would be the possibility of pre-payment limitation for some period of time in the future.

Mr. Cameron inquired about extending the term of the existing debt. There was general discussion regarding the pros and cons of extending the term and the current condition of the Authority’s cash flow. Mr. Schlesinger noted that an extended term would likely result in a higher interest rate, although the rate would probably be fixed. Mr. Schmidt reported that the Authority currently has no cash flow concerns.

Mr. Schmidt asked about the impact of a refinancing on any potential borrowings by the Authority in the future. Mr. Schlesinger opined that the Authority is currently in a good position to consider an additional borrowing, if necessary, within the next five (5) years, given the Authority’s current debt profile.

There was general discussion between the Board and Mr. Schlesinger regarding the scope of future services to be provided by Mr. Schlesinger and the need for the execution of an agreement between PFM Financial Advisors LLC and the Authority with regard to such services.

Mr. Haun indicated that he would like to see information and projections related to shortening the term of the Authority’s existing debt. The consensus of the Board was to have Mr. Schlesinger evaluate refinancing and renegotiation options over a seven (7) year term and a ten (10) year term.

**MOTION:** It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to authorize PFM Financial Advisors LLC to proceed with evaluating the possible refinancing and renegotiation of the Authority’s existing debt over a seven (7) year term and a ten (10) year term and to authorize

the execution of a professional services agreement with PFM Financial Advisors LLC. The Motion was unanimously adopted.

Mr. Schmidt reported that a Sewage Capacity Agreement has been executed by New Britain Township and Blue Bus Holdings with regard to property owned by Blue Bus Holdings in the Township. The development consists of the construction of a two-story office building and the property is located on School House Road. The stated capacity in the Agreement is 2,500 gallons per day.

There was general discussion by the Board regarding the location of the property.

**MOTION:** It was **MOVED** by Mr. Hagey and **SECONDED** by Mr. Cameron to approve the Sewage Capacity Agreement for Blue Bus Holdings at 2,500 gallons per day. The Motion was unanimously adopted.

Mr. Schmidt presented a Developer Agreement for approval by the Board regarding the Toll Brothers development known as New Britain Woods. The developer has paid the required tapping fee to the Authority and provided the Authority with the fee required for future operation and maintenance of the pump station to be constructed as part of the development. Mr. Schmidt also reported that the developer has delivered the required escrow to the Township in connection with the Agreement.

**MOTION:** It was **MOVED** by Mr. Cameron and **SECONDED** by Mr. Haun to approve the Developer Agreement between the Authority and Toll Brothers regarding the New Britain Woods development. The Motion was unanimously adopted.

Mr. Schmidt reported that an executed trail easement agreement has been delivered to New Britain Township for execution and recording by the Township.

Mr. Schmidt asked if any members of the Board had any comments on the draft minutes for the Board's August 9, 2016 meeting. The Board did not have any comments.

#### **ENGINEER'S REPORT – Joseph Nolan, P.E.**

In terms of the Phase III Update, Mr. Nolan reported that progress is being made on construction activities related to the front entrance to the administration building and that, in connection therewith, the Authority has complied with all applicable handicap accessibility requirements of Doylestown Township. In addition, work is progressing on the addition to the rear of the administration building and the General Contractor is currently working on the foundation for the new emergency generator.

During roofing work in connection with the Phase III Update, the roofing contractor noticed significant moisture issues with the roof on the biosolids building. CKS observed the condition and requested a proposal to replace the roof. Mr. Nolan reported that the replacement of the roof over the biosolids building is complicated by the fact that it is attached to the roof over the centrifuge building. CKS received pricing from the roofing contractor to replace the roof on

both buildings at a cost of \$122,000. Pricing was also provided with regard to replacing the roof on the maintenance building at a cost of \$65,000.

General discussion ensued by the Board related to the size and type of the roofs to be replaced and the current need to replace the roofs.

There was also general discussion regarding including the roof replacement as a change order for the Phase III Update. Mr. Nolan discussed with the Board a potential cost savings due to an expected change order related to the blower package for the Phase III Update.

Mr. Hagey asked Mr. Nolan whether he thought the price received from the roofing contractor was reasonable. Mr. Nolan thought that the pricing was reasonable for the type of roofing material to be installed but indicated his willingness to verify the reasonableness of the proposal through additional research. The Board was in agreement with Mr. Hagey that it would be prudent to further evaluate the reasonableness of the pricing received from the roofing contractor.

#### **SOLICITOR'S REPORT – Andrew Freimuth, Esquire**

Mr. Freimuth had no report.

#### **OTHER BUSINESS**

Mr. Cameron indicated that he would not be in attendance at the Board's September 13, 2016 meeting.

#### **ADJOURNMENT**

**MOTION:** It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to adjourn the meeting. The Motion was unanimously adopted.

The meeting was adjourned at approximately 4:45 p.m.

Respectfully submitted,

Andrew Freimuth, Solicitor  
and Recording Secretary