

Caln Township Municipal Authority
253 Municipal Drive
Thorndale, PA 19372
Monday November 20, 2023
7:00 PM

Those Present and Absent:

George Chambers – Chairperson
Paul Mullin – Vice Chairperson
William A. Schew – Treasurer
Tony DiSario – Assistant Treasurer/Assistant Secretary
Noel Bernard – Secretary
Scot Gill – Wastewater Department Director
Jennylyn Tanedo – Recording Secretary
Ross Bickhart – Gilmore & Associates, CTMA Engineer (Absent)
Vince Pompo- LambMcErlane, CTMA Solicitor (Absent)

Call to Order

The meeting of the Caln Township Municipal Authority was called to order by Mr. Chambers at 7:00 p.m. The meeting was held in person at the Caln Township Municipal Building Meeting Room located at 253 Municipal Drive Thorndale, Pa and via Zoom. The regular scheduled meeting of the Caln Township Municipal Authority was advertised in the Daily Local News on December 27, 2022, and the agenda was posted on the Caln Township Website and Lobby on November 17, 2023. Copies of the Agenda were made available to the public.

Minutes of the October 23, 2023, Meeting

Mr. Chambers called for additions or corrections to the October minutes. Approved with minor corrections. After discussion, Mr. Schew motioned, seconded by Mr. DiSario, to adopt the October 2023 minutes, as presented. The vote passed 4 to 1 with Mrs. Bernard abstaining.

Public Comment

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

Act 537 Plan/ Additional Capacity Update/ Dara Update

Mr. Gill presented to the Board a spreadsheet showing the status of pending projects that will be needing capacity in the future, the 52-week average chart, Dara weekly flow report. Mr. Chambers informed the Board that West Whiteland Township and Downingtown Borough will be submitting their Act 537 Plan Update soon. Mr. Chambers also informed the Board that there is a discussion regarding Membrane Technology and the DARA Board debated the option of having the Membrane Technology because according to them it takes a lot of level expertise and staffing, so they ruled it out. Mr. Chambers also added that Dara Board got the financing to proceed with the modernization.

Mr. Gill informed the Board that the department received notification from PAWC of a proposed rate increase that reflects \$1 billion in water and wastewater system investment they will making between 2024 and 2025 to continue providing safe and reliable service to the communities they serve. Mr. Gill added that the new rates established by the PUC would not go into effect until August 2024. Based on this information it shows how important an aggressive schedule by the DARA Board is needed for the Treatment Plant Capacity Upgrade.

I/I Reduction Program

Mr. Gill informed the Board that Insituform Technologies, LLC submitted acquired bonds and insurance as per the contract and they began work on September 5, 2023. Mr. Gill informed the Board that the contractor demobilized on September 22, 2023, to reevaluate how they will complete the work in the wet areas and as

of October 13, 2023, the contractor hasn't returned. Mr. Bickhart requested an updated schedule from them along with putting them on notice that the Substantial Completion date is November 1, 2023. Mr. Gill added that the contractor remobilized on October 24, 2023, and began flushing the lines that are located behind the Campus and VFW. Mr. Gill informed the Board that on November 2, 2023 a notice was issued to Insituform advising them that they are in default of the contract's obligations to substantially complete the work on or before November 1, 2023 and the agreement imposes liquidated damages of \$500 per day for each day substantially completion delayed.

Mr. Gill presented to the Board the Unofficial Bid Tab for Contract CAL-01-23 for the 2024 Grouting Project. Mr. Gill informed the Board that Gilmore is currently working on checking the lowest bidder's paperwork and looking forward to making a recommendation for the award at the December meeting.

Fernmoor Homes Project Update

Mr. Gill presented to the Board the Fernmoor Homes Performance Bond Certificate of Partial Completion Request #2 for Phase 1. Mr. Gill informed the Board that on May 25, 2021, the Authority entered into a Sewer Construction Financial Security Agreement with Fernmoor Homes Downingtown LLC who agreed to post a Performance Bond in the sum of \$1,301,643 representing 110% of the cost of the Phase 1 Sewer Improvements as set forth in the Agreement. The agreement states that the developer may request a reduction in the Performance Bond as the developer completes various segments of the sewer improvements and the design engineer of the sewer improvements certifies to the authority engineer that the sewer improvements have been completed in accordance with the Plan. Mr. Gill added that on April 24, 2023 the CTMA Authorized the Bond Reduction Request #1 in the amount of \$201,562.37 which the developer decided to hold back reducing the bond until all the offsite and Llyod Avenue improvements were completed. After discussion, Mr. Mullin made a motion, seconded by Mr. Schew to authorize the Chairperson to sign the enclosed Certificate of Partial Completion for the Phase 1 Request #2 Bond Reduction in the form as presented and authorized the reduction of the Sanitary Sewer Phase 1 Performance Bond by \$950,313.23. The vote passed 5.0.

Jefferis Family Farm Market Update

Mr. Gill presented to the Board the Jefferis Family Farm Market Sewer Capacity Reallocation, Extension and Maintenance Agreement. Mr. Gill informed the Board that currently the CTMA has 4 EDUs allocated to this parcel and the property owner would like to utilize two (2) EDUs of the existing capacity for the proposed construction of a 1,502-sf commercial building for the sale of farm products and reserving of the remaining two (2) EDUs. Mr. Gill added that PADEP planning, or an exemption request must be granted prior to the allocation of the remaining two (2) EDUs. After discussion, Mr. DiSario made a motion, seconded by Mrs. Bernard, to authorize the Chairperson to sign the enclosed Sewer Capacity Reallocation, Extension and Maintenance Agreement in the form as presented. The vote passed 5.0.

5013 Horseshoe Pike Project Update

Mr. Gill presented to the Board the E&I General Contracting LLC Cash Escrow Reduction Certificate of Completion. Mr. Gill informed the Board that on February 28, 2022, the Authority entered into a Cash Escrow Agreement with E&I Engineering LLC. who agreed to establish a cash escrow by setting aside the reserving the sum of \$64,587.83 representing 110% of the cost of the Sewer Improvements as set forth in the agreement. The agreement states that the developer may request a reduction in the Cash Escrow, as the developer completes various segments of the sewer improvements, and the design engineer of the sewer improvements certifies to the Authority engineer that the sewer improvements have been completed in accordance with the Plan. Mr. Gill added that the agreement states that the Cash Escrow may be reduced by certain sums and shall not to exceed 90% of the Cash Escrow until all the sewer improvements as set forth on the Plan are finally completed and finally inspected and approved by the authority engineer, and where appropriate a deed of dedication is accepted by Authority and a maintenance bond received by the Authority. As requested by the design engineer, E&I General Contracting desires the Authority to release 85% and retain 15% of the original escrow amount, so that the 15% can be used as the 18-month maintenance guarantee as set forth by the Cash Escrow Agreement. The 18-month maintenance period will begin after formal acceptance of the sewer improvements by the Authority later, and the maintenance guarantee will be returned to the applicant at the end of the 18-month period provided that no maintenance issues occur that

necessitate use of the funds. After discussion, Mr. DiSario made a motion, seconded by Mr. Schew to authorize the Chairperson to sign the enclosed Cash Escrow Reduction Certificate of Completion in the form as presented and authorizes the reduction of the Cash Escrow by \$54,899.40. The vote passed 5.0.

5010 Deer Drive Emergency Repair

Mr. Gill updated the Board on the email he sent out to the CTMA on November 7, 2023, relating to the incident that happened at 5010 Deer Drive where fence was installed over the sewer line and caused damage in several locations at the main. Mr. Gill added that he contacted Fidelity to make the necessary repairs. Mr. Gill also informed the Board that the insurance company for the fencing company reached out to him and is looking at paying the claim for the damages.

Financials; Sewer Fund,

Mr. Gill reviewed the sewer financial summary and the revenues and expenditures for the Sewer Operating Fund for the month of October 2023 and the balances in Act 57 and Sewer Capital Funds. After discussion, Mr. Mullin made a motion, seconded by Mrs. Bernard, to accept the October financials, as submitted. The vote passed 5.0.

Penalty Waiver Request Update

Mr. Gill informed the Board that no penalty waiver requests were made for the month of October.

2024 Draft Rate Resolution

Mr. Gill presented a 2024 Draft Rate Resolution establishing the sewer rates effective January 1, 2024, along with the 2024 Operating and Capital budgets.

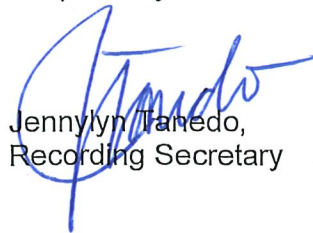
Director's Report

Mr. Gill discussed his Director's Report and noted a list of current projects which the Department is working on and their progress.

Adjournment

There being no further business, Mr. Mullin made a motion, seconded by Mr. Schew, to adjourn the November 20, 2023, meeting at 7:50 pm. The vote passed 5.0.

Respectfully Submitted


Jennylyn Tanedo,
Recording Secretary

