

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE NOVEMBER 12, 2019 REGULAR MEETING

The regular meeting of the Butler Area Sewer Authority (BASA) Board was held on Tuesday, November 12, 2019 at 9:00 a.m. at the Authority office located at 100 Litman Road, Butler, PA.

Authority Board Members Present:

- *Gerald S. Patterson, Jr., Chairman*
- *Cynthia S. McKnight, Vice Chairman*
- *Kenneth L. Henry, Treasurer*
- *Paul F. Sybert, Secretary*
- *Edgar E. Hassler, Jr., Assistant Secretary/Treasurer*

Staff, Consultants, and Guests Present:

- *Duane McKee, Executive Director*
- *John Schon, Operations Director*
- *Ronata Lavorini, Finance Director*
- *Jim Tomazich, Authority Engineer*
- *Dan Slomers, Project Engineer*
- *Virginia Ferderber, Collections and Payables Coordinator*
- *Michael Hnath, Authority Solicitor*
- *Rachel Carroll, Hatch (Authority Engineer)*
- *Jay Wenger, Susquehanna Group Advisors, Inc. (via Conference Call)*
- *Joe Gray, Property Owner at 122 W. Brady Street*
- *Nevins Parkinson, Arris Construction, Owner's Representative for 122 W. Brady Street*

1. CALL TO ORDER

- *Mr. Patterson called the meeting to order at 9:00 a.m.*

2. PUBLIC COMMENT: AGENDA ITEMS (Time Limit – 5 Minutes)

- *No Public Comment.*

Item 9A. Discuss Refinancing the 2013 Sewer Revenue Bond - Jay Wenger, Susquehanna Group Advisors, Inc.

- *Mr. Wenger, via conference call, reviewed the current market for the refinancing of the 2013 Sewer Revenue Bonds. Preliminary analysis estimates total net present value savings of \$801,851.19. Mr. Wenger pointed out that yesterday was a Holiday and that the current market is volatile. Mr. Wenger informed the Board that the sale of the bond doesn't have to take place tomorrow if the conditions are not favorable.*
- *Mr. McKee indicated that there will be a 3:00 pm conference call today to review the condition of the market and make a final decision on negotiating the sale of the bond on November 13, 2019.*
- *Mr. Wenger asked if there were any questions. There were none and the conference call was ended.*

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3. APPROVAL OF MINUTES

A. October 8, 2019 Regular Meeting Minutes

- *A motion to approve the October 8, 2019 Regular Meeting minutes was made by Mr. Sybert and seconded by Mr. Hassler. Motion approved 5-0.*

4. APPROVAL OF WARRANTS/OTHER PAYMENTS

A. Change Order No. 1, Contract 2019-04, Roof Restoration Project, add \$2,370.00 (Arkadia Contracting, Inc.)

- *Mr. Slomers explained that the extra work was related to the gutter system on the locker room building and recommended approval.*
- *A motion was made by Ms. McKnight and seconded by Mr. Henry to approve Change Order No. 1, in the amount of \$2,370.00 to Contract 2019-04, Roof Restoration Project. Motion approved 5-0.*

B. Application and Certification for Payment No. 1, Contract 2019-04, Roof Restoration Project, \$44,897.00 (Arkadia Contracting Inc.)

- *Mr. Slomers informed the Board that the project is substantially completed, but this request for payment is withholding 5% retainage until all punch list items are addressed. Mr. Slomers requested the Board approve payment.*
- *A motion was made by Mr. Henry and seconded by Mr. Hassler to approve Payment No. 1 to Arkadia Contracting in the amount of \$44,897.00. Motion Approved 5-0.*

C. Invoice Warrant Lists of October 15, 2019 (\$89,350.28), October 24, 2019 (\$59,627.39), October 30, 2019 (\$37,471.77), November 12, 2019 (ACH Transfer – \$63,269.17), November 12, 2019 (\$1,265,493.31)

- *Ms. Lavorini reviewed the warrants, highlighting the larger than normal warrant dated November 12, 2019 which included the semi-annual debt service payments. She also mentioned that there were no Capital Improvement warrants during the month.*
- *Mr. Patterson asked if the Board had any question regarding the warrants. There were no questions. A motion was made by Ms. McKnight and seconded by Mr. Patterson to approve the warrants listed above. Motion approved 5-0.*

5. FINANCE DIRECTOR'S REPORT

A. Authority Fund Statements and Budget Report – October 31, 2019

- *Ms. Lavorini reviewed the October 31, 2019 fund statements and budget report.*

B. Investment Update

- *Ms. Lavorini reported that one CD was reinvested during the month. The CD was reinvested in the amount of \$243,000 for 365 days at a gross rate of 2.05% and a net rate of 1.90%, yielding a gross expected return of \$4,981.50 at maturity.*

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6. EXECUTIVE DIRECTOR'S REPORT

A. Plant Superintendent's Operations Report – October 2019

- *Mr. McKee noted that the Plant Superintendent, Field Superintendent and Realty Transfer reports were in the Board's meeting packages. Mr. McKee explained that many of the operations are affected by the weather. Staff is currently evaluating the Sprint cellular service coverage. A study was conducted with Verizon a few months ago, and currently Sprint is providing connectivity at eight of our pump stations that Verizon could not. Copper wire was run to those locations earlier this year to ensure accessibility. Communication is the back bone of the SCADA system, and providing for a redundant system of communications at our remote locations is critical.*
- *Mr. McKee asked if the Board if they had any questions. The Board had no questions.*

B. Field Superintendent's Operations Report – October 2019

- *Outlined in 6A*

C. Realty Transfer I&I Inspection's Report – October 2019

- *Outlined in 6A*

7. OPERATIONS DIRECTOR'S REPORT

A. Sewer Tap-In Report – October 2019

- *Mr. Schon reviewed the sewer tap-in report for October 2019. There were nine permits issued: three no fee inspection only permits for repairs, three commercial and three new single family residential units.*

B. Discharge Monitoring Report – September 2019

- *Mr. Schon reported that the wastewater treatment plant was in full compliance with all NPDES permit discharge limits during the month of September 2019. The monthly average daily flow at the plant was 4.2616 MGD, and there were no sanitary sewer overflows.*

8. CONSULTING ENGINEER'S REPORT

A. Authority Engineer's Monthly Report

- *Ms. Carroll indicated that the monthly Engineer's Report was in the Board's meeting packages, and asked if there were any questions.*
- *Ms. Carroll also informed the Board that she will be out on leave and that beginning in December 2019 Mike McKee will be attending the Board meetings in her place.*

B. CAP Update - HRG's Progress Report

- *Mr. Slomers reviewed HRG's monthly progress report. Highlighting that the program continues to move forward and the CAP is on schedule, meeting all the deadlines required by the DEP.*

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9. FISCAL AND CONTRACTUAL MATTERS

- A. Discuss Refinancing the 2013 Sewer Revenue Bonds - Jay Wenger, Susquehanna Group Advisors, Inc.
- *See above, this item was moved ahead on the agenda and discussed after Public Comment.*
- B. Consider Neopost proposal dated October 31, 2019 for Postage Meter and Folder-Insertor equipment, software, meter, maintenance, and support items
- *Ms. Lavorini reviewed the options available to lease or purchase the postage meter and folder inserter. The addition of a folder inserter and the new software will save staff time, save postage, and provide valuable electronic tracking of records for the certified and proof of mailings. There is a cost benefit to buy the equipment and the software provides additional benefits that will lower certain costs and increase staff efficiency. Ms. Lavorini recommended the purchase of the postage meter, folder inserter, software and maintenance support from Neopost utilizing the State Costars pricing.*
 - *A motion was made by Ms. McKnight and seconded by Mr. Hassler to approve the purchase of the proposed Neopost items utilizing the State Costars Contract. Motion approved 5-0.*

10. OLD BUSINESS

- *No old business*

11. NEW BUSINESS

- A. BASA Laboratory – DEP Accreditation and Professional Services
- *Mr. McKee reviewed the memo dated November 8, 2019. Staff is reviewing the feasibility of utilizing a professional environmental lab to conduct some or all of the laboratory tests required by the NPDES permit.*
 - *Ms. McKnight asked how many trained lab employees there are. Ms. Schon said there are 8 or 9 Union employees currently trained to perform the daily BOD and fecal coliform analyses.*
 - *Mr. Sybert asked if the professional labs had routine pickups of the samples. Mr. Schon said that two of the three professional labs currently being interviewed already drive past the facility on a regular basis on weekends and would be able to pick up weekend samples.*
 - *Ms. McKnight asked if the agreements would be reviewed on an annual basis. Mr. McKee informed the Board that the proposal would be reviewed every October with an annual renewal and a 30-day cancelation clause.*
 - *Staff will continue the evaluation and provide additional feedback and a recommendation at the December 10, 2019 Board meeting.*
- B. Consider Resolution No. 11-12-2019-1, re: Updating the Authority's Records Retention Policy
- *Ms. Lavorini explained that the Municipal Records Manual, currently adopted by the Authority for records retention and disposition procedures, was updated (March 28, 2019) by the*

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Pennsylvania Historical and Museum Commission. To accommodate these changes, the Authority has proposed an updated records retention policy for the Board's consideration.

- *A motion was made by Mr. Henry and seconded by Mr. Hassler to approve Resolution No. 11-12-2019-1, updating the Authority's records retention policy. Motion approved 5-0.*

12. PUBLIC COMMENT: NON-AGENDA ITEMS (Time Limit – 5 Minutes)

- *Mr. Parkinson explained the situation regarding the renovation of the old Friedman's Building located at 122 W. Brady Street. The Authority is requiring that a "p-trap" be installed on the lateral serving the building. He indicated that the purpose of the p-trap is to deter odors and they do not have sewer odors in the building. He further indicated that the installation is too expensive and could be a tripping hazard in the sidewalk. Mr. Parkinson requested the Board approve an exemption for the code to not install the p-trap.*
- *Mr. Tomazich informed the Board that the "p-trap" (Running Trap per BASA Detail Drawing No. 8) installation is a requirement of the Authority's Rules and Regulations. When a building's plumbing is being renovated, the plumbing must be brought up to current standards. Mr. Tomazich explained that recent UCC Code changes will also require the property to install a backflow valve on the service lateral. He indicated that the vent in the sidewalk can be offset to be against the building wall where it does not pose a tripping hazard. Mr. Tomazich also stated that it may be possible to do an interior trap in conjunction with the required backflow valve.*
- *Mr. Gray, owner of the property at 122 W. Brady Street, added that the p-trap installation is an unnecessary cost and that there have been other renovations completed on Brady Street that did not have to install the p-trap.*
- *Mr. Hnath advised staff to meet with the building owner and develop a solution to meet the intention of the Code.*

13. ADJOURNMENT

- *A motion was made by Mr. Patterson and seconded by Mr. Henry to adjourn the meeting at 9:49 AM. Motion approved 5-0.*

Secretary

Date

NEXT MEETING: TUESDAY, DECEMBER 10, 2019, 9:00 A.M.

BASA AUTHORITY OFFICE, 100 LITMAN ROAD, BUTLER, PA