

**BETHEL TOWNSHIP, DELAWARE COUNTY
SEWER AUTHORITY**

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RECORD OF MINUTES

**Minutes of the Special Meeting of the BETHEL TOWNSHIP DELAWARE
COUNTY SEWER AUTHORITY, DECEMBER 21, 2011.**

The meeting was called to order by Felicia Kendus, Chairman at 12:00 p.m.. Those present were Donna Vance, Board Member, Donna Vickers, Board Member, Patricia Petrosky, Secretary-Treasurer, Walter Fazler, Engineer, Laurence L. Smith, Solicitor. There being a quorum present, the Chairman declared that the meeting was ready to proceed with business. Pledge of Allegiance given at this time. Proof of advertising of this special meeting by publication of a notice in the December 15, 2011 edition of the Delaware County Daily Times was presented.

Consideration of the Amended 2012 Authority Budget

In its amended Budget for 2012, the Authority anticipates revenues of \$1,852,324 and expenses of \$1,641,851. To allow for continued sound financial operations, the budget provides for increasing sewer rents for residential and commercial users.

The Authority's 2012 budget planning began this past summer, when an initial proposed budget was drafted with the assistance of the Authority's accountant. Since the Authority's annual budget is largely driven by treatment costs, this planning included determining the amount to be charged in 2012 by the two outside treating agents to which the Authority sends sewage for treatment.

Earlier this year, the Authority received a 2012 rate increase notification from New Castle County, Delaware, to which approximately one-third of the Authority's sewage is sent. Historically, New Castle County has raised its treatment charge every year. Also, Authority representatives met this past October with representatives of the Southern Delaware County Authority, to which approximately two-thirds of the Authority's sewage is sent for treatment by DELCORA in Chester. At that time, the Southern Authority under then current circumstances did not foresee an increase in its treatment charge to the Bethel Authority. The Southern Authority treatment charge has remained the same for the past decade.

Based upon this treatment cost information, an Authority budget for 2012 providing for a ten dollar per quarter residential sewer rent rate increase was adopted by the Authority Board at its regular monthly meeting on December 1, 2011. A little over a week ago, the Authority was notified by the Southern Authority that its budget planning had changed and that it anticipated an increase of approximately thirteen percent for its

2012 treatment charge. This increase was due in large part to an unexpected sharp increase in the 2012 DELCORA treatment charge for the Southern Authority.

Based upon the new information about the estimated increase in treatment charge by the Southern Authority, an Amended 2012 Budget was prepared providing for a seventeen dollar per quarter residential sewer rent rate increase, and an increase for commercial users. The rate increase represents the minimum amount necessary, and users will see the increased rate on their April, 2012 sewer bill. The Amended 2012 Authority budget is to be considered at today's special meeting.

ADOPTION OF BUDGET AND RESOLUTION

BUDGET: A motion to adopt the Amended 2012 Authority Budget was made by Donna Vickers. The Motion was seconded by Donna Vance. After a vote was called the motion to adopt the Amended 2012 Budget was unanimously approved by the Board.

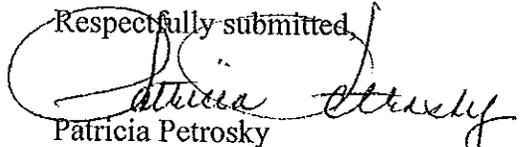
RESOLUTION: A resolution is necessary to adopt the sewer rent rate increases provided for in the Amended 2012 Authority Budget. The Board has been provided with proposed Resolution No. 2011-9 that has been drafted by the Authority Solicitor and reviewed by the Authority Accountant and Engineer. A motion to adopt Resolution No. 2011-9 was made by Donna Vickers. The Motion was seconded by Donna Vance. After a vote was called the motion to adopt Resolution No. 2011-9 was unanimously approved by the Board.

The Board went into Executive Session at 12:14 p.m. The Board returned to the Special Meeting at 12:30 p.m.

ADJOURNMENT:

Motion by Donna Vickers to adjourn the Special Meeting at 12:30 p.m..
Seconded by Donna Vance. Unanimous.

Respectfully submitted,


Patricia Petrosky
Secretary/Treasurer