

**MINUTES OF THE MEETING**  
**OF THE MIDDLETOWN TOWNSHIP, DELAWARE COUNTY SEWER AUTHORITY**  
**HELD ON JUNE 21, 2021**

The regular monthly meeting of the Middletown Township Sewer Authority was held on Monday, June 21, 2021 at 7:00pm in person in the Township Administration Building.

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

Authority Advisors James Flandreau, Esquire, Solicitor, Walter Fazler, Engineer, John Ibach, Manager, and Francis Niermann, I&I Coordinator, 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.

• **APPROVAL OF MINUTES OF THE MEETING HELD ON MAY 17, 2021**

Mr. Scholz made a motion to approve the May 17, 2021 minutes. Mr. Klodarska seconded the motion. The motion was carried with a vote of 4-0.

A. Manager's Report

1. North Branch Chrome Run (Additional Repairs)

Mr. Ibach reported that all repairs from the August 2021 storm damage have been completed. Very minor grading work remains to be finished by Wind River Environmental (KBX).

2. Capital Budget

Mr. Ibach has included this document in the Board's packets for review. Mr. Hanna made a correction to the tapping fee to the new rate of \$10,650 instead of \$8,000. Mr. Ibach will email a revised version of this capital budget. Mr. Hanna motioned to approve the capital budget. Mr. Scholz seconded the motion. The motion was carried with a vote of 4-0.

3. 2016 Bond Issue Re-Finance

Mr. Fazler presented the Board with a shortened version of a self-liquidating debt report (5-year analysis) with 4 different scenarios. A bank loan assuming a 3% increase in DELCORA's wastewater treatment costs or a bond with the same parameters. A bank loan assuming a 10% increase in wastewater treatment costs and a bond with the same parameters. This report is to assist the Board in reaching a decision as to which method to choose for re-finance of the 2016 bonds. The best planning scenario is to assume a 10% increase from DELCORA (over the next 8-9 years) with either decision for the debt service coverage since there is so much uncertainty regarding the DELCORA/Aqua sale. After lengthy discussions, the Board decided to go with the Bond issue option. This translates into a sewer rent increase of \$80 for calendar year 2022 for the bond option. (\$630 in 2022). It was discussed to ask Mr. Schlesinger about the possibility to set up a separate account where extra funds could be placed for pre-payment or for capital improvement purposes. This fund will need to be reviewed and approved by the bond trustee and will be discussed further later. Mr. Sullivan and Mr. Scholz will attend Council's June 28<sup>th</sup> meeting to present MTSA Board's decision regarding the Bond issue. Mr. Ibach will notify Mr.

Schlesinger of the Board's decision.

4. CCIP3/Cross Access Paving & Barrier Gate

The access ramp installed on the Cross's property during the CCIP3 construction is showing severe signs of erosion. Mr. Ibach solicited paving (\$7,900) and a gate installation (\$1,150) estimates and is asking the Board to approve them. Mr. Hanna motioned to approve these estimates. Mr. Scholz seconded the motion. The motion was carried by a vote of 4-0.

5. DELCORA True-up

Mr. Ibach included the invoice for the 2020 True-up that was completed by DELCORA in the Board's packets (\$6,671.85). Mr. Scholz referred to a 3-page worksheet showing flow data that he had estimated for 2020. His estimation came within 184,000 gallons of the actual flow data which is very close. However, there was a .01 cents difference in the pricing by DELCORA which made the \$ differential substantial. Normally, DELCORA's actual versus projected estimates come in lower except for 2020. Mr. Scholz will be doing this report monthly and submitting it to the Board to catch any issues that may come up early and address them in a timely fashion. Messrs. Ibach, Scholz, and Hanna will be setting up a meeting with DELCORA to discuss the True-up calculations and will report back to the Board during the July meeting.

6. Tapping Fee Increase

Mr. Sullivan discussed being approached by Mr. Bonaventure regarding legal representation in his purchase of the Lenni Fire station. Mr. Bonaventure inquired whether tapping fees could be paid as building permits are drawn. Mr. Sullivan responded in the negative but stated he will discuss with the Board. Mr. Bonaventure also asked if the tapping fee rate increase deadline could be modified. Other Board members were also approached about the timing since the increase was substantial. The Board discussed the effective date of the rate increase and chose September 1, 2021, in lieu of August 1, 2021. Mr. Hanna motioned to approve the rate increase deadline change. Mr. Klodarska seconded the motion. The motion was carried by a vote of 5-0. Mr. Flandreau will prepare a written resolution for Mr. Sullivan's signature and Mr. Klodarska's attestation changing the first paragraph to state the due date change. The proposed tapping fee increase will also be presented at the Middletown Township Council's meeting.

B. Treasurer's Report

1. Payment of Operating Expenses

Mr. Hanna presented a list of paid invoices for the period of May 17, through June 18, 2021, totaling of \$152,044.96. The largest invoice is to Wind River Environmental (KBX) (\$37,417.17). Mr. Hanna made a motion to approve these paid invoices. Mr. Scholz seconded the motion. The Board approved with a vote of 5 - 0 with one abstention by Mr. Hanna solely for the payment of the WRE invoice.

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

Mr. Hanna reported Capital Expenses totaling \$76,817.08 for June 21, 2021. The largest invoice is to Cedar Electric (\$48,870.00). Mr. Hanna motioned to approve these expenses. Mr. Bailey seconded the motion. The Board approved with a vote of 5-0.

### 3. Miscellaneous

Mr. Hanna brought the General Liability Insurance listed on the Profit & Loss Report. It shows a negative balance of \$3,614.00 because there was a \$28,000.00 refund received by MTSA in the month of June. He would like to have this put under "Other Income" to better reflect MTSA's "General Liability Insurance" expense.

### C. Solicitor's Report

#### 1. DELCORA/Del. County Lawsuit

This continues to be in a holding pattern due to the DELCORA/Aqua sale. Mr. Flandreau has nothing more to report currently.

#### 2. Darlington Pointe 1 Deed of Dedication

Mr. Flandreau stated that this deed of dedication is progressing well. Legal description documents are still being worked on.

#### 3. Arbor's Deed of Dedication

Mr. Flandreau stated that this deed of dedication is progressing well. Legal description documents are still being worked on.

#### 4. Senate Bill 597

This amendment passed through the Pennsylvania House of Representatives. Mr. Flandreau advised Mr. Ibach to send a letter to Senator Kane on behalf of MTSA announcing that the Authority is opposed to this legislation.

Mr. Sullivan suggested to the Board that he would like to send a letter to Middletown residents who have outstanding sewer rents with the Authority greater than \$5,000 to collect some of the outstanding balances. Mr. Flandreau will formulate this letter.

### D. Engineer's Report

#### 1. Darlington Valley Pump Station (DVPS)

Mr. Fazler stated that the original station generators have been removed. The work is progressing well and the temporary pumps are operational. At this point, this project is beyond the contract end time and will require a change order. He approached both contractors to submit a written letter stating the reason(s) for the delay which he will present to the Board upon receipt. Feedback he has received about the delay has to do with a 10-week delay in electrical components due to Covid. He also asked both contractors for a new proposed end date which he will pass on to the Board. He stated this delay should not add any additional costs to the original contract.

#### 2. DELCORA I & I Program

Mr. Fazler reported this project is about 80% complete. The work cost estimate to the collection system is about \$60,000 to \$80,000 so far. The televising of the county system (Fair Acres and behind the Juvenile Detention Facility) showed significant deficiencies in their sanitary collection system. Mr. Fazler will be working with Mr. Ibach and DELCORA to contact the county and provide them with videos to show them the deficiencies within their system that will ultimately need to be repaired.

### 3. Overview Planning for Dutton Mill Interceptor

Mr. Fazler is awaiting an estimate from Mobile Dredging to televise the DMI to assess its condition and determine which construction option would be more viable. He also stated that some clearing will need to be done by WRE prior to televising. Since the DELCORA I & I project is coming in under budget, the difference will help cover most of the expenses for this televising project. Mr. Sullivan is working on getting title reports for the surrounding radio station and the Sweeney Landfill properties. The title reports will contain all existing easement descriptions.

### 4. Chrome Run Interceptor Relocation/Replacement

Mr. Fazler is continuing to identify access points to the Interceptor for televising purposes. He is assessing its condition and evaluating the results to recommend replacement/repair of the sanitary sewers, restoration of the stream bank and/or relocation of the Interceptor. He should have a preliminary report by July's Board meeting and will work on an engineer's estimate as to the televising cost. Mr. Sullivan added that part of the Chrome Run Interceptor project is to have Fair Acres Pump Station flows to the Baltimore Pike Collector rather than Chrome Run. The Board had preliminary discussions about implementation with an easement through Pennell Place townhouses and/or the camping site. This would allow the camping site to tap into the public system. Mr. Sullivan also discussed possibly altering the line from the Wawa Dairy plant and going across Baltimore Pike. This would result in Granite Farms Estates, Rocky Run YMCA and the Chevrolet dealership being connected to Wawa's force main and the Baltimore Collector.

### 5. Ponds Edge Pump & Haul

Due to supply shortages, the manufacturing of this pump station has been delayed. Mr. Fazler is working with the developer for them to obtain building permits. The developer will not be able to close and obtain a certificate of occupancy until the pump station is operational. There will be an air gap left between the lateral and the building sewer until the building is operational.

### 6. Confined Space Entry Abandonment

Environmental engineers visited and examined all 4 pump stations in question and did not find any significant environmental concerns (Mercury/Asbestos/Lead paint). Mr. Fazler stated that pump station abandonment contract will be ready to put out to bid soon.

### 7. LPSS for Convery Project

MTSA agreed to permit and install a low-pressure sanitary sewer up to this property as part of the developer's agreement. Mr. Fazler is finished with the design of the lpss and will be submitting the permit applications to the DEP.

### 8. PA-1 Call Indemnification

Mr. Majeski, previous Authority Manager, would go out daily to mark out the MTSA owned sanitary sewers. To be more efficient, MTSA hired Bradford Engineering to take over marking out the sanitary sewers for all PA-1-Calls. Bradford Engineering charges \$17,000 annually no matter how many PA-1 calls are received. In 2019 and 2020, MTSA was fined by the PUC for not clearing two separate PA-1-Calls. As an option, Mr. Ibach reached out to another company to inquire what they would charge to locate all MTSA PA-1-Calls and reported back to the Board. This company's charge ranged from \$50 to several hundred dollars per mark out. They also required the full GIS plans of MTSA's sanitary sewer system, full design drawings and explicit information from MTSA. The Board discussed this and decided that Bradford Engineering should remain as the company to mark out these utilities and any minor errors that may take place will be indemnified by the Authority. Bradford Engineering is very familiar with MTSA's sewer system and is very good at marking the lines. Mr. Fazler and Mr. Ibach will be reaching out to Mr. Howser, Montgomery

Insurance, regarding the insurance policy to make sure coverage is appropriately configured.

QUESTIONS FROM THE AUDIENCE

None.

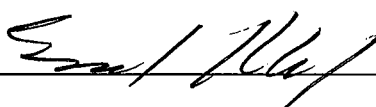
ADJOURNMENT

Upon motion by Mr. Sullivan and seconded by Mr. Hanna, the meeting was adjourned at 9:01 pm.

Respectfully Submitted,

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

The minutes were recorded and transcribed by Ms. Tierney

Approved:  Date: 7/19/21