

LOWER POTTS GROVE TOWNSHIP AUTHORITY MARCH 10, 2014

The Lower Pottsgrove Township Authority held their regularly scheduled meeting on Monday, March 10, 2014 the meeting was called to order at 7:02 P.M. The following attended:

James Toth, Chairman	Edward Wagner, Manager
Joseph McGeehan-Vice Chairman	Chad Camburn, Engineer
David Richards, Treasurer	Stephen Kalis, Solicitor
Jim Krynski	

Mark Loshnowsky-was absent

COMMENTS FROM VISTORS: None

APPROVAL OF AUTHORITY MINUTES: Mr. Richards motioned to approve the minutes of February 10, 2014 and Mr. Krynski seconded the motion and unanimously approved by a 4-0 vote.

OLD BUSINESS:

Developers' Discussion & Update (CAP) and (CMP)---Mr. Camburn reviewed the CAP/CMP report # 80 dated March 4, 2014 with the Board and reported that the following work was performed in February 2014 as part of the I & I reduction program. SSS Inc. televised 860 LF of sewer, tested 186 joints, sealed 85 joints with 266 gallons of grout, installed 17 cured in place pipe repairs, and hydraulically cleaned 935 LF of sewer. The majority of the work was performed in Priority Area 4. Through January 31, 2014, \$341,467.30 of the \$507,800.00 contract has been completed. Eleven payment requests totaling \$341,467.30 have been processed. Prior to the work completed in February, the remaining contract cost was \$166,332.70. Payment has not yet been requested for the approximately \$35,000 of work completed in February.

There was one significant rain event greater than one inch in February and that was on (February 5th) and no wet weather SSOs were observed. The other days in February showing rainfall totals greater than one inch on Table 2 were (February 3rd and 13th). These were primarily snow events and the rainfall reported was the equivalent depth of rain for the amount of snowfall that occurred. There are currently 275 EDU credits available.

Mr. Wagner reported that at 1401 Walnut Ridge the sewer line was backing up into the home. Pipe Data found that it was the main that was clogged with tree roots and that this private line is owned and maintain by the Walnut Ridge Homeowners Association.

Consent Order & Agreement----reported under CAP/CMP

Discussion on Borough Authority Issues---Mr. Wagner distributed a spread sheet to the Board that showed the municipalities involved with the costs of retaining JMT as the third party reviewer. Mr. Wagner explained that our portion of the costs will be 22.02% or \$23,946.25 of the not to exceed cost of \$108,750.00. We are working on priority 2 and priority 3 information for JMT and must have all information completed by April 14, 2014.

5 S. Sunnybrook Road EDU's Update---Mr. Kalis, Mr. Wagner and Mr. Toth had a productive meeting with Mr. Fisher and his attorney Mr. Garner in relation to the EDU assignment to 5 S. Sunnybrook Road. Water records provided by the Borough of Pottstown were used to determine the amount of EDU's to be assigned. After discussing with the Board it was decided that 5 S. Sunnybrook Road would be charged for a total of 10 EDU's, which, considering the 3 EDU's already in place, would be an increase of 7 EDU's with a cost of \$2,720.00 per

EDU. The \$3000.00 remediation fee per EDU will be waived for a total EDU purchase cost of \$19,040.00 to Mr. Fisher. The first sewer billing to reflect all EDU's will start effective January 1, 2014.

Mr. McGeehan made a motion to accept the recommendation of assigning 7 additional EDU's for a total of 10 EDU's to the property at 5 S. Sunnybrook Road at the current cost of \$2,720.00 per EDU with a \$3,000.00 remediation fee waiver for each EDU. This motion is subject to our solicitor drawing up a resolution based on how to regulate medical facilities EDU usages in the township. Mr. Richards seconded the motion and unanimously approved by a 4-0 vote.

Mr. Wagner will provide a sample agreement of the resolution at the next month's Authority meeting.

Sewer Bill Waiver Request—Mr. Wagner explained to the Board that Mrs. Moskal of 73 Pinehurst Drive had submitted a new request to continue relief from the sewer bill because her home is still uninhabitable and under construction from the fire. Mr. Wagner recommended that the Board continue relief of the sewer bill for 73 Pinehurst Dr. until the Use & Occupancy date. Mr. Richards made a motion to relieve the sewer bill until the Use & Occupancy date and Mr. Krynski seconded the motion and unanimously approved by a 4-0 vote.

NEW BUSINESS:

Resolution 2014-91 Amendment to FOG Program—Mr. Wagner explained to the Board that he wanted to update the amendments to the FOG program and authorize the Board of Commissioners to also amend the FOG program to agree with the Pottstown Borough Authority. Mr. McGeehan made the motion to approve the Resolution 2014-91 to update amendments to the FOG Program and Mr. Richards seconded the motion and unanimously approved by a 4-0 vote.

Crane & Hoist Inspection Report—Mr. Camburn explained to the Board that insurance requires us to have yearly inspection of the pump stations equipment to make sure we are in compliance with OSHA guidelines and regulations. The inspection report indicated the some necessary parts for repairs are needed and were quoted at \$1229.07. The Authority's staff is working with the contractor to have the repairs completed.

Borough of Pottstown Unused Capacity—Mr. Camburn reported to the Board that the PBA's unused capacity report has been reviewed and accurately agrees with the LPTA's flow data.

Review of Resolution 58—Mr. Wagner made a recommendation for the Authority to authorize the Solicitor and Engineer to revise and make amendments to the Wastewater EDU Assignment Resolution 58. The Authority was in agreement and authorized the Solicitor and Engineer to make their revisions to Resolution 58.

Bill Carlin PFM Group Presentation—Mr. Carlin from PFM was to make his presentation at 7:00 PM but due to a unexpected delay did not arrive until 7:45 PM. Mr. Carlin then proceeded to review with the Authority Board alternatives to address the interest income of \$151.48 created when the US Government suspended sale of State and Local Government Securities (SLG's) in August 2013 by reason of the statutory debt limit of the U.S. Government. On August 15, 2013 BNY Mellon, as the 1995 Bond Escrow Agent, purchased a U.S. Treasury Bill in lieu of the SLG's which were unavailable. The Escrow Agent followed all rules specified in Revenue Proc. 95-47 of the Internal Revenue Code for this situation. The Treasury Bill acquisition created the \$151.48 of interest income. Mr. Carlin said there were two ways to address the additional earnings as follows:

- (1) Complete IRS Form 8038 T, send the \$151.48 to the IRS, and complete an issuer election into the regulations. It was indicated that due to the complexity of this process and the importance of getting it completed properly, the assistance of Special Counsel experienced in these matters may be necessary.

- (2) The Advisor recomputed the yield on the 1995 Escrow and demonstrated the revised yield, inclusive of the \$151.48, was 5.493241% which is under the restricted target yield of 5.495101%. Consequently, the receipt of \$151.48 of interest income by the Authority will not cause the Acquired Obligation yield to exceed the Restricted yield. Mr. Carlin distributed a form of letter addressed to the 1995 Escrow Agent evidencing the recalculation of yield.

Mr. Krynski motioned to proceed with Option 2 as presented by Mr. Carlin and Mr. Richards seconded the motion and unanimously approved by a 4-0 vote.

March 10, 2014
FINANCIAL REPORT

I. TREASURERS REPORT:

Mr. Richards read the Treasurer's Report for March 10, 2014:

A motion was made by Mr. McGeehan, and seconded by Mr. Krynski, and unanimously approved by a 4-0 vote to approve the Treasurer's Report of March 10, 2014.

SEWER REVENUE ACCOUNT	\$2,278,767.88
CAPITAL IMPROVEMENT RESERVE	\$1,110,579.52
WELLS FARGO 2011 BOND ISSUE	\$ 214,140.77

II. BILLS FOR PAYMENT

Mr. Kalis presented the following bills for payment:

CAPITAL BILLS

SEWER CAPITAL RESERVE PLGIT	
BURSICH ASSOCIATES-I&I Study	\$ 863.21
XYLEM WATER SOLUTIONS USA INC	\$ 22,404.95
REPLACEMENT PUMP PORTER RD PUMP STATION	

WELLS FARGO 2011 BOND ISSUE REQUISITIONS

OPERATING ACCT REQUISITIONS

00-342 BURSICH ASSOCIATES	\$ 3,001.74
00-343 FOX ROTHSCHILD, LLP	\$ 3,054.48

A motion was made by Mr. Krynski and seconded by Mr. Richards and unanimously passed by a 4-0 vote to approve the bills for payment as presented.

Mr. Toth asked for a motion to adjourn the meeting and Mr. Krynski made the motion to adjourn the meeting. The meeting adjourned at 8:02 P.M. The next meeting is scheduled for April 14, 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'Edward C. Wagner', written over a horizontal line.

Edward C. Wagner
Manager