

**Caln Township Municipal Authority**  
**253 Municipal Drive**  
**Thorndale, PA 19372**  
**Monday August 22, 2016**  
**7:05 PM**

**Those Present and Absent:**

Paul Mullin – Chairperson  
George Chambers – Vice Chair  
John D. Contento – Treasurer  
Tony DiSario – Assistant Treasurer/Assistant Secretary (Absent)  
Noel Bernard – Secretary  
Scot Gill – Wastewater Department Director  
Denise Miller – Recording Secretary  
Bill Dingman – P.E., Gilmore & Associates, CTMA Engineer

Mr. Mullin called the meeting to order at 7:00 PM.

**Minutes of the August 2016 Meeting**

Mr. Mullin called for additions or corrections to the July minutes. There were none. Mr. Contento motioned, seconded by Mrs. Bernard, to adopt the July 2016 minutes as presented. Vote passed 4-0.

**Public Comment**

Mr. Mullin called for public comments. There were none.

**2015 Audit Presentation**

Mr. Maulo was in attendance to present the 2015 draft audit. He reviewed and answered questions and noted a clean opinion on the financial statements. Mr. Contento informed the Board of the Wastewater Treatment Agreement with PAWC. Mr. Maulo noted that until the dollar amount is agreed upon and a motion is made it is not something that would go on the financials as a liability, but would be a foot note disclosure as a commitment or for contingency. Mr. Maulo also noted that he will put a foot note on the final copy of the financials. Mr. Contento asked Mr. Maulo if he researched the amortization pension costs and other department costs, in the 2015 audit. Mr. Maulo noted he did not, because the Township and the Authority are two separate departments and entered into an arm's length transaction. Mr. Wilson noted the total for 2015 would have been \$16,250.00 and 2016 can be fixed for the total of \$18,070.00. Mr. Gill also noted that staff will present the Board with a memo regarding this, at their September meeting. Mr. Maulo noted he could get the audit completed in March if the Authority did not break wages or benefits down and instead have the Township bill four times a year as a "Management fee". Mr. Contento suggested that Mr. Wilson put together a proposal for both Boards, in terms of making changes that will make the overall system more efficient, more effective, and less costly. Board consensus was in agreement of Mr. Contento's suggestion. Mr. Contento made a motion, seconded by Mr. Chambers, for approval of the financial statements as submitted for December 31, 2015 by Mr. Maulo and Company, subject to a foot note relative to the potential obligation to PAWC on the Wastewater Treatment Agreement. Vote passed 4-0.

**PA Small Water and Sewer Grant Project Recommendation**

Mr. Gill noted the Authority's interest in applying for a new funding program called "PA Small Water and Sewer Program" for the Granger Lane/Caln Meeting House Road planning area located to the north of Kings Highway and just east of the new Kings Grant Subdivision. This grant would be for approximately \$380,000.00, and would serve approximately 33 homes. In order to be eligible for the grant the Project would need to have a total project cost of not less than \$30,000.00 and not more than \$500,000.00 and involve the construction, improvement, expansion, repair or rehabilitation of a water supply or sanitary sewer system which is owned and maintained by a municipality or municipal authority. Mr. Gill also noted this project meets the eligibility requirements, and also has received PADEP sewerage planning approval. Board consensus was to have their match as either 25% or 30% and will decide at the September meeting. Mr. Gill noted he will present a resolution for both percentages at the September meeting, for Board

consideration. After Board discussion, Mr. Contento made a motion, seconded by Mrs. Bernard, to authorize staff to prepare a grant application for the Granger Lane/Caln Meeting House project with two options, one for 25% and one for a 30% match. Vote passed 4-0.

Mr. Gill requested Board approval to set up a separate account for Mr. Dingman's costs. Board consensus was to set up a separate project account for Mr. Dingman. Mr. Gill noted this project would come out of the Capital Fund, and once it is completed they would need to set up a Special Purpose Tapping Fee in order to be reimbursed.

#### **Dogwood/Scott Drive Project Update**

Mr. Gill noted that the project easement documents will be mailed by the end of the week. He has also spoke with the DEP and the planning has been approved. Mr. Dingman noted the three outstanding items. 1) All easements 2) Part 2 permit 3) Township approval for E&S. Mr. Dingman also noted that once they are all completed you will be ready for construction.

#### **Rudy Training Facility Project Highway Occupancy Permit Agreement**

Mr. Gill noted that pursuant to the PennDot policy, the Authority must be the permittee of the Highway Occupancy Permit for the Sewer Improvements, related to the project. For Board consideration, Mr. Gill presented the Board with a Solicitor's draft of "Caln Township Sewer Improvement and Highway Occupancy Permit Agreement" to protect the Authority as the permittee. Mr. Gill also noted that this agreement has also been agreed to by the Developer's Attorney. Mrs. Bernard made a motion, seconded by Mr. Contento, authorizing the Chairman to sign the Caln Township Sewer Improvement and Highway Occupancy Permit Agreement for the Rudy Project. Vote passed 4-0.

#### **Royal Farms Highway Occupancy Permit Agreement**

Mr. Gill noted that pursuant to the PennDot policy, the Authority must be the permittee of the Highway Occupancy Permit for the Sewer Improvements, related to the project. For Board consideration, Mr. Gill presented the Board with a Solicitor's draft of the Caln Township Sewer Improvement and Highway Occupancy Permit Agreement for the Royal Farms Project. Mrs. Bernard made a motion, seconded by Mr. Contento, authorizing the Chairman to sign the Caln Township Sewer Improvement and Highway Occupancy Permit Agreement for the Royal Farms Project, contingent upon the Developer's signature. Vote passed 4-0.

#### **Royal Farms Tapping Fee transfer from Capital to Act 57**

For Board consideration, Mr. Gill requested authorization to transfer \$280.00 from the Sewer Capital Fund to the Township Fund and authorization to transfer \$9,950.00 from the Sewer Capital Fund to the Tapping Fee Account for 4 EDU's. Mr. Gill noted that after both transfers, \$12,500.00 will be retained in the Sewer Capital Fund for future obligation under the Asset Sewer Agreement. Mr. Contento made a motion, seconded by Mr. Chambers, to authorize staff to transfer \$280.00 from the Sewer Capital Fund to the Township Fund reflecting the inspection cost associated with the sale of the EDU's to Royal Farms, and authorize staff to transfer \$9,950.00 from the Sewer Capital Fund to the Tapping Fee Account for the same 4 EDU's and the remainder of the purchase price for Royal Farms to remain in the Authority's Sewer Capital Fund for future reimbursement to the Township. Vote passed 4-0.

#### **Kings Grant Lot 83 & 84 Encroachment Agreement**

Mr. Gill noted that at the July meeting a vote was unanimously passed to approve the Kings Grant Encroachment Agreement for Lots 83 and 84 contingent on the Authority's Solicitor and Authority's Engineer approving the agreement. For Board consideration, Mr. Gill offered the Kings Grant Encroachment Agreement for Lots 83 and 84. Mr. Contento made a motion, seconded by Mrs. Bernard, to authorize the Chairman to sign the Kings Grant Encroachment Agreement allowing encroachment into sewer easement for lots 83 and 84. Vote passed 4-0.

#### **Arbor Hills Second Amendment to Sewer Capacity Agreement**

For Board consideration, Mr. Gill offered a Second Amendment to Sanitary Sewer Capacity Reservation and Contribution Agreement for Arbor Hills Associates. Mr. Chambers made a motion, seconded by Mr. Contento, to authorize the Chairman to sign the Second Amendment to Sanitary Sewer Capacity Reservation and Contribution Agreement for Arbor Hills Associates. Vote passed 4-0.

### **2017 CTMA Budget Presentation**

For Board consideration, Mr. Gill presented the CTMA 2017 proposed budget and requested authorization for staff to forward on to the Board of Commissioners. After Board discussion, Mr. Contento made a motion, seconded by Mr. Chambers, to authorize staff to forward the CTMA 2017 proposed budget to the Board of Commissioners. Vote passed 4-0.

### **Financials; Sewer Operating Fund, Act 57 Fund, and Delinquency Reports**

Mr. Gill reviewed the cash basis summary and detailed accrual reports of revenue and expenditures for the Sewer Operating Fund, Municipal Authority's Tapping Fee Account, and Capital Fund for the month of July 2016. After Board discussion, Mr. Contento motioned, seconded by Mrs. Bernard, to approve the financials, as submitted. Vote passed 4-0. Also, reviewed and discussed were delinquency reports reflecting current year accounts past due, prior year's outstanding balances sent to Portnoff Law Associates for collection, and the status of in-house commercial collections.

### **Uncollectable Accounts**

Mr. Gill noted that at the last meeting \$6,129.33 was discussed as being on the Delinquency Report under "Total Write off (YTD)" and a motion was not made to write this money off. Commissioner Contento made a motion, seconded by Mr. Chambers, to authorize the Finance Department to write off the Finance Department recommended amount \$6,129.33 from the Delinquency Report. Vote passed 4-0.

### **Directors Report**

Mr. Gill presented his July 2016 report and noted current projects which the Department is working on. Mr. Gill noted staff has finished flushing the Downingridge Development and will be flushing the Beaver Run Development.

Discussion was held on the Authority managing the trash and recycling program.

### **Adjournment**

There being no further business, Mr. Contento motioned, seconded by Mrs. Bernard, to adjourn the August 2016 meeting at 9:30 PM. Vote passed 4-0.

Respectfully Submitted,

Denise Miller,  
Recording Secretary