

**DOYLESTOWN TOWNSHIP MUNICIPAL AUTHORITY**  
**Minutes of Meeting**  
**May 19, 2016**

A meeting of the Doylestown Township Municipal Authority was held at 4:00 p.m. on Thursday, May 19, 2016 in the Township Building with the following members in attendance: Richard A. Bach, Chairman; C. Edward Hege, Vice-Chairman; Frank LaRosa, Secretary; Edward Harvey, Treasurer and Joseph C. Van Houten, Assistant Secretary/Treasurer Also present at the meeting was Richard E. John, Executive Director; Richard D. Magee, Jr., Municipal Authority Solicitor; Alfred S. Ciottoni, Municipal Authority Engineer and Rick Colello, Board of Supervisors Liaison to the Doylestown Township Municipal Authority.

**ACTION ITEMS**

**MINUTES APPROVAL: April 21, 2016**

Upon a motion by Mr. Harvey, seconded by Mr. LaRosa, and unanimously approved by the Authority, the Minutes of the April 21, 2016 meeting were approved as submitted.

**BILL'S LIST: May 19, 2016**

Mr. LaRosa made a motion to approve the May 19, 2016 Bills List for the General Fund Account in the amount of \$20,409.23; Developers Escrow Fund in the amount of \$10,204.52; Debt Service Reserve Fund in the amount of \$-0-; Repair and Replacement Fund in the amount of \$67,407.11; Capital Improvement Fund in the amount of \$7,670.13; the Prepaid Invoices in the amount of \$3,939.47; the Prepaid ACH Credit Invoices in the amount of \$12,807.69 and Transfers to the Township in the amount of \$153,780.43. Mr. Hege seconded the motion and the motion was unanimously approved by the Authority.

**TREASURER'S REPORT: May 19, 2016**

Mr. Hege made a motion to approve acceptance of the May 19, 2016 Treasurer's Report as presented. Mr. LaRosa seconded the motion and the motion was unanimously approved by the Authority.

**DOYLESTOWN GREENE - ESCROW RELEASE #2**

Mr. LaRosa made a motion for approval of Escrow Release #2 in the amount of \$5,213.00 to K. Hovnanian at Doylestown, LLC., for water utility work completed to date. Mr. Hege seconded the motion and the motion was unanimously approved by the Authority.

## **CROSS KEYS WELL UPDATE**

Mr. John stated that the Cross Keys Well had been tested in March, 2016 and measured 0.13 ppb which was in compliance with EPA regulations at that time. However, new EPA regulations established May 19, 2016, meant the DTMA exceeded the new health advisory standard set at 0.07 ppb. As a result of the new regulation set forth today, the well was immediately shut down and will remain shut down until such a time that the Authority determines how it wants to supply the Cross Keys area with a safe water supply. He stated the Authority was fortunate that it had an active secondary source feeding the Cross Keys system and by increasing the supply, was and is able to meet the system demands. Mr. John stated he directed that a plan of action as relates to a safe water for Cross Keys be developed by the operations staff and Authority Engineer, Alfred Ciottoni, for authority consideration at the next meeting.

## **EXECUTIVE DIRECTOR - MANAGEMENT AGREEMENT**

Mr. Bach opened a discussion which sought to address the Authority/Township Management Agreement as relates to the Authority's right to approve who will be hired to fill the executive director's position. He noted the Township had proposed hiring a person that would work for both entities. He stated it was his opinion the new executive director's position should be full time and that the position only work on authority matters. He opened the discussion to all in attendance, resulting in the following bullets of discussion:

- The Management Agreement was referenced and reviewed
- Mr. Bach maintained that the Municipal Authority employees should report to DTMA and not to the Board of Supervisors
- Mr. Colello disagreed and stated that the Board of Supervisor should hire all DTMA employees
- Mr. Magee, the DTMA Solicitor respectfully disagreed stating that the DTMA is an independent authority
- Mr. John asked the members of the DTMA if they expected to go on their own after he retires. This action would increase their cost especially in the administrative areas like, billing, finance, personnel or was it still more advantageous to employ the township staff on a part time as needed basis, especially in the areas of administrative matters and employee management. He noted this relationship between the Authority/Township has worked for years and it is a good cost saving for the Authority.
- Mr. Bach recommended that the relationship continue

- Mr. LaRosa said that this is a whole new dawning and suggested that the Authority ask itself the question: What do we want to be?
- Mr. Van Houten suggested that the Management Agreement be reviewed and then a decision could be made.
- Mr. Colello stated that each year the DTMA appoints Dick John, Executive Director, and that this approach has been working; he questioned the emphasis on changing that approach and said that he resented that Mr. Magee said that the DTMA has authority to hire and that the supervisors do not.
- Mr. John stated that the Board of Supervisors position has changed and that they agree the Director of Operations position and the Executive Director should be two separate positions.
- Mr. John stated the two position have grown over the years and that he still recommends a 40 hour a week employee be provided for the two separate entities. He stated it was vitally important the Authority have a full time Executive Director due to the fact the Authority is a Board of Directors and is not engaged in the day to day operations of the Authority. This duty is the sole responsibility of an Executive Director.
- Mr. Colello said that the Executive Director needs to be in sync with the Township reporting to the Township Manager on a day-to-day basis; he agreed that two people are needed but maintained that someone needs to oversee the Executive Director of the DTMA.
- Mr. Hege suggested that the Executive Director report to the Township Manager and not to the Township's Director of Operations; he maintained his opinion that there is a way that this can be worked out.
- Mr. Bach said that the Township wants to hire "an employee of the Township" and that is not agreeable; he maintained that co-working with the Township would be fine but that the Executive Director needs to be hired by and report to the DTMA working closely with the Township; he questioned why the Township would think that this person has to be an employee of the Township.
- Mr. Hege said that it is not practical to divide these responsibilities and alignment.

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- Mr. Colello stated that each year the DTMA appoints Dick John, Executive Director, and that this approach has been working; he questioned the emphasis on changing that approach and said that he resented that Mr. Magee said that the DTMA has authority to hire and that the supervisors do not.
- Mr. John stated that the Board of Supervisors position has changed and that they agree the Director of Operations position and the Executive Director should be two separate positions reporting to the Township Manager on their separate and distinct activities and needs for employee management.
- Mr. John stated the two position have grown over the years and that he still recommends a 40 hour a week employee be provided for the two separate entities. He stated it was vitally important the Authority have a full time Executive Director due to the fact the Authority is a Board of Directors and is not engaged in the day to day operations of the Authority. This duty is the sole responsibility of an Executive Director.
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- Mr. Van Houten suggested that the person be appointed by and report to the DTMA and be an employee to the Township.
- Mr. Bach asked the DTMA Solicitor, Mr. Magee, to look into what it would mean to pursue this relationship with this person as an employee of DTMA versus the Township.
- The consensus of the Authority was to direct Mr. Bach and Mr. Hege to review Mr. John's memo of May 6 and move forward from there with a recommendation to the DTMA at the June meeting.
- Mr. Colello commented on a statement in the Management Agreement which stated that "must be approved by the Township Supervisors." He then stated that Del Val proposal is in violation of the Management Agreement and that a directive to have the Executive Director send out letters to possible customers is premature. Mr. Colello stated that the DTMA does not have the right to do that and that the DTMA cannot knowingly violate the agreement.

In conclusion, Mr. Bach stated serious consideration be given to Mr. John's memo dated May 17 and that the DTMA carefully consider the activities and scope of work required to carry out the job of the Executive Director with the understanding the Authority would have final say in who the Township would hire as the next executive director.

## **OTHER BUSINESS -**

### **CHAIRMAN'S REQUEST FOR DISCUSSION PURPOSES:**

- 1.A BUCKINGHAM TWP.** (Encourage better relationship and partner on Furlong water system.)
- 1.B. LISBON TRACT - Ferry Road, West of 611, Plumstead Township** (Water to be provided by DTMA to Plumstead Twp. Water Department.)
- 1.C. DAYCARE & URICH SITE - East of 611 off Ferry Road, Plumstead Township** (Water to be provided by DTMA to Plumstead Twp. Water Department.)
- 1.D. DEL VAL UNIVERSITY - Business Route 202** (Will send letter stating DTMA interest in taking over water system. DTMA sells county 43 million gallons per year to supplement their onsite system.)
- 1.E. NESHAMINY MANOR - 611 & Almshouse Road** (Will send letter stating DTMA interest in taking over water system.)

**1.F. PINE RUN FACILITY - Ferry Road** (This facility now owned and operated by North Wales Water Authority.)

**1.G. PLUMSTEAD AUTHORITY - Stump Road, Plumstead Township**  
(Encourage better relationship. DTMA has working relationship and sells Plumstead Township 44 million gallons of water per year.)

**1.H. SHELBOURNE SOLANA FACILITY - 611 North of Kelly Road** (This facility is a DTMA water customer.)

**1.I. SHORT ROAD NEW CONSTRUCTION - Between Cherry/Spring Valley**  
(Wants to provide water to Sycamore Ridge and perhaps gain a well site, however, DTMA previously rejected supplying water to this site, subsequently developer installed wells. We will still reach out to them.)

**1.J. SHRINE OF CZESTOCHOWA - Ferry Road, New Britain Township**  
(Wants to obtain and manage the water system, DTMA approached them many years ago, however to no avail. Will send a new letter of interest.)

**1.K. TEMPLE JUDEA - Rogers Road** (DTMA previously spoke to Judea and they expressed interest in having DTMA take over their system.)


**2.A. DTMA SYSTEM MAINTENANCE** (Wants to reduce corrosion to limit lead/copper problems. Three new corrosion application systems have been installed, permitted and are operational. Test results will be due in July/August.)

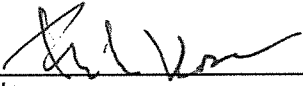
**CONSENSUS** - The Board directed the Executive Director send letters of request and introduction to pursue expanding the water system via acquisition of private water systems.

**ANNOUNCEMENTS:** The next meeting of the Doylestown Township Municipal Authority will be held on Thursday, June 16, 2016 starting at 4 pm.

**ADJOURNMENT:** There being no further business to come before the Authority, the Authority adjourned the meeting at 5:33 pm.

Respectfully submitted,

  
Richard E. John  
Executive Director

  
Secretary

May 19, 2016

Date