

**BETHEL TOWNSHIP, DELAWARE COUNTY  
SEWER AUTHORITY**

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**RECORD OF MINUTES**

**Minutes of the Regular Meeting of the BETHEL TOWNSHIP DELAWARE  
COUNTY SEWER AUTHORITY JUNE 12, 2014.**

The meeting was called to order by Donna Vance, Chairman at 7:00 p.m.. Those present were Donna Vickers, Vice Chairman, Daniel Van Wyk, Board Member, William Litton, Board Member, Stephen Maugeri, Board Member, Laurence L. Smith, Solicitor, Walter Fazler, Engineer. Jean Stoyer sat in for John Camero at the meeting. There being a quorum present, the Chairman declared that the meeting was ready to proceed with business. Pledge of Allegiance given at this time.

Donna Vance announced there was an Executive Session prior to this meeting to discuss matters of potential litigation.

The meeting is being recorded for minute purposes.

**MONTHLY ACTIVITY REPORTS**

Motion by Dan Van Wyk to approve minutes of regular meeting held May 8, 2014. Seconded by Donna Vickers. Unanimous.

Motion by Stephen Maugeri to approve bill list for May 2014. Seconded by Dan Van Wyk. Unanimous.

Motion by Donna Vickers to approve Payroll Summary prepared by Prime Pay for 4/20 /2014 – 5/3/14 and 5/4/14 – 5/17/14 and 5/18/04 – 5/31/14 Seconded by William Litton. Unanimous.

**ADMINISTRATION COMMITTEE  
Chairman – Vice Chairman-Secretary/Treasurer**

**Monthly Financial Highlights Attached**

**BETHEL TOWNSHIP SEWER AUTHORITY**

**Monthly Financial Highlights**

**For Period Ended May 31, 2014**

	<b>For the month Ending May 31, 2014</b>	<b>Year-To-Date January 1, 2014 to May 31, 2014</b>
<b><u>RECEIPTS</u></b>		
Sewer Rents and Other	\$ 154,429	\$ 1,789,288
Tapping Fees	-	-
Interest	<u>5,961</u>	<u>10,957</u>
<b>TOTAL RECEIPTS</b>	<b>160,390</b>	<b>\$ 1,800,244</b>
<b>DISBURSEMENTS</b>	<b><u>166,949</u></b>	<b><u>814,380</u></b>
<b>NET CASH RECEIPTS (DISBURSEMENTS)</b>	<b>(6,559)</b>	<b>985,864</b>
TD Master Escrow Account	86,481	
TD Bank – Checking	791,439	
TD Capital Account	918,998	
CD – Bank Account	<u>214,296</u>	
Total	<u>\$ 2,011,214</u>	
		<b>As of 5/31/14</b>
Sewer Rents Receivable		<b>\$ 223,325</b>
Accounts Payable		<b><u><u>38,666</u></u></b>

At this time Donna Vance asked for any comments from our Board Members before the meeting was opened to the floor. Dan Van Wyk commented, as a lot people know, we are looking at an issue that would be an opportunity to save money for the Township. One thing this Board is committed to is open communication with the residents. Part of our job is to look at ways to save money for the residents, and another part of our job is to report it to the residents. We looked at the issue with the tax bills and it is an opportunity to save money. We know from Tuesday's meeting there is some negativity about that and that is the input we are looking for. Just because it is an opportunity to save money, might not mean it is a good idea. That is why we want the residents to let us know what they feel about these steps. We believe that before we take any type of action that has a potential effect on the residents, we want the input from the residents.

Donna stated that Dan has explained what the next part of our meeting is going to be about, this is the opportunity for you to tell us your views and feelings. Anyone who would like to speak please raise your hand, speak clearly, speak loudly and tell me what your name and address is.

**Nancy Houser, 1015 Belmont Lane** – She has lived here for 41 years in the Belmont Community. Ms. Houser can afford the \$142.00 every three months, but cannot afford this whole yearly amount being put into the yearly taxes. Ms. Houser stated that we are making her move out of a Township she loves. Her husband was Chief of Police for 23 years. She is a widow living by herself. The School Taxes are draining her. She just cannot afford this. Ms. Houser asked why this couldn't be put on a ballot in November so all of the seniors can vote on it.

**Donna Vance** stated we are not to the point of putting it on a ballot. We are just investigating this. There is nothing that is moving forward. The reason it was in the paper is that we want to know what your views are. Basically, our meetings are held next door because pretty much what you see here is who attends the meetings. That is not a bad thing. It is usually a good thing. People don't come because that means they are happy citizens and that is all we are really looking for is to make everyone happy. This is not a done deal, going behind you. We actually wanted to know how you feel and there is nothing that has moved forward on this.

**Steve Mancini, 204 Half Mile Post South** – Mr. Mancini stated he is Chairman of the Board of Auditors and also the Chair of the Government Affairs in the Community of Belmont. He is not here to speak against the proposal. He is going to outline some factual data and things that he has heard as to why this is being considered, why to say no. He is going to give some alternatives to think about. As of this week there is 3,279 customers that is serviced by Bethel Township Sewer Authority. The current bills are \$142.00 per quarter. In 2010 was \$90.00 per quarter. The first increase, and understanding there hadn't been an increase in over twenty years. From April 2010, 2011, the first increase went up to \$115.00 per quarter. The next increase April 2012, 2013 it went up to \$132.00 per quarter and for 2014 it was increased to \$142.00 per quarter. Since 2007 there were three rate increases and since the letter of January 2010 by the Sewer Authority former Chair Felicia Kendus, they were considering a rate increase. The idea was there wouldn't be any increases for five years in the letter of

January 2010, there had been two. Based on the current proposal, if you went to an annual basis, it would be \$568.00 per year. When you look at how the bill is divided, plus or minus a few points, most of it is for treatment. We have a very hard time controlling the treatment costs, since that is set by DELCORA. That represents 77% plus or minus of the budget. After speaking to the tax collector and the Supervisors if this were to move forward the idea was to put it on your winter tax bills. The way it is now, bills are mailed on February 1<sup>st</sup>. There is a discount period for County 3/31 and a face amount of 5/31. Now as to the why, Steve has heard Administrative costs. Most of the costs go to treatment costs so it seems we are trying to save peanuts for dollars. Working with the tax collector he indicated a figure of \$17,000 a year. At Tuesday night's Supervisor's Meeting, which was held at Belmont, John Camero stated that the savings could be as high as \$30,000. Taking both of those figures into account among 3,279 accounts, the average person would have an administrative cost of \$5.18 to about \$9.15 annually. Also, Supervisor Miles said this was the way to push back against future increases. Mr. Mancini respectfully disagrees. He does not see how cutting the minority of administrative costs would push back against unbridled treatment costs, operations, maintenance and capital infrastructure. Why would you say no or why would a person be against it? You really have to believe that the economy is good. Since 1976, we don't measure inflation by counting increases in food or fuel. When we talk about inflation, that should be used with a work of caution also. In Belmont we have approximately 353 residents occupying 197 homes, which is about 1.5 people per household. Comparing that to some larger units in the Township of 3, 5 or 7, it would seem with less people in households we are actually paying the freight for people who use a greater amount of water. About one third of our Township is 45 years of age or greater and 18 and under is about 30% roughly. Rather than being against something, Mr. Mancini offered possible solutions. One, you can stay the course and have quarterly billing. Down the road we could explore usage billing but that does not get us to where we need to be for this year's discussion. Could explore joining a joint authority. Explore ownership of our own means to treat waste or the one that he feels is the best is a coupon system. Since we don't know what projected sewer bills are going to be five or ten years from now that could be astronomical at the time where you have Bethel, Delaware County and for people who do not live in his community, they have additional trash fee. But right now if we went to annual, it would be almost \$600.00. We don't know if it will be the same for the next decade. The idea Steve came up with is, hypothetically, sewer rents are due annually with the tax bills. However, when the school district does it there are coupons in there to pay in payments. You would have your first payment due at the time taxes are due. You would have three coupons. You would save around 10,500 or so pieces of billing that need to go out later. In this way you would maybe meet both sides of the position, and therefore keep the residents happy.

**Donna Vance** indicated that she thought that was an amazing idea and thanked him.

**Nancy Campbell, 3432 Turnberry Court, Foxfield** – Objects to paying the same amount of sewage payment for one person as a family of six. It is totally unfair. She has lived in Delaware County where she was billed on water usage. Her water bill was less than \$150.00 per year. She feels something should be done for senior citizens. If you are

a family, someone in your household is working. Mrs. Campbell has her social security and a little bit of savings. She does not have a pension coming in.

**Donna Vance** thanked Ms. Campbell and stated that is a different issue altogether but we will definitely take it under advisement and discuss it in the future if that works for you. Ms. Campbell said she was told that is impossible. Donna said she does not think anything is impossible.

**Eileen O'Day, 3603 Half Mile Post North, Belmont** – Mrs. O'Day lived in Chadds Ford twenty years ago. Her daughter lives there now and they pay less than she does now. She had moved to the Princeton area in New Jersey where her sewage bill was based on usage. That seems to be the only way it is fair as far as families of 6 or 8 or whatever. Ms. O'Day lives alone and also works, at least for a couple more months. It is impossible that she could pay the extra. She feels it is wrong and corrupt and feels that if an area like Princeton can base it on usage when their cost of living is so much higher then it could be done here. Living here is just as high if not higher. She thought she would be saving money coming back here but she is not. She had to go back to work after she was here a year. She feels it is political, unfair and corrupt. She feels the money is going in the pockets of the politicians.

**Donna Vance** asked if she would explain that a little more to her because if it really is happening like that, the Board that you are seeing in front of you is a Board that would never allow anything like that. Donna proceeded to say she probably never saw any of the Board before so she can know that they are citizens just like her. If you think that it is corrupt can she tell her how. Ms. O'Day wrote a letter when she came back here. She wrote a letter when she got her sewer bill. She was very upset about how high it was and that it wasn't based on usage. The person that she wrote to called her back and was very rude, and that is the way it is. She feels the senior citizens are being driven out. They are paying tremendous school taxes already. Ms. O'Day does not feel it is right and that the seniors need to be heard, considered and for the seniors to be paying the same as people half their age with bigger households is not fair.

Walt indicated to Ms. O'Day that what it comes down to the Sewer Authority has a certain amount of costs every year. Treatment costs, administrative costs, how you break that up among the residents is a little bit different. If you want to do it on consumption, at the end of the day, the dollars coming in need to be the same amount as they are now. If you go to talk to the residents in Aston Township, who are based on water consumption, their administrative costs have gone through the roof. Now you have to get Chester Water Authority bills, United Water bills, there is a charge for them PECO is out there with irrigation systems which credits have to be done for that. Residents would have to either put irrigation meters on or have to figure out some sort of credits so the administrative costs for water based billing would be a lot higher than it is right now. Not saying it is impossible, but there are a lot of residents in Bethel that still have wells. Would have to figure out a way to fulfill those residents. **Donna Vance** said we would take it under advisement and discuss it. It is a little different than what we are talking about here but she understands where she is coming from.

**Jean White, 2204 Half Mile Post North** – Indicated that she does not think she should not pay school taxes but feels she should not have to pay the whole amount. She does not

have an interest in the school district other than the future of our country. She feels that the sewers are fine the way they are. When asked if she was opposed to the coupon idea Mr. Mancini brought up she said yes. **Donna Vance** asked who was opposed to the coupon idea.

Nancy Houser was not sure how it worked with the coupons. Steve Mancini explained it again to her.

**Donna Vance** reiterated to the audience we are just in the beginning infant stages and there is nothing that has moved forward anywhere. She can assure everyone of that. We are just investigating it and nothing more. Nothing more.

**Dan Van Wyk** explained we cannot address the school tax issues. We are the Sewer Authority and have nothing to do with the school. All we can do is control the Sewer Authority and the rates for that.

**Nancy Campbell, 3432 Turnberry Court** – Wanted to thank the Board for the work they put in and is really disappointed with the turnout of the people. She cannot believe they have no interest. **Donna Vance** stressed it is not a bad thing. Usually when there is no one there they are happy citizens and happy citizens means we are doing our job correctly. That is our goal. Mrs. Campbell reiterated that a single person in a home should not be paying the same amount as a family of six.

**Antonia Roberts, 1682 Hance Lane** – Asked if we had the coupons, would they get a discount if it paid all at once? **Donna** advised Ms. Roberts that would be in meetings down the road. We couldn't even give her an answer to that question at this point. Ms. Roberts feels the coupons are a very good idea.

**Larry Smith** stated that any examination of the coupon concept, we would have to look at the difference between the taxing entities of the school district as opposed to Second Class Township. School districts have a taxing bill and authority to do that. We have to look at whether the Second Class Township can divide up a sewer charge on their bill.

**Steve Mancini** – As for the coupons, he wanted to make sure it does not get back to Belmont that this is what we are going to do. How would the legality of what the school district does, or how would it differ from what we do now. We are still sending out reminders quarterly. Why would that be a cause for concern. Larry answered he is talking specifically about tax bills. In Pennsylvania we have a different code for each type of townships, several classes of city, boroughs and school districts and municipal authorities. They vary widely.

**Donna Feconda, 1168 Naamans Creek Road** – asked how the Authority would go about budgeting for revenue if it didn't know how much usage it would be. Walt responded an extensive study would have to be done.

It was mentioned that other Townships have figured out a way why don't we find out how they do it. **Dan Van Wyk** stated we will take a look at it. We do not have answers and do not know how it is done but we can find it out.

**Steve Mancini** – asked if we know if Concord Township self treats. Dan stated they have a Sewer Authority and they do have a treatment facility. Walt indicated Concord Township owns their sewer system and two treatment plants. The Riveria Concord and Central Sewage Treatment Plant which is Station Road. They do treat. Steve asked if that could be a reason why his sister pays about 30% less than he does? Walt stated yes.

Donna Vance asked for a motion to approve the 2013 Audit for the Authority. Motion by Stephen Maugeri to approve the 2013 Sewer Authority Audit. Dan Van Wyk announced the Authority had a clean Audit. The auditors will be finalizing it very shortly. It has to go to the Delaware Valley Regional Finance Authority, that is why we are doing the approval tonight. Seconded by Donna Vickers. Unanimous.

### **MAINTENANCE/CONSTRUCTION COMMITTEE**

#### **Donna Vance & Donna Vickers**

Donna reported all has been quiet.

### **SOLICITOR'S REPORT**

**Foxfield** – Dedication work continues as to the last phase, Phase VI.

**Creekside Run** – The Developer is moving forward with dedication of sanitary sewer improvements and rights of way.

**Northbrook Phases 2, 3 & 4** – The Developer is moving forward with dedication of sanitary sewer improvements and rights of way.

**Donald Drive** – The Developer is moving forward with dedication of sanitary sewer improvements and rights of way.

**Marthas's Way** – The Developer is moving forward with dedication of sanitary sewer improvements and rights of way. Dedication documents are being prepared.

**Foulk Manor** - The Developer should soon be supplying executed agreements and security documentation soon.

**Commercial Users Not Using Public Water** – A draft Resolution amending prior Resolutions to allow for metering/monitoring of water use, at their expense, for billing commercial users not using public water based upon water usage is ready for the Board's consideration. Donna Vickers made a motion to approve Resolution 2014-03 adopting the amendment to Resolution 83-6. Seconded by Stephen Maugeri. Unanimous.

Larry reported the pending matters of the two claims damage against Road Con, the Road Con claim for monies owed on the Authority's contract with Road Con, the proposed settlement of a credit but a payment to Road Con for \$4,500.00. Initially we got a call from Road Con when Road Con was doing part of the reconstruction for PennDot of Naamans Creek Road. There was a broken main that had to be repaired in the amount of approximately \$7,500. On the next portion of repairs of Naamans Creek Road for PennDot entered into a direct contract relationship with the Authority at a point where money was to be paid to Road Con. That damage amount was withheld because Road Con could not come to an agreement to pay. Road Con pursued a claim for the exact same amount of that. The ultimate setup would be a credit to the Authority resulting in a net amount of \$4,500 being paid to Road Con. Dan Van Wyk made a motion to approve the settlement for Road Con. Seconded by Stephen Mauerer. Unanimous.

Larry indicated that the Authority has a request for affluent discharge to the sewer system. This is by an entity that is experiencing a significant need to discharge on a temporary basis, rain water. The Department of Environmental Protection has fully endorsed and pressed both the entity and the Authority to allow this affluent to be discharged in our system. This has come up on several occasions in the last ten years and recently as 2012. This Board was agreeable to enter into that arrangement provided there be appropriate testing of the affluent and New Castle County approval of acceptance of what gets into our system and ultimately sent to theirs. Certain consents from neighboring land owners over which the temporary apparatus for the discharge would be laid. Certain maximum, 50 gallons per minute being discharged. Payment at commercial treatment rates would have to be made and an escrow for special fees and costs would have to be posted and any additional requirements that are contained in the minutes of the special meeting in February 2012 that this was done. We have a representative tonight from Sylvestri's Mushroom Farm, who is making this request. It would be up to the Board to enter a motion allowing that process to start based upon all of the contingencies and requirements that exists or are referred to. Motion by Donna Vickers to enter into an agreement with them to discharge, based on all of the legal documentation that was discussed. Seconded by Dan Van Wyk. Unanimous.

### **ENGINEER'S REPORT**

**Subdivision Dedications** – We are currently working on the following Subdivision Dedications: Northbrook Phase 2,3, and 4, and Donald Subdivision. Creekside, Martha's Way and Linton Farm Subdivision inspection is complete. We are waiting for all of the Developers to comply with the Dedication requirements. The Donald Subdivision has been active this month. We expect shortly to have those documents and dedication documents to the Board for their consideration.

**Commercial Billing for Non Public Water Users** – Walt has nothing further. The Board addressed everything .

**Steve Mancini** – Asked Walt he knew the status of the Belmont Community dedication to the Sewer Authority? Walt stated every six months he gets a call from Lou Dickinson

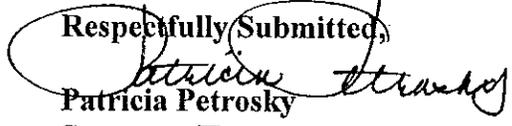
asking the question is there anything we can do. Walt responded no to Lou. The job has to be completed and dedicated to the Authority. Apparently, there is a dispute between the partners in the subdivision. To be perfectly honest, as far as the Authority is concerned, if we don't own it, it is not a problem for us. As long as they own it, the more expensive it is for them to operate it. If something were to happen with the sewer, it would all get billed back to the escrow for the developer. Larry indicated they under a Public Site Improvement Fund Agreement that contains appropriate security for any completion of dedication. It is their financial benefit to get that security released.

Donna Vance thanked everyone for coming out. The Board will take all of their remarks under advisement and we will keep everyone informed.

**BOARD MEMBERS REPORT**  
**NEWBUSINESS/UNFINISHED BUSINESS**

There being no further business, the meeting was adjourned at 7:54 p.m. on a motion by Donna Vickers. Seconded by Dan Van Wyk. Unanimous.

Respectfully Submitted,

  
Patricia Petrosky  
Secretary/Treasurer