

WESTERN WESTMORELAND MUNICIPAL AUTHORITY

REGULAR MONTHLY MEETING – January 21, 2010

The Board of Directors of the Western Westmoreland Municipal Authority held a regular monthly meeting on Thursday, January 21, 2010 at 7:00 P.M. in the Authority conference room, duly advertised, as required, and with the following persons in attendance:

1. Roll Call:

Board Members in Attendance:

Mr. Stan Caroline	Mr. Larry Chrzan	Mr. Anthony Marks
Mr. Robert Pioth	Mr. Jared Squires	Mr. Tim Watson

Absent:

Mr. Charles Konkus	Mr. John Nabuda	Mr. Leonard Santimyer
Mr. Sam Testa		

Others in Attendance:

Mr. John Campfield, Solicitor
Mr. Mark Poole, Consulting Engineer
Mr. Kevin Fisher, General Manager
Mrs. Johanna Wtorkowski, Assistant Secretary-Treasurer/Recording Secretary

2. Mr. Pioth led the Pledge of Allegiance, and moment of silence for our troops.

3. Public Comments: None – Mr. Chris Foreman, of the Greensburg Tribune-Review, was in attendance.

4. Communications:

A. Mr. Pioth referred to the Char Report for January 2010. Mr. Poole made reference to the following items:

1. Proposed Regulations for Water and Wastewater Operator Certification
2. DEP's Proposed Total Dissolved Solids (TDS) Regulations
3. NPDES Permit Program Regulation Update and New Fee Schedule

B. Mr. Pioth referred to the 2010 PMAA Board Member Training Schedule, to be held on March 4, 2010, stating that this is an informative training session.

C. Mr. Pioth referred to the Allegheny League of Municipalities 37th Annual Conference, scheduled to be held from April 8, 2010 through April 11, 2010.

5. Secretary's Report – Mr. Marks –

A. A motion was made by Mr. Chrzan, and seconded by Mr. Caroline, to approve, as presented, the minutes of the December 17, 2009 regular meeting. The motion passed unanimously

This concluded Mr. Marks' report.

6. Treasurer's Report – Mr. Watson – Mr. Watson presented the following Revenue Fund requisitions for approval:

A. A motion to approve for payment Revenue Fund Requisition No. 115, in the amount of \$521.89, payable to Scott Electric was made by Mr. Chrzan, and seconded by Mr. Marks. The motion unanimously.

B. A motion to approve for payment Revenue Fund Requisition No. 116, in the amount of \$270,770.19 was made by Mr. Chrzan, and seconded by Mr. Caroline. The motion passed unanimously.

This concluded Mr. Watson's report.

7. General Manager's Report – Kevin Fisher – Mr. Fisher added the following to the written report that was previously distributed.

- A. Mr. Fisher reported that ADS Environmental Services will be at the plant tomorrow to set sites for the flow meters. Installation of the flow meters at three combined sewer overflow (CSO) stations and the interceptor lines is scheduled for next week.
- B. Mr. Fisher reported that he has not received any information from Day Chevrolet regarding the delivery of the 2010 pick-up truck.
- C. Mr. Fisher reported that the Authority submitted its lab accreditation renewal application, but has not yet received the permit.
- D. Mr. Fisher reported that the Authority has received North Huntingdon Township's Act 537 Sewage Facilities Plan, which was prepared by North Huntingdon Township Municipal Authority's Consulting Engineer, KLH Engineers, on behalf of North Huntingdon Township. North Huntingdon Township is requesting comments by February 1, 2010. Mr. Caroline stated that Penn Township is planning to update its Act 537 Sewage Facilities Plan. After a brief discussion, a motion was made by Mr. Caroline, and seconded by Mr. Marks, to authorize the formation of an ad-hoc committee, consisting of Mark Poole, Kevin Fisher, John Campfield, and Stan Caroline, to prepare comments regarding North Huntingdon Township's Act 537 Sewage Facilities Plan. Mr. Marks asked what an Act 537 Plan was, and on what would the Authority comment. Mr. Fisher explained that an Act 537 Plan is a report that defines how the township will provide sewer service to the community, and it describes the capacity of existing facilities, design load of existing facilities, and plans for future expansion. The motion passed unanimously.
- E. Mr. Fisher reported that the heat exchanger is leaking, again, this time, in a different line.

This concluded Mr. Fisher's General Manager's report. The complete report is attached to these minutes.

8. Consulting Engineer – Mark Poole, Wade Trim, Inc.:

Mr. Poole reviewed his written report dated January 21, 2010, which was distributed on January 15, 2010.

A. Solids Processing Project:

- 1. Mr. Poole reported that he and Mr. Fisher submitted to the PaDEP the Part II NPDES Construction Permit Application on Wednesday, January 20, 2010. Mr. Poole reported that he and Mr. Fisher met with Mr. Ray Lattner, of the PaDEP, to review the scope of the project. Mr. Lattner, who will most likely be reviewing the permit application for the PaDEP, expects the permit review to be completed within the 120-day review period.
- 2. Mr. Poole reported that the Authority has been working with several people at Dominion Peoples Gas regarding the new gas service to the plant. Depending on what Dominion Peoples Gas representatives decide, the Authority may end up moving the gas meter to the east side of the plant and boosting the pressure.
- 3. Mr. Poole referred to a preliminary schedule for the permit review and bid and construction phases of the project, which is attached to Mr. Poole's report.

B. Wet Weather Issues:

- 1. Mr. Poole reported that he spoke with Mr. Paul Eiswerth, of the PaDEP, regarding the Authority's Long-Term Control Plan. Mr. Eiswerth acknowledged the delays by the PaDEP, and stated that he will be addressing the plan soon.
- 2. Mr. Poole reported that the Authority has not yet received word regarding the status of the Part I NPDES Permit renewal.
- 3. Mr. Poole reported that there will be an ALCOSAN Basin Manager and Engineers planning meeting on February 16, 2010, at the Westinghouse Recreation Center, at 1:00 P.M.

C. Chapter 94 Municipal Wasteload Management Report:

- 1. Mr. Poole reported that Wade Trim will be initiating work on the Annual Chapter 94 Report for Operating Year 2009. Mr. Poole reported that Mrs. Wtorkowski has sent the information request letters to the Member Municipalities. The Authority has received responses from The Hempfield Township Municipal Authority and the Penn Township Sewage Authority. The report must be submitted to the PaDEP by March 31, 2010. Mr. Poole added that the Authority is on-track regarding this report.

D. Revenue Fund Transfer:

Mr. Poole referred to his calculation regarding the semi-annual calculation for the Revenue Fund transfer. This information was discussed during the January 14, 2010 special Board meeting.

E. Mr. Poole reported that the Penn Township Quarterly Tap Fee adjustment was calculated and provided to Mrs. Wtorkowski for distribution.

Mr. Marks asked for a status report on Wade Trim's proposal for the laser scan drawings for the Solids Processing & Improvements Project. Mr. Poole stated that the laser scans were completed, and Wade Trim is currently working on the model. Mr. Poole stated that the model should be completed within one month.

Mr. Marks asked if the Authority could consider the construction of a gas well on the plant grounds, in order to reduce natural gas costs. After a brief discussion that included a discussion concerning Authority rights-of-way, Mr. Fisher and Mr. Poole stated that they would look into the matter.

This concluded Mr. Poole's Engineer's report. The complete report is attached to these minutes.

A motion was made by Mr. Chrzan, and seconded by Mr. Caroline, to enter into an executive session to discuss matters of current litigation with Trafford Borough and North Huntingdon Township Municipal Authority. The motion passed unanimously. The time was 7:32 P.M.

A motion to return to the regular order of business was made by Mr. Squires, and seconded by Mr. Marks. The motion carried unanimously. The time was 7:57 PM.

9. Solicitor's Report – John Campfield –

- A. Mr. Campfield reported that electric rates will be deregulated as of December 31, 2010, at which time the rates are expected to rise significantly. Mr. Campfield stated that municipalities are forming consortiums and groups to negotiate contracts for the cost of electricity. Mr. Campfield suggested that the Board consider pursuing this option by contacting local municipalities. Mr. Chrzan asked Mr. Marks, who is associated with the Westmoreland Council of Governments (COG)'s Hearing Board, to see if the COG has a utility negotiating group in existence. Mr. Marks stated that he would check into the matter. Mr. Campfield reported that he spoke last evening with Board Member Chuck Konkus, who is also President of Manor Borough Council, and an employee of Scott Electric. Mr. Konkus informed Mr. Campfield that grants will be available to replace light bulbs and other fixtures with energy-efficient bulbs and fixtures.
- B. Mr. Campfield requested Board approval to authorize Chairman Pioth to sign the Reply to New Matter regarding the litigation against the North Huntingdon Township Municipal Authority. A motion was made by Mr. Caroline, and seconded by Mr. Chrzan, to authorize Robert Pioth, as the Board Chairman, to sign the Reply to New Matter. The motion passed unanimously.

This concluded Mr. Campfield's report.

10. Reports of Committees:

- A. Grounds and Maintenance Committee – Due to Mr. Santimyer's absence, there was no report.
- B. Personnel Committee – Due to Mr. Nabuda's absence, there was no report. Mr. Chrzan stated that the Authority is now at full staffing. Mr. Fisher reported that one employee is preparing to take his lab accreditation performance evaluation at the end of January 2010. The accreditation process will continue with other plant employees.
- C. Finance and Budget Committee – Larry Chrzan:
 1. Mr. Chrzan reported that the Authority received \$11,790.94 in interest in December, for a year-to-date total of \$231,615.22.

2. Resolution No. 2010-01, Amending the Schedule of Rates and Charges for Sewer Service for the Brush Creek System:
A motion was made by Mr. Chrzan, and seconded by Mr. Marks, to adopt Resolution No. 2010-01, increasing rates by \$3.70 per month, per EDU, with an effective date of April 1, 2010. The motion passed unanimously.

This concluded Mr. Chrzan's report.

Mr. Fisher reported that the Authority received an engagement letter from Sarp and Company for the 2009 audit. Mr. Fisher stated that on February 19, 2009, Sarp and Company was appointed as the Authority's auditor for 2009. Mr. Fisher requested Board approval of the engagement letter. Mr. Caroline asked if the Authority periodically obtains proposals from other auditing firms. Mr. Fisher stated that the Authority submitted requests for proposals from four firms approximately one year ago. Mr. Squires stated that he has been approached by a few accountants who are interested in submitting proposals for performing the Authority's annual audit. A motion was made by Mr. Chrzan, and seconded by Mr. Watson, to approve the audit engagement letter from Sarp and Company. The motion passed unanimously.

D. Insurance Committee – Mr. Squires:

1. Mr. Squires reported that the Authority received a general liability insurance policy renewal premium in the amount of \$27,053.00. Mr. Fisher stated that the Authority has received a proposal for an industrial appraisal of the Authority's plant, property, and equipment, since the last appraisal was completed in 1998. A motion was made by Mr. Squires, and seconded by Mr. Chrzan, to approve the general liability insurance policy premium for the period from February 17, 2010 through February 17, 2011, in the amount of \$27,053.00. The motion passed unanimously.
2. Mr. Fisher requested Board approval of the proposal received from Industrial Appraisal Company, in the amount of \$4,595.00, for completion of a property and equipment appraisal, with a three-year reevaluation and maintenance fee of \$415.00 per year. Mr. Caroline asked if the appraisal could be delayed. Mr. Fisher explained the appraisal could be delayed, but an updated appraisal has not been completed subsequent to the completion of the WWTP Wet Weather Improvements Project, and that the building and structures need to be updated to current costs. Mr. Marks asked if the appraisal was necessary for the bond issue. Mr. Campfield stated that some investors look at the appraisal to determine the Authority's property values when considering whether to invest in the Authority's bonds, but the appraisal is not a requirement for the bond closing. A motion was made by Mr. Chrzan, and seconded by Mr. Squires, to approve the proposal from Industrial Appraisal for performance of the property and equipment appraisal, in the amount of \$4,595.00. The motion passed unanimously.

E. Sludge Committee – There was nothing to add to the report that was previously distributed.

F. Legal and Engineering Services Committee – Due to Mr. Testa's absence, there was no report.

11. Change Orders and Pay Estimates – NONE

12. Requisitions:

Mr. Pioth presented the following requisition with the motion to approve as follows:

- A. Capital Improvement Fund Requisition No. 85 in the amount of \$5,141.14, payable to Scott Electric. Motion to approve was made by Mr. Chrzan, and seconded by Mr. Squires. The motion passed unanimously.
- B. Capital Improvement Fund Requisition No. 86 in the amount of \$7,139.10. Motion to approve was made by Mr. Squires, and seconded by Mr. Marks. The motion passed unanimously.
- C. 2005 Construction Fund Requisition No. 2005-57 in the amount of \$31,461.14. Motion to approve was made by Mr. Squires, and seconded by Mr. Chrzan. The motion passed unanimously.

13. Board Member Comments:

- A. Mr. Marks stated that, regarding the rate increase, he wanted to note the transparency in which the discussions were conducted, and to state that there was a huge amount of compromise in the decision. Mr. Marks felt that the decision was fair, necessary, and he noted that he will be paying the higher rates.

- B. Mr. Chrzan thanked the members of the Finance and Budget Committee and the support staff, consisting of Mr. Poole, Mr. Campfield, Mr. Fisher, and Mrs. Wtorkowski, for their efforts in calculating the rate increase.
 - C. Mr. Pioth thanked the Board for their contributions to the process, stating that it was an unpleasant decision, there was much debate on the issue, and the rate increase was necessary.
 - D. Mr. Squires stated that there was much debate in determining the amount of the rate increase.
 - E. Mr. Marks noted that Mr. Caroline voted in favor of the rate increase, which will affect Penn Township Sewage Authority's budget.
14. A motion to adjourn the meeting was made by Mr. Squires, and seconded by Mr. Chrzan. The motion carried unanimously. The time was 8:25 P.M.

Johanna Wtorkowski
Assistant Secretary-Treasurer