

CHALFONT-NEW BRITAIN TOWNSHIP JOINT SEWAGE AUTHORITY
BOARD MEETING MINUTES

October 9, 2018

The semi-monthly meeting of the Chalfont-New Britain Township Joint Sewage Authority was held on Tuesday, October 9, 2018, in the Authority's meeting room.

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

The Chairman called the meeting to order at 5:00 p.m.

ADOPTION OF MINUTES

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to approve the minutes of the meetings of September 12 and September 26, 2018. The Motion was unanimously adopted (4-0).

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.

EXECUTIVE DIRECTOR'S REPORT – John E. Schmidt

Mr. Schmidt reported that the 4-lot subdivision known as the Elaine's Lane subdivision was in the process of being sold to a new developer. As a result, Mr. Schmidt requested action by the Board to close Escrow Account #121 for the subdivision and refund the monies in the account to the current developer.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Nuesch to close Escrow Account #121 for the Elaine's Lane subdivision and refund the monies in the account to the current developer for the subdivision. The Motion was unanimously adopted (4-0).

Mr. Schmidt requested Sewage Capacity Approval for the connection of property located at 626 Matthews Avenue. There was a question from Mr. Haun regarding the location of the property. A general discussion regarding the property location ensued. Mr. Schmidt indicated that the property owner had signed the agreement required as part of the Sewage Capacity Approval and paid the required fee.

MOTION: It was **MOVED** by Mr. Hagey and **SECONDED** by Mr. Nuesch to approve the Sewage Capacity Approval for property located at 626 Matthews Avenue. The Motion was unanimously adopted (4-0).

Mr. Schmidt informed the Board of the 2019 rate structure for CKS Engineers. Mr. Haun asked a question regarding the current IRS mileage rate. There was a general discussion regarding the current IRS mileage rate, and Mr. Hagey confirmed that the IRS mileage rate for 2019 is 54.5 cents per mile.

Mr. Schmidt next presented the final revenue and expense report, compared to budget, for FYE 2017-2018. After calling for general questions from the Board, Mr. Schmidt informed the Board that the first page of the final budget report provides information related to Fund 1 (General Operating Expenses). Mr. Schmidt noted the line item for miscellaneous income and informed the Board that fire insurance proceeds received by the Authority in the amount of approximately \$286,000 were included in that line item. As a result, miscellaneous income for the fiscal year was higher than normal, but was expected to return to normal levels next fiscal year. Mr. Hagey asked Mr. Schmidt whether he had received any feedback from the fire companies regarding recent contributions made by the Authority. Mr. Schmidt reported that he has not heard anything to date from the fire companies. Mr. Schmidt informed the Board that the Sludge Disposal expense line item shows expenses higher than normal, and like the miscellaneous income line item, is expected to return to normal levels next fiscal year. Following a question from Mr. Hagey, Mr. Schmidt confirmed that the insurance reimbursement to the Authority was for 100% of the Authority's costs. Mr. Schmidt further noted that Fund 1 expenses totaled approximately 97% of the final budget.

Mr. Schmidt continued his presentation of the final report for FYE 2017-2018 by discussing the expenses shown under Fund 2 (Capital Expenditures). He also reviewed Fund 3 (Capital Improvements) with the Board. After a discussion regarding the Authority's current debt service expenses, Mr. Hagey asked when the Authority's current loan would be paid off. Mr. Schmidt reported that the loan would be paid off in 2026.

Finally, Mr. Schmidt reported that the total of all funds was approximately \$7.5 million, which was down approximately a half million dollars from last fiscal year due to the fact that the Authority is in the process of paying for the Phase III project.

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

Mr. Nolan reported that repair work was performed on the water treatment system. Only minor items remain on the two outstanding contracts related to the Phase III project.

With regard to the paving project, Mr. Nolan informed the Board that the contract has been awarded and work is scheduled to start on October 15, 2018. Mr. Schmidt indicated that the work will take approximately 3-4 weeks to complete. Mr. Nolan explained that the project is labor intensive and therefore requires 3-4 weeks to complete.

Mr. Nolan presented Requisition No. 190 for Capital Expenditures in the amount of \$0.

Mr. Nolan next presented Requisition No. 233 for Capital Improvements in the amount of \$9,574.13 representing Phase III and Phase IIIA expenses.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to approve Requisition No. 233 for Capital Improvements in the amount of \$9,574.13. The Motion was unanimously adopted (4-0).

SOLICITOR’S REPORT – Andrew Freimuth, Esquire

The Solicitor had no report.

TREASURER’S REPORT – Gustave Haun, Treasurer

Prior to the Treasurer’s report, Mr. Schmidt informed the Board that the check approved and signed by the Board at the September 25, 2018 meeting to Univest Insurance, Inc. in the amount of \$33,957.00 appears on the monthly bill list.

Mr. Haun presented the General Operating Expenses for the month of \$241,154.28, along with the previously-approved Requisition No. 233 for Capital Improvements, along with Loan payments in the amount of \$73,304.25, making the total expenditures for the month \$324,032.66, and he recommended payment of the bills and made a motion that the bills be paid.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to approve the total expenditures for the month of \$324,032.66. The Motion was unanimously adopted (4-0).

Mr. Haun next presented escrow disbursements in the amount of \$2,123.28 and he recommended payment.

MOTION: It was **MOVED** by Mr. Nuesch and **SECONDED** by Mr. Hagey to approve the escrow disbursements in the amount of \$2,123.28. The Motion was unanimously adopted (4-0).

OTHER BUSINESS

The Chairman called for items for the October 23 meeting. None were suggested. Mr. Schmidt reminded the Board that the auditors are scheduled to attend to present their annual report.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to adjourn the meeting. The Motion was unanimously adopted (4-0).

The meeting was adjourned at approximately 5:19 p.m.

Respectfully submitted,

Andrew Freimuth, Solicitor
and Recording Secretary