

**AVONDALE BOROUGH
SPECIAL COUNCIL MEETING
SEPTEMBER 14, 2004**

COUNCIL MEMBERS PRESENT: Bob Cleveland, Jerry Poe, Russ Kilmer, Fred Bryan, Rose Ann Swift **Absent:** Jay Pusey, Ann Bush

GUESTS PRESENT: Mayor Howell, Harold Brown, Howard Thompson, Walter Barcz

Vice President Bryan called the meeting to order at 6:15 P.M.

The purpose of this meeting is to discuss and possibly approve Notices of Award to Walabax and Monacacy for the Wastewater Treatment Plant and Expansion.

Bob Cleveland made a motion to go into an Executive Session at 6:45 P.M., 2nd by Rose Ann Swift, motion carried.

Fred Bryan called the meeting back to order at 7:15 P.M.

PUBLIC COMMENT

HOWARD THOMPSON

Mr. Thompson asked if Charles Wilkinson is coming in with a land development plan. Bob Cleveland said he is supposed to be bringing in some plans at the next Council meeting.

STREETS COMMITTEE – RESCIND VOTE TO TAR AND CHIP STREETS

Bob Cleveland made a motion to rescind Council Borough's vote to spend \$25,000 to tar and chip designated streets in the Borough, at this time, we do not have the funds to do it and it will be better to wait until the Spring to revisit, 2nd by Jerry Poe, motion carried.

ENTECH REPORT

FIRE COMPANY

Walter Barcz said a few documentation matters remain, but these can follow and need not delay the process. Jim Marlowe is handling the financial documents.

APPROVALS

Walter Barcz said the Borough received County and PennVest approvals for the treatment plant project.

NOTICES OF AWARD

Walter Barcz said the Borough has time to move ahead; there is a ten-day period from the time the Notices of Award are received. Walter said he worded the Notices such that they will need to return them properly, correctly and completely with what is listed and this almost never happens so that will give us more time. By the time we get them back in perfect condition, the Borough has ten days to decide. Fred Bryan asked if we do not award the contracts tonight, does that mean we lose the 2.2 million dollar grant money. Walter said theoretically, you could ask your bidders for another extension, Walabax has already given two and Monacacy has given one and it would be up to them to say yes or no. Walter said it would be another disappointment to the funding agencies and whether they would pull the funding, it would be up to them. It would be extreme but we have to remember that their patience is limited, especially with the County.

COST OVERRUNS

Fred Bryan asked if cost overruns are incorporated into the contracts. Walter said there is an approximate 5% contingency and 5% of the construction cost built into the project costs and the only way the 5% is spent is if there is a change. Fred said then it is figured into the cost. Walter said yes. Walter said to grant the time extension, both contractors checked with their suppliers to see that their prices would remain the same. Russ Kilmer asked if at the end of the project, if steel goes up 20% and concrete goes up 15%, is the contractor going to come back and say the Borough owes them x amount of dollars because of the higher prices or is there something in the contract that says we can not be charged for increase in materials. Walter said there is no basis for a claim like that. Bob Cleveland said, in other words, we are in no way obligated to pay any cost overruns. Walter said, no - none at all, the prices are set. Russ said if we award the bid tonight and then decide we cannot go forward, is there a financial obligation to the contractors since we cancelled out. Walter said no and the Borough is not committed until after the ten days, and the ten days+ that they need to have the documents returned perfect, which could be about a month. Walter said until the Borough signs, there is no contract.

AWARD CONTRACTS

Jerry Poe made a motion to move forward with the awarding of the contracts for the upgrade and expansion of the plant to lowest bidders, Monacacy and Walabax, 2nd by Rose Ann Swift. Russ Kilmer said he would like to amend the motion and his suggestion is that we award the contractors with the allowance that if we determine within a two-week period that financially we cannot do it,

we reserve the right to cancel. Jerry Poe made a motion to amend the first motion to move forward with the awarding of the contracts for the upgrade and expansion of the plant to lowest bidders, Monacacy and Walabax, under the condition that if for some unforeseen reason the Borough decides they can not move forward, the offers will be withdrawn, 2nd by Rose Ann Swift, Bob Cleveland-abstained, Russ Kilmer-yea, Fred Bryan-yea, motion carried.

Rose Ann Swift made a motion to adjourn the meeting at 7:15 P.M., 2nd by Jerry Poe, motion carried.

Respectfully submitted,

Becky Brownback
Borough Secretary