

Northampton, Bucks County, Municipal Authority

Minutes of the Public Meeting held on November 20, 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
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. Approval of the Minutes

A motion (Jim-Rehm) was made to approve the Minutes from November 6, 2013, passed with 5 Ayes.

3. Executive Directors Report

Hollyknoll Drive: Mr. Zeuner stated that in response to the public health concerns expressed during the "citizens' concerns" segment at our last public meeting (November 6, 2013), Mr. Zeuner contacted numerous agencies and is confirming that the Bucks County Health Department has the lead and has completed an investigation as requested. No action was deemed necessary at this time by the Bucks County Department of Health

Review of the Agenda: Mr. Zeuner stated that we have two additions to the agenda which include the September 2013 Maintenance Report, and the adoption of the holiday schedule for 2014.

4. Citizens' Concerns

Mr. Donald George, Watergate Drive expressed ongoing concerns regarding the outstanding dedication of the West End water project from Northampton Township. Mr. Zeuner explained why dedication cannot be completed at this time and will remain so until all corrective actions are completed.

Ms. Alma Heflin, Hollyknoll Drive, thanked Mr. Zeuner for his efforts regarding the home on Hollyknoll Drive, also expressed concerns and comments regarding the rate for sewer only

customers. Mr. Zeuner explained how the rate is calculated based on PA DEP and the Pennsylvania Municipal Authorities Act and the customer option of metering private wells for billing purposes for sanitary sewer.

Mr. James Heflin, Hollyknoll Drive had comments regarding the understanding of the Authority's Financial Statements, the historic rate increases by BCWSA over the last 5 years, Mr. Albano stated that there was a comprehensive PowerPoint presentation during prior public meetings in late 2012 regarding the sewer rate increase imposed in November 2012 with bills effective February 1, 2013.

Ms. Jackie Palmer, Forrest Drive had concerns regarding the amount of water drawn from municipal wells. Mr. Zeuner provided clarification on the amount of water purchased from BCWSA and a new contract for water which will come from the Forrest Park Treatment Plant later next year. Ms. Palmer asked about a sewer treatment plant in Northampton, Mr. Albano explained that there are no plans for a sewer treatment plant.

Mr. Zeuner explained that we have a 30 year contract for the acquisition of water from BCWSA. Ms. Palmer had questions and comments regarding the Authority's settlement with DEP to have monies earmarked for the Pine Run streambank stabilization.

Mr. James Heflin, Hollyknoll Drive, had a question regarding the amount of water in the ground, Mr. Zeuner explained the process of how much water can be withdrawn from the Authority wells, regulations and permits required by DEP and the Delaware River Basin Commission and the reporting requirements to these regulatory agencies.

Mr. Donald George, Watergate Drive, complimented the Mr. Zeuner for his efforts regarding the settlement with DEP having the monies coming back to Northampton for the Pine Run streambank stabilization.

5. 2014 Budget

A motion (Rehm-Jim) was made to adopt the 2014 Operating and Capital Budget passed with 5 Ayes.

Board comments:

Mr. Rehm made the following statement:

On behalf of the Board, I want to commend Tom Zeuner and his staff for the time and effort expended in the preparation of a comprehensive FY-14 Operating Budget and Capital Improvement Plan and presenting them in a very understandable manner

The FY-14 Operating Budget anticipates a less than 2% increase in revenues. No new sanitary sewer and water tapping fees are anticipated. The Operating Budget also shows a 7% increase in expenditures over the FY-13 budget coming in at \$12.2 million dollars. The purchase of water and the charges for the transportation and treatment of sewage totals \$8.6 million, \$8.3 million is earmarked for the BCWSA. This equates to 68.5% of the total expenditures and illustrates why close scrutiny of their operations is essential.

Salaries, fringe benefits and health related insurances all show reductions when compared to the FY-13 budget.

Of special note in the Capital Improvement Program is \$458,000 of sewer system improvements and rehabilitation. While these ongoing programs represent 41% of the Capital Improvement Program, they are required to reduce sanitary sewer flows. Successful elimination of extraneous flows should result in a reduction of conveyance costs charged by BCWSA.

It is my opinion that the Operating and Capital Budgets as presented are consistent with the goals and objectives outlined in the previously Board approved strategic plan. I am recommending that the Board approve these proposed budgets. Revenues exceed expenditures, therefore we will not need to raise water and sewer rates. We will have cash reserves for operations, debt service and capital expenditures.

Mr. Farling commended Mr. Zeuner for keeping Administrative costs down and had comments regarding I & I remediation to reduce flows and costs associated with those flows.

Mr. Albano explained the Authority's I & I remediation program, (Inflow and Infiltration) reducing the amount of ground water infiltrating the sewer system, and the process by which we are questioning the charges imposed by BCWSA for sanitary sewer service.

6. Administration Employee Raise

A motion (Albano- Rehm) was made to approve a 3% salary increase to all administrative employees including the Executive Director, with an effective date of November 1, 2013 as recommended in the 2014 Operational Budget passed with 5 Ayes.

7. Performance Bonus - Executive Director

A motion (Albano-Jim) was made to approve a 2013 Performance Bonus of \$5000.00 to Executive Director, Mr. Zeuner passed with 4 Ayes and 1 Nay from Ms. Held for ethical reasons.

8. Check Requisitions / Accounts Payable

A motion (Rehm-Held) adopting a resolution to approve **Revenue Fund Requisition No. 2017** dated November 20, 2013 in the amount of \$1,092,258.20, passed with 5 Ayes.

The major items paid under **Requisition No. 2017** are as follows: BCWSA - Sewer - \$303,191.36; BCWSA - Water - \$176,513.28; W. Bruce Beaton Co. - \$32,444.00; Courier Times - \$1,080.00; First National Bank of Newtown - \$421,597.87; Guardian - \$3,158.18; Karl Hops - \$4,313.17; Patricia Nicholl - \$3,104.46; PECO - \$12,278.05; Pennoni Assoc. -

\$11,947.61; Teamsters Health & Welfare - \$15,394.32; Warminster Municipal Auth. - \$18,459.38 and a \$70,000.00 payroll transfer.

9. Maintenance Report – August 2013 & September 2013

Mr. Zeuner provided highlights to the August and September Maintenance Reports.

10. 2014 Holiday Schedule

A motion (Rehm-Held) was made to approve the 2014 Holiday Schedule as presented passed with 4 Ayes and 1 Nay from Mr. Farling.

Board comments

THERE BEING NO FURTHER BUSINESS TO DISCUSS, MR. ALBANO ADJOURNED THE MEETING AT 8:16 P.M.