

Cecil Township Municipal Authority
Monthly Meeting
September 20th, 2022

The Cecil Township Municipal Authority held its regular monthly meeting on Tuesday, September 20th, 2022. Chairman Donald V. Gennuso called the meeting to order at 6:30 PM with, Eron Barnes, Rosanne Rodgers, J. Craig Roach, and Darlene Barni in attendance. Also present were Attorney Christine Seymour of Gaitens, Tucceri, and Nicholas; Kevin Brett of Lennon, Smith, Souleret Engineers (LSSE); Shana Durig, Business Manager, and Michael J. Zrenchak, Authority Manager.

An audio tape of this meeting is available on the Cecil Township web site.

APPROVAL OF August 16th, 2022, MINUTES

The Board voted on a motion by Darlene Barni, and seconded by Eron Barnes, to approve the meeting minutes. Member J. Craig Roach abstained from the vote.

ENGINEERS REPORT

Kevin Brett updated the Board on the status of the Lawrence Project. The collection system bids were opened last month, and the board tabled awarding the bid for the Village of Lawrence Sanitary Sewer Construction. The decision to award would be made at the October Authority meeting. The bids for the rebid of the Treatment Plant and Lift Station are due October 14th, 2022.

The revised Geotechnical Report received had three additional options for the foundations. It appears that the most economical option for the foundations would be ram aggregate piers, which would raise the foundations so they would not be as deep as originally designed.

There were some modifications to the original plans. A grit removal system that was in the initial bid added and addition cost of over 1 million dollars to the project. This was a luxury item that is included on some treatment plants, but not a necessity. Based on the number of customers, it has been eliminated from the project and will not affect the functionality of the treatment plant.

There were additional items that were addressed with the vendors, including that they were not providing pricing to the bidders. Pricing should have been available; an example is that no pricing for the stainless-steel piping was provided.

Changes were made as much as possible to use products that are above grade to eliminate the need for stainless steel piping. Suppliers are trying to get more bidding activity.

Mrs. Barni reminded everyone to speak directly into the microphones as the meeting is being recorded.

Mr. Gennuso asked if the board will be able to act on the bids at the next month's meeting. Mr. Brett responded yes.

Mr. Gennuso asked if there are any questions about the report on the project.

Township Supervisor Thomas Casciola asked why we did not get more bidders for the project?

Mr. Brett stated that some bidders dropped out last time, seven had picked up bid specifications, but they did not bid on the Authority project as they bid other jobs out of town. They were not successful in getting this work, so now there is interest in bidding this project. We are also trying to do a better job of letting prospective bidders know that the project will take 36 months for the plant to be built since it will be built off site since it is a prefabricated plant. The plant would not actually be built until 2023. Some of the bidder's were worried about

the upfront timing of the project which was changed to 18 months. The original timeframe was 1 year. This should encourage more activity on the rebid.

MOTION TO AUTHORIZE SIGNING MCCONNELL TRAILS PHASE 1A SANITARY SEWER EASEMENTS

Mr. Gennuso asked Authority Manager for comment on this item. Mr. Zrenchak stated that there is already an existing sanitary sewer, but there are plans to extend this sewer line across McConnell Road for the future development of property owned by McConnell Trails LLC. They are getting the easements in order for the future extension of this line. They also submitted some preconstruction plans for the proposed sewer line extension, but they were returned with comments as they did not meet Cecil Township Municipal Authority construction specifications. Once everything would be acceptable, they would have to execute the preconstruction agreement, set up the proper escrow account, and all other required items prior to any construction taking place.

The Board unanimously voted on a motion by Rosanne Rodgers, and seconded by Eron Barnes, approved the signing of the McConnell Trails Phase 1A Sanitary Sewer Easements.

MOTION TO AUTHORIZE SIGNING DEED OF SANITARY SEWER EASEMENT FOR TOA PHASE 3 MH 2-21 TO MH 3-13

Mr. Gennuso asked Authority Manager for comment on this item. Mr. Zrenchak stated TOA had asked for acceptance of the sanitary sewers from the Authority for Phase 3 from Manhole 2-21 to Manhole 3-13. There were discrepancies on the paperwork they submitted, but it was able to be resolved. This will allow the Deed of Sanitary Sewer Easement to be registered with Washington County. Final acceptance will be recommended once all outstanding payments owed to the Authority are paid in full.

The Board unanimously voted on a motion by Darlene Barni, and seconded by Eron Barnes, approved the signing of the Deed of Sanitary Sewer Easement for TOA Phase 3 Manhole 2-21 to Manhole 3-13.

SOLICITOR'S REPORT

Solicitor Seymour stated the collection resolution enacted by the Board along with the collection efforts made by Ms. Durig have been successful. Ms. Durig has been sending over liens for satisfaction that payments have been made to settle.

Solicitor Seymour updated the status of the Lawrence Project Sewage Treatment plant site. Solicitor Nicholas had a meeting with the property owner and their attorney approximately 3 to 4 weeks ago to address outstanding issues. The meeting ended with the property owner's attorney to get back to Solicitor Nicholas with another number. The negotiations are on-going.

Solicitor Seymour gave an update on the McCullough Litigation which required no executive session. The insurance company defense council is handling the matter.

Solicitor Seymour gave an update on the outstanding Steptoe and Johnson invoices. Steptoe and Johnson agreed to a compromise on the outstanding invoices, agreeing to reduce the amount from \$29,450.50 to \$18,020.00 which amounts to 40%. She thanked Mr. Gennuso for all the assistance he provided in resolving this matter.

Mr. Gennuso stated that this bill is included in the packet this evening for payment. The initial bill was for over \$30,000 and that negotiations have been on going for the past six to seven months or longer. The bill has been reduced to \$18,000 and it is not going to get any lower. He commented to the board since most are new members to be careful when hiring consulting/legal firms. First thing was that their charges, which he objected

to, where nearly double what our current legal firm charges. Second, they did a lot more work that our current legal firm could have done more efficiently since they are more familiar with the Authority.

BUSINESS MANAGERS REPORT

Financial Reports – July 2022

Ms. Durig stated that the income statement versus budget statement that was included in the board member packet was incorrect. A correct packet was provided to everyone this evening.

Mr. Gennuso asked Ms. Durig to elaborate on the number of people that contacted the Authority relative to the collections and special offer made to settle outstanding liens.

Ms. Durig stated that only 3 people out of 112 letters sent out did not respond. There have been several people that paid the liens in full. She will have a report regard the status at next month's meeting.

REVIEW OF CORRESPONDENCE

Mrs. Barni asked about an email regarding a credit for a water leak in Fairway Landings.

Mr. Zrenchak stated that potential options are being reviewed, which is why it was not on the agenda this evening. Three options had been discussed, but speaking with Walt O'Shinski today, a fourth option might be possible. In speaking with T&R Properties, Inc. they are requesting some type of credit.

Mrs. Barni asked if the pipe shown in the picture was a steel pipe connected to a plastic pipe.

Mr. Zrenchak stated that it was a copper pipe that was connected to the plastic pipe.

Mrs. Barni asked how all the water that was leaking made it into the sewer system, it appears from the photo it was seeping into the ground.

Mr. Zrenchak stated that the photo also shows our standpipe for the sanitary sewer lateral near the location of leak. There is no definitive way to confirm if any water from the leak did or did not enter the sanitary sewer system, which is why it was not on the agenda this evening to try and determine a solution. It cannot be determined for certain that water did or did not enter the sewer system. So, recommending a 100% refund is not applicable and confirmation of consumption charged needs determined. A fair and equitable solution needs to be determined for both parties.

Mrs. Barni asked if the leak was ongoing for three months which came to over three million gallons.

Mr. Zrenchak stated that in reviewing the consumption reading from Pennsylvania American Water Company, the usage increased from approximately 290,000 gallons in April, to approximately 597,000 gallons in May, to approximately 1,838,000 gallons in June, and finally to over 2,000,000 gallons in July. Another problem that occurred is that a company was hired to find and repair the water leak, but they mislocated it and dug in the wrong location, so the leak continued. A second company was brought in to fix the issue and they were able to find the leak and repair it. A recommendation will made for next month's meeting.

Mr. Gennuso asked to have the budget committee added to next month's meeting agenda.

PAYMENT OF EXPENSES/TRANSFER OF FUNDS ETC.

The Board unanimously voted on a motion by Eron Barnes, and seconded by J. Craig Roach, authorized

payment of expenses, reports and transfers as follows:

- Payment of Expenses/Invoices etc.
- Employee Payroll; 941 Tax Deposit; Employee State Tax Payment

Mr. Gennuso called for comments from the floor.

COMMENTS FROM THE FLOOR

Township Supervisor Thomas Casciola stated that it was probably sticker shock when the bids for the treatment plant were opened, same as when the bids for the Cecil Township Public Works building were opened. Bids came in three million dollars over the architects and engineers estimates. Mr. Gennuso stated that it was more than double our estimate. Supervisor Casciola asked if bids come in at better prices than last time, will the project be funded. Mr. Gennuso stated it would depend on what the bid numbers are and that there are many possible what if scenarios. Supervisor Casciola asked if that was the only bid that was received, would the project have been not done at that price. Mr. Gennuso stated that it would have not been done. Mr. Brett stated that you would have to wait. Mr. Gennuso reiterated that the prices came in double the original estimate and asked Mr. Brett what the original estimates were. Mr. Brett stated that it went from around eleven million dollars to seventeen million dollars and that budget estimate for the project was a high number.

Supervisor Casciola stated that he did not disagree with the architect on prices that the township project received and that the architect felt that even if the project was rebid, it would not change pricing even if supply chain and labor issues are resolved.

Mr. Gennuso stated that to do the project at the estimated costs that were anticipated, the Authority would have a rate increase over the next 5 years for all customers. It would be three dollars per month. Some increase can be tolerated if the bids come in close to the original estimate, but if the rebid prices come in the same, the project will have to be reevaluated.

Supervisor Casciola stated that they were able to cut over one million dollars out of the general construction, but still must award the plumbing and electrical work. The cuts made in the general construction will help save costs on the plumbing and electrical work as well.

Mr. Gennuso stated the best thing to do now is to see what the rebid numbers come in at, and then discuss if we can still afford to do the project at the next meeting. Fortunately, the sewer line work portion of the project came in at what we expected. Mrs. Barnes added that hopefully the competition and more bidders will bring the prices down. Mrs. Rodgers added that LSSE did value engineer the project so that the extra things were removed. She stated in speaking with other contractors, it is more competitive this month than it was a couple of months ago and that there are more bids out for this type of work.

Mr. Brett stated that the components for the plant came in very close to what was estimated by the suppliers. The site preparation cost was six times higher than what it should have been and that he has seen it fluctuate significantly on different projects. Projects that have been rebid have come in 50% lower because of different bidders. The electrical portion of the project was also high due to the price of copper.

ADJOURNMENT

There being no other business, the Board unanimously voted on a motion by Darlene Barni, and seconded by Eron Barnes, the meeting was adjourned at 6:54 PM. The next regular meeting is scheduled for 6:30 P.M. Tuesday, October 18th, 2022.

Secretary