

Cecil Township Municipal Authority
Monthly Meeting
January 4, 2007

The Cecil Township Municipal Authority held its' reorganization and regular monthly meeting on Thursday, January 4, 2007 at the Cecil Township Municipal Building. Chairman Donald Gennuso called the meeting to order at 7:30 PM with Stephanie Lucchino, George Elish and Kenneth Heirendt present. Also present was Romel Nicholas, Gaitens, Tucceri and Nicholas; W. Scott Rusmisl, Gateway Engineers; Walter O'Shinski P.E. and Dennis Bell, Administrator.

REORGANIZATION

The Board by unanimous vote on motion by Stephanie Lucchino and second by Kenneth Heirendt appointed the following members to serve as officers in 2007.

Donald Gennuso – Chairman
Stephanie C. Lucchino – Vice Chairman
George Elish – Secretary/Treasurer
Kenneth Heirendt – Asst. Secretary/Asst. Treasurer

The Board by unanimous vote on motion by Kenneth Heirendt and second by Stephanie Lucchino appointed Gaitens, Tucceri and Nicholas as Solicitor.

The Board by unanimous vote on motion by Kenneth Heirendt and second by Stephanie Lucchino appointed Gateway Engineers, Inc. as Consulting Engineer.

The Board by unanimous vote on motion by George Elish and second by Kenneth Heirendt appointed National City Bank as Trustee/Paying Agent.

MINUTES OF DECEMBER 7, 2006

The Board on a unanimous vote on motion by Stephanie Lucchino and second by Kenneth Heirendt approved the minutes of the regular meeting of December 7, 2006.

ENGINEER REPORT

UPDATE ON MILLERS RUN PROJECT

Ed Kuenzig discussed with the Board on progress made in the Millers Run project. The overall interceptor contract is forty-two (42) percent completed. The Southeast Contract is approximately thirty-three (33) percent completed. The North

Contract is approximately twenty-three (23) percent completed.

George Elish commented on the lack of information being given to the Board. He stated it is difficult to communicate with the public on the status of the project if the information is not received from the engineers. He further stated a semi-monthly progress report was to be completed by Ed Kuenzig. Scott Rusmiser apologized to the Board for the lack of reporting by his staff. Kenneth Heirendt stated he provided an example of a Penndot progress report for comparative purposes.

George Elish further stated that he has twice previously requested a monthly financial report. The information on the report should include contract amount, change orders, amount of payment requested and amount of contract paid to date.

Ed Kuenzig stated a construction meeting was held on January 4, 2007. He stated the issue of unmarked or incorrectly marked utilities was addressed. He further stated the procedure to follow when notifying the appropriate authorities on a road closure.

Ed Kuenzig requested direction from the Board on what should be done with trees that are not directly impacted by the sanitary sewer lines but that are located near the right of way easement. He stated that property owners are concerned for damage done to the tree root structure and not noticeable. The residents are concerned if the tree should be fallen during a windstorm and causes damage to their home and/or property. Kenneth Heirendt stated that these types of issues were found in the Midway project. It was stated that tree removal would be considered an extra. Romel Nicholas stated the issue should be a field judgment call. Walter O'Shinski and Ed Kuenzig should inspect the trees impacted by the construction and make a recommendation for handling the same.

Ed Kuenzig requested direction on road restoration. Scott Rusmiser stated it should be a field judgment call. Donald Gennuso stated that on Mc Connell Road near Elm Drive a cold patch repair crossing Mc Connell Road was made. He suggested that Ed Kuenzig advise Sitarik to re-do the cold patch due to a rough repair job at this site.

George Elish stated that Gateway Engineers should have performance standards for their construction inspectors.

Kevin Hoffman apologized for the delay in getting his report to the Board. He discussed the construction activities on the Mechanical WWTP contract. The activities included a continuation of rough grading at the site, completion of a portion of force main, construction of storm piping and end walls, construction of a portion of the outfall pipe and end wall and excavation for the building footer. Approximately twelve (12) percent of the contract financial is complete.

Kevin Hoffman discussed the construction activities on the Electrical WWTP contract. He stated the acquisition and installation of temporary utilities (electric and telephone) have been installed at the site. Approximately two (2) percent of the contract

financial is complete.

Construction activities on the Mechanical Pump Station contract includes continuing construction of the access road at the Klinger Road site, rough grading at the Klinger Road site, setting emergency overflow structures and setting a trash basket, wet well manholes and valve vault. Approximately six (6) percent of the contract financial is complete.

Construction activities on the Electrical Pump Station contract include acquisition of utilities for the two sites. Two (2) percent of the contract financial is complete.

DISCUSS PA-AMERICAN PROPOSAL FOR WATERLINE TO MILLERS RUN PLANT

Walter O'Shinski advised the Board on a revised proposal from PA-American Water Company to install a waterline along Creedmore Road to the treatment plant. The revised estimate is \$162,000 from the \$102,000 originally estimated. A copy of the letter from PA-American Water Company was not included in the monthly package mailed to the members. Walter O'Shinski advised the Board that he requested that KLH Engineers obtain a price for installing a holding tank and for the installation of a water service line. Stephanie Lucchino suggested that John Kosky be contacted to see if he would like to participate financially toward the waterline construction costs if the Board decides to extend the waterline. Stephanie Lucchino stated she would prefer to install the waterline and George Elish concurred. A complete cost analysis should be available for the Board to review at their next meeting.

AUTHORIZE MILLERS RUN PROJECT PAYMENT ESTIMATES

The Board on unanimous vote on motion by Kenneth Heirendt and second by George Elish authorized the payments on the following contracts –

Pay Request # 3 to Edward T. Sitarik Contracting Inc. totaling \$89,285.17 for work completed on the interceptor contract.

Pay Request # 3 to Edward T. Sitarik Contracting Inc. totaling \$229,165.32 for work completed on the southeast contract.

Pay Request # 2 to A. Merante Contracting totaling \$350,369.32 for work completed on the north contract.

Pay Request # 3 to Kranick Environmental totaling \$517,050 for work completed on the treatment plant.

Pay Request # 1 to Wagner Electric totaling \$3,973.50 for work completed on the pump station electrical contract.

Pay Request # 1 to Wagner Electric totaling \$8,600.40 for work completed on the treatment plant electrical contract.

Pay Request # 1 to Edward T. Sitarik Contracting, Inc. totaling \$3,600.00 for work completed on the southwest contract.

UPDATE ON MAPLE RIDGE

Scott Rusmisl reported that Lynn Foltz, developer is working on obtaining easements. He stated that Lynn Foltz and his engineer Mark Zemaitis are working with Dan Slagle, engineer for North Strabane Sanitary Authority to resolve outstanding issues i.e. the dissolved oxygen levels. He stated the results of their negotiations will require either a change in the contract language or the developer's engineering plans will have to be changed. Donald Gennuso commented on ownership of the pump station and the sanitary lines constructed. Walter O'Shinski stated the Authority as of this date has not approved the design plan for the pump station. George Elish questioned if we should be involved in the discussions between Lynn Foltz and North Strabane Sanitary Authority. Mark Zemaitis commented that these discussions are preliminary and Dan Slagle does not want to change the agreement.

Lynn Foltz has submitted a Part II Permit Application to the PA DEP in the name of Maple Leaf Homes and not the Authority. Mark Zemaitis stated the developer plans to transfer the system to the Authority. Walter O'Shinski stated all permits must be in the name of the Authority if they are to own the station.

OVERLOOK AT SOUTHPOINTE

Mark Zemaitis, Partridge Venture Engineering addressed the Board on the planned sub-division known as the Overlook at Southpointe and Ironwood II. He stated work on obtaining approval on the PRD Application through the township is underway. He stated an application for subdivision and land development of Phase 1 should be submitted to the township by early spring 2007. His goal is to work through the sewage planning module concurrently.

He stated the development is within the Southpointe watershed and drains to the existing interceptor sewer in Southpointe. He presented service options including construction of a gravity sanitary sewer and the option of building a pump station on Parcel 14 with a force main to the Canonsburg-Houston treatment plant. These options would eliminate the capacity issues associated with the existing Southpointe interceptor sewer. The preferred option is the construction of a pump station at Parcel 14. In addition, the developer proposes establishing an operations and maintenance cost recovery account to subsidize the Cecil Township Municipal Authority for the monthly operations and maintenance cost incurred on the pump station.

Walter O'Shinski stated he prepared a detailed letter to the developer's engineer in August 2006 and most of the issues have been addressed. Romel Nicholas inquired on

the status of the planning module relative to the timelines and approval process. Walter O'Shinski stated that the submission is preliminary and the developer has been advised that an official submission must be made to the Township.

SOLICITOR REPORT

Romel Nicholas discussed with the Board his written report. He suggested that a review on outstanding easements in the Millers Run project be completed by January 31, 2007 to determine what condemnations have been settled and discontinued. He stated that Christine Seymour would work with Dennis Bell on the issue.

BUSINESS MANAGERS REPORT

APPROVAL 2007 BUDGET

The Board on unanimous vote on motion by Stephanie Lucchino and second by George Elish approved the 2007 Operating Budget.

DISCUSS NOVEMBER 2006 FINANCIAL REPORT

Dennis Bell discussed the financials for November 2006. The total customers billed were 1843. The user fees billed were \$89,647.35 on usage consumption of 9,989,500 gallons. Collections totaled \$91,203.63. The expenses for November 2006 were \$178,116.17. The extraordinary income on the November 2006 financial statement included interest income of \$593.23. Interest income on the construction funds totaled \$67,736.75. Expenses for Millers Run project were adjusted to the fixed asset by \$28,884.67. Expenses were under budget through November 2006 except in six accounts for Other Office Expenses over budget by \$1,955.15; Supplies and Tools over budget by \$2,068.30; Legal Expense over budget by \$9,323.23; Dues and Publications over budget by \$370.09; Treatment Charges over budget by \$10,961 and Engineering over budget by \$13,229.91. The income accounts with variances through November 2006 were Tap-in Fees over budget by \$48,957; Misc. Income over budget by \$125 and Costs and Fees over budget by \$688.

PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

A unanimous vote on motion by Stephanie Lucchino and second by Kenneth Heirendt 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

CORRESPONDENCE

The correspondence was reviewed for filing.

George Elish commented on a letter from North Strabane Township to the Canonsburg Borough Council. He expressed his concern on the lack of involvement by the township and Authority in responding to the recent user rate increased planned to take effect in April 2007. He suggested the Authority be represented at the monthly meetings of the Canonsburg-Houston Joint Authority. He stated the Authority along with North Strabane should have representation on the CHJA board. Romel Nicholas commented that the issue of representation would be stated in the CHJA bylaws. It was agreed to check with Kevin Camerson on his committee role with the CHJA 537 Study group and perhaps arrange for Mr. Camerson to address the Board.

Kenneth Heirendt commented on the letter from the fire department and inquired if the issues have been resolved.

The Board suggested letter be issued to Columbia Gas Company requesting a meeting to discuss issues related to miss marking of gas lines and/or failure to mark the gas lines. Walter O'Shinski and Romel Nicholas will prepare a letter to the President of the Columbia Gas Company.

George Elish suggested that a plumber be placed on retainer and that an agreement be prepared.

COMMENTS FROM THE FLOOR

Dominick Dimatteo commented on the appointment to the Board. Donald Gennuso stated that the township would appoint the board position.

EXECUTIVE SESSION

On unanimous vote on motion by Kenneth Heirendt and second by Stephanie Lucchino the Board entered into Executive Session at 9:07 PM to discuss potential litigation. The Board returned to the General Session at 9:55 PM on motion by Stephanie Lucchino and second by Kenneth Heirendt.

ADJOURNMENT

There being no other business by unanimous vote on motion by George Elish and second by Kenneth Heirendt meeting was adjourned at 9:57 PM. The next regular meeting is scheduled for Thursday, February 1, 2007 at 7:30 PM.

Secretary