

**COOLBAUGH TOWNSHIP BOARD OF SUPERVISORS**  
**WORK SESSION NOTES**  
**March 19, 2019**

The work session was called to order by Chairman William Weimer at 6:00 pm in the meeting room of the Coolbaugh Township Municipal Office, 5520 Municipal Drive, Tobyhanna, PA.

**Board Members present:**

William Weimer, Anthony Lamantia, Lynn Kelly, Alma I. Ruiz-Smith and Clare Colgan

**Board Members absent:**

None

**Staff present:**

Patrick Armstrong, Solicitor, Erin Masker, Township Secretary and Meredith Thompson, Assistant Business Manager

**Staff absent:**

None

Mr. Weimer announced that this work session is being recorded to aid in the preparation of the notes.

**1. PA American Water Company- WWTP**

Mr. Weimer stated that the Board of Supervisors are looking at options and avenues to not operate the Waste Water Treatment Plant under the Township and stated that we had Mount Pocono Municipal Authority and now we have PA American Water Company here to make a presentation. Keith Gabage, Senior Manager of PA American Water and Dave Altmiller, Superintendent in the Pocono Area were both in attendance at the work session to discuss PA American Water Company. Mr. Gabage provided a power point presentation which outlined the number of customers on both the sewer side and water side, number of employees as well as provided the background of PA American Water and their service areas. Mr. Gabage stated that many municipalities get out of the business due to the need for capital investment to make the necessary upgrades the facilities, stating that PA American has the funding to invest into these systems and that is why they are willing to buy them. Mr. Gabage discussed Act 11 which allows utility companies to apply for and receive authorization to combine their revenue requirement for their water and wastewater operations for rate making purposes and Act 12 which is regarding the fair market value of the system when the buyer is a PUC and the owner of the system is a municipality. Mr. Gabage discussed the ways that a sale could take place and how the two parties would come to an agreement on the sale price as there are a couple methods that could be used. Mr. Gabage stated that he has not visited the plant as of yet and that this is just the beginning of the process. Ms. Ruiz-Smith stated that she is exploring new development in the Township and asked about the different types of rates that PA American has being advised by Mr. Gabage that they have residential , commercial and industrial stating that PA American customers are billed based on a usage rate whereas currently the Township bills a flat rate per EDU. Ms. Kelly asked if there is any way to include an agreement for a holding timeframe for our customers should the Board choose to move forward being advised that they probably could not do a freeze on the rates as every three to four years there is a rate case and that if they did agree to the freeze it would only be until the next rate case as they would want to include all of their accounts in it.

- **Discussion:** C. Nidoh asked about the ratings that were listed on the power point, asked if this is the smallest system you have ever purchased and why would you want this small of a system, asked about delinquent accounts and what would happen to them if the system is sold and asked what state the system is in currently. Mr. Gabage stated that this is one of the smaller systems that they are looking at and they are looking at it for the growth potential in this area. Mr. Gabage stated that the delinquent accounts would stay with the Township and stated that he has not been to the plant as of yet. Ms. Ruiz-Smith asked if PA American has any special rates for non-profit organizations, specifically Pocono

Services for Families and Children being advised that they would fall under education and would receive a municipal rate. Discussion ensued on the easement at the Wastewater Treatment Plant being advised that any easement that the Township has for the WWTP would be transferred to PA American. Ms. Kelly asked if PA American Water ever manages WWTP for a Township as opposed to just purchasing them being advised that many companies have stopped providing O & M service and anyone that has done it usually only does it for a prospective acquisition to get information on the system and to build a relationship. Ms. Kelly asked if you are going to do any work on a water line that affects our roads what is the procedure for restoring them, emergency would require an emergency permit and would be required to restore the road pursuant to the Township Code. Mr. Weimer stated that once the road is restored to Township spec they own that section of the road for life. Mr. Weimer thanked Mr. Gabage and Mr. Altmiller for their time stating that more questions will follow. Mr. Weimer directed the public to submit their questions to Ms. Masker stating that they will be forwarded on to the Board for answers.

**2. Other Business**

Nothing was heard.

**3. Public Input**

Nothing was heard.

Work Session ended at 6:47pm.