

Minutes of the Public Meeting held on August 5, 2009

Members Attending: John T. Jim, Vice Chairman
Sheila Bass, Treasurer
Gretel Bleich, Asst. Secretary-Treasurer

Others Attending: Thomas A. Zeuner, Executive Director
Edward Rudolph, Esquire, Solicitor
Christopher S. Walker, P.E., Consulting Engineer
Carol A. Boston, Stenographer

Mr. Jim, Vice Chairman, called the meeting to order at 7:30 p.m.

1. Pledge of Allegiance

Mr. Jim led the Pledge of Allegiance.

2. Approval of Minutes from July 1, 2009

A motion (Bass-Bleich) was made adopting a resolution to approve the Minutes from July 1, 2009 and passed with 3 ayes.

3. Executive Director's Report

- **Commonwealth Finance Authority (CFA) H20 Program** – The Authority is pleased to confirm that on July 14, 2009, we were awarded a grant in the amount of \$1,000,000.00 for the Western End Sanitary Sewer Extension Project. Statewide there were 784 boroughs, cities, townships, and authorities that requested in excess of \$3,000,000,000.00 of funding. Of those agencies, 286 received any funding at all, for a total of \$489,000,000.00. There were twelve agencies in Bucks County that received any funding and we were one of those four. This funding was granted due to a sound foundation of need, accompanied by a significant amount of hard work by the Authority staff, County agencies, engineering and legal professionals and the unyielding tenacity of some of our elected leaders that have historically supported the Authority's mission. The debt service on the bonds will be paid through gaming receipts deposited in the Economic Development and Tourism Fund. The first series of bonds for the H20 Program will be issued in September. On August 3, 2009, the Authority received official notice dated July 23, 2009 from the CFA regarding the conditions of the grant. The Authority's staff and professionals will be addressing the award conditions to ensure compliance. There were four projects submitted to the CFA for funding consideration: Western End Sanitary Sewer Project, Phases I and II; Ironworks Creek Sanitary Sewer Rehabilitation Project; and the Mill Creek Sanitary Sewer Rehabilitation Project. The letter from CFA states that the funding is for the Western End Sanitary Sewer Expansion Project. The grant application and supplemental data provided to the CFA clearly stated that our first priority is to "provide relief by reducing the financial burden to residential and industrial properties benefitting from the project." Thus, the allocation of these grant funds should only be limited to the Western End Sanitary Sewer Project for Phases I and II and not used for the Ironworks Creek Sanitary Sewer Rehabilitation Project or the Mill Creek Sanitary Sewer Rehabilitation Project. The grant commitment is contingent upon the availability of funds for the H20 PA Program established under the Act of July 9, 2008. The letter from CFA stipulates that their commitment will expire sixty days from the date of their letter (July 23, 2009) unless they receive our written confirmation by returning the original commitment letter fully executed. Their receipt of the signed commitment letter will constitute our authorization to incur costs for reimbursement. Mr. Zeuner requested a motion from the Board authorizing him to provide such a letter to CFA. A motion (Bleich-Bass) authorizing the Executive Director to write and sign a letter of commitment to the CFA for the \$1,000,000.00 grant passed with 3 ayes.

- **Pennvest** – The Authority did not receive any grant or low interest loan offers from Pennvest at their July 22, 2009 board meeting for sanitary sewer or public water projects. Most of the money awarded by Pennvest was in the form of low interest loans. Only \$107,000,000.00 of the \$335,000,000.00 was awarded in the forms of grants. The money will fund 111 projects in 47 counties. In Bucks County, only two projects worth \$651,075.00 were funded. Tinicum qualified for a \$600,000.00 grant to resurface dirt and gravel roads and West Rockhill Township was awarded \$51,075.00 to improve stormwater and we got nothing.
- **Federal Grant** – We still have an active grant application for \$500,000.00 through U.S. Congressman Patrick Murphy's office. We are hopeful that we will receive positive support.
- **DEP Monthly Report** – The PA DEP monthly report was submitted. The Authority received the required permits from PA DEP with conditions for the Western End Sanitary Sewer Project, Phase II. Bid documents and plans are being reviewed by contractors. A non-mandatory pre-bid meeting was held today. A public bid opening will be held on Tuesday, August 25, 2009 at 9:00 a.m. Since public water is a bid option for the project, the Authority will communicate to the affected residents the cost estimate of the project based upon actual bid documents. The "Survey of Interest" will be completed by September 16, 2009. The Authority will be guided by the residents' wishes as to their desire for public water assuming the costs would be paid for by those benefitting from it. Grant monies are not anticipated for this project. The Ironworks Creek Sanitary Sewer Rehabilitation Project is progressing according to schedule. We held a pre-construction meeting on July 10, 2009. Since Pennvest did not provide funding for the projects by grant or low interest loans, the "Letter of Non-Prejudice" will not be required. The authorization to proceed was issued to the contractor on August 1, 2009. The Authority is planning a public workshop for property owners in the project area. The workshop will be an open forum. The Executive Director and Consulting Engineer, Chris Walker, will outline our expected timelines and communicate what the residents are likely to see throughout the rehabilitation project.
- **NBCMA Annual Newsletter/Report** – At the last board meeting, the board endorsed the idea of an annual report/newsletter to aid in public communications. It would certainly provide our customers with a better understanding of the Authority's value to the community. The Authority's staff met with Bergey Creative Group of Harleysville, PA. This organization came highly recommended by the North Penn Water Authority's Executive Director. The concept is to create a folded mailer with short topics and photographs of the Authority's projects, accomplishments and topics of interest. We would also provide web link addresses for more detailed information about each topic to be posted on our web site. We have adequate budget reserves in our 2009 advertising and printing account to cover this expenditure. Mr. Zeuner requested a motion to approve this expenditure. A motion (Bleich-Bass) to accept the proposal of Bergey Creative Group dated August 5, 2009 for the publication and mailing of an annual newsletter/report passed with 3 ayes.
- **Northampton Days** – As announced at the last board meeting, we will be again participating in the annual Northampton Days Festival to be held on Sunday, September 13, 2009. In a continued effort to promote the three R's of reduction, reuse and recycling...this year, the Authority will be giving away reusable grocery bags with our logo printed thereon. The Authority will also be handing out literature about water conservation, sanitary sewer inflow reduction tips and leak detection tabs for toilets.
- **PMAA Annual Conference** – The Pennsylvania Municipal Authorities Association is having their annual conference in Hershey, PA from September 13th through 16th. The Executive Director has been asked to participate on a "panel of experts." This educational forum is open to Authority members throughout the State of Pennsylvania. The seminar topic is "Sewer Extension Perils and Pitfalls: How to Provide for Well-Planned and Affordable Public Sewer Extensions."
- **Western End Sanitary Sewer Project, Harvest Acres, Phase I: Cost Variance from Previous Estimate** - At the last meeting, the Executive Director advised the board that the monetary estimate incorporated in the contract documents for Phase I of the project, specific to paving restoration, had an estimation of probable material quantities and costs significantly below the actual amount required to complete the project. Due to this miscalculation, the assessment determination and resulting resolution adopted by the Board at the February public meeting did not include approximately \$93,000.00 in paving restoration which was completed this Spring. Discussions between the Executive Director and Gilmore and Associates have resolved the issue with no negative economic impact on the Authority or its ratepayers.
- **Smoke Testing** – In our ongoing initiative to reduce inflow and infiltration into the sanitary sewer system, the Authority has contracted with Video Pipe Services to conduct smoke testing in certain regions of the Township in the coming weeks. A mailing is being completed to inform the residents in those areas of the project. In addition to the mailing, the contractor will be placing door hangers a couple of days before the testing as additional notification. This program has been very successful over the last several years. The testing program has identified in excess of 300 violations of Northampton Township Ordinance No. 492. Those violations have been corrected, typically at a very nominal cost to the property owners. I will also ask to have the notice posted on the municipal access channel.

4. Citizens Concerns

The following residents addressed the board: Mr. Rodger Bushnell of 91 Hunt Drive; Mrs. Barbara Snee of 619 Jacksonville Road; Mr. Frank Parke of 116 Barley Road; Mr. Bruce Hentschel of 47 South Traymore Avenue; and Mr. Frank Rothermel of 64 Chapel Drive.

5. Check Requisitions

A motion (Bass-Bleich) adopting a resolution to approve Revenue Fund Requisition No. 1907 dated July 17, 2009 in the amount of \$128,770.30; Bond Redemption & Improvement Fund Requisition No. 467 dated July 17, 2009 in the amount of \$31,384.02; Bond Redemption & Improvement Fund Requisition No. 468 dated August 5, 2009 in the amount of \$33,239.00; Construction Fund Requisition No. 1047 dated August 5, 2009 in the amount of \$15,331.56; and Revenue Fund Requisition No. 1908 dated August 5, 2009 in the amount of \$339,478.97 passed with 3 ayes.

The major items paid under Revenue Fund Requisition No. 1907 were as follows: AquaPro - \$1,635.00; Brinker's Fuels - \$2,081.04; Graphic Controls - \$1,325.24; Hartford - \$4,192.10; PECO - \$2,464.68; Quality Control - \$2,743.50; Rio Supply - \$2,785.37; Rudolph Pizzo & Clarke LLC - \$2,500.00; State Workers Insurance Fund - \$2,206.00; USA Blue Book - \$1,626.94; and a \$100,000.00 payroll transfer.

The major items paid under Bond Redemption & Improvement Fund Requisition No. 464 are as follows: Tri-State Grouting under Contract No. 2-S-A-08 - \$11,989.00; and Gilmore & Associates - \$19,395.02.

The major items paid under Bond Redemption & Improvement Fund Requisition No. 468 were as follows: Pennoni Associates - \$23,239.00; and BCWSA (AM Liner project) - \$10,000.00.

Construction Fund Requisition No. 1047 in the amount of \$15,331.56 was paid to Pennoni Associates.

The major items paid under Revenue Fund Requisition No. 1908 were as follows: Aetna - \$1,743.10; BCWSA (Water) - \$112,160.68; Brinker's Fuels - \$1,715.90; Independence Blue Cross - \$38,702.90; PECO - \$22,959.39; Pennoni Associates - \$7,486.30; Principal Financial Group - \$4,071.75; Rudolph Pizzo & Clarke LLC - \$25,004.56; TD Card Services - \$1,272.81; Technical Devices - \$1,000.00; United Labs - \$1,695.89; Warminster Municipal Authority - \$12,655.99; and a \$100,000.00 payroll transfer.

6. Maintenance Report for June 2009

Mr. Zeuner reported that total water production was 71,421,000 gallons for the month of June as compared with 87,341,247 gallons for the same period last year; fifty-nine customers were posted and eight turned off for non-payment; 26,944 feet of sewer mains were cleaned; there was one sewer blockage on Cecelia Acres Drive due to a grease build-up; there were no water main breaks; and with the new televising truck we will be back on track shortly. Mr. Zeuner stated that sixty-two violations were repaired and inspected during the month as a result of our last smoke testing project.

7. Resolution No. 2009-1048 – PennDOT Agreement for a Utility Facility Highway Occupancy Permit Billing Account

A motion (Bleich-Bass) adopting Resolution No. 2009-1048 to re-open a PennDOT Utility Facility Highway Occupancy Permit billing account passed with 3 ayes.

8. Award Contract No. 6-S-09 – Comminutor for Manchester Farms Pump Station

A motion (Bleich-Bass) adopting a resolution to award Contract No. 6-S-09 for the Manchester Farms Pump Station comminutor to the low bidder, Blooming Glen Contractors, Inc. in accordance with their bid received on July 29, 2009 in the amount of \$46,837.00 passed with 3 ayes.

9. Harvest Acres Agreements – Acceptance – O'Keefe and Blankenhorn – Resolution No. 2009-1049

A motion (Bass-Bleich) adopting Resolution No. 2009-1049 causing respectively the acceptance of the Payment Plan Agreements for Harvest Acres property owners O'Keefe and Blankenhorn and to remove such property owners from the judicial benefit assessment proceedings passed with 3 ayes.

Item 10 and 11 were removed from the Agenda

12. Permission to Advertise for Bids – Contract No. 7-S-A-09 – Root Control

A motion (Bleich-Bass) adopting a resolution to authorize the staff to prepare the bid documents and advertise for bids under Contract No. 7-S-A-09 for root control in our sanitary sewer lines passed with 3 ayes.

MR. JIM, VICE CHAIRMAN, ADJOURNED THE MEETING AT 8:30 P.M.

THE NEXT MEETING IS SCHEDULED FOR SEPTEMBER 2, 2009.