

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 October 8, 2013*

Authority Members present: Mrs. Barbara Blomquist
Mr. Jeffrey Connor
Mr. Peter Couming
Mr. Michael Quinn
Ms. Tracy Torres
Mr. James Winchell

**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

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 Office on October 8, 2013. The meeting was called to order at 7:05 p.m. by the Chairperson, Mr. Winchell. Mr. Winchell welcomed Mr. Couming to the Board of Directors of CWS&WA. Mr. Couming was appointed by the Town of Camden to fill the vacancy created by the resignation of Mr. Wood.

There were no items removed from the Consent Agenda.

Approval of the Consent Agenda:

Motion: Mr. Quinn made a motion to approve the Consent Agenda, seconded by Ms. Blomquist. Motion carried unanimously.

Maintenance & Operations Status (Superintendent Report):

Mr. Scott distributed the period's Operation and Maintenance Report and discussed the same. Mr. Scott reported that he had received a proposal from MGK to assist the Authority's field crews with the rebuilding of Nellie Stokes sanitary sewer pump station. Mr. Scott indicated that because: a) Authority's crews had removed the station's two pumps and b) Mr. Scott had personally delivered the same to Deckman Electric in Pennsylvania where pumps would be rebuilt for future use, and c) two new pumps had been purchased and picked up by Mr. Scott at a cost of \$34,782, MGK's price had been reduced to \$72,528. The Authority realized substantial savings by managing the pump station rehabilitation project through the use of its own in-house resources, augmented by specialty sub-contractors, Mr. Scott added. Mr. Scott anticipated that the Authority's expenses for the rehabilitation project would be approximately \$110,000. In Response to Mr. Winchell's inquiry, Mr. Scott indicated that a concrete valve vault would house the station's check valves which were hitherto inside of the pump station wet well.

Maintenance & Operations Status (Superintendent Report, cont.):

Mr. Scott reported that one of the two pumps at the Tamarac pump station had started to operate at less than 50% of its capacity. Mr. Scott indicated that the Authority's crews would pull the malfunctioning pump, evaluate the same, and replace the pump's impeller, if necessary. Mr. Scott estimated the cost of the repairs at Tamarac pump station to be approximately \$5,000.

Mr. Scott indicated that, owing to the sanitary sewer discharges from the new Cheddar's restaurant, grease build up had been troublesome at the Lowe's pump station. The temperature of the restaurant's dishwasher discharges were high enough to convey grease in liquid form which then solidified and ended up in the pump station, Mr. Scott explained. The restaurant's grease trap would be either enlarged or another trap installed to mitigate grease build up at the pump station, Mr. Scott added.

Mr. Scott indicated that the Authority's personnel had attended the Delaware Rural Water Association's 2013 Water and Wastewater Operators expo on September 27, 2013.

Ms. Torres asked Mr. Scott if the cost associated with pump station rehabilitation projects had been budgeted for the current fiscal year. Mr. Scott indicated that \$10,000 had been budgeted for the Tamarac pump station and the Nellie Stoke's pump station rehabilitation would be funded through Capital projects and reserved impact fees.

Engineering Report:

It was reported that work had been in progress toward locating a suitable site for the Authority's Source Water Development and Elevated Water Storage Tank Project, which had been briefly described during the Authority's previous Regular Meetings.

Gharebaghi reported that sewer and water construction plans for the forth phase of Wynsome Knoll had been submitted to the Authority by the developer's engineers. According to the proposed plans, the forth phase of the project would include 15 additional townhouse lots at Wynsome Knoll, Gharebaghi said.

Gharebaghi reported that Applications for sewer and water service connections had been filed with the Authority for CR Plaza by the project proponents. The buildings for which applications had been filed were those fronting Main Street, Gharebaghi added.

Gharebaghi provided a status update on the matter of the Authority's application for a Certificate of Public Convenience and Necessity (CPCN) which he had filed with the Public Service Commission (PSC) in September of 2010. The Authority had completed the application process, however, because of opt out notification requirements, the matter had been delayed by the PSC staff. Updated application status reports would be presented at the Authority's future Regular Meetings, Gharebaghi added.

Following the Operations and Engineering Reports, Mr. Couming asked how he could find out about the details of the Authority's operations. Mr. Winchell briefly explained the Board's role as an oversight authority over the operations of CWS&WA. Responding to a comment from the a Meeting attendee, Ms. Torres indicated that she did not believe that hiring someone to look over Mr. Scott's shoulder would be reasonable, appropriate, necessary, or warranted. In addition to the fact that the Board had full confidence and trust in the Superintendent, there had not been any budget allocations for such an addition to the Authority's labor force, Ms. Torres said. Mr. Couming indicated that he wanted to know what Mr. Scott was doing. Mr. Connor echoed Ms. Torres' remarks and noted that he had been provided with satisfactory answers and explanations whensoever he had asked about the Authority's operations and equipment. Mr. Connor cited his recent interaction with the field crews operating the Authority's Vac-truck, as an example, and expressed satisfaction with the information he had been provided regarding the use and operation of the Authority's Vac-truck.

Ms. Torres shared her experience shortly after being appointed to the Board. Ms. Torres indicated that she had visited the Authority's office and had simply asked numerous questions before she had become acquainted with the on goings of the Authority and before she had familiarized herself with the nomenclature used in discussions about the Authority's operations. Ms. Torres noted that she had been a local business owner with limited knowledge of the Authority's business, which she explained, had been her reasoning for taking time out of her busy schedule to visit the office and interact with the Authority's employees and recommended the same to Mr. Couming.

Old Business: *(Resolution 2000-3)*

Mr. Winchell read, for the record, the current language of Resolution 2000-3 and briefly explained the proposed clarification amendment to the same. Ms. Blomquist presented a re-written Amendment to Resolution 2000-3 for the Board's consideration. Ms. Sherlock explained the intent and origination of the Resolution. She noted that in response to the exigencies of the period (the year 2000), during which the Resolution had been passed by the then Board of Directors of the Authority, the Authority's Accountant had recommended a 5% automatic annual increase to the Authority's rates and charges so as to ward off incidents of large increases to the rates following long periods of no rate adjustments. The Resolution had been put in place in response to the call from the Authority's customers, Ms. Sherlock added. Referring to Title 16, Chapter 14 of Delaware Code, Ms. Sherlock noted that the powers of the Board included, but were not limited to, the establishment of rates and charges for the use of or for the services furnished by the Authority's systems for the purpose of providing for the payment of the expenses of the Authority. Ms. Sherlock indicated that, according to Delaware Law, the Authority's rates and charges were to be determined exclusively by the Authority and any person questioning the reasonableness of any rate, fee or charge fixed by CWS&WA could bring suit against the Authority.

In an open forum milieu, the meeting attendees contributed to the discussion surrounding Resolution 2000-3. Mr. Daugherty argued that 5% increase was too high considering the Authority had more than \$3 Million in the Bank. Mr. Daugherty also questioned the manner with which the Authority approved the expenditures of its operations.

Old Business (cont.): *(Resolution 2000-3)*

Mr. Winchell indicated that the Board was not contemplating any increases to its rates. In fact, Mr. Winchell noted that not only had the Authority's rates not been increased for the past seven years, they had actually been lowered in 2011. The Board was only deciding on clarifying the language of an already existing and in place resolution, Mr. Winchell added.

Mr. Winchell briefly described the Authority's budget review and approval process and explained that the funding for the Authority's expenditures, including capital improvements and equipment purchases, had been comprehensively identified in the Authority's approved budgets. Mr. Winchell said that the Board's approval of the annual budget was, by definition, the Board's approval of the Authority's expenditures, including any planned capital improvements or equipment purchases.

After discussion about Resolution 2000-3, the following was decided:

Motion: Ms. Torres made a motion to have the Authority's Board of Directors refer directly to Title 16, Chapter 14 of Delaware Code, in connection with the Authority's powers to fix rates and charges for the use of or for the services furnished by it, whenever any rate adjustments, increases, decreases, or holding steady of the Authority's rates and charges were considered by the Board, seconded by Mr. Quinn. Motion carried unanimously.

New Business: *(Ms. Blomquist)*

Ms. Blomquist indicated that she had attended a meeting at the Town of Camden where the Town's Council had asked her to get answers to twelve (12) questions which had been listed in the bottom of a memorandum¹, dated September 9, 2013, addressed to Mayors and Councils of the Towns of Camden and Wyoming, from Sewer Committee; John Green, Larry Dougherty, Jacqueline Stokes, and Georgette Williams. Ms. Blomquist indicated that she had been instructed to get answers to the twelve (12) questions from the Authority Superintendent and Engineer. It was noted that the memorandum had been neither addressed to the attention of anyone at the Authority, nor had anyone at the Authority been copied on this correspondence.

Ms. Torres indicated that because of previous commitments, which had been scheduled prior to the announcement of the date of the Town's meeting, she had not been able to attend the meeting to which Ms. Blomquist referred. However, Ms. Torres indicated that she had discussed the subject questions with the Town Manager of the Town of Camden, Aaron Chaffinch, in detail, prior to the Town of Camden's meeting date. Ms. Torres provided explanations in connection with the subject questions. She noted that questions such as "Should there be two signers on all checks?," for instance, were not within the purview of the Authority's Superintendent or Engineer. These were the sorts of questions that the Board alone could answer, Ms. Torres added.

¹ There were actually eleven (11) questions listed in the bottom of the subject memorandum.

New Business (cont.): *(Ms. Blomquist)*

After all, Ms. Torres continued, it was the Board, not the Superintendent or Engineer of the Authority that established policies with respect to accounts receivables, payables, and all other aspects of the Authority's operations.

Ms. Torres summarily and emphatically rejected the notion that the Authority's operations conducted any business, whatsoever, without the full knowledge and approval of the Board. Ms. Torres indicated that there had been no problems or issues with the Authority about which she had been asked or any suggestions that had been offered toward the betterment of the Authority and the best interests of its customers when she had last discussed the matter with the Mayor and Vice Mayor of the Town of Camden. Frustrated, Ms. Torres demanded to be provided with a reasonable problem statement(s), not commentary, on the nature of the Authority customers' specific problems or dissatisfaction with the Authority before she would consent to spending customers' monies on heresy, rumors, perceptions or other unsubstantiated, vague and ambiguous insinuations as to the Authority's operations. Ms. Torres advised that she would not consider questions such as "why are your rates too high?" legitimate questions because she had not been presented with evidence that the Authority's rates had ever been "too high." Ms. Torres cited other utilities, businesses, governmental agencies, and the like, and said that realistically, 100% satisfaction of clients, anywhere, was practically impossible, particularly when services were provided to thousands of customers.

Mr. Dougherty indicated that he was a member of the Sewer Committee and that he had attended the Town of Camden's meeting. At the request of Mr. Winchell, Mr. Daugherty read aloud the questions listed in the bottom of the subject memorandum. In connection with one of the questions he had read, Mr. Dougherty indicated that he was unaware of the fact that the Authority's billing activities were performed in-house, by the Authority's personnel, and was under the impression that the Authority outsourced its billing.

Ms. Fulcher, a Town of Wyoming Council Member, who had also attended the Town of Camden's meeting, inquired about Ms. Blomquist's earlier statement declaring that she had been instructed to get answers to the questions from the Authority Superintendent and Engineer. In specific, Ms. Fulcher wanted to know from whom had Ms. Blomquist received her instructions. Ms. Fulcher explained that, at the Town of Camden's meeting which she had attended, she had not heard anyone make such a request of Ms. Blomquist. Ms. Blomquist indicated that she had received her marching orders and did not disclose the identity of those from whom she had received these orders.

Mr. Couming indicated that the perception was that the Authority was poorly run. Ms. Torres vehemently rejected the notion that the perception of the Authority's operations amongst the majority of its customers had been a negative one. She emphasized that the Authority, and she, had been recently praised by the Town of Camden Mayor and Vice Mayor for the Authority's, and her, performance. In fact, Ms. Torres said that, contrary to Mr. Coumings assertion, she had not received any more than a handful of complaints from the Authority's 3,000 customers and questioned whether it had been the majority of the Authorities customers or had it been a rather small number who had been urged to express dissatisfaction with the Authority.

New Business (cont.): *(Ms. Blomquist)*

The Authority's complaints records, to which Ms. Torres referred, had not been indicative of vast scale dissatisfied customers, Ms. Torres continued. Ms. Torres also noted that there were usually two or three individuals who attended the Authority's meetings regularly, which in her estimation, did not point to a public outcry. Ms. Torres observed that of the 14 attendees of the Regular Meeting, one of the largest groups she had ever observed attending Authority meetings, 12 were the residents of Barclay Farms who did not attend Authority meetings with any regularity. The only concerns, Ms. Torres noted, that had been properly brought before the Authority's Board had been expressed by no more than an acceptable, infinitesimally small, percentage of the Authority's customers and questioned the wisdom of spending the money of 3,000 customers to accommodate a few.

After expressing his confidence in the management of the Authority, to which he referred as a well run operation, Mr. Winchell indicated that the Authority Superintendent or Engineer would not be permitted to provide any answers to the subject questions, because he continued, they were not theirs to answer. Mr. Winchell indicated that the Board would provide any responses to the subject questions and reminded the Board and the audience that it was the Board that assigned work to, and asked questions of, CWS&WA staff and advisors.

Mr. McFann, admonished the meeting attendees for their occasional and sporadic attendance of CWS&WA Regular Meetings and complaining about not knowing the answers. Mr. McFann asserted that if the Authority's Regular Meetings had been regularly attended, anyone could have learned the Authority's answers to the subject questions which, in his opinion, had been amply addressed by the Authority's current and previous Boards of Directors. Mr. McFann rhetorically questioned the motivation and judgment of those who, on the one hand suggest that the Authority was poorly operated, and on the other hand, complain that the Authority had in excess of \$3M in the bank. The operations of the Authority could hardly be characterized as poorly run, as a business, if the Authority had more than \$3M in the bank, Mr. McFann concluded.

Legal Report:

There was no legal report.

Correspondence:

With the exception of those referenced above, there were no other correspondence.

Visitors' Comments:

Most of the deliberations and discussions of the Board included Visitors' Comments in an open forum environment.

Adjournment:

The Regular Meeting was adjourned into an Executive Session at 8:44 p.m. for the discussion of legal matters.

Motion: Mr. Quinn made a motion to adjourn the Regular Meeting into an Executive Session, seconded by Mr. Connor. Motion carried unanimously.

The Regular Meeting was reconvened at 9:11 p.m. for the purpose of adjourning the Regular Meeting.

Motion: Mr. Couming made a motion to adjourn the Regular Meeting, seconded by Ms. Torres. Motion carried unanimously.

The Regular Meeting adjourned at 9:12 p.m.

The next Regular Meeting will be held on November 12, 2013, at 7:00 p.m.

Respectfully Submitted,
CAMDEN-WYOMING SEWER & WATER AUTHORITY

Harold L. Scott, Sr.
CWS&WA Superintendent