

Northampton, Bucks County, Municipal Authority

**Minutes of the Public Meeting held on October 5, 2022**

Board Members: Vincent J. Deon, Chairman  
Stephen McGill, Vice Chairman  
Francis O'Donnell, Secretary  
Charles Rehm, Treasurer  
Edward Farling III, Assistant Secretary-Treasurer

Others: Thomas A. Zeuner, Executive Director  
Edward Rudolph, Esq., Rudolph Clarke LLC  
Christopher Walker P.E., Pennoni Assoc.  
Jeffrey Greenwood, Chief of Operations  
Robert Tagert, Chief Technical Director  
NBCMA stenographer

Mr. Deon, Chairman, called the meeting to order at 6:40 p.m. The Chairman announced that the Board met in Executive Session at 6:00 p.m. to discuss personnel matters.

**1. Pledge of Allegiance**

Chairman Deon lead the Pledge of Allegiance and requested a moment of silence for our men and women serving in harm's way.

**2. Executive Director's Report**

Privatization attempt to acquire BCWSA wastewater system by AQUA @ ended

The \$1.1 billion, proposed sale of the Bucks County Water and Sewer Authority's (BCWSA) public wastewater sewer system to Aqua Pennsylvania ® would have been the largest privatization of a public wastewater system in United Sates history. Due to the public "rallying cry" against privatization, Bucks County officials halted the sale of the public wastewater system.

DEP Declares Drought Watch For 36 Counties, Regulatory Agency seeks Voluntary Compliance & Conservation – Commonwealth of Pennsylvania Announcement

*"The Pennsylvania Department of Environmental Protection (DEP) announced the Commonwealth Drought Task Force has declared a drought watch for 36 counties and asks for voluntary water conservation in those counties. "A few counties have experienced very dry conditions over the summer, and a number of others have inched into increasingly dry conditions in recent weeks."*

Due to the recent rains in our region, we anticipate the lifting of the drought watch by the Commonwealth of Pennsylvania Department of Environmental Protection. Once notice has been provided, we will post the notice on our website and advise Northampton Township administration of the change once announced for posting on their website.

## Rocksville Road Water Main Replacement

The Authority's water main on a select portion Rocksville Road terminating at the intersection of Buck Road has been subject to numerous water main breaks during the past year. As the Board is aware, our investigation confirmed an unusual corrosion issue with the buried pipe that was the root cause of the failures. The contract for the pipeline replacement has been ratified. Corrective action includes completely replacing the water main for approximately 1,200 feet and providing a corrosion barrier to prevent the failure mode in the future. The project is being funded from capital reserves of the Authority. Once the water pipeline has been replaced, the roadway will be subject to a full width resurfacing in the subject roadway of disturbance as required by Northampton Township. We expect work to commence in the next week, with substantial completion within a month period weather permitting.

## Notices received from Bucks County Water & Sewer Authority- Wholesale Rate Increases for Water & Sanitary Sewer

The Authority received Notice from BCWSA on September 30, 2022, regarding rate increases for wholesale water and wastewater services. Wholesale water will increase by \$.14 cents per 1,000 gallons in accordance with the agreement between NBCMA and BCWSA. NBCMA is not proposing raising its water rates in its 2023 operational budget but would be absorbed in its operational budget for fiscal year 2023. The wholesale sanitary sewer service rates to be charged by BCWSA as outlined in their communication received on September 30, 2022, cannot be calculated, or validated based upon the information provided

The BCWSA letter reads as follows:

*"Following is the estimate of the total aggregate amount of all charges that will be included in the proposed Budget of 2023.*

*Operating Expenses \$37,679,800.  
General & Administrative Expenses \$9,192,300.  
Debt Service and Coverage Requirement \$30,349,600.*

*The budget will be providing for an increase in rates effective January 1, 2023. This increase is due to the Phase1 improvements to the Neshaminy Interceptor. The new rates will be calculated based upon the estimated project costs and borrowing rate in place at the time of the bond issuance. Phase 1 of this project is currently projected to be approximately \$60 million.*

*Please consider this the October 1st notification as outlined in Section 8 of the 1965 agreement."*

The 2023 NBCMA proposed operating budget does NOT include any retail rate increases for sanitary sewer services. This letter does provide clear confirmation that wholesale sanitary sewer rates from BCWSA will increase. The scope of the increase cannot be calculated or validated on the information provided to the Authority. Historically BCWSA provided NBCMA what our wholesale sanitary sewer rate will be for each calendar year by October 1<sup>st</sup> of the prior year as outlined in Section 8 of the 1965 agreement. Once the wholesale rates have been appropriately determined, NBCMA will need to revisit the 2023 operational budget and amend retail rates to our ratepayers accordingly. Unfortunately, BCWSA has not provided the required information for this Authority to calculate appropriate retail rates to our customers in time for 2023 budget consideration.

PMAA “EXCELLENCE IN COMMUNICATION AWARD”

Last month at the 80<sup>th</sup> PMAA Annual Conference in Erie, Pennsylvania the Northampton Bucks County Municipal Authority received an “Honorable Mention Award” for communications. The award recognizes member authorities that have established an effective communications strategy for their customers through design, innovation, creativity, comprehensiveness, and effectiveness. I like to personally thank Steve McGill as he was instrumental in championing our rebranding of the Authority when we were developing last year’s budget. That initiative resulted in this award by the Association consisting of over 700 member Authorities throughout the Commonwealth

NBCMA Administration Building Closure.

Last Friday, September 30, 2022, the new HVAC system at the administration building resulted in an unsafe operating condition due to exhaust fumes. The failure mode was identified and rectified later in the day by the responsible contractor. The cause was determined to be exhaust fumes being misdirected into the building. When the condition was, the Northampton Township Fire Department recommended closure of the building and evaluation of the staff of both the Authority and Tax Office to which compliance was achieved. The September 30<sup>th</sup> date also happens to be the last day of our month for making payments without incurring late fee. The Authority extended the normal payment arrangement to include Monday.

The Board advised that carbon monoxide detectors should be purchased and installed in the building.

**3. Citizens’ Concerns**

None

**4. Approval of the Minutes of September 7, 2022**

A motion (O'Donnell-Rehm) to approve the Minutes of September 7, 2022, with 5 ayes.

**5. Check Requisitions / Accounts Payable**

A motion (Rehm-McGill) adopting the following resolutions passed 5 with ayes.

**Requisition No. 2265** dated 09/19/2022 in the amount of \$9,000.00.

The major items paid under **Requisition No. 2265** are as follows: Mailroom Systems Inc. - \$9,000.00.

**Requisition No. 2266** dated 09/21/2022 in the amount of \$593,045.22.

The major items paid under **Requisition No. 2266** are as follows: BCWSA – Water - \$210,622.63; Coyne Chemical - \$2,010.00; Custom Care Property Maintenance - \$5,975.00; Dukes Root Control Inc. - \$65,536.70; Fisher Tank Co. - \$8,850.00; Independence Blue Cross - \$13,062.47; JH Shanahan - \$3,456.00; Karl Hops Inc. - \$2,034.85; Keystone Engineering - \$15,216.72; LB Water Service - \$16,778.87; LookFirst Tech. - \$1,424.50; M & M Landscaping LLC - \$4,665.00; Pennoni Assoc. Inc. - \$71,217.82; Pollard Water - \$1,108.10; Rudolph Clarke LLC - \$11,607.50; Teamsters Health & Welfare Fund - \$17,677.52; Teledyne Instruments - \$2,097.00; Timmons & Co. - \$5,147.60; Upper Southampton MUA - \$41,749.15; USA Blue Book - \$2,818.55; and \$85,000.00 for payroll.

**Requisition No. 2267** dated 10/05/2022 in the amount of \$595,387.75.

The major items paid under **Requisition No. 2267** are as follows: A. C. Schultes, Inc. - \$4,452.00; BCWSA – Sewer - \$230,326.95; CSL Services Inc. \$6,550.00; First National Bank of Newtown - \$59,129.38; Gannett Fleming Co. Fleming Co. - \$1,900.00; Guardian - \$4,208.57; Jammer Doors - \$2,200.00; JH Shanahan - \$11,199.00; Kappe Assoc. Inc. Assoc. Inc. - \$34,390.00; Karl Hops Inc. - \$1,763.44; LB Water Service - \$11,778.64; Link Computer Corp. - \$3,993.98; M.J. Reider Assoc. - \$1,410.55; Mid Atlantic Property - \$3,732.00; Office Basics - \$1,948.44; PECO - \$15,857.30; Phila Business Forms - \$1,232.02; TD Card Services - \$2,850.45; Verizon - \$1,182.38; Warminster Municipal Authority - \$6,379.25 Hulton Contracting Inc. - \$66,114.50; Mr. Rehab LLC - \$30,605.00; and \$85,000.00 for payroll.

**6. Finance – Reallocation of Investments – PLGIT**

A motion (McGill-Farling) made to authorize the Executive Director and the Director of Finance and Administration to reallocate funds of the Authority on deposit with PLGIT (Pennsylvania Local Government Investment Trust) to various fund classes to obtain higher earnings on our investments passed with 5 ayes.

**7. Insurance – Workers Compensation – Resolution No. 2022-1270**

A motion (O'Donnell-McGill) made to approve Resolution No. 2022-1270 authorizing the participation of the Northampton, Bucks County, Municipal Authority in the Delaware Valley Workers' Compensation Trust in accordance with the Pennsylvania Workers' Compensation Act, the Pennsylvania Intergovernmental Cooperation Law and the Municipality Authorities Act of 1945 passed with 5 ayes.

**8. Insurance – Property & Liability**

A motion (McGill-O'Donnell) made to approve the proposal prepared by W. Bruce Beaton Co. Inc. of Southampton Pennsylvania in accordance with their proposal dated September 29, 2022 with an effective date of November 1, 2022 for property and liability insurance in the amount of \$121,922.00 passed with 5 ayes.

**9. Holiday Schedule - 2023**

A motion (McGill-Deon) made to approve the 2023 holiday schedule as presented passed with 5 ayes.

**10. Professional Services – Valuation Appraisal (PennDOT Project)**

A motion (McGill-O'Donnell) made to approve the proposal for easement valuation services for the Mill Creek (PennDOT Bridge Relocation Project) from Mark Abissi, President of Indian Valley Appraisal Company in accordance with their proposal dates September 29, 2022 passed with 5 ayes.

**11. Contract #1-W-21 Certificate for Payment #2 – Hulton Contracting**

A motion (Deon-McGill) made to approve payment #2 in the amount of \$66,114.50 to Hulton Contracting Inc. for Contract #1-W-21 passed with 5 ayes.

**12. Contract \$016-037 Certificate for Payment #2 Final – Mill Creek – Emergency Repair**

A motion (O'Donnell-Rehm) made to approve payment #2 Final in the amount of \$30,605.00 to Mr. Rehab LLC for Contract #016-037 passed with 5 ayes.

**13. 2023 Operational and Capital Budget Presentation (Draft)**

Mr. Deon announced that the Board went into Executive Session (Board Members only) before tonight's meeting to discuss personnel matters.

**14. Personnel Matters**

Chairman Deon announced that Executive Director Thomas A. Zeuner has announced his retirement as of December 31, 2022

Chairman Deon made a motion seconded by Mr. Farling to approve the engagement of Patricia Collins, ESQ of Anheil Maslow & MacMinn, LLP to prepare Mr. Zeuner's separation agreement passed with 5 ayes.

7:36 Executive Session to discuss legal matters

7:39 Executive Session ended

**COMMENTS:**

A discussion regarding hydrothermal carbonization, storm water management and other issues.

There being no further business Chairman Deon adjourned the meeting at 7:53 P.M.