

Caln Township Municipal Authority

Monday, March 24, 2014

7:00 PM

Those Present:

Paul Mullin, Chairperson
Robert Tompkins, Vice Chair
Matthew Plagens, Treasurer
John Contento, Assistant Treasurer
Gregory Prowant, Township Manager
Scot Gill, Director
Mary Kemble Slade, Recording Secretary
Robert McClintock, Esquire, Lamb McErlane PC, CTMA Solicitor

Scheduled Absence:

Jim Kruse, Secretary
Bill Dingman, P.E., CTMA Engineer

Chairperson Paul Mullin called the meeting to order at 7:00 p.m., and announced that the Board held an executive session to discuss legal and personnel matters prior to the meeting.

Minutes of the February 24, 2014 Meeting:

Mr. Mullin inquired if there were any additions or corrections to the above minutes. There were none. Mr. Plagens motioned to approve the February 24, 2014 meeting minutes as presented. Mr. Contento seconded the motion, with all voting Aye.

Public Comment:

Mr. Robert Reymos, Caln Township resident, inquired as to the status of the Chester County Department of Community Development HUD Block Grant awarded in 2012 for the Blackhorse Hill Road Area Sewer Improvements project, and its relationship to the potential completion of the proposed Coatesville Solar Initiative (CSI) project nearby. Mr. Prowant reported the grant was approved but is on hold with HUD, and a contract to proceed has not yet been received. Once the contract is received there will be two years to utilize the funds. Mr. Prowant and Mr. Gill advised the funds are to be used for this project specifically, with the CSI portion not being part of the grant. Mr. Contento further clarified, noting the funds will not and cannot be used in another part of the Township. Mr. Reymos also asked about the possibility of receiving an unapproved copy of the meeting minutes prior to the Board's approval. Mr. Prowant advised meeting minutes are not official or available until after the Board has reviewed and approved them.

Arbor Hills Payment Extension Request Update:

Mr. Gill informed the Board that representatives from Arbor Hills Associates were present to provide an update on the project, and that the developer had executed the First Amendment to Sanitary Sewer Capacity Reservation and Contribution Agreement. Attorney for the developer, Mr. Louis Colagreco Jr., Esquire, of Riley Riper Hollin and Colagreco, advised he had the original agreement in hand. Mr. Clay Chandler, of Arbor Hills Associates, thanked

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the Board for granting the requested payment extension at last month's meeting. He went on to explain that shortly before the original payment deadline the first set of preliminary numbers reflecting infrastructure costs for the project was received, and were much higher than expected. It was realized part of the problem was that estimates were based on a plan which was not fully engineered, thus contractors were making assumptions. Therefore, further engineering is being done with the plans anticipated to be completed by Monday and forwarded to the contractors. This information should enable them to better refine site improvement costs. Mr. Chandler indicated more should be known by the April meeting. Mr. Gill inquired if the Board had any questions on the First Amendment to the original agreement, provided for review prior to the meeting. There were none. Mr. Contento motioned to authorize Mr. Mullin to execute the First Amendment to Sanitary Sewer Capacity Reservation and Contribution Agreement between Arbor Hills Associates and Caln Township Municipal Authority. Mr. Plagens seconded the motion, with all voting Aye. Mr. Mullin proceeded to sign the original agreement, with Mr. McClintock, representing the Authority, taking the document for recording and distribution purposes.

Act 537 Plan Update Approval Request:

Mr. Gill reminded the Board that in October, a Plan of Study for Caln Township's Act 537 Plan Update was submitted to DARA. As part of that Plan of Study, Gilmore & Associates estimated the cost to prepare the Act 537 Plan Update at \$14,225. Since then the PADEP approved the DARA proposed Plan of Study, with the estimated cost of the plan for all municipalities being \$115,677. Mr. Gill advised DARA is requesting the Township proceed with its Act 537 Plan Update and submit to DARA by July 1st in order to be included in their Act 537 Official Plan Update. Given this, Mr. Gill requested the Board authorize Gilmore & Associates to proceed. Mr. Contento motioned to approve Gilmore & Associates to complete the Township's Act 537 Plan Update in the amount of \$14,225 with a targeted completion date of the end of June this year. Mr. Tompkins seconded the motion. Mr. Reymos inquired if the Authority's cost of \$14,225 was included in the DARA total of \$115,677. Mr. Gill confirmed this, advising the proposal was submitted as part of the DARA package to the DEP. The motion was then completed with all voting Aye.

DARA-Caln March 12, 2014 Meeting:

Mr. Gill reported that on March 12th, Mr. Contento, Mr. Prowant and he participated in a meeting with Mr. Mays, DARA Executive Director, to discuss the Authority's plans to address future capacity needs. As a result of the meeting, Mr. Mays requested a letter be prepared for the DARA Board speaking to this. Mr. Gill reviewed a draft letter, which was forwarded to the Board prior to the meeting for their comments. Mr. Contento further explained that there are currently only 177 EDU's remaining that could be allocated for new construction, which are owned by the Board of Commissioners. The letter requests DARA continue to administratively approve additional EDU's that the Authority/Township does not have, above and beyond what capacity would be once everything is connected, to allow further expansion in Caln Township. Once actual flows reach listed allocation/capacity, construction of the pump station would have to proceed, ultimately redirecting flows out of DARA to PAWC and bringing the Township back into compliance. He indicated this is a formal proposal to the DARA Board requesting

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their approval to enable their Executive Director to continue to administratively approve new connections. The Board then addressed the draft letter, agreeing by consensus it be finalized and forwarded to the DARA Board for their consideration.

Municipal Pump Station Update:

Mr. Gill shared with the Board the updated Release Form for Electronic Files from Bursich Associates. As directed at last month's meeting, it was further revised by the Authority's solicitor and Bursich Associates to address concerns related to liability and ownership of the pump station data. After review the Board found the language in the release favorable, and agreed it should be returned to the solicitor to address minor clean up items and finalize with Bursich Associates by the April meeting. Also discussed was a project update provided by Bursich, which as requested at last month's meeting included their additional budget request to prepare the Final Design Documents for Bidding in the amount of \$3,789.13, in addition to an invoice for services to date in the amount of \$813.88 (included in the additional budget request). Mr. Contento reminded that the spreadsheet reflecting Municipal Pump Station expenditures should be updated to reflect the additional budget and invoice amounts. Mr. Plagens motioned to authorize Bursich Associates requested additional budget amount of \$3,789.13, related to Bidding Document preparation. Mr. Contento seconded the motion, with all voting Aye. Mr. Plagens motioned to approve payment of Bursich Associates invoice in the amount of \$813.88 for work done to date related to the Municipal Pump Station. Mr. Tompkins seconded the motion, with all voting Aye. Mr. Gill referred to the motion made at the January 27th meeting related to the Authority's interest in purchasing the 177 existing DARA EDU's currently owned by the Board of Commissioners, inquiring if the Board still wished to proceed and if so, requested authorization to have the Authority's solicitor draw up the appropriate documents. Mr. Contento motioned to authorize its solicitor to create an agreement for the Caln Township Municipal Authority to purchase from the Board of Commissioners the 177 existing DARA EDU's that they currently possess at the Board of Commissioners cost, to be done as a cash transfer, and in addition transfer to the Authority all sewer related assets and liabilities currently under Township control. Mr. Tompkins seconded the motion. Mr. Reymos, Caln Township resident, asked the cost of the 177 EDU's and assets. Mr. Contento advised the EDU cost is approximately \$3,125 each. He summarized an exchange of assets, with the Township retaining its Sewer Reserve Account, but transferring to the Authority the old Tapping Fee fund balance along with the responsibility to pay PAWC for the East End Trunk Line Phase I improvements, the future Hills at Thorndale Woods payments, and two vehicles currently owned by the Township. The motion was then completed, with all voting Aye.

Hills at Thorndale Woods Update:

As directed at the January meeting, the draft Sanitary Sewer Capacity Reservation, Contribution and Extension Agreement related to this project was forwarded to the Hills at Thorndale Woods representatives. Mr. Gill stated he recently spoke with Mr. Townes of Southdown Homes, where he indicated he has a few comments on the agreement and will have his attorney contact the Authority's solicitor in order to schedule a meeting to discuss further.

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Bailey Station Sewer System Transfer:

Mr. Gill offered the Assignment of Deeds of Dedication of Sanitary Sewer Lines, needed to effectuate the transfer of the Bailey Station sewer easements and lines from Caln Township to Caln Township Municipal Authority. He noted this project was approved by the Board of Commissioners before the Authority was created, therefore dedication of the sanitary system was made to the Township although the Authority had input. The 18 month maintenance bonds have now expired and the transfer should be made to the Authority. Mr. Contento motioned to accept the Assignment of Deeds of Dedication of Sanitary Sewer Lines and authorize Mr. Mullin to execute the agreement. Mr. Plagens seconded the motion, with all voting Aye.

Clarelyn Proposal Update:

As directed at last month's meeting, Mr. Gill shared correspondence informing Rouse/Chamberlin of the Board's decision to consider a one-time \$15,000 contribution for future maintenance costs related to two sections of sewer line beneath Lloyd Avenue in lieu of excavation, and Rouse/Chamberlin's response indicating they are agreeable to this proposal. Mr. Gill will contact the Authority's solicitor to have the appropriate agreement prepared for the April meeting.

Wedgwood Shopping Center Laundromat EDU's:

Mr. Gill reminded that at the January 27th meeting, the Board had approved up to 13 additional EDU's be allocated to the proposed Esworthy's Laundromat at Wedgwood Shopping Center. He provided an update from Focus Real Estate indicating no movement on this project, and acknowledging it may be best not to tie up the EDU's which were allocated. Given this, Mr. Gill inquired if the Board wished to withdraw the allocation at this time, and have the client reapply when they decide to move forward with their project. After discussion the Board agreed to carry the EDU's for an additional month with a project update to be provided at the April 28th meeting, advising the EDU's may be withdrawn at that time if there has been no progress.

Financials:

Mr. Prowant and the Board reviewed the cash basis summary and detailed accrual reports of revenues and expenditures for the Sewer Operating Fund and Municipal Authority's Tapping Fee Account and Capital Fund for the month of February. After brief discussion there were no further questions. Mr. Contento motioned to approve the financial reports as submitted. Mr. Tompkins seconded the motion. Mr. Reymos referred to a newspaper article reporting PAWC will begin making improvements to a sewer line in Coatesville, and asked if this was related to the East End Trunk Line for which there are upcoming costs to be paid. Mr. Prowant was not familiar with the article, but explained the East End Trunk Line project is comprised of two phases, with the Township owing approximately \$400,000 for Phase I, and owing for Phase II at a certain period in time based on capacity/usage which could be a number of years in the future. It was noted the funds owed to PAWC for the Phase I improvements are anticipated to be transferred from the Board of Commissioners to the Authority as part of the asset transfer which was discussed earlier in the meeting. The motion was then completed with all voting Aye. Future Projected Revenues and Expenditures were offered with no questions. Also reviewed were delinquency reports reflecting

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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. As requested at last month's meeting, Mr. Gill provided Portnoff's review of their collection procedures for Delinquent Municipal Claims. It was explained that liens are filed against properties after thirty days have passed from the mailing of the legal demand letter and there has been no response. Mr. Contento pointed out the probability that those delinquent in sewer are also delinquent in trash fees, and suggested the Board may at some point wish to reopen discussion on the possibility of recommending to the Board of Commissioners that the management of the trash program be transferred over to the Authority.

Benne Subdivision Tapping Fee Extension Request:

Mr. Gill shared with the Board the developer's written request for a two month extension on payment of tapping fees due for the four EDU's allocated to this project. Mr. Gill reported this project has obtained planning module approval from the PADEP, and the developer's engineer is currently working to complete comments within the planning review portion of the project. After brief discussion, Mr. Contento motioned to authorize the Benne Subdivision project a two month extension on payment of the tapping fees due through May 20, 2014. Mr. Tompkins seconded the motion, with all voting Aye.

Director's Report:

Mr. Gill reviewed his departmental report for the month of February, noting the crew continued to assist the Highways Department with snow plowing during this time. With the improving weather, the department will begin to concentrate on addressing Inflow & Infiltration (I&I) repairs east of North Caln Road, in the DARA treatment area. Discussion followed on the use of portable flow meters, and whether it is more beneficial to rent or purchase. Mr. Gill recommended at least two meters, and favored purchasing given there is staff available to rotate them. It was pointed out spring is an optimal time to monitor flows due to the tendency for rain. Mr. Gill offered to obtain estimates for review at the next meeting, and Mr. Contento pointed out this purchase was not budgeted for this year. Mr. Gill indicated he has budgeted for a significant amount of grout sealing under the I&I Program this year, and suggested flow meters could possibly be budgeted for next year. Mr. Contento proceeded to review the Caln portion of the DARA Weekly Flow Report, indicating a trend of higher flows due to abnormal conditions, which could continue in April depending upon the weather. He noted these flows are not in our favor and it is hoped DARA will use the provision of adjusting out the bad weather conditions which have affected them.

Additional Business:

Mr. Reymos requested an update on the potential DARA expansion. Mr. Contento reported that each of the five member municipalities have agreed to move forward, and a presentation was made to the PADEP. They support the expansion conceptually, and have asked each municipality to submit their Act 537 Plan to DARA where they will be combined for submission to the DEP. As authorized earlier in the meeting, Gilmore & Associates will update the Township's Act 537 Plan by the end of June for this purpose. This will enable the formal process of a potential expansion to begin.

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Adjournment:

There being no further business, Mr. Plagens motioned to adjourn the meeting at 8:35 p.m. Mr. Contento seconded the motion, with all voting Aye. The next Authority meeting is scheduled for Monday, April 28th, 2014.

These are the minutes of the Municipal Authority Board meeting to the best of my knowledge.

Respectfully Submitted

Mary Kemble Slade, Recording Secretary