

November 19, 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**

a. Bruce Madara, 543 North Adams Street – commented on the agreements with the Townships and not providing any relief to the Pottstown residents and suggested that all members of the Board but one should resign.

**COMMITTEE REPORTS**

a. Marketing – Mr. Read noted that water sales are down due to several factors, which affected the marketing of water. He suggested that another member be appointed on the Marketing Committee during the reorganization.

b. Energy – Mr. Wagner requested approval of a one-year contract with EnerNOC for energy saving services and purchasing of energy blocks at a preferred cost.

Mr. Ecker moved to authorize the entry into a one-year Agreement with EnerNoc subject to review of the Authority Solicitor. Mr. Carroll seconded the motion and it passed unanimously.

c. Odor – Mr. Wagner reported that two complaints were received from the Sports Center, which were due to the biosolids and the cleaning of the clarifier.

d. Restructuring – Mr. Read advised that this matter is under review by the Borough Manager to structure the duties of an Authority Administrator position. He added that a meeting should be scheduled in early December with the Restructuring Committee.

**CORRESPONDENCE**

Mr. Downie referred to articles pertaining to water rate increases approved by the Public Utility Commission from various surrounding townships, putting into perspective that the Authority's costs may be too low.

**LEASE AND MANAGEMENT AGREEMENTS**

Attorney Robert Jones of Saul Ewing and Bond Counsel for the Authority was present and provided comments to the Board after his review of the Lease and

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Management Agreements between the Borough and the Authority. He advised that the Agreements oversee staffing and any outstanding bond repayments of the Authority and should be considered with any changes to the Agreements.

Mr. Read requested that the Restructuring Committee, along with the Interim Authority Manager and Borough Manager Jason Bobst, be included in any discussions.

Mr. Dilliplane moved to authorize the process to move forward with a Phase I Analysis of the Agreements between the Borough and the Authority at a cost not to exceed \$10,000. Mr. Carroll seconded the motion and it passed unanimously.

### **FINANCIAL REPORTS**

Mr. Downie reported that the Authority was awarded a \$250,000 PA Conservation Grant for the replacement of the Digester Blowers.

### **ADDITIONAL CAPITAL MONIES**

Ms. Lee provided a report with the consolidated bank accounts and advised that she and Mr. Weld will be working on the capital plans.

Ms. Lee also provided an Aging report noting that accounts over 90 days amount to \$650,000.

### **WEST POTTS GROVE TOWNSHIP – AMENDMENT SERVICE AGREEMENT**

Solicitor Garner provided information regarding the reconciliation of accounts and the charges for the dryer project with the surrounding townships. He added that a signed 2005 Amendment of the Sewage Treatment Service Agreement was received from West Pottsgrove Township and recommended approval of the amendment.

Mr. Dilliplane moved to authorize execution of the Amendment to the Sewage Treatment Service Agreement between the Borough Authority and West Pottsgrove Township. Mr. Carroll seconded the motion.

Mr. Read questioned the time line of the Amendment and questioned if West Pottsgrove was holding the Agreement.

Solicitor Garner advised that he did not know they were holding the documents.

The motion carried: 4 ayes, 1 nay. Mr. Read cast the negative vote.

### **LOWER POTTS GROVE TOWNSHIP**

Solicitor Garner advised that the Lower Pottsgrove Township Authority signed an Agreement reconciling O & M financials from years 2003 – 2007 and outstanding payment on the dryer project.

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Mr. Carroll moved to approve and authorize the Agreement with Lower Pottsgrove Township reconciling outstanding financial matters for years 2003 to 2007 with payment to be made no later than December 31, 2009. Mr. Dilliplane seconded the motion.

Mr. Read stated his objections to the process and the fact that Solicitor Garner was not on the negotiating team with the Townships, nor was the Manager, Public Works Director or Engineer involved in the process.

Solicitor Garner commented that he provided the legal review.

The motion carried: 4 ayes, 1 nay. Mr. Read cast the negative vote.

#### UPPER POTTSBROVE TOWNSHIP

Solicitor Garner recommended approval of an Agreement with Upper Pottsgrove Township reconciling financial matters for years 2001 to 2007 with payment to be received by December 31, 2009. He added that a 1991 and 1995 loan would also be paid by Upper Pottsgrove Township in early 2010.

Mr. Carroll moved, seconded by Mr. Dilliplane, to approve the entry into the Agreement with Upper Pottsgrove Township reconciling outstanding O & M financial matters and outstanding dryer payments for years 2001 to 2007 with payment to be received by December 31, 2009. The motion carried: 4 ayes, 1 abstention. Mr. Read abstained from voting.

#### 2010 BUDGETS

##### SEWER

Ms. Lee reviewed the proposed 2010 Sewer budget with no increase required to balance the budget.

Mr. Wagner recommended a 3% increase in the bulk rates, which would provide an additional \$30,000 to \$40,000 for the bulk program.

Mr. Dilliplane moved, seconded by Mr. Carroll, to recommended the Sewer Budget to Pottstown Borough Council. The motion passed unanimously.

##### WATER

Ms. Lee explained the revenues and expenses for the 2010 Water Budget and noted the decrease in water usage.

Mr. Wagner added that less water is used in homes along with the closing of large plants in the area.

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Ms. Lee also explained the current water rate for the Borough and outside customers and provided a handout with the proposed increase, which amounts to \$.18 per unit or \$.10 per day. The Borough customers' base rate would change from \$19.15 to 25.00 and outside customers from \$21.15 to \$27.00.

Mr. Bobst advised the Board of proposed savings in shifting personnel duties on the water side to assist the sewer responsibilities.

After discussion, it was the consensus of the Board to list the water rate increase for the December meeting.

Ms. Lee also confirmed that reporting of Creative Health's conduit loan is part of the audit procedure and will verify the timing of reports from Creative Health.

## **OLD BUSINESS**

### **MINUTES**

Chairman Downie asked for additions or corrections to the minutes of the October 13, 2009 Special meeting. Hearing none, the minutes stood approved.

Chairman Downie also asked for additions or corrections to the minutes of the October 20, 2009 meeting. Hearing none, the minutes stood approved.

### **CODDINGTON VIEW**

Solicitor Garner advised that after a meeting with representatives of THP, a final punch list of outstanding items has been submitted to the Developer. Measures will be taken by the Authority, with the remaining financial security, if the punch list items are not completed in a timely manner.

### **STAND-BY GENERATOR**

Mr. Weld explained that with the new bond, monies were identified for the installation of a stand-by generator for the Water Treatment Plant.

Mr. Dilliplane moved to authorize the advertisement of the bid for a Stand-by Generator for the Water Treatment Plant. Mr. Carroll seconded the motion and it passed unanimously.

## **NEW BUSINESS**

### **PROPOSED WATER MAIN PROJECTS FOR 2010**

Mr. Weld provided an outline of Water Main Replacements for 2010. He added that the Authority has historically restored the streets from curb to curb. Mr. Weld also explained that with the new requirements under the ADA regulations, a new curb could

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cost as much as \$40,000 per intersection. The outline provided a cost estimate for options for ramps, full paving or the trench paving.

It was the consensus of the Board to list this matter for the December meeting for further review and discussion.

ADJOURNMENT

The meeting adjourned at 9:03 p.m. on motion by Mr. Ecker.

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