

DOYLESTOWN TOWNSHIP MUNICIPAL AUTHORITY
Minutes of Meeting
May 17, 2018

A meeting of the Doylestown Township Municipal Authority was held at 4:00 p.m. on Thursday, May 17, 2018 in the Township Building with the following members in attendance: Richard A. Bach, Chairman; C. Edward Hege, Vice-Chairman; Joseph C. Van Houten, Secretary and Kevin Green, Assistant Secretary/Treasurer. Also present at the meeting was Keith Hass, Executive Director; Richard D. Magee, Jr., Municipal Authority Solicitor; Alfred S. Ciottoni, Municipal Authority Engineer and Rick Colello, Board of Supervisors Liaison to the Doylestown Township Municipal Authority.

ACTION ITEMS

The Board Chairman, Mr. Richard Bach, welcomed a resident, Jenny Kimbel, to the Doylestown Township Municipal Authority meeting.

Mr. Bach also accepted with regret the resignation of Mr. Edward Harvey from the Doylestown Township Municipal Authority Board and thanked him for his many years of service on the Board.

MINUTES APPROVAL: February 7, 2018 (Special Meeting), February 15, 2018 and March 15, 2018

Upon a motion by Mr. VanHouten, seconded by Mr. Green, and unanimously approved by the Authority, minutes of the following DTMA meetings were approved as submitted:

- February 7, 2018 (Special Meeting)
- February 15, 2018
- March 15, 2018

BILL'S LIST: April 2018 and May 2018

Mr. Van Houten made a motion to approve the April 19, 2018 Bills List for the General Fund Account in the amount of \$36,413.74; Developers Escrow Fund in the amount of \$384.00; Capital Improvement Fund in the amount of \$567.20; Prepaid Invoices in the amount of \$13,689.26; Prepaid ACH Credit Invoices in the amount of \$10,556.61 and Transfers to the Township in the amount of \$83,542.29. Mr. Hege seconded the motion which was then unanimously approved by the Authority.

Mr. Van Houten made a motion to approve the May 17, 2018 Bills List for the General Fund Account in the amount of \$31,883.02; Developers Escrow Fund in

the amount of \$10,647.81; Capital Improvement Fund in the amount of \$192,326.30; Prepaid Invoices in the amount of \$77,734.74; Prepaid ACH Credit Invoices in the amount of \$9,074.75 and Transfers to the Township in the amount of \$83,027.08. Mr. Hege seconded the motion which was then unanimously approved by the Authority.

TREASURER'S REPORT: April 2018 and May 2018

Mr. Van Houten made a motion to approve acceptance of the Treasurer's Reports as presented for April 19, 2018 and May 17, 2018. Mr. Hege seconded the motion and the motion was unanimously approved by the Authority.

APPLICATION FOR PAYMENTS #3 and #4 JEV CONSTRUCTION, INC.

Mr. Ciottoni, Engineer for the Doylestown Township Municipal Authority, reported that the well house is operationally complete at this time. He referenced his letters dated April 11 and May 7, 2018 to the DTMA relative to this project. Based on Mr. Ciottoni's recommendation, Mr. Hege made a motion to approve JEV Construction, Inc., 116 West Main Street, Clinton, NJ 08809, Payment Request #3 in the amount of \$42,781.50 and Payment Request #4 in the amount of \$46,178.43 for work completed to date on Contract No. 2017-2A: Ridings Wellhouse Upgrade – General Construction. Mr. Green seconded the motion and the motion was unanimously approved by the Authority.

APPLICATION FOR PAYMENTS #4 and #5 AJM ELECTRIC, INC.

Mr. Ciottoni again referenced his letters dated April 11 and May 7, 2018 relative to this project. Based on Mr. Ciottoni's recommendation, Mr. Hege made a motion to approve AJM Electric, Inc., 2333 Concord Road, Chester Township, PA 19013, Payment Request #4 in the amount of \$27,090 and Payment Request #5 in the amount of \$85,077 for work completed to date on Contract No. 2017-2B: Ridings Wellhouse Upgrade – Electrical Improvements. Mr. Green seconded the motion which was then unanimously approved by the Authority.

APPLICATION FOR PAYMENT #1 PACT ONE, LLC.

At the recommendation of Mr. Ciottoni, Mr. Van Houten made a motion to approve PACT One, LLC Payment Request #1 in the amount of \$266,763.60 for work completed on Contract 2018-1: Furlong Area Water System. Mr. Hege seconded the motion which was unanimously approved by the Authority.

AUTHORIZATION FOR ESCROW RELEASE #1 ENCLAVE AT TOWN'S EDGE

Mr. Ciottoni referenced his letter to the DTMA dated May 7, 2018 relative to this project. Based on Mr. Ciottoni's recommendation, Mr. Hege made a motion to reduce the Lower States Associates, LLLC, 4030 Skyron, Suite K, Doylestown,

PA, 18092 Covenant Bank Letter of Credit No. 35500017284 from \$64,348 to \$11,699 for the work completed at the Enclave at Town's Edge pending receipt of items delineated in said letter. Mr. Van Houten seconded the motion which was unanimously approved by the Authority.

AUTHORIZATION FOR PRELIMINARY APPROVAL OF TABOR PROPERTY

Authority Engineer Fred Ciottoni and Executive Director Keith Hass recommended conditional approval of the preliminary utility plan for the proposed Tabor development. On motion by Mr. Hege, seconded by Mr. Green, the Authority unanimously granted conditional approval of the preliminary utility plan.

DEVELOPER PROJECT UPDATES

Mr. Hass referenced a separate update sheet provided in the meeting packet and stated that it is a self-explanatory document.

NEW BUSINESS

FURLONG WATER SYSTEM LOAN DETAILS (Rate and Term)

Mr. Hass discussed the mandatory contribution of the commercial property owners for this project and the time period applicable to complete their respective contributions. He suggested a maximum payment period of five years with a 3 percent interest for commercial properties with one EDU and a longer period of time for commercial properties containing more than one EDU. It was agreed a seven year term at 3% interest could be offered. Upon a motion by Mr. Hege, seconded by Mr. Green, the Municipal Authority unanimously approved the development of said policy.

WATER SYSTEM STUDY (Keystone Consulting)

Nothing was reported on this topic.

OLD BUSINESS

WATER MAIN EXTENSION DISCUSSION – Pebble Ridge and Woodridge Neighborhood

Mr. Hass opened discussion concerning the contents of a survey letter to be sent to the residents in these neighborhoods inquiring as to property owners' interest in an extension of the Authority's public water system to serve the area. The Township is already moving forward with the installation of public sewer for this area. He reviewed the estimated costs associated with the public water project

and costs potentially to be paid by the respective property owners. These costs included the following: construction, tapping fees, private service connection to water main, well abandonment and water meter.

Mr. Hass requested direction from the Authority regarding the contents of a survey letter.

Mr. Ciottoni clarified that no decision has been made to install water in this area of the Township in response to a question from a resident, Jenny Kimbel.

Mr. Ciottoni explained the difference between a subsidized plan (with the Authority paying portions of the construction of the project) versus the plan in which the residents would be responsible for all the construction costs.

Mr. Van Houten suggested a different way of looking at the overall expense for the homeowners by considering one large outlay of cash versus a small monthly expense over a 20-year period.

Mr. Hege stated, in his opinion, the DTMA does not have the resources to fully fund this project, and reserves must be kept for emergency and capital projects with future regulations forthcoming.

Mr. Green stated he was in agreement with Mr. Hege. He voiced his desire to provide safe water to our residents but also wanted to be confident regarding the ability to address issues that may come up in the future. Mr. Green stated that his first priority would be for contaminated areas.

Mr. Van Houten stated that DTMA should not be limited to contamination projects or new developments and should consider expanding water service to existing neighborhoods.

He added that the streets in these neighborhoods have not been opened in 30 years and that with the planned construction for the sewer project DTMA has a unique opportunity at this time. He maintained that this is the ideal time to look at an extension of public water service in this area and to consider a reasonably priced project in which homeowners in the community could manage their respective contributions over an extended period of time.

Mr. Van Houten offered the following:

The project is estimated to cost \$2 million with a possible option of the DTMA financing \$500,000 of that total.

- With 100% participation of the residents (all 136 homeowners), the cost to residents would be \$11,029

- With 75% participation (102 homeowners), the cost to residents would be \$14,705
- As a possible incentive, a suggestion was made whereby the DTMA could consider financing an estimated \$50 (plus water cost) per month per household over a 20 year period the construction cost, with the the tap-in fee of \$2,367, approximately \$500 for the meter, and closing wells and private plumbing improvements estimated at \$2,500 paid separately.

Based upon a majority consensus of the members of the DTMA, Keith Hass, Joseph Van Houten and C. Edward Hege will work together to finalize the details of the letter to be sent to the residents of the Pebble Ridge and Woodbridge neighborhoods.

The DTMA will consider the installation of public water in the Pebble Ridge and Woodbridge neighborhoods based on the following data:

- To move forward with the project, DTMA would require a 75% (or 102 households) participation.
- A total cost of approximately \$17,000 to residents includes construction, tapping fee, estimated water service line costs, well abandonment, and DTMA water meter.

ANNOUNCEMENTS

The next meeting of the Doylestown Township Municipal Authority will be held on Thursday, June 21, 2018 starting at 4 pm.

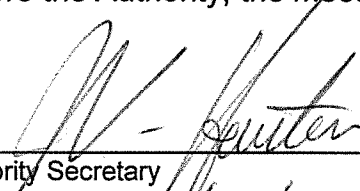
ADJOURNMENT


There being no further business to come before the Authority, the meeting was adjourned at 6:13 pm.

Respectfully submitted,



Keith Hass
Executive Director


 Authority Secretary


 Date Approved by Authority