

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE MARCH 9, 2021 REGULAR MEETING

The regular meeting of the Butler Area Sewer Authority (BASA) Board was hosted on Tuesday, March 9, 2021 at 9:00 a.m. at the Authority office located at 100 Litman Road, Butler, PA through a Zoom Video Conference (Meeting ID 820-8916-0657, Password 018657).

Authority Board Members Present via Zoom Video Conference:

- *Gerald S. Patterson, Jr., Chairman*
- *Paul F. Sybert, Treasurer*
- *Lance R. Calvert, Secretary*
- *Mavrik W. Goepfert, Assistant Secretary/Treasurer*
- *Steven C. Braden – Newly Appointed*

Staff, Consultants and Guests Present via Zoom Video Conference:

- *Duane McKee, Executive Director*
- *Ronata Lavorini, Finance Director*
- *Daniel Slomers, Authority Engineer*
- *Virginia Ferderber, Collections and Payables Coordinator*
- *Michael Hnath, Dillon McCandless King Coulter & Graham - Authority Solicitor*
- *Michael McKee, Hatch - Consulting Engineer*
- *Sean Garin, Dinsmore & Shohl LLP- Bond Counsel*
- *Jay Wenger, Susquehanna Group Advisor, Inc. (SGA) – Financial Adviser*
- *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 March 9, 2021 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 March 9, 2021.

1. CALL TO ORDER

- *Mr. Patterson called the meeting to order at 9:00 a.m.*
- *Mr. Patterson welcomed the new Board Member to the Board*
- *Mr. Patterson thanked Ms. McKnight for her service and volunteering her time to the Authority.*

2. ROLL CALL

- *Mr. McKee conducted a roll call. Mr. Patterson, Mr. Braden, Mr. Sybert, Mr. Calvert and Mr. Goepfert were present via the Zoom Video Conference.*

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

- None

4. ELECTION OF OFFICERS

- *Mr. Patterson asked the Board if there were any volunteers to fill the Vice Chairman position.*

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- *Mr. Sybert said he was interested in the Vice Chairman position.*
- *Mr. Hnath led the Board through motions of nominating the Vice Chairman.*
- *Mr. Hnath then asked for nominations from the floor for the position of Vice Chairman of the Board. Mr. Patterson made a motion to nominate Mr. Sybert as the Vice Chairman. Hearing no additional nominations, Mr. Patterson made a motion to close nominations for Vice Chairman, seconded by Mr. Goepfert. On the motion to approve Mr. Sybert as Vice Chairman, Ayes-5; Nays-0. Motion approved.*
- *Mr. Patterson asked the Board if there were any volunteers to fill the Treasurer position.*
- *Mr. Goepfert said he was interested in the Treasurer position.*
- *Mr. Hnath led the Board through motions of nominating the Treasurer.*
- *Mr. Patterson made a motion to nominate Mr. Goepfert as the Treasurer. Hearing no additional nominations, Mr. Sybert made a motion to close nominations for Treasurer, seconded by Mr. Calvert. On the motion to approve Mr. Goepfert as Treasurer, Ayes-5; Nays-0. Motion approved.*
- *Mr. Patterson asked the Board if there were any volunteers for the Assistant Secretary/Treasurer position.*
- *Mr. Braden said he was interested in the Assistant Secretary/Treasurer position.*
- *Mr. Hnath led the Board through motions of nominating the Secretary/Treasurer.*
- *Mr. Patterson made a motion to nominate Mr. Braden as the Assistant Secretary/Treasurer. Hearing no additional nominations, Mr. Goepfert made a motion to close nominations for Assistant Secretary/Treasurer, seconded by Mr. Patterson. On the motion to approve Mr. Braden as Assistant Secretary/Treasurer of the Board, Ayes-5; Nays-0. Motion approved.*
- *Mr. Patterson asked the Board if there were any additional nominations. There were no additional nominations made by the Board.*

5. Item 11A. Update on Refinancing the 2016 Sewer Revenue Bond

- *Mr. Patterson requested Mr. Wenger provide a brief update on the bond refinancing process for the new Board members.*
- *Mr. Wenger provided a brief review of the recent 2015 and current 2016 refinancing projects.*
- *Mr. Wenger informed the Board that interest rates increased slightly but are stabilizing and the interest rates should remain steady when the bonds are sold on March 17, 2021 at 11:00 a.m.*
- *Mr. Patterson asked what the average annual saving would be.*
- *Mr. Wenger responded that an 8% savings would be a decrease of approximately \$37,000 to \$40,000 per year for the life of the bond.*
- *Mr. Garin reintroduced himself as Bond Counsel to the Board and reviewed the need for Board signatures on several documents. Signatures will be obtained in advance and held in escrow by Mr. Garin for the closing which is anticipated on April 14, 2021.*
- *Mr. Patterson asked what the percent savings was in the resolution.*

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- *Mr. Wenger responded saying the minimum savings is 4%.*

6. APPROVAL OF MINUTES

A. February 9, 2021 Annual Reorganization Meeting

- *A motion to approve the February 9, 2021 meeting minutes, was made by Mr. Calvert and seconded by Mr. Sybert. Motion approved 5-0.*

7. APPROVAL OF WARRANTS/OTHER PAYMENTS

A. Invoice Warrant Lists: February 16, 2021 (\$94,704.05), February 26, 2021 (\$42,923.50), March 9, 2021 (Capital - \$30,435.00), March 9, 2021 (\$101,095.22)

- *Ms. Lavorini reviewed the warrants listed above.*
- *Ms. Lavorini pointed out the warrant copied on purple-colored paper is used for ACH disbursements. The ACH payment is only for health care premiums. The invoice typically becomes available on Friday before the Board meeting. The arrival time of the invoice makes it difficult to include on the Agenda and in the Boards package. The ACH warrant is not in this month's Board package.*
- *Ms. Lavorini informed the Board that because the invoice is consistent in amount month to month, we will be showing the ACH warrant to the Board the month following the actual invoice and payment date.*
- *A motion was made by Mr. Sybert and seconded by Mr. Goepfert to approve the warrants listed. Motion approved 5-0.*

8. FINANCE DIRECTOR'S REPORT

A. Authority Fund Statements and Budget Report – February 28, 2021

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

B. Investment Update

- *Ms. Lavorini informed the Board that there were no CD's that matured during the period.*

C. Summary of Semi-Annual Pension Committee Meeting – February 11, 2021

- *Ms. Lavorini provided a brief history of the defined contribution pension plans and the Pension Committee then reviewed the meeting minutes highlighting the action items and Monitoring Report. She noted that there are currently five investments on the watch list and that the Pension Committee is recommending changing one of the investments. The Committee requests that the DFA US Small Cap Value I be replaced with Vanguard Small Cap Value Index Admiral.*

D. Request Board Action on a Pension Fund Matter to Eliminate the DFA US Small Cap Value I and replace it with Vanguard Small Cap Value Index Admiral

- *A motion was made by Mr. Sybert and seconded by Mr. Goepfert to eliminate the DFA US Small Cap Value I and replace it with Vanguard Small Cap Value Index Admiral. Motion approved 5-0.*

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9. OPERATIONS REPORTS

A. Plant Superintendent's Operations Report – February 2021

- *Mr. McKee informed the Board that the reports were in their packages and asked if there were any questions. There were no questions.*
- *Mr. McKee highlighted the SCADA project informing the Board that the panels have arrived and are being installed. This is a major step towards automating the plant.*
- *Mr. Patterson asked how the Realty Transfer Inspection schedule was doing.*
- *Mr. McKee responded that the inspection schedule is back in line and there is not a waiting list.*

B. Field Superintendent's Operations Report- February 2021

- *See above.*

C. Realty Transfer I&I Inspection's Report – February 2021

- *See above.*

D. Sewer Tap-In Report – February 2021

- *Mr. McKee reviewed the sewer tap-in report for February 2021. There were seven tap permits issued; six no fee permits for repairs and one new commercial tap.*

E. Discharge Monitoring Report – January 2021

- *Mr. McKee reported that the wastewater treatment plant was in full compliance with all the NPDES Permit discharge limits and monitoring requirements during January 2021. The plant's average daily flow was 6.335 MGD.*
- *Mr. McKee informed the Board that there was one wet weather overflow on January 1, 2021 at the Greenwood Pump Station that was caused by excessive rain and snow melt. The metered overflow pipe that was installed for the DEP CAP recorded an overflow volume of approximately 6,980 gallons during the 3.5-hour period. The overflow was reported to DEP as required.*

10. CONSULTING ENGINEERS' REPORTS

A. Authority Engineer's Monthly Report

- *Mr. Mike McKee said the consultant engineering report was in the Board package and asked if there were any questions.*

B. CAP Update – HRG's Progress Report - February 2021

- *Mr. Slomers informed the Board that HRG continues to work on the planning process and is on schedule. The sewer facility planning modules were advertised and the public response period is from March 1 thru March 30.*
- *Mr. Slomers also informed the Board that the DEP approved the updated CAP schedule and the number of taps requested for 2021 in the CAP area.*

11. FISCAL AND CONTRACTING MATTERS

A. Update on Refinancing the 2016 Sewer Revenue Bond

- *See Item 5 above*

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B. Consider Approving PA American Water Shut-Off Agreement

- *Ms. Lavorini reviewed the newly proposed water shut-off agreement provided by Pennsylvania American Water Company (PAWC). She noted that the current agreement with PAWC will terminate as of March 31, 2021 and PAWC will not complete any additional shutoffs if the new agreement is not executed.*
- *Ms. Lavorini explained that for owner and commercially occupied buildings that there are no material changes to the water termination process, or the fees charged.*
- *Ms. Lavorini noted many changes in the new agreement regarding residential landlord tenant water termination processes. This includes a mandatory requirement that PAWC deliver all notifications prior to water termination at a rate of \$75 to \$150 per account. This notification process had been completed previously by the Authority, at no additional cost to the customer, and could include up to 300 accounts per quarter. Ms. Lavorini has several solutions to discuss with the Authority's Legal Counsel that may help with maintaining our current collections ratio on these accounts and decrease customer costs.*
- *Ms. Lavorini recommend approving the water shut-off agreement.*
- *A motion was made by Mr. Braden and seconded by Mr. Patterson to approve the PA American Water Shut-Off Agreement. Motion approved 5-0.*

C. Consider Awarding the Sludge Thickener Upgrade Project, Contract No. 2020-02, General Construction to Ray Showman Jr. Excavating Inc. in the amount of \$364,713.07

- *Mr. McKee requested the Board award the Sludge Thickener Upgrade Project, Contract No. 2020-02, General Construction to Ray Showman Jr. Excavating in the amount of \$364,713.07.*
- *Mr. Patterson asked Mr. Mike McKee if Hatch was familiar with Showman Jr. Excavating.*
- *Mr. Mike McKee informed the Board that Hatch is familiar with the Showman Excavating but have not worked directly with them.*
- *Mr. Sybert asked where the company was located.*
- *Mr. Mike McKee stated they are from Erie and most of their work is done in Erie, PA.*
- *A motion was made by Mr. Sybert and seconded by Mr. Goepfert to award the Sludge Thickener Upgrade Project, Contract No. 2020-02, General Construction to Ray Showman Jr. Excavating in the amount of \$364,713.07. Motion approved 5-0.*

D. Consider Awarding the Sludge Thickener Upgrade Project, Contract No. 2020-06, Electrical Construction to Bronder Technical Services, Inc. In the amount of \$43,920.

- *Mr. McKee requested the Board award the Sludge Thickener Upgrade Project, Contract No. 2020-06, Electrical Construction to Bronder Technical Service Inc. in the amount of \$43,920.*
- *A motion was made by Mr. Goepfert and seconded by Mr. Sybert to award the Sludge Thickener Upgrade Project, Contract No. 2020-06, Electrical Construction to Bronder Technical Service Inc. in the amount of \$43,920. Motion approved 5-0.*

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E. Consider Approving an Engineering Proposal for Construction Services- Sludge Thickener Upgrade Project to Hatch in the Not to Exceed amount of \$58,500.

- *Mr. Slomers reviewed the proposal provided by Hatch and requested the Board approve the engineering proposal for construction services for the Sludge Thickener Upgrade Project in the not to exceed amount of \$58,500.*
- *A motion was made by Mr. Patterson and seconded by Mr. Sybert to approve the engineering proposal for construction services for the Sludge Thickener Upgrade Project to Hatch in the not to exceed amount of \$58,500. Motion approved 5-0.*

F. Consider Approving the Bank of New York Mellon Fee Schedule, Incumbency Certificate, and Facsimile/ Email Authorization

- *Ms. Lavorini reviewed the Bank of New York Mellon fee schedule, incumbency certificate and facsimile/email authorization request.*
- *A motion was made by Mr. Sybert and seconded by Mr. Calvert to approve the Bank of New York Mellon fee schedule, incumbency certificate and facsimile/email authorization. Motion approved 5-0.*

12. OLD BUSINESS

- None

13. NEW BUSINESS

A. Consider Approving Resolution No. 03-09-2021-1, Rules and Regulations- Pretreatment Local Limits

- *Mr. McKee informed the Board that the Pretreatment Local limits were previously approved by the Board for the EPA and DEP. This approval for the Rule sand Regulation update provides the Authority the policing powers necessary to enforce the local limits.*
- *A motion was made by Mr. Sybert and seconded by Mr. Calvert to approve Resolution No. 03-09-2021-01 the Rules and Regulations Pretreatment Limits. Motion approved 5-0.*

B. Consider Approving a License Agreement for Thomas & Kristine Hall, 116 Sugar Creek

- *Mr. Slomers explained that the license agreement was to allow the Hall's deck to extend about 1 foot into the sewer easement. The encroachment would not inhibit our ability to maintain the sewer line.*
- *Mr. Slomers requested the Board approve the license agreement for Thomas & Kristine Hall, located at 116 Sugar Creek.*
- *A motion was made by Mr. Calvert and seconded by Mr. Braden to approve the licensing agreement for Thomas & Kristine Hall located at 116 Sugar Creek. Motion approved 5-0.*

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

- *No Public Comment*

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15. ADJOURNMENT

- *A motion was made by Mr. Sybert and seconded by Mr. Calvert to adjourn the Regular Meeting at 9:50 a.m. Motion approved 5-0.*



Secretary



Date

**NEXT MEETING: TUESDAY, APRIL 13, 2021 at 9:00 A.M.
BASA AUTHORITY OFFICE, 100 LITMAN ROAD, BUTLER, PA**