

WEST GOSHEN SEWER AUTHORITY
SPECIAL MEETING
February 11, 2021
6:00 PM

A special meeting of the West Goshen Sewer Authority was held on Thursday, February 11, 2021 as a Video/Teleconference due to the COVID-19 Emergency Declaration that prevented an in-person Public Meeting. Those participating in the conference call were:

Authority

Theodore Murphy
Tina Smith
Walt Wills
Shaun Walsh

UTBF

Administration

Casey Lalonde
Mike Moffa
James Meyer

HRG

Josh Fox

1. The regular meeting of the Authority was called to order at 6:04 PM by Chair, Ted Murphy.
2. Ted Murphy performed a roll call of the Sewer Authority, Township staff, professional services participants and attendees from the public.
3. Ted Murphy announced:
 - a) Procedures for the video/teleconference were included in the agenda posted to the Township website. Public meetings via video/teleconference are permitted and preferred during a pandemic.
 - b) The next regular meeting of the Authority is scheduled for March 3, 2021 at 7:00 pm. There were no other Authority Board member announcements.
4. Josh Fox opened the discussion on the Capital Improvement Plan spreadsheet covering the years 2021 to 2031. Josh described each of the listed projects, the basis of their projected costs, the reasoning behind the timing for each one and what had changed since the last Authority review of the CIP. The Board members asked clarification questions and challenged if the project list covered all the known major improvements. Overall it was concluded the list was a comprehensive view of the significant projects over the next 10-years and that there would always be the risk of unidentified issues arising, particularly in the collection system. The timing of the Pump Station Improvement projects was questioned as to whether it was aggressive enough. Mike Moffa responded that he believed proceeding with the Westtown Way, Taylor Run and Fernhill Pump Station projects over the next 18 months, as shown on the spreadsheet, would address the most critical deficiencies. Four Actions were agreed:
 - a) Check and correct any errors in the funding provided by the contributing municipalities – **ACTION: Josh Fox**
 - b) Revise the Clarifier Drive Replacement & Rehab. Project estimate to include a 10% contingency on the construction work (not materials) – **ACTION: Josh Fox**
 - c) Revise the spreadsheet to show the yearly contributions by municipality, including the WGSa net amount – **ACTION: Josh Fox**
 - d) After a), b) & c) are completed, use the CIP information to rerun the Funding Model analysis and discuss the results with Christine Riffey/James Meyer – **ACTION: Walt Wills**

After the funding scenario analysis has been checked with Township Finance staff, the Authority would schedule a review at an upcoming regular monthly meeting. There would then follow a joint presentation and discussion with the Board of Supervisors about the CIP, the funding analysis and the potential sewer rate implications for 2022 and beyond. The intention is to complete this process by late Spring, well ahead of the 2022 Township Budget setting process, and to allow plenty of time for a public presentation and comment workshop and other communications to residents and businesses.

5. Shaun Walsh raised the subject of performing a periodic review of the Authority's by-laws as a good practice, in a similar manner to the Authority's agreed biannual review of the Investment Policy. Walt Wills broadened the idea by suggesting that such a review should include other policies, specifically: WGSA Financial Management Policy; Internal Financial Controls; and the Developer Account Management Policy. Josh Fox advised that the Standard Sewer Specifications and Addendum currently in use and provided to Developers was in need of updating. Four actions were agreed:
 - a) Provide the By-laws to the Authority Board for review. **ACTION: Shaun Walsh**
 - b) Provide the Financial Policies to the Board for review. **ACTION: Walt Wills**
 - c) Include a Board review of a) & b) documents at the April regular Board meeting. **ACTION: Ted Murphy**
 - d) Revise the Standard Sewer Specifications by Year End. **ACTION: Josh Fox & Mike Moffa**

After completion of the review in April 2021, it was agreed the documents should be reviewed on a biannual basis during the reorganization meeting held in January. Therefore, the next review would be in January, 2023.

6. Ted Murphy introduced the subject of whether a regular 5-year recurring Capital Charges Study (Tapping Fee determination) should be instituted. Josh Fox advised that the critical parameters in calculating the Tapping Fee were: i) Capacity of the Treatment System and ii) the debt of the Authority. Given that these have not changed since the last calculation in 2017 after the bond issuance, Josh did not think performing a study was warranted. The Authority members debated the merits of a scheduled periodic Tapping Fee assessment vs. an event driven need to perform a study. Josh offered to include a brief assessment/statement about the Capital Charge in the annual Consulting Engineers Report. The Authority agreed this simple approach was preferred.
7. & 8. Shaun Walsh challenged the current budget practice of reimbursement by West Goshen Township to the Sewer Authority of non-TMDL legal fees and Auditor fees. The Board included agenda item #8 in the discussion, which is the opposite practice, where the Authority reimburses the Township for Finance professional services. Shaun stated he believed a better, more consistent and clear practice would be for the Authority to 'stand alone', and to budget and pay for all the services it is provided in the course of managing its business. The Board debated the details and merits of the proposal. Mike Moffa provided information on other reimbursements to the Authority from the Township. The Board decided that reimbursements by the Township for any costs associated with oversight of the Bond Indenture should continue. Shaun Walsh motioned for the Authority to no longer receive reimbursement from the Township for non-TMDL legal fees and Auditor fees starting with the 2022 budget and 2022 fiscal year. Seconded by Ted Murphy. Approved 4-0.

9. New Business:

Margie Swart thanked the Authority for the interesting discussion about reimbursement of fees. She asked why the payment from the Authority for Financial Services to the Township had not been a credit to the General Fund, but had been used to increase salaries of Finance staff. Ted Murphy advised that was a question to ask the Board of Supervisors and that the Authority had simply approved the fee amount for the monthly services.

Shaun Walsh reminded the Board that the virtual meeting with West Chester Borough, to discuss possible mutual benefit from an inter-municipal agreement for the WGSA Treatment Plant to receive sewer flows from the Borough, was scheduled for Feb. 18th at 10:00 am. The Board discussed the concept and the possible barriers and benefits of the idea. The goal is to have an open, brain-storming session with WCB staff and not be limited by individual pre-conceived positions on the merits or lack thereof.

Shaun Walsh motioned to adjourn the meeting at 8:10 PM, seconded by Walt Wills.
Approved 4-0.

Respectfully submitted,

Shaun Walsh,
Secretary