

TOWNSHIP OF LOWER MAKEFIELD  
SEWER AUTHORITY  
MINUTES – JULY 27, 2017

The regular meeting of the Sewer Authority of the Township of Lower Makefield was held in the Municipal Building on July 27, 2017. Chairman Tyler called the meeting to order at 7:30 p.m.

Those present:

Sewer Authority: Phil Tyler, Chairman  
Richard Gauck, Vice Chairman  
Scott Ferrante, Secretary  
Joseph Chirichella, Member

Others: Kelley Watson, Sewer Administrator  
Greg Hucklebridge, Public Works Director  
Barbara Kirk, Sewer Authority Solicitor  
Fred Ebert, Sewer Authority Engineer  
David Fritchey, Supervisor Liaison

APPROVAL OF MINUTES – JUNE 22, 2017

Mr. Ferrante moved, Mr. Gauck seconded and it was unanimously carried to approve the Minutes of June 22, 2017 as written.

ENGINEER'S REPORT

Mr. Ebert stated with regard to the Morrisville Municipal Authority, they had a meeting on June 27 with Morrisville where Morrisville made a presentation to Lower Makefield and brought in an outside consultant called Forward Planning who advised what he will be doing in a report. Mr. Ebert stated the purpose of the report will be to justify the U. S. Steel Plant and all the long-term economic benefits.

Mr. Ebert stated at the end of the meeting a Lower Makefield representative asked if Ebert Engineering could share what their findings have been, and Morrisville would

not agree to this, although they did agree to discuss this on July 27. There were also a series of questions of Mr. Warenda revolving around the need for a Regional Sewer Authority with proportional seating.

Mr. Ebert stated they had a meeting today with Morrisville, and he made a presentation followed by questions; and he had provided a copy of his presentation to the Sewer Authority members. Mr. Ebert showed a Plan of Morrisville's existing wastewater treatment plant and he described how the flows are treated.

Mr. Fritchey noted the filtration system which the Township just paid for which was supposed to do 16 million gallons a day, but is only doing 7 million gallons a day; and Mr. Ebert agreed.

Mr. Ebert stated he was tasked by Lower Makefield and the Authority to look into how they could expand the Morrisville Treatment Plant on the existing site.

Mr. Ebert reviewed one option he is proposing to do at the existing site.

Mr. Fritchey asked if Morrisville bought inadequate capacity filters or have they not hooked up the filters properly. Mr. Ebert stated what he feels the problem is that the solvents are clogging it up and it backwashes so that for ever gallon that goes out it is re-circulating two gallons backwashing. Mr. Fritchey stated if those solvents were not going through there, they may be able to get to the 16 million gallons; and Mr. Ebert agreed that this is what they need to find out. Mr. Ebert stated he has used these but never put them on a treatment plan that is inefficient.

Mr. Ebert stated he feels they should know this. Mr. Fritchey asked if these are the filters that \$4 million was spent on, and Mr. Ebert agreed. Mr. Ebert stated their filters totally failed so they had to do this; and when they were doing the design for the filters, they realized how bad the rest of the system was. He stated DEP had stated they wanted a plan as to how they were going to fix the whole thing.

Mr. Ebert stated his proposal is the lowest cost alternative, and he feels they need to run that on the user rates to see if they can even afford this; since if they cannot afford even this, they are “wasting their time looking at U.S. Steel.” Mr. Ebert stated he feels debt service alone at the lowest possible rate of 3% for a thirty-year fixed loan is \$270,000 a month, and Lower Makefield’s 40% would be \$1.3 million a year of additional debt beyond what we have today. He stated the Sewer Rental Fees would go from \$400 to \$1,400. He also questions how Yardley and Morrisville users will pay for these additional rates, and he feels Lower Makefield will be subsidizing their delinquency rates. Mr. Tyler stated it would be less expensive in the long run to divert a lot of flows out of Morrisville, and Ms. Kirk agreed. Mr. Ebert stated next month he would like to come back with more information on the impact.

Mr. Ebert showed on the Plan which buildings could be demolished at the Morrisville site which would provide additional areas which could be utilized for expansion.

Ms. Kirk stated if it is agreed to build a new plant, they also need to consider the cost to keep the existing treatment plans until the new plant is completed.

Mr. Ebert reviewed his cost estimates for the option he presented for the existing treatment plant. He stated the benefit of working on the existing site is there is no property acquisition cost.

Mr. Ebert reviewed his second option for the existing site which would involve one treatment process instead of two treatment processes. He stated that while this is not his preferred option, he showed what could be removed from the site which would provide additional space. Mr. Ebert stated both of his options are between \$57 million and \$65 million which is significantly less than Morrisville's \$80 million. Mr. Ebert stated Morrisville's plan for using the existing site does not work.

Mr. Ebert stated with regard to the U. S. Steel site, that site is approximately 3.3 miles away from the existing Morrisville Plant. Mr. Ebert stated he feels there should be a regional pump station and Waste Management could put in a pre-treatment facility which Morrisville could run and charge them.

Mr. Ebert stated they should separate the domestic quality flows so that the Township is not subsidizing anything. Mr. Ebert stated Falls has not been involved at all and has not sent their engineers.

Mr. Ebert stated for the U. S. Steel site he feels it would be \$5 million plus remediation cost. He stated it will be approximately \$3 million for the force main and \$2 million for a pump station. He stated they also have to include the cost of the outfall. He stated he feels they will spend a minimum of \$5 million remediating the site. He stated he estimates they would be at \$21 million before they do any construction.

Mr. Ebert stated when he made his presentation, they did not question his concept. Mr. Ebert stated he tried to stress that they do not want to subsidize development in Falls Township since Lower Makefield gets nothing from that.

Mr. Tyler asked if Lower Makefield is “on the hook” for a new plant in Morrisville; and Ms. Kirk stated they are not, and there is nothing in any of the Agreements that bind Lower Makefield to having to build a new plant. Mr. Fritchey stated Mr. Warendt and Mr. Jennings indicated that they had applied for a Grant, and they feel Pennsylvania will give them \$55 million to do a regional sewer plant because it will stimulate economic development in Lower Bucks County. He stated if they do not get the \$55 million he questions how they will make that up, and he feels they will ask Lower Makefield to finance it; and he does not feel Lower Makefield will do this.

Mr. Ebert stated the next step is that the engineers are going to meet to consider the cost of the options.

Mr. Tyler asked if Morrisville has any new projects they want to do at the existing Plant, and Mr. Ebert stated they did present a nineteen-step Plan. Mr. Ebert reviewed what has been spent at the existing Plant already. Mr. Tyler stated he feels Morrisville will just do what they need to do to appease DEP, and will keep moving forward to get a new plant. Ms. Kirk stated she feels it would be better for the Sewer Authority to look into how they can divert the flows. Mr. Tyler stated they need to tell Morrisville Lower Makefield is not interested in a new Plant.

Mr. Ebert stated there are meetings with Lower Bucks, but he is not attending those meetings. He stated this was started by Yardley. Ms. Kirk stated if they are going to have serious conversations about this, they should take a tour of that plant.

Mr. Ebert stated Mr. Fedorchak is taking the lead on this. Mr. Gauck stated Lower Makefield could offer to help them expand the Plant. Mr. Watson stated he believes their Plant is the same age as Morrisville, but it is in better shape.

Mr. Tyler asked if Morrisville has asked for more money for improvements to the existing Plant; and Mr. Ebert stated they have a three-year Capital Budget.

Mr. Fritchey stated he understands that the Township declined to pay the full amount of the invoice they recently sent because of some concerns.

Mr. Hucklebridge stated they went through this based on Mr. Ebert's comments; and Morrisville sent copies of their invoices which he checked. He stated they are now paying \$1.68 million which is approximately \$25,000 less than what was originally charged. Ms. Kirk stated this is still coming in after the fact, and Morrisville is

supposed to send Lower Makefield the estimates for the projected improvements with the costs by November for review before starting the work. Mr. Tyler stated he feels they should send them a letter now putting them on notice that they want to review all bills before Lower Makefield agrees to pay anything. Mr. Ebert stated in 2016 Morrisville estimated Lower Makefield's share of Capital would be \$1.95 million; however for 2017 and 2018 it appears that their estimate to Lower Makefield was \$425,000 for 2017 and \$405,000 for 2018 so that was significantly less. Mr. Tyler stated he feels they need to be more aggressive with Morrisville and advice them that Lower Makefield is not going to pay until they review it first.

With regard to the Stackhouse Pump Station, Mr. Ebert showed the location of the existing pump station. He showed another location on the Plan where the homeowner has subdivided her lot into two additional lots, and there is also a Conservation Easement which has not yet been Recorded. Mr. Ebert described how flows go currently, and they would reverse the sewer line and have three grinder pumps. He stated this option would cost less than the low pressure system. He stated the residents could then stay with their gravity system as opposed to the low pressure system. He stated they want to pursue the property owners' level of interest.

Mr. Ebert stated with regard to the Stony Hill/Oxford Valley project, he drafted a letter for Mr. Fedorchak to review to have a Town Hall meeting.

Mr. Ebert discussed the maintenance being done at the Morrisville Treatment Plant stating he feels the employees are doing the best they can with the equipment they have, and he feels it is more mismanagement by the Board by not investing, replacing equipment, and upgrading with the times. Mr. Tyler stated management did not come up with a Capital Plan for five to ten years.

Ms. Kirk stated Lower Makefield needs to consider alternatives for their flows.

Mr. Tyler stated they need Mr. Ebert to provide the Sewer Authority with what it will cost for Lower Makefield to reduce their flows to Morrisville; and Mr. Ebert stated he did start that analysis, but he then had to spend time instead on working on a plan for the existing Morrisville Plant. Mr. Tyler stated if Lower Makefield reduces their flows to Morrisville, it will reduce the percentage of Morrisville's expenditures that Lower Makefield has to pay. Mr. Ebert stated if Lower Makefield pulls out some of their flows, Morrisville will have a financial problem. Ms. Kirk stated it would be an issue for Lower Makefield if Morrisville defaults and there are still flows going there. Mr. Ebert stated if there is a Regional Authority, and Lower Makefield has reduced their flows, they would have fewer seats on the Authority. Mr. Tyler stated he does not feel there will ever be a Regional Authority because Morrisville Water & Sewer funds the Borough. Mr. Fritchey stated he felt that was clear at the meeting today as the Borough Council members want there to be a new Plant which they feel will financially help the Borough. Mr. Ebert stated Morrisville needs to understand the impact of debt service. Mr. Fritchey stated

they are counting on getting the \$55 million Grant and that Lower Makefield will agree to underwrite the project whether they get the Grant or not. Mr. Ebert stated they may also feel they will also get Waste Management's funds, and Waste Management will guarantee their debt service. Mr. Tyler stated he feels they need Lower Makefield to make it work. Mr. Fritchey stated they want to build a new plant on the U. S. Steel site which will stimulate development, and they will have significant sewage to treat coming from companies that do not currently exist at that location.

There was further discussion about Morrisville's position on Lower Makefield having representation on their Board. Ms. Kirk stated at a prior meeting Mr. Jennings had stated that they need to reach a consensus on the building option before starting the process for a Joint Authority. There was discussion on the current members on the Morrisville Authority.

#### NEW BUSINESS

Mr. Watson stated the Edge at Yardley would like to install a bocce court on top of the sewer line. He stated they recognize that if it is necessary to access the sewer line, the owners would be responsible. Ms. Kirk stated she has an Indemnification Agreement, and they should have them sign off on it confirming they acknowledge their responsibility.

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Mr. Chirichella moved, Mr. Ferrante seconded and it was unanimously carried to allow the bocce court to be on top of the sewer line provided they get the indemnification.

There being no further business, Mr. Gauck moved, Mr. Ferrante seconded and it was unanimously carried to adjourn the meeting.

Respectfully Submitted,

Scott Ferrante, Secretary