

**LOWER SAUCON AUTHORITY
MINUTES OF MEETING
FEBRUARY 20, 2024**

1. Call to Order

Mr. Gress called the zoom meeting to order at 6:30 P.M.

2. Roll Call

Present were Mr. Gress, Chairman; Mr. Smith, Vice Chairman; Mr. Keich, Secretary; Mr. Corcoran, Treasurer; Ms. Opthof-Cordaro, Council Liaison; Mr. Ross, Administrator; Ms. Fetzer, Assistant Administrator; Mrs. Kerchner, Secretary; Mr. Backenstoe, Attorney; Mr. Youst, Engineer (Mr. Thakkar, Mr. Yanchuk and Mr. Reccek were not present and Mr. Davis joined the meeting at 6:38 P.M.)

3. Citizen Agenda Items

None.

4. Minutes

Motion by Mr. Gress, Second by Mr. Smith to approve the minutes dated January 16, 2024 as presented.

Roll Call 3-0-1 Motion Approved. (Mr. Keich abstained and Mr. Thakkar and Mr. Yanchuk were not present and Mr. Davis did not have audio working).

5. Financial Report

Mr. Corcoran went over a brief review of the treasurer's report. He said January is not a big month for revenue. Mr. Corcoran said February is when we receive payments from customers. He noted that January was light spending all around. He said that the expenditures for the Creekside project and the Meadows Road bridge were light as well. Mr. Corcoran asked what the miscellaneous capital expenditure was, and Ms. Fetzer said that was Mr. Ross's new computer. Mr. Corcoran said the Authority right now has a healthy cash balance.

6. Agenda

A. Tapping Fees Update

Mr. Youst said it was discussed around October that the Authority has not updated our tapping fees since the mid-teens. Mr. Youst said the tapping fees are charged when a new customer or a new development connects to either the water or sanitary sewer system. It was noted that the tapping fees reflect several costs. One cost is the Authority providing a lateral in the right of way. The rest of the tapping fees are for the purpose of recovering

the capital that has already been expended by the current customers of the systems for the infrastructure that is currently in place. There is a certain capacity to the system. Mr. Youst said there is a part of the Authorities Act that defines a specific procedure for computing the various components of tapping fees. Mr. Youst provided a detailed report on the new tapping fees for the Authority. Mr. Youst then went over a brief review of what past projects from the Authority are eligible to be included in the calculation for the tapping fees update. The updated tapping fees are then put into a resolution for the Authority to adopt. Mr. Youst said the documents were reviewed by both Mr. Ross and Attorney Backenstoe. Attorney Backenstoe researched the act to make sure the Authority is compliant.

Attorney Backenstoe said he read over Act 57 and then did his researched to make sure the Authority is compliant with our new updated tapping fees. Attorney Backenstoe said Mr. Youst did an extraordinary job. Attorney Backenstoe said that Mr. Youst went over the entire document with him line by line including all the calculations as well. Attorney Backenstoe said he was interested in what the increase for the tapping fees has been over the years. Attorney Backenstoe said the increase for the tapping fees is very reasonable.

Mr. Corcoran asked if the tapping fee is to recover our investment for providing water and or sewer to that connection point. Mr. Youst said that is correct. The fee is brought up to date to a current trended value. There will be special tapping fees for the Creekside connections. Mr. Youst is collecting the necessary information for the Creekside special tapping fees. There will then be a resolution for the special purpose tapping fee for the sewer connections to the Creekside pump station.

Mr. Gress asked if we are losing money now with the current tapping fees. Mr. Youst said we are not recovering as much of the costs as we could be at this point, which is why we would like to have the tapping fees as up to date as possible.

Mr. Keich asked about having a depreciation factor in the tapping fee calculations. Mr. Youst then went over why a depreciation factor is not included in the calculation for the tapping fees.

Mr. Youst explained the tapping fees costs and what the developer pays and what the customer is charged in the instance there is a new development, and it is not just a single residential connection.

Mr. Ross said that Mr. Youst did a great job with the tapping fee update. He also thanked Attorney Backenstoe for his extensive review and research for the document as well.

The Board Members then made a motion to approve Resolution #2024-02 Tapping Fees.

Motion by Mr. Gress, Second by Mr. Keich to approve Resolution #2024-02.

Roll Call 4-0 Motion Approved. (Mr. Thakkar and Mr. Yanchuk were not present and Mr. Davis did not have audio working).

B. Sewer Rate Increase

Mr. Ross said that the sewer rate increase letters went out to our customers Friday February 16th. Mr. Ross said that Ms. Fetzer and Mrs. Kercher did a great job getting the letters out while he was out sick. Mr. Ross said we have not had any responses from customers yet. The Authority website and Facebook page will be updated with the sewer rate increase information.

C. Creekside Update

Mr. Youst said he and Attorney Backenstoe have been reviewing documentation received from Barrasso Excavation Inc., who is the contractor for the construction of the Meadows Road bridge portion of the project. There were corrections needed on their first submittal of the bonds and insurance documents. Mr. Youst said the second round of documents was reviewed by both himself and Attorney Backenstoe and the documents look to be in order. The contract is signed by all parties including Lower Saucon Authority. Mr. Youst said he will be issuing notice to proceed tomorrow. The formal notice to proceed starts the clock for the contract with the milestone dates in the agreement. Mr. Youst said the key date to note is May 28th, which is when the Authority work around the bridge is required to be completed for the reimbursement contract. Mr. Youst said the contractor is aware of the dates and has acknowledged that he should have the work completed prior to the date of May 28th unless there are unexpected weather delays. Mr. Youst said the contractor is expecting to begin work on approximately March 18th. Mr. Youst said we are anticipating by the end of April to see the water work completed and by May 28th we should see all the work done from Route 412 to the west side of the rail trail with the final completion prior to July 4th. Mr. Youst said that is moving along well. He said for the pump station portion of the project he just within the past few days received the county's acknowledgement of administrative completeness of the NPDES stormwater permit for the pump station part of the project. The approximate timing for receiving the permit is early May to late June.

In addition, Mr. Youst said he is collecting information from the vendors for the generator and the pump station building. The current estimate for the delivery time is about 58 weeks for the generator. Mr. Youst said he is communicating with the pump supplier, and they are getting the information to him regarding the cost and the timeline for the pump. He said next month he will have the information needed to determine when to start the fabrication on the building and when to begin putting the package together for the construction bid. It was noted that we need to have the NPDES permit in hand before we put out the construction bid package.

Mr. Ross then updated the Board Members regarding the updated sewer agreement with Hellertown Borough Authority. Mr. Ross said he received an email from the Administrator at Hellertown Borough Authority with comments from their Board Members. Mr. Ross said he went over the comments with Attorney Backenstoe today. The two changes Hellertown would like to make to the agreement are that they would like to have a 60-day notice if the Authority needs to extend the agreement by two quarters. Mr. Ross will

confirm but he believes they also would like the weekly payment of \$1,100.00 along with the quarterly payment for the sewer flows which is about another \$3,000.00. There was then a brief discussion about this by the Board Members. Mr. Ross will talk to the Administrator from Hellertown to confirm the changes they would like to the agreement, and he will get back to the Board Members as soon as the information is confirmed.

7. Citizen Non-Agenda

None.

8. Reports

A. Attorney

Attorney Backenstoe said he spent a significant amount of time reviewing the tapping fee update and calculations. He also reviewed the bonds and insurance documents from Barrasso Excavation Inc. Also, Attorney Backenstoe said he drafted an addendum to the Hellertown sewer agreement which we will have to finalize once Mr. Ross talks to the Hellertown Borough Authority Administrator to verify their requests.

B. Engineer

Mr. Youst said he has the chapter 94 sewer report ready for Mr. Ross and Mr. Reccek to review. The report is ready to be submitted once signed by Mr. Ross. Mr. Youst said next, he will then begin working on the annual water report. He noted again that he will be issuing notice to proceed to Barrasso Excavation Inc.

C. Administrator

Mr. Ross went over handouts regarding the lost water percentage for the Authority. Mr. Ross said the Authority is doing very well due to Mr. Reccek and the crew checking for leaks in the system with the leak detection equipment.

D. Chairman

Mr. Gress had nothing to report.


E. Members

No members had anything to report.

9. Adjournment

Upon motion by Mr. Gress, Second by Mr. Corcoran the February 20, 2024 Board Meeting adjourned at 7:48 P.M.

Respectfully Submitted,

Emily Kerchner

Recording Secretary