

**MINUTES OF
EASTON SUBURBAN WATER AUTHORITY
NORTHAMPTON COUNTY, PENNSYLVANIA**

**Easton, PA
Monday
January 11, 2010
3:00 PM**

The members of the Board of the Easton Suburban Water Authority met in stated session at the above hour at the Authority office building, 3700 Hartley Avenue, Easton, PA, for the transaction of general business.

ROLL CALL

Present: Robert J. Bergren
 Charles W. Churchman
 R. Kirkwood Colton
 Donald W. Lockard
 Michael G. Moorehead
 Margaret H. Poswistilo
 Theodore J. Veresink
 Timothy A. Cain (Chairman)

Absent: Wayne Barefoot

Guest: None

Also in attendance were Roy A. White, Executive Director; Craig Swinsburg, Assistant Executive Director; Erin Rapp, Customer Relations Manager; Tim Ryan, IT Specialist; Thomas Walters, Solicitor; Carl Fleming; Palmer & Company; Rachel Govelovich, Gannett Fleming, Inc.; Ed Sieger, Express-Times Newspaper; Hillary C. Weiss, Recording Secretary

ACTION ON MINUTES

Page 4169, Report of Engineer, Water Treatment Plant Project should read, "Replacement of six out of the ten **filters**..."

Page 4170, Report of Engineer, Replacement of Morgan Hill Tanks should read, "Tank was put into **service**..."

Page 4171, Report of Committees, Budget & Finance Committee should read, "...the 2010 Operating Budget was approved with a bottom line new income **for construction** of \$ 1,192.590.

On a motion from Mr. Colton, seconded by Mr. Veresink the minutes of December 14, 2009 were approved as presented. No public comment was received.

Motion adopted by the following vote:

Yeas: Bergren, Churchman, Colton, Lockard, Moorehead, Poswistilo, Veresink, Cain (Chairman) (8)

Nays: None

COURTESY OF THE FLOOR

There was no comment from the floor at this time.

REPORT OF ENGINEER

Copies of the Engineer's Report were enclosed with the mailing of the December minutes for review prior to the Board Meeting. Updates were provided and reviewed.

Rachel Govelovich stated that the MBR estimate #12 (pertaining to the plant) has been bumped to the February Board Meeting. Also, Gannett Fleming will move forward with the contract close out for the 15th Street Tank Project.

Rachel Govelovich stated that Gannett Fleming checked for hazardous materials at the Davis Street Pumping Station location. There is a fuel tank that will need to be addressed at the site which is located in the basement of the building.

REPORT OF MANAGER

The Management Summary was displayed on the overhead projector and reviewed.

Roy White explained that there were a total of nine radial main breaks in December. These main breaks are directly related to the weather conditions.

Hydrant Inspection

- Hydrant inspection has been completed in the Suburban Area, and the hydrants in the City of Easton will be inspected in January.
- The Authority inspects all 1,800 hydrants in the beginning of the year and then again during the annual flushing program.

Valve Exercising

- Valve exercising is 90% completed in the Suburban area, and the remaining valves should be operated by the end of January.
- Personnel will then begin verifying the location of valves in the City, including gathering mapping information where necessary to update the Asset Management/GIS Software.
- The Authority's Distribution Crew will physically operate the valves and confirm their location.

Water Treatment Plant Project

- Will be another 4 or 5 months until the project is completed.
- Efficiency problems with new high service pumps still being investigated.
- Filter effluent valve malfunctions still being worked on. The Authority staff and Miller personnel are performing well during these operational changes.
- Feed system for Sodium hypochlorite, replacement chemical for chlorine gas has been put into service.
- The Federal EPA requested that the Authority's Risk Management Plan be updated; however, the Authority will now receive an exemption as we are now using sodium hypochlorite for disinfection instead of gaseous chlorine.

15th Street Tank

- All punch list items have been completed and additional warranty documentation has been provided.
- ESWA and Gannett Fleming will move forward with close out of the contract.

Replacement of Morgan Hill Tanks

- East Tank:
 - Placed into service on November 11, 2008.
- West Tank:
 - Tank was put into service on December 10, 2009.
 - DEP performed inspection of the tank on January 5th, 2010, and required two minor items be addressed. These items were addressed by January 8th, 2010.
 - Electrical materials have been approved and ordered; however, material is not expected to be delivered until early January.
 - Various outstanding minor items, such as fence installation, will be addressed as weather permits over the next few months. Some concrete repair (steps and existing valve chamber) will be completed in the spring.
 - The prior tanks were made out of concrete, and the new tanks are constructed of steel.

City of Easton Infrastructure Improvement Project

- The City's code review comments were received by ESWA on January 6th, 2009. The comments will be addressed and the plans resubmitted for approval.
- Mylars of the plans will be prepared for signature now that code review comments are known and can be addressed.
- Settlement on 285 W. Nesquehoning Street occurred on January 7th, 2010.

- Information being compiled for Department of Community and Economic Development (DCED) ranking points with assistance from City of Easton, Lafayette College and Northampton County.

St. Luke's – Bethlehem Township

- Piping installation should be completed the week of January 11, 2010.

Delaware Terrace Project – City of Easton

- Was informed by Developer that funding has been released, so project should begin moving forward in the next few months.
- ESWA will install offsite water main for the project at Developer's expense.
- New water mains and service laterals will be installed within the development.

Route 33 Corridor – City of Bethlehem

- No word from ALJ and PUC Commissioners regarding the Route 33 Corridor settlement agreement.

Long Term & Line of Credit Financing

- Long Term & Line of Credit Financing for the Authority is currently being discussed with Lafayette Ambassador Bank.

Emergency Power Program

- The Authority is looking into marketing of Generator Excess Capacity. The Water Treatment Plant is a 1.5 megawatt generator, and the Knox Avenue is a .5 megawatt generator. The Authority is looking into the idea of listing the generators to be used during future "brown outs".

Table of Organization

- Updated organizational charts were discussed and distributed to the Board.
- The Authority has merged the two maintenance departments, water treatment plant and off site facilities (pumping stations – 6, storage tanks – 13, etc.). All maintenance personnel are located at the water plant. Cross training will benefit the Authority

On a motion from Mr. Moorehead, seconded by Mr. Bergren, the December requisitions (items 3172– 3184, totaling \$671,034.41) were approved. No public comment was received.

Motion adopted by the following vote:

Yeas: Bergren, Churchman, Colton, Lockard, Moorehead, Poswistilo, Veresink, Cain (Chairman) (8)

Nays: None

ELECTION OF OFFICERS

At this time, Mr. Cain instructed Mr. Churchman, chairman of the nominating committee, to begin the procedure for the election of officers. Mr. Churchman stated that all the nominees were contacted prior to the Board Meeting.

The committee nominated Mr. Cain for the office of Chairman. On motion from Mr. Colton, seconded by Mr. Veresink, said nominee was elected to serve until the next general election in 2011 or until a successor is elected, whichever occurs first. No public comment received.

Motion adopted by the following vote:

Yeas: Bergren, Churchman, Colton, Lockard, Moorehead, Poswistilo, Veresink
(7)
Nays: None
Abstain: Cain

Mr. Cain suggested that Mr. Churchman, chairman of the nominating committee, cast one ballot for all officers.

The committee nominated Mr. Michael Moorehead for the office of Vice Chairman, Mrs. Margaret Poswistilo for the office of Secretary, Mr. R. Kirkwood Colton for the office of Assistant Secretary, and Mr. Robert Bergren for the office of Treasurer.

On a motion from Mr. Veresink, seconded by Mrs. Poswistilo, the nominations were closed. Nominees are elected to serve a term of 3 years or until a successor is elected, whichever occurs first. No public comment received.

Motion adopted by the following vote:

Yeas: Bergren, Churchman, Colton, Lockard, Moorehead, Poswistilo, Veresink, Cain
(Chairman) (8)

Nays: None

Committees were appointed by the Chairman – The structure remained as follows:

Executive Committee:

Timothy A. Cain – Chairperson
Robert J. Bergren
Charles W. Churchman
Michael G. Moorehead

Budget & Finance Committee:

Robert J. Bergren – Chairperson
Wayne Barefoot
Timothy A. Cain
Donald W. Lockard

Pension Committee:

Robert J. Bergren – Chairperson
Wayne Barefoot
Donald W. Lockard
Margaret H. Poswistilo

Risk Management Committee:

Michael G. Moorehead – Chairperson
R. Kirkwood Colton
Margaret H. Poswistilo
Theodore J. Veresink

Building Committee:

Charles W. Churchman – Chairperson
R. Kirkwood Colton
Michael G. Moorehead
Theodore J. Veresink

Security Committee:

Charles W. Churchman
Robert J. Bergren

REPORT OF COMMITTEES

Executive Committee –

Mr. Cain, Chairperson, stated that the Executive Committee met prior to the Board Meeting to discuss several business items including the election of officer's structure.

Budget & Finance Committee –

Mr. Bergren, Chairperson, stated that the Budget & Finance Committee will meet at the end of January to discuss the 5 year Operating Budget, the 5 year Cash Flow Budget, and the 2010 Cash Flow Budget.

At this time, Stephanie Kinsell discussed the income statement budget comparison for November 2009, the project status report, the debt obligations report (revised 12/31/2009), and the cash flow forecast for 2009.

Pension Committee –

Mr. Bergren, Chairperson, stated that the Pension Committee will schedule the next Pension Committee meeting by the end of the week. Mr. Bergren stated he would like the Authority's investment advisor to give us benchmark performance data, such as the S&P figures.

Personnel Committee –

Stephanie Kinsell stated that 21 employees signed up for the Flex Spending Account plan this year.

Risk Management Committee -

No Report.

Building Committee –

No Report.

Security Committee –

No Report.

REPORT OF FINANCIAL ADVISOR

Mr. Carl Fleming discussed the Capital Improvement Fund Sheet for the period December 1, 2009 to December 31, 2009.

At this time, Roy White stated that the Funds on Deposit Sheet totaled \$6,911,554.45 for November 30, 2009, and totaled \$ 5,648,478.14 for December 31, 2009.

REPORT OF SOLICITOR

Mr. Thomas Walters stated that the Authority closed on settlement to acquire the property at 285 W. Nesquehoning Street in the City of Easton for the Davis Street Pumping Station Project. Also, the Authority has filed a request for exemption with regards to real estate tax on the newly acquired property.

UNFINISHED BUSINESS

No Report.

4181

NEW BUSINESS

No Report.

ADJOURNMENT

On a motion from Mr. Bergren, seconded by Mr. Moorehead, the meeting was adjourned at 3:45 PM. No public comment was received.

Motion adopted by the following vote:

Yeas: Bergren, Churchman, Colton, Lockard, Moorehead, Poswistilo, Veresink, Cain (Chairman) (8)

Nays: None

Respectfully Submitted

Hillary C. Weiss
Recording Secretary