

CHALFONT-NEW BRITAIN TOWNSHIP JOINT SEWAGE AUTHORITY

BOARD MEETING MINUTES

October 8, 2019

The semi-monthly meeting of the Chalfont-New Britain Township Joint Sewage Authority was held on Tuesday, October 8, 2019, in the Authority's meeting room.

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

The Chairman opened the meeting at 5:00 p.m.

MINUTES

MOTION: It was **MOVED** by Mr. Evans and **SECONDED** by Mr. Nuesch to approve the Board meeting minutes of September 10 and September 24, 2019. The Motion was unanimously adopted.

PUBLIC COMMENT

No members of the public were present.

REPORTS OF OFFICERS

No reports of officers were presented.

COMMITTEE REPORTS

On behalf of the Personnel Committee, Mr. Evans announced that the Committee will be interviewing candidates for a vacant road crew position.

EXECUTIVE DIRECTOR'S REPORT – John Schmidt

Mr. Schmidt recommended approval of sewage capacity for twelve (12) EDU's for the Assal Tract on Curly Hill Road straddling both Hilltown Township and New Britain Township. Mr. Schmidt explained that while other, related agreements need to be entered into, approval of sewage capacity is the first step. Eight (8) of the homes are to be located in New Britain Township and four (4) homes are to be located in Hilltown Township.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to approve twelve (12) EDU's of sewage capacity to be allocated for the Assal Tract. The Motion was unanimously adopted.

Mr. Schmidt distributed the most-recent budget spreadsheet including revised budget numbers for 2019-2020. Mr. Schmidt pointed out that the Authority owes BCW&SA about \$10,000 this year for FY18-19 operating expenses, however BCW&SA owes the Authority about \$35,000 for Fund 2 Capital Expenditures reimbursements. Mr. Schmidt stated that the audit report is

scheduled to be presented at the next Board meeting. Mr. Schmidt reviewed with the Board some changes made to the budget including a replacement of a billing machine, certain I&I repairs (inserts), the replacement of the utility work truck (the existing is old and has a rusty body), the \$2.1 million to replace the biosolids dryer (in which BCW&SA participates) and engineering costs for the pump station replacement. Mr. Schmidt indicated that he was providing the numbers so that any questions can be raised at the next meeting when the auditor is present. Mr. Schmidt recommended that the Finance Committee schedule a meeting soon to review the need for any potential rate increase.

Mr. Schmidt stated that he sent a letter to New Britain Township reminding them that Mr. Bonner's term expires the end of this year.

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

Mr. Nolan reported on the Pump Station #4 replacement project. The design work has proceeded and it provides for two (2) alternatives for the force main. One of the alternatives includes a route that would run under two (2) water mains. CKS has scheduled a meeting with North Wales Water Authority and North Penn Water Authority next week to discuss the potential route and to gain input from the Authority. CKS is also in a position to start survey work along the roadway.

In regards to the dryer replacement, Authority staff met with a Gryphon representative and went over the schedule. Staff also met with the Electrical Engineer who provided some design work. Mr. Nolan stated that the project is making good progress. Mr. Nolan expects bidding to begin in mid-December, bids to be opened in January, the award of a contract for installation by the end of January, demolition to begin in February and delivery of the dryer parts by March 15. Mr. Nolan also reported that Authority staff is meeting with the conveyor people next week to work out details regarding the integration of the conveyor in the project.

In response to a question from the Board, the existing dryer is continuing to operate and will be operational until demolition begins in February. Mr. Nolan expects the dryer to be out of service for four (4) months.

Mr. Nolan presented Requisition No. 202 which had no amount and was prepared only for administrative purposes.

He next presented Requisition No. 245 for Capital Improvements in the amount of \$7,479.40 representing the costs for the dryer replacement and the Pump Station No. 4 Replacement Project.

Mr. Nolan presented the Engineer's annual report for fiscal year 2018-2019. The report is only lacking a final letter from the auditor. Mr. Nolan reviewed with the Board the parts of the Report including the general introduction, the Phase III Project, licensed operators of the plant, inspections performed, performance of the plant, and the split of flow between BCW&SA and CNBTJSA. Mr. Nolan reviewed in some detail a statement on Page 9 of the Report regarding both Authorities exceeding their flow allocations and under the Operating Agreement between the parties based on the calculation of surcharge volumes, BCW&SA owes a "net" amount of \$279,619.20 for the 2018-2019 flow surcharge, in addition to the net amount owed for operating and capital expenditures as mentioned previously. There was also a brief discussion regarding the balance due by BCW&SA for the actual adjusted costs for operating expenses. Mr. Nolan

also reviewed the insurance certificates supplied by Univest and Table VII which calculates the surcharge due.

Based on a question from the Board, there was a general discussion about the potential for BCW&SA to initiate flow diversion.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to accept the Engineer's Report. The Motion was unanimously adopted.

TREASURER'S REPORT – Gustave Haun

Mr. Haun reviewed the General Operating Expenses for the month of \$211,940.35. He next reviewed Requisition No. 245 which was previously-approved and the Loan payment of \$73,304.25, for a total expenditures for the month of \$292,724.00 and he recommended approval.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Hagey to approve the total expenditures for the month of \$292,724.00. The Motion was unanimously adopted.

Mr. Haun next presented Escrow Disbursements of \$1,495.41 and he recommended approval.

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Nuesch to approve Escrow Disbursements of \$1,495.41. The Motion was unanimously adopted.

SOLICITOR'S REPORT – Joseph M. Bagley, Esquire

Mr. Bagley had nothing to report.

OTHER BUSINESS

The Chairman called for items for the October 22 meeting. Mr. Evans suggested a presentation by the Solicitor reviewing cyber security. A cyber security review will be placed on the agenda. Mr. Nolan will not be in attendance. Mr. Eric Rausch from CKS will attend in his place.

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 5:42 p.m.

Respectfully submitted,

Joseph M. Bagley, Solicitor
and Recording Secretary