

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

**Easton, PA
Monday
November 8, 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: Wayne Barefoot
Robert J. Bergren
Charles W. Churchman
R. Kirkwood Colton
Donald W. Lockard
Michael G. Moorehead
Theodore J. Veresink
Timothy A. Cain (Chairman)

Absent: Margaret H. Poswistilo

Guest: Glenn Steckman, City of Easton

Also in attendance were Roy A. White, Executive Director; Craig Swinsburg, Assistant Executive Director; Stephanie Kinsell, Business Manager, Erin Rapp, Customer Relations Manager; Tim Ryan, IT Manager; Thomas Walters, Lewis & Walters; Carl Fleming, Palmer & Company; Chuck Wilson, Miller Environmental; Rachel Govelovich, Gannett Fleming, Inc.

ACTION ON MINUTES

On page, 4246, Pension Committee should read: "Mr. **Bergren**, Chairperson, explained that he will meet with Roy White at a later time to discuss pension items."

On a motion from Mr. Veresink, seconded by Mr. Barefoot, the minutes of October 11, 2010 were approved as presented. No public comment was received.

Motion adopted by the following vote:

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

Nays: None

REPORT OF ENGINEER

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

REPORT OF MANAGER

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

Services

- There were 82 new services in October.
 - 1 – ¾” – 139 Phillips St. (City of Easton)
 - 1 – ¾” – 1800 Vintage St. (Bethlehem Twp.)
 - 40 – ¾” – Woodridge Falls III (Palmer Twp.)
 - 40 – 1” Fire Woodridge Falls III (Palmer Twp.)

- There were 5 service replacements in October.
 - 1 – 1” – 265-267 Nazareth Pike (Lower Nazareth Twp.)
 - 2 – ¾” – 1805/ 1807 Lehigh St. (Borough of Wilson)
 - 1 – ¾” – 1213 Washington St. (City of Easton)
 - 1 – ¾” – 401 High St. (City of Easton)

- There was 1 service repair in October.
 - 142 S. 13th St. (City of Easton)

- There was 1 service relocation in October.
 - 1 -2” – 1120 Butler St. (Service off Elder St., City of Easton)

Main Breaks

- There were 3 main breaks in October.
 - 6” – 3105 Oregon St. – Palmer Twp.
 - 6” – 2844 Charlotte Ave. (Palmer Twp.)
 - 6” – 250 Frank St. (Lower Nazareth Twp.)

Main Installation

- There was a total of 3,232’ of main installed in October.
 - City of Easton Project
 - 2,911’ of 12” on Wilkes Barre St.

- Woodridge Falls III (Palmer Twp.)
 - 190' of 8" on Gold Rose Ln.
 - 110' of 4" on Gold Rose Ln.
 - 21' of 6" on Gold Rose Ln. (hydrant)

Hydrants

- There was a total of 1 private hydrant installed in October.
 - Woodridge Falls III – Gold Rose Ln. (Palmer Twp.)
- There was a total of 1 repaired hydrant in October.
 - Burke St. & Pardee St. (City of Easton)

Valves

- There was a total 1 valve repaired in October.
 - Repaired 4" valve at Grant St. & Center St. in City of Easton

Curb Box Maintenance

- There were 3 curb boxes repaired in the City of Easton in October.

Blow Offs

- There was 1 blow off repaired in October.
 - Repaired 1" blow off at 2244 Birch St.

Water Treatment Plant Project

- Completion timeline and punch list items still ongoing.
- Project should be complete sometime in 2010.
- SCADA system items still being worked on.
- Hydraulic profile design concerns with wastewater system being evaluated.
- Chemical transfer pumps appear not to be compatible with chemicals being handled.
- Final PADEP and code inspections are being scheduled.
- Installation of new impeller for Raw Water Pump #3 did not solve problem with pump efficiency.
- Installation of new impeller assemblies for High Service Pump #'s 2, 3, 4 to be completed this week.

Woodridge Falls III Project (Palmer Twp.)

- Water Main Installation began in late August and is expected to continue off and on for the next few months.
- ESWA has installed laterals to 40 of the townhome lots, with each lot having a single 1" service tapped from the water main, with a 3/4" tee being placed at the curb, with a separate curb stop for the 1" fire service and the 3/4" domestic service.

City of Easton Infrastructure Improvement Project

- Part A:
 - Anrich was having difficulty securing a yard site(s) for the project, but have found two locations that can be used; unfortunately one cannot be used until after Thanksgiving.
 - Due to the inability to secure a yard site, they could not receive materials and their start date was delayed.
 - They now intend to dig test holes the week of November 8, 2010, including the installation of the wet tap at Cattell St. & High St.
- Part B:
 - The water main on Lincoln St. was completed and tested and the contractor began reconnecting the service laterals to the new water main. The service lateral reconnections and connections to the existing water mains should be completed by the middle of November.
 - ESWA added approximately 180 feet of additional main to the project on Packer St. to eliminate having a short cast iron dead end connected to the new water main. The total cost for the additional work will be approximately \$ 22,000.
 - The contractor completed installing and testing the water main on Wilkes Barre St. on October 20, 2010 and began reconnecting the service laterals on November 3, 2010. It is anticipated that it will take a month to complete the service reconnections and connections to the existing water mains on Wilkes Barre St.
- Part C:
 - The contractor should complete the installation of the water main on 7th St. Wolf Ave. and Butler St. the week of November 8, 2010, after which, they will begin reconnecting the service laterals to the new water main.

Kleinhans Street Water Main Replacement

- Pavement restoration was completed by ESWA Personnel.

Flushing

- The North High South Flushing Program began on September 16, 2010 and was completed on October 4, 2010. This included the southern area of Forks Twp.
- The 15th St. Flushing Program began on October 4, 2010 and was completed on November 1, 2010.
- The Lower Nazareth Flushing program began on November 2, 2010 and should be completed by November 24, 2010.
- The Morgan Hill High Service Flushing Program was started on October 27, 2010 and completed on October 28, 2010.
- Flushing year-to-date total is: 31,442,021 gallons.

Meters

- New Meter Installations totaled 35, and reinstalled meters totaled 10 in October.
- Meter Changes totaled 82, and MTU Installations totaled 141 in October.

Customer Service

- Turn Off for Repairs – 8 Total
- Turn Off & Removal for Final – 28 Total
- Turn OFF & Removal (Seasonal) – 30 Total
- Turn Off for Insufficient Funds – 5 Total
- Turn Off for Non-Payment of Sewer – 0 Total
- Turn Off for Non-Payment of Water – 26 Total
- Turn Off for Violations (Meter Changes) – 0 Total
- Turn On – 51 Total

At this time, Erin Rapp discussed the following graphs: Billing, Termination of Service, Website Visits by Individuals, and Website Hits to all Pages over a ten month period in 2010. Erin Rapp will be updating this information on a month basis.

2011 Operating Budget

- The 2011 Operating Budget was submitted to the Finance Committee on October 1st, 2010. The Budget has been distributed to the Board for review and possible approval at the December Board Meeting.

Communication Tower Lease

- The tower leases contracts are still being evaluated.

Energy Procurement

- Agreement with energy consultant has been entered into.
- The energy consultant will solicit bids from energy suppliers.

Wage and Benefit for 2011

- The Wage and Benefit Recommendations were distributed to the Committee.

2011 Capital Budget

- The 2011 Capital Budget totals \$ 2.6 million.
- The Finance Committee will discuss the budget.

Lafayette Ambassador Bank

- The Authority closed on the Lafayette Ambassador Bank Line of Credit in the amount of \$ 3.0 million to fund the City of Easton Project.
- November 23rd Lafayette Bank Loan in amount of \$ 5.5 million.

H2O Grant

- The Authority will find out on November 16th if they will receive additional federal grant monies. The Authority requested \$ 5.6 million.

South 3rd Street Project

- The Authority will do additional main replacement work on S. 3rd St. to coincide with the City of Easton's streetscape project. The Authority will be replacing a 6" main with a 12" main, so new buildings will have proper fire protection.
- Request made to Pennvest to consider this as change order.

- The projected start date: March/April 2011.
- Approximate costs: \$200,000.

On a motion from Mr. Barefoot, seconded by Mr. Colton, the November requisitions were approved (items 3303-3313, totaling \$ 927,268.38), Authority will further review requisitions #3311, and #3313. No public comment was received.

Motion adopted by the following vote:

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

Nays: None

On a motion by Mr. Barefoot, seconded by Mr. Lockard, requisition numbers #3311 and #3313 will be conditionally approved, subject to review of terms of the contract, and final approval by Mr. Roy White. No public comment was received.

Motion adopted by the following vote:

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

Nays: None

Roy White stated that Total Funds on Deposit totaled \$ 4,089,364.08 on September 30, 2010, and \$ 4,172,339.57 on October 31, 2010.

COURTESY OF THE FLOOR

At this time, Mr. Cain stated that we offer the opportunity to speak at the beginning of our Board meetings during Courtesy of the Floor; however, the Board will open the Courtesy of the Floor at this time.

Mr. Glenn Steckman, City Administrator for the City of Easton, introduced himself to the Board and provided a brief background of the resolution between the City of Easton and the Authority. The two parties agreed to work together to turn off services that were past due on sewer payments. Mr. Glenn Steckman stated that the City of Easton was charged \$ 100.00 by the Authority to turn off accounts that were past due. The City of Easton now has a dispute over \$ 2,500.00, and would like this balance to be waived. Mr. Glenn Steckman stated that Forks Township only pays \$ 50.00 for turn-offs, and he would like the City of Easton to be charged the same amount.

Mr. Tom Walters, Solicitor, stated that Mr. Roy White and Mr. Glenn Steckman should discuss this matter in more detail after the meeting. Mr. Tim Cain, Chairperson, would

like a letter submitted to the Authority by the City of Easton after the meeting. Mr. White stated that he will expect a check in the mail for the monies that are past due. Mr. Roy White stated that the Authority will send out 40 new shut-off notices this week.

REPORT OF COMMITTEES

Executive Committee –

Mr. Cain, Chairperson, stated that the Executive Committee met on November 2nd to discuss personnel issues. The Executive Committee also met prior to today's Board Meeting to discuss the Board agenda, the City of Easton project, and the capital and operating budgets.

Budget & Finance Committee –

Mr. Bergren, Chairperson, stated that the Budget & Finance Committee met with the staff to review the preliminary operating budget. The capital budget was not ready at the time; however, it has since been submitted to the Board. All Board members should have the preliminary operating and capital budget to review. The Authority would like both the capital and operating budgets approved at the December Board meeting.

At this time, Stephanie Kinsell discussed the November 2010 Project Status Report, Lafayette Ambassador Bank CD Sheet, Debt Obligations (revised 10/31/2010), 2010 Cash Flow Forecast, and the September 2010 Income Statement – Budget Comparison Sheet.

Pension Committee –

Mr. Bergren, Chairperson, stated that he spoke with Kurt Kreisher from Smith Barney in October about updating the Authority's management accounts that were underperforming. After reviewing the findings, the Pension Committee will be making necessary changes to the underperforming accounts, and the changes will be effective immediately. No action by the Board is needed.

Personnel Committee –

Mr. Lockard, Chairperson, would like to schedule a meeting with the Personnel Committee to review the 2011 Wage and Benefits Package.

Risk Management Committee –

No Report.

Building Committee –

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No Report.

Security Committee –

No Report.

REPORT OF FINANCIAL ADVISOR

At this time, Carl Fleming discussed the Capital Improvement Fund Sheet for the period October 1st, 2010 to October 31st, 2010.

REPORT OF SOLICITOR

Mr. Thomas Walters stated that the Lafayette Ambassador Bank Line of Credit was approved. On November 23rd, 2010 Mr. Walters will act as Solicitor and Note Council on Note A (long-term) loan. In addition, the PENNVEST loan closing date will be held on December 8th, 2010 to finance the City of Easton Project.

UNFINISHED BUSINESS

No Report.

NEW BUSINESS

On a motion from Mr. Colton, seconded by Mr. Lockard, the Authority approved the proposal from Gannett Fleming for engineering design and construction management services for the City of Easton S. 3rd St. Project at a cost not to exceed \$ 23,000. No public comment was received.

Motion adopted by the following vote:

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

Nays: None

At this time, Mr. Cain, Chairperson stated that two Board Member terms will be expiring at the end of the year. Mr. Cain will contact both Mr. Veresink and Mr. Churchman in the upcoming weeks.

EXECUTIVE SESSION

The Board entered into Executive Session at 4:45 PM to discuss administrative matters and resumed its regular meeting at 5:30 PM.

ADJOURNMENT

On a motion from Mr. Colton, seconded by Mr. Veresink, the meeting was adjourned at 5:32 PM. No public comment was received.

Motion adopted by the following vote:

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

Nays: None

Respectfully Submitted

Hillary C. Weiss
Recording Secretary