

CHALFONT-NEW BRITAIN TOWNSHIP JOINT SEWAGE AUTHORITY

BOARD MEETING MINUTES

June 9, 2020

The semi-monthly meeting of the Chalfont-New Britain Township Joint Sewage Authority was held on Tuesday, June 9, 2020, in the Authority's meeting room.

Present: Donald Cameron, Vice 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; and Joseph Bagley, Authority Solicitor. Joseph Bonner, Chairman was absent.

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

MOTION: It was **MOVED** by Mr. Haun and **SECONDED** by Mr. Nuesch to approve the Board meeting minutes of May 12, 2020. 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

Mr. Cameron thanked Mr. Schmidt and Mr. Nolan for the tour of the new dryer which they provided to the Facilities Committee following the meeting last month.

EXECUTIVE DIRECTOR'S REPORT – John Schmidt

Mr. Schmidt presented the Preliminary Year-end Revenues and Expense Report and also distributed a summary today.

A Board member asked a question regarding the medical and disability insurance increase. Mr. Schmidt responded that there was an increase because they are currently down one employee which position he hopes to fill in the coming year.

Another question was asked by the Board regarding whether the line "Net Cash from Operating" for approximately \$1.25 million appears to still be a good estimate. Mr. Schmidt responded that it should be good for 2020. Part of the revenue from BCW&SA represents the \$270,000 surcharge.

A Board member asked a question about equipment repairs and electrical repairs increasing. Mr. Schmidt answered that while the repairs are above budget this year these numbers are annually a difficult number to estimate. Two major repairs can sometimes undo the entire budget for the year. The same applies to the electrical repairs.

There was a question about \$300,000 in the 2020-21 budget for dryer replacement. Mr. Schmidt answered that Fund 3 does include some dryer expenses because the installation of the dryer and

some of the installation charges not yet paid have already moved into the next fiscal year (2020-21).

Mr. Schmidt reported that infrastructure scheduled for next year includes the Pump Station No. 4 Replacement Project. He noted that next year will likely be just engineering, design and property acquisition for that Project.

Mr. Schmidt noted that the utility work truck has been ordered but delivery has been delayed. He noted that he would also like to replace another pickup truck and a forklift. We are trying to keep an eye out for a decent used forklift as prices for new forklifts are high.

Mr. Schmidt noted that there is no Superintendent's report for this meeting. Mr. Hauser has been working on implementing the new dryer.

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

Mr. Nolan presented Requisition No. 210 for Capital Expenditures in the amount of \$0.

Mr. Nolan next presented Requisition No. 253 for Capital Improvements in the amount of \$383,304.24 the majority of which involves the biosolids dryer replacement project. These expenses include payment of bills for Gryphon, Eastern Environmental Contractor and BSI Electrical Contractors. Mr. Nolan recommended approval.

MOTION: It was **MOVED** by Mr. Nuesch and **SECONDED** by Mr. Hagey to approve Requisition No. 253 for Capital Improvements in the amount of \$383,304.24. The Motion was unanimously adopted.

Mr. Nolan reported on the Pump Station No. 4 Replacement Project. CKS Engineers has finished up survey work once it could be again undertaken (after the first week of May). Authority staff will try to meet with people when restrictions have opened up in attempts to acquaint them with the project and the property acquisitions that are necessary.

The dryer was installed by May 24, earlier than estimated. Mr. Nolan described the new dryer as a world of difference compared to the product from the past dryer. He described the new product as an almost dry cake rather than a powder. Mr. Nolan said the manufacturer did a great job. Data acquisition is being worked on.

A Board member asked a question about the specifications. Mr. Nolan answered that the results are at 92% when the contract provided for sludge in the high 80's.

It was further asked whether any of the product had yet been distributed. Mr. Schmidt answered that they are currently assuming that the product is noncompliant with DEP until it has undergone analysis and receives DEP's approval. For the time being, it is unclear whether it will be placed in a landfill or used for composting.

In response to a question about visitors observing the dryer in the future, Mr. Nolan noted that there are some features on the Authority's dryer that are not on the Pottstown dryer, that the

Authority's dryer was retrofitted into an existing building and that the Pottstown operation was a much larger operation, all of which tended to point towards the likelihood of visitors in the future.

TREASURER'S REPORT – Gustave Haun

Mr. Haun presented the General Operating Expenses for the month of \$200,019.97. He referenced the previously approved Requisition No. 253 and the payments to the Loan Fund in the amount of \$73,304.25, making the total expenditures for the month \$786,936.71 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 \$786,936.71. The Motion was unanimously adopted.

Mr. Haun next presented escrow disbursements in the amount of \$1,231.09 and he recommended approval.

MOTION: It was **MOVED** by Mr. Evans and **SECONDED** by Mr. Nuesch to approve the escrow disbursements of \$1,231.09. The Motion was unanimously adopted.

SOLICITOR'S REPORT – Joseph M. Bagley, Esquire

Mr. Bagley reported on an insurance claim by the widow of a late employee which was rejected by American United Insurance Company. Mr. Schmidt and Mr. Bagley worked to prepare correspondence questioning the partial denial of claim by the insurance company on behalf of the widow, the difference amounting to approximately \$9,000. There was an extensive discussion with the Board about the merits. The correspondence to the insurance company was mailed out June 3, 2020.

JUNE 23, 2020 MEETING

There was a discussion about holding the June 23, 2020 meeting in light of the current pandemic restrictions. There was a discussion about the possibility of the Superintendent's report and potential agreements involving subdivisions and Hilltown Township Water & Sewer Authority being ready by then. There was a consensus of the Board to tentatively list the June 23 meeting as still on as scheduled and for the Authority staff to report back for the meeting at a later date.

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 5:33 p.m.

Respectfully submitted,

Joseph M. Bagley, Solicitor
and Recording Secretary