

September 15, 2009

**POTTSTOWN BOROUGH AUTHORITY
WATER**

CALL TO ORDER

Chairman Downie called the meeting to order at 7:00 p.m. Present were Ronald Downie, Doug Dilliplane, Don Read, Aram Ecker and Tom Carroll. Also in attendance were Interim Authority Manager Jason Bobst, Solicitor David Garner, Tom Weld, BCM Engineers, Public Works Director Doug Yerger, Bookkeeper Janice Lee, Utilities Coordinator Brent Wagner and Borough Secretary Virginia Takach.

PUBLIC COMMENT

None.

CORRESPONDENCE

Mr. Bobst referred to the 2009 PMAA Seminar scheduled for October 27th.

Chairman Downie, on behalf of the Board, congratulated Mr. Bobst on his appointment as Borough Manager.

COMMITTEE REPORTS

FINANCIAL

Mr. Read noted this is listed later on the agenda.

MARKETING

Mr. Read had no report.

ENERGY

Mr. Wagner advised that he is working with a company for a guaranteed 10% energy savings. He added that this is a pilot study and will provide the results as received.

Mr. Wagner also reported that he is meeting with an energy consultant for extracting energy from the dryer.

Chairman Downie requested that the Energy Committee be included in these meetings.

ODOR REPORT

Mr. Wagner noted there were no odor reports in August, although one has been received in September due to draining the clarifier, which is being rehabilitated.

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RESTRUCTURING

Mr. Read reported that a draft job description for a Utilities Administrative Assistant is being reviewed with Mr. Bobst. He added that he is requesting that comments from the Board be forwarded to the Restructuring Committee and will in turn forward to Mr. Bobst and Mr. Wagner.

ANNOUNCEMENTS

Chairman Downie reported that a Joint meeting of Borough Council and the Authority would be scheduled for late October to discuss common interests between the two bodies.

Mr. Downie also reiterated his comments regarding the condition of Hanover Street and the siphons due to the work stoppage with THP Properties. He added that the Agreement should have been made with the Townships rather than a separate entity.

Solicitor Garner agreed that this policy should be followed with future agreements and with future Boards.

Chairman Downie mandated that a Finance meeting be scheduled no later than the Tuesday prior to the Thursday pre-agenda meeting.

FINANCIAL REPORT

CAPITAL MONIES

Ms. Lee agreed to provide the previous monthly reports to the Board in a timely manner.

Mr. Bobst added that the preliminary budget would be available for the next meeting.

Solicitor Garner reviewed the proposal of Concord with the borrowing options. He added that the most advantageous option would be the municipal bond issue and refinancing of the 2003 and 2004 bonds. Solicitor Garner recommended a special meeting of the Authority for October 6th, prior to the next meeting of Council, which is October 7th. This would include the \$12 million for the refinancing and \$4 million for new capital expenditures.

Mr. Read reported that MSG has been consulted and it was the recommendation of the Finance Committee to accept Concord's quote.

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TOWNSHIPS

Mr. Wagner advised that the budgets as per the Agreements with the Townships, would be hand delivered prior to October 1st.

Ms. Lee distributed and explained the outstanding debts of Upper, West and Lower Pottsgrove Townships. She proposed several options as to how to resolve the outstanding debts, which included paying in full, writing off 50% and writing off any debts prior to 2006. Ms. Lee advised that the Finance Department failed to provide the budgets to the Townships and was negligent in seeking the outstanding payments.

It was the consensus of the Board to authorize the Solicitor to negotiate with the Townships to resolve these outstanding issues.

Mr. Carroll moved to direct the Solicitor to negotiate outstanding sums owed by each of the three partners in the Sewer Plant as per the Finance Director's Outstanding Debt memorandum dated September 15, 2009 with the parameter of focusing within the options set forth on the memorandum in the best interest of the Authority and with the authorization to provide payment arrangements with an incentive date of November 1, 2009. Mr. Read seconded the motion and it passed unanimously.

2010 PRELIMINARY BUDGET

Mr. Wagner reported that the budget for the Wastewater Treatment Plant will be less than the 2009 budget and the Water Treatment Plant would be up approximately \$100,000 to \$200,000 due to a complete maintenance overhaul of the valve system, which would result in a probable rate increase in water.

Ms. Lee also reviewed the mid-year balance sheets and the Cash Balances of August 31, 2009.

OLD BUSINESS

MINUTES

Chairman Downie asked for additions or corrections to the minutes of August 18, 2009. Hearing none, the minutes stood approved.

PUBLIC NOTIFICATION SYSTEM

Mr. Wagner reviewed the proposals of Code Red and SwiftReach. It was the recommendation of Staff to authorize the Solicitor to draft an agreement with Swift Reach for a public notification system.

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Solicitor Garner advised that after review of the Code Red proposal, as approved at the July meeting, he observed minor issues and features with Code Red and may be a benefit to review the contract proposed by SwiftReach.

FILTER MEDIA REPLACEMENT

Mr. Weld explained that the contract to replace the Filter Media at the Water Treatment Plant was opened on April 16, 2009. He added that the recommendation of Staff is to award the bid to Layne Christensen as the lowest responsible bidder.

Mr. Carroll moved to award the bid for Contract No. 138, Replacement of the Filter Media at the Water Treatment Plant, Part A, to Layne Christensen Co. Inc., Quakertown, PA, in the amount of \$1,068,456, subject to review of the Solicitor and Engineer. Mr. Dilliplane seconded the motion and it passed unanimously.

DIRTY WATER POLICY

Solicitor Garner reviewed the proposed policy to address complaints of dirty water and the guidelines for remediation.

Mr. Carroll moved to adopt a policy to address claims of dirty water for residential customers. Mr. Read seconded the motion and it passed unanimously.

NEW BUSINESS

CHEMICAL BIDS

Mr. Wagner explained that at the September 14, 2009 Council meeting, the 2010 chemical bids were awarded. He added that in the future, the bid tabulations will be reviewed by the Authority prior to being awarded by Council.

CLEAR WIRELESS LEASE (JACKSON STREET TANK)

Solicitor Garner advised that all aspects with the Jackson Street tank have been reviewed by Staff and would recommend entry into an agreement with Clear Wireless to install an antennae at the Jackson Street tank.

Mr. Dilliplane moved to approve the entry into a lease with Clear Wireless and subject to Clear Wireless appropriately signing all paper work and subject to review of the Solicitor. Mr. Ecker seconded the motion and it passed unanimously.

ROBO SHUT OFF SYSTEM

Mr. Wagner updated the Board on the Robo Shut off system, advising that as of September 14th, the system is on line and in operation.

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Mr. Wagner also advised that a green product oxidizer is under review to reduce the use of potassium permanganate by 30% and will report to the Board as information is received.

ADJOURNMENT

The meeting adjourned at 8:40 p.m. on motion by Mr. Carroll.

Submitted by Virginia Takach, Borough Secretary
for Don Read, Secretary