

THE HARRISBURG AUTHORITY

June 27, 2007

Regular Meeting

The Regular Meeting of The Harrisburg Authority was held on June 27, 2007 in the Authority's office at One Keystone Plaza, Suite 104, Front and Market Streets, Harrisburg, Pennsylvania, at 6:00 P.M. Those present were:

Authority Board:	John J. Keller, Chairman Fredrick A. Clark Leonard L. House
Authority Staff:	Robert D. Ambrose, P.E., Executive Director Karen M. McKillip, Administrative Assistant
Bureau of Sewerage:	James M. Close (Dept. of Public Works)
Bureau of Water:	Chad Bingaman
Consulting Engineers/ Professionals:	David A. Brinjac, P.E. (Brinjac Engineering, Inc.) David LaTorre (LaTorre Communications)
Covanta Energy:	Dan Caraccio
General Counsel:	Bruce D. Foreman, Esq. (Foreman & Foreman, P.C.)
Financial Advisor:	Bruce Barnes (Milt Lopus Associates)
Other:	John A. Lukens, City of Harrisburg William J. Cluck, Esq., City Resident Andrew J. Giorgione, Esq. (Buchanan Ingersoll Rooney, PC) Kerry Kirkland (Kirkland & Anderson, Inc.) Andrew Murray, Team ZHA Rev. Reginald A. Guy, Jr., Team ZHA Rev. Richard Dowhower, Team ZHA James Roxbury, Roxbury News Joel Taylor, Roxbury News

CALL TO ORDER:

The meeting was called to order by the Chairman at 6:10 P.M. on Wednesday, June 27, 2007.

The meeting was opened with the observance of the Pledge of Allegiance to the American Flag.

The Chairman advised that the next Regular Meeting of the Authority is scheduled for Wednesday, July 25, 2007 @ 6:00 P.M.

MINUTES OF PREVIOUS MEETING:

A motion was made by Mr. House, seconded by Mr. Clark, that the minutes of the May 23, 2007 Regular Meeting be approved as prepared. The motion was unanimously approved.

A motion was made by Mr. House, seconded by Mr. Clark, that the minutes of the May 29, 2007 Special Meeting be approved as prepared. The motion was unanimously approved.

CHAIRMAN'S REPORT:

No report.

SECRETARY-TREASURER'S REPORT:

The Secretary-Treasurer advised that the Authority has received the End of Month Investment Report for May and also advised that the monthly reports from the Authority's Trustees were in order and entertained any questions. There were no questions.

CONSULTING ENGINEERS' REPORT:

Mr. Brinjac advised that a written report had been previously distributed regarding the status of the following projects: Sludge Dewatering Evaluation, Repair of Digester No. 2 Rehabilitation Project, BNR Upgrade - Preliminary Design, and the Pista Grit Modifications Project. There were no questions to the monthly report.

Mr. Brinjac advised he had met with City Council for the first reading on the pilot plant resolution. Mr. Brinjac also advised that several trips regarding the BNR project were recently conducted. The trip to Colorado involved review of a Pista Grit System similar to what the Authority is looking at.

He noted that since he hadn't received any comments since the last meeting, he wanted to know as to whether a date could be set to receive comments for some time in July, receive bids in August and have something for the Authority's consideration at the September meeting regarding the Pista Grit System. The Chairman advised that by virtue of the vote held last month, he authorized Mr. Brinjac to proceed.

Mr. Clark requested Mr. House as Chairman of the Facilities Committee to allow him to work and meet with Mr. Brinjac regarding the MBE/WBE participation on this project.

BUREAU DIRECTORS' REPORTS:

Mr. Close advised that the Bureau of Sewerage Monthly Report for May 2007 had been previously distributed and entertained any questions. There were no questions.

Mr. Bingaman advised that the Bureau of Water Monthly Report for May 2007 had been previously distributed and entertained any questions. The Board accepted the Report.

Mr. Bingaman also advised that beginning last week, as part of the City of Harrisburg's Summer Enrichment Series, murals have begun to be painted on the lower reservoir water tanks. One additional mural will be added this year and more will follow. He wanted to make the board aware of the work being performed in case there were any questions. The Chairman advised that the board is in favor of the project and that there is no risk to any of the water tanks. Mr. Bingaman advised that due to the Bureau of Water having problems with graffiti in the past, he wanted to make sure that the board was aware of the mural paintings being performed on behalf of the City. The Chairman commended and thanked Mr. Bingaman for bringing this matter to the board's attention.

Mr. Caraccio advised that the monthly report for the period May 1, 2007 through May 31, 2007 had been previously distributed and entertained any questions. The Board accepted the Report.

Mr. House questioned whether the steam turbine generator was up and running yet. Mr. Caraccio advised that the steam turbine generator is still down. It was placed out of service on May 17, 2007. It was originally down for several weeks and shortly after being placed back in service, a similar failure occurred on June 19th. Right now the technical experts are on the scene to determine what the problems are.

FINANCIAL ADVISOR'S REPORT:

Mr. Barnes advised that his monthly report had been previously distributed and entertained any questions. There were no questions.

Mr. Clark inquired as to the documents relating to the Resource Recovery Plan prepared by Milt Lopus Associates. He asked what the M/WBE participation on this project is. Mr. Clark requested Mr. Barnes to meet with Jim Nolan of Swarthmore Group regarding possible participation.

REPORT OF COUNSEL:

Mr. Foreman advised that a written monthly report was previously submitted and entertained any questions. There were no questions.

Mr. Foreman advised that an executive session may need to be held later in the meeting to discuss matters of litigation.

GENERAL PUBLIC COMMENTS:

At this time the Chairman advised that representatives of the public who had signed up to speak during the public comment portion of the meeting could address the Board. He requested that they keep their comments to approximately two minutes.

Reverend Dowhower of the Coalition of Clergy Urban Affairs introduced himself and read a prepared statement into the Authority's records. A copy of the prepared statement is attached to the minutes as Exhibit "A".

Mr. Clark advised that he is in agreement with ZHA's opinion, however ZHA was notified of the meeting request by City Council and the Authority was advised by Mr. Murray that ZHA representatives were unable to attend the City Council meeting. Mr. Clark agreed that ZHA should be the face and independent voice to be heard although he noted that the Authority is not going to engage in this when ZHA was not available. Mr. Clark wanted it put on the record that he is in agreement with 90% of the editorial of Rev. Dowhower.

Mr. Cluck advised that he wanted it on the record that he believes the April 2007 proposal of ZHA does not show them to be an independent agent. He also advised that at the May 29th meeting he appealed to the board for transparency. Since then he has requested copies of Item Nos. D,E,F & G.

He advised that the First Amendment to the Municipal Waste Disposal Agreement voted on a waiver of the tonage for the host benefit fee with the City of Harrisburg. He stated that he thinks its ridiculous that the \$1.00 per ton be waived in lieu of providing steam and heat for a building that is holding artifacts. He believes the document should have been made available to the public prior to voting on. Does the waste being billed include residential or construction and demolition waste. He believes this is unclear and would like clarification. He advised his comments would have been better addressed if he had this information before the items were voted on.

The \$4.90 per ton fee to be paid to Dauphin County. He clearly feels that this doesn't appear to be waste generated for the City of Harrisburg. Why is the Authority obligated for a fee to Dauphin County that is declared illegal? He advised that he feels the \$1 per ton should not be going to Dauphin County, that it should be going to The Harrisburg Authority for use at the incinerator.

He also advised that haulers can not charge their customers for these host fees. If that is happening he feels there is going to be a lot of law suits regarding the retrofitting of the incinerator.

He also wanted to advise that he supports finishing Burner #3 as soon as possible and implores the Authority to be more transparent in order to gain more trust.

[Rev. Dowhower and Mr. Guy left the meeting at 6:34 P.M.]

PERSONNEL COMMITTEE (John Keller):

No report.

FINANCE COMMITTEE (John Keller):

No report.

FACILITIES COMMITTEE (Leonard House):

No report.

OLD BUSINESS:

None.

NEW BUSINESS:

RESOLUTION NO. 2007-012 was introduced by Mr. Clark, seconded by Mr. House, *that The Harrisburg Authority Approves the Form of and Authorizes and Directs the Execution and Delivery of a Forbearance Agreement with Regard to Certain Obligations of the Authority Under and Pursuant to a Certain Restated Sub-License Agreement....w/CIT Capital USA, Inc. and Aireal Technologies of Harrisburg, LLC....* The Resolution was unanimously adopted.

A motion was made by Mr. Clark, seconded by Mr. House, *that the Authority engage the services of David La Torre of La Torre Communications at a monthly retainer of \$5,000.00 per month for a six month period not to exceed \$30,000.00 beginning June 1, 2007 for the purpose of communications, public relations and media work on behalf of The Harrisburg Authority. Funding for the professional services will be provided by the Authority's Administration Account.* The motion was unanimously approved.

A motion was made by Mr. House, seconded by Mr. Clark, *that the Chairman be authorized to accept and execute the Letter Agreement dated June 13, 2007 with UGI Utilities, Inc. to extend the term pricing agreement with UGI Utilities, Inc. for the purchase of natural gas for the Resource Recovery Facility.* The motion was unanimously approved.

The Chairman inquired as to whether the Authority's Solicitor had reviewed the term pricing Letter Agreement w/UGI Utilities. It was confirmed that the Solicitor was in agreement with the terms of the letter agreement.

Mr. Clark advised that he wanted to report on the Citizens Review Committee and will be submitting two names and resumes for the Authority's review. He wanted to advise the Board of Alyssa Harris with Waste Management and an environmental expert with DEP who also lives in the City of Harrisburg and Joel R. Burcat, Esquire of the law firm of Saul Ewing. He also inquired

whether Messrs. House and Keller had any names to add to the Citizens Review Committee. No further names were provided at this time.

CONSTRUCTION FUND REQUISITIONS:

A motion was made by Mr. Clark, seconded by Mr. House, that the Authority approve the following requisitions for payment:

1988 Sewer Project - Series A

Requisition No. 2590	(07) Brinjac Engineering, Inc. (7031)	566.40
Requisition No. 2591	(07) Brinjac Engineering, Inc. (7039)	156,250.00
Requisition No. 2592	(07) Brinjac Engineering, Inc. (7037)	30,450.00
Requisition No. 2593	(07) Brinjac Engineering, Inc. (7032)	5,228.03
Requisition No. 2594	(07) Navarro & Wright Consulting Engineers, Inc. (7039)	12,853.37
Requisition No. 2595	(07) Johnston Construction Company (7032)	<u>120,206.85</u>
		325,554.65

The motion was unanimously approved.

A motion was made by Mr. House, seconded by Mr. Clark, that the Authority approve the following requisitions for payment:

2003 Series D Resource Recovery Construction Fund

Requisition No. 777	(07) HDR Engineering, Inc. (7365.9D)	17,338.91
Requisition No. 778	(07) HDR Engineering, Inc. (7365.9C)	7,507.33
Requisition No. 779	(07) HDR Engineering, Inc. (7365.9C)	177.42
Requisition No. 780	(07) HDR Engineering, Inc. (7365.9D)	5,191.30
Requisition No. 781	(07) Corey R. Stein & Associates (7367.16)	8,600.00
Requisition No. 782	(07) Corey R. Stein & Associates (7367.16)	2,150.00
Requisition No. 783	(07) Wolf Block (7365.20)	3,150.00
Requisition No. 784	(07) Cambridge Environmental, Inc. (7365.4E)	7,770.75
Requisition No. 785	(07) Foreman & Foreman (7365.20)	4,360.00
Requisition No. 786	(07) Foreman & Foreman (7365.20)	<u>220.00</u>
		56,465.71

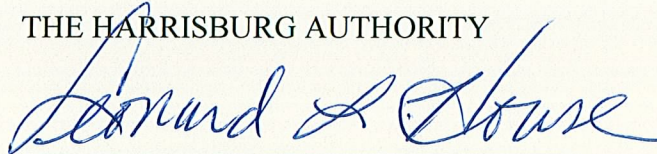
The motion was unanimously approved.

Upon inquiry of the Solicitor, it was noted that the Chairman advised that the Board would be going into Executive Session to discuss litigation matters and that no further business would be conducted, therefore the meeting would be adjourned.

ADJOURNMENT:

A motion was made by Mr. House, seconded by Mr. Clark, that the Authority adjourn the meeting at 6:40 P.M. The motion was unanimously approved.

THE HARRISBURG AUTHORITY



Leonard L. House
Secretary

THE COALITION OF CLERGY URBAN AFFAIRS TASK FORCE

A PUBLIC STATEMENT OF PURPOSE

REGARDING THE JUNE 24, 2007 PUBLICATION

OF AS I SEE IT IN THE SUNDAY PATRIOT-NEWS

For delivery by the Rev. Dr. Richard L. Dowhower and members of the Coalition at the June 27, 2007 meeting of The Harrisburg Authority.

My name is the Reverend Doctor Richard Dowhower from the Coalition of Clergy Urban Affairs Task Force, where I represent Messiah Lutheran Church, the Harrisburg Lutheran Conference and the Bishop's Office of the Lower Susquehanna Synod.

Mr. Keller, Mr. Clark, Mr. House, Mr. Ambrose and Mr. Barnes, I come to you this evening to respectfully state for the public record my intentions in preparing what was to become the AS I SEE IT Opinion-Editorial piece entitled by the newspaper "Council Bickers, Experts Sidelined" as it was published in the THE SUNDAY PATRIOT-NEWS three days ago.

The final version of the piece represents my initial reports to the coalition of clergy on the June 18 joint meeting of two council committees, the coalition's reactions and the editorial revisions of several coalition members and our advisor colleagues, as well as those by the newspaper's editors.

Our intentions, behavior and impacts have been challenged by some. As I learned the skills needed for news reporting fifty years ago as a card-carrying member of The American Newspaper Guild, covering city council meetings in New Kensington, PA, I am neither naive nor inexperienced in journalistic responsibility.

My intention was to call the attention, initially of coalition of clergy members and advisors, and

later the public, to the most recent manifestation of what I have witnessed for eight months as the city's municipal government grid lock. My many hyphenated descriptions of the city council were intended to portray the impossible situation into which this council has been placed. by Mayor Stephen R. Reed, The Harrisburg Authority, and to a lesser degree, the Dauphin County Commissioners, as well as by the council's own actions and inactions.

Our coalition perceives that the responsibility for the near-bankrupt condition of the city is shared by all the governmental units I have named, and not exclusively the council.

On April 18 of this year, when I last represented the clergy coalition before you, Mr. Clark reassured us that the Authority was making full use and taking maximum advantage of the services of the Andrew Murray and the full ZHA team of engineering, technical, financial and public health experts which the coalition has brought to serve the city in this crisis.

However, your "As We See It" article in the June 15 PATRIOT-NEWS, while acknowledging with positive implications city council's previous use of an independent engineer, you made no reference to your own independent ^{CONSULTANTS} ~~engineers~~ currently, neither HDR nor Andrew Murray and the ZHA team.

I was amazed to witness the Authority's presentation on June 18 to the joint council committees, when, despite the resistance the Authority representatives received from skeptical council members, never was either HDR or the ZHA team called upon for supportive testimony, nor was any document they may have prepared introduced. In fact their names were never even spoken, nor was their absence explained. The ZHA team remains Harrisburg's best kept secret, a dynamic of this drama in which even the media seems to be collaborators.

WE WOULD HOPE
It is ~~our understanding~~ that Mr. Murray's team is producing, or has delivered, ~~a report~~ *AN OPINION* on the incinerator retrofit project. The Authority could go a long way in restoring public credibility by making that ~~report~~ *INFORMATION* available, as soon as possible, to the City Council, the Dauphin County Commissioners, the Coalition of Clergy and the public you are pledged to serve. Harrisburg City needs all the help it can get, and such public sharing of available information would go a long way in lowering the mounting level of community distrust.

The clergy coalition seeks greater governmental transparency in order to benefit every local stake holder.

Thank you.