

EAST BRANDYWINE TOWNSHIP MUNICIPAL AUTHORITY
Tuesday, November 8, 2011
7:30 A.M.

Those in Attendance:

Michael Corbin, Chairman
Gerald Kirkpatrick, Vice-Chairman
David Summers, Treasurer
Joseph Anthony, Secretary

Absent:

Sandra Moser, Member
Matthew T. VanLew, Roadmaster

Also in Attendance:

Scott T. Piersol, Township Manager
Thomas Oeste, Esq., Municipal Authority Solicitor
Joseph Boldaz, Municipal Authority Engineer
Mary Beth Smedley, Secretary/Treasurer

The Municipal Authority met on Tuesday, November 8, 2011, at the East Brandywine Township Municipal Building. Mr. Corbin called the meeting to order at 7:30 A.M. There were two visitors present.

Minutes: October 11, 2011

Mr. Summers made a motion to defer action on the above minutes until the December 13th meeting. Mr. Kirkpatrick seconded the motion, with all voting Aye.

Treasurer's Report

Mrs. Smedley provided the Treasurer's report and a list of invoices for payment. Mr. Anthony made a motion to approve the Treasurer's report and authorize payment of the invoices as presented. Mr. Kirkpatrick seconded the motion, with all voting Aye.

Mrs. Smedley reported that correspondence was received from one delinquent customer this month. This individual indicated that he is in the process of refinancing and plans to pay off his outstanding sewer fees once this is completed. Mr. Piersol has discussed this with the individual and has also suggested other avenues he might consider to help with restructuring his loans. He will keep the Authority apprised of updates as they arise.

Applecross

October and November Hydraterra Correspondence

Mr. Boldaz reported that most of the correspondence was reviews of shop drawings. A letter was issued to address air entrainment from the cloth media (disk) filter. Mr. Boldaz is concerned that bubbling is creating turbulence within the UV system and may affect the ability of the UV system to provide disinfection within its design parameters. Also, the bubbling could cause health hazards and housekeeping problems as non-disinfected wastewater could splash up and over the UV trough. He has asked Ebert Engineering to discuss this issue with the disk filter manufacturer and UV manufacturers and present a solution to this problem.

A working punchlist for construction of the WWTP is currently being used to finalize construction items. A preliminary punch list had already been sent to PADEP and they had no comment. A final punch list will be issued once the control building is complete and ready for inspection. Mr. Boldaz said that other than an effluent pumping issue and the air entrainment concern, the plant construction could be considered substantially complete. PADEP is awaiting receipt of design flow rates for the influent pump station and a construction certification letter before they approve the LWWTP for operation.

Mr. Creeger asked what is delaying operation of the treatment plant. Mr. Boldaz said the financial analysis of the "Project Costs" for the wastewater renovation facilities remains unresolved, specifically the soft costs. Although Mr. Creeger has provided a spreadsheet for Mr. Boldaz to review, Mr. Boldaz still needs back-up information from certain sub-contractors including Ebert Engineering, JMG Construction, Shearon, Wilkinson Engineering and Lichtman. Mr. Creeger should also provide the costs for bonds and security as well as administrative fees that Pulte thinks should be considered. Mr. Boldaz said that resolution of the Project Costs is still the biggest hurdle to plant operations. Mr. Corbin said that the treatment plant can't be started until the costs are identified. He said that the two issues are linked, according to the agreement that is currently in place. Mr. Oeste said that in the current agreement there is a methodology to offer the treatment plant for dedication and some of those things aren't done, the major issue being the total project costs. There is nothing in the agreement about starting the plant before dedication. Mr. Oeste has had discussions about amending the Agreement, but until the costs are finalized it can't move forward.

Mr. Boldaz and Mr. Creeger will meet this week to discuss the remaining issues including the soft costs, the UCC Certification, deeds of dedication, title insurance, and how to handle change orders.

The Authority may accept dedication and allow operation of the treatment plant once the outstanding items are substantially complete. Until the issues described above are resolved to the satisfaction of the Authority they will not approve start-up of the treatment plant.

Mr. Corbin asked Mrs. Smedley to schedule an Executive Session with the Board of Supervisors and Municipal Authority to discuss outstanding issues related to the wastewater treatment plant.

Capital Reserve Contribution

Hydraterra Professionals has reviewed Pulte's analysis of the Capital Reserve Contribution. In his October 12th correspondence, Mr. Boldaz said that the analysis appears to be logical, but exceptions to several items were noted. The October 12th letter sets Pulte's Total Share of the Capital Reserve at \$88,979.00.

Tapping Fee

Mr. Boldaz is in the process of categorizing information. He and Mr. Oeste will meet later this week to discuss the tapping fee calculation. Mr. Oeste said that the tapping fee has to be set in accordance with the Municipal Authority's Act and then the Authority should pass a resolution setting the fee. Mr. Oeste said they should have something for the Authority to review by next month. He said it will be easier to determine the tapping fee once the project costs are finalized.

EEMA Operations and Maintenance Agreement

EEMA did send the Agreement back with most of the changes requested by the Municipal Authority. There are still a few items that need to be changed and/or clarified. Those changes will be sent back to them for correction.

The RFP included a requirement that the contractor perform sampling and testing on the monitoring wells. At Mr. Boldaz's recommendation this will be separate from the contract.

Pump Station A BRD Acoustical Evaluation

BRD conducted sound level testing at Pump Station A on September 14, 2011 to evaluate noise associated with operation of the diesel engine for the emergency generator in order to identify options for noise control, if necessary. BRD indicated that the noise level at the pump station met parameters set in the Township's noise ordinance. BRD provided abatement options, however the implementation of these abatements would be cost prohibitive. No further action is needed. Mr. Boldaz will send a letter to PADEP to bring closure to this issue.

Little Washington Wastewater Treatment Plant (LWWTP) Rate Adjustment

In February of this year the rate charged for the Guthriesville service area was significantly increased by LWWTP from \$5.49 per thousand gallons to \$7.74 per thousand gallons. Paragraph 5 of the Agreement between the Authority and Suburban Wastewater Company (now Aqua Pennsylvania) provides for an initial rate of \$5.49 per thousand gallons of treatment and disposal. It further provides that the initial rates shall extend until rates

provided by Suburban Wastewater Company be approved by the Pennsylvania Public Utility Commission, which was not done. Mr. Oeste sent a letter dated October 14, 2011 disputing this rate increase and stating that the Authority will withhold payment until this matter is resolved. In late October he received a phone call that the Manager of Regulatory Affairs for Little Washington Wastewater Treatment Plant would look into this. To date, there has been no further response from Aqua.

Act 537 Special Study

Mr. Boldaz has reviewed the most recent PADEP correspondence. He will organize his comments and issues and provide them to the Board of Supervisors and Municipal Authority before the next Authority meeting. Some of the unresolved issues were related to disposal capacity at the School District property (Weaver) and current issues related to the Brandywine Shopping Center. Mr. Boldaz suggested scheduling a meeting with PADEP prior to submitting a revised study. Mr. Kirkpatrick asked if Mr. Boldaz thought the meeting with PADEP could take place before the end of the year. Mr. Boldaz thought it could.

2012 Budget

Mr. Summers provided the preliminary 2012 budget. He expects there could be a modest increase in rates for the Keats Glen and Hopewell sewer districts. Part of the reason for the Hopewell increase is because of Aqua's rate increase that the Authority is disputing. It was suggested that the rate issue be resolved with Aqua prior to increasing Hopewell rates, rather than having the possibility of two rate increases in one year.

Mr. Summers said that he does need to confirm that there will be no rate increase for the Keats Glen treatment plant operator. Mrs. Summers asked Mr. Boldaz if he expected there to be any capital improvement projects in 2012. He said he didn't see any short-term issues and that the Keats Glen Plant and the Bondsville Road pump station were in pretty good shape. Mr. Summers does set aside \$10,000 each for both the Keats Glen treatment plant and the Hopewell pump station every year for capital reserve.

Mr. Boldaz and Mr. Summers discussed investigating the condition of the Locust Knoll sewer lines. Hydraterra's personnel and Mr. VanLew did look at them and discussed performing a televised evaluation. Mr. Piersol mentioned that a property owner in Locust Knoll is having a problem with groundwater, which has fouled his subsurface disposal system. He and Mr. VanLew have had discussions with an individual at the Chester County Health Department who suggested that the property owner connect to the Township storm sewer to address the groundwater problem. The Township objects to this solution since it is a groundwater seepage problem, not surface water run-off created by the Township. It would also add pollutants to the stormwater to which PADEP objects. They will continue discussions with the Health Department to try and resolve this.

Mr. Piersol reported that after January 1st Mrs. Smedley will be stepping down from most of her work with the Municipal Authority in order to concentrate on her Township duties. Mrs. Bednarchik will be taking over the Authority duties. Mr. Piersol asked that the Authority

consider changing their meeting date since it may conflict with another of Mrs. Bednarchik's commitments. The meeting might be moved to the third Tuesday of every month at 7:30 A.M. The meeting date will be discussed with Mrs. Bednarchik to determine if a change is necessary.

Mr. Summers will circulate a final budget prior to the December meeting.

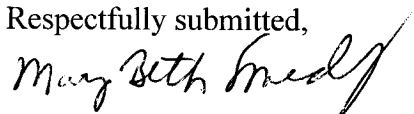
Comments from the Audience

Mr. Corbin asked if there were comments from the audience. Mr. Paul Prince asked for clarification of an email that Mr. Piersol wrote on April 26, 2010 to Marc Kaplin, Esq. which discusses the possibility of the East Brandywine Center disposing their effluent on the School District property. He then asked if the School District's land development application was still moving forward. He was told it was not. Mr. Oeste said that he wasn't familiar with the email Mr. Prince mentioned, but there is a Developer's Agreement with the Carlino Development, the Township and the Authority that addresses sewage disposal. He said he would provide information on it if Mr. Prince has specific questions.

Adjournment

There being no further business, Mr. Summers made a motion to adjourn the meeting at 8:05 A.M. Mrs. Moser seconded the motion, with all voting Aye.

Respectfully submitted,



Mary Beth Smedley, Secretary/Treasurer