

**PUBLIC UTILITIES COMMITTEE MEETING
MINUTES
November 21, 2023**

The meeting of the Public Utilities Committee was called to order at 7:18 p.m. by Chairman Keith Endy. Present in addition to Mr. Endy were committee members Gene Gabel, Barry Christman, and ex-officio member Frank Deery.

Also in attendance were Council members Charles Heller, Charles Neubauer and Jeffrey Cascino; Lorraine Carnes, Mayor; Patricia Loder, Borough Manager; Bruce Hansley, Street Supervisor; Ralph Schoenly and Alex Eidle, Inframark, LLC; Jason Newhard, SSM, Inc.; Daryl Peck, Concord Public Finance; and Tom McHugh and Jarid Miller.

Mr. Endy called for public comment on the agenda; no comments were forthcoming.

A motion to approve the minutes of the October 24th, 2023 meeting of the committee was made by Mr. Endy, seconded by Mr. Christman, and approved.

Inframark Report – Water and Sewer

Mr. Schoenly reviewed the operator's report for October 2023. The complete report is on file in the administrative office.

Spotts, Stevens & McCoy Report

Mr. Newhard reviewed the engineers' report for October 2023. The complete report is on file in the administrative office.

Mr. Newhard reviewed the bid tabulation for the Madison/Rhoads Avenue Sewer Replacement Project. The low bid was submitted by DOLI Construction Company in the amount of \$1,471,905 with alternate pricing of \$131,765, which brings the total bid to \$1,603,760. Mr. Newhard stated that following discussions with the two low bidders regarding pricing and job execution, it has been determined that the rock profile confirmed the bidders' previous concern for the rock excavation at twenty feet depth along Fourth Street. The project was not bid with rock quantities and the soil conditions are Unclassified, which places the risk on the contractors. This risk is reflected in the bid pricing. Mr. Newhard noted that in his experience rock quantities have become contentious and are the main reason for project cost overruns.

Mr. Newhard further noted that DOLI has submitted the required documents including qualifications, bid bond, non-collusion affidavit and the PA Public Works Eligibility Form. Assuming adequate financing, SSM recommends the Borough award the contract to DOLI Construction with the base bid amount of \$1,471,905 and the alternate bid for the installation of lateral to the sidewalk and overlay of Madison Street from Philadelphia Avenue to the project limit in the amount of \$131,765, bringing the total construction cost to \$1,603,670.

Mr. Peck, of Concord Public Finance, reviewed the proposals received for funding the project. Mr. Peck advised that three proposals were submitted; with QNB Bank submitting the favorable proposal with an initial rate of 4.875% for 7 years; variable rate of 3.199% based on 70% of twenty year average prime of 4.57% with a cap rate of 6.50%. Mr. Peck then reviewed two debt service scenarios. Scenario #1 uses the Borough ARPA Funds of \$430,000 with an annual debt service of \$178,000. Scenario #2 does not use the Borough ARPA Funds and reflects an annual debt service of \$218,000. The committee agreed that Scenario #1 is the preferred option. Enactment of an ordinance setting forth the Borough's intent to issue a General Obligation Note, Series of 2024 will be included on the agenda of the December 4th meeting of Borough Council.

Unfinished Business – Water and Sewer

Sewer Rate Increase – Mr. Newhard will have a sewer rate increase proposal for review at the December 27th meeting of the committee.

New Business – Water and Sewer

Mr. Newhard and Mr. Schoenly discussed with the committee the idea of sealing manholes in the east end of the borough to prevent inflow of rain water. Mr. Newhard advised that this idea has been used by another sewer authority who realized a thirty per cent reduction in flow during rain events. Mr. Schoenly and Mr. Newhard favor using this technique to reduce inflow into the sanitary sewer system during heavy rain events. Mr. Newhard suggested this idea be discussed further when the Madison/Rhoads Avenue Sewer Replacement Project is complete.

Public Comment

Mr. Endy called for public comment; no comments were forthcoming.

There being no further business to conduct a motion to adjourn the meeting at 8:00 p.m. was made by Mr. Endy, second by Mr. Gabel. The next meeting of the Public Utilities Committee will be held on Tuesday, December 19th, 2023 at 7:00 p.m.

Respectfully submitted,

Patricia A. Loder
Borough Manager