

CHALFONT-NEW BRITAIN TOWNSHIP JOINT SEWAGE AUTHORITY

BOARD MEETING MINUTES

June 11, 2013

The semi-monthly meeting of the Chalfont-New Britain Township Joint Sewage Authority was held on Tuesday, June 11, 2013, in the Authority's meeting room.

Present: Joseph Bonner, Chairman; William Rissinger, Vice Chairman; Timothy Hagey, Assistant Treasurer; Donald Cameron, Assistant Secretary; and William Evans, Secretary. Also present were Thomas Hauser, Superintendent; Joseph Bagley, Solicitor; John Schmidt, Executive Director; and Joseph Nolan, Engineer. Gustave Haun, Treasurer was absent.

The Chairman called the meeting to order at 7:30 p.m.

APPROVAL OF MINUTES

MOTION: It was **MOVED** by Mr. Rissinger and **SECONDED** by Mr. Cameron to approve the Board meeting minutes of May 14, 2013 as distributed to the Board. The motion was unanimously adopted.

MOTION: It was **MOVED** by Mr. Cameron and **SECONDED** by Mr. Rissinger to approve the Board meeting minutes of May 28, 2013 as distributed to the Board. The motion was unanimously adopted.

PUBLIC COMMENT

Jamie Schlesinger of the PFM Group was present and made a presentation.

REPORTS OF OFFICERS

There were no reports from officers.

COMMITTEE REPORTS

There were no Committee reports presented.

EXECUTIVE DIRECTOR'S REPORT – John E. Schmidt

Mr. Schmidt presented a four-page summary of the 2012-2013 Budget Report identifying all funds. The Report presented the 12-month Fiscal Year End revenues and expenses prior to audit. He highlighted certain items including revenues received from Montgomery Township, a refund to Bucks County Water and Sewer Authority, a 27-week pay schedule in 2012, a reduction in pump station power used due to elimination of two pump stations, increased costs this year due to NPDES permit renewal, a projected decrease in plant maintenance and electrical repairs primarily due to the installation of new equipment with the current construction projects, the reduction in fuel costs for the dryer as it was switched over to natural gas, and a reduction of the costs expected for medical insurance. With respect to Fund 2, Mr. Schmidt highlighted that no new projects were expected in the collection system for next year but money was allotted for pump overhauls and replacements in case they happen. Fund 3 showed construction projects

expenses and loan proceeds. Mr. Schmidt also pointed out that Line 143 shows expected capital contributions from BCWSA of \$1 million. He noted that Mr. Nolan was working on a cost sharing report for the entirety of the expansion and upgrade projects. A discussion ensued about the estimated costs for BCWSA and Mr. Nolan indicated that he had spoken to Mr. Swenson of Carroll Engineering about the various Authority projects on more than one occasion. BCWSA had been sent an estimate for the Phase II Project as well as copies of the permit and bid tabulation for Phase II. Mr. Schmidt further noted that Fund 3 had received almost \$1 million in tapping fees last year. A member of the Board inquired whether Mr. Schmidt expected any relining of sewer lines in the coming year. Mr. Schmidt indicated that he did not expect any extensive amount of relining to take place.

Mr. Schmidt presented an amendment to the February 22, 2011 Sewer Services Agreement with Warrington Township. Mr. Schmidt noted that four (4) properties are being added to those in Warrington Township which will be serviced by Chalfont-New Britain Township Joint Sewage Authority.

MOTION: It was **MOVED** by Mr. Evans and **SECONDED** by Mr. Rissinger to approve the amendment to the February 22, 2011 Agreement. The motion was unanimously adopted.

Mr. Schmidt inquired about those who will be attending the June 20 PMAA dinner.

Mr. Schmidt reminded the Board that the CNB truck would be used in an upcoming parade on the Fourth of July and that a rider is welcome.

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

Mr. Nolan provided a project update on the Phase II Upgrade Project. Representatives of the Authority met with Thomas Controls last Thursday, June 6. Thomas Controls has improved on each of the default issues pointed out to them in writing by the Authority. Thomas Controls has represented that the systems integrator will provide a submittal this week to CKS Engineers. Mr. Nolan referenced a recommendation of the Solicitor's office that Mr. Wallack need not attend the next progress meeting with Thomas Controls unless the current progress changes. CKS is holding coordination meetings between the general contractor and Thomas Controls.

A question was asked about the systems integrator. Mr. Nolan indicated that Thomas Controls had finally selected Essex Controls of Ivyland who is supposed to provide a submittal to CKS this week.

Mr. Nolan reported that he is working on the preliminary scope and cost estimate for Phase III of the Upgrade Project. He has held four (4) separate meetings with Mr. Hauser and Mr. Schmidt to discuss the components of the Phase III Project. A discussion ensued resulting in the Facilities Committee taking a tour of various parts of the plant encompassed within the proposed Phase III to look at the facilities involved.

Mr. Nolan presented Requisition No. 126 for Capital Expenditures in the amount of \$14,019.98 consisting of expenses for the silo project and for a heat pump.

MOTION: It was **MOVED** by Mr. Hagey and **SECONDED** by Mr. Rissinger to approve Requisition No. 126 for Capital Expenditures in the amount of \$14,019.98. The Motion was unanimously adopted.

Mr. Nolan next presented Requisition No. 169 for Capital Improvements in the amount of \$468,000.24 consisting of payments to the contractors for the Phase II Project as well as construction management and design work, legal fees and payments to Keystone Engineering related to the SCADA system.

MOTION: It was **MOVED** by Mr. Rissinger and **SECONDED** by Mr. Hagey to approve Requisition No. 169 for Capital Improvements in the amount of \$468,000.24. The Motion was unanimously adopted.

SOLICITOR'S REPORT – Joseph M. Bagley, Esquire

The Board recessed into Executive Session at approximately 8:20 p.m. to discuss pending litigation involving a former employee of the Authority.

The Board returned to its regular session at approximately 8:25 p.m.

TREASURER'S REPORT – Timothy Hagey, Treasurer

Mr. Hagey presented the General Operating Expenses for the month amounting to \$286,322.47 as well as the previously-approved Capital Expenditures and Capital Improvements. Along with the Capital Improvements in the loan fund of \$22,042.82, total expenditures for the month amounted to \$790,385.51 and Mr. Hagey recommended approval to pay the bills.

MOTION: It was **MOVED** by Mr. Cameron and **SECONDED** by Mr. Evans to approve the total expenditures for the month of \$790,385.51. The Motion was unanimously adopted.

It was noted that the Board had previously and formally authorized escrow disbursements from Fund 4.

OTHER BUSINESS

A question was asked by a member of the Board about the status of the silo project. Mr. Hauser indicated that it is not yet up and running and explained that work is being performed in mounting a gear box on a conveyor. Mr. Hauser indicated that he hopes it would be operational in one (1) week.

The Chairman inquired whether there was anything new for the agenda for the June 25 meeting. There was no response.

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

The meeting was adjourned at approximately 8:31 p.m.

Respectfully submitted,

Joseph M. Bagley, Solicitor

William T. Evans, Secretary