

March 16, 2021

## **POTTSTOWN BOROUGH AUTHORITY**

### **CALL TO ORDER**

Chairman Chomnuk called the meeting to order at 7:00 p.m.

### **ATTENDANCE**

Present were Jeff Chomnuk, Mike Benner, Aram Ecker and David Renn. Also in attendance were Solicitor Vincent Pompo, Authority Manager Justin Keller, Engineer Josh Fox, Public Works Director Doug Yerger, Utilities Director Brent Wagner, Bookkeeper Gerry Keszczyk (virtually) and Borough Secretary Virginia Takach. Tom Carroll was absent.

### **PUBLIC COMMENT**

a. Don Read, 610 Mock Road – questioned why the syphon project costs are being brought up at this time. He noted that the project was done in 2014-2016 and now Upper Pottsgrove is getting billed, including interest in excess of \$500,000.

Solicitor Pompo explained that the issue has arisen as Upper Pottsgrove Township has decided to sell its system and the Authority was approached due to the nature of the transaction. He added that this came to light in June 2020 and the Authority raised the issue of the Township's outstanding obligation.

Mr. Keller added that there was an understanding that the costs were to be recouped through tapping fees charged by the Township, with no ability to recoup once the system is sold. He added that the Authority was working with the Township regarding its finances and allowed extensions prior to notification of the sale.

b. Trace Slinkerd, 219 Deerfield Way – spoke as President of the Board of Commissioners, Upper Pottsgrove Township and advised that correspondence will be forthcoming from the Township's Solicitor, Chuck Garner.

### **APPROVAL OF MINUTES**

Mr. Benner moved to approve the January 19, 2021 minutes as presented. Mr. Renn seconded the motion and it passed unanimously.

### **PRESENTATION – JAMIE SCHLESINGER, PFM FINANCIAL ADVISORS, LLC**

Mr. Schlesinger provided a brief outline of a possible financing request from the Montgomery County Community College. The College is considering a refunding process of existing debt and borrowing up to \$10 million for capital projects and may request the Authority as a possible partner in the transaction. He noted that \$45 million would be the total issuance amount with \$35 million to refinance the existing debt and \$10 million for capital needs. Mr. Schlesinger, who also represents the College, advised that half will be used for the West Campus and half for the Blue Bell Campus.

Mr. Schlesinger explained that the Conduit Financing would be no risk to the Authority. He added that he would return to the Authority when and if the College agrees to partner with the Authority.

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Solicitor Pompo commented that due to the length of the borrowing debt, the Authority would need an extension at least to end of the borrowing, which the term presently expires in 2038. He advised that the Authority would need to pass a resolution to amend its articles and a request from the Borough to approve the borrowing by resolution. The amended articles are then sent to the state for approval.

Mr. Keller added that this is an economic benefit for the Borough and the College and shall await further details from Mr. Schlesinger.

#### PRESENTATION - PAID UPDATE, 215 SOUTH WASHINGTON STREET

Peggy Lee-Clark, Executive Director of PAID, provided a brief update on the former Pottstown Plating Works property. She reviewed the outstanding taxes and utilities and the previous forgiveness, pending an approved business plan. She added that the property remains in the possession of the Redevelopment Authority of Montgomery County. Ms. Lee-Clark also reported that as of February 25, 2021, final approval of the clean-up plan was received by the DEP. The fiscal year for the DEP begins in July, with hopes of receiving environmental funding for this redevelopment. She added that the owner continues to work with Environment Standards.

#### COMMITTEE REPORTS

##### Planning & Capital

Mr. Renn reported that most items will be discussed under the Engineer's Report, adding that it was determined that the Jackson Street and Willow Street tanks are in need of painting.

##### Townships Meeting Report

Mr. Keller advised that updates were provided at the meeting.

##### Inflow and Infiltration Committee

In Mr. Carroll's absence, Mr. Fox reported on the concept of a flow metering study, noting that 50% of I & I issues are found on private property. He advised that several alternatives used in other municipalities were discussed, the most beneficial being an inspection at the time a property is sold. For future meetings, he will be providing sample ordinances and resolutions that have been successful in other municipalities.

#### AUTHORITY MANAGER'S REPORT

Manager Keller advised that he is working on responses to the Townships regarding several matters. He thanked Staff for successful snow removal throughout town. Mr. Keller advised that he is working with the County for an outdoor and drive-up vaccination sites in the Borough.

Mr. Keller added that he is discussing a secondary water source with Aqua for emergency use. He is awaiting further details from Aqua, with no desire for bulk water purchases.

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### SOLICITOR'S REPORT

Solicitor Pompo reviewed several pending House bills that may affect the Authority, including ones amending the Authority's Act and the Ethics Act. If a provision is in the Authority's Act, it can be enforced under the Ethics Act. In addition, a Prevailing Wage amendment is pending to increase a project amount from \$25,000 to \$150,000 and exempt local highway and bridge projects. He also explained a Prevailing Wage amendment to increase work covered by the Act from \$25,000 to \$207,000 with annual adjustment based on the CPI. Attorney Pompo noted that a pending bill in the Senate would allow schools or municipalities to opt out of paying prevailing wages, but would not apply to an authority.

Attorney Pompo reported that Pottsgrove Hunt, previously Kummerer development, was extended a transfer of capacity to March 31<sup>st</sup> and he has been told that the new developer is on schedule and the obligation should be met by the end of this month.

Mr. Slinkerd commented that there is a meeting on March 26<sup>th</sup>.

### ENGINEER'S REPORT

Mr. Fox referred to the report distributed and provided an update on the Air Scour System, with equipment being received within 4-6 weeks. He also reported that the LT2 Enhanced Surface Water Rule, UV Installation project is being coordinated with the Air Scour System due to constraints with the existing power distribution system at the Water Treatment Plant. He noted that the DEP has not yet issued the Public Water Supply permit. He will be working with the Solicitor to provide a response to DEP.

Mr. Fox also provided an update on the 2021 Water and Sewer Main Replacement Project and in the process of finalizing the drawings and documents for public bidding. He added that the relocation of water main on Sanatoga Road and 422 projects will result in a cost sharing resolution, which will be addressed later on the agenda. He added that the Chapter 94 report is completed and will be ready for submission to PADEP and work continues on the NPDES permit renewal application.

Mr. Fox advised that grant funding under the COVID relief funding, with water and sewer related items, may be included and hopefully be considered for grant funding. He added that construction costs are on the rise.

### UTILITIES DIRECTOR'S REPORT

Mr. Wagner reported that the dryer continues to work well. He added that the maintenance staff is monitoring all operations. Basin cleaning continues through the end of March. Mr. Wagner also noted that Staff will be working on the Air Scour system for the next 2-3 months and the UV system will be installed by an outside firm.

Mr. Wagner advised that the Jesse Baro Company has been sold to Denali with the contract remaining for two more years. He added that due to the COVID pandemic, his Staff has become more efficient and continues to work through all issues as they arise.

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## PUBLIC WORKS DIRECTOR'S REPORT

Mr. Yerger reported that the crews are working in half sessions unless a crisis arises and all are called in. PECO work continues on High Street and recovering lead lines. Abandoned lines will be disconnected from the main. Mr. Yerger advised that the sewer crew is working in the east end of town for clogged pipes, due in part to wipes and tree roots. He also noted that a lateral may have been installed incorrectly and working on who may be liable.

Mr. Fox added that documentation continues for possible reimbursements.

## FINANCE

Mr. Keszczyk referred to the reports distributed, noting that expenses are on target with no emergencies. The water revenues are at 17% and expenses at 13%. Sewer revenues are at 18% and expenses at 14%. Mr. Keszczyk advised that there was a transfer to the sewer capital fund to cover the payments to Gryphon. He also advised that the bulk revenue is over budget by \$44,000 for February and \$67,000 year-to-date, which is a good status. Sludge hauling is under budget by \$135,000.

## NEW BUSINESS

### Relocation Potable Water Facilities

Mr. Fox explained the request for adoption of a Resolution authorizing a letter to PennDOT for a cost sharing in the relocation of potable water facilities associated with the Highway Improvement project on SR 422 and Lower Pottsgrove Township. He added that the Authority may be eligible for up to 75% reimbursement of the costs.

Motion by Mr. Ecker, seconded by Mr. Benner to adopt a Resolution authorizing a letter to PennDOT to provide 75% reimbursement to the Authority for costs in relocation potable water facilities.

### RESOLUTION NO. 1-2021

**A RESOLUTION OF THE POTTSTOWN BOROUGH AUTHORITY AUTHORIZING SUBMISSION OF THE ATTACHED REQUEST FOR THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION TO PROVIDE 75% REIMBURSEMENT TO THE POTTSTOWN BOROUGH AUTHORITY FOR ALL COSTS INCURRED IN RELOCATING OUR POTABLE WATER FACILITIES.**

In accordance with the requirements of the Pennsylvania Department of Transportation Design Manual - Part 5, Chapter 8.1, the Pottstown Borough Authority does hereby authorize the submission of the attached request for the Pennsylvania Department of Transportation to provide a fixed 75% per centum reimbursement to the Pottstown Borough Authority for all costs incurred in relocating our potable water facilities, necessitated by SR 0422-M1B, Pennsylvania Department of Transportation Highway Improvement project in Montgomery County. Also the President of said Borough be authorized and directed to sign a Utility Reimbursement Agreement on its behalf and that the Secretary be authorized and directed to attest the President's signature on the Utility Reimbursement Agreement for this highway project.

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DULY ADOPTED, at a duly advertised public meeting of the Board of the Pottstown Borough Authority this 16<sup>th</sup> day of March 2021.

The motion passed unanimously.

EXECUTIVE SESSION

Chairman Chomnuk recessed the meeting to executive session at 8:15 p.m.

ADJOURNMENT

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

Submitted by,

Virginia L. Takach, Borough Secretary  
for Thomas Carroll, Secretary