

**PETERS TOWNSHIP
SANITARY AUTHORITY**

111 BELL DRIVE
McMURRAY, PA 15317-3415
PHONE: 724-941-6709
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James J. Miskis, Manager
Mark A. Chucuddy, Asst. Manager
Gary A. Parks, Special Projects Manager
Patricia L. Mowry, Financial Controller
Diane L. Gregor, Admin. Assistant

AGENDA

REGULAR MEETING

AUGUST 13, 2013

ROLL CALL:

REVIEW OF MINUTES FOR APPROVAL: Minutes of July 9th, 2013

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 July 31, 2013

PAYMENT OF BILLS & REQUISITIONS:

OTHER BUSINESS:

1. Adopt Resolution No. 06-08-13 for the Special Purpose Tap Fee Update.
2. Appointment of Interim Consulting Engineer.

ADJOURNMENT:

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REGULAR MONTHLY MEETING

August 13, 2013

ROLL CALL:

The regularly scheduled monthly 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, Eric S. Grimm, Terrence G. Byrne, Rebecca Kaminsky. Also present were Seth Tongchinsub, Legal Representative from Bassi, Vreeland and Associates, James J. Miskis, Manager, Mark A. Chucuddy, Assistant Manager and Patricia L. Mowry, Financial Controller. Michael P. Crall, Board member was absent.

APPROVAL OF MINUTES:

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to approve the minutes of July 9, 2013 as prepared by Patricia L. Mowry. The Motion carried unanimously.

SOLICITOR'S REPORT: Copy on file.

Mr. Tongchinsub reported on Mr. Bassi's behalf.

Mr. Tongchinsub reported the civil lawsuit filed by a former employee has been turned over to the Authority's insurance carrier. This is the same allegation pending with the EEOC case previously initiated.

Mr. Tongchinsub reported Mr. Bassi had reviewed the calculations and in conjunction with Management recommended the Board adopt the maximum allowable revised Special Purpose Tap Fees (SPTF) per project as presented by Resolution 06-08-13. Mrs. Mowry reported under the Municipal Authorities Act the Authority had previously established four different SPTF's for the following projects; the 2005 Serverns Sewer Ext, 2005 Hays Road/ E. McMurray Sewer Ext, 2007 E. McMurray Road Sewer Ext, and 2012 Valley View Sewer Ext.

The Act allows for subsequent revisions of the SPT to reflect current cost. The fee can be adjusted annually, and the Board may choose to set the maximum as calculated or any amount up to the maximum. There are 2 methods allowable for adjustment to the fee, by the Engineering Record Index if there is no debt associated with the project or the weighted average of the interest rate of the borrowed funds when the Authority has outstanding debt associated with the project. The Serverens, Hays Road, and E. McMurray Sewer Ext. projects have no outstanding debt, therefore the individual fees were updated using the Engineering Record Index, the Valley View project has outstanding debt associated with the project, and therefore the interest rate of the borrowed funds was utilized.

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to adopt Resolution 06-08-13 for the updating of the outstanding special purpose tapping fees as outlined in the resolution. The Motion carried unanimously.

MANAGER'S REPORT: Copy on file.

Mr. Miskis reported on July 10, 2013 the Brush Run treatment facility and system experienced a 100-year flood event. The flood waters over topped the treatment tank walls and flooded into the process treatment tanks. The peak influent flow was 13.7 MGD, there were several manhole and two pump station overflows in the system. All overflows were reported to the PADEP. The flooding was not severe on the Chartiers Creek, therefore the Donaldsons Crossroads facility performed relatively well during the rain event. The facilities did not suffer any permanent damage

Mr. Miskis reported in preparation for the Brush Run NPDES permit renewal plant influent and treated effluent samples are taken and analyzed for metals and organics. The sampling has detected the metal Hexavalent Chromium in trace amounts. This metal is a toxic metal and if confirmed to be present in our effluent it may trigger new requirements in the re-issued NPDES permit. Previous NPDES permit applications did not require the extensive metals and organic analyses now required, therefore there is no background data for these parameters. The Authority will increase frequency of samplings in order to better characterize these parameters before submitting the application in December.

Mr. Miskis reported the Authority will apply for a 2014 Local Share Account Grant for the Donaldson's Crossroads Plant Replacement Project.

Mr. Miskis reported Upper St. Clair submitted the Final Feasibility Study to ALCOSAN prior to the deadline. The next step will be design and construction which is several years away. The Authority will continue to meet with Upper St. Clair, and keep the Board updated as progress is made.

Mr. Miskis reported the Township is updating its Comprehensive Plan. The Authority's role in the process is to advise the Township of probable sewage impacts of different zoning related decisions. The draft "Future Land Uses" identified several areas in the Donaldson's Crossroads watershed that could be rezoned to "Mixed Use Activity Center". This would dramatically increase the ultimate sewage flows to be treated at the DC Plant from the volume anticipated during the 537 Planning Process. There are also proposed zoning revisions in the Brush Run Sewer system that would increase its ultimate sewage flows. The Township Council will be holding a public hearing on the proposed Comprehensive Plan on September 16, 2013, with adoption projected for October or November. The Authority will need to prepare written comments and recommendations prior to that meeting. Considering the short time frame and the impacts it could have on the design of the DC Plant Replacement Project Management recommended engaging GHD to prepare review comments on the draft plan, addressing both the DC and the Brush Run service areas.

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to approve GHD's Service Order not to exceed \$5,000 to prepare review comments on the Township's Comprehensive Plan for the DC and Brush Run service areas. The Motion carried unanimously.

Mr. Miskis reported the Montour Trail Council (MTC) ribbon cutting ceremony will be held on Saturday, September 14, 2013. The Board concurred to allow the MTC to utilize the Authority's parking lot for the ceremony. The Board is invited to attend, and Mr. Miskis will be attending the ceremony.

Mr. Miskis reviewed the engineering consultant selection criterion and gave Management's recommendation for the consulting engineer short list that was presented in the proposal request for a retained consulting engineer distributed to the Board. Mr. Miskis indicated the interviews would be held at the 2nd monthly Board meeting on October 22, 2013.

Mr. Miskis recommended appointment of KLH Engineers Inc. as the Authority's interim consulting engineer.

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to appoint KLH Engineers Inc. as the Authority's interim consulting engineer. The Motion carried unanimously.

Mr. Miskis reported GHD reviewed with Management their preliminary second opinion for the Donaldson's Crossroads WPCP Replacement project. GHD is in general agreement with the selected alternative and process design. However in GHD's opinion it appears LSSE's cost estimates were under budgeted by \$5.5 million. GHD has provided a modified plant layout focused on cost reduction. GHD will be attending the September 9, 2013 Board meeting to present the second opinion review and present their recommendations.

Mr. Miskis reported there was another peak rain event on July 10, 2013, which was the second opportunity the Authority had to observe the proposed solution by CET-GHD regarding the Brush Run Wet Weather Clarifier No. 3 weir elevation. The agreement was to observe two 12 MGD or greater rain events over the next three years. Mr. Miskis reported there was no impact from the proposed solution of adjusting the inlet gates to Clarifier Nos. 1 & 2 upward by four inches. Therefore Management recommended the Board release GHD from their commitment to adjust the Clarifier No. 3 effluent weirs if any problems were identified.

A Motion was made by Mrs. Kaminsky and seconded by Mr. Grimm to release GHD from their commitment to adjust the Clarifier No. 3 effluent weirs if any problems were identified. The Motion carried unanimously.

ASSISTANT MANAGER'S REPORT: Copy on file

Mr. Chucuddy reported the Authority has received the final results from the annual proficiency testing. The results for the Total Suspended Solids were slightly outside the acceptable range. Therefore additional testing will be performed and analyzed, and then documentation will be provided as to the cause and the corrective action taken to the PADEP.

Mr. Chucuddy reported the status of the 2013 Rehabilitation project. State Pipe Services were unable to make several repairs that were identified in the contract to be grouted. The project manager indicated if the Authority can wait until November for them to make the repairs, by installation of a "T" liner. They will complete the repairs at no cost to the Authority. Management accepted the offer and will wait until November for the repairs to be made.

SPECIAL PROJECTS MANAGER'S REPORT: Copy on File

CORRESPONDENCE FOR THE BOARD'S INFORMATION: Copy on file

FINANCIAL CONTROLLER'S REPORT: Copy on file

Mrs. Mowry reported the projected calculations are completed for the 2009 Bond Arbitrage requirement. The required 5-year Arbitrage calculation is due to be performed in February 2014.

There is a projected negative arbitrage in the 2009 Construction Fund and the Escrow account. However, the Debt Service Reserve Fund has a projected positive arbitrage. After combining all the accounts it appears the projected rebate amount will be between \$32,000 - \$35,000. The payment would be due in the 1st quarter 2014, and will be reflected in the 2014 Capital Plan. The positive arbitrage is a result of the \$667,000 20-year investment that has been earning 5.39% since 1994, and we have been receiving approximately \$35,000 earning a year since then. The security expires this September. There are several strategies to evaluate when the final arbitrage calculation is due when the bonds are retired in order to minimize or eliminate the negative arbitrage occurring at the five year point. If negative arbitrage exist or is a lower positive arbitrage at the time the final calculation is preformed then, all money paid at the 5-year calculation is refunded back to the Authority, with interest earnings at the arbitrage amount of 2.9%. In preparation of the 2014 Budget the strategies will be outlined to either eliminate or decrease the positive arbitrage from the 5-year calculation to the final.

FINANCIAL STATEMENT REVIEW: Month ending June 30, 2013.

PAYMENT OF BILLS & REQUISITIONS: Copy on File

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to approve disbursements in the amount of \$363,407.86 from the following funds:

Fund	Disbursement	Total
Operating	Checks: 21632-21719	\$68,944.02
Payroll	Transfer from Operating to Payroll fund	\$85,000.00
Charleroi Loan	Valley View Sewer Ext. 2012 Debt Payment	\$4,438.13
Operating	Quarterly Transfer Debt payment to DSF	\$186,125.18
Developer	Transfer to Operating	\$314.15
CIRF	Requisition No. 124-13	\$16,386.45
CIRF	Penn Vest – Ivy Lane – 2003 Debt Payment	\$2,199.93

The Motion carried unanimously.

OTHER BUSINESS:

The Board recognized Mr. Miskis for his 20 years of service.

A Motion was made by Mr. Grimm and seconded by Mrs. Kaminsky to adjourn the meeting at 8:30 p.m. The Motion carried unanimously.

Respectfully Submitted,

Patricia Mowry

MOTIONS SUMMARY

MOTION NO.	MOVED	SECOND	MOTION SUMMARY TABLE	VOTE
1	Grimm	Kaminsky	Approve Meeting Minutes of July 9 th , 2013	Approved
2	Grimm	Kaminsky	Adopt Resolution No. 06-08-13 for the updating of the outstanding special purpose tapping fees as outlined in the resolution	Approved
3	Grimm	Kaminsky	Approve GHD, Inc. Service Order not to exceed \$5,000 to prepare review comments on the Township's Comprehensive Plan for the Donaldson Crossroads and Brush Run Service areas	Approved
4	Grimm	Kaminsky	Appoint KLH Engineers, Inc. as the Authority's interim consulting engineer	Approved
5	Kaminsky	Grimm	Release GHD, Inc. from their commitment to adjust the Clarifier No. 3 effluent weirs If any problems were identified	Approved
6	Grimm	Kaminsky	Approve disbursements in the amount of \$363,407.86	Approved
7	Grimm	Kaminsky	Adjourn meeting at 8:30 p.m.	Approved