

CAMDEN-WYOMING SEWER & WATER AUTHORITY
P.O. BOX 405, CAMDEN-WYOMING, DELAWARE 19934

*Minutes of the Camden-Wyoming
Sewer and Water Authority
Regular Session - Authority Meeting
Held on November 13, 2007*

Authority Members present: Mr. Mark Dyer
Mr. Gregory Harthausen
Mr. Michael McFann
Mr. Michael Quinn
Ms. Jennifer Spence
Mr. Lester Stillson

**Also in attendance representing
the CWS&WA:** Mr. Harold Scott, Authority Superintendent
Mr. Soheil Gharebaghi, P.E., Authority Engineer
Ms. Mary Sherlock, Esq., Authority Attorney
Mr. George Luff, CPA, Authority Accountant

Public in Attendance: Meeting Attendance/Sign-in Sheet; available at the
CWS&WA Office

The Camden-Wyoming Sewer and Water Authority (CWS&WA) met at the CWS&WA Office¹ on November 13, 2007. The meeting was called to order at 7:30 p.m. by the Chairperson, Mr. Dyer.

Approval of Agenda: (November 13, 2007)

Motion: Mr. Stillson made a motion to approve the amended Agenda, seconded by Ms. Spence. Motion carried unanimously.

Approval of Minutes: (October 9, 2007)

Motion: Mr. Stillson made a motion to approve the minutes of the Authority Minutes October 9, 2007, Regular Meeting, seconded by Mr. Quinn. Motion carried unanimously.

Approval of Financial Statements:

Motion: Mr. Harthausen made a motion to approve the Authority Financial Statements as presented for the period ended September 30, 2007, subject to audit, seconded by Ms. Spence. Motion carried unanimously. Copies of the Financial Statements are available at the CWS&WA Office.

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Due to digital recording device malfunction the Regular Meeting audio was not recorded.

Committee Reports:

There were no committee reports.

Maintenance & Operations Status (Superintendents Report):

Mr. Scott referenced his memorandum to CWS&WA Board regarding Operation and Maintenance for the month of October and discussed the same.

Mr. Scott indicated that, in addition to the confined space training which had been completed during the past period, the Authority staff would attend a defensive driving course in the near future. This would result in lower insurance rates for the Authority, Mr. Scott added.

Mr. Scott reported that a sanitary sewer main had been extended just south of, and parallel to, Lochmeath Way at the property formerly known as the Vaina property. Mr. Scott noted that the extension made sanitary sewer services available to, among others, the Asset Builders property at the corner of Lochmeath Way and U.S. Route 13. Mr. Scott explained that the Asset Builders property had been granted a temporary 5-year permit by the Department of Natural Resources and Environmental Control (DNREC) for a sanitary sewer holding tank. The temporary permit was slated to expire in February of 2009, Mr. Scott said. Mr. Scott indicated that by the construction of the sewer extension the Authority's commitment to provide sanitary sewer services to the subject property before the expiration date of DNREC's temporary permit had been fulfilled.

Engineering Report:

Mr. Gharebaghi discussed his Technical Feasibility Analysis, dated October 26, 2007, for a proposed CWS&WA sanitary sewer system extension to the Bison Road area of Kent County. Mr. Gharebaghi indicated that Representative Blakey would be presented with the report to evaluate the level of interest among homeowners in the proposed project area.

Legal Report:

There was no Legal Report.

Old Business:

2007-2008 Fiscal Year Budget

Mr. Dyer explained that, according to the Roberts Rules of Order, the Authority's 2007-2008 Fiscal Year Budget had been approved by the CWS&WA during the Authority's October 9, 2007, Regular Meeting by a majority vote of the voting Members of the Board.

Old Business (cont.):

Mr. Dyer indicated that the motion to approve the budget had been erroneously declared defeated at first, however, Mr. Dyer continued, following a legal review of the matter, it had been determined that the Authority's 2007-2008 Fiscal Year Budget had actually been approved by a majority vote of the voting Members of the Board.

Repeal of Resolution 2000-03

Mr. Harthausen indicated that the Authority could raise its rates at anytime when needed and argued that the provision for the automatic escalation of 5% per year was unnecessary.

Motion: Mr. Harthausen made a motion to rescind the Authority's Resolution 2000-03, seconded by Mr. Stillson.

Discussion: Mr. Stillson explained his understanding regarding Resolution 2000-03, the Authority's rates "could be" not "had to be" increased by 5% per year, he noted. Mr. Stillson questioned the necessity for doing away with the resolution. Mr. Dyer indicated that there were no increases in the Authority's water rates last year because the increase was not needed.

Mr. Harthausen asked about the Authority financial institution's covenants. Mr. Luff explained that the ratio of operating revenues to operating expenses needed to remain in excess of 1.2.

Vote: Mr. Harthausen voted yes and Mr. Quinn voted no to the motion. The motion to repeal Resolution 2000-03 was not approved.

Signatures on disbursement of CWS&WA funds

Mr. Harthausen commended the Authority's Superintendent for his management of the Authority's finances. However, Mr. Harthausen discussed the need for better oversight by the CWS&WA Board. Following discussion on the matter, Mr. Harthausen agreed to meet with the Authority's Accountant and review the Authority's financial reports.

CWS&WA Website

Mr. Dyer referenced the draft CWS&WA web pages, which had been distributed to the Board Members for their review and comment, and discussed the information which could potentially be presented in the website. The Board Members were asked to provide their comments on the matter by December 1, 2007.

Correspondence:

None.

Visitors' Comments:

In light of the large number of visitors, Mr. Dyer requested that the visitors' comments be limited to no more than five minutes per visitor.

Mr. Frank King, Wyoming Mills Homeowners Association, asked about the results of the Board Members' vote for the Authority's Fiscal Year 2007-2008 Budget approval at the October 9, 2007, Regular Meeting. Regarding the determination of the approval of the Authority's FY 07-08 Budget (3 yeas, 1 Nay, and 2 abstentions), Mr. King asked why the determination had not been made during the Regular Meeting.

Mr. Dyer explained that, according to the Robert's Rules of Order, the majority of the *voting* Board Members had, by a majority vote of 3 to 1, approved the Authority's FY 07-08 Budget during the Authority's October 9, 2007, Regular Meeting. Due to an oversight, the motion to approve the Authority's FY 07-08 Budget had been erroneously declared defeated, Mr. Dyer added.

Mr. King expressed that the Authority ought to vote on the matter once again to remedy the situation.

Mr. King also inquired about the necessity to increase the Authority's rates by 5% since the Citizens Bank covenant had been met.

A resident of Barclay Farms² asked whether the non-voting Board Members, during the October 9, 2007, Regular Meeting, had been aware of the fact that by not voting the Authority's FY 07-08 Budget would have been approved.

A resident of Barclay Farms³ indicated that, in his estimation, Mr. Dyer was "negative" whenever Mr. Harthausen spoke.

A resident of Barclay Farms, Mr. Henry Gasbeck, asked whether "not voting" by the Authority Board Members was a common occurrence.

Mr. Claude Marks, a resident of Wyoming Mills, asked why the Authority's rates were "the highest around." Mr. Marks also asked "where does the money go?" Mr. Marks indicated that he had paid \$200 for the quarter for sewer and water and, again, wanted to know "where the money went."

² This could have been Mr. Harold Johnson (name imperceptible when announced)

³ The name of the gentleman was imperceptible when announced

Visitors' Comments (cont.):

Ms. Deborah Miller, a resident of Wyoming Mills, indicated that she would have to pay late payment penalties if her water and sewer bills were not paid on time and asked what the penalties were for the error made by the CWS&WA Board related to the Authority's FY 07-08 Budget approval vote.

Mr. Will Riley, a resident of Barclay Farms, asked whether there had been any increases in Kent County's sewer rates. Mr. Dyer indicated that Kent County's sewer rates, which had increased by 15% in 2007, had been the County's rate increase for the past three years. Mr. Dyer noted that Kent County's average annual increase over the past three years had been approximately 5% per year.

Mr. Harthausen noted that, even after the County's 15% rate increase, the Authority was ahead of budget by \$49,000.

Mr. Frank King asked about the distribution of the Authority's Regular Meetings' Agenda and Minutes. Mr. Dyer indicated that the Authority Board Members as well as the Towns of Camden and Wyoming administrations were provided the Authority's agenda for the upcoming Regular Meeting on the preceding Friday (that is the Friday before the 2nd Tuesday of each month). Mr. Dyer noted that the minutes of the previous months' Regular Meetings were distributed along with the agenda for the Authority's next Regular Meeting.

Mr. King indicated that the Honorable Mayor of the Town of Wyoming had expressed concern regarding the timing of the distribution of the Authority's Agendas and meeting minutes.

Mr. John Vandegrift asked if the residents should invite the press to the Authority's meeting. Mr. Dyer indicated that the Authority's meetings were open to the public.

Adjournment:

Motion: Mr. Quinn made a motion to adjourn the meeting, seconded by Mr. McFann.
Motion carried unanimously.

The meeting adjourned at approximately 8:25 p.m.

The next Regular Meeting will be held on December 11, 2007, at 7:30 p.m.

Respectfully Submitted,
CAMDEN-WYOMING SEWER & WATER AUTHORITY

Jennifer Spence
Secretary