

July 21, 2020

POTTSTOWN BOROUGH AUTHORITY

CALL TO ORDER

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

ATTENDANCE

Present were Jeff Chomnuk, Aram Ecker, Mike Benner, Tom Carroll and David Renn (via conference). Also in attendance were Solicitor Vincent Pompo, Authority Manager Justin Keller, Engineer Cory Salmon, Public Works Director Doug Yerger, Utilities Director Brent Wagner, Finance Director Ann Maletsky, Budget Analyst Gerry Keszczyk and Borough Secretary Virginia Takach.

PUBLIC COMMENT

None.

APPROVAL OF MINUTES

Mr. Benner moved to approve the May 19, 2020 meeting minutes as presented. Mr. Carroll seconded the motion and it passed unanimously.

CORRESPONDENCE

Chairman Chomnuk noted that a note of appreciation was received from former Finance Director Janice Lee on the contribution made by the Authority towards her daughter's school in Africa.

PRESENTATION – 215 SOUTH WASHINGTON STREET

Peggy Lee-Clark advised that two years ago, Council provided monetary relief to the South Washington Street entity. She advised that the property is currently under an agreement of sale and being renovated by the new owner, John Jones. Ms. Lee-Clark advised that the property was the former Plating Works facility, 46,500 square feet, is vacant and in a state of disrepair. It has been abandoned since 2009. She outlined the outstanding debt owed on the property. She added that PAID and the Redevelopment Authority have been working since 2015 to rehabilitate the property and explained the environmental studies on the property and requested relief of the outstanding utilities on the property, which is in the Qualified Opportunity Zone. Ms. Lee-Clark explained that taxes and delinquencies were granted in 2018. She added that an agreement of sale has been executed as of May 20, 2020. She advised that the new owner has spent over \$225,000 in environmental testing and the Redevelopment Authority has spent \$86,00 in testing as well. Phase I and Phase II have been done. She added that the cost of remediating the property is \$2.5 million. The Notice of Intent to remediate was sent to DEP in April 2020. She also explained that the RDA would take title of the property while under remediation.

Ms. Lee-Clark reported that Council approved the forgiveness of \$90,269.36 in delinquent taxes, along with forgiveness by the School District and Montgomery County in 2018.

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Ms. Lee-Clark also reviewed the projects that Mr. Jones has rehabilitated in the Borough, including the Terminal, the Alley, the former Nipple Works and the 1200 High Street former hospital facility. She added that she is coming to the Authority as a courtesy, which was previously overlooked.

Mr. Keller confirmed that Borough Council did approve forgiveness of the real estate taxes and delinquent water and sewer charges, subject to the Authority approval and to the requester taking legal title to 215 South Washington Street and the requirement of a business plan being provided. He noted that the total fees and penalties due to the Authority is \$184,698.87.

Ms. Lee-Clark advised that Mr. Jones is expecting to get approval from DEP in the first quarter of next year and has received interest from a dental-manufacturer for the facility.

Following a brief discussion, Mr. Carroll moved to forgive all encumbrances and fees accrued on the property of 215 South Washington Street, subject to a business plan being submitted and subject to the favorable forgiveness and waiver of all costs due to Portnoff Associates. 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 reported that the dryer was the topic of discussion.

AUTHORITY MANAGER'S REPORT

Mr. Keller provided an update on the KEEP project and Council's approval of a cellulose-based solid waste (CSW) Gasification Facility. He added that Council authorized Attorney Pompo to represent the Borough during discussions regarding the sale of Upper Pottsgrove Township's sale of its sewer system, as Attorney Chuck Garner is also the Solicitor for Upper Pottsgrove Township. Mr. Keller reported that Council approved waivers on the 215 South Washington Street and authorized letter of opposition to HB2583.

Mr. Keller updated the Board on staffing and operations of the departments and commended staff, the Police and Fire Departments for the Water-Play Wednesdays.

SOLICITOR'S REPORT

Solicitor Pompo referred to the report distributed. He explained HB2583, regarding the election of municipal Authority board members and noted this would be detrimental to this Authority.

Mr. Keller noted that he will coordinate with Solicitor Garner and Solicitor Pompo to prepare a response and forward to the Board when prepared.

Solicitor Pompo also reported that HB1069 addressed the Sunshine Act, authorizing the

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advertisement of the agenda within 24 hours of the meeting and prohibiting the agency from taking action on matters not posted on the agenda, with the exceptions of emergency or very minor matters.

Attorney Pompo advised that the Hoagey Civil matter has been adjudicated in favor of the Authority and commended Doug Yerger for his presentation of evidence.

Mr. Yerger provided a brief explanation of the rotted galvanized pipes used as evidence.

Solicitor Pompo advised that prior to the meeting, he was informed that Attorney Robert Brant, representing the developer, had additional questions regarding the draft agreement to purchase additional Capacity. He added that Upper Pottsgrove removed the item from its July 20th meeting agenda and recommended that the Authority do the same and address at the September meeting. Solicitor Pompo advised that he has exchanged information with the Township's Solicitor prior to an introductory meeting of the parties involved, including the Township's ordinances regarding the mandatory connection and industrial waste treatment programs and along with the outstanding syphon issues. He is awaiting additional comments from the Attorney for PA America.

ENGINEER'S REPORT

Cory Salmon was present for Josh Fox and reviewed the Engineer's report of July 13, 2020. He noted the 2019 Water and Sewer Replacement project has been completed and recommended approval of the close out in the amount of \$70,567.51.

Mr. Salmon advised that the Air Scour system bids were opened May 21st with only one bidder, Roberts Water Technologies, for a total bid of \$949,000. He noted that to complete the project and the installation with Borough Staff, the total amount of the project would be \$1,363,000. He also explained the LT2 Enhanced Surface water rule, advising that a meeting was scheduled on July 14th with DEP to prepare documents for the August 31st deadline.

Mr. Keller added that DRBC was requiring a daily monitoring of the Total Dissolve Solids, but after discussions and the infrequent rain events, has agreed to monthly limits.

Mr. Salmon reviewed the 2021-2025 capital plans referring to the Air Scour System and the Flow Monitoring Plan. He advised that KBX is studying the data provided from the 14 meters and addressing the consistent ragging situation. KBX has agreed to continue the study for additional months at no cost to the Authority.

Mr. Salmon advised that the Spring Valley Farms Development has completed work through July 2nd with only 10 of the 24 punch list items remaining.

UTILITES DIRECTOR'S REPORT

Chairman Chomnuk presented the PMAA Service Award to Brent Wagner for outstanding accomplishments throughout the year.

Mr. Wagner reported unusual low flows at the Wastewater Treatment Plant and has changed operations specifically during the night to refill the system. He added that the digester is experiencing issues but hopes to address in the 1st quarter of next year. The screening project is working quite well

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and reducing problems with the rags. He also noted a reduction in the sludge hauling, but now seeing more truck traffic. The budget was \$2.5. Mr. Wagner provided an update regarding staffing and work flow during the COVID-19 pandemic.

Mr. Wagner also advised that the turbidity units are currently being installed and on line prior to the September 1st deadline. He provided an update on Staff licensing, which has been delayed due to the COVID crisis.

Mr. Salmon confirmed that rain events could possibly affect household plumbing vents.

PUBLIC WORKS DIRECTOR'S REPORT

Mr. Yerger advised that cleaning manholes and televising continues. He added that the water distribution crew has been working on hydrants and painting. He advised that the Public Works Department is attempting to limit property visits during the pandemic.

FINANCE REPORT

Mr. Keszczyk referred to the report distributed. He reported that water revenue and expenses are at 48%. The sewer revenues are at 48% and expenses at 49%. He added that the sludge hauling is up and repairs were done to the ET5 digester, slightly ahead of schedule. Mr. Keszczyk reported that the audit is done and the Board has received copies of the report. He noted immaterial deficiencies, which is a miscommunication in management and fixed asset reporting, which has since been corrected. Mr. Keszczyk referred to the Utilities AR Analysis report between 2019 and 2020, with a \$12,000 difference and not a concern at this time.

OLD BUSINESS

SCREENING PROJECT COSTS

Mr. Keller noted that the screening project costs were a topic of discussion at a former Authority/Township meeting. The cost of the project resulted in a \$109,000 increase of the budgeted amount. Lower Pottsgrove Township made a request on behalf of the Townships to be given additional time for payment as they had not budgeted for the increase.

Mr. Keszczyk advised that the costs to the Townships are \$29,000 to Lower, \$11,000 - West and \$4,000 to Upper.

After a brief discussion among the members, it was the consensus to not allow additional time for payment as there should be additional funds in each of their reserve accounts. Solicitor Pompo suggested a motion is warranted.

Mr. Carroll moved to deny the request of the Townships for an extension of payment on the overage to the Screening Project and authorize the Manager to add to his report for the next Township meeting. Mr. Benner seconded the motion and it passed unanimously.

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UPDATE VALVE EXERCISING PROJECT

Mr. Keszczyk provided an update on the three quotes he received regarding the Valve Exercising Project. The first quote, from Watts Water Service, Illinois, for the 1,795 valves was \$130,000. Another quoted \$150 per hour but did not quote the number of valves that could be done hourly. The third did not respond.

Mr. Keszczyk confirmed that he would coordinate with Mr. Yerger to allow for his budget and agreed to provide additional details from the local representative in Maryland and provide budgeted information for the next meeting.

Chairman Chomnuk suggested a presentation be scheduled for later in the year.

LT2 COMPLIANCE: WATER TREATMENT PLANT FEASIBILITY STUDY

Mr. Keller explained that this is the project being mandated by DEP for treatment of the cryptosporidium with the completion due by 2021. He also referred to the Air Scout System Upgrade with a cost of \$1.3 million, with a cost of delaying being \$64,000 per year. He requested direction from the Board.

Mr. Keszczyk reviewed the outline of the bank loan, which is now a 1% interest 5-year loan. He also noted that a previous loan will be paid by 2023. He added that there may be a slight adjustment to the Water Capital plan. The water meter replacement project stands at \$1.3 million.

Chairman Chomnuk commented that to keep the Capital Plan on track, and to complete the LT2 compliance, the Authority is almost committed to borrowing the money at this 1% interest rate.

Mr. Keszczyk guaranteed the Board that budget and capital projects costs would balance in 2023.

Mr. Renn commented that if delayed, it would cost more in interest on the loan and recommended moving forward.

Mr. Keller added that the interest rate is due in part with the Borough underwriting the guarantee loan and will need Council approval at the August meeting.

Mr. Carroll moved to authorize the Authority to accept the proposal of TD Bank dated July 20, 2020, the form of supplemental indenture and guarantee and all actions necessary to carry out the transaction. Mr. Benner seconded the motion and it passed unanimously.

Mr. Benner moved to adopt a Resolution to include approval of the incurrence of debt, the aforementioned TD Bank proposal, the form of supplemental indenture and guarantee and all actions necessary to carry out the transaction. Mr. Carroll seconded the motion.

RESOLUTION NO. 2-2020

**AUTHORIZING AND DIRECTING THE ISSUANCE OF POTTSTOWN BOROUGH
AUTHORITY GUARANTEED WATER REVENUE BOND, SERIES OF 2020 IN A STATED
PRINCIPAL AMOUNT OF \$1,300,000 FOR THE PURPOSE OF FINANCING (1) THE COSTS**

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OF CERTAIN CAPITAL IMPROVEMENTS TO THE WATER TREATMENT SYSTEM AND (2) PAYING THE COSTS OF ISSUING THE BOND (THE "2020 PROJECT"); AUTHORIZING THE EXECUTION AND DELIVERY OF A TENTH SUPPLEMENTAL TRUST INDENTURE SECURING SAID BOND WITH U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE; AUTHORIZING THE EXECUTION AND DELIVERY OF A GUARANTY AGREEMENT BY THE BOROUGH OF POTTSTOWN; AUTHORIZING THE SALE AND DELIVERY OF THE BOND TO THE PURCHASER THEREOF; AUTHORIZING THE PLEDGE OF THE RECEIPTS AND REVENUES FROM THE WATER SYSTEM; APPROVING THE TERMS OF A PROPOSAL FROM TD BANK, N.A. TO PURCHASE THE BOND; DESIGNATING THE 2020 BOND AS A QUALIFIED TAX EXEMPT OBLIGATION AND AUTHORIZING OTHER NECESSARY ACTION WITH REGARD TO THE 2020 BOND.

WHEREAS, the Pottstown Borough Authority (the "Authority") was incorporated by the Borough of Pottstown (the "Borough") for the purpose, among others, of acquiring, holding, constructing, improving, maintaining, owning and operating a water system (the "Water System") and a sewer system to serve, among others, the residents of the Borough in its service area;

WHEREAS, the Authority has heretofore issued various series of bonds for the purpose of funding certain capital projects and from time to time, refunding certain of its water revenue bonds outstanding (collectively, the "Prior Bonds"), all issued in connection with the Water System (as defined in the Trust Indenture dated as of June 15, 1995 (the "Original Indenture") serving, among other municipalities, the Borough; and

WHEREAS, the Prior Bonds were issued pursuant to the Original Indenture, as supplemented from time to time, including by a Ninth Supplemental Indenture dated as of November 14, 2019, from the Authority to U.S. Bank National Association, as successor trustee (the "Trustee"); and

WHEREAS, the Authority desires to undertake a project to consist of (i) certain capital improvements to include improvements to the water treatment system and (ii) the costs of financing the capital improvements (the "Project"); and

WHEREAS, the Authority proposes to finance the Project by issuing its \$1,300,000 Guaranteed Water Revenue Bond, Series of 2020 (the "2020 Bond"); and

WHEREAS, TD Bank, N.A. (the "Bank") has proposed to purchase the 2020 Bond, pursuant to a Request for Proposals issued on behalf of the Authority by its financial advisor, PFM Financial Advisors LLC, and upon terms set forth in the Bank's proposal dated June 30, 2020 (the "TD Bank Proposal"), a copy of which has been presented to this meeting; and

WHEREAS, the Authority has determined that undertaking the 2020 Project and approval of the TD Bank Proposal to finance the costs of the 2020 Project is in the best interests of the Authority; and

WHEREAS, the 2020 Bond will be issued pursuant to this Resolution (the "Resolution") and a tenth supplement approved hereby to the Original Indenture (the "Tenth Supplemental Indenture" and, together with the Original Indenture as previously supplemented, the "Indenture"); and

WHEREAS, as additional security for the 2020 Bond, the Borough and the Authority will execute and deliver to the Trustee a Guaranty Agreement (the "Guaranty Agreement"); and

WHEREAS, the Authority desires to authorize the issuance of the 2020 Bond, the execution of the Tenth Supplemental Indenture and other necessary action;

NOW THEREFORE, THE BOARD OF THE POTTSTOWN BOROUGH AUTHORITY, HEREBY RESOLVES AS FOLLOWS:

Section 1. The Authority hereby authorizes and approves the 2020 Project. The Authority shall incur indebtedness through the issuance of its Guaranteed Water Revenue Bond, Series of 2020, in the stated principal amount of \$1,300,000 to provide funds for and toward the costs of the 2020

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Project, including the expenses of the financing, and shall apply the proceeds of the 2020 Bond solely to the 2020 Project, including such costs of issuance.

Section 2. The 2020 Bond shall be dated as of its date of issue, shall be issued in the principal amount of \$1,300,000, and shall bear interest and mature as set forth in the TD Bank Proposal.

The Bond shall be subject to optional or mandatory redemption or purchase at the times, in the amounts, in the manner and from the funds set forth in the 2020 Bond and as provided for in the TD Bank Proposal.

Section 3. The 2020 Bond shall be issued under the provisions of the Tenth Supplemental Indenture. This Board authorizes and confirms the appointment of U.S. Bank National Association as Trustee under the Indenture and as registrar, paying agent and transfer agent for the 2020 Bond. The Indenture shall provide, among other things, for (a) the terms of the 2020 Bond as set forth in this Resolution and the accepted TD Bank Proposal (as provided for hereinbelow), (b) the procedure for disbursement of the proceeds of the 2020 Bond to pay the costs of the 2020 Project, (c) the payment of debt service on the 2020 Bond, and (d) covenants of the Authority for the benefit of the Registered Owner of the 2020 Bond. The Tenth Supplemental Indenture in substantially the form submitted to this meeting is hereby approved, with such changes as are recommended by Authority counsel and appropriate in accordance with the TD Bank Proposal. The Chairman or the Vice Chairman and the Secretary or any Assistant Secretary of this Authority are hereby authorized to execute, to attest, to seal and to acknowledge, as applicable, the Tenth Supplemental Indenture and to deliver the same to the Trustee with such changes therein as counsel to the Authority may advise and the Chairman or Vice Chairman of the Authority executing the same may approve, such approval to be conclusively evidenced by the action of such officers in executing the Tenth Supplemental Indenture.

Section 4. The Authority, after due deliberation and investigation, and upon the recommendation of its Financial Advisor, has found that a private sale by negotiation invitation is in the best financial interest of the Authority and based upon such finding the Authority has authorized the award of the 2020 Bond to TD Bank, N.A. upon the terms set forth in the TD Bank Proposal. The Authority hereby accepts the TD Bank Proposal for the purchase of the 2020 Bond for a stated principal amount of the 2020 Bond of \$1,300,000 at an annual fixed rate of interest equal to 1.01% per annum, with a final maturity date of December 15, 2024, subject to optional prepayment, all as set forth in the TD Bank Proposal.

Section 5. The Chairman or Vice Chairman is hereby authorized to execute the 2020 Bond by his manual or facsimile signature and the Secretary or Assistant Secretary of the Authority are hereby authorized and directed to attest to such signature and to cause an impression of the Authority seal to be made thereon, and to deliver the 2020 Bond to the Trustee for authentication, and such 2020 Bond bearing the facsimile signature of the Chairman or Vice Chairman and attested by the facsimile signature of the Secretary or Assistant Secretary and authenticated by the manual signature of an authorized officer of the Trustee shall be a validly executed 2020 Bond within the meaning of this Resolution.

Section 6. The Trustee is hereby requested and is authorized to authenticate the 2020 Bond pursuant to the Indenture, and to deliver said 2020 Bond upon instructions of the Chairman or Vice Chairman of the Authority to the purchaser thereof upon receipt of the purchase price therefor, plus interest accrued, if any, to the date of delivery. Upon receipt of the balance of the purchase price for the 2020 Bond, the Trustee shall deposit the same, together with the other funds, if any, required for the Project, in the Settlement Account as authorized by the Indenture. From the Settlement Account, the Trustee shall pay, or establish reserves for payment of, the costs and expense of the financing and shall apply the balance, if any, as set forth in the Closing Statement signed by the

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Chairman or Vice Chairman of the Authority.

Section 7. The form, terms and provisions of the Guaranty Agreement, to be substantially in the form as submitted to this meeting (a copy of which shall be filed with the records of the Authority) are hereby approved. The Chairman or Vice-Chairman of the Authority is hereby authorized and directed, upon execution thereof by the Borough, to execute the Guaranty Agreement in such form, subject to such changes and modifications, if any, as may be approved by such Chairman or Vice-Chairman, the execution of the Guaranty Agreement to be conclusive evidence of such approval, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to affix thereto the corporate seal of the Authority and to attest the same. The Chairman or Vice-Chairman of the Authority is further authorized and directed to acknowledge the same on behalf of the Authority and to deliver, or cause to be delivered, the Guaranty Agreement to the Trustee.

Section 8. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to instruct the Trustee at the time of the closing and from time to time thereafter to invest in permitted securities under the Indenture, or to deposit in one or more secured, interest bearing time deposit accounts, as provided in the Indenture, so much of the moneys from time to time on deposit in Funds established under the Indenture, as amended and supplemented, as will not be required to discharge current obligations of the Authority.

Section 9. The Authority hereby covenants with the registered owners of all Bonds and with the Borough that so long as any Bonds remain outstanding it will fix, charge and collect Water rates and charges for the use of the Water System so that its System Revenues, together with available funds, if any, shall be sufficient in each year for the Authority: (a) to pay the operating expenses of the Authority within the meaning of the Indenture; and (b) to provide additional amounts available for debt service in each such fiscal year as provided under the Indenture, and (c) such amounts as may be required to reimburse the Borough for any amounts advanced by it pursuant to the Guaranty.

Section 10. The Authority hereby covenants with the registered owners of all Bonds that the Authority will make no use of the proceeds of the 2020 Bond at any time during the term thereof which would cause such 2020 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, or under any similar statutory provision or any regulation promulgated thereunder and applicable to the 2020 Bond at the time of issuance thereof, with the effect that interest on the 2020 Bond would be no longer excludable from gross income for federal income tax purposes and that it will comply with the requirements of such Section and any statutory provisions or regulations applicable thereto throughout the term of the 2020 Bond.

Section 11. In order to ensure that the registered owner of the 2020 Bond, if it is a financial institution, will not be subject to certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), as a result of acquiring and carrying the 2020 Bond, the Authority hereby designates the 2020 Bond as a "qualified tax-exempt obligation," within the meaning of Code section 265(b)(3)(B), and the Authority hereby covenants that it will take such steps as may be necessary to cause the 2020 Bond to continue to be an obligation described in such Code section during the period in which the 2020 Bond is outstanding. The Authority represents that it has not issued, and does not reasonably anticipate issuing, tax-exempt obligations which, when combined with the 2020 Bond, will result in more than \$10,000,000 of tax-exempt obligations being issued in the calendar year in which the 2020 Bond is issued. For purposes only of the foregoing sentence, the term "tax-exempt obligation" shall include any "qualified 501(c)(3) bond", as defined in Code section 145, but shall not include any other "private activity bond," as defined in Code section 141(a), any obligation which would be an "industrial development bond" or a "private loan bond" as defined in sections 103(b)(2) and 103(o)(2)(a) of the Internal Revenue Code of 1954, as amended, but for the fact that it is issued pursuant to section 1312, 1313, 1316(g) or 1317 of the Tax Reform Act of 1986, or any obligation issued to currently refund any obligation to the extent the amount thereof does not exceed the

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outstanding amount of the refunded obligation.

Section 12. The Chairman or any Vice Chairman and the Secretary or any Assistant Secretary of the Authority are hereby authorized and directed to deliver the certificates required under the Indenture in connection with the issuance of the 2020 Bond and to execute and deliver a Continuing Disclosure Agreement, as and if required under Securities Exchange Commission Rule 15c2-12, and execute and deliver such further documents and to take such further action as may be necessary or expedient in order to carry out the terms of the Indenture and the intent and purpose of this Resolution.

Section 13. The proper officers of the Authority are hereby authorized, directed and empowered on behalf of the Authority to execute any and all agreements, papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the purposes of this Resolution and the Indenture.

Section 14. The proper officers of the Authority are hereby authorized and directed to pay the costs of issuing the 2020 Bond at the time of closing, provided that the total of such costs shall not exceed the amount of 2020 Bond proceeds available therefor.

Section 15. All resolutions or parts of resolutions inconsistent herewith be and the same hereby are rescinded, cancelled and annulled.

Section 16. This Resolution shall take effect immediately.

The motion passed unanimously.

WWTP PEAK FLOW STUDY

Mr. Keller explained 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.

Mr. Renn moved to approve the analysis of the Peak Flow Study and the allocations as presented. Mr. Ecker seconded the motion and it passed unanimously.

CLOSE OUT CONTRACT #2019-1 WATER & SEWER REPLACEMENT PROJECT

Mr. Benner moved to close out Contract #2019-1 Water & Sewer Replacement Project in the amount of \$70,567.51. Mr. Carroll seconded the motion and it passed unanimously.

NEW BUSINESS

BOOKKEEPER

Mr. Keller noted that this was a discussion with the Finance Director, Mr. Keszczyk and the Chairman to appoint Mr. Keszczyk as the Bookkeeper for the Authority.

Mr. Carroll moved to appoint Gerry Keszczyk as the Bookkeeper for the Authority, effective immediately. Mr. Benner seconded the motion and it passed unanimously.

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AIR SCOUR SYSTEM UPGRADE CONTRACT

Mr. Carroll moved to award the 2022 Air Scour System Upgrade construction contract to Roberts Water Technologies, Inc. in the amount of \$949,000 as recommended by the Engineer and subject to Borough Council approval of the TD Bank Loan. Mr. Benner seconded the motion and it passed unanimously.

WWTP DRBC DOCKET RENEWAL

Mr. Wagner confirmed the DRBC will approve the docket and addressed for information purposes only.

HB 2583 ELECTED AUTHORITY MEMBERS

It was the consensus of the Board that Manager Keller will consult with both Solicitors to prepare a response to HB2583.

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

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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 **PRIOR** 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 **PRIOR** 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 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