

Cecil Township Municipal Authority
Monthly Meeting
July 15, 2014

The Cecil Township Municipal Authority held its regular monthly meeting on Tuesday, July 15, 2014 at the Cecil Township Municipal Building in Cecil, PA. Chairman Donald Gennuso called the meeting to order at 6:00 PM with Stephanie Lucchino, Blane Volovich, Richard Barnes and Timothy Markovich present. Also present were Adam Buchanan, Gaitens, Tucceri and Nicholas; Michael Sherrieb, KLH Engineers Inc., Walter O'Shinski P.E., Dennis Bell, Administrator and Gregory Gennuso, Assistant Administrator.

MINUTES OF JUNE 17, 2014

The Board by a vote of four to one on a motion by Blane Volovich and a second by Stephanie Lucchino approved the minutes of the meeting of June 17, 2014. Abstaining was Timothy Markovich.

ARBITRAGE REBATE 2011 BONDS

Sean Garin discussed with the Board the history from 2004 on the municipal bonds obtained to construct the Millers Run project. He stated that a Debt Service Reserve Fund (DSRF) was established on the 2004 bonds in the amount of \$571,000. The guarantee investment contract pays an interest rate of 5.11%. With the refinancing of the 2004 bonds in 2011, the DSRF was transferred to the 2011 bond issue. The current bond yields are lower than the 5.11% and the earnings are subject to a tax liability.

PFM Asset Management LLC, financial advisors to the Municipal Authority, completed an arbitrage rebate calculation on the 2006 bond issue. PFM is recommending that a similar analysis be completed on the 2011 bonds and presented an engagement letter for the work to be completed. Sean Garin stated that we currently owe \$32,000 in tax liability to the IRS and over the life of the bonds that amount will grow to \$176,000 if the Authority does nothing on the rebate calculation. He stated that \$48,000 has been placed in a reserve account with M & T Bank, trustee on the bonds which would cover the \$25,000 cost for completing the rebate calculation. The Board by a unanimous vote on a motion by Richard Barnes and a second by Stephanie Lucchino authorized PFM Asset Management LLC to complete the arbitrage rebate calculation.

ENGINEER REPORT

UPDATE ON SOUTHPOINTE PIPE BURSTING REPAIRS AND PUMP STATION

Michael Sherrieb reported on the progress of the pipe bursting project contract in Southpointe. He stated the project is 87% complete and requested pay estimate #3 in the amount of \$900.00. The Board by a unanimous vote on a motion by Blane Volovich and a second by Richard Barnes authorized payment on pay estimate # 3 to Morgan Management.

Michael Sherrieb reported on the progress of the pumping station contract in Southpointe. He stated the project is 64% complete and requested pay estimate #4 in the amount of \$122,265.68. The Board by a unanimous vote on a motion by Stephanie Lucchino and a second by Richard Barnes authorized payment on pay estimate #4 to Mitchell Development.

Michael Sherrieb reported that the all of the sanitary lines have been installed on the force main contract in Southpointe. He stated the project is 98% complete as punch list items must be completed. He requested the Board approve pay estimate #9 in the amount of \$24,893.10. The Board by a unanimous vote on a motion by Richard Barnes and a second by Timothy Markovich authorized payment on pay estimate #9 to MDC.

Donald Gennuso inquired on whether the project is behind schedule and the impact of a delay in permitting tap-ins. Walter O'Shinski stated that tap-ins are available.

UPDATE ON SANDLEWOOD AND TIMBERCREST DRIVE SEWER PROJECT

Michael Sherrieb reported work continues on revisions being made to the contract as requested by Washington County Redevelopment Authority. He stated the bid document should be ready by the August meeting.

UPDATE ON BRUSH RUN SEWER EMERGENCY REPAIR

Michael Sherrieb reported that the emergency repair on the interceptor line along 980 Road in Canonsburg, PA has been completed and lawn restoration will be completed.

AUTHORIZE SIGNING SANITARY SEWER EASEMENTS FOR WOODCLIFF DRIVE

Walter O'Shinski requested the Board authorize signing four (4) deed of sanitary sewer easements for properties located along Woodcliff Drive. He stated the easements were necessary due to the relocation of the sanitary sewer line. The Board by a unanimous vote on a motion by Richard Barnes and a second by Blane Volovich authorized signing the four (4) sanitary sewer easements.

SOLICITOR REPORT

Adam Buchanan referred to the monthly report circulated to the Board. He referred to the Southpointe contracts and sanitary sewer repairs and the request of the developers to conditionally accept the improvements prior to the August 2014 meeting. Walter O'Shinski stated he notified the developers of punch list items that needed to be completed prior to acceptance of the sanitary sewer lines. Walter further stated that none of the punch list items has been completed. The Board take no action on the conditional acceptance request.

Adam Buchanan referred to a conversation with Attorney Liekar, solicitor for Chartiers Township. He stated that no response has been received from Chartiers Township. He recommended a resolution be prepared. Donald Gennuso stated the resolution should be prepared for adoption at the August 2014 meeting. Walter O'Shinski stated the transportation fee has been calculated for input into the resolution.

BUSINESS MANAGER REPORT

AUTHORIZE SIGNING PRE-DEVELOPER AGREEMENT – MATT BIANCO SCHOOL OF BASEBALL

Dennis Bell reported that Matt Bianco completed a pre-developer agreement to relocate a force main so that a building addition may be constructed on his property. He stated that a deposit in the amount of \$2,000 has been posted into the developer escrow account. The Board by a unanimous vote on a motion by Blane Volovich and a second by Timothy Markovich authorized ratifying the signing of the pre-developer agreement.

AUTHORIZE LETTER TO M & T BANK ON EXCESS REVENUE FUNDS

Dennis Bell requested the Board authorize signing a letter stated that no excess Revenue funds are available to transfer to the Capital Improvement and Redemption fund. He stated that this is a standard letter requested by the bond trustee M & T Bank. The Board by a unanimous vote on a motion by Richard Barnes and a second by Stephanie Lucchino authorized the letter be signed.

AUTHORIZE RENEWAL 2014-2015 HEALTH AMERICA MEDICAL INSURANCE

Dennis Bell requested the Board authorize renewal of the medical coverage with Health America for the year beginning on August 6, 2014. The premium increase if 4.5%. The Board by a unanimous vote on a motion by Blane Volovich and a second by Timothy Markovich authorized the renewal.

AUTHORIZE 2014-2015 HIGHMARK VISION INSURANCE

Dennis Bell advised the Board that Health America insurance will not provide vision coverage and requested the Board to authorize coverage with Highmark for a one-year period beginning either August or September 1, 2014. The Board by a unanimous vote on a motion by Richard Barnes and a second by Blane Volovich authorized the employee vision insurance coverage with Highmark at the fees outlined in a memorandum from Robert Simonin Insurance Agency.

AUTHORIZE 2014-2015 GENERAL INSURANCE COVERAGES

Dennis Bell discussed with the Board the proposal from Robert Simonin Insurance Agency regarding the renewal of the general insurance coverages with Employers Mutual Company (EMC) for one year beginning on August 6, 2014. He stated the Property value increased by approximately \$354,000 with the rates remaining close to the current insurance premiums. The Board by a unanimous vote on a motion by Timothy Markovich and a second by Stephanie Lucchino authorized renewing the insurance coverages with EMC Insurance.

APPROVE ROBIN HOUCK AS WEBSITE ADMINISTRATOR

Dennis Bell referred to the letter proposal from Robin Houch to maintain the website at the fees stated in her proposal. He stated most of the work on the website is maintaining the posting of the board minutes. The Board by a unanimous vote on a motion by Richard Barnes and a second by Timothy Markovich approved contracting with Robin Houch to maintain the website.

DISCUSS OFFICE SPACE

The discussion was moved to executive session.

DISCUSS MAY 2014 FINANCIAL REPORT

Dennis Bell reported that the financial report for the month of May 2014 was provided for the Board to review. Stephanie Lucchino inquired on the maintenance and repair expenses. Dennis Bell stated that the account includes the expense for the contract plant maintenance with CWM Environmental. He stated he would reassign the charges for contract plant maintenance.

REVIEW OF CORRESPONDENCE

There were no comments on the correspondence.

COMMENTS FROM THE FLOOR

There were no comments from the floor.

PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

By a unanimous vote on a motion by Richard Barnes and a second by Blane Volovich, the Board authorized payment of expenses and transfers as follows:

DMR Review and Approval; Payment of Expenses/Invoices etc.
Employee Payroll; 941 Tax Deposit; Employee State Tax Payment
Discharge Monitoring Reports were approved for submission to the PADEP

EXECUTIVE SESSION

The Board by a unanimous vote on a motion by Timothy Markovich and a second by Stephanie Lucchino entered into an executive session at 6:50 PM to discuss Maintenance Bond Issues on the Sitarik contract and legal matters related to contract negotiation for office space. The Board returned to the general session at 7:39 PM.

ADJOURNMENT

There being no other business, by a unanimous vote on a motion by Stephanie Lucchino and a second by Blane Volovich the meeting was adjourned at 7:40 PM. The next regular meeting is scheduled for Tuesday, August 19, 2014 at 6:00 PM.

Secretary