



MEETING MINUTES

January 23, 2018

7:30 PM

Approved

In Attendance: L. Schack, Chairman, W. Quinn, Vice Chairman, H. Harper, Member, D. Carlson, Member, B. Watts, Member, M. Brown, P.E., Authority Administrator and K. Cirone E.I.T., ARRO Consulting, Inc.

Call to Order

L. Schack called the meeting to order at 7:30 PM.

Reorganization

L. Schack turned the meeting over to M. Brown to conduct the election of Chairperson for 2018. D. Carlson moved, seconded by L. Schack to name W. Quinn as Chairperson for 2018. It was so moved. M. Brown returned the meeting to the new Chair. W. Quinn requested nominations for Vice-Chairperson. L. Schack moved, H. Harper seconded to name D. Carlson as Vice-Chairperson for 2018. It was so moved. Completing the reorganization, L. Schack moved, seconded by H. Harper to name the following staff offices and consultants for 2018:

Authority Administrator: G. Matthew Brown, P.E., DEE

Authority Solicitor: Christopher E. Frantz, Esq.

Authority Engineer: ARRO Consulting, Inc.

Authority Operator: Clean Water, Inc.

It was so moved.

Approval of Minutes

M. Brown noted the minutes from the October 24, 2017 meeting needed approval. After a brief discussion, D. Carlson moved, H. Harper seconded to approve the draft minutes of the October 24, 2017 meeting as submitted. It was so moved. Following a brief discussion, D. Carlson suggested some wording clarifications be added to the draft minutes from the December 5, 2017 meeting. The Authority agreed by consensus the changes to be appropriate. D. Carlson then moved to approve the draft minutes of the December 5, 2017 meeting as modified; H. Harper seconded. It was so moved.

Approval of Payments

Following questions and a brief discussion regarding the utilization of the Authority's published protocol for the payment of December invoices, a motion was made by D.

Carlson to approve the payments for December 2017. L. Schack seconded. It was so moved. Following a discussion and several questions, D. Carlson made a motion to approve the January invoices, L. Schack seconded. It was so moved. D. Carlson then made a motion to accept in good faith the Balance Sheet and Revenue and Expense Reports as prepared by the Township Treasurer through December 2017. B. Watts seconded the motion. It was so moved.

2018 Draft Operating and Capital Budgets – Consider Approval

M. Brown presented the 2018 Draft Operating Budget for consideration. He noted the line item expenses and the consideration for an additional borrowing sometime in 2018 to facilitate the payment for the Township/Authority part of the Route 100 WWTF Phase III Expansion, the extension of sewer service on Byers Road as delineated in the State-approved Act 537 Plan for the Township and to purchase additional land for development of disposal facilities. A lengthy discussion amongst the Board members then ensued regarding the current status of Authority funds and the need to generate revenue at perhaps an accelerated pace to potentially lessen the borrowing, undertake needed extraordinary repair or maintenance work to the systems and to place the Authority in a position to prepare for contingencies such as equipment failures or system contamination. M. Brown noted that he had included a rate increase of \$15 per quarter per EDU starting in 2019 to assist with debt service for a borrowing. He also noted that within the Route 100 System, no rate increase had been made in the 14 years it had been in operation. He further noted that over 70% of the Authority customers were in the Route 100 System. The Authority, concerned with a potential shortfall of funds, discussed the possibility of moving the rate increase up to 2018 to assist in generating the needed revenue. After further discussion, D. Carlson moved, seconded by B. Watts to adopt the 2018 Operating Budget with a rate increase to begin with the second quarter of 2018. The increase would be \$15 per quarter per EDU as recommended and would increase the quarterly rate from \$175 to \$190. It was so moved.

M. Brown then presented the 2018 Draft Capital Budget for consideration. After several questions and a brief discussion D. Carlson moved, seconded by B. Watts to adopt the 2018 Capital Budget as submitted. It was so moved.

Authority Administration Reports

M. Brown noted that all treatment facilities were operating well and within their permit requirements. He noted the four reports and asked if there were any questions regarding the reports. Several questions and a brief discussion followed.

M. Brown noted in the ARRO report there was a discussion where appeared to be a problem with the Pickering Valley water usage greatly exceeding the EDU allowance for sewage discharge. He noted the consultant was currently investigating the situation and would be available to report on it at the next meeting.

M. Brown noted that surveyors would be out in the area of the Byers Road sewer extension to establish firm gradients for the design. He noted information would be going out to homeowners advising them of the activity.

M. Brown noted a lawsuit apparently was underway between Pulte and Cutler, two township developers over money owed for sewerage constructed. Pulte had approached the Township/Authority requesting their assistance. M. Brown noted it was the desire of the Township and that he expressed the desire on behalf of the Authority to not be involved.

D. Carlson noted in the Clean Water Report a problem with local teens using the storage lagoons as ice skating rinks during the cold weather. The consensus of the Authority was for M. Brown to send a letter to the HOAs of the effected developments reminding them no trespassing would be tolerated and that the lagoons could prove extremely hazardous to anyone who violated the posted signs.

M. Brown then noted the Proposed Draft Septage Management Ordinance to be presented to the Board of Supervisors at the next workshop. He said this was a Township ordinance and outside of the purview of the Authority who operated the public system. He noted that in the ordinance there was an appeal process and that he and the Authority Solicitor were recommending the governing appeal board should be the Municipal Authority rather than the Board of Supervisors. M. Brown requested the Authority review the draft ordinance and to forward any comments to him or the Solicitor.

M. Brown noted that the Board of Supervisors had taken no action on the Brotze Agreement.

M. Brown noted that he and D. Carlson had met prior to the meeting to discuss his comments on the McKee Agreement and that their discussion would continue by telephone conference the following day.

B. Watts made a motion to approve the reports of the Authority Administrator. H. Harper seconded. It was so moved.

Next Meeting Date: February 27, 2018 - 7:30 PM

W. Quinn noted the date and time of the next meeting of the Authority.

Adjournment

There being no further business to be brought before the Authority, D. Carlson moved, seconded by B. Watts to adjourn the meeting at 9:15 PM.

Respectfully submitted,

G. Matthew Brown, P.E., DEE
Authority Administrator