

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

MINUTES

NOVEMBER 15, 2022 (ON-SITE / VIRTUAL OPTION)

The Regular Meeting of the Delaware County Regional Water Quality Control Authority was held on Tuesday, November 15, 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, Lenton, Nelson, Willert, and Mesdames Amadio, Bonnett, Byrd, Caulk, Cummings, and Jackson were present.

PUBLIC ATTENDANCE: Steve Goldfield, Mike Ewall, William Martin, Albert Kajtazi of SpectraServe, Albert DeGennaro of J.P. Mascaro & Sons, and a person identified on screen as "SVinci" 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. Nichols, and unanimously carried that the minutes of the Regular Meeting of October 18, 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 November 7, 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 November 7, 2022. There were no additions to the meeting minutes. Strategic, Planning & Goals

- c. Operations and Engineering. Mr. Mullen stated that the Committee met on November 9, 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 November 9, 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. Monaghan stated that there was no formal meeting of the Pension Committee and had nothing to report at this time. Pension
- f. Legal Liaison. Ms. Billings stated that she had nothing to report at this time. Legal Liaison
2. CHAIRMAN: Mr. Kern stated that he had nothing to report at this time. CHAIRMAN
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. Nelson stated that he had nothing to report at this time but will address the item under Old Business later in the agenda. SOLICITOR
- 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 October 2022.
- It was moved by Mr. Knapp, seconded by Ms. Sage, and unanimously carried that the statement and the list of bills in the amount of \$5,178,405.90 for the month of October 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: Mr. Kern stated that there were no Contract Change Orders at this time. CHANGE ORDERS

3. CONTRACT CLOSEOUT AND FINAL PAYMENT APPROVAL: CONTRACT CLOSEOUT

- Contract No. SEW-2002-CO – Furnishing Equipment, Labor And Supervision For Sewer Maintenance Repairs & Other Construction Related Projects (A.J. Jurich). Contract No. SEW-2002-CO Annual Sewer Maintenance

Mr. Kern stated that the above contract close-out 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 above contract close-out and final payment.

4. PAYMENT OF BILLS: PAYMENT OF BILLS

It was moved by Mr. Knapp, seconded by Mr. Moss, 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 \$2,881,480.50 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: Mr. Kern stated that there were no Authorizations to Advertise Contracts at this time. AUTHORIZATION TO ADVERTISE CONTRACTS

AWARD OF CONTRACTS: AWARD OF CONTRACTS

- Contract No. P2022-04 – Replacement Belts For A Belt Filter Press/Gravity Belt Thickeners. Mr. Kern stated that one bid was received from GSM Filtration, Inc. and was in full compliance with DELCORA's requirements and may receive this Award. Contract No. P2022-04 BFP Replacement Belts

It was moved by Mr. Mullen, seconded by Ms. Nichols, and unanimously carried to award Contract No. P2022-04 to GSM Filtration, Inc. in the amount of \$61,360.00.

- Contract No. P2022-07 – Dispensing Of Unleaded Gasoline And Diesel Fuel With Tracking System. Mr. Kern stated that one bid was received from PHL Gas Convenience and was in full compliance with DELCORA's requirements and may receive this Award. Contract No. P2022-07 Gasoline/Diesel Fuel

It was moved by Mr. Mullen, seconded by Ms. Nichols, and unanimously carried to award Contract No. P2022-07 to PHL Gas Convenience in the amount of \$145,302.00.

OLD BUSINESS:

OLD BUSINESS

- Motion to Remove From Table: Disposition Of Contract No. P2022-05 – Dewatered Solids Transportation, Stabilization and Beneficial Use/Disposal Services

Contract No.
P2022-05
Disposal Services

Mr. Kern noted that the award of Contract No. P2022-05 was tabled at the October Board meeting. He requested a motion to remove this item from the table for further discussion.

It was moved by Mr. Nagle, seconded by Mr. Moss, and unanimously carried to remove this item from the table.

Solicitor Peter Nelson addressed the Board. He stated that after the October Board meeting, DELCORA received letters from both bidders challenging each other's bids as far as their compliance with the contract bidding requirements as well as the ability of the lowest bidder to provide the service. After review of those letters as well as the bid documents and case law, it was the recommendation of he and John Rice that both bids be rejected and the contract re-bid. Mr. Nelson stated that there were some technical defects with both bids and if the contract was awarded, it may subject DELCORA to potential litigation; therefore, it would be in the Authority's best interest to re-bid this contract.

He stated that the attorney for J.P. Mascaro & Sons (Albert DeGennaro) was present in the Board room. The representative for the low bidder SpectraServe (Albert Kajtazi) was present virtually via zoom.com.

In response to a question from Ms. Nichols, Mr. Nelson stated that there were only two bidders (SpectraServe and J. P. Mascaro & Sons) and, initially, the staff had some concerns about SpectraServe's ability to properly dispose of the water solids but after some investigation, the staff decided SpectraServe would be acceptable. In the meantime, the letter from the higher bidder's (J. P. Mascaro & Sons) attorney was received wherein he raised some issues with the responsiveness of SpectraServe's bid. Mr. Rice and he analyzed that letter and, while doing so, received a letter from SpectraServe's attorney. After careful review of both letters, Mr. Rice and he found issues with both bids that could potentially result in expensive litigation. To avoid that, it is their opinion to reject all bids and re-bid this contract, and to address some issues with the bidding documents to make them clearer and more concise.

In response to a question from Ms. Billings, Mr. Nelson stated that the Authority has the legal right to reject all bids and re-bid any contract, and also reserves the right to waive certain types of defects in received bids.

Mr. Kajtazi of SpectraServe stated that J. P. Mascaro's letter was received after the seven day requirement as per the bid documents. Mr. Nelson responded that it was not a concern and still recommends that the contract be re-bid to avoid future litigation on this particular contract. Mr. Kajtazi also stated that they submitted all the required documents as per the bid specifications and had already started mobilization of equipment based on instructions received from Mike DiSantis. Mr. Nelson stated that the contract was not formally awarded so SpectraServe must bear the cost of premature mobilization if they assumed that they would be awarded the contract. Mr. Nelson added that an Award letter was inadvertently sent to SpectraServe but another letter was immediately sent rescinding the Award pending further review. Mr. Nelson apologized for this error.

As a suggestion, Mr. Nagle noted that the firm could be compensated for pre-staging, due to the unusual circumstances, by submitting detailed cost records. This will be discussed further.

It was moved by Mr. Nagle, seconded by Mr. Moss, and carried, with a 'nay' vote cast by Ms. Billings and Ms. Nichols, to reject all bids.

It was moved by Mr. Mullen, seconded by Mr. Monaghan, and carried, with a 'nay' vote cast by Ms. Billings and Ms. Nichols, to re-bid Contract No. P2022-05.

NEW BUSINESS:

NEW BUSINESS

1. Authorization for Professional Services: (Capital Funds)

Authorization for Professional Services

A. Brown And Caldwell – Proposal Dated September 1, 2022 – Professional Engineering Services For Comprehensive Sewer System Infiltration And Inflow Control Program Annual Report 2023 (Task Order No. 4) – Total Amount Not To Exceed \$234,995.00 (Capital Funds).

Brown & Caldwell
I&I 2023 Annual
Report (T.O. #4)

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 Ms. Billings, and unanimously carried to approve the Professional Services proposal listed above.

B. D'Huy Engineering, Inc. – Proposal Dated November 3, 2022 – For Professional Engineering Services For Additional Construction Administration Services And Permitting Services For The 2020 WRTP Plant Upgrades Project And The T-28 Construction And PS-5 Modifications Project – Total Additional Amount Not To Exceed \$225,000.00 (Capital Funds).

D'Huy Eng.
Addtnl. Construction
Admin. 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.

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

C. Greeley & Hansen – Proposal Dated November 4, 2022 – For Professional Services To Revise The Combined Sewer Overflow Long Term Control Plan Update (CSO-LTCPU) And The Nine Minimum Controls (NMC) Update Reports To Address Comments From The USEPA – Total Additional Amount Not To Exceed \$50,000.00 (Capital Funds).

Greeley & Hansen
Revise CSO LTCP &
NMC 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. Nagle, and unanimously carried to approve the Professional Services proposal listed above.

D. ScottMadden, Inc. – Proposal Dated November 11, 2022 – For Professional Services To Update the PA Act 12 Valuation Study And Associated Valuation Report For DELCORA's Wastewater Operations – Total Amount Not To Exceed \$35,000.00 (Capital Funds).

ScottMadden, Inc.
Update PA Act 12
Valuation Study

Mr. Kern stated that this item was 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. Nagle, seconded by Ms. Nichols, and unanimously carried to approve the Professional Services proposal listed above.

2. Authorization for Professional Services: (Operating Funds) Authorization for Professional Services

A. Castle Valley Consultants, Inc. – Proposal Dated October 13, 2022 – Professional Engineering Services For Preparation Of Municipal Wasteload Management Report For The Preserves (Corinne Village) Wastewater Treatment Plant, Pocopson Township, Chester County, PA – Total Amount Not To Exceed \$2,083.00 (Operating Funds). Castle Valley Wasteload Report for Preserves (Corinne Village) WWTP

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.

B. Castle Valley Consultants, Inc. – Proposal Dated October 13, 2022 – Professional Engineering Services For Preparation Of Groundwater Report For The Preserves (Corinne Village) Wastewater Treatment Plant, Pocopson Township, Chester County, PA – Total Amount Not To Exceed \$1,390.00 (Operating Funds). Castle Valley Groundwater Report for Preserves (Corinne Village) WWTP

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.

C. Castle Valley Consultants, Inc. – Proposal Dated October 13, 2022 – Professional Engineering Services For Preparation Of Municipal Wasteload Management Report For The Riverside Wastewater Treatment Plant, Pocopson Township, Chester County, PA – Total Amount Not To Exceed \$2,083.00 (Operating Funds). Castle Valley Wasteload Report for Riverside WWTP

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.

D. Castle Valley Consultants, Inc. – Proposal Dated October 13, 2022 – Professional Engineering Services For Preparation Of Groundwater Report For The Riverside Wastewater Treatment Plant, Pocopson Township, Chester County, Pa – Total Amount Not To Exceed \$1,390.00 (Operating Funds). Castle Valley Groundwater Report for Riverside WWTP

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.

3. Authorization To Purchase:

- One (1) Microscope With Camera From Evident Scientific Inc.
– Total Amount Not To Exceed \$8,000.00 (Operating Funds)

Authorization to
Purchase
1 Microscope
w/Camera

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. Nagle, seconded by Ms. Nichols, and unanimously carried to authorize the above purchase.

4. Authorization For Payment Of \$10,000.00 To The Firm Of Manko, Gold, Katcher & Fox, LLP For Membership In The Delaware Estuary TMDL Coalition (Operating Funds).

Delaware Estuary
TMDL Coalition
Payment

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. Knapp, seconded by Ms. Sage, and unanimously carried to authorize the payment of \$10,000.00 to Manko, Gold, Katcher & Fox, LLP For Membership In The Delaware Estuary TMDL Coalition.

5. 2023 DELCORA Budget Approval And Review Of 5-Year Budget Projections.

2023 Budget
Approval

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

It was moved by Mr. Knapp, seconded by Mr. Nagle, and unanimously carried to approve DELCORA's 2023 Budget.

Ms. Billings requested that Mr. Cherico provide a brief overview of the 2023 budget and the five year budget projections. Mr. Cherico stated that the overall 2023 rate increase is 5% and that we will borrow approximately \$63 million and the amount of additional debt service for the \$63 million in the budget is about \$5.5 million for 2023. Mr. Nagle asked if we are using the same rate increase over

the whole period of the projection. Mr. Cherico responded that, yes, the 5% rate increase extends to 2028. Ms. Billings stated that the five year budget projection document was provided to the Board indicating that sufficient funds will be borrowed to complete the capital projects and there will be a sufficient fund balance retained of about \$57 million at the end of five years. Mr. Cherico confirmed that.

Ms. Nichols commended the Finance Department for keeping the rate increase as low as possible. She asked what the rate increases were for the last several years. Mr. Cherico responded that the rate increase in 2021 was 12.5%, in 2020 it was 10%, and in 2019 it was 8%. Ms. Billings also thanked Mr. Kern for aggressively seeking the best loan terms even though at this time we may not get a favorable rate. A loan proposal is expected in December.

6. Leitzell & Economidis, PC – Approval As Auditor For Year 2022 Due To Preliminary Work In December 2022 (fee: \$38,000.00).

Leitzell &
Economides -
Auditor for Year
2022

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.

It was moved by Mr. Knapp, seconded by Ms. Sage, and unanimously carried that the proposal of Leitzell & Economidis, PC dated November 4, 2022, be accepted and that this firm be engaged to audit the financial statements of the Authority as of and for the year ended December 31, 2022, for a fee not to exceed \$38,000.00.

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 4:10 P.M.

ADJOURNMENT

ATTEST
Secretary