

# BCWSA



## MINUTES OF THE REGULAR BOARD MEETING May 24, 2022

**PRESENT:** John Cordisco, Dennis Cowley, Patricia Poprik, Bryan Allen and George Hutt  
Benjamin W. Jones, CEO; Jason Hillaert, CFO; Randall Flager, Esquire; Scott  
Holbert, Esquire; Jeffrey P. Garton, Esquire; Russell Dunlevy, P.E.; Steven  
Hartman, P.E. CEC; Nathaniel Rafalski, CTO and Anne M. O'Toole, Executive  
Assistant

**VISITORS:** Ernest (Bucky) Closser, Curtin & Heefner  
Christopher Gibbons, Concord Public Finance  
Mark Lucas, AQUA  
Bill Ferguson, Resident, New Garden Township  
Peter Mrozinski, Resident, New Garden Township  
Marge Woodace  
Ginny Kerslake, Food and Water Watch  
Brian Dries, Ceisler Media

### CALL TO ORDER:

BCWSA's Chairman, John Cordisco called the Regular Meeting of the BCWSA to order at 9:50 am.

### PLEDGE OF ALLEGIANCE:

Those present, pledged allegiance to the flag.

Roll was called and all Board Members were in attendance.

### PUBLIC COMMENT:

Ms. Ginny Kerslake, the PA Organizer for Food and Water Watch, a non-profit organization that works to ensure safe food and clean water, addressed the Board of Directors to speak out against any form of privatization of water and/or sewer systems. She was aware of the unsolicited offers from Aqua PA, Pennsylvania American Water and Bernard Capital. She stated that BCWSA denied a Right to Know request for information which is being appealed. She was there on behalf of the ratepayers of BCWSA and asked the Board to reject privatization. She brought a petition with 300 residents' signatures to distribute to the Board. She stated that privatization would saddle the ratepayers of BCWSA with significantly higher rates. At this time there is a surge of federal support and it would be irresponsible to the customers to privatize since they would be ineligible for low interest loans and grants. The grants would be from the Clean Water State Revolving Fund and that privately-owned wastewater systems cannot apply. She urged the Board to support continued public ownership and operation of the BCWSA and reject privatization.



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Mr. Peter Mrozinski addressed the Board of the Directors and stated that it is the Board's duty to look out for the best interest of the customers and the sale to Aqua is not in their best interest. He stated that he is speaking from experience, as he is a resident of New Garden Township, Chester County, PA and the sewer system was recently acquired by Aqua America. He requested that the Board really consider the sale of BCWSA. The sale of New Garden Townships system was completed in December of 2020. Mr. Morzinski continued that the customers were guaranteed a two (2) year rate freeze followed by eight (8) more years, and an increase of four percent (4%) annually, but prior to the closing, the sale agreement was re-negotiated and those protections were removed. Mr. Cordisco asked about rate stabilization. The recent ruling by PUC regarding rate increases had allowed Aqua to raise rates by 53%. They were unable to spread the increase to the rest of Aqua customers, and therefore the increase in costs were passed on to the New Garden Township customers. The residents were also promised to get rate relief from the proceeds of the sale and that had not happened. He had asked that the Board consider inviting the public to the meetings from the very start of the process and not after a decision has been made.

Ms. Poprik asked where New Garden Township was located. Chester County, PA.

Mr. Cordisco stated that the Board of the Directors share the concern of a rate increase to the customers. He assured the audience that they are doing their due diligence. The Board has repeatedly and unanimously promised that there will be no backroom deals. He also said that there is no urgency to act immediately. When all questions are answered we will then actively include the public, at this point, the evaluation is not yet completed.

Mr. Cowley stated that he agreed with Mr. Mrozinski as he has recently become a customer of Aqua and he has seen his rates increase significantly.

Mr. Bill Ferguson appeared before the Board of Directors. He is also a resident of New Garden Township and that he and Peter are neighbors. They've been working on the Aqua takeover of the New Garden Township sewer system and the rates regarding their case had just been approved by the PUC. They are familiar with the process and he had offered his assistance to help BCWSA. He prepared a chart to illustrate the proposed profit if aqua acquires the system vs. operating costs, depreciation & interest. He stated that rates to the customer would increase approximately 70% according to his analysis. The money offered for the proposed sale is not free and will come with big rate increases. He said that this type of evaluation is simplistic in nature and reiterated he could be helpful.

Mr. Cordisco disagreed with Mr. Ferguson. The evaluation has been very sophisticated. They haven't reached a point where he believes that the information is in a final form. The further they have advanced in the process, the more questions that have occurred. We are not in a conclusory scenario yet to be able to present a decision. Once they have gotten to that point, they will be able to meet with the customers and all of the municipalities in BCWSA's System. The number of hours that have been put into this process is monumental. We will not make any commitment and he appreciated Mr. Ferguson coming so far to express his concerns.



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A question was asked regarding a time-line as to when the public will be included in the process.

Mr. Cordisco stated that they are not at a point in the evaluation to present this to the customers and municipalities, that they are still doing due diligence and whatever decision is made, it must make sense economically and environmentally. They have a fiduciary obligation and restated that no decision has been made.

**MINUTES:**

Mr. Cowley moved, Mr. Hutt seconded the motion to approve the Minutes of the BCWSA Regular Meeting held April 27, 2022. Ms. Poprik abstained from voting due to her absence at that meeting. (Minutes are attached to the Minute Book)

**REPORT OF THE CEO: Benjamin W. Jones**

***-Reservation of Capacity Agreement; Warrington Township-***

Mr. Cowley moved, Ms. Poprik seconded the motion that unanimously approved the ROC Agreement between BCWSA and Walnut Creek Acquisitions L.P., associated with the proposed construction of 22 single family homes (one existing) at 3501 County Line Road in Warrington Township. (Agreement is attached to the Minute Book)

**ENGINEERS REPORT *Gilmore & Associates***

Russell Dunlevy P.E., reviewed the Engineer's Report dated May 18, 2022.

***Kings Plaza WWTP Trailer Replacement (Contract CP-90)***

Ms. Poprik moved, Mr. Cowley seconded the motion that unanimously approved Application for Payment No. 1 for the Kings Plaza WWTP Trailer Replacement project in the amount of \$89,663.00, be paid to Modular Genius, Inc., as recommended by the Engineer.

**Consulting Engineer: *Steven Hartman, CEC***

Steven Hartman, P.E., reviewed the Consulting Engineer's Report with the Board of Directors dated May 11, 2022.



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*Neshaminy and Poquessing Sewer System*

*Totem Road Drywell Pipe Painting & Improvements (Contract S-110)*

Ms. Poprik moved, Mr. Allen seconded the motion that unanimously approved the Application and Certificate for Payment No. 4 for Contract S-110 in the amount of \$1,000.00 be paid to J.P. Smith Contractors, as recommended by the Consulting Engineer.

**SOLICITOR’S REPORT: Randall Flagger, Esquire**

*-Executive Session-*

The Solicitor stated that the Board met in Executive Session for approximately 1 hour and 20 minutes prior to the start of the Regular Meeting to discuss Authority Real Estate and potential litigation. No action was taken by the Board of Directors.

*-Assignment of Sewage Service Agreement; West Vincent Township-*

Ms. Poprik moved, Mr. Cowley seconded the motion that unanimously approved the Assignment of the Sewage Service Agreement from Weatherstone Town Center assigning the rights to Gateway Realty Holdings who will ultimately be the signator on the sewer service agreements for a project for the proposed construction of commercial, residential buildings and facilities in West Vincent Township. (Agreement is attached to the Minute Book)

*Jeffrey P. Garton, Esquire*

*-Bill of Sale; Sanitary Sewer - Warrington Township-*

Ms. Poprik moved, Mr. Allen seconded the motion that unanimously approved the Bill of Sale accepting dedication of the sanitary sewer lines at the Preserve at Murphy Lane development, in Warrington Township. (Agreement is attached to the Minute Book)

**REPORT OF THE CFO/CONTROLLER**

*-Bills for Payment-*

Jason Hillaert, CFO presented a List of Bills and Requisitions that were prepared by in-house staff and he recommended Board approval.

Ms. Poprik moved, Mr. Cowley seconded the motion that unanimously approved the Bills for Payment dated May 18, 2022. (bills are attached to the Minute Book)



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***Bond Resolution No. 2022-01-***

Ms. Poprik moved, Mr. Cowley seconded the motion unanimously adopting Bond Resolution No. 2022-01 associated with the financing through DeVal related to the acquisition of the Bristol Borough Sewer System. (Resolution No. 2022-01 is attached to the Minute Book)

**OTHER OLD BUSINESS:**

**OTHER NEW BUSINESS:**

**ADJOURNMENT:**

There being no further business to be presented to the Board, Ms. Poprik moved, Mr. Allen seconded the motion that unanimously adjourned the meeting.

*6-8-2022*

DATE

*PK Poprik*  
SECRETARY

***NEXT REGULAR BOARD MEETING: June 8, 2022 9:30 AM***



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