

WESTERN WESTMORELAND MUNICIPAL AUTHORITY

REGULAR MONTHLY MEETING – APRIL 15, 2010

The Board of Directors of the Western Westmoreland Municipal Authority held a regular monthly meeting on Thursday, April 15, 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. Leonard Santimyer	Mr. Jared Squires
Mr. Tim Watson	Mr. Mark Wolinsky	

Late Arrival:

Mr. Charles Konkus

Absent:

Mr. John Nabuda

Others in Attendance:

Mr. John Campfield, Solicitor  
Mr. Mark Poole, Consulting Engineer  
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. John Thornton, visitor, was in attendance.

4. Communications:

- A. Mr. Pioth referred to the PMAA Regions 9 & 10 Spring Dinner Meeting, which is scheduled to take place on Saturday, April 24, 2010.
- B. Mr. Pioth reminded the Board that the 2010 PMAA Spring Management Workshops will take place on Tuesday, April 20, 2010, at Nemaocolin Woodlands.
- C. Mr. Pioth reminded those Board Members who have not yet submitted their 2009 Pennsylvania State Ethics Statements of Financial Interests to do so.

5. Secretary's Report – Mr. Santimyer presented the minutes of the March 18, 2010 minutes for approval.

- A. A motion was made by Mr. Squires, and seconded by Mr. Chrzan, to approve, as presented, the minutes of the March 18, 2010 regular meeting. The motion passed unanimously.

This concluded Mr. Santimyer's 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. 121, in the amount of \$172.33, payable to Scott Electric was made by Mr. Chrzan, and seconded by Mr. Caroline. The motion unanimously.
- B. A motion to approve for payment Revenue Fund Requisition No. 122, in the amount of \$162,334.38 was made by Mr. Marks, and seconded by Mr. Chrzan. The motion passed unanimously.

This concluded Mr. Watson's report.

7. General Manager's Report – Due to Kevin Fisher's absence, Mr. Poole reviewed the General Manager's report.

- A. Mr. Poole referred to a PaDEP Planning Module Exemption request for 6 EDUs for the Forest View Place (formerly Mt. View Place) development, which is located within the Cavittsville-Ardara Service Area. The proposed development is located along Ardara Road near Mountain Ridge Estates and would

connect to the North Huntingdon Township Municipal Authority's Yough treatment plant. This property is located in an area that is the subject of current litigation. Mr. Campfield stated that this is the first subdivision request that has been received for this service area since the Authority commenced with the lawsuit against the North Huntingdon Township Municipal Authority. Mr. Campfield recommended that the Authority not approve the planning exemptions, due to the current litigation. After a lengthy discussion, a motion was made by Mr. Chrzan, and seconded by Mr. Marks, to authorize Kevin Fisher to send a letter to the developer, with copies to the developer's surveyor and the North Huntingdon Township Municipal Authority's Consulting Engineer, Mr. David Coldren, stating that the letter was received by the Authority, but that no formal request has been made by the developer, and until a request is made, no action will be taken by the Board. The motion passed, 6-0, with an abstention by Mr. Pioth, who is a member of the North Huntingdon Township Planning Commission, which is reviewing the plan, and an abstention by Mr. Squires, who stated that his wife and his wife's parents own a residential construction company that could be in conflict with R.K. Parry's interests. Memorandums, signed by Mr. Pioth and Mr. Squires, are attached to these minutes.

- B. Mr. Poole reported that three emergency raw sewage by-passes occurred at the plant due to massive snow-melt during the month of March 2010. Mr. Wolinsky asked why there weren't more by-passes when the flow is significantly higher. Mr. Poole stated that the amount of flow that is by-passing the combined sewer overflow regulators is unknown at this time.
- C. Mr. Poole reported that ADS is continuing to train WWMA personnel. ADS is currently preparing the monthly reports of flow from the various flow meters at the combined sewer overflow (CSO) stations and in the interceptors. The report has not yet been received, so the flow information for the CSO stations is unknown at this time.
- D. Mr. Poole reported that Mr. Fisher has scheduled a SARA Emergency Drill in conjunction with Westmoreland County Emergency Operations and County 911 for the evening of Thursday, May 6, 2010, at 6:00 P.M. This is part of an annual emergency response drill that is sponsored by the Westmoreland County Department of Public Safety. A motion was made by Mr. Squires, and seconded by Mr. Chrzan, to allow the off-site emergency plan to perform a drill here. The motion passed unanimously.

This concluded Mr. Poole's review of the General Manager's report. The complete report is attached to these minutes.

Mr. Pioth reported that Kevin Fisher has been asked by Mr. Kraig Moodie, of ADS Environmental Services, to serve as a judge for the New Jersey Water Environment Association's Operator Challenge Safety Event. The event will be held in Atlantic City, New Jersey, over a two-day period. Mr. Fisher has requested that the Authority reimburse him for any expenses related to this event that are not covered by the New Jersey Water Environment Association. Mr. Marks stated that this invitation is a testimony to Mr. Fisher's competency. A motion was made by Mr. Chrzan, and seconded by Mr. Marks, to authorize payment of expenses related to Mr. Fisher's participation as judge for the event. Mr. Squires asked if there would be spending limits. Mr. Marks stated that, if payment is approved, it should be approved for all expenses. The motion passed unanimously.

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

Mr. Poole reviewed his written report dated April 15, 2010, which was distributed this evening.

##### A. Solids Processing Project:

- 1. Mr. Poole reported that the Authority has not received word regarding the Part II Permit comment/approval letter from the PaDEP.
- 2. Mr. Poole stated that he will provide a demonstration of the 3-D piping model at the end of his report.
- 3. Project Funding: Mr. Poole reported that he contacted the office that administers the H2O Grant Program for the State. They indicated that WWMA's project would be eligible for the grant program, but they were unsure of the ranking. The application deadline is July 1, 2010 and the board meeting is scheduled for some time in November. Projects that have already been awarded and are under construction are eligible for the grant money. It is possible to receive grants for up to 50% of the project costs and would require a local match. Mr. Poole recommended that the Authority apply for the grant. Mr. Caroline asked if the excess money could be used to pay off some of the bonds if the Authority is

awarded the grant. Mr. Poole stated that the Authority could not pre-pay the bonds, but the additional money could be used to comply with the Long-Term Control Plan requirements. Mr. Poole stated that discussion of Wet Weather Issues would help to answer Mr. Caroline's question.

B. Wet Weather Issues:

1. Long-Term Control Plan: Mr. Poole reported that the Authority has some concerns regarding the schedule that was prepared by the PaDEP and included in the Long-Term Control Plan acceptance letter. Mr. Poole stated that additional requirements have been added and the length of the implementation schedule was shortened from 10 years to 8 years. Mr. Poole has requested a meeting with the PaDEP to discuss the March 4, 2010 letter and schedule. Mr. Poole stated that the PaDEP has added a requirement that the Authority incorporate an Act 537 Plan. Mr. Campfield stated that municipalities are required to complete Act 537 Plans. The Authority's Service Agreement does not grant WWMA the authority to complete Act 537 Plans. Mr. Poole stated that stakeholder meetings will have to be held during the preparation of the Long-Term Control Plan. Regularly scheduled stakeholder meetings will be a required part of the Act 537 planning process that we will have to follow as part of the Long-Term Control Plan compliance schedule. Mr. Poole stated that the PaDEP's implementation schedule is unrealistic. Mr. Caroline stated that Authority representatives should speak with Mr. Paul Eiswerth regarding the implementation schedule. After discussion, it was suggested that Mr. Poole schedule a meeting with representatives of the Authority Board, Mr. Poole, Mr. Fisher, Mr. Campfield, and a representative of the PaDEP. A letter will also be prepared summarizing our comments and concerns and submitted to PaDEP.

Mr. Konkus joined the meeting at this point. The time was 8:11 P.M.

2. Mr. Poole stated that, if the Authority is awarded H2O Grant money, the Authority could use the excess bond proceeds toward the Long-Term Control Plan compliance schedule.

After a lengthy discussion, a motion was made by Mr. Caroline, and seconded by Mr. Squires to authorize Mr. Poole to complete the application for the H2O Grant. The motion passed unanimously.

3. Mr. Poole reported that the NPDES Part I Permit renewal review has been completed by the PaDEP. Mr. Poole stated that the PaDEP may not release the final permit until Authority representatives have attended the meeting mentioned in item No. 1, above.
4. Mr. Poole reported that the ALCOSAN Turtle Creek/Thompson Run Planning Basin Quarterly Activity Report was received and is attached to his report.
5. Mr. Poole reported that a Combined Basin Managers and Engineers meeting was held today at the Shaler Municipal Building.
6. Mr. Poole reported that a Solicitors meeting is scheduled for April 19, 2010.
7. Mr. Poole reported that the Chapter 94 Municipal Wasteload Management Report was completed and submitted to the PaDEP. Copies of the report will be distributed to the Member Municipalities.
8. Mr. Poole reported that he prepared a drawdown schedule of the 2005 Construction Fund, for use in determining the best investment vehicle for the remaining funds.
9. Mr. Poole stated that a Legal and Engineering Services Committee should schedule a meeting prior to the May 20, 2010 regular meeting to discuss the Solids Handling Project, the wet weather program, and any other issues of concern.

Mr. Poole provided a presentation of the 3-D piping model, which included a drawing of the piping design for the sludge processing building.

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

9. Solicitor's Report – John Campfield –

- A. Mr. Campfield reported that he spoke today with Ms. Marcia Rojcewicz, of Financial Services, Inc., regarding the proposed bond issue. Ms. Rojcewicz plans to attend the May 20, 2010 Board Meeting. The market is still stable in the sense of what was previously reported to the Board. The credit rating process should be completed by the May 20, 2010 meeting. The question remains about whether the Board will want to finalize action on the bonds. The bond closing could be as early as June.

- B. Mr. Campfield referred to the arbitrage rebate report for the 2005 Bond Issue. The Authority has an arbitrage liability in regard to the earnings on the proceeds from the 2005 Bond Issue. Mr. Campfield stated that Board action is required to authorize the Board Chairman to sign the IRS Form 8038-T, and to authorize payment of the arbitrage liability. Mr. Marks asked why the Capacity Account was not included in the report. Mrs. Wtorkowski explained that the report included only funds that contained the bond proceeds. A motion was made by Mr. Chrzan, and seconded by Mr. Santmyer, to authorize payment of the arbitrage liability in the amount of \$6,205.40, and to authorize Mr. Pioth to sign the IRS Form 8038-T. The motion passed unanimously.
- C. Mr. Campfield referred to an article from Kane Newspaper regarding an Authority that is planning to sell effluent for use as frac water for gas wells.
- D. Mr. Campfield recommended that the Authority Board consider creating a consortium with the Member Municipalities for the purpose of negotiating electric energy rates. Mr. Campfield stated that the City of Jeannette was able to save \$21,000.00 annually on street lights by negotiating the rates. Mr. Konkus asked if there was any chance that the Council of Governments (COG) could work with the municipalities. After a brief discussion, Mr. Konkus stated that he will speak with Mr. Ed Antonacci, to see what the City of Jeannette did. Mr. Konkus will also contact the COG.
- E. Mr. Campfield briefly reviewed the actuarial report for post-employment benefits other than pensions, which was prepared by Mockenhaupt Benefits Group. The report was distributed to the Board this evening, and will be forwarded to Mr. John Sarp tomorrow. This actuarial report is required by the Authority, under Government Accounting Standards (GAS) 45.
- F. Mr. Campfield stated that Mr. Poole is still attempting to set up a meeting with representatives of ALCOSAN.

This concluded Mr. Campfield's report.

#### 10. Reports of Committees:

- A. Grounds and Maintenance Committee – Mr. Caroline – Mr. Caroline stated that the plant grounds look nice, and that he had nothing major to report.
- B. Personnel Committee – Due to Mr. Nabuda's absence, there was no report.
- C. Finance and Budget Committee – Larry Chrzan:
  - 1. Mr. Chrzan reported that the Authority received \$10,703.31 in interest in March, for a year-to-date total of \$37,141.12.
  - 2. Mr. Chrzan reported that the 2005 Construction Fund Certificate of Deposit with Citizens Bank is scheduled to mature on April 20, 2010. Mr. Chrzan stated that proposals have been submitted by several local banks for public funds money market or cash management accounts. S&T Bank offered a variable rate that is currently .75%. First Commonwealth Bank offered a one-year, fixed rate of .65% with a monthly fee of \$25.00. First Niagara Bank offered a variable rate that is currently .55% for a money market account and .60% for a repurchase sweep account. Dollar Bank offered a fix rate of .30%, and Citizens Bank offered a variable rate that is currently .20%. After discussion, a motion was made by Mr. Chrzan, and seconded by Mr. Caroline, to approve the investment of funds from the 2005 Construction Fund with the bank that provides the highest rate of interest. Mrs. Wtorkowski was instructed to obtain rate updates on April 20, 2010, and to invest the funds with the bank that provided the highest rate of interest. The motion passed, 8-1, with Mr. Pioth voting no, stating that he wanted to authorize investing with S&T Bank now.

This concluded Mr. Chrzan's report.

- D. Insurance Committee – Jared Squires:
  - 1. Mr. Squires reported that the field work for the property appraisal was completed by Larry Sonick on March 25, 2010 for the equipment, and the field work for the buildings and structures was completed by George Anthony on March 31, 2010 and April 1, 2010. The report should be received by the end of May or the beginning of June.

- E. Sludge Committee – There was nothing to add to the report that was previously distributed.
- F. Legal and Engineering Services Committee – Mr. Marks: Mr. Marks reported that the Legal and Engineering Services Committee will schedule a meeting for May. Mr. Marks thanked Mr. Poole for his presentation of the 3-D piping model.

11. Change Orders and Pay Estimates – NONE

12. Requisitions:

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

- A. Capital Improvement Fund Requisition No. 89 in the amount of \$384.91, for payment to Scott Electric and for reimbursement to WWMA for payment to Scott Electric. Motion to approve was made by Mr. Chrzan, and seconded by Mr. Watson. The motion passed 8-0, with one abstention from Mr. Konkus, who stated that there is a possible conflict due to his employment with Scott Electric. A memorandum, signed by Mr. Konkus, is attached to these minutes.
- B. Capital Improvement Fund Requisition No. 90 in the amount of \$732.51. Motion to approve was made by Mr. Caroline, and seconded by Mr. Konkus. The motion passed unanimously.
- C. 2005 Construction Fund Requisition No. 2005-60 in the amount of \$10,086.09. Motion to approve was made by Mr. Marks, and seconded by Mr. Watson. The motion passed unanimously.

13. Board Member Comments: There were no Board comments.

14. Executive Session: There was no executive session.

15. A motion to adjourn the meeting was made by Mr. Squires, and seconded by Mr. Chrzan. The motion carried unanimously. The time was 8:57 P.M.

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Johanna Wtorkowski  
Assistant Secretary-Treasurer