

**BUTLER AREA SEWER AUTHORITY**  
**MINUTES OF THE SEPTEMBER 13, 2022 REGULAR MEETING**

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The regular meeting of the Butler Area Sewer Authority (BASA) Board was held on Tuesday, September 13, 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 Treasurer*

**Staff, Consultants and Guests Present:**

- *Duane McKee, Executive Director*
- *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*
- *Colin Lampark, Hatch - Consulting Engineer*
- *Ryan Hayes, Pennsylvania American Water Company (PAWC)*
- *Paula Grubbs, Butler Eagle*
- *Jim Lokhaiser, Butler Township Commissioner*
- *Joey Georgy, Ceisler Media*
- *Jeff Alexander, Ceisler Media*
- *Caitlin O'Conner, Ceisler Media*
- *Kurt Knaus, Ceisler Media*
- *Cary Shaffer, Butler Eagle*
- *Sam Zurzolo, Butler Township Commissioner*
- *Tom Wyatt, Obermayer*
- *Dave Nasatir, Obermayer*
- *Dave Zarnick, Butler Township Commissioner (via videoconference)*
- *Bob Dandoy, City of Butler, Mayor (via videoconference)*

**1. CALL TO ORDER**

- *Mr. Sybert called the meeting to order at 9:02 a.m.*

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

- *None*

**3. ANNOUNCEMENT OF EXECUTIVE SESSIONS**

- *Mr. Sybert announced that members of the Board and staff met in executive session on five occasions:*
  1. *August 9, 2022, from 9:45 a.m. to approximately 10:35 a.m., to discuss the potential sale of the Authority and legal matters.*

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2. *August 30, 2022, from 9:00 a.m. to approximately 9:45 a.m., to discuss the potential sale of the Authority.*
3. *August 31, 2022, from 9:00 a.m. to approximately 9:15 a.m., to discuss the potential sale of the Authority.*
4. *September 7, 2022, from 10:00 a.m. to approximately 10:30 a.m., to discuss the potential sale of the Authority.*
5. *September 12, 2022, from 6:00 p.m. to approximately 8:00 p.m. to discuss the potential sale of the Authority.*

**4. APPROVAL OF MINUTES**

**A. August 9, 2022 Regular Meeting**

- *A motion was made by Mr. Braden and seconded by Mr. Calvert to approve the August 9, 2022 meeting minutes. Motion approved 5-0.*

**5. APPROVAL OF WARRANTS/OTHER PAYMENTS**

**A. Periodic Estimate No. 7, Sludge Thickener Upgrade, Contract 2020-02, \$4,275.00 (Ray Showman Jr. Excavating, Inc.)**

- *Mr. Oswald reviewed periodic estimate no. 7 for the Sludge Thickener Upgrade and recommended payment of \$4,275.00 to Ray Showman Jr. Excavating, Inc.*
- *A motion was made by Mr. Vero and seconded by Mr. Braden to approve payment of estimate no. 7 in the amount of \$4,275.00 to Ray Showman Jr. Excavating, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*

**B. Change Order No. 4 (final), Sludge Thickener Upgrade, Contract 2020-02, deduct (\$57,048.50), (Ray Showman Jr. Excavating, Inc.)**

- *Mr. Oswald reviewed and requested the Board to approve change order no. 4 (final), for a deduct amount of \$57,048.50 to Ray Showman Excavating, Inc.*
- *A motion was made by Mr. Calvert and seconded by Mr. Braden to approve change order no. 4 (final), in the deduct amount of \$57,048.50. Motion approved 5-0.*

**C. Periodic Estimate No. 8 (final), Sludge Thickener Upgrade, Contract 2020-02, \$17,377.93 (Ray Showman Jr. Excavating, Inc.)**

- *Mr. Oswald reviewed periodic estimate no. 8 (final) for the Sludge Thickener Upgrade project and recommended payment in the amount of \$17,377.93 to Ray Showman Jr. Excavating, Inc.*
- *A motion was made by Mr. Vero and seconded by Mr. Calvert to approve payment of periodic estimate no. 8 (final), in the amount of \$17,377.93 to Ray Showman Jr. Excavating, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*

**D. Periodic Estimate No. 7 (final), Contract No. 2020-06, Sludge Thickener Upgrade, \$2,592.20 (Bronder Technical Services, Inc.)**

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- *Mr. Oswald reviewed periodic estimate no. 7 (final) for the Sludge Thickener Upgrade and recommended payment of \$2,592.20 to Bronder Technical Services, Inc.*
  - *A motion was made by Mr. Braden and seconded by Mr. Goepfert to approve payment estimate no. 7 (final) in the amount of \$2,592.20, to Bronder Technical Services, Inc. for the Sludge Thickener Upgrade project. Motion approved 5-0.*
- E. Invoice Warrant Lists of August 10, 2022 (ACH \$53, 940.81), August 16, 2022 (\$34,510.16), August 16, 2022 (\$58,516.47), August 24, 2022 (\$86,873.74), August 26, 2022 (\$500), September 1, 2022 (\$32,890.80), September 13, 2022 (\$95,099.73), and September 13, 2022 (Capital - \$91,946.68)
- *Ms. Lavorini reviewed the above warrants.*
  - *A motion was made by Mr. Vero and seconded by Mr. Braden to approve the warrants listed. Motion approved 5-0.*

**6. FINANCE DIRECTOR'S REPORT**

A. Authority Fund Statements and Budget Report – August 31, 2022

- *Ms. Lavorini reviewed the Fund Statements and Budget Report dated August 31, 2022.*

B. Investment Update

- *There were no changes in investments during the period.*

C. Summary of Semi-Annual Pension Committee Meeting – August 10, 2022

- *Ms. Lavorini reviewed the August 10, 2022 Pension Committee's semi-annual meeting minutes.*

D. Consider Updated Pension Investment Policy Statement – August 2, 2022

- *Ms. Lavorini discussed the Investment Policy Statement and noted there were only minor changes from the prior year.*
- *A motion was made by Mr. Goepfert and seconded by Mr. Braden to approve the updated Pension Investment Policy Statement.*

**7. OPERATIONS REPORTS**

A. Plant Superintendent's Operations Report – August 2022

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

B. Field Superintendent's Operations Report- August 2022

- *See above.*

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

- *See above.*

D. Engineering Services Report – August 2022

- *See above.*

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**E. Sewer Tap-In Report – August 2022**

- *Mr. McKee reviewed the sewer tap-in report for August 2022. There were nine sewer tap permits issued: one residential, five no fee repairs, one inspection only and two commercial permit issued.*

**F. Discharge Monitoring Report – July 2022**

- *Mr. McKee reported that the wastewater treatment plant was in full compliance with the monthly NPDES Permit discharge limits and monitoring requirements during July 2022. The plant's average daily flow was 4.266 MGD.*
- *Mr. McKee informed the Board that there were no overflows during the month of July.*

**8. CONSULTING ENGINEERS' REPORTS**

**A. Authority Engineer's Monthly Report**

- *Mr. Lampark stated that the Annual Engineers report was completed, and hard copies were made available to the Board. Mr. Lampark also informed the Board that the consultant's monthly 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 - August 2022**

- *Mr. McKee informed the Board that staff has engaged with Nicklas King to begin the property appraisals. The detailed design continues, and the project is on schedule.*

**9. FISCAL AND CONTRACTUAL MATTERS**

**A. Resolution 09-13-2022—1 Butler County Infrastructure Bank Funding Application for Alameda Park Sewer Upgrade Project**

- *Mr. McKee requested the Board approve Resolution 09-13-2022-1 for the Butler County Infrastructure Bank application in the amount of \$2,216,140 for the Alameda Park Sewer Upgrade project.*
- *A motion was made by Mr. Vero and seconded by Mr. Calvert to approved Resolution 09-13-2022-1 for the Butler County Infrastructure Bank application in the amount of \$2,216,140 for the Alameda Park Sewer Upgrade project. Motion approved 5-0.*

**B. Resolution 09-13-2022—2 Butler County Infrastructure Bank Funding Application for Rocklick Pump Station Upgrade Project**

- *Mr. McKee requested the Board approve Resolution 09-13-2022-2 for the Butler County Infrastructure Bank application in the amount of \$252,000 for the Rocklick Pump Station project.*
- *A motion was made by Mr. Braden and seconded by Mr. Sybert to approved Resolution 09-13-2022-2 for the Butler County Infrastructure Bank application in the amount of \$252,000 for the Rocklick Pump Station project. Motion approved 5-0.*

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C. Consider Approving Professional Engineering Services to Hatch for Hansen Ave./Whitestown Road Sewer Improvements

- *Mr. Oswald requested the Board approve the professional engineering services to Hatch for Hansen Ave./Whitestown Road Sewer Improvements in the amount of \$58,405.*
- *A motion was made by Mr. Vero and seconded by Mr. Calvert to approve the professional engineering services to Hatch for Hansen Ave./Whitestown Road Sewer Improvements in the amount of \$58,405. Motion approved 5-0.*

B. Consider Approving the Purchase of Two 2023 Ford Rangers

- *Mr. McKee requested the Board approve the purchase of two 2023 Ford Rangers from Baierl Ford utilizing the Costars Contract in the amount of \$34,825 each. The Ford Rangers will replace vehicle numbers 33 and 39.*
- *A motion was made by Mr. Braden and seconded by Mr. Calvert to approve the purchase of two 2023 Ford Rangers from Baierl Ford utilizing the Costar Contract in the amount of \$34,825 each. Motion approved 5-0.*

**10. OLD BUSINESS**

A. Consider Approving the PAWC Exclusivity Agreement

- *Mr. Sybert noted that the current Confidentiality Agreement with PAWC is expired.*
- *Mr. Sybert mention he would like the exclusivity portion of the Confidentiality Agreement to be extended and requested Mr. Hnath to explain the difference between the exclusivity and the confidentiality portion of the agreement.*
- *Mr. Hnath explained that the confidentiality portion of the agreement is going to end. However, PAWC has requested to retain the exclusivity period, so the Authority doesn't entertain solicitation from other parties while the PAWC offer is under consideration.*
- *Mr. Sybert made a motion for the Board to consider extending the exclusivity portion of the agreement until November 15, 2022. The motion was seconded by Mr. Vero. Motion approved 5-0.*

B. Update on Potential Sale of Authority to PAWC

- *Mr. Sybert made a statement: I want to thank the public for being here and the press for being here. Pennsylvania American water has formally presented BASA with an offer to acquire our wastewater system for \$231.5 million dollars. There was a long period of discussion and a long road to get to this point. We originally voted in December 2021 to enter into a confidentiality agreement with American Water so we could discuss the BASA facility, the operation, the debt, and necessary upgrades. There was a lot to consider and a lot of variables, not just the obvious ones. Again, it was important to us to be able to talk openly as we undertook the thorough review of BASA's facility. The aging BASA facility. We've been engaged in this process for several months now, and thru it all, working to ensure any proposal puts our customers, BASA employees, and communities first. We want to be fully transparent with what has transpired,*

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*and we are presenting this to the public today with a proposal in hand. The next phase of this process is hearing from you, the public. There is a lot of information in this proposal. So, I encourage everyone to take the time, in the next few weeks, to review the proposal, study all the issues and learn about all the benefits of this potential transaction and again your feedback is very important to us. We want to hear what you think about the plan, what it means to our community and we're making the information available for you to review. There is a website listed so everything you need is there. If you have any questions, you can reach us through the BASA home page. There is also going to be several open houses where you can come and talk directly to a representative from BASA, the City of Butler, Butler Township and American Water, which already provides drinking water service to many local municipalities. So, I encourage you to jot down the open house dates, and again there will be people there that will be happy to answer all your questions. I encourage you to attend one of those and share your thoughts.*

- *There was an editorial in the Butler Eagle a few weeks ago that referred to the board as a well-meaning board. I didn't really know what that meant but I'm going to go ahead and define that real quick for everybody by introducing everybody on the board. Appointed by Butler City: Mavrik Goepfert, Lance Calvert and Steve Braden. Lance and Steve are successful business owners in the City of Butler. Mavrik is an accountant. And all three of those members understand the importance of building and maintaining assets, minimizing debt and liability. They are very qualified Board Members. Appointed by Butler Township is Mr. Fred Vero. His name speaks for itself. He has many years of community leadership including Mayor of Butler and Butler Township Commissioner. Sitting in this chair, my name is Paul Sybert. This is my second board term. This is my eighth year on this board. I have 36 years of industrial and regulatory experience. I managed the operations of a 350,000 gal/day sanitary and industrial wastewater system in Karns City, Pennsylvania. I have 3 certified wastewater operators who report directly to me. I'm responsible for the health and safety of 150 union and salaried employees. And we (Board Members) get paid nothing for doing this. That's what a well-meaning board is. So, I wanted to mention that today in respect to our Board Members and for your information.*

**11. NEW BUSINESS**

**A. Consider Approving 2021/2022 Annual Engineers Report**

- *A motion was made by Mr. Braden and second by Mr. Sybert to approve the 2021/2022 Annual Engineers Report. Motion approved 5-0.*

**B. Consider Approving a Grinder Pump Agreement for 611 New Castle Road., Caroline Costanza and Anita Gilliland**

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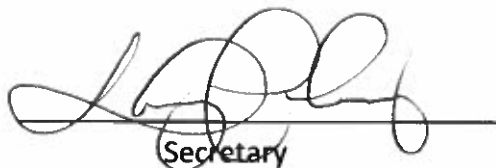
- *Mr. McKee explained that the grinder pump agreement outlines the ownership and maintenance responsibility of the grinder pump is that of the property owner. The agreement will be recorded in the courthouse.*
- *Motion was made by Mr. Goepfert and seconded by Mr. Sybert to approve Grinder Pump Agreement for 611 New Castle Road, Caroline Costanza and Anita Gilliland. Motion approved 5-0.*

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

- *None*

**13. ADJOURNMENT**

- *A motion was made by Mr. Sybert and seconded by Mr. Goepfert to adjourn the meeting at 9:24 a.m. Motion approved 5-0.*

  
Secretary

10-11-22  
Date

**NEXT MEETING: TUESDAY, OCTOBER 11, 2022 at 9:00 A.M.**  
**BASA AUTHORITY OFFICE, 100 LITMAN ROAD, BUTLER, PA**

