

**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, Administrative Assistant

AGENDA

REGULAR MEETING

September 13, 2011

ROLL CALL:

REVIEW OF MINUTES FOR APPROVAL: Minutes of August 9 and August 23, 2011

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 August 31, 2011

PAYMENT OF BILLS & REQUISITIONS:

OTHER BUSINESS:

- 1) Exercise option to extend Administrative Bldg custodial services with Coverall of Pittsburgh
- 2) Exercise option to extend Administrative Bldg lawn services with Wilkes Landscaping & Lawn Care
- 3) Execute new contract with Jordan Tax Service
- 4) Approve Change Order No. 1 for Galway Bay regarding the BR Improvements project
- 5) Execute payment requests for the BR Improvements project

ADJOURNMENT:

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REGULAR MEETING

September 13, 2011

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 G. Robert Jacobs, Eric S. Grimm, Michael P. Crall, Terrence G. Byrne, and David G. Blazek. 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 L. Mowry, Financial Controller.

APPROVAL OF MINUTES:

A Motion was made by Mr. Grimm seconded by Mr. Blazek to approve the minutes of August 9, 2011 meetings as prepared by Patricia L Mowry with minor corrections. The Motion carried unanimously.

A Motion was made by Mr. Blazek seconded by Mr. Grimm to approve the minutes of August 23, 2011 meetings as prepared by Patricia L Mowry. The Motion carried unanimously.

VISITORS: None

SOLICITOR'S REPORT: Copy on file.

Mr. Bassi reported the PNC Bank representative requested the Authority make another formal request for payment from the \$126,700 escrow account that was established for the developer, James McHolme for the Hidden Brook Development indentifying the escrow account to be drawn from. Management had prepared two requests for payment, the original one in the amount of \$14,582.27, and a second one for expenses incurred since the first demand letter, for an additional \$12,101.60. Mr. Bassi recommended approval of the requests and to authorize the proper officers to execute the requests.

A Motion was made by Mr. Grimm seconded by Mr. Byrne to approve and authorize the proper officers to execute the escrow request for payment in the amount of \$14,582.27 from PNC Bank regarding the Hidden Brook Development. The Motion carried unanimously.

A Motion was made by Mr. Grimm seconded by Mr. Byrne to approve and authorize the proper officers to execute the escrow request for payment in the amount of \$12,101.60 from PNC Bank regarding the Hidden Brook Development. The Motion carried unanimously.

Mr. Bassi indicated he is still attempting to secure James Mcholme's consent to re-instate the \$57,300 18-month escrow account that had inadvertently expired in April 2011.

Mr. Bassi reported Management recently discovered three encroachments in the Authority's easements. Two are decks and the other is a garage constructed over the sewer line. Mr. Bassi reviewed the 2005 legal opinion obtain from the previous Solicitor regarding easement encroachments, and recommended abiding by that opinion. The Authority's approach would be to issue a letter putting the property owner

on written notice of the encroachment, inform the owner they are responsible for all cost associated with the removal of the obstruction if the Authority would need access to the sewer line, and to execute a release and indemnification which would grant the Authority permission to enter onto the property in order to access the line and to release the Authority from any damages resulting in gaining access to the sewer line. Mr. Bassi indicated the Board does have the right to be more stringent and have the property owner remove the obstruction; however, the last time the Authority attempted that approach the Court's sided with the property owner because it was deemed not economically beneficial for the owner to remove the obstruction. The Court's did require an escrow amount to be established to be used for any removal or damages resulting if or when the Authority would need to gain access to the sewer line. Mr. Bassi requested direction from the Board on the approach to addresses these encroachments and any future encroachments.

A Motion was made by Mr. Grimm seconded by Mr. Blazek to abide by the Solicitor's and Management's recommendation of issuing a letter of notice to the property owner and to obtain a release and indemnification from the property owners. The Motion carried unanimously.

Mr. Bassi reported on the sewage backup complaint received from the property owner's of 105 Fieldbrook. The Authority's insurance carrier, Selective, has assigned an Attorney, John Kwasneski, to represent the Authority. He has filed for a Rule upon the plaintiff's to file a complaint as well as enter an appearance with the courts.

ENGINEER'S REPORT: Copy on file.

Mr. Stanton reported flow data will need to be provided to Upper St. Clair for them to incorporate into their feasibility study required by ALCOSAN for the wet weather plan. The due date for Upper St. Clair's submittal is July 30, 2012.

Mr. Stanton reported he responded to PaDEP's comments regarding the Part II permit application for the Valley View Sewer Extension project, and the permit is expected to be issued next week.

Mr. Stanton reported on the schedule for the Valley View Sewer Extension. The residents' meeting is scheduled for September 21, 2011. The main topic of the meeting will be for the individual property owners to review the details of the sewer alignment.

Mr. Stanton reported the Contractor, Bella Enterprises, has submitted all required documents pertaining to the contract for the Valley View Sewer Extension project. In addition to the standard documents the Authority received a Letter of Direction from the Contractor where all payments made to Bella Enterprises are to be sent to an independent financial institution. All documents were forwarded to Mr. Bassi for his review and recommendation. Mr. Bassi indicated he will thoroughly examine the financial submittals to determine financial stability at this point. Mr. Crall requested Solicitor and Management use judgment, and consider quality and risk in addition to the financials through out the review process.

MANAGER'S REPORT: Copy on file.

Mr. Miskis reported he has received another odor complaint from the owner of the new restaurant located at 132 Camp Lane directly beside the Brush Run Treatment Plant. Mr. Miskis reported the strong odors that initiated the complaint had dissipated by the time he made it to the site, however staff indicated that while they were performing their daily flushing of the clarifier stilling wells the odors were greater than normal due to the extreme heat of 94 degrees. Mr. Miskis indicated that he is continuing to work to mitigate the odors at the plant, and that materials have been ordered to install a clarifier stilling well flushing system to help with the odors. In addition a second blower has been in operation, which has

contributed to a budgetary overage in electric costs this month. Mr. Miskis indicated to the property owner the facility can not operate beyond the design capabilities of the facility and the facility was not designed to contain all odors at all times. The Board directed Management to continue to work to mitigate the odors within practical operational perimeters, and that our current customers should not be financial burdened for the benefit for the select few.

Mr. Miskis reported he authorized LSSE Service Order Request 273-45 for assistance with preparation of request for proposals for the Donaldsons Crossroads treatment plant expansion project for an amount not to exceed \$3,000.00.

Mr. Miskis reported the agreements have been executed by property owners of target amount of home sought for participation in the Friar Lane Pilot program. This is very near the target amount of participates to allow the project to proceed. Mr. Miskis recommended authorization of the proper officers to execute the agreements.

A Motion was made by Mr. Grimm seconded by Mr. Blazek, to authorize the proper officers to execute the right of entry agreements with the Friar Lane Pilot program residents. The Motion carried unanimously

Mr. Miskis reported the Authority will recognize one of its employees, Robert Paff, for 30-years of service on September 23, 2011.

Mr. Miskis indicated the memorandum of understanding with Kamwood Realty for the Waterdam and Galley Road property was executed last month by the Board and forwarded to Kamwood Realty. To date the agreement has not been returned.

Mr. Miskis distributed additional sections to attach to the previously distributed draft request for proposals for engineering services for the Donaldsons Crossroads treatment plant expansion project. There was a lengthy discussion on the major points of the requests for proposal, which would be for the engineer to provide alternative analysis and for value engineering. The Township did request and it was part of the DC 537 plan to perform the value engineering. Mr. Miskis recommended a two envelope system, where by a technical review is completed and ranked before the cost is evaluated. Mr. Miskis requested any Board comments to be directed to him. The schedule calls for the RFP's be sent to the selected engineers after the October meeting.

Mr. Miskis reported both contractors on the Brush Run WPCP Wet Weather Improvement project submitted pay request. CET Engineer has approved Payment Request No. 2 made by the general contractor, Galway Bay in the net amount of \$86,322.06, and Payment Request No. 1 made by the electrical contractor, Lone Pine Construction, in the net amount of \$55,350.00. The requests are on the Construction Fund Requisition for approval. Both contractors are up to date with prevailing wage certifications

Mr. Miskis reported he requested Galway Bay to install an additional valve on the airline to the new aeration tank in order to isolate the aeration and digestion air systems. The total amount of the Change Order No. 1 is priced at \$1,802.56. Mr. Miskis recommended approval of the Change Order.

A Motion was made by Mr. Grimm seconded by Mr. Byrne to approve Galway Bay's Change Order No. 1 in the amount of \$1,802.56 for the installation of an additional valve to the airline of the new aeration tank in order to isolate the aeration and digestion air systems. The Motion carried unanimously.

ASSISTANT MANAGER’S REPORT: Copy on file

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 year 1 for both contracted services at the same rates as the 2010/2011 contracts.

A Motion was made by Mr. Blazek and seconded by Mr. Byrne to approve the option year annual contract for custodial services with Coverall in the amount of \$5,076 and for landscaping with Wilkes Lawn Care and Landscaping in the amount of \$3,288. The Motion carried unanimously.

Mr. Chucuddy recommended approval of the Developer’s Construction Agreement for Barmill Estates II with Developer Ted Taylor. The sewer extension is a very short extension, approximately 80 feet.

A Motion was made by Mr. Blazek seconded by Mr. Byrne to approve the Developer’s Construction Agreement for the Barmill Estates II development with Ted Taylor, subject to the Developer posting the required securities and addressing Management’s two comments. The Motion carried unanimously.

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 agreement with Jordan Tax Service for sewer billing and collections was updated and recommended approval. Their fee for services is 1.9% of current collections and 5% for non-current collections. The average annual expense is approximately \$58,500. The agreement is effective December 1, 2011 and renews automatically year to year unless either parties provides notice at least 3 months not to renew prior to commencement of the new term.

A Motion was made by Mr. Grimm and seconded by Mr. Blazek to approve the Service Agreement with Jordan Tax Service for billing and collections services effective December 1, 2011 – November 30, 2012. The Motion carried unanimously.

FINANCIAL STATEMENT REVIEW: Month ending August 31, 2011.

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 \$299,183.55 from the following funds:

| <u>Fund</u> | <u>Disbursement</u> | <u>Total</u> |
|-------------------|---|---------------------|
| Operating | Checks: 19658-19743 | \$75,758.59 |
| Payroll | Transfer from Operating to Payroll fund | \$60,000.00 |
| Operating | Transfer to Closing Fund | \$4,515.00 |
| Developer | Transfer to Operating | \$1,517.39 |
| Construction Fund | Req. 12-11 | \$141,672.06 |
| CIRF | Req. 101 -11 | \$15,720.51 |
| | Total | \$299,183.55 |

The Motion carried unanimously.

OTHER BUSINESS:

A Motion was made by Mr. Byrne and seconded by Mr. Grimm to adjourn the meeting at 8:45 p.m. The Motion carried unanimously.

Respectfully Submitted,

Patricia L Mowry

MOTIONS SUMMARY

| MOTION NO. | Moved | SECOND | MOTION SUMMARY TABLE | VOTE |
|-------------------|--------------|---------------|--|-------------|
| 1 | Grimm | Blazek | Approve Minutes of the August 9, 2011 meeting | Approved |
| 2 | Blazek | Grimm | Approve Minutes of the August 23, 2011 meeting | Approve |
| 3 | Grimm | Byrne | Approve and Authorize the proper officers to execute the escrow request for payment in the amount of \$14,582.27 from PNC Bank regarding the Hidden Brook Development | Approved |
| 4 | Grimm | Byrne | Approve and Authorize the proper officers to execute the escrow request for payment in the amount of \$12,101.60 from PNC Bank regarding the Hidden Brook Development | Approved |
| 5 | Grimm | Blazek | Abide by the Solicitor's and Management's recommendation of issuing a letter of notice to the property owner and to obtain a release and indemnification from the property owners | Approved |
| 6 | Grimm | Blazek | Authorize the proper officer to execute the right of entry agreements with the Friar Lane Pilot program residents | Approved |
| 7 | Grimm | Byrne | Approve Galway Bay's Change Order No. 1 in the amount of \$1,802.56 for the installation of an additional valve to the airline of the new aeration tank | Approved |
| 8 | Blazek | Byrne | Approve the option year annual contract for custodial services with Coverall in the amount of \$5,076 and for landscaping with Wilkes Lawn Care and Landscaping in the amount of \$3,288 | Approved |
| 9 | Blazek | Byrne | Approve Developer's Construction Agreement for the Barmill Estates II development with Ted Taylor, subject to the Developer posting the required securities and addressing Management's two comments | Approved |
| 10 | Grimm | Blazek | Approve Service Agreement with Jordan Tax Service for billing and collections services effective December 1, 2011 | Approved |
| 11 | Crall | Grimm | Approve disbursements in the amount of \$299,183.55 | Approved |
| 12 | Bryne | Grimm | Adjourn the Meeting at 8:45 p.m. | Approved |