

**LOWER BUCKS COUNTY JOINT MUNICIPAL AUTHORITY
BOARD MEETING MINUTES
May 27, 2010**

The Board Directors of Lower Bucks County Joint Municipal Authority held their monthly meeting on Thursday, May 27, 2010 at the Authority's Administration office located at 7811 New Falls Road, Levittown, Pennsylvania, 19055.

Call to Order

Mrs. Chase, Chairman, called the meeting to order at 7:00 P.M., which was followed by the Pledge of Allegiance and a moment of silence.

Roll Call

Mrs. DeRosier, Secretary, took roll call as follows:

Board Members Present: Edmund Armstrong
 Susan DeRosier
 James Chase
 Anthony Verduci
 John Monahan
 Edward Czyzyk

Also Present: Vijay Rajput, Managing Director
 Pat Koszarek, Finance Director
 Nancy Burnell, Supervisor, Meter Department
 Gary Tosti, Plant Manager
 Phil Smythe, Field Technician
 Vince Capaldi, Superintendent, WTP
 James A. Downey III, Esquire

Public Participation

Larry Kelly of 42 Swan Lane stated that the home is registered to his Mother-in-law, Francis Luciana, and that she received a water bill indicating that there is a second sewer lateral at the home. Mr. Kelly stated that an addition was built approximately 20 years ago. There is a second bathroom, however, as far as Mr. Kelly knows they were all tied in to one line. Mr. Kelly questioned what a customer receives in paying the additional \$51.00 that is being charged per quarter for the second lateral. Dr. Rajput replied that per the Authority's rules and regulations, when a second line is tied into the Authority's sanitary sewer line that constitutes as a second connection. The \$51.00 represents the sewer portion of your bill for the second sewer lateral. You are not being billed for the water portion. The Authority had no knowledge that some people were not being billed for their second sewer lateral, once the Authority had knowledge of this, it began billing only from the time the second sewer connection was discovered.

Mr. Kelly asked what if only one sewer connection was working. Dr. Rajput replied that if that is the case Mr. Kelly can submit proof; a letter and documentation stating that the sewer lateral is disconnected or it is not being used then the Authority would look into it. Mr. Kelly asked how he is supposed to prove it, when he went to the wastewater plant to complain about this he spoke to Jennifer Smythe who checked for permits for this property but could not find any. Mr. Verduci said so there were no permits pulled for this job. Mr. Kelly replied yes, Bristol Township had them. Mr. Monahan told Mr. Kelly that he will check with Bristol Township to see if they can find any permits. Mr. Armstrong stated that he has a partial computer database of sewer connections and that he will check to see if he can find anything and see if there are any notations that might help clear this up.

Approval - Payment of May 2010 Accounts Payable as Presented to the Board of Directors

Questions/Comments

Mr. Chase questioned the following invoices:

Avco Supply Company
Invoice #124042
\$3,383.65
Replacement hot water heater – locker room

Mr. Tosti replied that it is for the shower room. This replacement is the same as the one that was originally there. It took a month to get it.

Becker Paving
Invoice # 4/16/10
\$2,900.00
Railroad ties repairs

Mr. Chase stated that he was relatively sure that this was landscape timbers for restoration work. Mr. Tosti replied that it was.

Mr. Verduci questioned the following invoice:

Becker Tree Service
Invoice # 05497
\$3,200.00

Mr. Verduci asked if the Authority put a bid out the beginning of the year for tree removal. Dr. Rajput responded yes. Mr. Tosti replied that he could not get a hold of the contractor that's why we called Becker. Mr. Verduci questioned how long the company was at the site with Mr. Tosti replying all day.

Mr. Verduci then stated Bustleton; the company that was awarded the bid for tree removal was charging \$150/hour. Mr. Tosti replied that that is true; however, it takes them more than a day.

Motion

Mr. Monahan made a motion, seconded by Mr. Verduci, to approve the payment of the May 2010 accounts payable as presented to the Board of Directors.
Motion carried unanimously.

Approval of the April 22, 2010 Minutes as Presented to the Board of Directors

Motion

Mr. Czyzyk made a motion, seconded by Mr. Armstrong, to approve the April 22, 2010 minutes as presented to the Board Directors.
Motion carried unanimously.

Pretreatment Variances

**Tony's King of Pizza – 149 S. Woodbourne Road, Langhorne. Permit F006-2008
9/21/2009 – 9/20/2009. Mr. Bono, Owner Present**

This facility has been issued a variance for an internal 40 gallon grease trap with quarterly monitoring for TSS and Oil & Grease. A NOV was issued on 10/28/2009 for exceeding Oil & Grease. This required re-sampling within 30 days. A Compliance Order was issued on 01/04/2010 for failure to submit Oil & Grease sample results. The facility sampled for Oil & Grease on 03/24/2010 and passed. Their permit expired 09/20/2009. Facility sampled for TSS and Oil & Grease on 04/28/2010 and passed. The next sample for TSS & Oil & Grease is scheduled for 06/02/2010.

*Board direction needed.

Motion

Mr. Armstrong made a motion, seconded by Mr. Verduci, to renew the permit for Tony's King of Pizza located at 149 S. Woodbourne Road, Langhorne.
Motion carried unanimously.

**Savor Saigon Restaurant – 1150 Oxford Valley Road, Levittown. Permit F162-2009
03/24/2009 – 03/23/2010 Mr. Tu, Owner Present.**

A NOV was issued on 10/27/2009 for failure to submit Oil & Grease sample results. A Compliance Order was issued on 12/01/2009 for failure to submit Oil & Grease sample results. A NOV was issued on 02/04/2010 for exceeding Oil & Grease and required re-sampling within 30 days. This facility has not submitted the required analysis. The permit expired 03/23/2010. The next enforcement action is Termination of Service.

*Board direction needed.

Mrs. Wallover stated that Mr. Tu had lab samples run yesterday, May 26th so the information the Board has right now does not reflect the current sample results.

Motion

Mr. Armstrong made a motion, seconded by Mr. Czyzyk, that if Savor Saigon Restaurant submits successful testing then he will be given a six (6) month temporary permit and before the end of the six (6) month period they are to have another full set of testing done. If the facility passes that testing they will then be given a one (1) year permit. Motion carried unanimously.

Chicken Holiday – 143 Woodbourne Road, Levittown Temporary Permit F041-2010 05/12/2010 – 10/27/2010 Mr. Wong, Owner Present

This facility was recently purchased and Mr. Wong, the new owner is requesting a variance to continue utilizing the existing 75 gallon internal grease trap with the same quarterly sampling requirements for TSS and Oil & Grease.

Motion

Mr. Monahan made a motion, seconded by Mr. Armstrong, to approve the variance request to continue utilizing the existing 75 gallon internal grease trap with the same quarterly sampling requirements for TSS and Oil & Grease to Chicken Holiday located at 143 Woodbourne Road, Levittown. Motion carried unanimously.

Gilligan's Sports Bar – 7759 New Falls Road, Levittown Permit F099-2009 06/16/2009 – 06/15/2010. Mr. Sica, Owner Present

A NOV was issued on 01/20/2010 for failure to submit Oil & Grease sample results. A Compliance Order was issued on 02/25/2010 for failure to submit Oil & Grease sample results. A compliance Order was issued on 03/26/2010 to attend the 04/19/2010 Board meeting. The facility failed to attend the meeting. The Board issued a Termination of Service Order that was postponed after a meeting was held with the owner. The Facility sampled Oil & Grease on 05/05/2010 and passed. The next sample for TSS and Oil & Grease is scheduled for 06/16/2010.

An Executive Session was called at 7:35 PM by Mr. Armstrong. The regular meeting reconvened at 7:40 PM. Mr. Downey stated that during the executive session potential litigation was discussed.

Mr. Downey stated that with regard to the permit for Gilligan's Sports Bar, the Board has reviewed the letter dated May 3, 2010 from Mr. Sica stating that he had some internal personnel issues. With regards to the letter from Mr. Sica, the following motion was made.

Motion

Mr. Czyzyk made a motion, seconded by Mr. Monahan, that the permit for Gilligan's Sports Bar be continued and continue with regular testing under the direction of Authority personnel to demonstrate the good faith that is set forth in his letter of May 3, 2010 with no fines attached.

Motion carried unanimously.

Managing Director's Report

Dr. Rajput reported that Peter Place, the Authority's Auditor of Lopez, Teodosio and Larkin, was present to speak to the Board of Directors regarding the potential bond refinancing.

Mr. Place informed the Board that a meeting was held Wednesday, May 26, 2010 with a representative from Concord Public Finance, which is the same firm that handled the Authority's refinancing in 2005. After further discussion, it decided that the Board Directors needed additional time to examine the documents pertaining to the bond refinancing and that any motion regarding this issue will be considered at the June 24, 2010 Board meeting.

Contract WWTP 307 - Furnish and Supply Sodium Hypochlorite and Sodium Hydroxide

Bids were received on May 20, 2010 for the above contract. This contract is for the supply of sodium hypochlorite and sodium hydroxide for the scrubber system at the Kenwood Pump Station. Basic Chemical Solution, LLC, was the only bidder for Sodium Hydroxide (Item 2). They are also the current supplier of this chemical. Buckmans, Inc., was the lowest bidder for Sodium Hypochlorite (Item 1) and they are the current supplier of this chemical.

It is recommended that the bids be awarded as follows:

Item 1 - Sodium Hypochlorite

Award Item 1 of Contract WWTP 307 – Sodium Hypochlorite to Buckmans, Inc., for a bid unit price of \$1.29/gallon delivered. The existing contract unit price is \$1.33/gallon.

Motion

Mr. Armstrong made a motion, seconded by Mr. Monahan, to award Item 1 of Contract WWTP 307 – Sodium Hypochlorite to Buckmans, Inc., for a bid unit price of \$1.29/gallon delivered.

Motion carried unanimously.

Item 2 - Sodium Hydroxide

Award Item 2 of Contract WWTP 307 – Sodium Hydroxide to Basic Chemical Solutions for a bid unit price of \$1.64/gallon delivered. The existing contract price is \$1,652/gallon.

Motion

Mr. Armstrong made a motion, seconded by Mr. Verduci, to award Item 2 of Contract WWTP 307 – Sodium Hydroxide to Basic Chemical Solutions for the bid unit price of \$1.64/gallon delivered.
Motion carried unanimously.

PMAA Spring Workshop

Dr. Rajput reported that on April 27, 2010, Mr. Czyzyk, Ms. Koszarek and I attended the PMAA Spring Workshop in Hershey. The workshop was very informative specifically the PADEP proposed annual service permit and construction project fees and water sprinkler regulations for residential dwelling units. Under the sprinkler regulations, residential dwelling units will be required to install a sprinkler system. There are many concerns and questions pertaining to the requirements of minimum pressure on the public water main, type of connection to the main and back flow prevention.

Dr. Rajput further stated that in order to offset the operational budget cut, PADEP is proposing a new fee structure for the owners of Water and Wastewater Systems. It appears that under the proposed fee structure, the Authority's annual fees for Water and Wastewater Systems could be anywhere from \$50,000 to \$60,000 plus other permit fees.

2010 Sanitary Sewer Rehabilitation Project – Cured-In-Place Pipe Rehabilitation

Dr. Rajput reported that the Authority has received a proposal from Insituform Technologies, Inc., under the COSTAR Contract No. 01609-017 for the lining of 23,045 lineal feet (approximately 4.4 miles) of pipe ranging in sizes from 8 to 24 inches and 120 lateral reinstatements. The total cost to complete the lining is \$1,537,004. Since the contract is based on the unit price, the Authority has the option to reduce the scope of work such as lining only 50% of the 24 inch line. Based on review of the proposal and reviewing our current financial condition and other capital projects, it is recommended awarding the lining project, not to exceed \$1,200,000. to Insituform Technologies, Inc., under COASTAR Contract No. 016-017 with the condition that the contractor meets all of COSTAR and all bidding requirements.

Motion

Mr. Armstrong made a motion, seconded by Mr. Czyzyk, to award COSTAR Contract No. 01609-017 in the amount not to exceed \$1,200,000 to Insituform Technologies, Inc. with meeting all of COSTAR and all state bidding requirements.
Motion carried unanimously.

Vehicle Sale

Dr. Rajput requested Board approval to advertise the sale of two (2) vehicles, a 1993 Ford F-150 truck (old W-4) and a 1995 Ford Truck (old S-3) to the highest bidder or to dispose of them at the junkyard in the event we do not have any buyers. It was previously discussed advertising with Municibid. We have contacted them and are awaiting instructions/details in order to finalize our registration.

Motion

Mr. Verduci made a motion, seconded by Mr. Monahan, giving authorization to Dr. Rajput to advertise the sale of two (2) vehicles, a 1993 Ford F-150 truck (old W-4) and a 1995 Ford Truck (old S-3) to the highest bidder. Should there not be any bidders for either vehicle then the vehicle(s) may be disposed of at a junkyard.
Motion carried unanimously.

Contract WTP 295: Demolition of Vermilion Hills Elevated Water Storage Tank

Dr. Rajput requested Board approval to prepare contract documents and to advertise for bid proposals to demolish the Vermilion Hills Elevated Water Storage Tank. Dr. Rajput has contacted Iseler Demolition, Inc., located in Michigan and received their response for the demolition work. The cost of demolition of the tank could be from \$70,000 to \$100,000, depending upon the value of scrap metal. Estimated costs to remove the concrete foundation up to 2.0 feet below the grade could be approximately \$30,000. A total demolition cost is estimated at \$130,000 depending on the cost of metal at the time of demolition.

Motion

Mr. Armstrong made a motion, seconded by Mr. Verduci, granting authorization to Dr. Rajput to proceed with bid documents for Contract WTP 295 Demolition of Vermilion Hills Elevated Water Storage Tank. This bid would exclude the removal of the concrete foundation.
Motion carried unanimously.

Intern/Co-Op Program

Dr. Rajput stated that he received a response to the Intern/Co-Op Program. Michael Kalasheh is a senior student at Penn State University. Based on the review of his credentials and interview with him, Dr. Rajput feels that he will be a good fit for the Authority's internship program. The program will pay \$15.00 per hour which is well below the Board approved rate of \$17.00 - \$18.00 per hour. This position will be without benefits. The estimated salary for the three (3) month summer internship is \$8,000.

Motion

Mr. Verduci made a motion, seconded by Mr. Czyzyk, authorizing Dr. Rajput to hire the intern for the summer intern/Co-Op Program.
Motion carried unanimously.

Bristol Township Sewer Authority – Palmer Avenue Meeting

At the request of Bristol Township, a meeting was held on May 21, 2010 with representatives of Bristol Township along with representatives from the Authority.

Bristol Township is disputing the Authority's flow data at the Palmer Avenue Station. Bristol Township believes that their meter is more accurate and therefore they should be billed according to their flow meter. On March 19, 2010 the Authority had an independent metering company perform a meter test. According to the meter test report, the Authority's meter was found to be registering 100.289% or approximately 0.3% higher which is well within the acceptable accuracy. Bristol Township also had their meter tested by an independent metering company; however, their results were not available. Mrs. DeRosier asked how far apart the calibration of the two meters was. Mr. Downey stated that there is a significant different.

In order to resolve the metering dispute, both parties agreed to have an independent metering company resolve any discrepancies with each party bearing 50% of the cost of services. Mr. Downey stated that he spoke to Management at Bucks County Water & Sewer Authority. They utilize a company called CSL, Services, Inc., who does their metering and calibrations. Dr. Rajput will report to the Board when the testing is complete.

Summer Hours

Dr. Rajput stated that as in the past the Authority has offered to the Administration Personnel, as well as the clerical personnel at both plants to work summer hours. Summer Hours are Monday thru Thursday whereby the personnel work nine (9) hour days and on Fridays they work a four (4) hour day. The Administration office would close at 12:00 P.M. on Fridays. Summer hours are from Memorial Day through Labor Day.

Motion

Mr. Monahan made a motion, seconded by Mrs. DeRosier, granting permission for summer hours to be worked for the Administration Personnel, as well as the clerical personnel at both plants. Summer hours will be from Memorial Day through Labor Day.
Motion carried unanimously.

Holiday Hours

Dr. Rajput requested authorization from the Board to permit the employees to work a half-day prior to Memorial Day. Also, since the Board usually suspends their meetings for July and August, Dr. Rajput requested a half day prior to the 4th of July and Labor Day.

Motion

Mrs. DeRosier made a motion, seconded by Mr. Monahan, to allow the employees to work a half-day prior to Memorial Day. This will also include 4th of July and Labor Day. Motion carried unanimously.

Board Meetings - July/August, 2010

Dr. Rajput asked the Board if they would like to make a motion to suspend both the July and August 2010 Board meetings with the next regularly scheduled Board meeting being held on Thursday, September 23, 2010.

Mr. Czyzyk replied that we should leave it open, then if we have to cancel we will.

Solicitor's Report – James A. Downey III, Esquire

Executive Session

At 8:20 P.M. Mr. Downey requested an executive session. The regular Board meeting reconvened at 9:30 P.M. Mr. Downey stated that during the executive session, personnel matters, potential litigation and ongoing litigation were discussed.

Board Director Re-Appointment

Mr. Chase announced that Mrs. DeRosier was reappointed to the Authority's Board of Directors by Bristol Township to a five (5) year term.

Finance Director's Report

Ms. Koszarek reported that the figures she usually reports on to the Board were included in Dr. Rajput's report.

Ms. Koszarek informed the Board that both she and Dr. Rajput met with John Stanojev regarding the Authority's Disability Insurance. Ms. Koszarek advised the Board that Mr. Stanojev supplied them with three (3) quotes. The quote, which is the lowest and is being presented to the Board tonight, is from Security Mutual Life Insurance Company of New York. The monthly rate would be \$2,013.19 totaling \$24,158.28 per year.

This rate is guaranteed for two (2) years. Ms. Koszarek requested Board approval to change from the Authority's existing Disability Insurance Program to Security Mutual Life Insurance Company of New York. Ms. Koszarek stated that the Authority is self-insured and as you can see from the spread sheet that you received, it is much more expensive to be self-insured.

Questions/Comments

Mr. Armstrong asked if this change would affect any employee currently on disability. Ms. Koszarek replied that it would not, however, for any future claims it would, and that pre-existing conditions are included.

Motion

Mr. Czyzyk made a motion, seconded by Mrs. DeRosier, to approve the Disability Insurance Program presented by Ms. Koszarek and with Security Mutual Life Insurance Company of New York in the amount of \$24,158.28 per year with the rate guaranteed for two (2) years.

Motion carried unanimously.

Savings

Ms. Koszarek informed the Board that Debbie Barnes has been able to acquire two (2) printers due to points that have been accumulated through previous office supplies purchased. Laureen Marterella, Accounts Payable department is making sure the Authority obtains any savings or discounts when paying early or on time. Dennis Burnell, Meter Department, has acquired meter parts from Bucks County Water and Sewer Authority that are valued at approximately \$30,000. They are in the process of changing over their meters.

Mr. Chase would like to know if there is any way to consolidate the purchasing. In going over the bills he has noticed that there are quite a few vendors. And it looks like the Water and Sewer Plants sometimes purchase the same thing. Ms. Koszarek replied that this is one of the things that she is working on.

Administration/Supervisor's Reports

The administration/supervisor's/technical employee's reports were previously distributed to the Board for informational purposes.

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|-------------------------------------|----------------------------|
| • V. Capaldi, Superintendent | Water Filtration Plant |
| • G. Tosti, Plant Manager | Wastewater Treatment Plant |
| • P. Smythe, Field Technician | Wastewater Treatment Plant |
| • N. Burnell, Meter Dept Supervisor | Administration |

Old Business

Energy Savings

Mr. Armstrong stated that he and Dr. Rajput met earlier in the week with two (2) representatives of Bucks County Transportation to discuss compressed natural gas vehicles. Several years ago the Authority had at their disposal a compressed natural gas vehicle. What we learned is that CNG (compressed natural gas) vehicles would afford approximately 60% savings in fuel. The cost to retro-fit existing vehicles is somewhat pricey. Right now there is somewhat of a problem with the proximity of fueling stations. The Authority is in a unique position of being considered, if we are interested, of possibly having a CNG fueling depot at the Wastewater Treatment Plant. This could benefit the Authority for the reason that we could sell gas to others that are so inclined to start switching to CNG vehicles. This is an opportunity for the Authority to perhaps make some extra money as well as to save money. Mr. Armstrong stated that Dr. Rajput will get together with Ms. Koszarek and compile a list of the Authority's vehicles so that we can put together a package to see how much it would cost us to go this route and this is what it's going to save us. Mr. Armstrong added that Bensalem has gone all CNG; PECO is also trying to go all CNG.

Pretreatment Resolution

Mrs. DeRosier asked if anything has been done regarding changes to the Pretreatment Resolution. Dr. Rajput stated he is trying to set up a meeting with DEP to discuss the local limits. Once the local limits are completed then we can revise the Pretreatment Resolution.

Procuring Funds

Mr. Czyzyk stated that back in February he, Dr. Rajput and Mr. Monahan met with Patrick Murphy who is trying to procure funds for the Authority. Mr. Czyzyk wanted to know how that is going. Dr. Rajput replied that he did hear from Patrick Murphy and he has included our package and submitted it to the Appropriations Committee. Mr. Czyzyk told Dr. Rajput to keep on top of this. Ms. Koszarek added that Congressman Murphy originally stated that it could take up to 18 months before it goes through all the channels.

New Business

Mrs. DeRosier stated that at a prior meeting it was discussed as to what the Authority should do as far as sending condolences to Authority employees. The Board authorized Dr. Rajput to handle this administratively.

Public Participation

Kerry Knight, customer of the Authority who resides at 41 Verdant Road informed the Board that she is representing R&B Contractors and that there is presently a lawsuit pending against the Authority with R&B Contractors. Mr. Chase stated that the Board is aware that at this time there has been ongoing litigation and we have not been given any final disposition on the case. Because the Authority's insurance company is handling this the Board is not able to comment at this time. Ms. Knight informed Mr. Chase that the date for payment is June 4, 2010. Mr. Chase again replied that the insurance company is handling this. Mr. Downey added that the insurance company represents the Authority's interest. Ms. Knight asked when she might hear something. Mr. Downey replied, when they decide.

Adjournment of Board Meeting

Mr. Czyzyk made a motion, seconded by Mr. Armstrong, to adjourn the Board meeting at 9:50 P.M.
Motion carried unanimously.

Respectfully Submitted by:

Susan DeRosier, Secretary

/dm