

Public Water and Sewer Advisory Board

Meeting Minutes

November 17, 2016

In attendance: Chairman, Joeseeph Van Houten, Vice Chairman, Joeseeph Delikat, Joseph Krumenacker, John Canterbury, Wally Pattyson, Gary Munkelt, Board of Supervisor Liaison, Rick Colello, Manager, Stephanie Mason, Special Projects Coordinator, Autumn Canfield, Director of Operations, Richard John, Executive Director of the Doylestown Township Municipal Authority, Keith Hass, Director of Operations, Dave Tomko

Meeting called to order at 5:30pm.

Minutes Approval: October 2016

Mr. Delikat motioned to approve minutes. Mr. Krumenacker seconded. All present in favor.

Phase 1 Update:

Potential Funding Sources: Heather Mahaley from the County of Bucks, Department of Housing and Community Development joined as a guest to discuss possible funding through the Community Development Block Grant (CDBG). These grants can be used for various projects such as a sewer project.

To be eligible for a CDBG, the project would need to benefit low and moderate income households. A chart of consideration of low to moderate incomes was distributed.

Do individuals apply for the grant? This would probably be the best way to do it as the area as a whole would probably not qualify. Individuals would apply and have to be low to moderate income based on gross income. Assets are also taken into consideration.

Process is seen as two step. The first is cursory to do a survey to determine the number of people in the area who may be eligible and make an estimate of the amount of the grant. Second step would be the application.

Another option is the owner occupied rehab. This is a loan program that may help pay for connections to the line in the street. There is still the income limit requirements of low to moderate income.

The committee asked for suggestions of how to initiate the process. Mrs. Mahaley said there is no application yet but the committee can look at the previous year's application to get an idea. The committee should start the survey. It is a good idea to have a meeting with the residents to explain qualifications for the grant program.

It was asked how assets factor in. Items such as retirement plans, pensions and anything that money could be taken from are considered. A percentage is taken and gets added to income. House value may be added as well.

For the loan program that could be used for connections, a lien is placed on the property and must be paid at the time of sale.

CDBG money does not have to be repaid as it is a grant used to cut the cost to applicable residents.

Is the committee able to look at earned income tax to see what is getting reported in the area? It depends if Keystone will provide the information.

In order to apply, the project does not have to be very far along. The County will not distribute money until their environmental assessment is done. The assessment would be over the whole project, not just those applying for the grant.

In regards to decision making, once applications are in, it is determined how much money will be received and recommendations are given to the commissioners. Contracts should be ready starting July 1st. The County is hoping to have the application for the next grant round in early January.

The Public Water and Sewer Advisory Board would have to provide envelopes, forms, etc. for the survey mailing. The Board would also have to go to the Board of Supervisors so would need time to do so. The next steps are to create a cover letter and survey for a mail out/mail back service. The mailing should be positive as this is an opportunity to help.

There is no minimum number of residents to qualify but with fewer residents it is harder to get approved by commissioners. There is no guarantee of money if the residents apply.

It was asked if other financing would affect CDBG financing. It could potentially depending on what it is.

There is no minimum grant amount. The County tries to do larger grants.

Tesra Schlupp attended the meeting as a guest to discuss financing options with PennVest. PennVest can assist with extending mains and lateral connections. The closing of septic tanks may fall under the On-lot program which is administered by the Pennsylvania Housing Finance Authority (PHFA). PennVest offers low interest loans. While they have minimal grant money, it will most likely go to other projects in need. To qualify there is a max income level of \$78,000. Extending the service line would be a loan to the Township and the lateral connection in the on-lot program would be a loan to the individual from the PHFA.

If Township borrows x amount, it is divided by the number of homes and each homeowner would have to pay the amount back. A lien is taken on the system and it is transferrable to

Bucks County Water and Sewer Authority if they are in agreement. It is easier to bring them in earlier to avoid another set of legal costs later in the project.

On the last sewer projects, Bucks County Water and Sewer Authority (BCW&SA) offered low interest loans. During the construction phase, Bucks County Water and Sewer Authority oversaw the work but the Township processed all the paperwork. It was then transferred to BCW&SA.

The maximum loan length to the Township is twenty years. BCW&SA needs to be brought into the discussion to determine if they will participate. They would receive the same rate for the loan. It may be easier if BCW&SA were to apply and have a management agreement with the Township.

Ms. Schlupp informed the board that the timeframe should begin six to nine months before. The application should be in a year before to ensure money is in place. Engineering, legal, permit and design fees are all refundable through PennVest. By the time the application goes in, easements may be refundable as well.

In regards to paving, PennVest will pay for the trench and a foot on either side (a sewer trench is typically five feet wide). Paving could be a loan so it could also be part of the project. In regards to laterals and paving, PHFA would need to give information.

For repayment of the loan, the Township would have to pay on the residents behalf for the line in the street. The Township would then have to set up a repayment structure with the residents. BCW&SA needs to be consulted as they would take ownership of the project once it is completed.

There is the potential that low interest loans could be sought from BCW&SA and the cost be added to monthly bill.

PennVest is able to apply x million out right. If other money is received, it can be reduced down. Interest does not start until draw down and is only charged on draw down money. Executed construction contracts are required.

Update on current status: The Zoning Hearing Board application is filed and awaiting a date. Another easement has been obtained. The other easement in questions posed a question. Estimated timeline for the project is uncertain as it is early to set a timeline but still hope for the bids to go out in Fall of 2017 and construction to start in 2018.

Questions for John Butler of Bucks County Water and Sewer Authority

1. Would Bucks County Water and Sewer Authority be willing to take on a PennVest loan after the construction of the project is complete?
2. What is the ball park number for the cost of the project?

3. Will a rock clause be part of the bid?

Other questions should be to Joe Van Houten by Tuesday, November 22, 2016.

How rocky the area is may affect the cost of the project. A rock clause is something that may be sought for a bid. In regards to storm drains, the cost could not be transferred and would have to be a separate loan.

An updated map of the sewer area shows manholes, meters, misc., pump station, treatment plants, forced mains, gravity fed lines, lateral connections and parcel boundaries. Joe Van Houten asked that the map be brought to meetings for reference.

Timeline for phases 2 and 3:

Mr. Delikat feels a lot of the data is stale. Mr. Krumenacker spoke with Mr. O'Boyle from the County who indicated that copies of permits are sent to the Township. When the Township receives the permits, they are filed in individual property files. Mr. Krumenacker recommends having a single file for the permits. Mr. Delikat suggests getting another list from Mr. O'Boyle from April 2015 to present so the most up to date information is used.

Mr. Van Houten does not think the data is too old and a problem is already established in the area.

A problem with not having current data is that someone may ask why the data is not there when a presentation is done and it may reflect poorly on the Board.

The list of properties is needed from Mr. O'Boyle so Township files can be sorted through. Going forward, a copy of the permit will be put separately. The program may be altered to add a field to be able to search for permits.

Mr. Krumenacker and Mr. Pattyson will work on a timeline for phases 2 and 3. The timeline will be based off the work done for phase 1 to ensure all relevant data is included. It can be used as a checklist.

Discussion 3M study in Phases 2 and 3:

Copies of the CKS proposal for Chestnut Valley Dr. was distributed. If budget is adopted, \$25,000 is included for the studies. Approximately \$9,000-\$10,000 would be left over to further studies to be done in the other areas.

DEP is requiring a study in the Chestnut Valley Dr. area.

It appears the area has little to no problems other than the property that is already connecting to public sewer. It was questioned why we should spend the money for the study when it may be better spent in other areas where issues are apparent. What would be the minimum that DEP

would accept as a reasonable analysis? Mr. John suggests speaking with the DEP and showing them what we have and expressing why we feel the study is not necessarily needed in the area. If accepted the Board would have to dispose of the CKS proposal.

In a past meeting it was questioned why Bucks County Water and Sewer Authority does not take financial part in studies and projects until they are fully constructed and transferred. They are a public entity and stakeholders own it. There is no desire to help pay for another Township, no vested interest in projects outside. Project is in our hands until it is done and transferred.

Adjournment:

With no other business, meeting adjourned at 7:30pm on MOTION of Mr. Van Houten, Mr. Pattyson seconded, MOTION carried unanimously.

Respectfully submitted by,

Autumn Canfield