

December 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

a. Verna Latick, 1240 Chestnut Street – reiterated her concerns regarding dirty water and requested relief for the purchase of filters.

b. Beverly D. Simmons, 702 North Adams Street – complained that she continues to get water bills and late fees added to the bills, for a vacant property at 703 Grant Street, which she owns.

Ms. Lee agreed to review the account and noted that if delinquent, the process follows policies and procedures.

c. Tracy Fox, 59 North Roland Street – express a concern regarding the huge influx of water at her residence due to the creek bed and requested information on holding tanks and a filtration system for the water in her sump pump.

d. John Wheatly, 645 Walnut Street – complained about having to pay \$50 for a turn on fee when his water was not turned off but only on the shut-off list.

CORRESPONDENCE

Mr. Bobst referred to the letter from Mrs. Latick regarding the dirty water.

COMMITTEE REPORTS

a. Marketing – Mr. Read had no report.

b. Energy – Mr. Wagner advised that the process would move forward with EnerNoc regarding the pre-purchase of blocks of energy. He added that the Borough may join at no extra charge, specifically with the street lighting.

c. Odor – Mr. Wagner reported that there was one complaint due to the loading of biosolids.

d. Restructuring – Mr. Read noted that a meeting is pending with the Restructuring Committee prior to the New Year.

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FINANCIAL REPORTS

Mr. Wagner explained the shortage of \$470,000 in the water budget. He noted that an increase in rates of \$.10 per day or approximately 7% would cover the deficit. The increase would provide for \$508,000 into the 2010 water budget.

Chairman Downie commented that the elimination of fluoride should be revisited in order to determine a \$40,000 to \$50,000 savings in the next budget.

Mr. Read moved to adopt the water budget as presented. Mr. Carroll seconded the motion and it passed unanimously.

Mr. Carroll moved to adopt a Resolution setting the rates for water charges for the year 2010. Mr. Dilliplane seconded the motion.

RESOLUTION #11 - 2009

RESOLUTION ESTABLISHING ITEMS TO BE CHARGED FOR AND THE ASSOCIATED FEES AND ESTABLISHING RATES CHARGED FOR PUBLIC WATER PROVIDED BY THE POTTSTOWN BOROUGH AUTHORITY.

BE IT RESOLVED AND IT IS HEREBY RESOLVED, that, effective January 1, 2010, the items to be charged for and the associated fees and the rates to be charged for public water provided by the Pottstown Borough Authority, billed after January 1, 2010, shall be as provided in Schedule A attached hereto and incorporated herein.

ENACTED AND RESOLVED, this 15th day December 2009.

POTTSTOWN BOROUGH AUTHORITY SCHEDULE OF CHARGES - 2010

<u>Meter Size</u>	<u>Quarterly Service Charge Inside Borough</u>	<u>Quarterly Service Charge Outside Borough</u>
5/8"	\$ 25.00	\$ 27.00
3/4"	\$ 25.00	\$ 27.00
1"	\$ 50.09	\$ 52.09
1 1/2"	\$ 97.90	\$ 99.90
2"	\$145.81	\$147.81
3"	\$304.16	\$306.16
4"	\$445.79	\$447.79
6"	\$835.26	\$837.26
8"	\$1,297.76	\$1,299.76

Usage Charge:

All Usage	(no zones)	\$2.78 Per 100 CCF
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Unmetered Rates:

	<u>Size of Line</u>	<u>Amount Per Year</u>
Sprinkler:	5/8"	\$ 77.58
	3/4"	\$ 77.58
	1"	\$ 154.31
	1 1/2"	\$ 300.00
	2"	\$ 338.54
	3"	\$ 579.37
	4"	\$ 772.63
	6"	\$1,182.30
	8"	\$1,598.64
Fire Hydrant:	\$ 164.00 per year	

BULK WATER: [Res. 2004-38]

Bulk Water Fill Station at Old Reading Pike	
Debit Cart Account	\$15.00
Replacement Debit Card	\$20.00
Additional Debit Card (same account)	\$20.00
Bulk water purchase/usage fee	\$3.00 per 1,000 gallons
Bulk water from hydrant	\$20.00 for permit
Bulk water from hydrant purchase/usage fee	\$2.78 per 100 CCF

CERTIFICATE OF FINAL BILL - \$15.00

CHECKS RETURNED FOR INSUFFICIENT FUNDS - \$30.00

COLLECTION ACTIONS- Customer shall be responsible for all charges permitted by law and all costs of collection whether collection is made by the Authority or an agent.

1. TERMINATION OF WATER SERVICE:

a. Non-Payment of Sewer or Water Rent:

Posting of Notice	-	\$10.00	
Shut off	-	\$50.00	--fee must be paid and property owner must sign waiver of non-responsibility PRIOR to turn on.

b. Temporary termination at Request of Customer: (i.e. absence from property;)

Shut off	-	\$15.00	
Turn on	-	\$15.00	-- fee must be paid and property owner must sign waiver of non-responsibility PRIOR to turn on.

METER - TESTING FOR DISPUTED ACCOUNT:

A deposit of \$75.00 for 5/8" to 1" meters, \$125.00 for 1 1/2" to 2" meters, \$200.00 for 3" meters, \$350.00 for 4" and larger will be required before the meter is tested, which sum will be returned if the meter is found to be registering more than 4% against the consumer, on a flow equal to 1/8 of the diameter of the service, otherwise, the deposit will be retained by the Authority to cover the cost of the test.

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METERS – DEPOSIT FOR METER, BACKFLOW, AND HYDRANT WRENCH:

Removal of a meter at the customer's request is subject to the following charge:

<u>Size of Meter</u>	<u>Charge</u>
5/8"	\$150.00
3/4"	\$250.00
2"	\$1,400.00

WATER MAIN EXTENSIONS:

Project Review Fee: Any Application to extend Authority water mains to service two (2) or more residential units or one (1) or more commercial or industrial units will be subject to preliminary project review by the Authority. The applicant shall subject, in addition to the usual Application to extend water main(s), plot plans and a project review fee. The fee schedule is as follows:

<u>Number of Units</u>	<u>Review Fee</u>
Up to 10 Units	\$1,550.00
In excess of 10 Units	\$5,100.00

The project review fee shall be applied toward legal, engineering and other expenses incurred by the Authority in connection with its review of the proposed plan. Any unused portion of the project review fee shall be refunded to an applicant.

Water Main Extension Agreements: Construction escrow, if applicable, based on estimated costs of construction with contingency, engineering inspection and legal fees.

TAPPING FEES:

- \$1,764.00 Per EDU.

The motion passed unanimously.

COLLECTIONS

Mr. Wagner reviewed the current collection procedure noting that it takes approximately 250 days to get to sheriff's sale.

Ms. Lee added that the delinquent accounts are being turned over to Portnoff in a timely manner according to the existing ordinance.

Mr. Wagner advised that meetings were held with Portnoff and Accounts Recovery Solutions and recommended the Board take action to appoint Accounts Recovery Solutions as the new collection agency with more aggressive time lines.

Solicitor Garner noted that the Borough acts as the agent for the Authority regarding the billing and collection of accounts and if termination is desired a 60-day notice is required.

Mr. Read motioned to terminate the contract agreement with Portnoff Law Associates effective the end of February 2010. Mr. Dilliplane seconded the motion and it passed unanimously.

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Mr. Read motioned to engage the services of Accounts Recovery Solutions for the collection of delinquent accounts effective immediately. Mr. Carroll seconded the motion and it passed unanimously.

TAX ANTICIPATION NOTE

Ms. Lee explained the process and necessity of the Borough to obtain a Tax Anticipation Note for the first quarter of the year and the possibility of requesting a loan from the Authority. She added that interest rates from the two banks were 2.11% and 2.09% and requested a rate of 2.02% on a \$2 million loan.

Mr. Bobst suggested an agreement be established between the Borough and the Authority for this loan.

Mr. Carroll motioned to authorize a Tax Anticipation loan to the Borough in an amount not to exceed \$2 million with an interest rate of 2% with payback in a time frame not to exceed six (6) months. Mr. Dilliplane seconded the motion in a form acceptable to the Solicitor.

Mr. Read suggested allowing the Borough a no-interest rate for six (6) months if the Borough establishes a tax increase under 9%.

Chairman Downie requested that this recommendation be expressed to Borough Council by Mr. Bobst and allow the original motion to stand.

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

Mr. Read motioned to authorize and direct the Solicitor to prepare an Agreement to memorialize the action by the Authority regarding the \$2 million loan to the Borough. Mr. Carroll seconded the motion and the motion carried: 4 ayes, 1 nay. Mr. Ecker cast the negative vote.

CAPITAL EQUIPMENT

Ms. Lee presented a handout for capital equipment and requested authorization to proceed with the purchase of the items to include five vehicles and a valve exerciser at a cost of \$419,000.

Terry Jones, Streets Supervisor, explained the savings to the Authority on these vehicles.

Mr. Read moved to authorize the purchase of a F-350 Ford Pickup Truck; F-150 Ford King Cab Pickup; F-150 truck with snow plow; 2010 Ford E-350 Bubble Top Truck, John Deere 210LJ landscape loader; and Water Main Valve Operator and Trailer in an amount not to exceed \$420,000. Mr. Carroll seconded the motion and it passed unanimously.

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LETTERS OF AGREEMENT

Mr. Carroll moved to appoint BCM Engineers as the Engineer of Record for calendar year 2010 for the Pottstown Borough Authority with rates remaining as in 2009 as indicated in the December 10, 2009 letter of request. The motion was seconded by Mr. Ecker and passed unanimously.

Mr. Ecker moved to appoint David Garner as the Solicitor for the Pottstown Borough Authority for the calendar year 2010 with terms as outlined in the October 1, 2009 letter of request. Mr. Carroll seconded the motion and it passed unanimously.

OLD BUSINESS

MINUTES

Chairman Downie asked for additions or corrections to the minutes of the November 19, 2009 meeting. Hearing none, the minutes stood approved.

CLOSEOUT OF CONTRACT 131

Mr. Weld explained the closeout of the contract for the Washington Hill Tank, with a change order reduction in costs and requested approval of the closeout documents.

Mr. Read moved to authorize the closeout of Contract 131, New Washington Hill Tank, with a change order reduction in the amount of \$13,633.52 subject to approval of the documents by the Solicitor. Mr. Carroll seconded the motion and it passed unanimously.

CLOSEOUT OF CONTRACT 136

Mr. Weld also explained the closeout documents of the contract for the painting of the Washington Hill Tank with a reduction change order in the amount of \$75,096.97.

Mr. Dilliplane moved to authorize the closeout of Contract 136, Painting of Washington Hill Tank with a compensating change order reduction in the amount of \$75,096.97, subject to review of the documents by the Solicitor. Mr. Read seconded the motion and it passed unanimously.

PROPOSED WATER MAIN PROJECTS 2010

Mr. Weld provided a summary of the proposed Water Main Replacements for 2010 with priorities stated. He also explained the cost of construction for new handicap ramps at a cost of \$4,000 per ramp with the repaving. Mr. Weld also explained the two options, with Option I being the curb to curb repaving with ramps. He also noted that discussions are underway with West Pottsgrove Township for partnering with the sewer replacement on Lemon Street. Mr. Weld's recommendation, along with PennDOT, would be the water main replacement along with replacing the ramps.

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Mr. Carroll moved to authorize the Engineer and Staff to prepare and advertise the bid specifications for the 2010 Water Main Replacement as provided on December 15, 2009, with Option 1, Full Paving with Ramps. Mr. Dilliplane seconded the motion and it passed unanimously.

FILTERS

Chairman Downie referred to the December 14, 2009 letter from Verna Latick requesting relief for the purchase of filters to address the nine-year dirty water problem.

Solicitor Garner advised that the problem meets the dirty water policy in place with the Authority.

Mr. Carroll moved to authorize the purchase of filters in bulk to be kept at the Watertreatment Plant. Mr. Ecker seconded the motion and it passed unanimously.

NEW BUSINESS

2010 MEETING SCHEDULE

Mr. Read moved to adopt the 2010 Pottstown Borough Authority meeting schedule as presented. Mr. Ecker seconded the motion and it passed unanimously.

Chairman Downie requested that the pre-agenda meetings occur on Tuesday's prior to the Authority meeting.

REAPPOINTMENT

Mr. Ecker noted that it is the consensus of the Board to request Chairman Downie send a letter to Borough Council requesting to be reappointed to the Authority to continue with outstanding projects.

Mr. Ecker moved to authorize Ron Downie to send a letter to Pottstown Borough Council requesting his reappointment to the Authority Board. Mr. Carroll seconded the motion and it carried: 4 ayes. Chairman Downie abstained from voting.

ADJOURNMENT

The meeting adjourned at 8:50 p.m. on motion by Mr. Ecker.

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