

**PETERS TOWNSHIP  
SANITARY AUTHORITY**

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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**

**December 8, 2015**

**ROLL CALL:**

**REVIEW OF MINUTES FOR APPROVAL:** Minutes of November 10, 2015

**VISITORS:**

1. Mr. Bart Walker, 214 Thompsonville Road, Re: Excessive Sewage Bill

**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, 2015

**PAYMENT OF BILLS & REQUISITIONS:**

**OTHER BUSINESS:**

1. Adopt 2016 Budget
2. Resolution amending Rate Schedule A adjusting sewer use charges, and adding provision of a surcharge to food establishment grease dischargers to support a grease trap management program
3. Acceptance of planned sewage flows from the proposed Goldfish Swim School connecting to the Donaldson's Crossroads Sewer System (9.5 EDUs)
4. Award of Contract 1, General, of Donaldson's Crossroads WPCP Replacement Project to Kukurin Contracting, Inc. in the amount of \$13,781,682
5. Award of Contract 4, Electrical, of Donaldson's Crossroads WPCP Replacement Project to Bronder Technical Services, Inc. in the amount of \$1,385,840

**ADJOURNMENT:**

**PETERS TOWNSHIP  
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**REGULAR MEETING**

**December 8, 2015**

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, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky. Also present were Romel L. Nicholas, Solicitor, David A. Coldren, KLH Engineering, Inc., James J. Miskis, Manager, Mark A. Chucuddy, Assistant Manager and Patricia Mowry, Financial Controller. Absent from meeting was Board Member, Terrence G. Byrne.

**APPROVAL OF MINUTES:**

Motion: To approve the minutes of the November 10, 2015 Board Meeting.

Moved by Mr. Crall, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

**VISITORS:**

1. Mr. Bart Walker, Resident of 214 Thompsonville Road  
RE: Request consideration on sewage charges due to lawn watering

Mr. Walker presented to the Board his water usage for the last eight months and his sewage billing. He explained his usage was excessive on both his PAWC bill and his 3<sup>rd</sup> quarter sewage bill. The two factors contributing to the high usage was his water meter had stop working, and the PAWC had back billed him for water consumption and this fall major lawn restoration was completed, which he watered continuously. He does not have a deduct meter and requested some consideration on his sewage bill for the lawn watering. Mrs. Mowry indicated the Authority has policy regarding the deduct meters and in order to receive any lawn watering credit a deduct meter would have had to be installed. Mr. Walker indicated he was disputing his water consumption with PAWC. Mrs. Mowry indicated his account will be reviewed if PAWC makes any adjustment for his usage. Mr. Walker left the meeting.

**SOLICITOR'S REPORT:** Copy on File.

**ENGINEER'S REPORT:** Copy on File.

Mr. Coldren reported the status of the Stratford Manor Pump Station Improvements and Force Main Replacement project. The project is completed and restoration has been completed. Mr. Coldren recommended approval of final payment, contingent upon receiving all final close-out documents. The 18-month warranty period began at substantial completion.

**MANAGER'S REPORT:** Copy on file.

Mr. Miskis presented the 2015 Budget Performance report. Overall, the Authority operated within the 2015 Budget. The Operating Revenues are projected to finish the year at \$3,234,700 or 1.7%, more than budgeted.

The 2015 Total Revenues, which include the non-operating revenues of tap fees and investment interest, are projected to finish the year at \$87,500 more than budgeted. The surplus in Operating Revenues is primarily due to increased revenue from non-residential charges for services and increase dye test revenue.

The 2015 Total Expenses, including debt service, were 1.0% under budget, primary due to the required 10% Debt Service Coverage which is never expended. Mr. Miskis highlighted significant accomplishments per each department. The Treatment Department was under budget by 3%, the Collection Department was on budget, and the Administration Department over budget by 2.0%. This department's overrun is primarily to due legal expenses.

Mr. Miskis presented the 2016 Budget Request. Management indicated a substantial sewer rate increase will be required to support the increased debt service for the treatment plant financing, as well as inflationary adjustments, a planned increase in the Authority's field staff of one person, and other factors. In order to minimize the impact of the rate increase to our customers the rate increase is proposed to be implemented in two steps, with a 13% increase in 2016, followed by a second increase in 2018, projected to be between 10 to 12%. The Authority last adjusted its sewer use rate in 2013. The 2013 rate increase was the equivalent of a 7.6% increase in our average customer's quarterly bill.

The current sewer use charge is \$5.60/1,000 gallons of water consumed, plus \$31.00/quarter minimum service charge. For a residential customer whom uses 13,050 gallons/quarter, the quarterly bill was \$104.08. The proposed 2016 rate increase of 13% would increase the quarterly bill to \$117.52, equivalent to \$39.17/month. The 2016 proposed increase includes adjustment to both the minimum service charge and the sewer use charge. The minimum service charge increases to \$34.00/quarter, and the sewer use charge increases to \$6.40/1,000 gallons. Mr. Miskis presented the chart from the Budget report comparing rates of 10 nearby neighboring communities. Even after the rate increase the Authority's rates will be the 4<sup>th</sup> lowest.

The 2016 Total Expenses are projected at \$3,633,000 which is a 16.2% increase from 2015. Significant Operating Expense increases are occurring in 1) Personnel at \$130,000 a planned increase in the Authority's field staff, filling vacancy in staff, and inflationary adjustments to salaries and wages; 2) Equipment/Facilities at 31% increase for equipment maintenance and repair requirements at the Brush Run WPCP where the majority of the equipment is now 22 years old; 3) Maintenance & Repair at 15% to accelerate repairs to the sewer collection system.

Mr. Miskis presented the 2016 Capital Improvements Plan and a 10-year Capital Plan. The 2016 plan continues to focus on the Donaldson's Crossroads treatment plant and interceptor replacements.

Mr. Miskis concluded the budget presentation and recommended adoption of the 2016 Budget and the resolution for adopting the amended schedule of rates and charges, which includes adding a surcharge to food establishments required to have grease traps. This fee will be used to partially support the grease trap management program.

Motion: To adopt the 2016 Budget Request

Moved by Mrs. Kaminsky, Seconded by Mr. Grimm

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Motion: To adopt Resolution 12-12-15 Adoption of Revised Schedule of Rates and Charges

Moved by Mrs. Kaminsky, Seconded by Mr. Grimm

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Mr. Miskis reported the CCTV contract with SHACOG for the extra work in the Lakeview Drive area was completed. All videos have been reviewed of pipe inspected. There was only one pipe defect and several break-in connections.

Mr. Miskis reported the proposed Goldfish Swim School located on Crosswinds Drive behind Max & Erma's Restaurant is required to do full sewage facilities planning. It has access to public sewage and is tributary to the DC Sewer system. Management recommended approval of the sewage flows subject to payment of the application fee.

Motion: To accept the planned sewage flows equivalent to 9.5 EDU's from the proposed Goldfish Swim School connecting to the Donaldson's Crossroads Sewer System

Moved by Mr. Crall, Seconded by Mr. Grimm

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Mr. Miskis reported the status of the Donaldson's Crossroads Treatment Plant Replacement Project. GHD recommended contract award for the general and electrical contracts. The HVAC and the plumbing contracts bid opening was postponed to December 10, 2015.

Motion: To award Contract 1 – General Construction for the Donaldson's Crossroads Replacement Project to Kukurin Contracting Inc., in the amount of \$13,781,682 and to authorize the appropriate officials to execute the contract documents, subject to receiving the notice to proceed from DEP after submission of the DBE requirements.

Moved by Mr. Grimm, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Motion: To award Contract 4 – Electrical for the Donaldson's Crossroads Replacement Project to Bronder Technical Services in the amount of \$1,385,840 and to authorize the appropriate officials to execute the contract documents, subject to receiving the notice to proceed from DEP after submission of the DBE requirements.

Moved by Mr. Grimm, Seconded by Mr. Crall

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

**ASSISTANT MANAGER'S REPORT:** Copy on File.

Mr. Chucuddy reported the service agreement with GeoDecisions for software maintenance and upgrades expires this year. Mr. Chucuddy recommended extending the current service agreement or an additional two years, with the adjusted hourly rates.

Motion: To approve a two-year extension to the current GeoDecisions Service Agreement, with the adjusted hourly rates to expire December 31, 2017.

Moved by Mrs. Kaminsky, Seconded by Mr. Grimm

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Mr. Chucuddy reported the status of the 2015 Sanitary Sewer Rehabilitation project. Robinson Pipe Cleaning Company completed the contract and final payment was recommended by Management. The final contract amount after adjusting line item quantities was \$92,457.10.

**SPECIAL PROJECTS MANAGER'S REPORT:** Copy on File

**CORRESPONDENCE FOR THE BOARD'S INFORMATION:** Copy on File

**FINANCIAL CONTROLLER'S REPORT:**

**FINANCIAL STATEMENT REVIEW:** Month ending November 30, 2015.

**PAYMENT OF BILLS & REQUISITIONS:** Copy on File

Motion: To approve disbursements in the amount of \$193,521.26 from the following funds:

Moved by Mrs. Kaminsky, Seconded by Mr. Crall

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

<b>Fund</b>	<b>Disbursement</b>	<b>Total</b>
Operating	Checks: 1262 through 1341	\$111,815.62
Payroll	Transfer from Operating to Payroll fund	\$65,000.00
CFS Bank Loan	Valley View Sewer Ext.	\$4,438.13
Developer Fund	Reimbursement Operating Fund	\$62.43
CFS Capital Improvement Fund	Requisition No. 6	\$10,005.15
CFS Bank Capital Improvement Fund	Penn Vest Payment – Ivy Lane Sewer Ext. 2003 Debt Payment	\$2,199.93

**OTHER BUSINESS:**

Mr. Miskis recommended an executive session to discuss personnel matters.

Motion: To enter into executive session at 8:24 p.m. for personnel matters.

Moved by Mr. Grimm, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Executive Session ended at 8:27 p.m.

The Board recommended the administrative salaries as presented and included in the 2016 Budget request.

Motion: To adjourn the Board Meeting at 8:28 p.m.

Moved by Mr. Grimm, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 4)

Yes: David G. Blazek, Michael P. Crall, Eric S. Grimm, and Rebecca W. Kaminsky

Respectfully Submitted,  
Patricia Mowry

MOTIONS SUMMARY

<b>MOTION NO.</b>	<b>MOVED</b>	<b>SECOND</b>	<b>MOTION SUMMARY TABLE</b>	<b>VOTE</b>
1	Crall	Kaminsky	Approve Minutes of November 10, 2015 Board Meeting.	Approved
2	Kaminsky	Grimm	Adopt the 2016 Budget Request	Approved
3	Kaminsky	Grimm	Adopt Resolution 12-12-15 Adoption of revised Schedule of Rates and Charges	Approved
4	Crall	Grimm	Accept the planned sewage flows equivalent to 9.5 EDU's from the proposed Goldfish Swim School connecting to the Donaldson's Crossroads Sewer System	Approved
5	Grimm	Kaminsky	Award Contract 1 – General Construction for the Donaldson's Crossroads Replacement Project to Kukurin Contracting, Inc., in the amount of \$13,781,682 and to authorize the appropriate officials to execute the contract documents, subject to receiving the notice to proceed from DEP after submission of the DBE requirements	Approved
6	Grimm	Crall	Award Contract 4 – Electrical for the Donaldson's Crossroads Replacement Project to Bronder Technical Services in the amount of \$1,385,840 and to authorize the appropriate officials to execute the contract documents, subject to receiving the notice to proceed from DEP after submission of the DBE requirements	Approved
7	Kaminsky	Grimm	Approve a two-year extension to the current GeoDecisions Service Agreement with the adjusted hourly rates to expire December 31, 2017	Approved
8	Kaminsky	Crall	Approve disbursements in the amount of \$193,521.26	Approved
9	Grimm	Kaminsky	Enter into executive session at 8:24 p.m. to discuss personnel matters	Approved
10	Grimm	Kaminsky	Adjourn the Meeting at 8:28 p.m.	Approved