



# PETERS TOWNSHIP SANITARY AUTHORITY

111 Bell Drive, McMurray, PA 15317  
PHONE 724.941.6709 FAX 724.941.2283

[www.ptsaonline.org](http://www.ptsaonline.org)

## AGENDA

### REGULAR MEETING

**February 9, 2016**

#### ROLL CALL:

**REVIEW OF MINUTES FOR APPROVAL:** Minutes of January 12, 2016

#### 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 January 31, 2016

#### PAYMENT OF BILLS & REQUISITIONS:

#### OTHER BUSINESS:

1. Executive Session regarding tentative agreement with labor union
2. KLH Engineering, Inc. proposal to prepare Cured-in-Place (CIP) Lining Specifications and bid Phase Services for 2016 Donaldson's Crossroads Sewer System CIP Lining Project
3. Resolution 02-02-16 Authorizing the Disposition of 2007 and 2008 Account Payables and Bank Statements
4. Resolution 03-02-16 Authorizing the securing of funding from the Pennsylvania Infrastructure Investment Authority (PENNVEST) in the maximum principal amount of \$11,000,000 for the purpose of the construction cost for the Donaldson's Crossroads WPCP Improvement Project

#### ADJOURNMENT:

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James J. Miskis, Authority Manager  
Patricia L. Mowry, Financial Controller

Mark A. Chucuddy, Assistant Manager  
Donna L. LaManna, Billing Specialist

Gary A. Parks, Special Projects Manager  
Diane L. Gregor, Administrative Assistant



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## REGULAR MEETING

February 9, 2016

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, Terrence G. Byrne, 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.

### APPROVAL OF MINUTES:

Motion: To approve the minutes of the January 12, 2016 Board Meeting.

Moved by Mrs. Kaminsky, Seconded by Mr. Byrne

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

### VISITORS:

1. Sean Garin, Bond Counsel, Dinsmore & Shohl, regarding Donaldson's Crossroads WPCP Replacement Project Guaranteed Sewer Revenue Bond Issue update

Mr. Garin presented an update on the status of the bond financing and the PennVest loan for the DC WPCP Replacement project. Mr. Garin had the Board execute all the required documents for the bond closing. The bond closing will be February 17, 2016, and everything will be processed electronically. Janney Montgomery Scott was the low bidder for the bonds at a true interest cost of 2.88%. The arbitrage yield on the bonds is 2.80%. Mr. Garin presented an overview of the bond indenture and presented several highlights. The Construction Fund is subject to arbitrage, however, this should not be an issue because interest earnings are currently lower than the arbitrage yield of the bond issue, and the bond proceeds will be drawn down quickly. The bond issue has no debt service reserve fund, because of the Township guarantee. There is a 10% debt service cover requirement that will be budgeted for annually beginning in 2018. Annually the audit and the consulting engineer's report is required to be submitted to the trustee and uploaded onto the EMMA governmental bond reporting system.

Mr. Garin reported the PennVest closing is scheduled for March 24, 2016. Mr. Garin and Management recommended approval of the two resolutions as required by PennVest for the loan closing.

Motion: To adopt Resolution 03-02-16 authorizing the securing of funding from the Pennsylvania Infrastructure Investment Authority (PENNVEST) in the maximum principal amount of \$11,000,000 and to authorize the proper officials to execute the loan documents for the purpose of the construction cost for the Donaldson's Crossroads WPCP Improvement Project

Moved by, Mr. Crall Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

Motion: To adopt Resolution 04-02-16 committing the Board to impose future rates if and when needed to raise sufficient revenues to cover expenses and debt service requirements.

Moved by, Mr. Crall Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

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

Mr. Nicholas reported Pennsylvania American Water indicated the settlement check was mailed to the Authority.

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

Mr. Coldren reported the annual consulting report will be submitted to the Authority and to the Board next month. There was no requirement this year for the report.

Mr. Coldren reported the status of the Valleybrook Interceptor cured-in-place lining project. Jet-Jack completed televising, mobilized and began the lining. They did have an issue with a portion of bad liner that is being addressed.

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

Mr. Miskis reported the PaDEP granted a 2016 tap allocation of 60 taps in response to the Authority's request under the Donaldson's Crossroads Corrective Action Plan.

Mr. Miskis reported the Authority will participate in the SHACOG 2016 joint CCTV contract for approximately 14,000 feet. The areas are Old Washington Road/Joyce Drive in the Brush Run sewer system, and in the Donaldson's Crossroads system are Pleasant Ave area, Tanglewood Drive area, and Old Oak Area.

Mr. Miskis reported the general maintenance position vacant position has been filled with an experienced sewer and excavation contractor. He began work on January 29, 2016.

Mr. Miskis reported a tentative 5-year labor agreement with the union has been reached. Mr. Miskis recommended an executive session to discuss the details at the end of the meeting.

Mr. Miskis presented an overview of the 2015 revenue and expenses summary. The overall sewer rental revenues and non-operating revenues are slightly over budget, with operating expenses slightly under budget. The operating surplus of \$66,000, and the budgeted equipment replacement allowance of \$431,000 will be transferred to the capital improvement fund. The annual tap and assessment transfer to the capital improvement fund will be \$154,800.

Mr. Miskis reported the status of the Donaldson's Crossroads Treatment Plant Replacement Project. The pre-construction meeting was held February 3, 2016, with notice to proceed with construction on February 10, 2016. Mr. Miskis recommended approval of GHD's invoices as listed on the capital requisition.

Mr. Miskis indicated the Authority is obtaining the Builder's risk insurance for the Donaldson's Crossroads Treatment Plant Replacement Project. The cost is approximately \$14,000 annually. The insurance does not include flood insurance, because it was cost prohibitive to obtain. Precautions will be taken by the Contractor to divert water mitigate with any flooding that may occur. Once the buildings are partially constructed flood insurance will be reviewed and may be able to be obtained from FEMA for the buildings

Mr. Miskis reported the cured-in-place lining of the Valleybrook interceptor through the SHACOG contract is behind schedule and is past the completion date in the contract. There is also a problem with a portion of the lining between manhole 6 and manhole 5. Management will work with SHACOG and the Contractor to resolve.

Mr. Miskis reported because of the recent issues with SHACOG contractor the recommendation for the DC corrective action plan CIP lining of the Oakwood Road interceptors/sewers is to not participate in the SHACOG 2016 Joint CIP lining contract and instead issue our own independent contract. KLH Engineers would provide the design and bid phase services.

Motion: Approval of KLH Engineers Inc. proposal for lump sum \$2,500 for design services and \$1,200 for the bid phase services for the DC corrective action plan CIP lining of the Oakwood Road interceptors/sewers.

Moved by Mrs. Kaminsky, Seconded by Mr. Grimm

Vote: Motion carried by unanimous vote (summary: Yes = 5)

Yes: David G. Blazek, Terrence G. Byrne, Eric S. Grimm, and Rebecca W. Kaminsky

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

Mr. Chucuddy reported the Brush Run laboratory accreditation was received and will be valid until January 31, 2017.

Mr. Chucuddy reported the tap fee for the sewer permit in the amount of \$9,369.50 was received by University Veterinary Clinic.

Mr. Chucuddy reported the status of the Anthony Farms Phase III. The set-aside agreement has been reviewed by Mr. Nicholas and completed. Mr. Chucuddy recommended execution.

Motion: To execute the Set-aside agreement with the Developer for the Anthony Farms Phase III.

Moved by Mr. Crall, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 5)

Yes: David G. Blazek, Terrence G. Byrne, Eric S. Grimm, and Rebecca W. Kaminsky

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

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

**FINANCIAL CONTROLLER'S REPORT:**

Mrs. Mowry reported the audit is expected to be completed late this month.

Mrs. Mowry recommended disposal of records of the Authority in accordance with the Municipal Records Manual.

Motion: To adopt Resolution 02-02-16 for disposal of 2007 & 2008 Accounts Payable, Bank Statement.

Moved by Mr. Crall, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 5)

Yes: David G. Blazek, Terrence G. Byrne, Eric S. Grimm, and Rebecca W. Kaminsky

**FINANCIAL STATEMENT REVIEW:** Month ending January 31, 2016.

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

Motion: To approve disbursements in the amount of \$932,355.02 from the following funds:

Moved by Mrs. Kaminsky, Seconded by Mr. Grimm

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

<b>Fund</b>	<b>Disbursement</b>	<b>Total</b>
Operating	Checks: 1537 through 1527	\$89,151.50
Operating	Annual Transfer for Budgeted Equipment Allowance to CIF	\$531,000.00
Operating	Annual Transfer from Operating to CIF – surplus operating	\$66,000.00
Payroll	Transfer from Operating to Payroll fund	\$65,000.00
CFS Bank Loan	Valley View Sewer Ext.	\$5,538.13
Developer Fund	Reimbursement to Operating Fund	\$60.26
CFS Tap Account 2015	Annual Transfer from T&A 2015 account to CIF	\$155,800.00
CFS Capital Improvement Fund	Payment Req. 8	\$119,705.20
CFS Bank Capital Improvement Fund	Penn Vest Payment – Ivy Lane Sewer Ext. 2003 Debt Payment	\$2,199.93

**OTHER BUSINESS:**

Mr. Nicholas recommended an executive session to discuss union labor contract.

Motion: To enter into executive session at 8:00 p.m. for personnel matters.

Moved by Mr. Grimm, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

Executive Session ended at 8:17 p.m.

Motion: To approve Union Labor Contract 2/1/2016 and authorize proper officers to execute document, contingent upon minor changes.

Moved by Mrs. Kaminsky, Seconded by Mr. Byrne

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

Motion: To adjourn the Board Meeting at 8:18 p.m.

Moved by, Mr. Byrne, Seconded by Mrs. Kaminsky

Vote: Motion carried by unanimous vote (summary: Yes = 5)

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

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	Kaminsky	Byrne	Approve meeting minutes of January 12, 2016	Approved
2	Crall	Kaminsky	Adopt Resolution 03-02-16 authorizing the securing of funding from the Pennsylvania Infrastructure Investment Authority (PENNVEST) in the maximum principal amount of \$11,000,000 and to authorize the proper officials to execute the loan documents for the purpose of the construction cost of the Donaldson's Crossroads WPCP Improvement Project	Approved
3	Crall	Kaminsky	Adopt Resolution 04-02-16 committing the Board to impose future rates if and when needed to raise sufficient revenues to cover expenses and debt service requirements	Approved
4	Kaminsky	Grimm	Approval of KLH Engineers, Inc. proposal for lump sum \$2,500 for design services and \$1,200 for the bid phase services for the DC corrective action plan CIP lining of the Oakwood Road interceptors/sewers	Approved
5	Crall	Kaminsky	Executive the Set-aside agreement with the Developer for the Anthony Farms Phase III	Approved
6	Crall	Kaminsky	Adopt Resolution 02-02-16 for disposal of 2007 & 2008 Accounts Payable, Bank Statements	Approved
7	Kaminsky	Grimm	Approve disbursements in the amount of \$932,355.02.	Approved
8	Grimm	Kaminsky	Enter into executive session to discuss union labor contract	Approved
9	Kaminsky	Byrne	Approve Union Labor Contract 2/1/2016 and authorize proper officers to execute document, contingent upon minor changes	Approved
10	Byrne	Kaminsky	Adjourn the Meeting at 8:18 p.m.	Approved