

Cecil Township Municipal Authority
Monthly Meeting
July 18, 2017

The Cecil Township Municipal Authority held its regular monthly meeting on Tuesday, July 18, 2017 at the Cecil Township Municipal Building in Cecil, PA. Chairman Donald V. Gennuso called the meeting to order at 5:01 PM with Donald V Gennuso, Richard Barnes, Blane Volovich, Frank Ziemba, and Timothy Markovich in attendance. Also present were Attorney Romel Nicholas, Gaitens, Tucceri and Nicholas; Eric Tissue, KLH Engineers, Walter O'Shinski P.E, and Gregory Gennuso, Administrator.

MINUTES OF JUNE 20, 2017

The Board on a unanimous vote on a motion by Richard Barnes and a second by Timothy Markovich approved the minutes of June 20, 2017. Frank Ziemba abstained.

2016 AUDIT REPORT

Mr. Steven Cypher, Managing Partner - Cypher and Cypher CPA presented the 2016 audit report to the Board.

The Statement of Net Assets – Proprietary Fund (Balance Sheet) reflects total assets and deferred outflows of \$39,577,528 and total liabilities and deferred inflows of \$17,641,013 with a total net position of \$21,936,515.

The Statement of Revenue, Expenditures, and Changes in Fund Net Position – Proprietary Fund reflects operating revenue of \$2,177,849, operating and maintenance expenses were \$2,017,124, administrative expenses were \$315,497, interest expense totaled \$624,065, other non-operating income of \$ 692,842. The net income is shown as \$-85,995.

Steven Cypher discussed comments in their management letter to assist the Board and management on methods to strengthen internal controls and accounting systems. He focused his discussion on the Authorities investment policies; the continued separation of duties on in-house billing; insuring proper internal controls are in place and being continually reviewed, and placing computer controls to guard against ransomware.

ENGINEER'S REPORT

SOUTHPOINTE FIELDHOUSE RELOCATION PROJECT PRESENTATION

Matt Gigglioti and his partner Sean McCall presented the Southpointe Fieldhouse relocation project. Matt explained that the current Fieldhouse is located off of Cecil Henderson road and is going to be taken by the Turnpike in April of 2018. The new location is located on 12 acres adjacent to Klinger Park in Southpointe and would be building a similar facility. Matt explained that they have already acquired an easement from Cecil Township for the utilities which includes the sewer line. Walter O'Shinski explained that there are two issues that must be resolved. The first issue is that the location is outside of the service area of Canonsburg Houston Joint Authority service area and that their Act 537 plan would have to be revised to add this service area. The second

issue is that the current plan is going to have a force main that goes through two private properties and the Authority has typically denied these in the past for liability issues. Walter O'Shinski also explained that this project cannot move forward until the service area is expanded. Walter further explained that the Board may consider conditional approval of the proposed privately owned and maintained force main which may go through one or two private parcels provided that all necessary easements are secured. Cecil Township is one of the property owners and they have approved the concept since it will also provide them with the ability to obtain sewer service for soccer fields on this parcel. The Board on a unanimous vote on a motion by Richard Barnes and a second by Timothy Markovich conditionally approved the force main. Blane Volovich abstained.

MCCONNELL ROAD PROJECT PRESENTATION AND EASEMENT APPROVAL

Andrew Hutchinson with McConnell Trails LLC presented the project which will consist of 260 homes and townhomes between McConnell Road and Burnside Road. Two easements are required for this project, one of which was acquired with the apartment complex at 2 Stonecrest Lane and is ready to be executed. The second easement is with the Montour Trail and is not yet completed but a letter of intent was presented from Montour Trails. Walter O'Shinski explained that a planning module is still required for the project. Andrew was looking for an approval so that the Township can issue a resolution at their meeting on August 7, 2017. Romel Nicholas recommended that to facilitate the timeliness of the request that an approval could be granted conditionally on Walter O'Shinski's and Romel Nicholas' approval. The Board on a unanimous vote on a motion by Timothy Markovich and a second by Blane Volovich approve the motion contingent on the legal approval by Romel Nicholas and technical approval by Walter O'Shinski.

MILLERS RUN AND TEODORI REPORT DISCUSSION

Eric Harris from H & H Wastewater explained to the Board the results of the recent DEP inspection of the wastewater plants. Eric explained that the DEP requested a new composite sampling method for the Teodori and Millers Run plants. This would require two new effluent samplers in order to meet the requested flow proportional composite sample methodology. Walter O'Shinski recommended writing a letter to DEP explaining the methodology to be used to ensure the samplers would be appropriate for the sampling requirement. The Board on a unanimous vote on a motion by Richard Barnes and a second by Frank Ziemba approve the purchase of the samplers. Blane Volovich abstained.

LAWRENCE UPDATE

Eric Tissue updated the Board on the Lawrence plant update. Eric Tissue explained that the Chairman recommended writing a letter to PENNVEST requesting them to revisit the financing, with the idea that the other avenues we have looked at have not provided relief and that the 30 year 1% loan would be the best option for us. The letter also revisits the idea that Lawrence is a separate service area and should be qualified as such an area. This letter would also be circulated to local politicians, Representative Jason Ortity and Senator Camera Bartolotta.

EXECUTIVE SESSION FOR PROFESSIONAL SERVICES AND REAL ESTATE

At 6:10 pm, the Board on a unanimous vote on a motion by Richard Barnes and a second by Timothy Markovich entered into an executive session for professional services and real estate. The Board exited the executive session at 6:43pm

MACK INDUSTRIES UPDATE

Walter O'Shinski informed the Board that Mack Industries has agreed to meet at our offices on August 8th. Eric Tissue, Romel Nicholas, Frank Ziembra and Richard Barnes are available to attend.

OVERLOOK PHASE 5 CONSTRUCTION ESTIMATE 1 AND 2 PAYMENT REQUEST

Walter O'Shinski explained to the Board that pay estimate No. 1 for \$35,375.51 and pay estimate No.2 for \$67,070.70 were presented for release. Walt explained that the lines were inspected and Eric Tissue recommended release of the pay estimates. The Board on a unanimous vote on a motion by Timothy Markovich and a second by Richard Barnes approved release of both pay estimates.

WINDSOR WOODS PHASE 4C EASEMENT APPROVAL AND ACCEPTANCE OF SEWERS

Walter O'Shinski informed the Board that final construction of phase 4 of Windsor Woods was complete. Walter received and reviewed the easement and recommends approving the easement and accepting the sewers. The Board on a unanimous vote on a motion by Richard Barnes and a second by Frank Ziembra approved the easement and accepted the sewer once the easement is recorded.

SOLICITOR REPORT

Romel Nicholas informed the Board that he has been in communication with First Energy in regards to the back bill that was received, but due to vacation schedule of the representative at First Energy, no resolution has been received yet.

Romel Nicholas informed Mr. Jesse White had been in contact with his office requesting relief from interest on a lien on his property, because he had filed for bankruptcy. After researching the item, it had been determined that the lien is valid and Christine Seymour had sent correspondence to that fact with Mr. White.

BUSINESS MANAGER REPORT

LYNN PORCO REQUEST FOR LIEN RELIEF

Greg Gennuso explained that Lynn Porco was requesting lien relief on her property that she is selling in Muse, PA. Mrs. Porco sent a letter in to explain her circumstances. The Board elected not to give any relief.

JUNE 2017 FINANCIAL REPORT

Greg Gennuso circulated the July 2017 financial report for review.

AUTHORIZE TRANSFER OF FUNDS FROM TAP IN ACCOUNT TO THE ANALYSIS ACCOUNT

Greg Gennuso requested the transfer of excess funds in the tap in account to the analysis checking account. The Board on a unanimous vote on a motion by Blane Volovich and a second by Timothy Markovich authorized the transfer.

POOL FILL CREDIT FOR MEJIA

Greg Gennuso explained that Mrs. Mejia had filled her pool before requesting a credit. Since she was a new customer with no idea of how the pool fill program works, Greg Gennuso recommended allowing a one-time credit for this pool fill with the condition that future pool fills must follow the pool fill program. Greg Gennuso also informed the Board that to eliminate future one time credits for new clients, information has been added on the back on the sewage bill. The Board on a unanimous vote on a motion by Richard Barnes and a second by Blane Volovich allowed this one time pool fill credit.

REVIEW OF CORRESPONDENCE

There were no comments on the monthly correspondence.

PAYING OF EXPENSES/TRANSFER OF FUNDS ETC.

The Board by a unanimous vote on a motion by Richard Barnes and a second by Blane Volovich, 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

ADJOURNMENT

There being no other business, the Board by a unanimous vote on a motion by Blane Volovich and a second by Timothy Markovich, the meeting was adjourned at 7:10 P.M. The next regular meeting is scheduled for 5:00 P.M. Tuesday, August 15, 2017.

Secretary