

LOWER POTTS GROVE TOWNSHIP AUTHORITY October 13, 2009

The Lower Pottsgrove Township Authority held their regularly scheduled meeting on Tuesday, October 13, 2009. Meeting was called to order at 7:01 P.M. The following attended:

James Toth, Vice Chairman
David Richards, Treasurer
Mark Loshnowsky, Secretary

Rodney Hawthorne, Manager
Stephen Kalis, Solicitor
William Dingman, Engineer

COMMENTS FROM VISITORS: None

APPROVAL OF AUTHORITY MINUTES: Mr. Mark Loshnowsky motioned to approve the minutes of September 14, 2009 and Mr. Dave Richards seconded the motion. All approved.

OLD BUSINESS:

1. **Developers Discussion & Update (CAP) and (CMP)---**Solicitor S. Kalis led the discussion into the Developer's agreements and the requirements of those agreements. Howard Woods was in attendance along with Ted Kotchen who represented Gambone Developer's. Mr. Woods represented the Developer's group. Solicitor S. Kalis addressed issues with the sewer easements as it affected both Sukonik and Gambone plans. Mr. Sukonik was not required to post his \$84,306.00 at this time but would if Gambone would dedicate a sewer easement through the Gambone Properties to LPTA. The 5 year time line for both Gambone and Sukonik will expire next week. Sukonik has done everything required at this point in time. Mr. Kotchen is here tonight to offer the developer's agreements for signature and to offer the sanitary sewer easement to the Authority. Howard Woods addressed the Authority and agreed if the Authority could sign the agreements tonight, Mr. Kotchen explained the details in the easement agreement which has been reported to the Board. Motion to accept the Developer's Agreement for signature by the Authority was made by Mr. Loshnowsky and seconded by Mr. Richards. The agreement was signed by Mr. James Toth the Acting Chairman for the Authority.

Motion to except dedication of the sanitary sewer easements involving the project known as The Falls of Pruss Hill and The Landis Subdivision in accordance with the developer's agreements signed as part of the Consent Order and Agreement with DEP and as further evidenced in the sanitary sewer connection easement agreement between Ridgewood Inc. and Sukonik Pruss Hill LP dated 8/3/09. Said motion is conditioned upon the developer Ridgewood Inc. receiving a time extension relating to the final approval of its project originally granted on

10/21/04 from the Board of Commissioners. This motion was made by Mr. Richards and seconded by Mr. Loshnowsky. All approved.

2. **DEP Consent Order & Agreement--- Cap Report** – Mr. Dingman addressed the Cap Report #29 and highlighted the report for the Board. Mr. Dingman also reported on metering quotes of which he received two quotes one from Goel Services and the other from CSL. The low bid was Goel at \$23,200.00. Motion to move forward and hire Goel Services for metering within Lower Pottsgrove Township with the Authority to reimburse Bursich Associates for all fees incurred by the contract was made by Mr. Loshnowsky and seconded by Mr. Richards . All approved.

Sanatoga Pumps--- Mr. Dingman reported there was extra at the Sanatoga Pump Station for between \$11,000 and 12,000 time & material. There was a leak in the existing 12 inch force main that had to be repaired at this time since the pipe was exposed. Mr. Hawthorne was called by Dick Smith of Bursich Associates and was advised of the problem above. Mr. Hawthorne approved the charge at that time.

3. **537 Plan Update---**Mr. Dingman reported on the 537 Plan and that it is ready to go, he handed out the report summary dated October 2009. Motion to advertise the Act 537 Plan for public comment was made by Mr. Loshnowsky and seconded by Mr. Richards. All approved.

4. **Resolution #09-73 Lateral Inspection at Time of Home Sale---**There was nothing new to report on this issue.

5. **Brown Street Reimbursement Agreement---**Solicitor S. Kalis reported on the Brown Street Reimbursement Agreement between the Lower Pottsgrove Township and the Lower Pottsgrove Township Authority. Mr. Hawthorne went before the Board of Commissioners and asked if they wanted to extend the agreement and they did. The Board of Commissioners want a 5 year extension 120 day opt out language and a right of first refusal in the agreement. The Board was okay with that, so Solicitor S. Kalis will be preparing the agreement. We can all approve at the November Authority meeting.

6. **Lower Pottsgrove Authority/Pottstown Borough Authority Agreement---**Mr. Hawthorne was asked to give a brief history on why the water fund was set up. The Fund was set up many years ago under the previous Authority Manager Mr. Greg Prowant. It was set up to establish a Fund for future water projects such as another pump station if needed or maybe a small water line extension. Mr. Hawthorne confirmed that the current pump station at Kepler and Buchert Roads is owned, operated and maintained by the Borough of Pottstown Authority. Mr. Hawthorne reviewed Michele Christman's memo dated 10/08/09 with the Authority Board. The first part of the memo addresses the Authorities operating budget shortfall of \$173,575. Mr. Hawthorne was asking the Board for a modest rate increase this year of \$8.00 per quarter or \$32.00 a year or another way of

looking at it is a 7% increase. This increase would balance the sewer operating budget for 2010. All Board members in attendance were in agreement with the rate increase of \$8.00 per quarter. Motion to terminate the water fund and put the monies into the Capital Budget as noted in the memo from Michele Christman dated 10/08/09 was made by Mr. Richards and seconded by Mr. Loshnowsky. All approved.

The next paragraph in the memo touched on the monies owed to the Borough of \$181,718.00. If we are permitted to remove the \$351,500 from the Emmaus Loan account and put into the operating budget that would pay off the \$181,718.00 monies owed to the Borough for past years 2003 through 2007. This dollar amount roughly reflects that we the LPTA are paying approximately .50 cents on the dollar on past disputed invoices. Mr. Hawthorne also wanted to add as part of the motion if we can't take out of Emmaus account we take out the funds from our reserve to pay the \$181,718.00. Discussion was to reconcile all accounts 2003 to 2007. The Board authorized the professional staff to work out the details on any settlement reached for review and Board action at a future meeting. The Board also authorized the staff to work out the agreement for 2008 and 2009 with the Borough. Motion to approve the termination of the account holding the Emmaus Funds and to transfer such funds to the operating account subject to the Solicitors confirmation that the Fund can be properly terminated was made by Mr. Loshnowsky and seconded by Mr. Richards. All approved.

Motion to transfer \$181,718.00 from the Sewer Revenue account to the Operating Account in the event the Emmaus Fund cannot be terminated was made by Mr. Loshnowsky and seconded by Mr. Richards. All approved.

NEW BUSINESS:

1. **BCW Sanitary Sewer Easement**---Solicitor S. Kalis addressed the BCW easements with the Board. The plan has been approved by our Planning Commission and the Board of Commissioners. The easement would run through part of the BCW's property. Solicitor S. Kalis asked for authorization to prepare the easement agreement. Motion to authorize Solicitor S. Kalis to prepare the easement agreement and use language from the final plan and approved by the Board of Commissioners 10/04/09 meeting for circulation and signature by both parties was made by Mr. Loshnowsky and seconded by Mr. Richards. All approved.

Occidental Easement—Motion to authorize the professional staff to counter offer 5 Edu's (1000 gpd) plus eliminate the time expiration clause and other minor administrative changes was made by Mr. Loshnowsky and seconded by Mr. Richards.

2. **Borough of Pottstown Treatment Costs**— Mr. Hawthorne asked for approval to pay the fourth quarter treatment cost to the Pottstown Borough Authority. Mr.

Loshnowsky motioned to approve the payment and Mr. Richards seconded the motion. All approved.

3. **2010 Budget** ---See Old Business #6
4. **Gambone Sewer Easement (Update)**---See Old Business # 1

October 13, 2009
FINANCIAL REPORT

I. TREASURERS REPORT:

Mr. Loshnowsky motioned to approve the Treasurer's Report, as reported by Mr. Richards and Mr. Richards seconded the motion. All approved

SEWER REVENUE ACCOUNT	\$2,325,819.37
CAPITAL IMPROVEMENT RESERVE	\$ 10,239.80
DEBT SERVICE RES EMMAUS LOAN	\$ 351,500.00
WATER FUND	\$ 187,899.50
DEVELOPERS CIP ACCOUNT	\$ 147,115.88
DEVELOP TREATMENT CAPACITY	\$ 31,268.81

II. BILLS FOR PAYMENT

Mr. S. Kalis presented the following bills for payment. Mr. Loshowsky motioned approval for payment and Mr. Richards seconded the motion. All approved.

CAPITAL BILLS

SEWER CAPITAL RESERVE PLGIT

BURSICH ASSOCIATES	\$ 5,776.65
BURSICH ASSOC-ACT 537	\$ 468.00
BURSICH ASSOC DIESEL PUMPS	\$ 5,315.00
PIPE SERVICES CORP	\$ 7,077.56
BULLDOG CONSTRUCTION	\$ 144,000.00

REQUISITIONS

#236 BURSICH ASSOCIATES	\$ 665.75
#237 FOX ROTHSCHILD, LLP	\$ 5,920.94

WET WEATHER SEWER SYSTEM CONVEYANCE CAPACITY

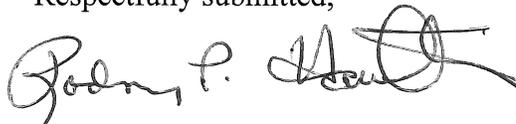
BURSICH ASSOCIATES(Sanatoga) NONE
BURSICH ASSOCIATES(Porter Rd) NONE

OCCIDENTAL PERMIT
BURSICH ASSOCIATES NONE

WATER FUND
FOX ROTHSCHILD, LLP NONE
BURSICH ASSOCIATES NONE

There being no further business, the meeting adjourned. The next meeting is Monday, December 14, 2009.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rodney P. Hawthorne". The signature is written in a cursive style with a large, stylized initial "R" and "H".

Rodney P. Hawthorne
Manager