

WESTERN WESTMORELAND MUNICIPAL AUTHORITY

REGULAR MONTHLY MEETING – JANUARY 15, 2009

The Board of Directors of the Western Westmoreland Municipal Authority held a regular monthly meeting on Thursday, January 15, 2009 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. Dan Hall	Mr. Charles Konkus	Mr. Anthony Marks
Mr. Robert Pioth	Mr. Sam Testa	Mr. Tim Watson

Absent:

Ms. Pat Altman	Mr. Larry Chrzan	Mr. Robert Zentner
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Others in Attendance:

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

It was noted that the meeting began at 7:40 P.M.

2. Mr. Pioth led the Pledge of Allegiance and moment of silence for troops overseas.
3. Public Comments: None – There were no visitors in attendance.
4. Communications:
 - A. Mr. Pioth referred to the CHAR Report for December 2008.
 - B. Mr. Pioth referred to the invitation to attend the Allegheny League of Municipalities from April 2, 2009 through April 5, 2009. Mr. Fisher asked anyone who is interested in attending to notify him as soon as possible.
5. Secretary's Report – Mr. Marks – A motion was made by Mr. Marks, and seconded by Mr. Testa, to approve, as presented, the minutes of the December 18, 2008 Regular Meeting. The motion passed, 5-1, with Mr. Konkus voting no, because he did not attend the meeting.
6. Treasurer's Report – Due to Mr. Zentner's absence, there was nothing was added to the written report that was previously distributed.
 - A. A motion to approve the Treasurer's Report as submitted was made by Mr. Testa, and seconded by Mr. Marks. The motion passed unanimously.
 - B. A motion to approve for payment Revenue Fund Requisition No. 98, in the amount of \$217,362.72 was made by Mr. Testa, and seconded by Mr. Watson. The motion passed unanimously.

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 he has received the report from ADS regarding the flow meters at the combined sewer overflow (CSO) regulators in Irwin. Mr. Fisher reported that the meter that was connected to the influent line displayed good date, with a high degree of accuracy. The discharge (bypass) line meter information was questionable, in part, because of the duck-bill situation in the pipe, which makes it difficult to monitor flow.

A motion was made by Mr. Hall, and seconded by Mr. Konkus, to authorize Mr. Fisher to prepare specifications for the bidding of flow meters for the CSO stations and selected areas in the interceptors. The motion passed unanimously. Mr. Fisher stated that the price of each flow meter could range from \$10,000.00 to \$25,000.00, depending upon the type of power source.

B. Mr. Fisher requested Board approval to include in the plant upgrade design the design of a septage receiving station. Mr. Fisher explained that this type of septic waste would provide the Authority with additional revenues. After discussion, a motion was made by Mr. Testa, and seconded by Mr. Konkus, to assign the Legal & Engineering Services Committee to proceed with plans to include a septage receiving station with the plant upgrade design. The motion passed unanimously.

C. Mr. Fisher reported that the inspector from Hartford Steam Boiler Inspections and Insurance Company was on-site today for the annual inspection of the sludge heat exchangers and the hot water boilers. The inspector determined that the heat exchanger #2 is found to be leaking, and he was unable to certify it. The inspector stated that the Authority will be required to repair it, or remove it from service until it is repaired. Mr. Fisher explained that the #2 heat exchanger is a spare, but the permit requires the Authority to have two heat exchangers. Mr. Fisher explained that, if the primary exchanger fails, the digester will no longer work properly, because a 95° temperature is required year-round for proper operation of the digester.

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

8. Consulting Engineer – Dan Goodwin, HDR Engineering Co., Inc. (HDR):

Mr. Goodwin reviewed the written report dated January 15, 2009, which was presented to those in attendance. The complete report is attached to these minutes.

A. Wet Weather Improvements Project:

Mr. Goodwin reported that the Authority is still working on a resolution to this issue. Mr. Goodwin stated that Mr. Fisher has spoken with the Kaeser blower representative, Mr. Stu Harper. The Authority has received a letter from Kaeser, indicating their time-line. Mr. Goodwin stated that the letter appears to be incomplete, because it omits two critical items that contributed to the delays: the cooling fans and the unloader start valves. Mr. Fisher

has contacted Mr. Harper in an attempt to obtain a more accurate time-line. Mr. Goodwin is still trying to set up a meeting with Mr. Spaeder.

- B. Long-Term Control Plan/COA/NPDES Compliance Schedule:
Mr. Goodwin reported that there have been no comments received from PaDEP since submission of the Final Long-Term Control Plan in October 2007.
- C. Mr. Goodwin reported that there have been no comments received from the PaDEP regarding the Plant's NPDES Permit Renewal Application that was submitted in July. The application has been deemed "technically complete," but no comments have been received from the PaDEP.
- D. WWTP Facilities Planning Study: Mr. Goodwin reported that HDR is waiting for direction from the Board as to how the Board wants to proceed with design.
- E. Mr. Goodwin referred to this evening's presentation to the Legal & Engineering Services Committee regarding the treatment of gas well frac water. Mr. Goodwin will provide a copy of the presentation to all Board Members who are interested in receiving one.

Mr. Hall thanked Mr. Goodwin for HDR's presentation on frac water treatment.

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

9. Reports of Committees:

- A. Grounds and Maintenance Committee – Dan Hall – There was no report.
- B. Personnel Committee – Due to Mr. Chrzan's absence, there was no report.
- C. Finance and Budget Committee –
 - 1. A motion was made by Mr. Testa, and seconded by Mr. Watson, to approve the semi-annual transfer, in the amount of \$115,150.00, from the Revenue Fund to the Capital Improvement Fund. The motion passed unanimously.
- D. Insurance Committee – Tim Watson – Mr. Watson reported that the annual liability insurance premium must be paid by February 17, 2009. A motion was made by Mr. Marks, and seconded by Mr. Konkus, to approve payment of the general liability insurance premium, in the amount of \$31,172.00.
- E. Sludge Committee – There was nothing to add to the written report that was previously submitted.
- F. Legal and Engineering Services Committee – Sam Testa – There was no report.

10. Solicitor's Report – John Campfield –

- A. Mr. Campfield referred to the discussion that was held at last month's meeting, regarding the Authority's interest rate swap agreement. Mr. Campfield reported that he spoke with Attorney Tom Lynch, who is willing to work with the Authority to put in place the mechanisms to terminate the swap agreement at a beneficial point in time. Mr. Campfield reported that the value of the swap agreement was, as of January 14, 2009, \$63,586.00. Mr. Lynch will be able to determine how much time is required to terminate the agreement, and at what value the agreement should be terminated. Mr. Campfield recommended that the Board authorize someone to be the "trigger" person. After lengthy discussion, a motion was made by Mr. Hall, and seconded by Mr. Testa, to authorize Mr. Pioth, Mr. Campfield, and Mrs. Wtorkowski to meet with Mr. Lynch to review the swap agreement documents and obtain a recommendation on when to pull the trigger, with a desired net gain of \$35,000.00 to \$50,000.00, based on Mr. Lynch's recommendations. The motion passed unanimously.
- B. Mr. Campfield reported that he attended a municipal financing seminar yesterday. He explained that this is not the time to enter the bond market, and that the best areas for financing are the government, and the local commercial banks. He stated that Pennvest's Chief Counsel received a report from their Lobbyists, stating that the federal stimulus money that Pennvest is going to have will be about \$480 million. Combined with their regular loan and grant money, Pennvest is looking at \$632 million in loans and \$224 million in grants that will be available for funding. Mr. Campfield stated that Pennvest will not be significantly involved with the DCED funding that resulted from the Pennsylvania referendum that was approved at the last general election. Mr. Campfield stated that Pennvest may be willing to approve applications and close on loans before government permits have been obtained. He reminded the Board that, even though loans are approved by Pennvest, requisitions must be submitted to Pennvest for payment, and permits would be required at that time. Mr. Campfield explained that the rules could change at any time.
- C. Mr. Campfield presented to the Board a copy of a complaint against Trafford Borough that was prepared by him at the Board's authorization.
- D. Mr. Campfield referred to a letter that was received from North Huntingdon Township Municipal Authority, stating that this item will be discussed during the executive session. Mr. Campfield referred to calculations that were compiled by Mrs. Wtorkowski regarding the portion of debt that is attributable to the Ardara System.

This concluded Mr. Campfield's report.

11. Change Orders and Pay Estimates – None

12. Requisitions:

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

- A. 2005 Construction Fund Requisition No. 2005-45 in the amount of \$1,752.75. Motion to approve was made by Mr. Testa, and seconded by Mr. Hall. The motion passed unanimously.

13. Board Member Comments –

- A. Mr. Marks reported that he attended Irwin Borough Council's meeting, and his remarks were not well received. He stated that he will attend North Irwin Borough's next meeting.
- B. Mr. Pioth stated that the next regular meeting will be the reorganization meeting.
- C. Mr. Pioth reminded the Board to complete their Pennsylvania State Ethics Commission Statements of Financial Interest and return them to Mrs. Wtorkowski on or before March 19, 2009.

A motion was made by Mr. Testa, and seconded by Mr. Marks, to enter into an executive session to discuss personnel matters and matters of potential litigation with Trafford Borough and North Huntingdon Township. The motion passed unanimously. The time was 8:54 P.M.

A motion to return to the regular order of business was made by Mr. Marks, and seconded by Mr. Watson. The motion carried unanimously. The time was 9:32 PM.

A motion was made by Mr. Marks, and seconded by Mr. Konkus, to send a prepared response, as amended, to the North Huntingdon Township Municipal Authority. The motion passed unanimously.

A motion was made by Mr. Testa, and seconded by Mr. Watson, to proceed with the complaint against Trafford Borough. The motion passed unanimously.

Mr. Testa reported that, during a recent Legal and Engineering Services Committee meeting, there was some discussion regarding sending out requests for proposals (RFPs). He stated that the Legal and Engineering Services Committee decided to limit the request to two engineering firms. After a lengthy discussion, a motion was made by Mr. Testa, and seconded by Mr. Konkus, to accept proposals for design engineering services to upgrade the Brush Creek Plant according to the Facility Plan. The request for proposals will be extended to HDR Engineering Co., Inc. and to Wade Trim Engineering. A roll-call vote was requested.

Mr. Hall – no, stating that wants to open the invitation to at least two other qualified, Pittsburgh-based firms.

Mr. Konkus – no, stating that he is happy with HDR Engineering Co., Inc.

Mr. Marks – yes, stating that he will be looking closely at the numbers.

Mr. Pioth – yes

Mr. Testa – yes

Mr. Watson – yes

The motion passed, 4-2.

14. A motion to adjourn the meeting was made by Mr. Hall, and seconded by Mr. Konkus. The motion carried unanimously. The time was 9:52 P.M.

Anthony Marks
Secretary