

Caln Township Municipal Authority

Monday, December 15, 2014

7:00 PM

Those Present:

Paul Mullin, Chairperson
John Contento, Treasurer
Vacant, Assistant Treasurer
Jim Kruse, Secretary
Gregory Prowant, Township Manager
Scot Gill, Wastewater Director
Mary Kemble Slade, Recording Secretary
Bill Dingman, P.E., Gilmore & Associates, CTMA Engineer

Absent:

Robert Tompkins, Vice Chair

Minutes of the October 27, 2014 Meeting:

Mr. Mullin inquired if there were any additions or corrections to the above minutes. There were none. Mr. Contento motioned to approve the October 27, 2014 meeting minutes as presented. Mr. Kruse seconded the motion, with all voting Aye.

Public Comment:

None

Walnut Street 4-Lot Subdivision Dedication:

Mr. Gill informed the Board this project is coming to a close, and advised a length of sewer line was installed in the rear of the property as part of this project. The builder would now like to dedicate this to the Authority. He advised Mr. Dingman reviewed the as-builts and the testing and televising were successfully completed. He noted a \$2,500 cash escrow will be provided by the developer for the purpose of sewer maintenance in lieu of a maintenance bond. In order to complete the dedication, a Sanitary Sewer Maintenance Agreement, Maintenance Agreement and Maintenance Cash Escrow Agreement were produced by the Authority's solicitor, reviewed by the Board and executed by the developer prior to the meeting. Given this, Mr. Contento motioned to authorize Mr. Mullin to execute the Sanitary Sewer Maintenance Agreement, Maintenance Agreement and Maintenance Cash Escrow Agreement related to the Walnut Street Subdivision on behalf of the Authority. Mr. Kruse seconded the motion, with all voting Aye.

Benne Tapping Fee Extension Request:

Mr. Gill reported that yesterday the department followed up with the developer requesting an update on the status of this project and payment of the tapping fees due, but has not yet received a response. However, there has been some activity related to this project and it was given an extension by the Township through February 26, 2015. Prior extensions were approved by the Authority at their March 24th, May 19th, July 28th, and September 22nd meetings. After brief discussion, Mr. Contento motioned to grant the requested extension through February 26,

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2015. Staff will advise the developer that the Board will require an update on the status of the project and payment if not made, prior to their February 23, 2015 meeting.

2015 Resolution Adopting the Schedule of Fees for Professional Services:

Mr. Gill offered Resolution 2014-1-CTMA, adopting the 2015 fees for professional consultants retained by the Authority, with the proposed fees having been previously reviewed by the Board. Mr. Kruse motioned to accept Resolution 2014-1-CTMA, adopting the 2015 schedule of fees for the professional consultants retained by the Authority. Mr. Contento seconded motion, with all voting Aye. Mr. Gill noted in addition to this, it would also be necessary to extend the General Engineering Consulting Agreement previously executed by Gilmore & Associates and the Authority for the year 2014. Mr. Kruse motioned to extend the General Engineering Consulting Agreement with Gilmore & Associates to December 31, 2015, with the revised fees exhibit. Mr. Contento seconded the motion with all voting Aye.

Blackhorse Hill Area Sewer Improvements Project Update:

Mr. Gill reported that the department is currently awaiting grant contract documents from the County which will assist in providing funding for sewer improvements to this area, and provided for reference a sketch and preliminary probable cost opinion outlining the area and scope of the proposed project. Mr. Prowant provided further background, noting the release of the previously awarded grant funding was delayed by HUD for approximately two years. The County recently decided to provide the funding, allowing it to move forward as a potential 2015 project. He noted the project was budgeted on 50% grant funds and a 50% local match. Discussion followed on the need to determine the financing for the local match, and once finalized a future presentation to property owners affected by the project. Also discussed was the need to obtain engineering proposals for the survey, design, construction cost estimate, 3M planning module, preparation of bid package, bid process oversight and construction management. In terms of timing, Mr. Dingman pointed out easement agreements from some property owners will be need to be acquired, as well as permitting such as a DEP Part II permit and Conservation District approval, which could take several months to receive. The Coatesville Solar Initiative (CSI) project was mentioned, recently inactive but which had anticipated installing sewer improvements in a portion of this project area, as well as constructing a portion of gravity sewer not yet constructed in the City of Coatesville and Valley Township in order to connect to existing sewer. It was noted the 3M planning would be done for the entire neighborhood but potentially approached as two phases, one being the grant project area and the other the CSI project area, with both being done at the same time. Mr. Dingman suggested Mr. Gill discuss this with the DEP. With it being anticipated the County documents would be received by the January meeting, the Board recommended Mr. Gill proceed to obtain itemized proposals from three engineering firms for the project, and have the scope of work prepared for the January meeting. The Board then reversed its thoughts on this, and decided to table this item for a month in order to ensure the County contract documents arrive prior to authorizing obtaining engineering proposals. Mr. Gill will prepare the scope of work related to this in preparation for the January meeting.

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Prior to Mr. Dingman being excused, Mr. Contento wished to discuss the Township's Act 537 Update submission to DARA. He indicated DARA does not want to submit the consolidated Act 537 Plan to the DEP at this time, as the summation of the five member municipalities projected flow needs is slightly higher than that for the projected plant expansion. Thus, they are looking for an adjustment in projected needs to make the flows more equivalent. For discussion purposes Mr. Contento suggested the Township make an adjustment if possible, and resubmit for 100,000 gallons less to allow DARA to proceed with the submission of the consolidated Act 537 Plan. Mr. Dingman advised that if interested in that concept, the adjustment be made from projected future growth in general which would give maximum flexibility. The Board was in agreement with this approach, and Mr. Dingman was instructed to send the revised information to Mr. Mays, DARA Executive Director, by January 10th. Mr. Contento and Mr. Kruse went on to discuss the potential option to buy capacity from Downingtown Borough. It was decided Mr. Prowant would contact Mr. Sullins, Downingtown Manager, to discuss in general terms additional capacity they may have for sale, and also advise Mr. Mays of this. Mr. Kruse asked Mr. Contento about DARA discussions on a proposed 7th Amendment to the Intermunicipal Agreement. Mr. Contento explained the DARA Board is determining language to be put in the agreement on how a member should be fined, if at all, for over exceeding their allocation. He noted this would take considerable time to resolve and formulate a proposal, which would then have to be voted on unanimously by all five members. On another topic, Mr. Contento proposed staff initiate discussion and evaluate the pros and cons of switching to a usage based billing system. He suggested this may motivate water conservation, create less sewage, and redistribute costs to heavier users. Thoughts were shared on projecting costs with this method, determining a rate structure with more variables to consider, and budgeting to ensure revenues meets expenses without a deficit or surplus. Mr. Gill pointed out a flat number is easier to project for budgeting purposes. It was also suggested this method could affect staffing. Mr. Contento recommended staff be authorized to compile information from other municipalities who utilize this billing method for a general review sometime this summer. The Board agreed the Department should begin this study. Mr. Contento asked Mr. Gill about the status of the new portable camera system. Mr. Gill advised the Wastewater crew will be receiving training on the new portable camera system in mid-March, which will assist in detecting the illegal connection of sump pumps to the sanitary sewer system. He advised the warranty begins the first day after training is completed. He and the Board discussed implementing one last Amnesty Program period, offering those residents with illegal connections the opportunity to notify the Township and properly disconnect prior to the conclusion of the program in order to avoid penalties. Mr. Gill will compose a draft letter informing residents of the requirements and timing of the program, have the solicitor review, and provide for the Board's review at the January meeting.

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 November. Mr. Contento motioned to approve the financial reports as submitted. Mr. Kruse seconded the motion, with all voting Aye. Future Projected Revenues and Expenditures were reviewed with no questions.

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Also reviewed 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. Mr. Contento suggested the years 2006 and prior could be consolidated. There were no further questions.

2014 Audit Proposal:

Mr. Gill offered to the Board Maulo & Company's proposal for preparation of the 2014 Municipal Authority audit, in the amount of \$9,200, which was previously distributed for review. It was noted this reflects a \$200 increase over last year. Mr. Kruse motioned to accept Maulo and Company's 2014 audit proposal in the amount of \$9,200. Mr. Contento seconded the motion, with all voting Aye.

2015 Budget Adoption Resolution:

Mr. Gill reviewed with the Board Resolution 2014-2-CTMA, establishing the sewer rates effective January 1, 2015, and approving the attached annual budget for 2015. He confirmed there is no increase over 2014 for residential or commercial rates. He noted this resolution also provides for a transfer of funds from the sewer operating account to the CTMA Sewer Capital Fund, in the amount of \$100,000. Mr. Contento motioned to adopt Resolution 2014-2-CTMA, establishing the sewer rates and attached annual budget effective January 1, 2015. Mr. Kruse seconded the motion, with all voting Aye.

Act 57 Fund Transfer:

Mr. Gill requested a transfer in the amount of \$12,454.07 be authorized utilizing Act 57 funds, in order to reimburse the Sewer Capital Fund for Municipal Pump Station project related expenditures paid during 2014. Mr. Contento motioned to authorize funds in the amount of \$12,454.07 be transferred from the Act 57 account to the Sewer Capital Fund, in accordance with Act 57 for expenditures related to future conveyance facilities. Mr. Kruse seconded the motion, with all voting Aye. In addition, the Department also requested a transfer in the amount of \$17,632.03 be authorized utilizing Act 57 funds, in order to reimburse the Sewer Operating Fund from which the Act 537 Plan Update 2014 project related expenses were paid. He noted that Mr. Dingman had verified these expenditures are eligible to be reimbursed from Act 57 funds, as they are capital expenses associated with the Municipal Pump Station/capacity project. Mr. Kruse motioned to authorize funds in the amount of \$17,632.03 be transferred from the Act 57 account to the Sewer Operating Fund in accordance with Act 57 for expenditures related to future conveyance facilities. Mr. Contento seconded the motion, with all voting Aye.

2015 Meeting Dates:

The Board reviewed and approved the 2015 Municipal Authority meeting dates for advertising.

Director's Report:

Components of the November departmental report were reviewed, with Mr. Gill pointing out some key items. He reported the repairs needed at The Preserve at Milltown, done by the facility's contractor, are close to completion and he will verify the status tomorrow. All manholes had dishes inserted and the frames are being resealed to the manholes. He indicated the next similar project to be addressed will be The Fairways. The department finished installing new self sealing manhole lids in the Downing Ridge development, and all of the new sewer mains and

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manholes installed in the Phase 2 portion of the Woods at Rock Raymond have been inspected by the department. He updated the Board on the use of the Ipads installed in two of the sewer vehicles early in the year, having proved successful in allowing the crew members to respond to PA One Calls and other departmental tasks more efficiently.

Additional Business:

Mr. Prowant reported three applicants are scheduled to be interviewed by the Board of Commissioners related to fulfilling the vacancy on the Authority Board.

Adjournment:

There being no further business, Mr. Contento motioned to adjourn the meeting at 9:25 p.m. Mr. Kruse seconded the motion, with all voting Aye. The next Authority meeting is scheduled for Monday, January 26, 2015.

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

Respectfully Submitted

Mary Kemble Slade, Recording Secretary