

## Salford Sewer Advisory Board

### Summary of August 22, 2008 Meeting

1. Attendance: Members: George Witmayer; Anthony Mielich; Don Lodge; Barb Lynch; Jim Styer. Guests: David Bernhauser, Franconia Township
2. Minutes: The minutes from the meeting held on July 11, 2008, were reviewed and approved.
3. Financing alternatives: David Bernhauser, Franconia Township Controller, suggested the following financial alternatives –
  - a. Bank loan – usually a 5 year maximum term with a 20 year amortization, frequently at 70% of prime.
  - b. Bond issue – could be own bond or part of a municipal bond pool – frequently a term of 30 years.
  - c. PennVest – a PA state organization, reimbursement fund, bond pool.
  - d. DelVal Regional Finance Authority -- provides cash for startup, fixed and adjustable rate options, 20 year terms.
4. Financing Alternatives – discussion/details:
  - a. PennVest – requires municipality to provide funds for construction and startup. Reimburses municipality upon approval of work completed.
  - b. DelVal Regional Finance Authority -- application process consists of statement of purpose, approved plans/drawings, cost estimates, 2-4 years audited financial statements (GASB format), demographical data related to tax base, fees.

Recommendation: Recommended that the Supervisors, assuming the rate is favorable, develop an agreement with the DelVal Regional Finance Authority for the sewer project planned for Salford Township,

5. Allentown Road paving project: The PADOT is scheduled to resurface the Allentown Road from the southern boundary of Salford Township to the Ridge Road beginning in approximately March, 2009 which is well before the sewer project is scheduled to begin in Salford Township. Construction related to the Allentown Road after the repaving will be more expensive due to the restraints placed on road construction by PADOT. The sewer project construction should be completed prior to the resurfacing project. To facilitate this, the following needs to be completed:
  - a. Engineering drawings must be completed and approved for this portion of the project.
  - b. WB proposal must be approved.
  - c. Current issues related to the appeal must be resolved.
  - d. BCM must complete the drawings for the entire project.

Recommendation: Recommended that the Supervisors consider asking WB Homes to install the Allentown portion of the Salford Township

sewer system and then buying this portion from them at a reasonable price. This would reduce the cost of the project since WB Homes is able to utilize a non-union labor.

6. Hook-up to the sewer system; The purpose of the Salford sewer system is to, by working with WB Homes, provide a cost effective way to build a public sewer system in the Tylersport village, to correct the failing private septic systems in this area. To operate on a cost effective basis, the more property owners that connect to the system, the lower the operating costs. There is an issue regarding whether all property owners, within the coverage area, would be required to connect to the system and if so, when. The current condition of the homeowners' septic system and sale of the property would be factors to consider.

Recommendation: Recommended that the Supervisors consider a plan that would provide a significant financial discount, to all participants, for the initial hook-up, with a higher price for later hook-up. The details would be based on the actual cost of the construction and the number of actual users. This plan would provide an incentive to homeowners to buy their "space" on the system and would offer cost savings to the homeowners.

7. Recommendations to date: (recap)

- a. Extend coverage area
- b. Limit the system to the "curb" instead of to the individual resident
- c. Utilize using Delve Finance Authority for the project
- d. Request WB Homes to build Allentown Road section to reduce costs.
- e. Install Allentown Road section before paving
- f. Provide a "discount" to property owners that hook-up within an initial timeframe.

8. Next meeting: Friday, September 5, 4:30 pm, Tylersport Fire Hall.