

May 19, 2020

## **POTTSTOWN BOROUGH AUTHORITY**

### **CALL TO ORDER**

Chairman Chomnuk called the Go-To-Meeting to order at 7:05 p.m.

### **ATTENDANCE**

Present were Jeff Chomnuk, Aram Ecker, Mike Benner, Tom Carroll and David Renn. Also in attendance were Solicitor Vincent Pompo, Authority Manager Justin Keller, Engineer Joshua Fox, Utilities Director Brent Wagner, Finance Director Ann Maletsky, Budget Analyst Gerry Keszczyk and Borough Secretary Virginia Takach.

Manager Keller provided instructions and guidelines for the Go-To-Meeting. He noted that the meeting is being recorded and will be posted to the website within 24 hours.

### **PUBLIC COMMENT**

None.

### **APPROVAL OF MINUTES**

- a. January 21, 2020 - Mr. Benner moved to approve the January 21, 2020 meeting minutes as presented. Mr. Renn seconded the motion and it passed unanimously.
- b. March 17, 2020 – Mr. Ecker moved to approve the March 17, 2020 meeting minutes as presented. Mr. Benner seconded the motion and it passed unanimously.

### **COMMITTEE REPORTS**

#### **Planning & Capital**

Mr. Renn advised that items will be discussed under the Engineer's Report.

#### **Authority-Townships Meeting Report**

Mr. Carroll noted that a discussion for the sale of the Upper Pottsgrove sewer system is moving along and a meeting will be scheduled in the near future.

Chairman Chomnuk requested that the meeting date be shared with the members in order for any member available to attend and requested that a summary of the meeting be provided as well.

Mr. Ecker express an interest in participating.

### **AUTHORITY MANAGER'S REPORT**

Mr. Keller reported that Staff continues to work in two separate teams during the COVID-19 crisis,

May 19, 2020

which began at the end of March, with no expected date to resume a normal schedule. He added that any issues can be addressed remotely. When the Governor declares a yellow phase, in-person appointments may be scheduled.

Mr. Keller referred to an analysis by Mr. Keszczyk comparing accounts from this time last year to the present. He added that the Sustainable Energy \$142 million project is moving forward with a proposed ordinance to come before Council. He also introduced Ann Maletsky as the new Finance Director.

#### SOLICITOR'S REPORT

Attorney Pompo referred to the report distributed and noted that under Act 15, which addresses issue during the COVID-19 disaster, it allows meetings to be conducted remotely. He also advised that he is working with the sale of Upper Pottsgrove's Township's sewer system to PA America, with a meeting to be scheduled in the near future. He is awaiting the asset purchase agreement for his review prior to a meeting. Solicitor Pompo noted that the process could take approximately six months under the PUC approval of the application. He also advised that the syphon agreement should also be taken into consideration.

#### ENGINEER'S REPORT

Mr. Fox referred to his report distributed. He advised that the DRBC docket Renewal for the Wastewater Treatment Plan had been delayed to August in an attempt to resolve the total dissolved solids permit concerns. Mr. Fox also reviewed the 2021 Capital improvements to the Wastewater Treatment Plant for the next five years and will present to the Capital Improvement Committee in the near future.

Mr. Fox reviewed the Flow Monitoring Plan and reported that to date, data for 14 meters is being reviewed. Latex gloves and disposable wipes continue to be an issue.

Mr. Keszczyk reviewed the information received from three companies regarding the valve exercise project for the 1,795 valves and will provide additional information as received.

#### UTILITES DIRECTOR'S REPORT

Mr. Wagner advised that Staff continues to work with Team A and Team B and moral remains high. He also reported that all three basins at the Water Treatment Plant have been cleaned and advised that a permit was approved to change aluminum sulfate to power activated carbon, which will completed within a few months.

Mr. Wagner advised that the screen project is on line and has removed 20 yards of rags and material within the last 4 weeks. He also announced a major shut down last week with a malfunction of the flow to the clarifier, which was corrected by Staff with no issues. Mr. Wagner also advised that during the month of March there was a decrease in the amount of incoming waste to the Plant and has since increased for the month of May.

May 19, 2020

Mr. Keller added that the screening project was estimated at \$1 million and could have saved \$400,000 if done inhouse. It was discovered that Staff was not comfortable completing the project and was contracted out for completion. There was a savings of \$300,000 and he will provide final costs for the June meeting. Mr. Keller noted that this was also discussed with the Pottsgrove's in order for them to budget the costs.

Mr. Wagner added that at certain times, Staff had to be separated from the haulers, wherein a small area was provided to the haulers.

Solicitor Pompo agreed to review the agreements pertaining to the allocations.

#### PUBLIC WORKS DIRECTOR'S REPORT

There was no report in Mr. Yerger's absence.

#### FINANCE REPORT

Mr. Keszczyk referred to the reports distributed, noting that the water revenues stand at 31% at the end of April and the expenses at 35%. The sewer revenues are at 35% and expenses at 37%. Mr. Keszczyk reviewed the accounts receivable and compared the numbers from March and April of 2019 to this year, advising that the accounts receivable balances for utilities are approximately \$300,000 higher this year.

#### OLD BUSINESS

##### WASTE TO ENERGY FEASIBILITY STUDY

Mr. Fox explained that this was discussed at the recent Capital Projects meeting. He noted that this is an energy savings project, with the potential of a net annual savings of approximately \$1 million without contributions from the Townships. Mr. Fox advised that he will be seeking possible grant funding through the PA Commonwealth Financial Authority Clean Energy program and also through Penn Vest. He added that the maximum grant through the Sustainable Green Energy program is \$2 million. Federal stimulus money could be used for the \$2 million match. He suggested allowing this project to be postponed for further investigation and consideration.

Mr. Renn noted that with the anticipation of being debt free, it would be wise to postpone this project to a future date.

##### LT2 ENHANCED SURFACE WATER RULE

Mr. Fox also explained the unfunded mandate from the DEP and continues to work with DEP, with a consent order agreement for completion of the feasibility study and a time line for the study to April 2022. The completion of the feasibility study is scheduled for submission by August 17, 2020. Mr. Fox added that the goal for the project is to reduce the costs from \$2.4 million to \$1.7 million for the project and will have further recommendations for the July meeting.

May 19, 2020

Mr. Keszczyk provide an outline and a few scenarios of how the project could be funded in the 5year capital plan. He also consulted with PFM and was advised that the water debt service at the end of 2022 drops by \$1 million and ends in 2027. PFM suggestion is to do a short-term bank loan and wrap into the debt service.

Solicitor Pompo noted that the funding is from State and the Federal level and it may be worth investing the possibility of an extension on the compliance deadline and associated penalties.

Chairman Chomnuk suggested that Staff and Capital Plan Committee reach out to PMAA to see if other municipalities have concerns with this mandate and for any further information.

### WWTP PEAK FLOW STUDY

Mr. Keller provided an update on the hydraulic analysis study, primarily a request from Lower Pottsgrove Township, and the percentage applied to each of the Townships. The proposal is to split 50/50 with the Authority and Lower Pottsgrove Township and allow West and Upper Pottsgrove to contribute based on their normal allocations as required. He noted that the breakdown of the total study cost is \$28,150, with Upper Pottsgrove's allocation at 5% or \$1,455, West at 10.54% or \$2,967 and Pottstown and Lower Pottsgrove at \$11,863 each.

It was the consensus of the Board to discuss at the next Township meeting with action at the July meeting.

### CONTRACT #2019-1 WATER & SEWER REPLACEMENT CHANGE ORDER POTENTIAL CLOSEOUT OF THE WATER & SEWER PROJECT

Mr. Fox advised that the completion of the project is scheduled for May 20<sup>th</sup> to address the minor punch list items and recommended action be moved to the July meeting. He also noted that several unexpected items arose in the Cherry Lane project including lead water services and additional paving requirements and advised that the overrun of the project will be \$153,864 but \$70,000 under the RPR costs.

Chairman Chomnuk suggested that the change order and final close out of the project be postponed until the July meeting.

### NEW BUSINESS

#### UPPER POTTS GROVE PURCHASE OF ADDITIONAL TREATMENT CAPACITY

Solicitor Pompo advised that this is the fifth purchase of additional capacity by Upper Pottsgrove as per their agreement. They have requested 18,000 gallons per day or 60 Edu's and calculated at \$5.72 per gallon or \$102,960.

Mr. Renn moved to approve and authorize execution of the Agreement between the Authority and Upper Pottsgrove Township for the fifth purchase of additional capacity as presented. Mr. Ecker seconded the motion and it passed unanimously.

May 19, 2020

### CHAPTER 94 REPORT

Mr. Fox reviewed the 2019 Chapter 94 Report as required by the DEP, noting that the average flow was 6.3mgd, slightly down from 2018 at 8.65 mgd and provided projections for the next five years.

Mr. Ecker moved to accept the Chapter 94 Report as presented. Mr. Benner seconded the motion and it passed unanimously.

### WATER TREATMENT PLANT AIR SCOUR BIDS

Mr. Fox noted that the bid opening is scheduled for May 21<sup>st</sup> and requested this be addressed at the July meeting.

### EXECUTIVE SESSION

Chairman Chomnuk recessed the meeting to executive session at 8:50 p.m. for an item of potential litigation.

### ADJOURNMENT

The meeting adjourned at 9:30 p.m. on motion by Mr. Renn.

Submitted by,

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

May 19, 2020

EXHIBIT A

**POTTSTOWN BOROUGH AUTHORITY  
SCHEDULE OF WATER RATES – 2020  
January to December, 2020**

**Water Quarterly Service Charge:**

<u>Meter Size</u>	<u>Inside Borough</u>	<u>Outside Borough</u>
5/8"	\$45.00	\$47.00
3/4"	\$45.00	\$47.00
1"	\$85.00	\$87.00
1 1/2"	\$162.00	\$164.00
2"	\$239.00	\$242.00
3"	\$495.00	\$498.00
4"	\$724.00	\$726.00
6"	\$1,353.00	\$1,355.00
8"	\$2,099.00	\$2,101.00
10"	\$2,560.00	\$2,562.00

**Usage Charge:** All Usage (no zones) \$3.35 Per 100 cubic feet

**Unmetered Rates:**

<u>Sprinkler:</u>	<u>Size of Line</u>	<u>Amount per Quarter</u>
	5/8"	\$20.00
	3/4"	\$20.00
	1"	\$ 25.00
	1-1/2"	\$ 30.00
	2"	\$ 40.00
	3"	\$148.84
	4"	\$195.16
	6"	\$297.58
	8"	\$401.66

**Bulk Water:**

Bulk Water Fill Station at Old Reading Pike	
Debit Card Account	\$15.00
Replacement Debit Card	\$20.00
Additional Debit Card (same account)	\$20.00
Bulk water purchase/usage fee	\$4.08 per 1,000 gallons
Bulk water from hydrant	\$20.00 for permit
Bulk water fr hydrant purchase/usage fee	\$3.35 per 100 cubic feet



**Certificate of Final Bill:** \$15.00

**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.

**I. 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 <b>PRIOR</b> to turn on.

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

Shut off	-	\$25.00	
Turn on	-	\$25.00	— fee must be paid and property owner must sign waiver of non-responsibility <b>PRIOR</b> to turn on.

**Fire Hydrant:** \$45.00 per quarter/ \$180.00 per year

**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.

**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 submit, 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