

GREENVILLE WATER AUTHORITY
REGULAR MEETING OF THE
BOARD OF DIRECTORS
WEDNESDAY DECEMBER 8, 2010 5:30 P.M.

Member's present Gary Beatty, President
 Chad Sankey, Vice President
 Marion Rosselot, Secretary
 John Gibson, Ass't Sec. Treasurer
 Tom Fisher, Treasurer
 Tom Thompson, Gannett Fleming

Employee's Present: William Brady, Superintendent
 Maria Kerekes, Office Manager

Guests: Brian Shipley, Council President
 Anthony D'Alfonso Jr. Councilor
 Don Shaw

Press: Caleb Stright – Record Argus

Meeting was called to order by Mr. Beatty. Minutes of the November 10, 2010 meeting were reviewed. Discussion was held on making changes to the paragraph regarding the Treasurer's report. Motion by Mr. Fisher to approve the minutes with the noted changes, seconded by Mr. Sankey. Motion carried by unanimous vote.

Minutes of the November 23, 2010 special meeting were reviewed. Motion by Mr. Gibson to accept the minutes as presented, seconded by Mr. Sankey. Motion carried by unanimous vote.

Treasurer's report was given by Mr. Fisher. He reported the Authority has \$536,484.58 in unrestricted funds less committed funds of \$276,089.79, leaving available funds of \$260,394.79. Motion by Mr. Gibson to accept the Treasurer's report, seconded by Mrs. Rosselot, Motion carried by unanimous vote.

Engineers report was presented by Mr. Thompson. He reported the Hadley Road Tank is scheduled for DEP to inspect on December 9, 2010. Also the Authority is still withholding \$5,000.00 from final payment to Tank Connection until the punch list is addressed. He also reported that the Authority needed to accept the Pennvest offer for the 4.5 million dollar loan by December 9, 2010 in order to secure a 1% interest rate that has been offered. It was discussed that the Authority could

borrow only the minimum amount due for the East End Distribution project of \$1.1 Million dollars, or the full 4.5 Million dollars or even choose at a later date to borrow no funds. Mr. Beatty stated he would like to see the Authority borrow the full amount offered to make the improvements to the quality, volume and fire protection of the Distribution System, where Mr. Gibson had several resignations, stating the Authority is not in any financial condition to borrow that amount of money. It was also reviewed the Borough had several requests of the Authority to do during the proposed project, which would include adding fire hydrants and doing away with all 4" water lines, plus restoring streets in Greenville that were slated for the line replacements. It was agreed the Authority would need to meet with Borough officials to come to an equal agreement on the various requests. After further discussion motion by Mr. Sankey to accept the Pennvest offer, seconded by Mr. Gibson. Motion carried by unanimous vote. Mr. Brady will notify Pennvest of the Board's decision.

Superintendent's report was given by Mr. Brady. He presented the proposed 2011 budget which included a 20% rate increase for water. He also stated the budget included a 2% pay increase for Authority personnel, as well as the purchase of a new dump truck. Preliminary quotes for a new truck range from \$40,000.00 to \$55,000.00. He also stated the Authority is in need for another small pickup truck since one was slated to be replaced in 2010 but we were able to put it off. He felt that perhaps it could be delayed for 1 more year. Mrs. Rosselot questioned the health insurance coverage of Authority employees, which is slated to increase by \$10,000.00 in 2011. Mr. Brady stated that is what the quote came in at and that was a good rate for our coverage compared to other carriers. He also stated the employees do contribute to the health insurance coverage.

Sewer Collection rates were also discussed. Mr. Brady reminded the Board that it was agreed upon at the last meeting to reduce the rate to the Borough for the year 2011. Motion by Mr. Sankey to reduce the Sewer Billing fee to the Borough for the year 2011 in the amount of \$3,000.00, seconded by Mrs. Rosselot. Motion carried by unanimous vote.

The proposed 20% rate increase was discussed. Mr. Gibson reiterated the fact he felt the Authority would financially strap itself if we were to borrow the full 4.5 million – regardless of the 20% rate increase that is proposed. The future proposed rate increase of 10% for the year 2012 was discussed. After questioning, Mr. Thompson stated the Authority would possibly not make a Pennvest payment until mid or end of 2011. It was discussed then to reverse the proposed rate increases to a 10% increase in 2011 and propose a 20% increase for 2012 if needed for the Pennvest payment. Motion by Mr. Fisher to approve the 2011 budget with a 10% rate increase, seconded by Mr. Sankey. Motion carried by unanimous vote.

Mr. Brady presented the 2010 contract proposal with Paparone, Stillwagon and McGill for auditing services in the amount of \$7,950.00. This amount reflects no increase in fees from the previous year. He also presented the Gannett Fleming contract proposal for 2011 which only reflects a \$.01 cent increase in mileage reimbursement with no other fee increase. Motion by Mrs. Rosselot to accept the proposal as presented by Paparone, Stillwagon and McGill for the financial audit, seconded by Mr.

Gibson. Motion carried by unanimous vote. Motion by Mrs. Rosselot to retain Gannett Fleming as the Authority Engineering firm for 2011, seconded by Mr. Gibson. Motion carried by unanimous vote.

Mr. Gibson remarked this is Mr. Sankey's last meeting since he was not taking a reappointment to the Board. Mr. Beatty thanked Mr. Sankey for his time served as an Authority Board member and remarked as to the asset Mr. Sankey has been to the Authority.

Motion by Mr. Sankey to adjourn, seconded by Mrs. Rosselot.

Meeting adjourned 7:40 p.m.



Marion Rosselot
Secretary

Transcribed by
Maria Kerekes