

DELAWARE COUNTY REGIONAL
WATER QUALITY CONTROL AUTHORITY
100 EAST FIFTH STREET
CHESTER, PENNSYLVANIA 19013

MINUTES

OCTOBER 18, 2022 (ON-SITE / VIRTUAL OPTION)

The Regular Meeting of the Delaware County Regional Water Quality Control Authority was held on Tuesday, October 18, 2022, at 3:30 P.M. The meeting was held in the Board Room of the Administration Building at 100 East Fifth Street, Chester, Pennsylvania and virtually via Zoom.com. REGULAR MEETING

Messrs. Kern, Knapp, Monaghan, Moss, Mullen, Nagle, and Mesdames Billings, Nichols, and Sage, Board Members, constituting a quorum were present. ROLL CALL

Messrs. Cherico, DiSantis, Garner, Hurst, Lehman, Rice, Willert, and Mesdames Amadio, Bonnett, Byrd, and Jackson were present. Scott Shearer of PFM was also present.

PUBLIC ATTENDANCE: Mike Ewall and Peggy Ries Alter were present. No other members of the public were present. PUBLIC

Mr. Kern, Chairman, called the meeting to Order.

ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was recited by all parties present. PLEDGE OF ALLEGIANCE

COMMENTS FROM THE PUBLIC: Mr. Kern stated that there were no comments received from the public. PUBLIC COMMENTS

APPROVAL OF MINUTES: It was moved by Mr. Nagle, seconded by Ms. Billings, and unanimously carried that the minutes of the Regular Meeting of September 20, 2022, be approved as submitted. APPROVAL OF MINUTES

REPORTS: REPORTS

1. COMMITTEES: COMMITTEES

a. Human Resources and Administration. Ms. Nichols stated that the Committee met on October 13, 2022. There were no additions to the meeting minutes. Human Resources and Administration

b. Strategic Planning and Goals. Mr. Nagle stated that the Committee met on October 13, 2022. There were no additions to the meeting minutes. Strategic, Planning & Goals

c. Operations and Engineering. Mr. Mullen stated that the Committee met on October 11, 2022. He noted items requiring Board action would be considered later in the agenda. There were no additions to the meeting minutes.

Operations and
Engineering

d. Finance. Mr. Knapp stated that the Committee met on October 12, 2022. He noted items requiring Board action would be considered later in the agenda. There were no additions to the meeting minutes.

Finance

e. Pension. Mr. Willert stated that there was no formal meeting of the Pension Committee and had nothing to report at this time.

Pension

Prior to continuing with the regular order of business, Mr. Scott Shearer of PFM addressed the Board. He stated that the Request For Proposals (RFP) to secure funding for the 2023 Capital Projects was drafted and reviewed by Finance Committee members, Staff, and Bond/Note Council. The RFP is ready to be sent out to about thirty or more banking institutions. The amount of the note would be \$60 million of net proceeds at closing plus a small amount to pay for issuance costs and to fund a debt service reserve fund. The RFPs will be received by November 7th then PFM will provide a summary of the proposals to the Finance Committee at their meeting on November 9th. After which, a debt incurring resolution will be presented to the Board at the November 15th Board meeting to lock in the interest rate. He stated that he expects the loan to close mid-December.

NEW BUSINESS
ITEM NO. 7
PFM

At this time, Mr. Kern requested approval of Item No. 7 under New Business: Authorize PFM Financial Advisors, LLC, To Prepare And Issue A Request For Proposals For A Loan To Fund Our 2023 Capital Program.

In response to a question from Ms. Nichols as to the overall cost, Mr. Shearer stated that would depend on the interest rate received and the debt service reserve fund calculation but the final amount should be about \$63 million. The exact final amount will be presented at the November meeting.

It was moved by Mr. Knapp, seconded by Mr. Nagle, and unanimously carried to approve this item.

f. Legal Liaison. Ms. Billings reported that the committee did not meet but provided updates on the following items:

Legal Liaison

- PUC approval of the Aqua purchase. The application for approval of the sale to Aqua by DELCORA is back before the PUC. The public will have two opportunities to comment in November. The Administrative Law Judge (ALJ) expects to make a recommendation by April 2023 and be in front of the PUC in June of 2023.

- Delaware County v DELCORA. Judge Dozer issued a decision on September 8, 2022, that the APA is valid and that Delaware County is bound by the terms of the APA. The purchase remains subject to review and approval by the PUC. It is not known if the County will appeal the final order after it is entered.
- Delaware County v PUC. Commonwealth Court (Judge Patricia McCullough) issued a decision on this case in September, but is moot at this point as the case is already on remand to the PUC.
- City of Chester v DELCORA. DELCORA submitted response brief with preliminary objections. The City granted an extension of time to respond.
- Cease and Desist. As approved by the Board, a letter was sent to Aqua asking them to Cease and Desist advertising and sending out mailers regarding the sale without approval of the DELCORA Board. Aqua sent a letter saying they did not agree to the request. A response letter will be sent.

2. CHAIRMAN: Mr. Kern reported that he attended the public meeting on September 21st in Chester and our staff did an excellent job presenting our case. There was a fairly small turnout with DELCORA staff representing about half of those in attendance with a few actual residents. Some were fairly vocal. He added that in the future we will be emphasizing a lot more about the public health aspects of the Long Term Control Plan and how we are reducing the number of actual overflows from a thousand per year to maybe one hundred & fifty per year. Also, he noted that the Act 537 Plan will include the extra eastern third of the county to help finance the improvements to the Chester system. CHAIRMAN

Mr. Moss stated that he also attended the September 21st public meeting and that the staff did a very good job presenting, and that he thought the meeting went very well.

3. EXECUTIVE DIRECTOR: Mr. Willert stated that there were no additions to the written report. EXECUTIVE DIRECTOR

4. DIRECTOR OF ENGINEERING: Mr. Hurst stated that there were no additions to the written report. DIRECTOR OF ENGINEERING

5. DIRECTOR OF OPERATIONS & MAINTENANCE: Mr. DiSantis stated that there were no additions to the written report. DIRECTOR OF OPERATIONS & MAINTENANCE

6. SOLICITOR: Mr. Rice stated that he continues to work on acquisition of easements for the project with private property owners and some adjacent municipalities. Also, he reported that the Responsible Contractor Regulations in resolution form will be presented to the Board in November for adoption. The resolution will then become part of any bid package for future projects. He will SOLICITOR

circulate the resolution for review. It will include some new procedures on the back end of the procurement contracts, such as affidavits by contractors and subcontractors, so the bids will look a bit different. Mr. Willert stated that the staff is still reviewing the regulations and had concerns with some of the content. Mr. Rice suggested that they discuss that before the next meeting. Mr. Rice also mentioned that he continues to work with Mike Clarke and Samantha Newell on current litigation and the Trustee resignation matter.

OPERATING FUND PAYMENTS:

OPERATING
FUND PAYMENTS

1. MONTHLY FINANCIAL REPORT: Mr. Cherico stated that there were no additions to the written report.

CHIEF FINANCIAL
OFFICER

2. PAYMENT OF BILLS:

PAYMENT OF
BILLS

Approval of Operating Statement, Statement of Fund Balances and List of Bills for the month of September 2022.

It was moved by Mr. Knapp, seconded by Mr. Moss, and unanimously carried that the statement and the list of bills in the amount of \$4,047,669.98 for the month of September 2022 contained in the Chief Financial Officer report be approved.

CONSTRUCTION FUND PAYMENTS:

CONSTRUCTION
FUND PAYMENTS

1. ENGINEERING ADVISOR'S REPORT: Mr. Lehman stated that there were no additions to the written report.

ENGINEERING
ADVISOR

2. CHANGE ORDERS:

CHANGE ORDERS

• Contract No. TC-2009-C – T-28 Construction & PS-5 Modifications – Contract A – General – Change Order No. 1 – Increase In Contract Amount For Additional Soil Management, Polymer System Installation, And Valve Purchase – Increase In Contract Amount Of \$1,490,000.00 (Allan Myers)

Contract No.
TC-2009-C
Contract A-General
CO #1
Allan Myers

Mr. Kern stated that the above contract change order was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Mr. Mullen, seconded by Mr. Nagle, and unanimously carried to approve the above contract change order.

3. CONTRACT CLOSEOUT AND FINAL PAYMENT APPROVAL: Mr. Kern stated that there were no Contract Close-Outs at this time.

CONTRACT
CLOSEOUT

4. PAYMENT OF BILLS:

PAYMENT OF
BILLS

It was moved by Mr. Knapp, seconded by Mr. Mullen, and unanimously carried as follows: (a) that the bills of contractors, engineers and others for construction costs, engineering services and related costs under the Renewal & Replacement Fund in the amount of \$3,642,035.23 are hereby approved; and (b) the requisitions on the Renewal & Replacement Fund under the Trust Indenture with TD Bank, in payment of said bills, are hereby approved pending approval by the Treasurer, and the proper officers be and are hereby authorized and directed to execute same.

AUTHORIZATION TO ADVERTISE CONTRACTS:

AUTHORIZATION
TO ADVERTISE
CONTRACTS

- Contract No. P2022-07 – Unleaded Gasoline and Diesel Fuel with Tracking System
- Contract No. P2022-08 – Liquid Chlorine in One-Ton Cylinders
- Contract No. P2022-09 – Liquid Caustic Soda
- Contract No. P2022-10 – Trash Removal/Recycle/Disposal & Grit/Screenings Relocation; Removal, Hauling & Disposal

Contract No.P2022-07

Contract No. P2022-08

Contract No. P2022-09

Contract No. P2022-10

Mr. Kern stated that the above contract advertisements were added to the agenda and not previously discussed at the Operations and Engineering Committee meeting. It was the consensus of the Board to recommend approval.

It was moved by Mr. Mullen, seconded by Mr. Nagle, and unanimously carried to approve the advertisement of the contracts listed above.

AWARD OF CONTRACTS:

AWARD OF
CONTRACTS

- Contract No. P2022-03 (Re-Bid) – Removal and Transportation of Ash. Mr. Kern stated that three bids were received and that Frank Nellom & Company was the apparent low bidder on this contract; however, after review, in its bid submission, Frank Nellom & Company modified the bid form by changing the “unit price by ton” to “unit price by year.” It has also been determined that ash from DELCORA exceeds the metals limit for beneficial reuse and therefore must be landfilled. Therefore, Frank Nellom & Company’s bid is unresponsive and should be rejected per Solicitor’s advice.

Contract No.
P2022-03 (Re-Bid) –
Ash Hauling

It was moved by Mr. Mullen, seconded by Mr. Moss, and unanimously carried to reject the bid from Frank Nellom & Company.

Mr. Kern stated that J&K Trash Removal was the second lowest bidder on this contract and was in full compliance with DELCORA’s requirements and may receive this Award.

It was moved by Mr. Mullen, seconded by Ms. Nichols, and unanimously carried to award this contract to J&K Trash Removal in the amounts of \$828,000.00 for year one; \$900,000.00 for year two; and \$900,090.00 for year three.

In response to a question from Ms. Nichols, Mr. Kern clarified that when the bids are opened at the committee meeting and the apparent low bidder is tentatively named, all bids then get reviewed by staff and the Solicitor to determine whether or not the bidders were in compliance with all of the bidding requirements.

• Contract No. P2022-05 – Dewatered Solids Transportation, Stabilization and Beneficial Use/Disposal Services. Mr. Kern stated that two bids were received and that SpectraServe, Inc. was the apparent low bidder on this contract and was in full compliance with DELCORA’s requirements and may receive this Award.

Contract No.
P2022-05
Disposal Services

However, Mr. DiSantis requested more time to review the qualifications of the apparent low bidder. The Authority is allowed 60 days to review bids. Following discussion, it was the consensus of the Board to table the award of this contract.

It was moved by Mr. Mullen, seconded by Ms. Sage, and unanimously carried to table the award of this contract.

• Contract No. P2022-06 – Uniform Rental Service. Mr. Kern stated that one bid was received from UniFirst Corporation and was in full compliance with DELCORA’s requirements and may receive this Award.

Contract No.
P2022-06
Uniform Rental
Service

It was moved by Mr. Mullen, seconded by Mr. Nagle, and unanimously carried to award this contract to UniFirst Corporation in the amount of \$83,868.78 for a three year contract.

OLD BUSINESS: Mr. Kern stated that there was no Old Business at this time.

OLD BUSINESS

NEW BUSINESS:

NEW BUSINESS

1. Authorization for Professional Services: (Capital Funds)

Authorization for
Professional
Services

A. Buchanan Public Relations, LLC – Proposal Dated October 6, 2022 – For Professional Services For Public Relations And Communications Support (Phase III – October 2022 - April 2023) – Total Additional Amount Not To Exceed \$17,000.00 (Capital Funds).

Buchanan PR
Addtnl. Services

Mr. Kern stated that this item was discussed at the Operations and

Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval. Ms. Billings requested that any communications and responses be kept in-house now that we have Ms. Jackson on staff. Mr. Willert stated that Buchanan only submits reports of their findings to staff. If there is something that needs to be addressed, it will be forwarded to the Board for comment.

It was moved by Mr. Mullen, seconded by Ms. Sage, and unanimously carried to approve the Professional Services proposal listed above.

B. Brown And Caldwell – Proposal Dated October 14, 2022 – For Professional Services For Technical Support For Review Of DRBC’s Analysis Of Attainability To Improve Dissolved Oxygen In The Delaware River Estuary – Total Additional Amount Not To Exceed \$41,081.00 (Capital Funds).

Brown & Caldwell
Review DRBC
Analysis Reports

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Mr. Mullen, seconded by Mr. Moss, and unanimously carried to approve the Professional Services proposal listed above.

2. Authorization for Professional Services: (Operating Funds)

Authorization for
Professional
Services

A. Material Matters, Inc. – Proposal Dated October 7, 2022 – For Professional Engineering Services To Provide General Support And Advice – Total Amount Not To Exceed \$15,000.00 (Operating Funds).

Material Matters
General
Support/Advice

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Mr. Mullen, seconded by Mr. Nagle, and unanimously carried to approve the Professional Services proposal listed above.

B. Allied Control Services, Inc. – Proposal Dated September 20, 2022 – For Professional Engineering Services To Perform Instrumentation Loop Calibrations On The Incinerator Systems – Total Amount Not To Exceed \$38,714.00 (Operating Funds).

Allied Control
Perform
Instrumentation Loop
Calibrations

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Mr. Moss, seconded by Mr. Mullen, and unanimously carried to approve the Professional Services proposal listed above.

C. ACRI Environmental Group – Proposal Dated October 7, 2022 – For Professional Services To Provide Consulting Services Related To The Consent Decree And The Long Term Control Plan – Amount Based On A Rate Of \$250.00 Per Hour Plus Reasonable Expenses (Operating Funds).

ACRI Env. Group
Consulting Services
Re: LTCP & Consent
Decree

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Mr. Moss, seconded by Mr. Mullen, and unanimously carried to approve the Professional Services proposal listed above.

In response to several questions, Mr. DiSantis stated that ACRI employs consultants who formerly worked at regulatory agencies such as the EPA and DEP. They will be instrumental in facilitating our access to and communications with these agencies. These officials were known to us when they served at their agencies.

Mr. Kern asked if there is an upper limit on this. Mr. DiSantis responded that it is an open-ended agreement but a limit can be added at any time by the Board. This service will be on an as-needed basis and it is not expected to be a large expenditure.

3. Resolution No. 2022-08 – Authorizing The Acquisition Of Land Easement Across A Portion Of Tax Map Parcel No. 38-06-00903-01 For Sanitary Sewer Purposes:

Res. No.
2022-08

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Mr. Moss, seconded by Mr. Mullen, and unanimously carried to adopt Resolution 2022-08.

4. Authorization To Rent A UVSIGNA Trailer Pilot System From Kappe Associates For Three Months – Total Amount Not To Exceed \$56,343.00 (Capital Funds).

Rental of UVSIGNA
Trailer Pilot System
from Kappe Assoc.

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

In response to a question from Mr. Kern, Mr. Hurst explained that Kappe Associates is the local representative for the Trojan system and the final lease agreement is with Kappe Associates instead of directly with Trojan, as it was listed on the Operations and Engineering agenda.

It was moved by Mr. Nichols, seconded by Mr. Mullen, and unanimously carried to authorize the rental of this equipment.

5. Rescind The Appointment Of The Firm Dilworth Paxson, LLP As Bond Counsel.

Rescind Appointment
of Dilworth Paxson as
Bond Counsel

Mr. Kern stated that this item was discussed at the Finance Committee meeting, and it was the consensus of the committee to recommend Board approval.

In response to a question on Items No. 5 and 6 from Mr. Knapp, Mr. Rice confirmed that a notification will be sent to Dilworth Paxson rescinding their appointment as Bond Counsel and an appointment letter will be sent to Ballard Spahr. Mr. Kern added that Dilworth Paxson did not send a letter of engagement in August when they were appointed Bond Counsel so nothing formal was signed with them at the time.

It was moved by Ms. Nichols, seconded by Ms. Sage, and unanimously carried to approve this item.

6. Approve The Appointment Of The Firm Ballard Spahr, LLP As Bond/Note Counsel And Authorize The Executive Director To Execute A Letter Of Engagement With Them.

Appoint Ballard Spahr
as Bond/Note
Counsel

Mr. Kern stated that this item was discussed at the Finance Committee meeting, and it was the consensus of the committee to recommend Board approval. He added that a letter of engagement was received with a fixed amount of \$75,000.00.

In response to a question from Ms. Nichols, Mr. Kern confirmed that the \$75,000 is part of the amount borrowed and gets paid when the loan closes, similar to the other fees associated with the loan.

In response to a question from Mr. Knapp, Mr. Kern confirmed that this appointment is just for this specific loan. Mr. Rice added that this flat fee is standard procedure and is part of the closing costs. Bond Counsel usually also requires a confirmation letter from the Solicitor stating that compliance with the law was followed and that there is a flat fee for this service also.

It was moved by Mr. Nagle, seconded by Ms. Sage, and unanimously carried to approve this item.

7. Authorize PFM Financial Advisors, LLC, To Prepare And Issue A Request For Proposals For A Loan To Fund Our 2023 Capital Program.

Authorize PFM to Issue RFPs for Loan

Mr. Kern stated that this item was discussed and approved earlier in the agenda.

8. Approval of the following Easement Agreement and Payment for the Wastewater Tunnel Project in accordance with the DELCORA Board of Directors Resolution 2022-01:

Tunnel Easement

<u>Parcel No.</u>	<u>Owner</u>	<u>Type of Easement</u>	<u>Cost</u>
33-00-00232-50	Karen VanVladriken	Subterranean	Combined below
33-00-00233-00	Karen VanVladriken	Subterranean	\$3,500.00

Property is located in Prospect Park along Darby Road

Mr. Kern stated that this item was discussed at the Operations and Engineering Committee meeting, and it was the consensus of the committee to recommend Board approval.

It was moved by Ms. Nichols, seconded by Mr. Nagle, and unanimously carried to approve the subterranean easement agreement and payment listed above.

EXECUTIVE SESSION: There was no Executive Session.

EXECUTIVE SESSION

ADJOURNMENT: It was moved by Ms. Billings, seconded by Ms. Nichols, and unanimously carried to adjourn the regular meeting at 4:30 P.M.

ADJOURNMENT

ATTEST
Secretary