

May 17, 2016

## **POTTSTOWN BOROUGH AUTHORITY**

### **CALL TO ORDER**

Chairman Thomas Carroll called the meeting to order at 7:00 p.m. Present were Tom Carroll, David Renn, Aram Ecker, Jeff Chomnuk and Mike Benner. Also in attendance were Manager Mark Flanders, Public Works Director Doug Yerger, Bookkeeper Janice Lee, Utilities Director Brent Wagner, Tom Weld, Cardno/BCM Engineers, Solicitor Vincent Pompo and Borough Secretary Virginia Takach. Utilities Administrator Robert Plenderleith was absent.

### **PUBLIC COMMENT**

None.

### **AUTHORITY MAGAZINE REPORT**

Mr. Benner reviewed articles in the recent *Authority* magazine, particularly the Flint, Michigan issues with lead in the water. He added that the Solicitor keeps the board advised of any legislative issues addressed in the magazine. Mr. Benner also commended Staff for their efforts noting that Staff is already complying with these issues before they arise.

### **GENERAL CORRESPONDENCE REPORT**

Mr. Ecker referred to May 26<sup>th</sup> Boroughs Association Dinner to be held in Pennsburg, with guest speaker, Congressman Ryan Costello. Mr. Ecker noted that he intends to attend, along with Mr. Renn.

### **APPROVAL OF MINUTES**

Chairman Carroll asked for additions or corrections to the minutes of April 19, 2016 Authority meeting. Hearing none, the minutes stood approved.

### **COMMITTEE REPORTS**

#### **Planning & Capital**

Mr. Weld provided an update on the security project and will be meeting to review preliminary plans to address location of cameras and to review final costs. He also advised that the PLC's for filters #5 and #6 are installed and operational and Staff will continue with installing the remainder.

Mr. Weld also reported that contract No. 151, for water and sewer projects will be ready for advertisement prior to the next meeting. He also noted that the current contract for the High Street sewer will be completed and paving to follow.

Mr. Weld referred to item #5 in the Engineer's Report. He explained the painting process for the K-Mart and the Washington Hill tanks. He advised that there may be an issue with painting the

May 17, 2016

K-Mart tank due to the number of cell towers but has consulted with painters and will be resolved. Mr. Weld asked for authorization to proceed with plans and specifications for painting of the tanks. He noted that the funds are in the capital budget.

Mr. Benner moved to authorize Staff and the Engineer to proceed with the plans and specifications for the project of painting the K-Mart and Washington Hill Tanks. Mr. Renn seconded the motion and it passed unanimously.

#### AUTHORITY MANAGER'S REPORT

Manager Flanders reported that Faron Mickletz, an operator at the Water Treatment Plant, passed away last week from injuries sustained in a vehicle accident. He will provide arrangements when received.

Mr. Flanders also advised that the agreement that P3 Towers has with Verizon regarding the cell towers at the Wastewater Treatment Plant has become secondary. Verizon has reprioritized its projects. Mr. Flanders also reported that Staff has begun moving into the new Public Works Facility. He also reminded all of the June 4<sup>th</sup> tour of the Wastewater Treatment Plant.

Mr. Flanders also informed the Board that Assistant Manager Erica Batdorf will be relocating to West Vincent Township as the Township Manager.

Mr. Flanders confirmed that Verizon has indicated that it is more interested in establishing FiOS in surrounding areas where the infrastrue is not a deterrent.

#### SOLICITOR'S REPORT

Solicitor Pompo referred to the report distributed. He reviewed Act 12 of 2016, establishing a new procedure for the sale of water and sewer systems to a public utility. He added that two utility valuation experts would perform two appraisals of the selling utility for the purpose of establishing the fair market value.

Solicitor Pompo also reviewed SB 341 regarding the Authority Act's conflict of interest provisions regarding the awarding of contracts, which is also treated as a violation of the Ethics Act and a felony violation. He also reviewed HB 1918 regarding public health issues regarding lead in public water systems. The bill would require annual testing and would require more frequent testing than required by the State's Safe Drinking Water Act.

Mr. Yerger advised that the testing takes place at the spigot with the first draw.

#### ENGINEER'S REPORT

Mr. Weld reported that the Stormwater Master Plan final draft report will be available in early June. He also advised that the Quinter Street meter and the North End meter have been evaluated by the Northeast Technical Sales. A temporary meter has been place on Quinter Street as the original was returned to the factory. Mr. Weld added that Telelogue will be on site to review the Enterprise System.

May 17, 2016

### UTILITIES DIRECTOR'S REPORT

Mr. Wagner referred to an article in the *Reading Eagle* regarding water rates and advised that the Authority's rates were reported as quite fair and agreed to provide the articles to the Board. He also explained the progress of the divers for the project of cleaning and inspecting valves and the fluculators for preventive maintenance. Mr. Wagner also reported that the dryer should be on line by the second week of June.

Mr. Wagner advised that the Biosolids permits are to be renewed next year and advised that DEP may issue a continuous permit, which would not require a renewal every five years.

### PUBLIC WORKS DIRECTOR'S REPORT

Mr. Yerger advised that the new Water Distribution Supervisor is working well, along with the seasonal meter reader. He noted that the sewer collection staff is moving into the new Borough Garage and noted that flushing continues.

Mr. Yerger reported that there has been initial Phase I environmental assessment of the old Borough Garage for its future use.

### FINANCE

Ms. Lee distributed the final budget books to the members and noted that she is awaiting consideration from GFOA for determination of a certified budget and thanked the Management Staff for its assistance. She also distributed the Authority Audit and reported that for the first time, there were no findings by the Auditors and praised Mr. Plenderleith for his efforts.

Ms. Lee explained the refinancing opportunity through Public Financial Management and the Director Jamie Schlesinger. She explained the savings of \$730,000 if the refinancing of the Series of 2006 Sewer bonds and the Series AA of 2009 Water bonds occurred now. Ms. Lee also advised that the net savings of \$730,000 is after all fees are paid.

Mr. Renn moved to accept the Pottstown Borough Authority Preliminary Refinancing Schedule as presented by Public Financial Management, Inc. and dated April 28, 2016 and authorize staff to move forward with the schedule. Mr. Ecker seconded the motion.

Ms. Lee confirmed that the estimate of the savings will be within a few thousand dollars. She also reviewed the Debt Service requirements and the time line to be debt free, which should be December 31, 2027. She also advised that the savings will be seen in 2016.

The motion passed unanimously.

Ms. Lee also reported that the water revenues are at 32% and expenses at 28%. She added that the sewer revenues are at 36% and expenses at 29%.

May 17, 2016

Chairman Carroll, on behalf of the Board, thanked Staff for their diligence regarding the finances and the audit.

### **OLD BUSINESS**

#### **ICC Plumbing Code**

Manager Flanders reported that this matter is still under review and research continues and will have a report by the September meeting.

### **NEW BUSINESS**

#### **Contract No. 152 – Emergency Generator Bid Award**

Mr. Weld reviewed the bid tabulation of May 6, 2016 for the Emergency Generator Connections. He noted that this bid is for a generator unit at the back substation and for a unit at the front substation and advised that there were nine bidders. Mr. Weld stated that after review with Staff and the Solicitor he is recommending the Contract be awarded to BSI, Montgomeryville, PA.

Mr. Ecker moved to award Contract No. 152, Emergency Generator Bid Award, to BSI, Montgomeryville, PA in the amount of \$75,000. Mr. Benner seconded the motion and it passed unanimously.

### **MEETINGS**

Mr. Carroll confirmed that the next meeting is scheduled for July 19, 2016.

### **ADJOURNMENT**

The meeting adjourned at 8:00 p.m. on motion by Mr. Benner.

Submitted by,

Virginia L. Takach, Borough Secretary  
for Aram Ecker, Secretary