

**VIRTUAL STORMWATER AUTHORITY  
MEETING MINUTES  
AUGUST 25, 2020  
8:00 A.M.**

**CALL TO ORDER**

**Paul Bruder  
Richard Guerin  
Melissa Howard  
Carl Schultz  
Zach Williard**

Mr. Williard called the meeting to order at 8:00 a.m. Mr. Bruder, Mr. Guerin, Ms. Howard and Mr. Williard were all in attendance. Mr. Schultz joined the meeting from 8:06 – 8:29 a.m.

**PUBLIC COMMENT**

No public comments were made at this time.

**DISCUSSION ON STORMWATER AUTHORITY LEASE AND MANAGEMENT AGREEMENT**

Mr. Stinnett stated that he had provided a fairly standard Lease and Management Agreement, with similar circumstances where the municipality and authority partnered together on a stormwater program. He noted that these are not for action today, they are just to be put on the radar. He asked the Authority to provide any comment via email. He is hoping to have action at the next meeting.

Mr. Guerin asked regarding the Lease Rent, if the rent costs should be defined since it was not in there. He asked if it is normally one dollar. Mr. Stinnett answered that he does not think there will be any debt at this moment. The lease rent is going to require any and all payments for debt services. He stated that they could add a dollar in there, but there is no requirement.

Regarding paragraph two of the Lease Agreement, Mr. Guerin asked if it should say that the Borough owns all of the stormwater draining systems that are located in the Borough. He added that in the past they used to do public private partnerships, so, he was not sure if we wanted to say that. Mr. Stinnett said he will tweak the language a little bit, but that there is a theory called "Dedication by Implication," similar to "Adverse Possession," where Borough roads are draining through infrastructure that is on public property. Mr. Stinnett stated that the problem with stormwater is that it is hard to find good records and good mapping, but he will tweak that language a little bit.

Mr. Williard stated that the Committee will review and get any comments to Mr. Stinnett.

## UPDATE ON THE ENGINEERING AND DESIGN WORK FOR 2021 STORMWATER PROJECTS

Mr. Hess gave a rundown on the active and pending projects:

- 1) The CCTV Inspection of the Borough-wide system that has come up for discussion a few times in the past is in a pending status. The estimated cost based on unit prices in 2019 is \$470,000, so that is under consideration.
- 2) The Siebert Park Stream Site is an active project. The survey there is complete. They were holding off on design for the site until they heard about the CFA Grant, however, the CFA Grant was not awarded to the Borough. This project was to eliminate the Siebert Park Pump Station and to direct the flows to the Creek Road Pump Station and then upgrade the Creek Road Pump Station. That project could proceed and will need to proceed in order to satisfy the requirements of the Chesapeake Bay Pollution Reduction Plan. That project would take about one and a half years to complete because of the design, permitting, bid and construction work. The MS4 permit expires in 2023. Mr. Williard clarified with Mr. Hess that this is the last project required for the MS4 permit through 2023.
  - a. Mr. Guerin asked if the Borough is still planning to do the upgrades to the sewer treatment plant and if so, if it make sense to do this at the same time. Mr. Dennis answered that the pumping station was viewed as having an ROI of about 10 years. Not having the grant funding to offset that makes it more of a 20 year ROI, which is about the timeframe that the pump station would need to be upgraded again. The Committee will have to decide the most financial and conservative way to handle upgrading these projects. They could wait a year and reapply for the CFA grant funding, however, that would impact the Siebert Park Project by pushing out the deadline. Mr. Hess stated that it would save money in total if they did the projects at the same time on bid costs, erosion control and restoration, but it would probably be too much of an effort to try to include both of those jobs in the same project without the CFA Grant.
  - b. Mr. Schultz asked what the likelihood of getting the grant next year would be, which Mr. Hess answered the chance of getting the grant is not zero, but probably below 50/50 if they go after it again.
  - c. Mr. Schultz asked what the fallback would be if they did not do the project and therefore did not receive the MS4 credits. Mr. Hess stated that there are other ways to achieve the Chesapeake Bay Compliance for MS4 requirements, but they would be more expensive. The stream restoration seems to be the best return on investment for those credits.
  - d. Mr. Schultz asked if they defer the project for a year, but did not complete it by the deadline, if that would be a significant risk. Mr. Hess stated that technically they would be out of compliance with the permit if they did not complete the MS4 requirements and the DEP would then choose enforcement actions.
  - e. Mr. Robbins asked Mr. Hess if they could advance with the Siebert Park design and then plan on reapplying for the CFA and if they don't have the CFA just go ahead with the park. He asked if so, if that could be completed in time for the new contractor. Mr. Hess stated that it would be difficult, as the MPDS permit takes the longest. If they wait and then add the sewer then they are into a permit that is very time consuming.

- f. Mr. Williard asked if the stream restoration would be similar to what was done at Willow Park, because the community has not loved the way Willow Park looks. Mr. Hess answered that it would be similar, but that Siebert is already wooded, whereas Willow went from more of an open space to a forest type of space, so he does not expect the same result with the overgrowth.
  - g. Mr. Robbins asked if the stream restoration project would include any trail improvements. Mr. Hess stated that trail improvements would not help to satisfy the MS4 requirements, but if there is a push to do this, this would be a great time to do it since they will already have equipment and a contractor in there.
- 3) They are getting Subservice Utility Engineering (SUE) field markings now for the Drainage Improvement Projects at N. 21<sup>st</sup> Street and Walnut Street & the Russell Road Culvert Improvements. The survey will be done on those once they are completed. HRG is not proceeding with 33<sup>rd</sup> Street and 34<sup>th</sup> Street for the time being.
- a. They intend to complete the survey, file for permits this fall, get all of the permits in, get the design completed and get the bidding documents ready so that the project is ready to bid in spring of 2021. By November this year they would present the design to the Authority and get any comments back before they would submit the permits.
  - b. Mr. Williard gave a recap on the costs for the group of projects from Mr. Hess's project list. He stated that there was a miscommunication where the Authority thought the borrowed \$1,400,000 would cover all of the projects, which included the 33<sup>rd</sup> Street project. If they do 33<sup>rd</sup> Street they would need a range of \$1,900,000 to \$2,200,000. Mr. Hess clarified that it would cost \$1,100,000 to \$1,400,000 for the trio (N. 21<sup>st</sup> and Walnut, Russell Road, and 33<sup>rd</sup>/34<sup>th</sup> Street). The range depends on how much they can line on the 33<sup>rd</sup> Street project. Additionally, the Siebert Park project is roughly \$500,000 and the CCTV System project is about another \$500,000.
  - c. Mr. Guerin stated that he thought the last thing they talked about was whether or not they would televise the Borough before doing the whole \$1,400,000 - \$1,900,000 projects in case something else pops up. He asked if the inlet could be done at the same time of the paving and the lining done later, which Mr. Hess stated they could since they would not have to tear up the road to do the lining.
  - d. Mr. Schultz stated that he was under the impression that there was not an imminent problem at 33<sup>rd</sup> Street and he asked Mr. Hess to refresh their memories on that project. Mr. Hess stated that they did televise it, so they have a pretty good sense of the condition there now. He shared that the inlets are in bad shape, but the pipes are only showing some age. The pipes look as though they are ok now, so they might get another 5-10 years out of them, but if the pipes are lined they might get another 30-50 years out of them. The big problem is the inlets, as they are old brick inlets and a lot of the bricks are falling out. HRG would dig and replace all of the inlets and line the pipes wherever possible. They would then replace pipes in as limited places as possible, but only if necessary.
  - e. Mr. Hess stated that televising would take about a year to a year and three months until the job gets bid and the televising would get the whole way around the Borough.
  - f. Mr. Guerin stated that he is concerned that they might find something more imminent than 33<sup>rd</sup> Street. Mr. Hess and Mr. Robbins agreed they will find

problems that they did not know about. Ms. Howard agreed that she would like to know what all the problems are before they prioritize.

- g. Mr. Williard shared that the budget has \$180,000 for debt services, and if we include 33<sup>rd</sup> Street we will go over budget. Mr. Guerin asked Mr. Williard if they agree to do the televising, do they borrow the money they budgeted regardless of 33<sup>rd</sup> Street or is it better to borrow only enough money to do the list and then re-borrow money when they see what other problems there are. Mr. Williard said he thinks the Committee should get the list of projects together and borrow only for the projects they know of and by the time they finish these it will be time for the new permit cycle and a new set of projects.
  - h. Mr. Robbins reiterated what Mr. Hess said about 33<sup>rd</sup> Street. He stated that if you want to replace the inlet boxes, replacing and doing the lining makes more sense to do together because you'll be in the backyard of people's property. Generally speaking there are not a lot of capacity issues, so there are not streets or inlets that stay surcharged for extended periods of time during rainfall, which is usually a good sign. Mr. Hess agreed that a lot of pipes should not need to be replaced, just maybe some lining.
  - i. Mr. Guerin asked if they would want to do the inlet before the paving, which Mr. Robbins answered they would.
  - j. Mr. Williard asked what happens if they push 33<sup>rd</sup> Street two years and an inlet fails before they fix it. Mr. Hess answered that it depends on the fail, it can range from not being noticed to having to do an emergency replacement.
  - k. Mr. Williard suggested holding off on the 33<sup>rd</sup> Street project for now and to look at it in a year when they have more data and are ready for the next set of projects. It is essential to weigh both the urgency of the project(s) and the cost of them. Mr. Bruder, Ms. Howard and Mr. Guerin agreed. Mr. Hess will get a break down of the inlet repair.
- 4) Penndot has a project that they are going to come in and repave Market Street at the section near 34<sup>th</sup> street to 33<sup>rd</sup> and Rite Aid in the spring of 2021. He stated that the 33<sup>rd</sup> Street system drains into Market Street and at that point they will not be able to go in to replace underground utilities without a penalty assessed from Penndot. He recommended that the Committee allow HRG to do enough analysis to know if they have to replace any pipes in that section of Market Street.
- a. Mr. Hess estimated that it would cost in the tens of thousands of dollars to get that section of Market Street analyzed before the paving.
  - b. Mr. Williard, Mr. Guerin, Mr. Bruder & Ms. Howard all agreed to that project.
- 5) Mr. Guerin shared that Council was looking into whether or not to work on the triangle at Schaeffer, as it is not currently functional. Mr. Hess gave the pricing breakdown on that project. The berm can be lowered about six inches for around \$7,800. To lower the berm about six inches and to flatten the side slopes would cost about \$14,000. To get rid of the surface storage and do underground storage instead would cost about \$60,000. Mr. Williard asked if option 1 and 2 would not be enough credits for MS4. Mr. Hess stated that any of these will reduce the amount of credit they get for the program, but they can recoup that at Siebert Park.
- a. Mr. Bruder asked if the effectiveness is decreased if a lesser option is done. Hess answered that yes, it will reduce credits and reduce effectiveness.

- b. Mr. Guerin stated that if it is only \$60,000 and it adds greenspace to the town, he is in favor for it. He suggested finishing it next year to offset the cost. Mr. Bruder agreed that he would rather spend the extra to make it a useable space. Ms. Howard asked if it is usable for anyone other than the people that live right there. Mr. Williard stated that he is in favor of fixing it because the previous final result was not what Borough Council thought was being approved during the park projects. Mr. Guerin asked how it fits into the budget. Mr. Williard stated that they will need to go back and see where they are at now that they took out the 33<sup>rd</sup> Street project.

### **DISCUSSION ON 2021 STORMWATER BUDGET**

Mr. Dennis stated that the first thing that is most important in putting together the budget, is to get an idea of what amount is going to be borrowed. He said if the Committee is looking at doing \$1,300,000 plus the \$60,000 he can come up with a number for debt service and can incorporate that into the budget modeling for next year. He will submit a draft budget for the next meeting.

Mr. Dennis stated that next year there will be four quarters of revenue, which is estimated at \$614,000. If the Borough chooses to subsidize the stormwater fund as it did this year, there will be another \$350,000 coming in. The sewer fund subsidy was only going to be a one-time subsidy for the first year to create some cash. That puts the budget at about \$995,000 in revenue assuming about \$12,000 in interest income and \$20,000 in penalties. Debt service will be the largest expense and last year \$100,000 was allocated for general public works projects. He stated that they could put Schaeffer in the general public works projects or the debt issuance.

Mr. Williard stated that the debt service number of \$184,000 is budgeted, which can wiggle around, but it helps to drive the budget. There is an ongoing Borough subsidy, which this year is \$350,000 and it tapers down each year. As it tapers down, at some point it will have to have a rate adjustment in order to continue paying for the budget. Mr. Guerin asked what a good amount is to keep in reserves. Mr. Williard stated that they will know a better number once they get the televising information back, but they probably want at least \$200,000 because if any problematic stormwater issues come up, they're not cheap. Mr. Dennis added that it is good to have 15% of the general revenue that is collected, so that would be about \$150,000.

Mr. Dennis will go back and tally all of the numbers and put together the financial framework for the projects discussed. The next meeting will be September 22<sup>nd</sup> at 8:00 a.m.

### **PUBLIC COMMENT**

No comments were made at this time.

### **ADJOURNMENT**

Mr. Williard made a motion to adjourn. Mr. Guerin seconded the motion. The meeting adjourned at 9:05 a.m.