

MINUTES OF THE MEETING
OF THE MIDDLETOWN TOWNSHIP, DELAWARE COUNTY SEWER AUTHORITY
HELD ON FEBRUARY 16, 2021

The regular monthly meeting of the Middletown Township Sewer Authority was held virtually via Zoom, on February 16, 2021, at 7:00pm. All Authority Members and Advisors participated in this meeting.

Present were Authority Members: Roland Bailey, John Hanna, Edward Klodarska, Robert Scholz, and Timothy Sullivan.

Authority Advisors James Flandreau, Esquire, Solicitor, Walter Fazler, Engineer, and John Ibach, Manager, were also present.

• **PLEDGE OF ALLEGIANCE TO THE FLAG**

Chairman Sullivan called the meeting of the Sewer Authority to order at 7:00pm and led the recitation of the Pledge of Allegiance to the Flag.

Instructions for the public to attend the Board meeting were advertised and no public requests were received by the Sewer Authority.

• **APPROVAL OF MINUTES OF THE MEETING HELD ON JANUARY 19, 2021**

Mr. Scholz made a motion to approve the January 19, 2021 minutes. Mr. Klodarska seconded the motion. The motion was carried with a vote of 5-0.

A. Manager's Report

1. North Branch Chrome Run Additional Repairs

Mr. Ibach stated that Mr. Fazler is staying in touch with Mr. McKenney about the needed repairs. However, due to current and projected inclement weather, this work is postponed until the ground is not so saturated. He also stated that the easements agreements are being finalized and Mr. Flandreau will be discussing them in more detail in his report.

2. 2021 DELCORA Rates

Messrs. Ibach, Fazler, Scholz and Sullivan met with DELCORA representatives via Zoom on January 21st to discuss DELCORA's proposed 2021 10% sewer rate increase. DELCORA responded in the affirmative that this increase will be affecting all contributing Municipalities/Authorities. Mr. Scholz presented a worksheet in which he showed the Board that DELCORA has been keeping the budget treatment costs at an 8% increase over the last couple of years. His worksheet outlined the total actual treatment cost versus what DELCORA charges the Authority. This charge has always been discounted by DELCORA. However, he is inclined to think that DELCORA's actual treatment costs will be higher this coming year to cover the financing of their long-term capital projects. This difference between actual and budget treatment costs has been generating a true up bill at the end of each year.. Mr. Scholz added that once AQUA takes over, sewer rates will become "fixed" and based on actual flows/costs. The actual cost will be controlled by the PUC.

3. 2020 Chapter 94 Report

Mr. Ibach and Mr. Fazler will have this report completed by its due date of February 28th.

4. Darlington Valley PS Fencing

Mr. Ibach included the estimate from Lucas Fencing for the Board to review and compare to the estimate received from West Chester Fencing. Mr. Hanna motioned to approve Lucas Fencing's estimate for a chain link with black privacy slats for \$5,680. Mr. Bailey seconded the motion. The motion was carried with a vote of 5-0.

5. Sinkhole by State Police Barracks

On February 15th, Sunoco discovered a 2ft x 2ft sinkhole while doing its flyover of the Mariner Pipeline located by the new State Police Barracks. The sinkhole was located in the vicinity of the recently constructed Baltimore Collector. Mr. Ibach visited the site to confirm and reached out to Mr. McClintock, Franklin Mint's Project Manager, to investigate and come up with a repair plan. Mr. Ibach will get back to board members once he has more information from Mr. McClintock.

6. McIntosh Inn

Mr. Ibach reported there was another SSO adjacent to 1010 Pizza in the same vicinity as the July 2020 incident. The SSO was caused by a break in the neighboring MacIntosh Inns' sanitary sewer lateral. The motel owner contracted with Botella Excavating to repair the lateral. We were informed by Botella that the previous contractor did not catch the extra break in the lateral. As a precautionary measure, Mr. Ibach will be sending the motel owner, Mr. Patel, a letter requiring him to have the entire lateral televised within 14 days to ensure the structural integrity of the pipe.

B. Treasurer's Report

1. Payment of Operating Expenses

Mr. Hanna presented a list of paid invoices for the period of January 18, 2021, through February 12, 2021, for a total of \$696,217.04. The largest invoice is to DELCORA (\$579,665.75) in payment of the first quarterly billing for 2021. Mr. Hanna made a motion to approve these paid invoices. Mr. Bailey seconded the motion. The Board approved with a vote of 5 - 0 with one abstention by Mr. Hanna solely for the payment of the KBX invoice (\$23,850.90).

2. Payment of Capital Expenses – Bond Redemption and Improvement Fund

Mr. Hanna reported Capital Expenses totaling \$148,123.61 for February 16, 2021. The largest expense is to PACT One, LLC (\$107,043.00). Mr. Fazler interjected that PACT One has not been able to rectify the last two items on the punch list due to weather restrictions but will do so as soon as weather permits. Mr. Ibach stated that he will hold off on sending the payment requisition to Bank of NY until these two repairs are completed because Bank of NY sends payment checks directly to payees (BNY Covid19 protocols). Mr. Hanna motioned to approve (\$41,080.61) of these expenses at this meeting and approve (\$107,043.00) to PACT One, LLC post completion of repairs and approval by Mr. Fazler. Mr. Scholz seconded the motion. The Board approved with a vote of 5-0.

3. Payment of Capital Expenses – 2016 Bond Issue

Mr. Hanna reported Capital Expenses totaling \$250.00 for February 16, 2021. The expense is to Mr. Flandreau (\$250.00) for legal fees for Chester Creek Interceptor Phase III. Mr. Hanna made a motion to approve this paid expense. Mr. Bailey seconded the motion. The Board approved with a vote of 5-0. By next Board meeting, the remaining funds in this account will most likely be depleted.

4. Miscellaneous

Mr. Hanna reminded the board there will be two more CDs maturing in March and is hopeful to find a rate closer to 1% in today's interest market.

Mr. Klodarska congratulated the team involved in completing the three phases of the Interceptor project under budget.

Mr. Sullivan questioned whether the Capital Expenditures budget could be updated simultaneously as the yearly budget since some of MTSA projects have been completed. Mr. Ibach answered in the affirmative and stated that a copy of the preliminary budget will be included in the Board's packets for the March meeting.

C. Solicitor's Report

1. DELCORA/Del. Co. Lawsuit

The Board went into executive session to discuss pending litigation matters.

2. Chrome Run Easements

Mr. Flandreau has finalized the access easement on 306 Mystic Lane and is currently working on the 176 Glen Riddle Road property. Mr. Fazler stated Mr. Strohm (166 Glen Riddle) will be approached next because Mr. Fazler has revised the required access plans. Mr. Flandreau stated he would like this finalized so that when the weather breaks, work can begin.

D. Engineer's Report

1. CCIP3 Construction and storm damage

Mr. Fazler reported that the final two items (re-placing the large boulders and repairing the retaining wall on the Graham property on the punch list are still pending and will be completed once the weather permits.

2. Darlington Valley Pump Station (DVPS)

Mr. Fazler is still reviewing the shop drawings. He stated that most of the major equipment has been approved. Long lead items (generator transfer switch) as well as inclement weather have not allowed the Contractor to begin work.

3. DELCORA I & I Program

Mr. Fazler stated the televising of the mains is about 62% complete and the contractor has now begun televising the laterals. To date, there are about 25 deficiencies on his report. Once this project is complete, the contractor will start working on the necessary repairs. This project is a comprehensive review of all the laterals, manholes and mains, and will provide MTSA with a drawing showing all manholes and laterals. Mr. Ibach stated the county has been very cooperative with televising their sewer mains.

4. Overview Planning for Dutton Mill Interceptor

Mr. Fazler stated he received Act 537 approvals from the Middletown Planning Commission, Delaware County Planning Commission and the Pennsylvania Historical and Museum Commission. It is now in queue for Middletown Township's adoption which will take place at their Council meeting scheduled for February 22nd. Mr. Scholz and Mr. Ibach will represent the Authority at the Council meeting.

5. Baltimore Pike Collector

Mr. Fazler is awaiting more information regarding the sink hole at the State Police Barracks to share with the Board.

6. Chrome Run Interceptor Relocation/Replacement

The Board participated in part 1 of 2 scheduled walks along the path of the Interceptor. Mr. Sullivan and Mr. Fazler commended Mr. Ibach and Mr. Niermann for their guidance and expertise of the land. Mr. Fazler stated once he receives the results back about the condition of the interceptor, he will be able to better decide on how to proceed with any required repairs. Mr. Sullivan suggested the first phase of televising could be conducted from the parking lot behind Riddle Hospital, the second part could be done from the townhouse community behind Riddle Hospital and the last part from the Williamson Campus via accessing some private properties. The Board will be taking part 2 of their walk along the Interceptor in the next couple of weeks.

7. Tapping Fee Calculation

Mr. Fazler would like to review and recalculate tapping fees to see whether a tapping fee increase can be considered. This is for informational purposes only. Mr. Sullivan gave Mr. Fazler the go ahead to proceed with the calculations. Mr. Ibach stated that he has included Mr. Nepo's audit proposal in the Board's packets for their review and approval/signatures by the March Board meeting.

• **QUESTIONS FROM THE AUDIENCE**

None.

ADJOURNMENT

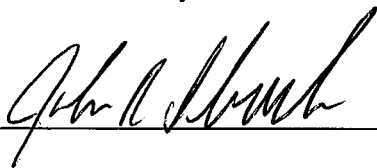
Upon motion by Mr. Sullivan and seconded by Mr. Hanna, the meeting was adjourned at 8:34 pm.

Respectfully Submitted,

John Ibach, Manager
Cc: Authority Board and Advisors
Township Manager
S.W.D.C.M.A.
DELCORA

The minutes were recorded by Mr. Fazler and transcribed by Ms. Tierney

Approved: _____



Date: _____

3/15/21