

Cecil Township Municipal Authority
Monthly Meeting
November 6, 2008

The Cecil Township Municipal Authority held its' regular monthly meeting on Thursday, November 6, 2008 at the Cecil Township Municipal Building. Chairman Donald Gennuso called the meeting to order at 7:30 PM with Stephanie Lucchino, Kenneth Heirendt, Blane Volovich and Brian Altland present. Also present was Romel Nicholas, Gaitens, Tucceri and Nicholas; Eric Tissue, KLH Engineers; Walter O'Shinski P.E. and Dennis Bell, Administrator.

MINUTES OF OCTOBER 2, 2008

The Board on a three to one vote on motion by Kenneth Heirendt and second by Brian Altland approved the minutes of the regular meeting of October 2, 2008. Stephanie Lucchino abstained.

ENGINEER REPORT

UPDATE ON MILLERS RUN PROJECT

Michael Sherrieb presented his report to the board. He stated no pay estimates were requested for approval by the Board. He stated one item remained to be completed on the pump station mechanical contract; one item remained to be completed on the treatment plant electrical contract and several items remain on the treatment plant mechanical contract.

AUTHORIZE LETTER OF SUPPORT TO CHJA FOR LOCAL SHARE FUNDING APPLICATION

The Board on unanimous vote on motion by Blane Volovich and second by Kenneth Heirendt authorized signing a letter in support of Canonsburg-Houston Joint Authority's application for gaming revenues through the Washington County Local Share Account. The proposal is requesting 50% funding for the engineering design portion of the wastewater treatment plant expansion project.

LETTER FROM GERALD GODFREY ON LATERAL CONNECTION

Gerald Godfrey addressed the Board regarding the estimated cost to construction a lateral line to service his property at 6 Belgium Hill Road, Cecil PA. Walter O'Shinski stated that Gateway Engineers reviewed the information provided by Mr. Godfrey. Edward Kuenzig stated that Gateway Engineers position is that directional drilling is not the method to be used for servicing the property due to the claim by Mr. Godfrey that rock is present. He stated that the quotation provided was for a standard bore and that an open cut would be more appropriate. He further stated that he a local contractor provided

an estimate to complete the work for \$3,000. Gerald Godfrey referred to his insurance coverage disclaimer for any excavation work done in rock and the potential damage to his house.

Donald Gennuso suggested that Mr. Godfrey hire an engineer to review the conditions on the property and issue a report of their findings. He further stated the reviewing engineer should be a licensed geotechnical engineer and the report be sealed. Gerald Godfrey agreed to this request and requested an additional thirty-day (30) extension from the original date of October 2, 2008. The Board on unanimous vote on motion by Kenneth Heirendt and second by Brian Altland agreed to extend the date.

COMMENTS FROM THE FLOOR

Bill Korey, a property owner on Mawhinney Road inquired about a fence on his property. In reviewing the restoration list, the property is on the restoration list. Donald Gennuso suggested Mr. Korey contact the office to discuss the remuneration being offered. Mr. Korey also inquired about two properties near his that have not connected to the system. He stated that an overflow from the septic tanks is polluting his property. Romel Nicholas stated that steps would be taken at a future date to resolve the issue.

John Retzloff, 236 Mc Connell Road addressed the Board regarding the bond issues. Donald Gennuso stated the township supported the project and guaranteed the bonds. Mr. Retzloff stated the Authority did not look into obtaining federal funds and made no effort in dealing with the state-funding agency. Mr. Gennuso indicated that this comment was not correct and that various funding options were evaluated by the Board, Gateway Engineers and the financial advisor.

Eva Graziano, 323 Elm Drive addressed the Board regarding her property and the next project to be constructed on Elm Drive near her property. She is concerned on the impact the work will have on her property. She stated that she received the release form but she is reluctant to sign it as more work is scheduled for Elm Drive. She stated that she would like to be kept updated as the new project begins and she plans on attending the future monthly meetings. Walter O'Shinski stated that Washington County Redevelopment Authority advertised an RFP for engineering on the project. He stated the RFP was due October 31, 2008 and there is nothing additional to report.

Milton Kosanovich addressed the Board regarding the Authority not attempting to obtain Pennvest funding. He inquired again on the unresolved restoration issue on his property.

Jeffrey Mitchell, 247 Elm Drive addressed the Board on Jesse White's letter specifically the third paragraph. He stated an income survey should have been conducted and perhaps state funding would have been available for the project. Walter O'Shinski stated the Township Supervisors hired a consultant to look into conducting an income survey. Available tax records were reviewed for individuals in the project area and the earned income showed an amount close to the cut off for funding. An income survey

would have required all household income to be reported and a ninety percent response rate would have been needed. Cecil Township's history with conducting income surveys has had difficulty in obtaining even a fifty percent response from the residents and the Township decided against doing a formal income survey.

SOLICITOR'S REPORT

Romel Nicholas presented his monthly report to the Board. He stated the PUC complaint filed by Ronald Saut was dismissed. He referred to the right to know information provided in the monthly package. He stated the Open Records Act was signed into law earlier in the year and changes are needed in the Authority's policy. He suggested the Board authorize Dennis Bell to work with the solicitor's office so that a new policy could be adopted at the December or January meeting.

He updated the Board on the Millers Run tap-in fee collections to date. He stated a policy on proceeding for those properties that have ignored the tap-in notices outlining the necessary steps to be followed. He suggested the procedure be discussed at the December meeting. He stated perfecting the municipal liens was critical for protecting the Authority's claim for collecting the tap-in fees.

Romel Nicholas discussed with the Board requirements to implement a new "red flag" policy per the Federal Trade Commission to protect consumers from identity theft.

Stephanie Lucchino and Kenneth Heirendt agreed to serve on the committee to develop a procedure for properties not tapped into the system, revise the open records policy and develop a policy for identity theft.

BUSINESS MANAGERS REPORT

RATIFY PURCHASE OF CERTIFICATE OF DEPOSIT

The Board on unanimous vote on motion by Kenneth Heirendt and second by Stephanie Lucchino authorized ratifying the purchase of a \$1.0M certificate of deposit with Slovenian Savings for a one-year period with a no penalty for early withdrawal clause. The rates quoted were 3.39% with a year of 3.50%.

DISCUSS AMENDMENT TO RESOLUTION 3 OF 2008 ESTABLISHING SEWER CHARGES FOR MILLERS RUN PROJECT AREA

Dennis Bell discussed with the Board Resolution 3 of 2008 and the monthly debt service charge of \$11.25. The issue was tabled at the October 2, 2008 meeting for clarification on residential versus commercial properties. It was suggested to check with PA-American Water Company on what impact the change would have on their billing system.

AUTHORIZE SIGNING SEWER SERVICE AND CONSTRUCTION AGREEMENT – ALL-CLAD METALCRAFTERS LLC

The Board on unanimous vote on motion by Stephanie Lucchino and second by Brian Altland authorized signing a sewer service and construction agreement with All-Clad Metalcrafters LLC for a sewer line extension project to the Maple Ridge pump station.

DISCUSS 2009 BUDGET

Stephanie Lucchino and Donald Gennuso volunteered to work as a committee on the 2009 budget with Dennis Bell.

DISCUSS SEPTEMBER 2008 FINANCIAL REPORT

Dennis Bell discussed the financials for September 2008. The total customers billed were 2,973. The user fees billed were \$188,843 on usage consumption of 18,988,700 gallons. Collections totaled \$174,723.84. The expenses paid for September 2008 were \$47,858.33. The extraordinary income on the September 2008 financial statement included interest income of \$45,776.36. Expenses were under budget through September 2008 except for six accounts with a net overage of \$48,918. The accounts over budget are legal \$4,982, office supplies \$623, audit and accounting \$132, treatment \$42,163, postage \$1,095 and advertising \$1,641. The income accounts with variances in September 2008 were user fees over budget by \$131,538; tap-in fees over budget by \$24,304 not including Millers Run; planning module fees over budget by \$1,100; and misc. income over budget by \$768.

CORRESPONDENCE

The correspondence was reviewed for filing.

PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

A unanimous vote on motion by Brian Altland and second by Blane Volovich 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 Kenneth Heirendt entered into executive session at 8:53 PM to discuss contract issues for Merante, Sitarik and Retzloff hearing. The Board returned to the general session at 10:40 PM.

The Board on unanimous vote on motion by Blane Volovich and second by Stephanie Lucchino ratified the settlement of \$ 700.25 to John Retzloff as approved by the District Justice Ellis.

The Board on unanimous vote on motion by Blane Volovich and second by Brian Altland authorized the staff to obtain three proposals and award a contract for not to exceed \$10,000 to relocate the lateral line to DePaoli Road for the property located at 3256 Millers Run Road (Cecil Tea Room).

The Board on unanimous vote on motion by Stephanie Lucchino and second by Kenneth Heirendt authorized the staff to award a contract for an amount not to exceed \$3,500 so that the property owner at 92 Mawhinney Road can make their connection into the line.

ADJOURNMENT

There being no other business by unanimous vote on motion by Brian Altland and second by Blane Volovich the meeting was adjourned at 10:53 PM. The next regular meeting is scheduled for Thursday, December 4, 2008 at 7:30 PM.

Secretary