

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE OCTOBER 13, 2020 REGULAR MEETING

The regular meeting of the Butler Area Sewer Authority (BASA) Board was hosted on Tuesday, October 13, 2020 at 9:00 a.m. at the Authority office located at 100 Litman Road, Butler, PA through a Zoom Video Conference (Meeting ID 857-5313-0291, Password 617274).

Authority Board Members Present via Zoom Video Conference:

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

Staff, Consultants and Guests Present via Zoom Video Conference:

- *Duane McKee, Executive Director*
- *John Schon, Operations Director*
- *Ronata Lavorini, Finance Director*
- *Daniel Slomers, Authority Engineer*
- *Virginia Ferderber, Collections and Payables Coordinator*
- *Michael Hnath, Authority Solicitor*
- *Michael McKee, Hatch - Authority Engineer*
- *Sean Garin, Dinsmore & Shohl LLP- Bond Counsel*
- *Jay Wenger, Susquehanna Group Advisor, Inc. (SGA) – Financial Adviser*
- *Chad Hanley, Herbert Rowland and Grubic, Inc. (HRG)*
- *Liz Lackey, HRG*
- *John Klein, HRG*
- *Samantha Schmucker, HRG*
- *Jeff Smith, City of Butler*

To encourage social distancing the BASA Board held their meeting virtually via Zoom Video Conference. No public attendance was permitted to the October 13, 2020 Regular Board Meeting. The public was invited to provide comment during the meeting via Zoom Video Conference. The public was also invited to provide comments by emailing to publiccomment@basapa.org. Public comments provided via email needed to be submitted prior to 8:30 a.m. on October 13, 2020.

1. CALL TO ORDER

- *Mr. Patterson called the meeting to order at 9:05 a.m.*

2. ROLL CALL

- *Mr. McKee conducted roll call. Mr. Patterson, Ms. McKnight, Mr. Sybert, Mr. Henry, and Mr. Hassler were present via Zoom Video Conference.*

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

- *None*

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4. APPROVAL OF MINUTES

A. September 8, 2020 Regular Meeting

- *A motion to approve the September 8, 2020 meeting minutes was made by Mr. Hassler and seconded by Ms. McKnight. Motion approved 5-0.*

5. Item 11 A. Final Bond Pricing for Series A of 2020 and Closing Update – Jay Wenger of Susquehanna Group Advisors and Sean Garin of Dinsmore & Shohl

- *Mr. Wenger reviewed the Summary of Refunding Results from the September 24, 2020 competitive auction. The refunding went as good as could be expected, achieving an average annual savings of \$53,158, or a gross savings of \$584,742. The true interest cost is 1.39%. The closing is set for October 22, 2020.*
- *Mr. Patterson thanked Mr. Wenger, Mr. Garin, and staff for doing a good job.*

6. APPROVAL OF WARRANTS/OTHER PAYMENTS

A. Contract 2020-1, Lime Dust Control Equipment Project, Change Order #1, No Cost Time Extension (Reno Bros., Inc.)

- *Mr. Slomers reviewed Change Order #1, requesting a 60-day time extension for the Lime Dust Collection Equipment Project, and recommended the Board approve the no cost change order.*
- *A motion was made by Mr. Henry and seconded by Mr. Hassler to approve the no cost Change Order #1 for the Lime Dust Collector Equipment Project. Motion approved 5-0.*

B. Periodic Estimate #1 – Contract 2020-1, Lime Dust Control Equipment Project, \$111,056.40 (Reno Bros., Inc.)

- *Mr. Slomers reviewed the Lime Dust Collector Equipment Project payment Application #1 in the amount \$111,056.40 and recommend the Board approve payment.*
- *A motion was made by Mr. Patterson and seconded by Ms. McKnight to approve payment Application #1 for the Lime Dust Control Equipment Project. Motion approved 5-0.*

C. Invoice Warrant Lists: September 16, 2020 (\$107,254.59), September 23, 2020 (\$56,042.81), October 1, 2020 (\$43,454.65), October 13, 2020 (ACH Transfer - \$57,549.98), October 13, 2020 (\$73,778.77), October 13, 2020 (Capital - \$111,549.40)

- *Ms. Lavorini reviewed the warrants listed above.*
- *A motion was made by Mr. Henry and seconded by Mr. Hassler to approve the warrants listed. Motion approved 5-0.*

7. FINANCE DIRECTOR'S REPORT

A. Authority Fund Statements and Budget Report – September 30, 2020

- *Ms. Lavorini reviewed the Authority Fund Statements and Budget Report for the month.*

B. Investment Update

- *Ms. Lavorini noted that one CD matured during the period, but the proceeds are being held as liquid funds with PLGIT. The rate of return on liquid funds remains higher than the CD market.*

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C. Quarterly Accounts Receivable Summary – September 30, 2020

- *Ms. Lavorini reviewed the accounts receivable report. The number of unpaid accounts (1,292) that are not liened or covered under bankruptcy remains consistent with pre-COVID-19 unpaid accounts (1,210 as of January 1, 2020), increasing by only 82 or 7%, but the average amount owed on the accounts during the same period has almost doubled from \$107 to \$204. The Authority has begun sending lien notices on any accounts with an unpaid balance in excess of \$700. This amount was raised from \$500 in consideration of the COVID-19 situation. The water shut-off moratorium remains in place in Pennsylvania at this time.*
- *Ms. McKnight asked what types of account are being liened.*
- *Ms. Lavorini informed the Board that all types of accounts are being liened.*
- *Mr. McKee added that the number of accounts and the amount owed may only increase as the pandemic influenced moratorium on water shut offs continues.*

D. Quarterly Customer Account Audit Report – October 7, 2020

- *Ms. Lavorini reviewed the Quarterly Customer Account Audit.*
- *Ms. McKnight asked if the audit is still focused on Butler City.*
- *Ms. Lavorini responded that last quarter's audits were focused on the "right -left" checks that the Realty Transfer Inspection Crew provides. She noted that a complete review of all commercial accounts will be a focus going forward due to water meter premise data that the Authority recently received from the water company.*

8. EXECUTIVE DIRECTOR'S REPORT

A. Plant Superintendent's Operations Report – September 2020

- *Mr. McKee informed the Board that the reports were in their packages. Mr. McKee highlighted that the Realty Transfer Inspections were booked into November and thanked all those involved with the Realty Transfer Inspection Program for doing a good job.*

B. Field Superintendent's Operations Report- September 2020

- *See above.*

C. Realty Transfer I&I Inspection Report – September 2020

- *See above.*

9. OPERATIONS DIRECTOR'S REPORT

A. Sewer Tap-In Report – September 2020

- *Mr. Schon reviewed the sewer tap-in report for September 2020. There were four sewer tap permits issued; three inspection only permits and one new single-family connection permit.*

B. Discharge Monitoring Report – August 2020

- *Mr. Schon reported that the wastewater treatment plant was in full compliance with all the NPDES Permit discharge limits and monitoring requirements during August 2020. The plant's average daily flow was 4.213 MGD and there were no sanitary sewer overflows during August.*

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10. CONSULTING ENGINEERS' REPORTS

A. Authority Engineer's Monthly Report

- *Mr. Mike McKee said the consultant's report was in the Board package and added an update to the report. Hatch also assisted BASA in the preparation of the Annual Engineers Report.*

B. CAP Update – HRG's Progress Report – September 2020

- *Mr. Slomers informed the Board that the CAP is progressing as scheduled. HRG is prepared to present the system improvement alternatives and recommendations for the Fisher-Brewster-Brewster Booster (FBB) pump station system and the Greenwood-Bryson-Benbrook (GBB) pump station system today.*

C. HRG Presentation – CAP Design Evaluation and Alternative Analysis

- *Ms. Lacey and Ms. Schmucker lead the Board through the presentation of the recommended improvements for the FBB and GBB pump station systems.*
- *Mr. McKee directed the Board to the memo in their package requesting authorization to move forward with a design proposal from HRG for the recommended improvements.*
- *A motion was made by Mr. Patterson and seconded by Mr. Sybert to proceed with requesting a design proposal from HRG for the improvements recommended for the CAP. Motion approved 5-0.*

11. FISCAL AND CONTRACTING MATTERS

A. Final Bond Pricing for Series A of 2020 and Closing Update – Jay Wenger of Susquehanna Group Advisors and Sean Garin of Dinsmore & Shohl

- *Subject was reviewed under Item 5 of the meeting minutes.*

B. Consider Award of 2020 – 2021 NHCOG Sewer Rehabilitation Contracts

- *Mr. Slomers recommended the Board approve the NHCOG Contracts as outlined in the memo prepared by Evan Oswald, dated September 17, 2020.*
- *A motion was made by Ms. McKnight and seconded by Mr. Henry to approve the NHCOG Contract as outline in Mr. Oswald's memo dated September 17, 2020. Motion approved 5-0.*

C. Consider Approving the Bank of New York Mellon Fee Schedule and Facsimile/Email Authorization

- *Ms. Lavorini reviewed the Fee Schedule and Facsimile/Email Authorization with the Board.*
- *A motion was made by Mr. Hassler and seconded by Mr. Patterson to approve the Bank of New York Mellon Fee Schedule and Facsimile/Email Authorization documents. Motion approved 5-0.*

D. Consider Approving 36-Month Contract to Purchase Natural Gas with Snyder Brothers Inc.

- *Mr. McKee introduced the potential cost savings outline by EMEX for a 36-month contract to purchase natural gas from Snyder Brother, Inc.*
- *A motion was made by Mr. Sybert and seconded by Mr. Henry to approve the 36-month Contract to Purchase Natural Gas with Snyder Brothers Inc. Motion approved 5-0.*

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- E. Consider Approval of Resolution No. 10-13-2020-01 as Prepared by Rhoades Law Amending the 401(a) Pension Plan
- Ms. Lavorini reviewed amendments prepared by Rhoades Law to the 401(a) Pension Plan.
 - A motion was made by Mr. Patterson and seconded by Ms. McKnight to approve Resolution No. 10-13-2020-01 as prepared by Rhoades Law Amending the 401(a) Pension Plan. Motion approved 5-0.
- F. Consider Approval of Resolution No. 10-13-2020-02 as Prepared by Rhoades Law Amending the 457(b) Pension Plan (Alerus)
- Ms. Lavorini reviewed the amendments to the 457(b) Pension Plan.
 - A motion was made by Ms. McKnight and seconded by Mr. Sybert to approve Resolution No. 10-13-2020-02 as prepared by Rhoades Law Amending the 457(b) Pension Plan (Alerus). Motion approved 5-0.
- G. Bond Issue, Series of 2016 Requisition No. 24 – (\$112,029.40)
- Ms. Lavorini reviewed Requisition No. 24 highlighting the Lime Dust Collector Equipment Project as the majority of the requisition.
 - A motion was made by Mr. Henry and seconded by Mr. Hassler approving Requisition No. 24 of the 2016 bond issue. Motion approved 5-0.

12. OLD BUSINESS

- None

13. NEW BUSINESS

A. Updates to the Revised Rules and Regulations

- Mr. McKee introduced the proposed changes to the Rules and Regulations. The majority of the changes are simply adding in current policy and practices. A resolution adopting the new Rules and Regulations will be introduced to the Board at the November meeting.

B. Motion to Approve the Consulting Engineer's Annual Report for 2020-2021 Fiscal Budget Year

- A motion was made by Mr. Patterson and second by Ms. McKnight to approve the Consulting Engineer's Annual Report for the 2020-2021 Fiscal Budget Year. Motion approved 5-0.

C. Mr. McKee informed the Board that staff is applying for grants offered through both the Cares and Healing Acts to determine if funding is available for the Authority.

D. Mr. Hnath informed the Board that the union agreed to change the Daylight Press Operator II Position to a Daylight Press Operator IV Position. The specifics of the change were discussed during Executive Session held after the September Board meeting. The job has been posted and awarded. The revised hourly rate will become effective the payroll beginning October 11, 2020.

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

- None

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15. ADJOURNMENT

- *There was no Executive Session.*
- *A motion was made by Mr. Patterson and seconded by Mr. Sybert to adjourn the Regular Meeting at 10:05 a.m. Motion approved 5-0.*



Secretary



Date

**NEXT MEETING: TUESDAY, NOVEMBER 10, 2020 at 9:00 A.M.
BASA AUTHORITY OFFICE, 100 LITMAN ROAD, BUTLER, PA**