

Northampton, Bucks County, Municipal Authority

Minutes of the Public Meeting held on February 6, 2013

Members Attending: Antonio Albano, Chairman
Edward W. Farling III, Vice Chairman
Charles Rehm, Treasurer
John Jim, Secretary
Michelle Held, Assistant Secretary-Treasurer

Others Attending: Thomas A. Zeuner, Executive Director
Edward Rudolph, Esquire, Solicitor
Christopher Walker, PAI, Engineer
Debra E. Wirtz, Stenographer/Executive Assistant

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

1. Pledge of Allegiance

Mr. Albano led the Pledge of Allegiance and requested a moment of silence for our service men and women in harm's way.

2. Swearing in of new Board Member – Michelle Held by Judge Benz of District Court No. 07-2-01

A motion (Albano-Rehm) was made to appoint Michelle Held as Assistant Secretary-Treasurer passed with 4 Ayes.

3. Approval of the Minutes

A motion (Jim-Farling) was made to approve the Minutes from January 2, 2013 passed with 4 Ayes, Ms. Held abstained.

4. Executive Directors Report

“Guidance Document”: Mr. Zeuner stated that the Guidance document for “Sewer Only” customers who desire to have their sanitary sewer bill based off of water consumption from their private well is now posted on our web-site.

Annual Reports: Mr. Zeuner stated that Pennoni Associates is working to complete the Authority's Annual Water and Sewer Reports as required by our trust indenture with M & T Bank. Mr. Zeuner also stated that work is also progressing on the Authority's Chapter 94 Waste-Load Management Report as required by the Pennsylvania Department of Environmental Protection and the Hydro-geologic Report as required by the Delaware River Basin Commission.

Ordinance No. 396: Mr. Zeuner stated he has no updates to report to the Board from the Township regarding the Authority's concerns over compliance issues to Township Ordinance No. 396 and the potential of cross contamination of the public water supply with private wells as previously reported.

BCWSA: Mr. Zeuner advised the Board of information obtained that has a significant impact in the cost of water being purchased from BCWSA. There is a "Capital Improvement" cost as a financial element in the cost structure. Our investigation indicates that there is a significant disparity between the original cost \$69 million of "Capital Improvement" cost by BCWSA and actual capital investment realized to date. This Authority's proportionate share was based upon an assumed 5.25% interest rate over a 30 year period. This Authority's contribution was calculated at 11.38% of the total. Based upon information obtained by this Authority from a docket approval of December 5, 2012 by the Delaware River Basin Commission (DRBC) a significant reduction in this Authority's "Capital Improvement" contribution is warranted. The docket states the total project is \$19 million dollars. Given the above determination, this Authority is entitled to a credit from BCWSA. Such credits will be taken from future water billings. Both Mr. Zeuner and Mr. Rudolph advised the Board of its significant findings and requested endorsement from the Board to communicate to BCWSA its position in this matter. The reduction in "Capital Improvement" cost per thousand gallons is estimated at \$.60. The Board instructed Mr. Zeuner to advise BCWSA of its' findings and determination.

5. Citizens Concerns

Rodger Bushnell of Hunt Drive: expressed opinion and provided comment on his dissatisfaction of Mr. Albano being elected Chairman by the Authority Board. He also provided comment about Bucks County Water and Sewer Authority's history of raising rates without recourse. Mr. Bushnell wants the Board to devote more attention to BCWSA. He provided comment on Mr. Albano's and Mr. George's comments during the Board meeting of January 2, 2013. Mr. Bushnell provided comment on the "sewer wars" 6 years ago and his displeasure with the Authority.

Mr. Bill O'Neill of Rockville Road: Provided disparaging negative comment and personal dislike of Mr. Albano serving on the Authority Board. Mr. O'Neil wants Mr. Albano to resign from the Board. He suggested that the Authority be dissolved and building closed. He made comments on savings anticipated by installing a meter on his private well to determine sewer bill. He commented on sewer charges imposed by the Authority.

Mr. John Brachman of Buck Road: asked questions regarding the placing of a water meter on his private well to determine sewer charges. Mr. Zeuner provided a verbal explanation to the "Guidance Document" recently posted by the Authority on its web-site.

Mr. Donald George of Watergate Drive: provided positive comment on one of his neighbors taking the Authority's recommendation and installing a water meter on their private well to determine sanitary sewer costs. Provided guidance that a plumbing permit is required by

Northampton Township at a cost of \$79.00 for those who wish to install a meter on their well. He further clarified that Northampton Township has a list of registered plumbers that would need to be used if a water meter is desired. Mr. George provided comment on inflated costs quoted by Mr. Rothermel previously regarding the cost of meter installation and how these claims proved to be false.

Mr. Jack Grace of Driscoll Drive: asked questions related to the acquisition cost of the water meter and why the meter must be purchased from the Authority. Mr. Zeuner explained the reasons for the specificity of the meter and the minor mark up from purchase cost to cover freight and installation by Authority personnel.

Mr. Frank Rothermel of Chapel Drive (Northampton Supervisor Liaison): provided explanation of the Township plumbing permit fee for water meter installation. He also commented on the reduced actual installation costs from his previous claims for water meter installation. Mr. Rothermel wants the Authority to have a group rate for meter installation for sewer only customers by RFP. Mr. Rothermel provided comment on the contamination of water in the west end of Northampton Township and the “sewer wars” 6 years ago. He stated that it is the Authority or the Bucks County Health Department that has the lead on compliance issues related to Ordinance No. 396 and not the Township.

Mr. Jerry Bass of Keenan Lane: provided comment on the long term historic TCE contamination in the west end of the Township. He also provided comment on the positive efforts by the Authority in reducing costs over the years despite significant cost increases from BCWSA. Mr. Bass also commented that the Township is not enforcing its own Ordinance No. 396.

6. Resolution No. 2013-1138 – New Signature Cards for M & T Bank

A motion (Albano-Rehm) to adopt Resolution No. 2013-1138 to approve and execute new signature cards for M & T Bank for the Authority’s accounts passed with 5 ayes.

7. Resolution No. 2013-1139 – New Signature Cards for Fox Chase Bank

A motion (Farling - Jim) to adopt Resolution No. 2013-1139 to approve and execute new signature cards for Fox Chase Bank for the Authority’s accounts passed with 5 ayes.

8. Check Requisitions / Accounts Payable

A motion (Rehm-Farling) adopting a resolution to approve Revenue Fund Requisition No. **1994** dated January 16, 2013 in the amount of \$158,890.12, BRI No. **529** dated January 16, 2013 in the amount of \$16,912.58, Revenue Fund Requisition No. **1995** dated February 6, 2013 in the amount of \$759,043.07 passed with 3 ayes, Mr. Jim and Ms. Held abstained.

The major items paid under **Requisition No. 1994** are as follows: Bank Direct Capital Financial - \$2,665.24; Karl Hops - \$1,530.33; PECO - \$2,797.26; Pennoni - \$27,020.30;

Rudolph, Clarke & Kirk - \$12,549.57; Source Media Inc. - \$14,997.20; Street Road Accessories - \$1,361.28; Gloria Watkins - \$2,325.00; Tom Zeuner - \$1,699.88; and a \$70,000.00 payroll transfer.

The major items paid under **Requisition No. 1995** are as follows: Archer & Greiner - \$2,007.50; Bank Direct Capital Fin. - \$3,064.24; BCWSA - Sewer- \$396,730.93; BCWSA - Water - \$152,794.19; W. Bruce Beaton Co. - \$7,436.00 Ellen Di Stefano - \$2,105.00 ES2 Environmental Systems - \$1,801.45; Flow Assessment - \$4,900.00; Fred Beans Chevrolet - \$1,087.98; Gayle Corporation - \$2,156.23; Grainger - \$1,134.91; Guardian - \$3,342.58; Independence Blue Cross - \$12,565.82; Karl Hops - \$1,365.25; M & T Investment Group - \$3,120.00; Manko, Gold, Katcher & Fox - \$3,060.37; PECO - \$30,847.58; Rio Supply Inc. - \$7,613.33; Rudolph Clarke & Kirk LLC - \$21,759.58; Street Road Accessories - \$2,564.64; Twp of Northampton - \$1,145.14; Warminster Municipal Authority - \$16,228.20 and a \$70,000.00 payroll transfer.

9. Reduce Letter of Credit TCG Realty (Giaino Land Dev.)

A motion (Jim-Rehm) was made to reduce the Letters of Credit for TCG Realty reflecting the significant work completed and reviewed by Christopher Walker of PAI passed with 5 Ayes.

10. Resolution No. 2013-1141 – Naming Trustees of Principal Financial Acct.

A motion (Jim-Farling) was made approve Resolution NO. 2013-1141 naming the trustees to the Authority's Principal Annuity Contract as follows; Antonio Albano – Chairman, Edward Farling III – Vice Chairman, Charles Rehm – Treasurer, John Jim – Secretary, Michelle Held – Asst. Sec. Treas., And further resolve that the following names shall be removed; Donald S. George, Kathie M. Cop, and further resolved that the following individual shall be a signer on the Plan; Thomas A. Zeuner – Executive Director, and further resolved that the following individuals shall have administrative website access to the account; Thomas A. Zeuner – Executive Director, and Debra Wirtz – Executive Assistant passed with 5 ayes.

11. Resolution No. 2013-1140 – Clarifying/Amending Sewer RRR's

A motion (Farling-Rehm) was made to adopt Resolution No. 2013-1140 amending the Rates, Rules and Regulations of the Authority regarding sanitary sewer, to provide greater clarity to Resolution NO. 2012-1137 as adopted November 7, 2012, passed with 5 ayes.

12. Resolution No. 2013-1142 – Clarifying/Amending Fee Schedule

A motion (Albano-Farling) was made to adopt Resolution No. 2013-1142 amending the Fee Schedule of the Authority regarding sanitary sewer service, to provide greater clarity as reflected in the amended Rates, Rules and Regulation of the Authority of Resolution No. 2013-1140, passed with 5 ayes.

13. Resolution No. 2013-1143 – Amendments to EPP (Emergency Preparedness Plan)

A motion (Farling-Jim) was made to adopt Resolution 2013-1143 revising the “Emergency Preparedness Plan” correcting/updating certain information therein, passed with 5 ayes.

14. Engagement of Professional Services –Mark Abissi of Indian Valley Appraisal Co.

A motion (Albano-Farling) was made to approve the engagement of Mr. Mark Abissi, MAI of Indian Valley Appraisal Company of Souderton, Pa for the purpose of providing the Authority with valuations of real estate for the benefit assessment in sewer district No. 3 and authorize the Chairman to sign on behalf of the Board, passed with 5 ayes.

15. Maintenance Report – November 2012

Mr. Zeuner provided highlights regarding the maintenance report.

BOARD COMMENTS

Mr. Farling commented on the number of posting and turnoffs and that the ratepayers may seek help by dialing 211 for various programs. The estimated reduction of our water payment to BCWSA requires a significant amount of work to be completed.

Mr. Jim welcomed Ms. Held to the Board.

Ms. Held thanked everyone on the Board.

THERE BEING NO FURTHER BUSINESS TO DISCUSS, MR. ALBANO ADJOURNED THE MEETING AT 8:44 P.M.