

Northampton, Bucks County, Municipal Authority

Minutes of the Public Meeting held on November 16, 2011

Members Attending: Antonio Albano, Chairman
John T. Jim, Vice Chairman
Edward W. Farling, III, Treasurer
Margaret M. Weiner, Secretary
Donald S. George, Assistant Secretary-Treasurer

Others Attending: Edward Rudolph, Esquire, Solicitor
Christopher S. Walker, P.E., Pennoni Assoc. (Consulting Engineer)
Carol A. Fishman, Stenographer

Mr. Albano, Chairman, called the meeting to order at 7:35 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 Minutes from November 2, 2011

A motion (Jim-Weiner) adopting a resolution to approve the Minutes from November 2, 2011 passed with 5 ayes.

3. Citizens Concerns

No residents appeared before the Board.

4. Check Requisitions / Accounts Payable

A motion (Farling-Jim) adopting a resolution to approve Revenue Fund Requisition No. 1963 dated November 16, 2011 in the amount of \$415,719.05 passed with 5 ayes.

The major items paid under Requisition No. 1963 were as follows: GMG Insurance Agency - \$133,351.00; BCWSA (Water) - \$173,146.36; Courier Times Inc. - \$1,005.00; Flow Assessment - \$4,900.00; HD Supply Waterworks Ltd. - \$2,083.19; Karl Hops Inc. - \$2,084.57; PECO - \$3,582.06; Rio Supply Inc. - \$2,611.50; Teamsters Health & Welfare - \$16,631.29; and a \$70,000.00 payroll transfer.

5. Executive Director's Report

Mr. Zeuner advised the Board that he is sending a letter dated November 16, 2011 to Robert Pellegrino, Northampton Township Manager, in reference to the PA DEP Grant for the funding of the Western End Water Project to Northampton Township stating the following: "We met several weeks ago at the Northampton Township administrative offices with our respective engineering representatives and discussed the implementation schedule planned for the Western End Water Project being funded by a PA DEP Grant to Northampton Township. During our meeting, we reviewed the proposed timeline charts to meet expectations. As you are aware, PA DEP will not approve or reimburse funds to the Township for any work completed prior to the agreement being executed between the Township and the department (PA DEP). You may recall that November 16th was a target implementation date for work to begin as confirmed during our meeting. Please advise how the Township wishes to proceed on this project as the Authority and its consulting engineer will await direction and proposed contractual arrangements from the Township as the grant recipient and lead agency. We look forward to your timely response."

Mr. Zeuner stated that the Federal EPA Grant of \$485,000.00 was deposited into our account last week. We made our initial request for full disbursement of funds on December 16, 2010. Obtaining grant funds from Federal sources such as the EPA has been very challenging and extremely resource absorbing. The grant was for \$500,000.00, reduced by a \$15,000.00 administration fee applied by the agency. The funds are budgeted for and received in our 2012 Operational Budget proposal.

Mr. Zeuner announced that the sanitary sewer tapping fees forecasted and planned for in our 2012 Operational Budget proposal also arrived last week from the Council Rock School District.

6. Consent for Access and Right of Way – Humphreys Drive Site - DEP

Mr. Zeuner stated that the PA DEP has asked the Authority for permission to use its fenced-in property within the industrial park. The PA DEP is hiring a contractor to drill observation wells. The borings for these wells will be stored inside the Authority's fenced area until the testing is completed at which time the PA DEP's contractor will dispose of the borings in accordance with regulations. Mr. George asked about the length of time that our property will be used and a time line to be set for the complete restoration. Mr. Rudolph stated that he would revise the agreement accordingly. A motion (Jim-George) adopting a resolution to approve the Consent and Access of Right of Way Agreement with the Pennsylvania Department of Environmental Protection incorporating the amendment as directed by the Board and to the satisfaction of the Solicitor and hereby authorize the Executive Director to sign on the Authority's behalf passed with 5 ayes.

7. Annual Reports (Water and Sewer) – Contract to Pennoni Associates Inc.

A motion (George-Jim) adopting a resolution to authorize Pennoni Associates Inc. to prepare the 2011 Annual Water and Sewer Reports at a cost not to exceed \$5,000.00 passed with 5 ayes.

8. 2012 Holiday Schedule

A motion (Weiner-Jim) adopting a resolution to approve the 2012 holiday schedule as presented passed with 4 ayes and 1 nay by Mr. George.

9. Fiscal Year 2012 Operational and Capital Budgets

A motion (Jim-Farling) adopting a resolution to approve the 2012 Operational Budget and the 2012 Capital Budget with the exception of including a \$50K contingency expense in the 2012 Operating Budget. After the amendment, the Authority has budgeted \$662K income before depreciation for the 2012 fiscal year in its Operating Budget.

During the budget review process at the public meeting, Mr. George recommended, and the full board endorsed, adding a \$50K contingency expense to cover unknown costs that may occur in 2012: examples include potential changes in PECO transition rate charges and enhanced communications of the Authority, etc. The Authority Capital Budget includes 15 line items with a net total expenditure of \$3,029,000. According to the Authority's Bond Indenture, on October 25th of every year, the Trustee transfers our revenue fund balance into the Authority's Bond Redemption & Improvement Fund for future capital expenditures and other necessary expenses of the Authority. Mr. Zeuner was instructed to make the appropriate changes as directed by the Board to the 2012 Executive Summary Narrative, 2012 Operational Budget and 2012 Capital Budget as adopted November 16, 2011 and redistribute the documents. This motion passed with 5 ayes.

Supplemental "A" – Maintenance Report for October 2011

Mr. Zeuner stated that water production is down from last year. The number of customers posted and turned off for non-payment is up from last year. There was a sewer blockage on Churchville Lane caused by roots and there were no water main breaks.

Supplemental "B" – Tri-Party Agreement – TMP No. 51-13-65-7 Located in Warwick Township

A motion (Farling-Weiner) adopting a resolution to approve and sign the Tri-Party Agreement with Warwick Township Water and Sewer Authority and Lynn Electronics Corporation, the owner of a property at 154 Railroad Drive, Ivyland, PA, Tax Map Parcel No. 51-13-65-7, to allow the connection to this Authority's public water system in accordance with the rates, rules, and regulations of this Authority passed with 5 ayes.

THERE BEING NO FURTHER BUSINESS TO DISCUSS, MR. ALBANO ADJOURNED THE MEETING AT 7:55 P.M.

THE NEXT MEETING IS SCHEDULED FOR DECEMBER 7, 2011.