

## Board Meeting of 03/14/2007

### North Wales Water Authority

The meeting was called to order at 6:05 pm by Mrs Nagel on 03/14/2007 at North Wales Water Authority Boardroom, 200 W Walnut St, North Wales PA 19454

Attendee Name	Organization	Title	Status
Joan Nagel	North Wales Water Authority	Chair	Present
Albert Tenney	North Wales Water Authority	Vice Chair	Present
John Lopuszanski	North Wales Water Authority	Treasurer	Present
Lawrence Clever	North Wales Water Authority	Secretary	Present
Herbert Kavash	North Wales Water Authority	Asst Treasurer/Secretary	Present
George Schwartz	North Wales Water Authority	Executive Director	Present
Raymond J Berry	North Wales Water Authority	Director of Operations	Present
Michael P Clarke	Rudolph, Pizzo Clarke	Authority Solicitor	Present
Kenneth Heydt	Carroll Engineering	Authority Engineer	Present

### Public Portion

None were present

### Minutes Approval

» Accept the Minutes of 02/28/2007 with corrections

✓ Vote Record - Minutes Acceptance of 02/28/2007						
			Yes/Aye	No/Nay	Abstain	Absent
x	Accepted	John Lopuszanski			<input checked="" type="checkbox"/>	
		Albert Tenney		<input checked="" type="checkbox"/>		
		Herbert Kavash	Second	<input checked="" type="checkbox"/>		
		Joan Nagel		<input checked="" type="checkbox"/>		
		Lawrence Clever	Initiator	<input checked="" type="checkbox"/>		

### Agreements Approval

Motion to Approve the Line Extension Agreement for E-0906 between the Authority and MJE Builders Inc concerning the development known as Loeb Tract

✓ Vote Record -						
			Yes/Aye	No/Nay	Abstain	Absent
X	Accepted	Joan Nagel	<input checked="" type="checkbox"/>			
		Albert Tenney	<input checked="" type="checkbox"/>			
		John Lopuszanski	<input checked="" type="checkbox"/>			
		Lawrence Clever	Second	<input checked="" type="checkbox"/>		
		Herbert Kavash		<input checked="" type="checkbox"/>		

Motion to Approve the Professional Services Agreement as presented for E-0928 Atlantis Properties LP

✓ Vote Record –			Yes/Aye	No/Nay	Abstain	Absent
X	Accepted	Joan Nagel	<input checked="" type="checkbox"/>			
		Albert Tenney	Initiator	<input checked="" type="checkbox"/>		
		John Lopuszanski	Seconder	<input checked="" type="checkbox"/>		
		Lawrence Clever		<input checked="" type="checkbox"/>		
		Herbert Kavash		<input checked="" type="checkbox"/>		

Motion to Approve the Professional Services Agreement as presented for E-0911 The Cutler Group

✓ Vote Record –			Yes/Aye	No/Nay	Abstain	Absent
X	Accepted	Joan Nagel	<input checked="" type="checkbox"/>			
		Albert Tenney		<input checked="" type="checkbox"/>		
		John Lopuszanski	Initiator	<input checked="" type="checkbox"/>		
		Lawrence Clever		<input checked="" type="checkbox"/>		
		Herbert Kavash	Seconder	<input checked="" type="checkbox"/>		

Motion to Approve the 2007 North Wales Sewer Operating Budget as presented

✓ Vote Record –			Yes/Aye	No/Nay	Abstain	Absent
X	Accepted	Joan Nagel	<input checked="" type="checkbox"/>			
		Albert Tenney	Initiator	<input checked="" type="checkbox"/>		
		John Lopuszanski		<input checked="" type="checkbox"/>		
		Lawrence Clever	Seconder	<input checked="" type="checkbox"/>		
		Herbert Kavash		<input checked="" type="checkbox"/>		

Motions to Commit to Participate in the Upper Gwynedd Twp Sumneytown Pike construction project Section MK3 with PennDOT/Upper Gwynedd Twp

✓ Vote Record –			Yes/Aye	No/Nay	Abstain	Absent
X	Accepted	Joan Nagel	<input checked="" type="checkbox"/>			
		Albert Tenney	Initiator	<input checked="" type="checkbox"/>		
		John Lopuszanski	Seconder	<input checked="" type="checkbox"/>		
		Lawrence Clever		<input checked="" type="checkbox"/>		
		Herbert Kavash		<input checked="" type="checkbox"/>		

## Discussions-

Mr Lopuszanski inquired about page 10 section 20 of the agreement for E-906. He wanted to know why the figures were different from the current guidelines. Mr Berry stated that we are in the process of redoing our Rates and Regulations and that this will change when that process is complete.

Mr Clarke stated that a complete rewrite will address different areas of concern. Mr Berry also stated that most municipalities follow the Unified Construction Code and Mr Lopuszanski's concerns would be covered by them.

Mr Clever asked how long it will be before the Rates & Regulations will be presented to the Board for approval.

Mr Clarke stated that there was still a lot to discuss and that possibly this summer something would be available for review

Mr Berry stated that they were trying to create a document that the Authority would be able to use for the next few years.

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Mr Clarke stated that they were also looking at eliminating the actual mention of fees in the document and using fee schedules instead. This way the entire document does not have to be approved just the fee schedules if anything changes

Mr Berry stated that the Easement for E-906 was just received and that it will be included at the next meeting for approval.

Mr Schwartz explained the letter that was received from Matt Bass of Curtin & Heefner and stated that the Retirement Oversight Committee meeting had to be postponed due to a death in Mr Dougherty's family. The meeting will be rescheduled for the end of the month.

Mr Clever asked how the committee's findings would be communicated to the Board.  
Mr Schwartz stated that minutes of meetings will be given to the Board

Mr Schwartz informed that Board that a letter was received from Hajoca stating that they could not honor prices on the contract based on a per item win.

Mr Clarke stated that the per item awarding is written in the bid booklet that Hajoca signed and submitted for consideration.

Mr Clarke stated that there were 2 options available to the Authority. One would be to force them to honor the prices and two would be to note them as a non-responsible bidder in the future  
Mr Clarke stated that technically they are in default of the contract; however the dollar difference between Hajoca and the next lowest responsible bidder are not worth pursuing a court decision.

Mr Clarke recommends that the Board award the items to the next lowest responsible bidder at the next meeting.

Mr Lopuszanski wanted to know if we could bring to Hajoca's attention the fact that they are not a responsible bidder.

Mr Clarke stated that a letter should be mailed to them

Mr Heydt will prepare the paperwork for the next lowest responsible bidder.

Mr Schwartz presented the proposed sewer operating budget for approval. He stated that the verbage on the bottom of page 2 will be removed

Mr Lopuszanski and Mr Kavash asked about the 10/12ths column heading. This is because we purchased the sewer company in January and our fiscal year begins in October.

Mr Lopuszanski also asked about the miscellaneous sales entry.

Mr Berry stated that this was for the sales of various sewer related materials

Mr Lopuszanski wanted to know when a surplus would start.

Mr Berry stated that we expect that to happen within the next few months.

Mr Schwartz reported on his meeting with Chris Gibbons and Daryl Peck of Concord Public Finance. This meeting was about the 97 Revenue Bonds and possibly refinancing them. Currently they are at a fixed rate of 4.93% for \$16,390,000 with a call date of 11/1/2007. They are suggesting the we may want to refinance these bonds. The current rate is 4%. We have until 06/01/2007 to lock the rate with a settlement date of 08/01/2007. By locking in the rate the Authority would realize an \$888,000 net savings in interest over the remaining life of the bonds. If we locked on this rate today it would costs the Authority \$264,000 in fees.  
At the time of settlement if the rate is higher we do not need to do anything at all.

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The Board asked several questions regarding this matter.

Mr Schwartz stated that Chris Gibbons would like to be at the next meeting to discuss this with the Board.

Mr Schwartz said they would need approval at the next meeting to go ahead with the refinance on 06/01/2007 and that there will be no costs if the rates are higher on this date.

Mr Schwartz asked for approval to participate in the PennDOT/Upper Gwynedd Twp Sumneytown Pike construction project. This will be in conjunction with PennDOT and run from Beaver to New Allentown Rd

Mr Berry explained this project is using federal monies that will be administered by PennDOT and controlled by Upper Gwynedd Twp. We need to let them know that we have facilities that need to be replaced or relocated and we desire that this work be incorporated into their project. Also that we would be looking for reimbursable monies where applicable and that we would be using our funds also for improvements to the water system.

Our area is approx 3000 Ft Church Rd to Gordon Blvd and Church Rd Bridge to Power line area.

We need approval to proceed so that they can incorporate any work we have into the project.

Mr Clarke stated that approval is needed to allow the Authority to participate in the project.

Mr Kavash asked who has control. Mr Berry said that PennDOT rules and regulations will be followed. Design and develop pricing then turn it into PennDOT. They will incorporate our project into theirs with their contractors. We then sign a contract with PennDOT.

Mr Heydt stated that PennDOT will award the contract to any engineering firm and that we will look and check over the project

Mr Tenney wanted to what size the line was from Gordon to Church and if we had to replace it Mr Berry stated that this was a 6" main that has been around since the early 1900's and that we do have customers on this line

Mr Clarke gave a brief explanation of the letters that he had sent out.

Mr Tenney asked about the Dick Greenfield Dodge issue and if as we were part of this issue did it cost us enough to ask for reimbursement.

Mr Clarke stated that it took less than 1 hour to compile the letter and phone calls.

Mr Clarke also stated that there were 3 updates that were currently being worked on. The Rates and Regulations, The Employee Handbook and the Operation & Maintenance Manual for the tanker.

He stated that the Employee Handbook had been reviewed by George Schwartz and Ritajean Joyce and then by special counsel and that he and George had reviewed it and that it was back in the hands of special counsel. He will have a copy of the book for the Board to review and discuss at the next meeting. This will take awhile to review and may take several meetings.

The Operation and maintenance manual for the tanker still has technical issues and will be available in the coming months.

Mr Heydt explained his letter to Rick Schatz for the DMR reporting. They developed several spreadsheets for him to use for recording data.

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Mr Kavash wanted to know why we were sampling more than was required. Mr Heydt stated that the DEP level that is required was too low. They were sampling more often to show DEP that the level needs to be raised.

Mr Lopuszanski wanted to know how often we were sampling. Mr Heydt explained that we are required to 1 per month, but that we are doing 2 per month

Mr Clever asked if we were meeting the standards

Mr Heydt stated that we are.

Several other technical questions were asked and Mr Heydt responded to the Board questions.

Mrs Nagel asked about the Upper Dublin Development and if we had a unit count yet.

Mr Berry stated that he did not have any information at this time. He has not received any details as of yet.

Mr Tenney wanted to know why we do not use the term "EDU"

Mr Clarke stated that this is primarily used by sewer companies

Mr Lopuszanski inquired about when the Board would see separate payment reports for sewer and water

Mr Schwartz stated that this has been done

Mr Lopuszanski asked about the possibility of selling the sludge from the sewer plant.

Mr Clarke advised against this

Mr Lopuszanski also inquired about the Gateway Government purchase.

Mr Schwartz explained that this was for new computers. Mr Schwartz reminded all that he had previously provided the details of this purchase.

## Bills & Requisitions Approval

» Accept the Bills & Requisitions in the amount of \$323,409.36

✓ Vote Record – Bills & Requisitions in the amount \$323,409.36						
			Yes/Aye	No/Nay	Abstain	Absent
x	Accepted	Joan Nagel	<input checked="" type="checkbox"/>			
		Albert Tenney	<input checked="" type="checkbox"/>			
		John Lopuszanski	Seconder	<input checked="" type="checkbox"/>		
		Lawrence Clever	Initiator	<input checked="" type="checkbox"/>		
		Herbert Kavash		<input checked="" type="checkbox"/>		

## Statements

There being no further business a motion was made by Mr Kavash seconded by Mr Clever, to adjourn the meeting at 7:40 pm. All present voted in favor.

Lawrence Clever

Secretary