

MUNICIPAL ENTERPRISES COMMITTEE REPORT – SEPTEMBER 9, 2019

Members: Richard, Chairperson, Martin, Reinhold

Attendees: Richard, Martin, Reinhold, Rowe, Thompson and Merkel

The Municipal Enterprises Committee met on August 19, 2019 and discussed the following:

Prior to presenting the action items to the committee, Borough Manager Thompson introduced the Borough's newly hired Technical Services Manager Nate Merkel.

Action Items:

1. Mr. Merkel described the current projects listed in the Borough storm water pollution reduction plan (PRP) for 2019. They include Spring Garden Street (\$100,000), Nissley Acres (\$100,000) and Gross Run (\$5,000) for a total expenditure in 2019 of \$205,000. After further evaluation of the Nissley project the staff MS4 team is recommending that the funds for the Nissley project be reallocated to the Gross Run project for a total of \$105,000 in 2019 (the Nissley project will be put on hold). In addition the staff MS4 team is recommending that the committee recommend approving a professional services agreement with Ecosystem Planning and Restoration (EPR) from Columbia Maryland in the amount of \$170,686 to perform planning, permitting and construction activities. Work performed in 2019 will not exceed \$105,000 as reallocated per the above. The committee will recommend that Borough Council reallocate \$100,000 from the Nissley Acres project to the Gross Run project and approve a professional services agreement with EPR in the amount of \$170,686.
2. The committee reviewed a tree harvesting proposal from Weaber Lumber, Lebanon, PA to harvest approximately 77 trees along the electric right of way behind the odd addressed properties on North Maple Street between Pine Street and Tuckson Avenue. The harvesting will be performed to protect the Maple Street properties from damage and loss of electric service due to fallen trees. In return for the harvested trees Weaber will pay to the Borough an estimated \$15,405. The committee will recommend that Borough Council approve the proposal from Weaber subject to a form acceptable to the Borough Solicitor.
3. The committee discussed a letter from Blue Ridge Communications requesting to extend the current cable franchise agreement that will expire on February 10, 2020. Borough Manager Thompson discussed that when the recent franchise agreement with Comcast was prepared it was compared closely with the Blue Ridge agreement. As a result he is recommending that the committee approve the extension of the agreement. The committee will recommend that that the Borough Council authorize an extension to the Cable Franchise Agreement with Blue Ridge Communications for an additional seven years.

4. The committee reviewed a Recognition of Assignment of AECs (alternative energy credits) for Lease or PPA Facilities form which assigns the renewable energy credits generated from the solar facility, for the first five years, to the owner of the facility, TPE Pennsylvania Solar 1, LLC a SPE of Alchemy Renewable Energy, per the Power Purchase Agreement. Beginning in year six through year 25 the renewable energy credits will be owned by the Borough, per the PPA. The committee will recommend that Borough Council authorize the President of Borough Council to execute the form assigning the credits to TPE Pennsylvania Solar 1, LLC a SPE of Alchemy Renewable Energy for years 1 through 5.
5. Borough Manager Thompson reviewed with the committee a schedule addition to the AMP Master Service Agreement to participate in the CyberSecurity pilot program. The committee will recommend that Borough Council approve the agreement and authorize the President of Borough Council to execute the schedule.

Discussion Items:

1. The committee reviewed the second quarter budget summary for the Enterprise Fund. There were no concerns from the committee. No further action is required by the committee.
2. Borough Manager Thompson reviewed with the committee the proposed plan to fill in unhedged energy purchases in the Borough current energy portfolio. GDS will prepare an RFP for indicative pricing to be received in September. Upon review and approval of the proposed plan Borough Council will authorize the Borough Manager to execute live pricing in October 2019. The committee has no objections to the proposed plan for procuring energy.
3. Borough Manager Thompson briefly reviewed with the committee the current offerings from AMP concerning their Efficiency Smart Program. The committee demonstrated no interest in the offerings at this time. No further action is required by the committee.
4. Borough Manager Thompson informed the committee that included in their packet of information is a summary report for the completed CARA project. He encouraged them to read the report at their leisure. No further action is required by the committee at this time.
5. Borough Manager Thompson reported that he expects the solar facility to be in commercial operation before the end of August. No further action is required by the committee.
6. Borough Manager Thompson reported that negotiations with AMP on the RICE Peaking project agreement have been completed and that he is waiting for the final documents to be executed. As soon as the agreement is executed he will make a copy of the executed document available to Council. No further action is required by the committee.