

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

The regular meeting of the Butler Area Sewer Authority (BASA) Board was held on Tuesday, July 12, 2022 at 9:00 a.m. at the Authority office located at 100 Litman Road, Butler, PA.

Authority Board Members Present:

- *Paul F. Sybert, Chairman*
- *Fred M. Vero, Vice Chairman*
- *Mavrik W. Goepfert, Treasurer*
- *Lance R. Calvert, Secretary*
- *Steven C. Braden, Assistant Secretary and Treasure*

Staff, Consultants and Guests Present:

- *Ronata Lavorini, Finance Director*
- *Evan Oswald, Superintendent of Engineering Services*
- *Virginia Ferderber, Collections and Payables Coordinator*
- *Michael Hnath, Dillon McCandless King Coulter & Graham - Authority Solicitor (via video conference)*
- *Colin Lampark, Hatch - Consulting Engineer*
- *Ryan Hayes, Pennsylvania American Water Company (PAWC)*
- *Paula Grubbs, Butler Eagle*

1. EXECUTIVE SESSION

- *An Executive Session was held prior to the meeting to discuss the potential sale of the Authority and personnel matters.*

2. CALL TO ORDER

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

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

- *None*

4. ANNOUNCEMENT OF EXECUTIVE SESSIONS

- A. *Members of the Board and staff met in executive session June 15, 2022, from 4:00 p.m. to roughly 7:00 p.m., with special counsel to discuss the potential sale of the Authority.*
- B. *The Board, staff members, and Solicitor met in executive session June 22, 2022, from 5:00 p.m. to roughly 8:00 p.m., with special counsel to discuss the potential sale of the Authority.*
- C. *Members of the Board, a staff member, and Solicitor met in executive session July 11, 2022, from 4:00 p.m. to roughly 4:45 p.m., with special counsel to discuss the potential sale of the Authority.*
- D. *The Board, a staff member, and the Solicitor met prior to this meeting in executive session at 8:00 a.m. to 8:45 a.m. to discuss personnel and the potential sale of the Authority.*

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

5. APPROVAL OF MINUTES

A. June 14, 2022 Regular Meeting

- *Ms. Lavorini noted there was a typo in Item 11A, changing "Daft" to "Draft"*
- *A motion to approve the June 14, 2022 meeting minutes, as corrected, was made by Mr. Vero and seconded by Mr. Goepfert. Motion approved 5-0.*

6. APPROVAL OF WARRANTS/OTHER PAYMENTS

A. Change Order No. 2, Contract No. 2020-06, Sludge Thickener Upgrade Project, Add Wire Level Transducer, \$3,077.86 (Bronder Technical Services, Inc.)

- *Mr. Oswald reviewed change order no. 2 in the amount of \$3,077.86 for the Sludge Thickener Upgrade to Bronder Technical Services, Inc., and recommended approval.*
- *A motion was made by Mr. Braden and seconded by Mr. Calvert to approve change order no. 2 in the amount of \$3,077.86 to Bronder Technical Services, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*

B. Periodic Estimate No. 5, Contract No. 2020-06, Sludge Thickener Upgrade, \$12,488.40 (Bronder Technical Services, Inc.)

- *Mr. Oswald reviewed periodic estimate no. 5 for the Sludge Thickener Upgrade and recommended payment of \$12,488.40 to Bronder Technical Services, Inc.*
- *A motion was made by Mr. Vero and seconded by Mr. Braden to approve payment of estimate no. 5 in the amount of \$12,488.40 to Bronder Technical Services, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*

C. Periodic Estimate No. 5, Contract No. 2020-02, Sludge Thickener Upgrade, \$170,726.98 (Ray Showman Jr. Excavating, Inc.)

- *Mr. Oswald reviewed periodic estimate no. 5 for the Sludge Thickener Upgrade and recommended payment of \$170,726.98 to Ray Showman Jr. Excavating, Inc.*
- *A motion was made by Mr. Braden and seconded by Mr. Calvert to approve payment of estimate no. 5 in the amount of \$170,726.98 to Ray Showman Jr. Excavating, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*

D. Periodic Estimate No. 2, North Hills COG 2021-2022, Cupps Area Manhole Rehabilitation & Open Cut Repairs, \$132,683.95 (State Pipe Services, Inc.)

- *Mr. Oswald reviewed periodic estimate no. 2 for the Cupps Area Manhole Rehabilitation & Open Cut Repairs and recommended payment of \$132,683.95 to State Pipe Services, Inc.*
- *A motion was made by Mr. Vero and seconded by Mr. Braden to approve payment of estimate no. 2 in the amount of \$132,683.95 to State Pipe Services, Inc. for the Cupps Area Manhole Rehabilitation & Open Cut Repairs project. Motion approved 5-0.*

E. Transfer of the Annual Excess Revenue Fund Deposits to the Bond Redemption and Improvements Fund in the amount of \$812,350.00

- *Ms. Lavorini reviewed the calculation for the Annual Excess Revenue Fund transfer to the*

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

Bond Redemption and Improvements fund. She explained that the Trust Indenture allows the Authority to retain 5/12th of the total 2021-2022 budgeted fiscal expenses, the remainder must be transferred into the Bond Redemption and Improvements Fund.

- *Ms. Lavorini noted that the balance required to be transfer was \$812,350.00.*
- *A motion was made by Mr. Goepfert and seconded by Mr. Calvert to approve the transfer of \$812,350.00 from the Operating Fund into the Bond Redemption and Improvements Fund. Motion approved 5-0.*

F. Change Order No. 3, Contract No. 2020-02, Sludge Thickener Upgrade Project, Safety Railing & Water Line Relocation, \$3,500.00 (Ray Showman Jr. Excavating, Inc.)

- *Mr. Oswald reviewed change order no. 3 in the amount of \$3,500.00 for the Sludge Thickener Upgrade to Ray Showman Jr. Excavating, Inc., and recommended approval.*
- *A motion was made by Mr. Braden and seconded by Mr. Sybert to approve change order no. 3 in the amount of \$3,500.00 to Ray Showman Jr. Excavating, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*

G. Invoice Warrant Lists of June 14, 2022 (ACH \$54,479.87), June 21, 2022 (\$69,134.04), June 29, 2022 (\$53,479.48), July 12, 2022 (\$965,137.07), July 12, 2022 (Capital - \$294,628.78)

- *Mrs. Lavorini reviewed the warrants listed above.*
- *A motion was made by Mr. Goepfert and seconded by Mr. Sybert to approve the warrants listed. Motion approved 5-0.*

7. FINANCE DIRECTOR'S REPORT

A. Authority Fund Statements and Budget Report – June 30, 2022

- *Ms. Lavorini reviewed the Authority Fund Statements and Budget Report through the month ending June 30, 2022.*

B. Investment Update

- *Ms. Lavorini informed the Board that 1 PLGIT TERM investment, maturing in one year at a rate of 3.43% in the amount of \$250,000 has been reinvested.*

C. Quarterly Accounts Receivable Summary – June 30, 2022

- *Ms. Lavorini reviewed the quarterly accounts receivable summary.*

D. Review of the Annual Debt Service Reserve Fund Valuation

- *Ms. Lavorini reviewed the Annual Debt Service Reserve Fund valuation as prepared by the Authority's Trustee, BNY Mellon. On June 30, 2022, there is an excess of funds in the account of \$520,806.02.*
- *As short-term debt may be used in place of a bond issuance to finance required capital projects, the Authority's Bond Council and Financial Advisor recommends that the Debt Service Reserve Fund be right-sized in accordance with the Trust Indenture and IRS guidelines and therefore transfer the funds to the Authority's Debt Service accounts. The funds can then be used to pay future debt service payments.*

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

- *A motion to transfer the excess funds in the amount of \$520,806.02 from the Debt Service Reserve Fund into the Debt Service Funds was made by Mr. Goepfert and seconded by Mr. Braden. Motion approved 5-0.*

8. OPERATIONS REPORTS

A. Plant Superintendent's Operations Report – June 2022

- *Mr. Oswald informed the Board that the operation reports were in their packages. Mr. Oswald then asked if there were any questions. There were no questions.*

B. Field Superintendent's Operations Report- June 2022

- *See above.*

C. Realty Transfer I&I Inspections Report – June 2022

- *See above.*

D. Engineering Services Report – June 2022

- *See above.*

E. Sewer Tap-In Report – June 2022

- *Mr. Oswald reviewed the sewer tap-in report for June 2022. There were five sewer tap permits issued, three residential and two no fee inspection only permits.*

F. Discharge Monitoring Report – May 2022

- *Mr. Oswald reported that the wastewater treatment plant was in full compliance with the monthly NPDES Permit discharge limits and monitoring requirements during May 2022. The plant's average daily flow was 7.710 MGD.*
- *Mr. Oswald informed the Board that there was one overflow of 107,608 gallons in the month of May, from a storm event that took place on May 2nd and a pump failure at the Deshon Equalization Tank station. The issue was diagnosed and repaired, and the sanitary overflow was reported to DEP.*

9. CONSULTING ENGINEERS' REPORTS

A. Authority Engineer's Monthly Report

- *Mr. Lampark stated that the consultant's engineering report was in the Board package and asked if there were any questions.*
- *The Board had no questions.*

B. CAP Update – HRG's Progress Report - June 2022

- *Mr. Oswald informed the Board that the revised CAP schedule has been approved by DEP. HRG continues to work on design, permitting, and property acquisition.*

10. FISCAL AND CONTRACTUAL MATTERS

A. Consider Approving the Purchase of Primary Clarifier Parts, \$59,976, Costars #016-109

- *Mr. Oswald requested the Board approve a purchase through the Costars program from BissNuss, Inc. for replacement parts for the Primary Clarifier no. 3 in the amount of \$59,976.00.*

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

- *A motion was made by Mr. Vero and seconded by Mr. Braden to approve the purchase of Primary Clarifier Parts through Costars contract #016-109 for \$59,976.00. Motion approved 5-0.*
- B. Consider Approving the Replacement of the Drive Through Window Glass, Boulevard Glass & Metal Co., \$16,350
 - *Mr. Oswald requested the Board approve the Replacement of the Drive Through Window Glass to Boulevard Glass & Metal, Co. in the amount of \$16,350.*
 - *Mr. Sybert asked where the vendor was located, and Mr. Oswald responded that they are located in the Pittsburgh area.*
 - *A motion was made by Mr. Vero and seconded by Mr. Calvert to approve the Replacement of the Drive Through Window Glass to Boulevard Glass & Meal, Co. in the amount of \$16,350. Motion approved 5-0.*
- C. Consider Awarding the two-year Bulk Pebble/Granular Quicklime, Contract No. 2022-2 to Graymont, Inc. in the amount of \$205 and \$225 per ton per year, respectively
 - *Mr. Oswald requested the Board approve Contract No. 2022-2 for a two-year term for Bulk Pebble/Granular Quicklime to the lowest responsible bidder, Graymont, Inc., in the amount of \$205 and \$225 per ton, respectively.*
 - *A motion was made by Mr. Braden and seconded by Mr. Sybert to approve Contract No. 2022-2 for Bulk Pebble/Granular Quicklime to Graymont, Inc. Motion approved 5-0.*
- D. Approve Increasing the 2022 Hourly Wage from \$14 to \$17 per Hour for Summer Employment Effective June 14, 2022
 - *Ms. Lavorini noted the difficulty in hiring summer help and requested that the Board increase the wages from \$14.00 to \$17.00 per hour effective June 14, 2022.*
 - *Mr. Sybert asked for clarification if this affects one or two hires. Ms. Lavorini stated that to date only one summer help position has been filled.*
 - *A motion was made by Mr. Braden and seconded by Mr. Calvert to authorize the summer help rate increase from \$14.00 to \$17.00. Motion approved 5-0.*
- E. Bond Redemption & Improvement Fund – Requisition No. 10 (\$634,894.05)
 - *Ms. Lavorini reviewed the Bond Redemption & Improvement (BR&I) Fund Requisition No. 10, for the release of restricted BR&I monies from BNY Mellon to the Authority in the amount of \$634,894.05 as a reimbursement of monies spent on eligible capital projects.*
 - *A motion was made by Mr. Vero and seconded by Mr. Calvert to approve the BR&I Fund Requisition No. 10 in the amount of \$634,894.05. Motion approved 5-0.*
- F. Consider Approving an Updated Engagement Letter from Maher Duessel CPAs
 - *Ms. Lavorini explained that the engagement letter for the audit has been updated based on new professional standards with no changes to the pricing. She recommended that the Board approve the updated engagement letter covering the fiscal years ending July 31, 2022 through 2025.*

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

- *A motion was made by Mr. Goepfert and seconded by Mr. Braden to approve the updated engagement letter form Maher Duessel CPAs. Motion approved 5-0.*
- G. Consider Approving PR Firm Ceisler Media & Issue Advocacy, Monthly Retainer \$9,500 for a minimum of Three Months
 - *Mr. Vero asked the Board to consider approving the hiring of the Ceisler Media & Issue Advocacy Consultant on a month retainer for \$9,500 for a minimum of three months. This is an anticipation if the Sale "to PAWC" goes through.*
 - *A motion was made by Mr. Calvert and seconded by Mr. Sybert to approve the hiring of Ceisler Media & Issue Advocacy for \$9,500 and a minimum of three months. Motion approved 5-0.*

11. OLD BUSINESS

- A. Consider Approving Authority's 2022-2023 Second Preliminary Draft Operating Budget as Final
 - *Ms. Lavorini announce the only changes were made on page 6, and highlighted in blue to the projected amounts, not the actual budget. The other change was on Page 7, for the Bond Improvement and Redemption Fund, where that number was updated to actual. There have been no other changes. Hatch has reviewed the budget and has indicated that it is balanced and is sufficient to handle anticipated expenses.*
 - *A motion was made by Mr. Braden and seconded by Mr. Sybert to approve the Authority's 2022-2023 Operating Budget. Motion approved 5-0.*
- B. Discussion regarding the Potential Sale of system not PAWC
 - *Mr. Sybert said there nothing to report at this time. The existing Exclusivity Agreement expires at the end of the month, and there is no agenda item to extend that agreement currently.*

12. NEW BUSINESS

- A. Consider Approving Resolution No. 07-12-2022-1, Schedule of Fees
 - *Ms. Lavorini introduced the updated rate schedule, the only changes made were to update page three to include the \$5 rate increase approved at last month's meeting.*
 - *A motion was made by Mr. Goepfert and seconded by Mr. Braden to approve the Resolution No. 07-12-2022-2. Schedule of Fees. Motion approved 5-0.*
- B. Consider Approving Shooting Range Agreement with the City of Butler and Butler County Community College
 - *Mr. Hnath introduced the new shooting range agreement with the Authority, BC3 and the City of Butler. The Agreement expires at the end of July. Both the City and the College use the range for qualifications. The College has signed the new 10-year term with essentially the same terms, the City approved the new agreement without the indemnification language. Mr. Hnath recommends that the indemnification language be in the Agreement so at this time he asks the Board to approve the agreement for the use by the College, the college has some mandatory qualification training due this week, and to table the City's Agreement.*

BUTLER AREA SEWER AUTHORITY
MINUTES OF THE JULY 12, 2022 REGULAR MEETING

- *Mr. Sybert acknowledged the tabling of the City's portion of the Agreement for the use of the shooting range until further discussions are had.*
- *Motion was made by Mr. Vero and seconded by Mr. Sybert to approve the Shooting Range agreement with the College with the City's portion tabled. Motion approved 5-0.*
- *A motion was made by Mr. Calvert and seconded by Mr. Goepfert to table the approval of Butler City's portion of the Shooting Range Agreement. Motion approved 5-0.*

C. Employee Promotion

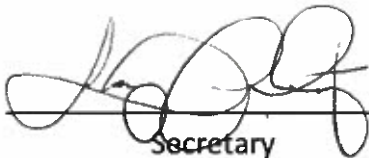
- *A motion was made by Mr. Braden and seconded by Mr. Calvert to approve the annual wage increase for Adam Geibel from \$62,500 to \$65,000 effective July 17, 2022. Motion approved 5-0.*

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


- *None*

14. ADJOURNMENT

- *A motion was made by Mr. Vero and seconded by Mr. Braden to adjourn the Regular Meeting at 9:34 a.m. Motion approved 5-0.*



Secretary



Date

NEXT MEETING: TUESDAY, AUGUST 9, 2022 at 9:00 A.M.
BASA AUTHORITY OFFICE, 100 LITMAN ROAD, BUTLER, PA

