

BCWSA



MINUTES OF THE REGULAR BOARD MEETING
July 27, 2022

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

VISITORS: Rodger Bushnell, 77 Chapman Avenue, Doylestown PA 18901
Fred Gaines, 200 Beech Blvd. Warrington PA 18976
Eileen Albulat, 666 Grace Lane Warrington PA 18976
Peter Scott, 3220 Deer Path Road Warrington PA 18976
Tom Sufield, Reporter Levittown Now
Barb Zielinski, Warrington Resident
Tim Hagey, 415 Gibson Avenue
Frank O'Donnell, American Legion Home Assoc. New Hope
Tom Zeunner, NBCMA 815 Bustleton Pike Richboro
Kit Cole, 4023 Captain Molly Circle, Doylestown PA 18901
Phil Cole “ “
Maggie Rash, 3742 Lower Mountain Road Forest Grove PA 18922
Tim Hayes, 716 Manor Drive Dublin PA 18917
Ray Post, Langhorne PA
Mike Diorka, 2651 Fawn Lane Warrington pa 18976
Linda Vuono, 6183 Laurel Court Pipersville PA 18947
William Morienom, 3621 Valley Meadow Drive Bensalem PA 19020
Scott Poludneck
Pierre Cassianew, 768 Cherry Lane Doylestown PA 18901
Adam Gilberto, 199 Lenape Drive Doylestown Pa 18901
Bill Cooper, 403 E. State Street Doylestown PA 18901
Cathy Arnold, 218 E. Court Street Doylestown PA 18901
Gail Humphrey, 55 E. Court Street Doylestown PA 18901
Jason Cannon, BCWSA
Rob Neilson, BCWSA
Alec Leszcynski, BCWSA
David McMahon N.O.P.E
Zac Stone, BCWSA
Tom Burns, BCWSA
Kofi Osei, N.O.P.E.
Ed Doyle, 142 Upper Stump Road, Chalfont PA
Denise Luna, AFSCME



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net



MINUTES

**July 27, 2022
Page 2**

Ethan McNelis, 6332 Pilgrim Court Bensalem PA 19020
Brit Montoro, N.O.P.E. 1 Makefield Road Morrisville PA
Jeanne Voronin, 4246 Maladies Lane Doylestown PA 18901
John Heyner, 203 E. Oakland Ave Doylestown PA 18901
Len Hughes, AFSCME
Tom Tosti, AFSCME
Bill Richards, BCWSA
David Weston, 122 E. Ashland Street Doylestown PA 18901
Chris Franklin, Aqua
Matt Rhodes, Aqua
Lionel Joseph, Aqua
Marc Lucca, Aqua
Mary Skorupa, 202 N. Clinton Street Doylestown PA 18901
Peg Quann, Bucks County Courier Times
Mike Sullivan, Warwick Township
James Lamb, 33010 Sarmiento Dr. Bensalem PA

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.

PUBLIC COMMENT:

Mr. Cordisco stated that Public Comment would be moved to the end of the Meeting.

MINUTES:

Ms. Poprik moved, Mr. Hutt seconded the motion that unanimously approved the Minutes of the BCWSA Board Meeting held on July 13, 2022. (Minutes are attached to the Minute Book)



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net



REPORT OF THE CEO: *Benjamin W. Jones*

-Acquisition Wastewater Assets-

Mr. Jones stated that the item on for discussion under his report was a follow up on the formal offer from Aqua Pennsylvania related to the potential acquisition of the BCWSA Sewer System. There have been a series of meetings and a lot of input from the public and elected officials, and no decision has been made.

ENGINEERS REPORT: *Gilmore & Associates*

Russell Dunlevy P.E., had no report to review with the Board of Directors.

-Consulting Engineer's Report-

Steven Hartmann, P.E., reviewed the Consulting Engineer's Report dated 07/20/22 to the Board of Directors.

NESHAMINY AND POQUESSING SEWER SYSTEM

-Neshaminy Interceptor Lining (Contact S-46A)-

Ms. Poprik moved, Mr. Cowley seconded the motion that unanimously approved the Application and Certificate for Payment No. 16 for Contact S-46A in the amount of \$119,649.01 be paid to Spiniello Companies, as recommended by the Engineer.

SOLICITOR'S REPORT: *Randall Flager, Esquire*

The Solicitor stated that the Board met in Executive Session for approximately fifty-minutes prior to the start of the Board Meeting to discuss the potential sale of the BCWSA Sewer facilities to Aqua, and no action was required by the Board of Directors.

-Deed of Dedication Easement Agreement; Lower Southampton Township-

Ms. Poprik moved, Mr. Hutt seconded the motion unanimously accepting dedication of the Sanitary Sewer Line and Construction Access Easement Agreement with Wade Ray Trevoise Associates related to certain right-of-ways on Street Road, Brownsville Road and Old Street Road in Lower Southampton and Bensalem Townships.(agreement is attached to the Minute Book)



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net



-Deed of Dedication; Upper Dublin Township-

Ms. Poprik moved, Mr. Allen seconded the motion unanimously accepting the Deed of Dedication Agreement with Spring House Land, Inc., associated with the sewer facilities of a 44 single family home development located at the intersection of Camp Hill Road and Pennsylvania Avenue in Upper Dublin Township.

CFO's Report: Jason Hillaert, CFO

-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. Hutt seconded the motion that unanimously approved the Bills for Payment dated July 27, 2022. (bills are attached to the Minute Book)

PUBLIC COMMENT:

Mr. Cordisco had asked that before he opens up public comment, to take advantage of the website. He stated that there has been considerable feedback and appreciated the people who've been participating in the process. One of the suggestions made multiple times is to post the information discussed at the open houses on the website. He also acknowledged that people are on vacation and may not be able to participate in the meetings so we will take the opportunity to revisit this issue post Labor Day. This is a process in which we want to get input and really take everyone suggestions seriously. Mr. Cordisco also asked that if anyone who participated in the open house meetings and had questions addressed previously, to please give other people who have not had the opportunity to speak today.

Fred Gaines, Chairman of the Warrington Township Supervisors appeared before the Board of Directors and stated that the Warrington Township Board of Supervisors made a pledge to the residents that they would not be sold to a publicly traded organization. They have the right to put together a plan if Aqua acquires the system. Mr. Gaines addressed the Chairman to confirm that BCWSA would make Warrington Township whole if they decide to buy back the sewer system. He inquired what type of offer would be made.

Eileen Albillar, a resident of Warrington Township and the Vice Chairman of the Board of Supervisors addressed the Board and stated that when Warrington Township sold to BCWSA they held 22 meetings and all residents unequivocally voiced their disdain regarding privatization of the water and sewer system. Aqua PA offered 40 Million Dollars but Warrington sold to BCWSA for approximately 16 Million. Warrington has the right of 1st refusal and would like to explore every option in good faith to not become a customer of Aqua and beholden to shareholders and give up local control. She urged the Board of Directors to continue with transparency and seek feedback from the customers.



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net



Brit Montoro, from N.O.P.E. residing at 1 Makefield Road, Morrisville PA addressed the Board of Directors and voiced her opposition to the potential sale. She stated she is appalled that privatization has become a normal practice in Bucks County. She mentioned Williamson Park in Morrisville, she is concerned about rates and the lack of advertising of the public meetings, and asked BCWSA say no to Aqua.

Mike Sullivan, Executive Director of Warwick Township Water & Sewer asked for clarity on how the billing will be handled for the 12 retail customers he services in Warwick Township and how Aqua will handle the billing. He also asked the Board take into consideration not what Aqua says but what they do regarding rate increases.

Tim Hagey thanked the Board of Directors for their service. Aqua is a for profit business and asked the Board to consider where the money will be going. If the sale goes through we will not have this essential service managed by local control, and consider how the funds will be paid back. He asked the Board consider what it means to the sewer customers. Instead of spreading the money throughout the county, consider where the money will be paid from.

Maggie Rash addressed the Board of Directors and thanked them for their service. She resides at 3742 Lower Mountain Road and asked for a copy of the Bills for Payment approved at the meeting. She also inquired if there will be any information on scheduled meetings after the information is posted after Labor Day. She also inquired about the website Mr. Jones responded: www.bcwsacommittment.org Will there be subsequent meetings after the information is posted? Mr. Cordisco stated yes.

She asked the Board to keep an open mind and thanked Pat Poprik for keeping an open mind and her input.

Ray Post appeared before the Board of Directors. He resides in Langhorne Borough. He attended the open house at the Bucks County Community College and provided his input. It was asked for a show of hands of who was in favor of the potential sale and not one hand went up, and the question could not be answered as to why the County would sell this major asset. Many people are concerned about the rates which are estimated to double. There was a question whether the county commissioners could dissolve this board and replace with people more attuned to the needs of the community. He understands that some improvements will need to be done. The website indicated that the ever-increasing costs over 10 years that our county tax dollars would also be paying twice. Mr. Cordisco stated that is not so, the county will be paying a subsidy to Aqua. There will be a customer benefit fund and the rate increases would be the same as if BCWSA still owned the system.

He asked the board reject the deal. Aqua rates may look different than our rates after ten years and the 1.1 billion will be paid back from the sewer customers. Mr. Chris Franklin, CEO of Aqua spoke about the fair market value and the methods to determine the value of the authority and the difference between the purchase price and the fair market value, if any, would not go into the rate structure. The rate stability fund would offset the rates. Aqua is a privately-owned company and the charts indicate that in the ten years the authority's rates would be the same as Aqua.



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net



Linda Vuono a customer from Pipersville PA and president of Local AFSCME 1598 representing 750 members in Bucks County. Aqua purchased the Limerick facility and part of the negotiations was a five-year rate cap or moratorium on rates. Aqua recently submitted rate proposals granted by the PUC. It is concerning because that could happen here. It is troubling to lose local control.

She also inquired if anyone of the Board of Directors own stock in Aqua. Mr. Cordisco stated many of the pension funds have shares since Aqua is a publicly traded company. She also questioned why the authority would be sold. Since the county is not in need of money.

William Morienom, Bensalem Township questioned the lawsuit with Aqua regarding rates. Mr. Cowley said there was a lawsuit but was withdrawn. The ratepayer relief fund doesn't make sense to him by taking money and putting it in a different account.

Tom Tosti, Oxford Drive Langhorne addressed the Board of Directors and stated that the forum we have currently to address the Board of Directors will no longer be available if sold to Aqua. We will lose the ability to approach the Board and have our voices heard. He had attended the meetings and there was nothing on the agenda about moving forward with the discussions of the potential sale. The meetings that were held at the college were to discuss Aqua. He had asked that the Board be transparent with the rate payers. No one knows what is going on unless they read in the paper. The meetings are not listed and he had asked if the next meeting be moved to a night meeting.

Mr. Cordisco also stated that the next meeting will be an evening meeting. One of Mr. Tosti concerns is that the county commissioners could change direction and do something different with the proceeds of the sale if the administration changes. There was a discussion on having an administrator to handle the funds if the authority is sold. The county could pay off the debt and preserve the entire principal which would financially make sense.

Mr. Tosti asked if anyone who is in a place of making a decision on the potential sale had money invested in aqua, and would have to recuse themselves. Mr. Cordisco asked if AFSCME had taken contributions from Aqua and if so, how much. Mr. Tosti stated we are talking about the sale of a public entity. He thanked Dennis Cowley for voting no on the sale.

Pierre Cassianew, 768 Cherry Lane, Doylestown PA 18901 appeared before the Board of Directors and thanked all the Members for their service. He asked what the motivation was to sell the authority. Mr. Cordisco explained about the unsolicited offer and the valuation of the system. There is approximately 250 Million Dollars needed in Capital Improvements, which will need to be addressed. Laterals are leaking and we have issues of violations. He mentioned the litigation between BCWSA and the Plumbers Union. The employees are unable to address the issues because of a lawsuit. We are prohibited to do work for the customers and the estimated costs of laterals for each homeowner is approximately \$8500 per customer.



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net



Mr. Cordisco stated that staff, and the professionals have done a great job in explaining the systems. Mr. Jones spoke about the capacity to be utilized as needed. The money would be collected over 50 years as additional money. It would be a legacy fund.

Jeanne Voronin, 4246 Maladies Lane Doylestown PA 18901 addressed concerns about Act 12 which allows entities like Aqua to acquire an asset based on fair market value rather than depreciated value and then collect their money back through rate hikes. Inflated assets are then passed on to the consumer. Aqua is a for profit company and she feels it would not be in the best interest of our customers and local municipalities. If BCWSA is concerned about the infrastructure she suggested floating a bond. She had asked that the Board please consider rejecting the sale of the sewer system. Financially it makes no sense to sell the system. She thanked the Board of Directors for their service.

Tom Tosti asked about the sale. His question was to look after the best interest of the ratepayers and not the taxpayers. We do not have the ability, even on the website, to see what advantages it will have for the community.

OTHER OLD BUSINESS: Nothing to Report

OTHER NEW BUSINESS: Nothing to Report

ADJOURNMENT:

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

8-24-2022
Date

P. J. Poprik
SECRETARY

NEXT REGULAR BOARD MEETING: WEDNESDAY AUGUST 24, 2022



BCWSA
1275 Almshouse Road, Warrington, PA 18976
Phone: 215.343.2538
www.bcwsa.net

