

**PETERS TOWNSHIP
SANITARY AUTHORITY**

111 BELL DRIVE
McMURRAY, PA 15317-3415
PHONE: 724-941-6709
FAX: 724-941-2283
Web Site: ptsaonline.org



James J. Miskis, Manager
Mark A. Chucuddy, Asst. Manager
Gary A. Parks, Special Projects Manager
Patricia L. Mowry, Financial Controller
Diane L. Gregor, Administrative Assistant

REGULAR MEETING

DECEMBER 11, 2012

ROLL CALL:

REVIEW OF MINUTES FOR APPROVAL: Minutes of November 13, 2012

VISITORS:

SOLICITOR'S REPORT:

ENGINEER'S REPORT:

MANAGER'S REPORT:

ASSISTANT MANAGER'S REPORT:

SPECIAL PROJECTS MANAGER REPORT:

CORRESPONDENCE FOR THE BOARD'S INFORMATION:

FINANCIAL CONTROLLER'S REPORT:

FINANCIAL STATEMENT REVIEW: Month ending November 30, 2012

PAYMENT OF BILLS & REQUISITIONS:

OTHER BUSINESS:

1. Acceptance of Consulting Engineer's Annual Report
2. Approve PTSA 2013 Budget
3. Adopt Resolution 6-12-12 Revised Schedule of Rates and Charges
4. Executive Session for Personnel Matters.
5. Exercise 2nd option year of contract with Wilkes Lawn Care & Landscaping for Administrative Building Lawn Care.
6. Exercise 2nd option year of contract with Coverall North America, Inc. for Administrative Building Custodial Services.
7. Authorize entering into a 2-year service agreement with Geo Decisions for Geo Plan Support.

ADJOURNMENT:

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REGULAR MEETING

December 11, 2012

ROLL CALL:

The regularly scheduled meeting of the Peters Township Sanitary Authority was called to order at 7:00 p.m. by the Chairman. Board members present were David G. Blazek, Terrence G. Byrne, Eric S. Grimm, Michael P. Crall and Rebecca W. Kaminsky. Also present were Keith Bassi, Solicitor, Jason E. Stanton, Lennon Smith Souleret Engineering, Inc. (LSSE), James J. Miskis, Manager, Mark A. Chucuddy, Assistant Manager, and Patricia Mowry, Financial Controller.

APPROVAL OF MINUTES:

A Motion was made by Mrs. Kaminsky and seconded by Mr. Byrne to approve the minutes of November 13, 2012 meeting as prepared by Patricia Mowry. The Motion carried unanimously.

VISITORS:

SOLICITOR'S REPORT:

Mr. Bassi reported he prepared a corrective deed of easement and transfer of title of grinder pump agreement for a property owner from the Valley View sewer line extension project. The property owner desired that after installation and start-up of the grinder pump that he own and maintain the grinder pump instead of the Authority. The correction to the easement previously recorded makes the permanent easement a temporary one, and language was added to transfer the title of the grinder pump to the property owner.

A Motion was made by Mrs. Kaminsky and seconded by Mr. Crall to enter into the corrective deed of easement and transfer of title of grinder pump agreement with Donald and Theresa Craig for property located at 164 Irishtown Road Ext. The Motion carried unanimously.

Mr. Bassi reported he has discussed strategy with Management in regards to the arbitrage calculations that were not performed for the past bond issues.

ENGINEER'S REPORT: Copy on file.

Mr. Stanton presented the Annual Engineers report. Mr. Stanton stated he believes the Authority has met all the requirements in the trust indenture for 2012 budget year and the 2013 Budget will meet all the requirements. The Board accepted the Annual Engineers report as presented.

Mr. Stanton reported drawing revisions were received from the Developer of the Waterdam Townhomes on November 2, 2012. A comment letter on the revisions was issued to the Developer on November 16, 2012. The Authority is awaiting revised drawings.

Mr. Stanton reported that one of Management's objectives for 2013 is to update the Authority's Rules and Regulations. The target time is some time in April 2013.

Mr. Stanton reported on the progress on the design for the Donaldsons Crossroads Wastewater Treatment Plant replacement project. The second Board Meeting on January 22, 2012 will be held for the presentation of the Alternative Analysis Report.

MANAGER'S REPORT: Copy on file.

Mr. Miskis reported the recent CHAR Report from PMAA indicated that a Marcellus Shale Gas Fund was established to distribute to the Commonwealth Financing Authority through the H2O Grant program for water and sewer projects. Mr. Lignell is investigating grant possibilities.

Mr. Bassi gave an overview of Bond Arbitration for tax-exempt bonds. Arbitrage in our case, refers to a profit made from investing borrowed funds at a higher interest rate than the bond issue interest. Any profit made has to be rebated back to the IRS. The IRS regulations require an arbitrage calculation to be performed on tax-exempt bonds. The calculations are complex and are typically performed by a Certified Public Accountant. The calculation is to be performed every five years after the bonds are issued or when bonds are retired. Mr. Miskis reported in preparing this year's budget for the arbitrage calculation due in 2014 Management realized the calculation was not performed on the 1998 Bonds, which were refunded in 2003; or the 2003 Bonds, which were refunded in 2009. Management and Mr. Bassi will continue to investigate this topic and report back to the Board.

Mr. Miskis reported on Carriage Hills apartment's sewage issue. They have an unusual issue in that there was sewage seeping through the apartment walls on November 12, 2012. Upon investigation it was determined the Authority's main line was blocked. The blockage was cleared, upon further investigation it was determined the apartment units affected are not connected to the sewer main that was blocked. They connect to a different sewer. Apparently sewage leaked from the apartment building sewer lateral serving Unit No. 5, which is the upper apartment. The Authority will assist the property owner by televising his lines and try to identify where the sewage is leaking from. A property damage claim was reported to our insurance carrier who denied the claim.

Mr. Miskis reported the Developer Eddy Homes has submitted preliminary drawings for two new developments. One is located in the Brush Run watershed along Justabout Road utilizing the trunk sewer from the Tuscan Development and the other one is the Crossings Phase 7 located in the Donaldson's Crossroads watershed.

Mr. Miskis reported on the status of the Donaldsons Crossroads Wastewater Treatment Plant Replacement project design. The distribution of engineering charges was presented with 21.3% of the budget expended.

Mr. Miskis reported all comments from the budget workshop that was held on December 4, 2012 were incorporated into the final reports. Mr. Miskis recommended adoption of the 2013 Budget request, which included a Sewer Use Charge rate increase. The minimum service charge will remain the same at \$31.00/per quarter. The rate revision results in a 7.6% increase to the average residential customer that uses 14,250 gallons of water per quarter, an increase equal to \$2.60/month.

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to adopt Resolution 6-12-12, amending the revised schedule of rates and charges effective February 16, 2013 increasing the User Charge from \$5.05/1,000 gallons of water consumed to \$5.60/1,000 gallons. The Motion carried unanimously.

A Motion was made by Mr. Grimm and seconded by Mr. Crall to approve the 2013 Budget Request. The Motion carried unanimously.

ASSISTANT MANAGER'S REPORT: Copy on file

Mr. Chucuddy reported the service agreement with GEO Decisions for the GEO Plan software expired in April 2011. Mr. Chucuddy recommended entering into a two-year agreement, the terms and conditions as well as rates remain the same as the 2009 agreement.

A Motion was made by Mr. Grimm and seconded by Mr. Crall to enter into a 2-year service agreement with GEO Decisions for the GEO Plan software at the 2009 rates. The Motion carried unanimously.

Mr. Chucuddy reported the 2013 Laboratory Accreditation renewal application was submitted and a letter was received back from the PaDEP that the minimum requirements were not met and listed several items required for accreditation. The new requirements include the testing of BOD to the field of accreditation. The Authority has until April to provide the newly required testing in order to get the accreditation.

Mr. Chucuddy reported both the custodial and landscaping services contracts for the administrative building were one year contracts with two option years. Mr. Chucuddy recommended exercising the option years' 2 for both contracted services at the same rates as the 2010/2011 contracts.

A Motion was made by Mr. Grimm and seconded by Mr. Crall to approve the option year 2 for annual contract for custodial services with Coverall North America Inc. in the amount of \$5,076. The Motion carried unanimously.

A Motion was made by Mr. Grimm and seconded by Mr. Crall to approve the option year 2 for annual contract for landscaping with Wilkes Lawn Care and Landscaping in the amount of \$3,288. The Motion carried unanimously.

Mr. Chucuddy reported the status of the Friar Lane Pilot Program. DR Plumbing started the repair work and is estimated to be completed by the end of the year.

SPECIAL PROJECTS MANAGER'S REPORT: Copy on File

CORRESPONDENCE FOR THE BOARD'S INFORMATION: Copy on file

FINANCIAL CONTROLLER'S REPORT: Copy on file

FINANCIAL STATEMENT REVIEW: Month ending November 30, 2012.

PAYMENT OF BILLS & REQUISITIONS: Copy on File

A Motion was made by Mr. Crall and seconded by Mr. Grimm to approve disbursements in the amount of \$272,925.37 from the following funds:

<u>Fund</u>	<u>Disbursement</u>	<u>Total</u>
Operating	Checks: 20924-20999	\$126,220.87
Operating to PR	Transfer from Operating to Payroll fund	\$65,000.00
Developer	Transfer to Operating	\$181.36
CIRF	Requisition No. 116-12	\$81,523.14

The Motion carried unanimously.

OTHER BUSINESS:

A Motion was made by Mr. Grimm and seconded by Mr. Crall at 7:50 p.m. to enter into Executive Session to discuss personnel matters. The Motion carried unanimously.

Executive Session ended at 8:03 p.m.

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to adjourn the meeting at 8:07 p.m. The Motion carried unanimously.

Respectfully Submitted,

Patricia L. Mowry

MOTIONS SUMMARY

MOTION NO.	MOVED	SECOND	MOTION SUMMARY TABLE	VOTE
1	Kaminsky	Byrne	Approve Minutes of November 13, 2012	Approved
2	Kaminsky	Crall	Enter into the corrective deed of easement and transfer of title of grinder pump agreement with Donald and Theresa Craig for property located at 164 Irishtown Road Ext.	Approved
3	Grimm	Kaminsky	Adopt Resolution 6-12-12 amending the revised schedule of rates and charges effective February 16, 2013 increasing the User Charge from \$5.05/1,000 gallons of water consumed to \$5.60/1,000 gallons.	Approved
4	Grimm	Crall	Approve the 2013 Budget Request.	Approved
5	Grimm	Crall	Enter in a 2-year service agreement with GEO Decisions for the GEO Plan software at the 2009 rates.	Approved
6	Grimm	Crall	Approve the option year 2 for annual contract for custodial services with Coverall North America Inc. In the amount of \$5,076.	Approved
7	Grimm	Crall	Approve the option year 2 for annual contract for landscaping with Wilkes Lawn Care in the amount of \$3,288.	Approved
8	Crall	Grimm	Approve disbursements in the amount of \$272,925.37	Approved
9	Grimm	Crall	Enter into Executive Session to discuss personnel matters.	Approved
10	Grimm	Kaminsky	Adjourn the Meeting at 8:07 p.m.	Approved