

**LOWER SAUCON AUTHORITY
MINUTES OF MEETING
SEPTEMBER 20, 2022**

1. Call to Order

Mr. Gress called the meeting to order at 6:31 P.M.

2. Roll Call

Present were Mr. Gress, Chairman, Mr. Anderson, Vice Chairman Mr. Werner, Secretary; Mr. Corcoran, Treasurer; Mr. Ross, Administrator; Ms. Fetzer, Assistant Administrator; Mrs. Kerchner, Secretary; Mr. Backenstoe, Attorney (Mr. Smith, Mr. Davis, Mr. Keich, Mr. Carocci and Mr. Reccek were not present and Mr. Youst was present via zoom).

3. Citizen Agenda Items

None.

4. Minutes

Motion by Mr. Gress, Second by Mr. Werner to approve the minutes dated August 16, 2022 as presented.

Roll Call 3-0-1 Motion Approved. (Mr. Smith, Mr. Davis and Mr. Keich were not present and Mr. Anderson abstained).

5. Financial Report

Mr. Corcoran said for the month of August we had a positive cash inflow as this goes along with the billing cycle and receiving customer payments. He said year to date we are about break-even cash wise comparing the revenues with the expenses. He said we are separating the costs for the bridge work that goes along with the Creekside pump station project as they will be reimbursable expenses. Mr. Corcoran noted that the Authority has a healthy net cash balance.

6. Agenda

A. 2021 Audit

Mr. Ross introduced Cheri Freeh from Hutchinson, Gillahan and Freeh to everyone and said she will review highlights of the 2021 audit. Ms. Freeh said the Authority is in a good

position financially. She noted that the Authority staff provided all the necessary information and answered all questions. There was nothing that stood out that needed additional attention and there were no material weaknesses. She mentioned the possibility of the Authority looking into our sewer rates as the sewer side of funds is not doing so well regarding the revenues. Ms. Freeh said the new lease standard will go into effect for the report regarding the year 2022. She said that any leases will now have to be reported on the financial statements. Next, Ms. Freeh said she reviewed the Authority's proposed investment plan and said it looked good and was well written with the necessary information.

The Board Members then made a motion to accept and approve the 2021 audit.

Motion by Mr. Anderson, Second by Mr. Werner to accept and approve the 2021 Audit completed by Hutchinson, Gillahan, & Freeh.

Roll Call 4-0 Motion Approved. (Mr. Smith, Mr. Davis and Mr. Keich were not present).

B. Investment Policy

There was a brief discussion between the Board Members about the Authority's proposed investment policy. Also, they briefly discussed where the Authority funds are located now and where they would like to invest the Authority funds.

The Board Members then voted to approve the investment policy.

Motion by Mr. Werner, Second by Mr. Gress to accept and approve the Lower Saucon Authority investment policy dated September 20, 2022.

Roll Call 4-0 Motion Approved. (Mr. Smith, Mr. Davis and Mr. Keich were not present).

C. Applebutter Road Tank

Mr. Ross said the project is completed. He said Mid Atlantic Storage notified Mr. Youst that they completed the work at the tank. They sent Mr. Youst all the necessary paperwork. The final cost of the project came in at \$108,281.40. Mr. Youst said he has been working on wrapping up the project and said all the necessary paperwork is completed. He said a certificate of substantial completion was drawn up along with a change order. He said the change order addresses the change in the time the project was completed and the change in price from the bid documents. The change in price is a decrease from the bid price of \$117,862.20 to the final cost of the project at \$108,281.40. Mr. Youst said his engineer has checked in and observed as the tank work was being completed also, he noted that Mr. Reccek looked at the tank once the work was completed. Mr. Youst said both the certificate

of completion along with the change order documents are completed. Mr. Youst said he has the final payment application for the Authority to send out the check.

The Board Members then made a motion to approve the payment to Mid Atlantic Storage Systems.

Motion by Mr. Corcoran, Second by Mr. Werner to approve payment to Mid Atlantic Storage Systems Inc. in the amount of \$108,281.40 for the work on the Applebutter Road Tank.

Roll Call 4-0 Motion Approved. (Mr. Smith, Mr. Davis and Mr. Keich were not present).

D. Lead and Copper Testing

Mr. Ross said for the lead and copper testing in the past we have never had to have a second sample taken by a resident. For the lead and copper testing this year we had to have 6 of the 20 samples taken a second time because of the new laboratory. Also, one of the 6 samples had to be taken a third time. Mr. Ross said he is not happy with the new water testing lab. Mr. Ross said he is looking at going back to our previous lab. He said the expenses for the new lab to pick up the samples are becoming more than he had thought. Mr. Ross said we have the lead and copper test results for the 20 residents who participated, and he will send out the results letter to each of them.

E. Sunderland Drive, Quarter Mile Road and Woodland Drive Pipe Projects

Mr. Ross said Quarter Mile Road and Woodland Drive are finished including the restoration. Mr. Ross said the field crew is working on the restoration for Sunderland Drive which includes paving and that should wrap up next week.

F. 2023 Budget

Mr. Ross said to the Board Members that he included several articles in the board packet regarding inflation and social security rates for next year. Mr. Ross then reviewed some highlights from the articles regarding inflation. Then Mr. Ross explained what he proposes for next year's salary grid.

There was then a brief discussion regarding sewer rates and Mr. Gress asked what other local authorities charge their customers for sewer. Mr. Ross said he will ask local authorities what they charge for sewer. Mr. Corcoran asked if any of the sewer costs incurred by the Authority will change once the Creekside project is completed. Mr. Ross said once the Creekside project is completed this could allow the potential for new customers for the Authority in the Hellertown Park area however this would take about 5 years to put into place.

Mr. Ross said last year it was discussed about increasing the water capital charge from \$6.00 a quarter to \$9.00 a quarter but that was put off because of the water rate increase. He said he would like to implement the capital charge increase next year.

G. Creekside Update

Mr. Youst said he has been given guidance from the representatives at PennDOT that we can move forward with the environmental field studies and the required permitting for the expanded scope of work the Authority must complete to cross the creek. The Authority will have to move both the water and sewer lines to get around the bridge work area. He has started the preliminary work on this now. Mr. Youst said he and Mr. Ross have a meeting tomorrow with PennDOT along with the county engineer. They will discuss the timeline of the Authority moving forward with the easements and the final design written directive from them. This will be the final design so that we can then begin the permitting process with DEP. He is hoping it will be ready to be put out to bid next spring, but he is not certain that will happen.

Mr. Corcoran asked for an estimate of when we can expect the DEP approvals and when the project would be put out to bid and Mr. Youst said most likely next spring. Mr. Ross said hopefully we can turn the bid around in a month. Mr. Youst noted that before the project goes out to bid, he will discuss with all parties involved with the project more about the timeline for the work being done so that is understood before the project goes out to bid.

7. Citizen Non- Agenda Items

None.

8. Reports

A. Attorney

Attorney Backenstoe said the Authority now has the easements with Mr. Wilt for the Creekside project. The documents are signed and notarized.

He said he prepared the agreement for the Saucon Overlook development. He noted that Mr. Youst reviewed the agreement he prepared, and the final agreement was then drafted. Attorney Backenstoe said he sent the agreement to the developer, and we are now waiting for a final cost estimate for the project. Attorney Backenstoe said he is ready whenever the developer contacts him.

B. Engineer

Mr. Youst said his update was included in the Applebutter Road, Creekside project and the Saucon Overlook development discussions earlier.

C. Administrator

Mr. Ross said the Invoice Cloud bill payment program is working out well and we are getting a great response from our customers through a continued increase in payments being made.

Mr. Ross said he received an email from Mr. Davis regarding a program that Saucon Valley School has where the students would volunteer in the community at different businesses to gain knowledge of how different businesses operate. He handed out a copy of the email for the Board Members to review and they can discuss their thoughts at the next meeting.

Lastly Mr. Ross said the PMAA Region 2-3 meeting will be held at the local Steel Club in Hellertown on Tuesday October 18th. He said if any of the Board Members would like to attend, he will sign them up.

D. Chairperson

Mr. Gress had nothing to report.

E. Members

No members had anything to report.

9. Adjournment

Upon motion by Mr. Gress and agreement by the Board the September 20, 2022 Board Meeting adjourned at 7:57 P.M.

Respectfully submitted,

Emily Kerchner
Recording Secretary

