

Cecil Township Municipal Authority
Monthly Meeting
September 6, 2007

The Cecil Township Municipal Authority held its' regular monthly meeting on Thursday, September 6, 2007 at the Cecil Township Municipal Building. Vice Chairman Stephanie Lucchino called the meeting to order at 7:30 PM with George Elish, Kenneth Heirendt and Blane Volovich present. Absent was Donald Gennuso. Also present was Romel Nicholas, Gaitens, Tucceri and Nicholas; W. Scott Rusmisl, Gateway Engineers; Walter O'Shinski P.E. and Dennis Bell, Administrator.

MINUTES OF AUGUST 2, 2007

The Board on unanimous vote on motion by Kenneth Heirendt and second by George Elish approved the minutes of the regular meeting of July 5, 2007.

ENGINEER REPORT

UPDATE ON MILLERS RUN PROJECT

Scott Rusmisl discussed his monthly report with the Board. On the interceptor line, work continues on pouring concrete inverts in manholes. Repairs on the mainline and manholes continue. Restoration and testing along the interceptor line continues on a sporadic basis. Eighty percent of the mainline sewer manholes have been tested and approved while fifteen percent of the sanitary manholes have been tested and approved.

On the southwest contract, PennDOT provided Gateway Engineers with their requirements for the repair of the shoulder along Muse-Bishop Road. Restoration work continues along Mc Connell Road and Crestwood Drive. Asphalt repairs to the sinking trench lines in Redwood and Wildwood Drives must be completed. Approximately seventy-five percent of the mainline sewer and sanitary sewer manholes have been tested and approved.

On the southeast contract, restoration re-work continues in the Elm Drive and Klinger Road areas. Restoration work also continues along the rear of the properties at Cecil-Henderson Road. Gateway will instruct Sitarik Contracting to remove the construction debris from the lower portion of the swale running on the low side of Elm Drive. Sitarik will also be directed to repair the damage to the lined swale placed on the property line between St. Mary's Cemetery and the low side properties along Belgium Hill Road. Ninety-three percent of the mainline sewer manholes have been tested and approved and fifty-three percent of the sanitary manholes have been tested and approved.

On the north contract, mainline sewer work was completed on Clifford Road and the upper portion of Hill Avenue. The final trench paving on S. R. 50 is scheduled for the second week of September. Columbia Gas Company work along the shoulder of S.R. 50 has prevented pavement restoration from Bishop Hill to North De Paoli Road. The gas company anticipates completion of their work in the second week of September. The mainline sewer work started on Grange Road on August 28. Approximately forty-five percent of the mainline sewer manholes and sixty percent of the sanitary sewer manholes have been tested and approved

Scott Rusmisl stated he is working on scheduling a meeting with St. Mary's church to discuss the restoration of their road. He stated the paving along Muse Bishop Road has not been started and he expressed concerns to the timeline due to the October 15 cut off for paving work. He stated a contract issue between Sitarik and T.A. Robinson exists. Scott Rusmisl stated that Sitarik has not responded to his request for a schedule. He suggested an emergency meeting with Sitarik be scheduled. Romel Nicholas expressed concerns that the Sitarik contract expires on September 18 and no extension request has been received.

Scott Rusmisl stated a meeting with Mr. & Mrs. Andrews was held with an offer to provide an easement to the Andrews' for the public water line to be extended at their costs to their property. Mr. & Mrs. Andrews will respond at a future date.

Scott Rusmisl stated a meeting with Mrs. Hines on property restoration and grading was held. He stated that regrading has been completed and the storm water is being diverted to a storm drain. Mrs. Hines requested a landscape buffer between their property and the treatment plant site. Scott Rusmisl proposed a double row of pine trees and will discuss this recommendation with the adjacent property owner. Scott Rusmisl stated the spring and well are producing water but not of the quality or quantity previously reported by Mr. and Mrs. Hines.

GeoMechanics Inc. has reviewed the grading at the wastewater treatment plant site to determine whether the grading operations impacted the well and spring water system. GMI has been requested to prepare a geological cross-section between the wastewater plant site and the Hines property. A written report will be provided to summarize the findings after the geological cross-section is completed.

Eric Tissue with KLH Engineers introduced Mike Sherrib to the Board stating he is responsible for the day-to-day project activity. Mike Sherrib presented the monthly report to the Board. He stated the mechanical WWTP contract activities for the month included installation of block, doorway frames, pre-cast concrete tank wall panels, sealed pre-cast panels. He stated the sludge press; centrifugal blowers and HVAC equipment have been delivered to the site.

Eric Tissue stated work continues on the acquisition and installation of utilities (power and telephone) to the site. He stated that Allegheny Power continues to negotiate

with John Kosky for an easement alignment. Once the alignment issue is resolved, Allegheny Power will provide the Authority with the installation costs.

Work on the mechanical pump station contract at Klinger Road included installation of fencing and a guide rail and installation of paving. The main pump station site was back filled. Installation of the top cap for the wet well and grinder structures were completed. The excavation for the building footer and installation of the footer and masonry floor slab was completed. The installation of the end wall and overflow line was also completed.

Mike Sherrib stated that work on the electrical pump station contract included installation of the utilities service and tree trimming at the Klinger Road site. Installation of gear at the Klinger Road pump station site and installation of conduit at the main pump station were completed.

Mike Sherrib explained in detail the concrete testing completed at the wastewater treatment plant site. He stated a non-destructive testing was conducted with a Schmidt Hammer impacted tester. He stated that three sides of the building footer were tested and each test site evaluated. The readings were then translated into a compressive strength through the use of conversion curves supplied by the equipment manufacturer. The results indicate the in place concrete has achieved the specified 4000 psi compressive strength and that the concrete is uniform through the footer. KLH stated that based on the non-destructive test information that the concrete has achieved specified strength and no credit is due from the contractor.

Mike Sherrib presented change order number 2 to the Wagner Electric contract in the amount of \$2,835.63 an increase to the contract to change the fifteen pedestal light mounting brackets from galvanized steel to 315 stainless steel material.

Mike Sherrib submitted a request from Lone Pine for an additional 170-day extension to their contract. KLH recommended the Board approved change order 3 granting a time extension in the amount of 150 days to the pumping station mechanical contract with a new completion date of October 23, 2007.

Mike Sherrib presented change order number 1 for an increase of \$7,894.72 to the electrical pump station contract to Wagner Electric. The change order includes a \$4,000 increase for utility tree trimming along the power company right of way at the Klinger Road pump station and \$3,894.72 for the complete installation of a Chessel, 10" circular chart recorder, start-up and training, and 500 7-day circular charts 0-3MGD range to more efficiently record historical flows at the main pumping station. Also included in the change order number 1 was for a contract time extension of 150 days for a completion date of October 23, 2007.

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

Pay Request # 11 to Edward T. Sitarik Contracting Inc. totaling \$26,523.23 for work completed on the interceptor contract.

Pay Request # 11 to Edward T. Sitarik Contracting Inc. totaling \$123,743.71 for work completed on the southeast contract.

Pay Request # 10 to A. Merante Contracting totaling \$106,772.53 for work completed on the north contract.

Pay Request # 9 to Edward T. Sitarik Contracting, Inc. totaling \$288,223.52 for work completed on the southwest contract.

Pay Request # 11 to Kranick Environmental totaling \$716,822.50 for work completed on the treatment plant.

Pay Request # 5 to Wagner Electric totaling \$34,298.10 for work completed on the electrical contract at the treatment plant.

Pay Request # 6 to Lone Pine Construction totaling \$223,766.29 for work completed on the pump station mechanical contract.

Pay Request # 6 to Wagner Electric totaling \$4,215.60 for work completed on the pump station electrical contract.

The Board further stated that the ten day holding period for release of funds as stated in the contracts be implemented for Edward T. Sitarik Contracting, Inc.

The Board on unanimous vote on motion by Kenneth Heirendt and second by George Elish authorized change order number 2 to Wagner Electric in the amount of \$2,835.63 for pedestal light mounting brackets from galvanized steel to 316 stainless steel material.

The Board on unanimous vote on motion by Kenneth Heirendt and second by George Elish authorized change order number 3 to Lone Pine Construction for a 150-day extension on the contract time to October 23, 2007.

The Board on unanimous vote on motion by George Elish and second by Blane Volovich authorized change order number 1 to Wagner Electric for a total amount of \$7,894.72 for utility tree trimming (\$4,000.00) and installation of a Chessel, 10” circular chart recorder to include start-up and training, and a 500, 7 day circular chart (\$3,894.72) and a 150 day time extension to their contract to October 23, 2007.

SOUTHPOINTE II – PHASE 2 PLANNING MODULE

Walter O'Shinski reported to the Board that a planning module for Phase 2 of the Southpointe II project was received for review. He stated issues need to be addressed by Washington County as stated in a punch list dated September 6, 2007. The Canonsburg-Houston Joint Authority plant is hydraulically overloaded and a guarantee of tap-ins cannot be provided. He further stated a developer agreement is needed because of the limitation of tap-ins for this phase of the project. He stated that the Southpointe II project may add an estimated 800 E.D.U. to the Canonsburg-Houston system.

The Board on unanimous vote on motion by Blane Volovich and second by Kenneth Heirendt authorized signing the planning module and developer agreement subject to all of the issues being resolved as stated in the Authority punch list.

AUTHORIZE PARTIAL RELEASE FROM LETTER OF CREDIT – MAPLE RIDGE

The Board on unanimous vote on motion by George Elish and second by Blane Volovich authorized the partial release of \$96,023.50 from a letter of credit held as a performance bond for the Maple Ridge sewer project. An amount remaining in the letter of credit after the release will be \$634,906.97.

MAPLE RIDGE REQUEST FOR ADDITIONAL UNIT ALLOCATION

The developer of Maple Ridge notified the Authority by letter that he is planning to build an additional twenty (20) units beyond what has already been approved. He stated upon completion and acceptance of the pumping station a planning module exemption request will be completed for the additional units.

COMMENTS FROM THE FLOOR

Ms. Marion Miller, owner of Rebzeg, Inc. inquired on the tap-in fee for a multiple unit apartment building. She stated that as the owner of My Brother Place and the three rental units in the building that the tap-in fee will be in excess of \$24,000. Kenneth Heirendt stated the PA DEP standard is used for calculating the tap-in fee. It was stated that the tap-in fee has not been set but is estimated at \$6,000 per equivalent dwelling unit (E.D.U.). She stated that a \$24,000 tap-in fee is excessive.

Mr. Eric Blackburn, 323 Elm Drive, Canonsburg PA inquired on whether his newly acquired property would be receiving sewage. Walter O'Shinski stated that the property would need to be serviced by a grinder pump system. He further stated that the Board had previously agreed to service this area provided the four property owners agree to the installation of a grinder pump on their property and assume the operation and maintenance. This situation will be reevaluated after the current Millers Run Project is completed.

Mr. David Simpkins, 121 Wilson Avenue, Cecil PA addressed the Board on restoration still needed on his property. He stated it has been almost one year since the sewer line was installed and that all of the restoration work has not been completed to his satisfaction. He stated that approximately two feet of sediment is in the Millers Run stream put there by Sitarik Contracting.

Romel Nicholas stated the Authority has the ability to shut down a project but the construction timeline is a critical issue. He stated that Gateway Engineers has made every effort to get Sitarik Contracting to comply with the terms of the contract. He stated their contract will expire in two weeks and that the deficiency issues must be addressed by the October meeting. The solicitor suggested an emergency meeting with Sitarik Contracting be scheduled so that all of the issues may be addressed.

SOLICITOR REPORT

Romel Nicholas presented his monthly report to the Board. He highlighted the mismarking issues for both the gas and water company mismarkings. He commented on the Pennvest letter to the bond counsel and the need for a response letter to Pennvest. Dennis Bell commented that Tom Lynch stated it is common practice to notify Pennvest after the fact due to their timely review process.

He discussed his review of the Pennsylvania-American Water Company contract amendment related to the application of funds received on past due accounts. He stated that PA-American Water Company has agreed to provide additional language in the monthly bill to the customer specific to application of funds received by PA-American Water Company and the need to pay wastewater charges directly to the Authority.

The Board on unanimous vote on motion by George Elish and second by Kenneth Heirendt authorized signing the amendment to the PA-American Water Company contract subject to a letter being prepared requesting a programming change in the method for charging the late fees.

Romel Nicholas stated the proposed service agreement with Canonsburg-Houston Joint Authority will be reviewed.

Romel Nicholas commented on a letter from Proden Law Firm regarding an injury claim from Cindy Kappeler. Walter O'Shinski stated that the Gateway Engineers has forwarded the information to the Sitarik Contraction Company for resolution.

BUSINESS MANAGERS REPORT

DISCUSS GUARANTEED REVENUE NOTE SERIES 2007 CLOSING

Dennis Bell reported to the Board that the closing on the Guaranteed Revenue Note, Series of 2007 in the principal amount of \$3.0M was closed. The proceeds were deposited with PLGIT.

AUTHORIZE LETTER TO SLOVENIAN SAVINGS FOR REDEMPTION OF CERTIFICATES OF DEPOSIT

The Board on unanimous vote on motion by George Elish and second by Kenneth Heirendt authorized signing a letter to Slovenian Savings advising them that at maturing on October 11 and 15, 2007 that three certificates will be redeemed. The funds will be used for the Millers Run project.

DISCUSS LETTER FROM KAREN SMITH 456 IRONWOOD DRIVE FOR WASTEWATER CREDIT

The Board on a 3 to 1 vote on motion by George Elish and second by Kenneth Heirendt authorized a credit for 26,400 gallons of water to Karen Smith. The dollar equivalent is \$191.40 and a check will be mailed to Ms. Smith. Stephanie Lucchino voted No.

DISCUSS JULY 2007 FINANCIAL REPORT

Dennis Bell discussed the financials for July 2007. The total customers billed were 1890. The user fees billed were \$137,060.14 on usage consumption of 16,271,000 gallons. Collections totaled \$104,172.51. The expenses paid for July 2007 were \$34,898.79. The extraordinary income on the July 2007 financial statement included interest income of \$6,055.37 and interest income on the construction funds totaled \$21,852.30. Tap-in fees collected were \$1,445.00. Expenses were under budget through July 2007 except in seven accounts totaling an overage in the seven accounts of \$67,954.74. The income accounts with variances in July 2007 were user fees over budget by \$89,629.65 due primarily to summer outside watering; interest income over budget by \$26,328.81; tap-in fees under budget by \$2,079.85; and misc. income over budget by \$50.00.

CORRESPONDENCE

The correspondence was reviewed for filing.

Kenneth Heirendt suggested a meeting with PA DEP to discuss their plans for the Fleeher treatment facility.

PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

A unanimous vote on motion by George Elish 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

ADJOURNMENT

There being no other business by unanimous vote on motion by George Elish and second by Kenneth Heirendt meeting was adjourned at 10:30 PM. The next regular meeting is scheduled for Thursday, October 4, 2007 at 7:30 PM.

Secretary