

Cecil Township Municipal Authority
Monthly Meeting
September 4, 2008

The Cecil Township Municipal Authority held its' regular monthly meeting on Thursday, September 4, 2008 at the Cecil Township Municipal Building. Chairman Donald Gennuso called the meeting to order at 7:30 PM with Stephanie Lucchino, Kenneth Heirendt and Brian Altland present. Absent was Blane Volovich. Also present was Romel Nicholas, Gaitens, Tucceri and Nicholas; Eric Tissue, KLH Engineers; Walter O'Shinski P.E. and Dennis Bell, Administrator.

MINUTES OF AUGUST 7 2008

The Board on a three to one vote on motion by Brian Altland and second by Stephanie Lucchino approved the minutes of the regular meeting of August 7, 2008. Kenneth Heirendt abstained.

ENGINEER REPORT

UPDATE ON MILLERS RUN PROJECT

Michael Sherrieb presented his report to the board. He requested approval of pay estimate # 16 to Wagner Electric for \$13,703.73 on the electrical work at the treatment plant. The payment reflects a reduction in the contract retainage from 5% to 2%. He stated that Wagner Electric is substantially complete. He stated the pump station mechanical contract requires final landscaping at the pump station site. He stated that Kranick Environmental is working on completing the punch list items and all work should be completed by the October meeting.

He stated that Kranick Environmental requested the terms of the mechanical contract at the treatment plant be modified. He requested the issue be addressed in executive session.

Kenneth Heirendt inquired on the retainage and liquidated damages. Mike Sherrieb stated the issue is an open item as no decision has been made. He stated a decision would be needed prior to final payment on the contract. Donald Gennuso stated a decision would be needed prior to the next meeting and requested the information be provided to the Board prior to the October meeting.

The Board on unanimous vote on motion by Kenneth Heirendt and second by Brian Altland authorized payment of pay estimate 16 in the amount of \$13,703.73 to Wagner Electric.

Eric Tissue requested pay estimate number 1 to Independent Enterprises Inc. in the amount of \$40,762.79 for work completed in connecting the Windsor Woods and

Casciola treatment facilities into the Millers Run system. He stated that retainage of 5% is being withheld on the contract. The amount includes a change order of \$210.00. He stated the final inspection was completed and there are no punch list items.

The Board on unanimous vote on motion by Kenneth Heirendt and second by Brian Altland authorized payment of \$40,762.79 to Independent Enterprises Inc. for pay estimate number 1.

Walter O'Shinski requested the Board authorize a partial payment in the amount of \$9,000 to Yoest Plumbing for eight lateral connections in the Casciola system.

The Board on unanimous vote on motion by Brian Altland and second by Kenneth Heirendt authorized payment of \$9,000.00 to Yoest Plumbing.

Dan Deiseroth, Gateway Engineers addressed lateral location issues with the Board. He stated the property located at 3280 Millers Run Road owned by Sylvan DePaoli provided a sewer connection at the front of the property along Millers Run Road. He stated a sewer line was run to the rear of the property to provide service to a home and business located at the rear of the property. He stated that the property owner indicated that he requested the contractor to put the lateral connection at the rear of the property in the area where the septic tank is located. Dan Deiseroth stated the line was installed in accordance with the construction plan and he further stated his inspector does not recall any conversation with the property owner during the construction of the line. He stated he would work with the individual to amicably settle the issue.

Walter O'Shinski addressed the issue at 20 Salvini Lane. He stated the property was originally in the 2004 construction plan when a tap-in fee and front foot assessment was being considered. In the 2006 project, the area was deleted in an attempt to reduce construction costs and also at the request of the property owner. The 2006 project did not require a front foot assessment and Robert Salvini requested the line be run to his property line. A compromise was reached and Mr. Salvini agreed in writing to pay the tap-in fee and provided rights of way easement to the Authority even though the home is more than 150 feet away from the sewer. Mr. Salvini indicated to the Board that he would not tap into the line, as it is not within 150 feet of the home. Donald Gennuso stated the line was built at approximately \$15,000 to connect the property. He stated the solicitor would review the matter and advise Mr. Salvini accordingly.

Dan Deiseroth stated the property known as the Tea Room located at 3256 Millers Run Road has service to the front of the property along Millers Run. He stated the septic tank is located at the rear. He stated issues with waterline and gas line located at the front of the property will make the construction difficult. He will arrange to get service to the rear of the property by installing another lateral connection from DePaoli Road.

Dan Deiseroth stated the property located at 703 and 705 Wildwood Drive, Mc Donald has a service lateral in the wrong lot. He stated the lateral to service 703 Wildwood Drive would be extended.

The issue of the sewer design capacity vs. the as-built plan capacity will be discussed in the executive session.

Walter O'Shinski stated the NPDES Part 1 permit for the Millers Run WWTP is due for renewal. He stated the permits are issued for a five-year period. He requested the Board authorize signing the application and approving the filing fee of \$500.00. The Board on unanimous vote on motion by Stephanie Lucchino and second by Kenneth Heirendt authorized signing the application and approving the payment of the filing fee.

COMMENTS FROM THE FLOOR

David Williams, 202 Mc Connell Road addressed the Board on restoration issues on his property. He stated the property needs to be restored to the condition it was prior to the construction. Donald Gennuso stated the property is on the list for restoration work. He further stated the contractor was declared in default and the bonding company has not been very responsive to assigning another contractor. Mr. Williams provided the Board with an estimate of the work needed on his property. He stated he expects the restoration work completed soon or his attorney will be consulted.

Milton Kosanovich addressed the Board for a second time regarding his previously discussed restoration issues. Walter O'Shinski stated that Gateway Engineers addressed the issues in writing. Mr. Kosanovich stated he never received the letter. He stated he wants to speak with the contractor and the bonding company. He stated that no one is taking responsibility for getting the work done. Donald Gennuso stated professionals are hired to handle the day-to-day issues. Mr. Kosanovich requested the before construction photographs be mailed to him. Dan Deiseroth stated they have the photographs and would provide to Mr. Kosanovich.

Eva Graziano, 323 Elm Drive, Canonsburg, PA addressed the Board of the poor communication between the contractor, engineers and homeowners when work was stated in the area. She stated they went to work only to return to find their mature pine trees; split rail fence and invisible dog fence were totally removed. She stated the split rail fence and dog fence were never replaced. She stated the manhole located in her yard is not to grade. She stated the destruction was unbelievable. She stated that she learned that another project to service the properties at the end of Elm Drive would soon be starting and expressed concern that the construction could damage a retaining wall and the remaining pine trees at the front of her property. Donald Gennuso suggested Ms. Graziano be kept in the loop regarding construction schedules. He further suggested that Kerry Fox be notified of the property issues resulting from the previous project and ask that all attempts be made for not disturbing the property. Walter O'Shinski stated the project would probably not begin until early next year as the RFP was just drafted for the Washington County Redevelopment Authority who would manage all aspects of the project.

SOLICITOR'S REPORT

Romel Nicholas presented his monthly report to the Board. He stated the service agreement with the Canonsburg-Houston Joint Authority was reviewed by Walter O'Shinski and requested the agreement be signed. He stated that the CHJA board signed the document at their August 2008 meeting. He stated modifications to the Right To Know law were enacted by the legislature and that our information will need to be changed. He stated his office would work with the administrator prior to the January 2009 effective date. He stated the liening process started with twenty letters being mailed. He stated that several property owners have signed letters requesting the property be liened and several have paid the tap-in fees since the last meeting. He stated his office would file a preliminary objection to the PUC suit filed by a resident. He stated the filing with PUC was the improper agency, as the municipal authority does not come under PUC jurisdiction.

BUSINESS MANAGERS REPORT

RATIFY INVESTMENT OF TAP-IN FUNDS WITH SLOVENIAN SAVINGS

Dennis Bell reported that the Board previously authorized an investment for four months with Slovenian Savings at an interest rate of 3.39% with a yield of 3.50%. He requested the motion be modified for the investment at 12 months and the same interest rate with no penalty for early withdrawal.

The Board on unanimous vote on motion by Kenneth Heirendt and second by Stephanie Lucchino authorized the change in the term to 12 months with no penalty for early withdrawal.

AUTHORIZE REPORTING INFRASTRUCTURE VALUES FOR CONTRIBUTED ASSETS AS PER GASB STATEMENT 34

Dennis Bell advised the Board that the assets built by developers and accepted by the Authority have not been recorded in the fixed assets of the Authority. He stated that Steven Cypher recommended the assets be recorded and appropriate depreciation be taken on the assets.

The Board on unanimous vote on motion by Stephanie Lucchino and second by Brian Altland desires to follow the requirements of GASB Statement # 34 and retroactively report the values of the infrastructure assets, constructed by developers and donated to the Authority by the developers, and placed in service prior to the implementation of this statement as prepared by administration in the Authority's books and records for the year ended December 31, 2008.

DISCUSS LETTER FROM JAMES BRANCKO REQUESTING CREDIT FOR POOL FILLING

Dennis Bell addressed the Board regarding a request from James Brancko for a refund of \$72.75 for water used to refill his swimming pool. Kenneth Heirendt stated the usage during the two summers months before the period in question was approximately 11,000 gallons and he suggested a refund of \$50.00. The Board on a three to one vote authorized issuing a refund in the amount of \$50.00 to James Brancko. Stephanie Lucchino voted no.

DISCUSS JULY 2008 FINANCIAL REPORT

Dennis Bell discussed the financials for July 2008. The total customers billed were 2,209. The user fees billed were \$129,874.70 on usage consumption of 14,431,900 gallons. Collections totaled \$106,266.58. The expenses paid for July 2008 were \$78,719.71. The extraordinary income on the July 2008 financial statement included interest income of \$12,278.85. Expenses were under budget through July 2008 except for seven accounts with a net overage of \$2,472. The accounts over budget are gas \$302, office telephone \$354, mileage \$56, postage \$239, maintenance and repairs \$22, advertising \$1,421 and advertising \$1,460 and u/c tax \$78. The income accounts with variances in July 2008 were user fees over budget by \$35,456; tap-in fees over budget by \$11,847 not including Millers Run; planning module fees over budget by \$1,300; and misc. income under budget by \$319.

CORRESPONDENCE

The correspondence was reviewed for filing. Stephanie Lucchino commented on the letter received from Janice Billante. Dennis Bell stated the issue has been ongoing with the customer and he requested the solicitor address the issue. Kenneth Heirendt inquired on the funds held with National City Bank and the review for investing the excess funds at another institution for higher returns. Dennis Bell stated the review was not completed and he would have the information for the Board at the October meeting. Kenneth Heirendt commented on the two letters received from Edward Sitarik Contracting Inc. Walter O'Shinski stated the certified bid tabulations are being researched by Gateway Engineers and the inspector daily field reports are with Gateway Engineers and all will be coordinated through the solicitor.

PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

A unanimous vote on motion by Kenneth Heirendt and second by Brian Altland the Board authorized payment of expenses and transfers as follows.

Brush Run Expense/Transfer MM to Checking
Teodori Expenses/Transfer MM to Checking

Southpointe Expenses/Transfer MM to Checking
CherryBrook Expenses/Transfer MM to Checking
Gilmore Expenses/ACH Debit and PNC Requisition
Employee Time Reports/Payroll
941 E Tax Deposit
Payment of Invoices
Discharge Monitoring Reports were approved for submission to the PA DEP

EXECUTIVE SESSION

The Board on motion by Stephanie Lucchino and second by Brian Altland entered into executive session at 8:57 PM to discuss contract related issues. The Board returned to the general session at 11:00 PM.

The Board on unanimous vote on motion by Stephanie Lucchino and second by Brian Altland authorized the solicitor to write a letter to Robert Salvini, 20 Salvini Lane Mc Donald PA requiring the property owner to pay the appropriate tap-in fee and to arrange to tap into the Millers Run sewage system.

The Board on unanimous vote on motion by Kenneth Heirendt and second by Brian Altland authorized a letter be prepared and addressed to the property owners with restoration issues. The letter would provide two options of either acceptance of a monetary payment or the understanding that the restoration work would be completed in the spring of 2009. Kenneth Heirendt would oversee the process on the remuneration.

ADJOURNMENT

There being no other business by unanimous vote on motion by Kenneth Heirendt and second by Brian Altland the meeting was adjourned at 11:05 PM. The next regular meeting is scheduled for Thursday, October 2, 2008 at 7:30 PM.

Secretary