

Northampton, Bucks County, Municipal Authority

Minutes of the Public Meeting held on December 5, 2012

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

Others Attending: Edward Rudolph, Esquire, Solicitor
Christopher Walker, P.E., Pennoni Associates
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.

Mr. Albano stated that the board met in Executive Session with Mr. Neil Morris to discuss matters regarding the Teamsters Contract.

Mr. Albano stated that the Authority was sad to announce the recent passing of the Authority Director of Finance and Administration, Kathie Cop.

2. Approval of the Minutes of November 7, 2012

A motion (Farling-George) was made adopting a resolution to approve the Minutes from November 7, 2012 and passed with 4 ayes the Chairman abstained.

3. Approval of the Minutes of November 21, 2012

A motion (George-Jim) was made adopting a resolution to approve the Minutes as amended, from November 21, 2012 and passed with 5 ayes.

4. Executive Directors Report

Mr. Zeuner reviewed the following items;

NEWSLETTER "the Authority": The latest edition of the Authority newsletter was approved today. It will be going to print later this week and mailed within the next 10 days to two weeks

ORDINANCE NO. 396 of NORTHAMPTON TOWNSHIP:

Please be advised that no action or communications have been received by the Township regarding their action to insure compliance to Township Ordinance NO. 396. As the board is aware, this is an

outstanding issue of concern that has been discussed by the Authority with the Township throughout the past year, as noted in the Authority minutes.

Mr. George asked Mr. Rothermel, Township Supervisor, what has been done in response to the Authority's concerns. Mr. Rothermel was unable to provide a status of the issue. Mr. Zeuner was instructed to prepare a summary for Mr. Rothermel.

WEST END WATER PROJECT/ NORTHAMPTON TOWNSHIP PROJECT: I want to make the board aware that as of this date no requests have been asked of the Authority for activation of water services for any property located in the "west end water project" area.

Mr. George expressed concerns regarding the deadline for installation of the meters and inspection of work being completed by the Township's contractor as the deadline is next week. Mr. Rothermel stated everything is on schedule. Mr. Zeuner expressed concerns over the failure of the lines to pass regulatory requirements.

RFP : SOLAR ENERGY PROPOSALS: The Authority administration has been approached by a provider of Solar Energy Systems for installation of a system at the Authority administration facilities on Township Road. The administration is in support of programs that support green Energy® initiatives while providing a cost savings to the Authority and its ratepayers. The Executive Director, requested support from this board to solicit proposals from providers via a Request for Proposal (RFP) method. The RFP process has been used by the Authority when we selected financial service provider in the past. A RFP has been prepared for board review. The RFP would be posted on the Authority web-site for provider and public viewing. A timeline for RFP submissions will also be included in the document.

REVIEW OF AGENDA ITEMS:

5. CITIZENS CONCERNS

6. CHECK REQUISITIONS / ACCOUNTS PAYABLE

7. MAINTENANCE REPORT FOR SEPTEMBER 2012

8. MAINTENANCE REPORT FOR SEPTEMBER 2012

9. AWARD CONTRACT 4-S-A-12 ROOT CONTROL

Public bids were received for Root Control for Sanitary Sewer Lines, Contract No. 4-S-A-12 on November 6, 2012

Sanitary sewer line segments are selected for root control and are treated as part of the Authority's Total Maintenance Program (TPM). Sewer lines are selected based on above ground conditions (trees), age of pipe, maintenance records, TV inspection, and blockages caused by root infiltration.

Contract No. 4-S-A-12 bid specifications provide for the furnishing of all labor, equipment, and materials necessary for application of chemical root control agent to an estimated 37,000 feet of sanitary sewer

lines. The chemical agent specified by the bid specifications is Razorooter II. The treated sanitary sewer lines have a 1-year warranty for root re-growth and a 3-year warranty for root re-growth causing sewer stoppages.

Based on information provided, the bill submitted by Municipal Sales Inc. is considered unresponsive as it did not meet the criteria specified in the bid documents. The bid proposal submitted by Municipal Sales Inc. names Sanafoam Vaporooter II to be the chemical used as the root control agent.

The Authority's bid specification requires the root chemical to be Razorooter II. Specification Section 1 GENERAL (page 1), states: *"the chemical agent shall be Razorooter II, or equivalent products approved by the Authority in writing prior to the bid date."*

Also, specification Section 15, SUBSTITUTES AND PROVEN EQUIVALENTS (page 8), states: *"Use of any substitute or equivalent procedures, methods or materials must be approved by Authority, in writing, prior to the bid date."* Municipal Sales Inc. did not get written approval of the product that was named in their bid proposal.

The root control product submitted by Municipal Sales Inc. is not the product specified in the Authority bid specification and the product submitted was not approved as a substitute as required by the bid specifications. The specifications state that the active ingredient shall not be a carcinogen and shall carry a "signal word" assigned by the U.S. EPA of either "Warning" or "Caution" on the product label. Sanafoam Vaporooter II is identified by the EPA with the toxicity category signal word "Danger". As stated in the Authority's bid specification, active ingredients labeled "Danger" shall not be accepted.

In addition, bid Specification Section 5. COMPOSITION OF THE CHEMICAL ROOT CONTROL MATERIAL, sub paragraph a.6., states: *"products containing the active ingredient(s) metam-sodium or copper sulfate are not allowed."* The bid proposal submitted by Municipal Sales Inc. does not meet the specification as Sanafoam Vaporooter II contains metam-sodium.

The bid proposal submitted by Municipal Sales Inc. does not meet the specification. For the reasons stated above, we consider the bid from Municipal Sales Inc. to be non-responsive.

10. PROFESSIONAL SERVICES AGREEMENT / HRG Engineering: This is an agenda item for the engagement of professional services for the purpose of analysis of the appropriateness of the sanitary sewer charges and tapping fees based upon the Municipal Authority's Act and agreements between the Authority and Bucks County Water & Sewer Authority.

11. RELEASE LETTERS OF CREDIT: TD/COMMERCE BANK: The project is complete and as a housekeeping measure we need to release the letter of credit.

5. Citizens Concerns

Mr. Mark Reynolds of Municipal Sales Inc. expressed concerns regarding his product not being acceptable to the Authority for the Root Control Contract 4-S-A-12.

Mr. Rothermel, Northampton Township Supervisor expressed concern regarding the RFP (Request for Proposal), for the solar energy system. He summarized that although there would be

no cost to the Authority, the government and the tax payers would take a hit due to the investment tax credits available to the provider.

6. Check Requisitions / Accounts Payable

A motion (Farling-Rehm) adopting a resolution to approve Revenue Fund Requisition No. **1991** dated December 5, 2012 in the amount of \$596,643.73, and BRI No. **526** dated December 5, 2012 in the amount of \$15,360.00, passed with 5 ayes.

The major items paid under Requisition No. **1991** are as follows: BCWSA - Sewer - \$301,098.75; BCWSA Water - \$132,326.48; W. Bruce Beaton Co. - \$7,314.00 Courier Times - \$1,134.85; Ellen Di Stefano - \$1,280.00; HD Supply - \$2,033.00; Independence Blue Cross - \$14,188.86; Karl Hops Inc - \$2,071.03; M & T Bank - \$2,600.00; Northampton Township - \$1,654.42; PECO - \$7,579.90; Rudolph Clarke & Kirk LLC - \$21,152.41; Sands Ford - \$17,683.00; JH Shanahan - \$2,471.00; Southampton Post Office - \$5,000.00; Univar - \$2,470.85 and a \$70,000.00 payroll transfer.

7. Maintenance Reports for September and October 2012

Mr. Zeuner provided highlights regarding the maintenance reports.

8. Award of Contract 4-S-A-12 Root Control

A motion (Jim-Albano) was made and withdrawn after a conversation regarding safety of the chemicals used in the root control process.

A motion (George-Rehm) was made to reject all bids on Contract 4-S-A-12 Root Control, until a study of the nature of the products safety used in the process is completed by the Authority passed with 5 ayes.

Mr. Jerry Bass Keenan Lane, had comments regarding chemical safety and Mr. Reynolds of Municipal Sales.

9. Professional Services Agreement: HRG Engineering

A motion (George-Rehm) was made to move that the Board approve the engagement of Russell F. McIntosh – Vice President Financial Services of the firm of Herbert, Rowland and Grubic, Inc. of Harrisburg, PA in accordance with their bid proposal dated November 30, 2012 for the purpose of analysis of the appropriateness of the sanitary sewer charges and tapping fees based upon compliance with the Municipal Authorities Act and the agreements

between the Authority and Bucks County Water and Sewer Authority and the authorize the Chairman to sign on behalf of the Board passed with 5 Ayes.

10. Commerce Bank N.A. d.b.a TD Bank

A motion (Farling-Jim) was made that the Board release all Letters of Credit for the land development known as Commerce Bank/TD Bank since the project has been satisfactorily completed and authorize the secretary of the Authority to sign on behalf of the Board passed with 5 Ayes.

BOARD COMMENTS

Mr. George commented that the Board approved the 2013 Budget without approving the annual pay action, he made the following motion

A motion (George-Farling) was made that the Board approve a 3% pay raise to all non-bargaining administration employees effective November 1, 2012 passed with 5 Ayes.

Mr. Farling commented on ratepayer concern over ongoing litigation costs. These are necessary costs.

Chris Walker of Pennoni Associates commented that he attended the preconstruction meeting with Keith Boyd of Barley homes and work should begin this week.

THERE BEING NO FURTHER BUSINESS TO DISCUSS, MR. ALBANO ADJOURNED THE MEETING AT 9:01 P.M.