

CHALFONT-NEW BRITAIN TOWNSHIP JOINT SEWAGE AUTHORITY

BOARD MEETING MINUTES

October 8, 2013

The semi-monthly meeting of the Chalfont-New Britain Township Joint Sewage Authority was held on Tuesday, October 8, 2013, in the Authority's meeting room.

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

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

ADOPTION OF MINUTES

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Rissinger to approve the Board meeting minutes of September 10 and 24, 2013. The motion was adopted 4-0 with Mr. Evans abstaining due to his absence from the meeting on September 24.

PUBLIC COMMENT

Mr. Chris Schiele of 78 Patriot Drive appeared and made a formal request of the Board with regard to building a deck in his rear yard and wished to address a possible encroachment into the Authority's easement located in the rear of his property. Mr. Schiele provided a narrative of the ownership of his property, expansion of the dwelling over the years and provided hand-drawn drawings of the property. Mr. Schiele requested relief from the Board for the construction of a deck in his rear yard over the easement possessed by the Authority in the form of either a written agreement or a "shift" of part of the easement by 5 feet. After various questions from the Board, Mr. Schiele agreed that Mr. Schmidt could contact him in the future with regard to the Board's response. Mr. Schiele left the meeting at approximately 7:42 p.m.

Mr. John Ramey of Bee, Bergvall & Company presented the annual audit report. Copies of the financial statements had previously been distributed to the Board. Mr. Ramey also distributed a financial analysis with charts of revenues, expenses and net income for 2013. Mr. Ramey discussed the receipt of tapping fees during the 2013 fiscal year and its impact on net income. There were questions and a discussion regarding depreciation. The Board thanked Mr. Ramey. Mr. Ramey left the meeting at approximately 7:50 p.m.

COMMITTEE REPORTS

Mr. Haun announced that a Finance Committee meeting will take place on Friday, October 18 at 1:30 p.m. at the Authority meeting room. Attorney Bucky Clausser and Jamie Schlesinger of PFM will be present.

EXECUTIVE DIRECTOR'S REPORT – John E. Schmidt

Mr. Schmidt reported that the Authority received the Aetna Medicare Plan for the coming year and was provided one (1) week to renew or cancel the Plan. The new plan includes an approximately 21% increase in costs. The quoted price involves an increase from \$341 per person to \$399 per person for 2014. Mr. Schmidt reported that there are currently six (6) employees and spouses on the Medicare Plan of the Authority. The increase in cost amounts to approximately \$1700 in total for the remainder of the fiscal year. Mr. Schmidt stated that the Authority had averaged approximately a 10% increase each year over the past three (3) years for the Medicare Plan. Mr. Schmidt generally discussed that the renewal in 2015 for the regular Aetna health plan may provide for a large number of price categories as a result of the Affordable Healthcare Act (Obama Care).

MOTION: It was **MOVED** by Mr. Evans and **SECONDED** by Mr. Rissinger to approve the Aetna Medicare renewal for 2014 as presented. The Motion was unanimously adopted.

Mr. Schmidt reported that the Authority had applied for the renewal of two (2) permits: the NPDES discharge permit, and the biosolids land application permit. In response to questions, Mr. Schmidt stated that the annual fee for the plant permit was \$1250 per year and the 3-year biosolids permit is \$500.

Mr. Schmidt reminded the Board of the mid-November PMAA meeting.

Mr. Schmidt reported that former Board member Earl Johnston, Jr. recently passed away. Mr. Johnston had served on the Board for a 9 year term concluding in 1991.

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

Mr. Nolan presented Requisition No. 130 for Capital Expenditures in the amount of \$3,776.00.

MOTION: It was **MOVED** by Mr. Rissinger and **SECONDED** by Mr. Cameron to approve Requisition No. 130 for Capital Expenditures in the amount of \$3,776.00. The Motion was unanimously adopted.

Mr. Nolan next presented Requisition No. 173 for Capital Improvements in the amount of \$997,358.27, the majority of which included payments to the general contractor C&T Associates and the electrical contractor Thomas Controls for work associated with Phase II of the Upgrade & Plant Expansion, particularly that associated with the motor control centers.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Cameron to approve Requisition No. 173 for Capital Improvements in the amount of \$997,358.27. The Motion was unanimously adopted.

Mr. Nolan reported that approximately \$3.46 million of the \$3.77 million contract with C&T Associates has been approved and paid through today (less 5% retainage). Approximately 50% of the payments to Thomas Controls have been approved through tonight's meeting. Mr. Nolan, in response to a question, estimated that approximately \$40,000 was being held in retainage for Thomas Controls. In response to various questions, Mr. Nolan stated that he believes Tanks A and B will be functional by mid-December and the rest of the project will be completed on time by late March. The contractors have all of the components they now need to complete the

Project. Most of the work remaining will be that of Thomas Controls to install and sync the motor control centers.

Mr. Nolan answered several questions regarding blowers associated with the project. Mr. Nolan stated that he will consider the job substantially complete when the tanks are operating, the six (6) mixers are operating and the return sludge is functional. Mr. Nolan expects three (3) months to shake down the equipment once it is connected.

Mr. Nolan was asked about the status of the roof of the digester building. The general form of the roof has been completed. The contractor will be installing the full metal roof next week. According to Mr. Nolan, the shape of the roof looks good and compatible with the other buildings on the property.

SOLICITOR'S REPORT – Joseph Bagley, Esquire

The Board recessed into Executive Session at approximately 8:10 p.m. to discuss the possible acquisition of real property. The Board returned to its regular session at approximately 8:20 p.m.

TREASURER'S REPORT – Gustave Haun, Treasurer

Mr. Haun presented the monthly General Operating Expenses of \$192,689.55. He reviewed the previously-approved Requisition Nos. 130 and 173 as well as the payments from Fund III for interest to Univest in the amount of \$22,042.82 for total expenditures for the month amounting to \$1,215,866.64. He recommended payment of the bills.

MOTION: It was **MOVED** by Mr. Cameron and **SECONDED** by Mr. Evans to pay the total expenditures for the month of \$1,215,866.64. The Motion was unanimously adopted.

AGENDA – October 22, 2013 Meeting

Mr. Evans requested that the Board consider changing the first meeting of the month back to the afternoon time at which it was previously scheduled.

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

The meeting was adjourned at approximately 8:22 p.m.

Respectfully submitted,

Joseph Bagley, Solicitor

William T. Evans, Secretary