



Livia Smith, Chair

Portia West, Vice Chair

Joan Neal, Secretary

William Riley, Treasurer

John Shelton, Board Member

Joseph Oxman, Solicitor

Dr. Horace Strand, Executive Manager

MINUTES
Board of Director
STORMWATER AUTHORITY OF THE CITY OF CHESTER
October 10, 2017

The Board of Directors of the Stormwater Authority of the City of Chester met at Chester City Hall Council's Chambers, 1 East 4th Street, Chester, PA 19013, on Tuesday, October 10, 2017 at 10:10 A.M. Prior to this meeting, Livia Smith (Chair) called for an Executive Session for the Board of Directors.

The following persons were present: Dr. Horace Strand, Executive Manager; Livia Smith, Chair; Portia West, Vice Chair; Joan Neal, Secretary; William Riley, Treasurer, John Shelton, Board Member, and Joseph Oxman, Solicitor.

Call to Order

Chair, Livia Smith called the Public Board Meeting to order at 10:09 A.M.

Livia Smith: Ok Madam Secretary, can you give us verification of the published meeting.

Executive Secretary: Okay, verification of the published meeting. I have here a copy of the verification that was published in the Delaware County Daily Times.

Livia Smith: Was there a date on this?

Executive Secretary: The date of this publication is September 26, 2017.

Dr. Strand: Do you have a copy for the Solicitor?

Executive Secretary: Yes, I do. I have it here for him. Also, the Solicitor has been notified of this meeting.

Dr. Strand: Okay, thank you.

Livia Smith: Okay, give us the roll call.

Roll Call of the Board: John Shelton (Board Member), William Riley (Treasurer), Dr. Horace Strand (Executive Manager); Livia Smith (Chair); Portia West (Vice Chair); Joan Neal (Secretary), and Joseph Oxman (Solicitor), arrived later.

Executive Secretary: We will now have prayer and the Pledge of Allegiance.

Prayer/Pledge of Allegiance: Board Members.

Livia Smith: Just for the record, the meeting was called to order by the Chairperson at 10:09 A.M. on 10/10/17. Okay, you have your minutes before you of the meeting of August 29, 2017. You have had an opportunity to look at them. May I have a motion to approve the minutes.

Motion to Approve Minutes: John Shelton.

Seconded: Joan Neal.

Livia: Okay I need a motion to approve the minutes for the October 10th meeting.

Motion to Approve: John Shelton made a motion to approve the October 10th board meeting minutes.

Motion Seconded: Joan Neal.

Livia Smith: All in favor?

Board Response: All responded by saying "I."

Livia Smith: Motion carried. Okay, we also have for approval of the minutes, a report of the current and most recent expenditures. Can you look at those? If everyone has looked at their minutes, I need a motion to approve.

Portia West: I move that we approve the report of the current and most recent expenditures.

Joan Neal: I second.

Livia Smith: Okay, Madam Secretary can you get a poll of the Board?

Executive Secretary: Okay, the approval of the current and most recent expenditures. Call of the Board: Mr. Shelton, Mr. Riley, Livia Smith, Portia West, Joan Neal, and Joseph Oxman. All responded by saying "I." Executive Manager's response is not required.

Livia Smith: Okay, motion has been carried. Okay, Executive Manager's vote not required.

Dr. Strand: I am going to ask that my Secretary read the report as I have written for the Board and for the public to hear.

Reading of Executive Manager's Report

Since our last Board meeting, we have been working diligently to put in place our fee system which we hope to have up and running by the first week in December. This system will be a monthly billing to all property owners.

We have also been holding weekly meetings with the Mayor, CWA, and Corvias, our partners, working to put together a comprehensive plan that will assist the City with its

ongoing financial needs. This meeting is going very well, and we are very close to coming up with a solution that will be agreeable to the Chester Stormwater Authority, the Chester Water Authority, and the City of Chester.

Work has already begun on the green infrastructure plan on behalf of Delcora and our engineers to have this completed in the next three weeks. On October 5th, we had an update meeting with Pennvest to update them on the progress of the work we are doing as it relates to the green infrastructure plan and our fee system. We are working now on a pre-billing letter that will be sent out to explain our stormwater fee rate system to both businesses and residential customers.

I am very pleased with the overall progress that has been made thus far, and I feel that we are well on our way to carrying out the vision of making the Stormwater Authority a Municipal Authority second to none.

Dr. Strand: Okay, thank you Madam Secretary. As you heard, we have been working very diligently to move things forward, to meet the roles that we have established, and time restraining dates that are being put forth to have opportunity to get funding for the work that we are trying to do.

We did meet with Pennvest, it was a very good meeting. Madam Chairman also attended that meeting and we were presented a November 1st date to put together as many projects as we possibly could, that are shovel ready and, also permitted. So, what that means is that our engineers, Corvias, our private-partners, are working very hard to select as many projects as we can, projects that would not involve a lot of difficulty as far as permitting is concerned.

We are going to have to work diligently with the City. Our Planning Department, as well is going to have to come aboard to help us as we get closer to identifying specific dates, and get necessary permits so that we can obtain funding to begin some of the work that we have been planning for a long time.

It is an exciting time, because it appears that these funds will more than likely be grant money rather than a loan. So, we will not have any financial obligation to pay the money back, but we must use the money as it is so designated. So, we are excited about that. Any questions from any of the Board members?

William Riley: Pertaining to the startup date on our collections, is it possibly the month of December?

Dr. Strand: Yes, that's the next thing. Our engineers have also been meeting with, having dialogue with the Water Authority, Ms. Agnes who is the CFO, also the Solicitor; and basically, they share the data. They have the database with our engineers who are comparing it so that we can have the addresses of who is who. Our hope is that we will have this up and running by the first week in December.

We are also working now on a pre-billing letter. That pre-billing letter will be sent out thirty (30) days prior to the actual bill. So even though we are doing the community outreach, we are going to send them out advance notice, that in December they will receive their first bill, and it will only be a thirty (30) day bill. So, we are not going to try and go back and retroact the whole year; we are going to bill thirty (30) days at a time. So, we are working on that, we are going to critique it a little bit. I want to make sure that all the factual legal information is in the letter, so the legal wigs that question it, they will have specific ordinances, legislation, and guidelines to look at to see that we are on board.

William Riley: I have another question. When funds are collected, will that go into our general funds or will it go into a special....?

Dr. Strand: It will go into our general funds. And from that general fund, once we start collecting it, we are going to also have a savings part that we will put a percentage away for future issues as it relates to what is going to happen in the future to the combined sewer system, and any emergency work that has to be done.

The Board has total oversight over how those funds are going to be spent and utilized based upon the guidelines that have been set forth. And then, any other responsibility that we have, our normal operating budget and the additional expense that we are going to incur once we take the responsibility of the MS4 permit for the City, then all that becomes our financial liability and responsibility, insurances and so on and so on. And to make sure that is getting done, cleaning of the inlets, etc. We will have greater dialogue once we get there.

William Riley: Thank you.

Portia West: Madam Chair, can I be recognized? Dr. Strand, regarding your first point of information on the shovel ready projects which we hope to have some implementation by November 1st, have we identified, have you and Madam Chair done any pre-identification of any projects that we might be interested to present to the Board?

Dr. Strand: Okay, here is the thing Madam Vice Chair, Corvias has already given us a brochure, our first of 400 that they selected in the 27, then several priorities which are already listed in the informational package that we put out. Do all the Board member have that package that we received Madam Chair? So, we can make sure that you have the packet.

But, basically the information, the three basic areas I will tell you what they are thinking about right off. One is the Chester High School area because of the flood zone there, they want to build some type of inlet inside to trap the water so that it doesn't flood over into people's houses if the creek overflows again. The other thing is that they want to do the Memorial Park project because it is ready to go. The plans there are shovel ready, all we have to do is get the permit. The City has already approved it, that's the City's Strike Star Project, all they need is funds to make it happen, right.

Portia West: Right. The planning has been done.

Dr. Strand: Then the third thing, they want to probably consider doing something here at City Hall because of the proximity to the waterway, and then all the impervious land you have, the parking lot and everything else, to put something similar there to trap the water so it doesn't go and flood down the lower end to 291.

They are also interested in possibly any property that the City might own that is free-standing, that may be torn down to affect the better flow of the water stream as it flows. In other words, we are trying to capture projects that are easy and ready to go because we didn't know until we met with them on Thursday, that we only had a November 1st window.

You see the way it works is this way. Your project has to be in by November 1st fully completed. Then, they approve it and review it between that date and January. And then once they make approval, then they work towards settlement. Now if we don't meet the November 1st deadline, then we can only start again in February 2018. So, if we do that in February, that's March, April or May before we get approval, and then it may be another six months before we get any money. So, if we don't get this November 1st deadline, it could be almost two years out.

And the other issue is that they have \$60 million dollars in this budget, they don't know what they are going to have in the 2018 budget. That's what we are faced with and Madam Chair can speak on that because she was there, and a part of the whole process.

Portia West: I do have a question Madam Chair about Memorial Park. I know that there was a request for the City to accept that because it was a plan that was housed in the planning department right now. So, do we need to have any type of formal acceptance at one of our meetings or their meetings to accept the plan, because I don't think we ever had a formal acceptance of the plan. It is a part of what we want to do, what they want to do. I am just wondering do we need to have, do they need to have some type of formal acceptance.

Dr. Strand: All the plans that we have before we can present them to Pennvest has to be approved by the City's Planning Department. That's what is in our charter. The City has oversight review of our plan. Okay, so when they approve it, they will be able to approve all three or all four at the same time, along with that Memorial Park initiative.

When we say that Planning approve it, here is the only reason why our plan will not approve it. If they have a plan in place that our plan will conflict with their plan. Suppose they have funding to do a project somewhere and we want to do something with the same project, the planner will say no, this is already taken over. That's why the planning oversees to make sure that we don't cost anything that is already being done in their department of the City.

Portia West: And I understand that. I just want to make sure that there is not another step that the City has to make. Am I being clear?

Dr. Strand: I was 100% clear in what you were saying regarding this one project, but I don't think that has to be done for this project because it is already a part of our plan, we adopted it.

Portia West: Okay!

Livia Smith: Any more questions?

John Shelton: My question would pertain to Councilwoman West's response. It is not conflicting, it's a plan of the City?

Dr. Strand: No, it is not a conflict. See we have already adopted this Memorial Park thing and it is in our planning phase. I want to make sure that Council get a copy of the booklet that was given to us at our Thursday meeting, right?

Livia Smith: That is correct.

Dr. Strand: So that you will see all the plans that are there. Most of the plans are already on the City's website. But we will give you a hard copy of what we have okay.

John Shelton: Very good. Thank you.

Livia Smith: Do we have any updates on the community meetings?

Dr. Strand: Yes. The community meetings have been going extremely well, and we are well pleased. We have our next community meeting on the 18th or 19th. What is that date? October 19th.

I spoke with Ms. Carter and I told her that after this October 19th meeting, I am going to shift gears a little bit because we want to focus now on the business community. I sent a letter to Lisa Gaffney requesting an opportunity to speak to the Alliance Board. I also spoke with Ms. Carter about trying to set up a meeting with the business community possibly here at City Hall or some other location. In addition, I spoke with the Mayor and asked him if he would assist us in helping us to have access to the business community because we do not want them to feel that we are going to implement the fee system and not inform them, and give them an opportunity to address their questions.

We were not ready to meet with the business community until now because we did not have everything fully in place at that time. But now we do, we have the configuration, we know how to answer the questions, and we know how to explain the fee system without any error. We will still meet with the community later. In other words, we are not going to do meetings 10 and 11, our focus is the business meeting.

Livia Smith: And, as Dr. Strand already mentioned, at that meeting that we had with Pennvest, because we were not anticipating that particular date of November 1st, we need all hands-on deck from Corvias and Dr. Strand's office to make sure that package is complete. So that's why there's another reason for curtailing some of these meetings and then shifting as he stated, to the business community. Okay, the next part.

Dr. Strand: The next part is the property on East 5th Street, 31 East 5th Street. We had a few glitches and setbacks but Thank God if you go by there now you will see that all the cement work is basically completed, we are now waiting for them to put up the rails. We have two brand new roofs, both roofs are fully guaranteed. The water damage has stopped, and we are moving well ahead. We did run into some costs overrun because when the contract we originally bided was based upon the existing structure. However, because the Codes change,

and they want us to be up-to-date to the new Codes, they forced us to almost double the size of the ramp. Of course, that cost more money. Because we had to put rails on both sides, that doubled the cost of the rails. So, I think the estimated cost, I still have not got the exact figures, will be somewhere close to \$10,000 for the work. But the good part is that we are done.

The damage on the roof was about a \$7,000 differential. And that is because it was more severely damaged than what we realized. There was a big gaping hole that we could not see that was corroding the main frame. The good thing is, all that has been taken care of, we have a sound structure, a good building. Now what we are dealing with is the infrastructure and cosmetics. Right now, we have men working to start cleaning it out, so we can have it inspected. We do have KC who is working as an electrician to help us with temporary lights to they can work in a safe environment. But any major projects after this will all go up for bids once we have the funding in place to do it.

We are not going to expend any large amount of money at this time, at most we probably will spend is another \$5,000 for cleaning up and other things like that. But the major part like plumbing, electrical, heating and any other things, we will not do unless we know we have money on hand to do that. What we have done is remarkable because we have prime real estate property, we have secured it. It is fully insured for almost \$1 million dollars, Liberty Mutual has insured our property. So, we are well on our way. Once we start having funds that we control, we can shoot into this project.

So that is where we are right now. We are doing the clean-up, we must get all that old mold and all that other stuff out of there. We must strip it down to the frame just about and maybe some carpentry work on the steps, fixing up some of the doors and stuff like that, but other than that, that's all we are going to do right now. Any other questions regarding that?

Joan Neal: Who is doing the clean-up? Is it the union?

Dr. Strand: No, we don't have to get into that. We just got guys off the street that want to hustle, and we pay them \$10 or \$15 per hour. It's a no brainer. Right now, we have some Spanish guys that are working in there, we are not at that level yet. We must be careful because some of the restraints that you guys have here in the City, we don't have yet because all our employees are salary employees, administrative right now. The work we are doing right now is not high level, but as we get into the future of things, we will engage that as we are coming along. But we are not under the same restraints.

Joan Neal: Okay.

Livia Smith: Okay Dr. Strand, the next bullet.

Dr. Strand: Okay, because we are getting ready to have a fee system in place and, we are going to be coming to an actual reporting period where we will need to do our financial auditing and make a report to our City, we are asking that you authorize me to consult with an accountant to come in and make sure that our books are set up right, help us to be prepared for any audits we might have, do our financial report in a professional way, and set things up in preparation for an accounting for our fee system as we are preparing for it to come in. This accountant will not be paid anything above the amount that would be put out for bid according to the Sunshine Act.

So, we are authorized to appoint or request the services of who we choose. So, I am asking that you would support that. We are asking that Clifton Smith, who is a Chester resident, a graduate, also a young man that has made us proud in the City. Of course, he is the son of Madam Chairman, so Madam Chairman will not be asked to vote. I just want you to know Madam Vice Chair.

Portia West: Madam Chair, before we do that, I just want to be recognized first and say that I have known Mr. Clifton Smith for many years, and he does have an expertise in this area, this is what he does. His education, his job, all of that encompasses all what we need him to do for the Stormwater Authority. And we also said that our goal is to put people here in Chester to work. A lot of times, they don't get the opportunities, and we bring people in from the outside. That's fine if you don't have the talent here. But when you have the talent, somebody who has the education and the work experience, then I think we need to put these people to work, and give them the opportunities we may have coming forward out of the Stormwater Authority.

Dr. Strand: Keep in mind that this is just a consultant job, it is not a hiring position. We are just consulting for services. Madam Vice Chairman, you need to charge this and ask for a motion.

Portia West: I would like to have a motion entertained that we give Dr. Strand the authority too, on behalf of the Stormwater Authority, to hire Mr. Clifton Smith as our consultant for the Stormwater Authority.

John Shelton: I second.

Portia West: I need a motion first.

Executive Secretary: Motion for approval of having Mr. Smith as a consultant.

Joan Neal: I move that we get Mr. Smith as a consultant for the Stormwater Authority.

Portia West: It has been properly moved and seconded that we hire Mr. Smith as a consultant for the Stormwater Authority. All in favor.

Executive Secretary: Calling of each Board Member individually to cast a vote approving Clifton Smith to be hired as a consultant for the Stormwater Authority. Motion carried.

Portia West: Are there any questions or comments? It has been properly moved, seconded and approved by the Stormwater Authority Board that we hire Mr. Clifton Smith as a consultant for the Stormwater Authority.

Dr. Strand: The next thing. I have been invited to participate in a panel discussion and a conference at the American Water Summit, a very prestigious summit. Chester is being profiled at one of the outstanding Summits in America that's on the move. They want us so bad that they are handling all my expenses to come at no expense to the Board. However, I am asking the Board to allow Vanessa Gosa, my Executive Secretary to accompany me, her expenses to be paid by the Board.

There is going to be so much information that I will need assistance in compiling it, and making sure that we come back with the information that is going to help us to be a better Stormwater Authority and give the Board the information that they need. This cost will be under \$5,000; we don't anticipate it being that much. We don't know the exact amount currently. We need the Board to approve this, and Madam Chairman I am asking you to handle that.

Livia Smith: Okay, we need a motion to approve that Vanessa Gosa be able to accompany Dr. Strand to the American Water Summit in Austin, TX on November 28-30, 2017, wherein the expenses are not to exceed \$5,000. I need a motion.

Portia West: I move that we allow Dr. Strand to take his Executive Secretary, Vanessa Gosa to the American Water Summit that is going to be held in Texas. The amount of her expenses will not exceed \$5,000.

Joan Neal: I second.

Dr. Strand: I apologize Madam Chairman, one crucial piece. Vanessa mentioned in the report that we are having regular meetings with the Mayor, conference calls with the Water Authority and Corvias. We are making great inroads towards coming up with a funding plan and partnership with the CWA and the Stormwater Authority of the City of Chester to support the City of Chester, and some of those fiscal situations that they are facing now.

Unfinished Business: None.

Board Matters: Joan Neal stated that the Board was interested in going down to Prince George's County to see the stormwater operation that they have going on. Dr. Strand stated that he thinks that's an excellent idea. Whatever the Board decides, he will do his best to put this together and consider making this happen.

New Business: None.

Public Comments: Mrs. Delores Shelton had a question as to what the American Water Summits entails and how it relates to stormwater. A brief description of what the conference entails was read by the Executive Secretary of the Stormwater Authority of the City of Chester.

Motion to Adjourn:

There being no further business at 10:50 a.m., Livia Smith asked for a motion to adjourn. John Shelton made the motion to adjourn. Joan Neal seconded.

Motion carried unanimously.