

WESTERN WESTMORELAND MUNICIPAL AUTHORITY

REGULAR MONTHLY MEETING – July 16, 2009

The Board of Directors of the Western Westmoreland Municipal Authority held a regular monthly meeting on Thursday, July 16, 2009 at 7:00 P.M. in the Authority conference room, duly advertised, as required, and with the following persons in attendance:

1. Roll Call:

Board Members in Attendance:

Mr. Larry Chrzan	Mr. Charles Konkus	Mr. Anthony Marks
Mr. John Nabuda	Mr. Robert Pioth	Mr. Leonard Santimyer
Mr. Sam Testa	Mr. Tim Watson	

Absent:

Mr. Stanley Caroline	Mr. Jared Squires
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Others in Attendance:

Mr. John Campfield, Solicitor
Mr. Mark Poole, Consulting Engineer
Mr. Kevin Fisher, General Manager
Mrs. Johanna Wtorkowski, Assistant Secretary-Treasurer/Recording Secretary

2. Mr. Pioth led the Pledge of Allegiance, and moment of silence for troops.

3. Public Comments: None

4. Communications:

- A. Mr. Pioth referred to a letter received from US Bank, regarding their repayment of TARP money.
- B. Mr. Pioth reminded those in attendance of the PMAA Annual Conference and Trade Show to notify Kevin Fisher before August 3, 2009.
- C. Mr. Pioth referred to the Allegheny League of Municipalities (ALOM) Joint Fall Conference from October 1, 2009 through October 4, 2009. Mr. Fisher asked anyone who is interested in attending to notify Johanna Wtorkowski or Kevin Fisher.

5. Secretary's Report – Mr. Marks –

- A. A motion was made by Mr. Marks, and seconded by Mr. Chrzan, to approve, as presented, the minutes of the June 18, 2009 Regular Meeting. The motion passed unanimously.
- B. Mr. Marks reported that he attended the Three Rivers Wet Weather Eastern Basin Meeting with the Authority's Consulting Engineer. Mr. Marks stated that there was not much information provided, and he stated that he asked direct questions about funding. Mr. Marks was told that ALCOSAN is currently considering funding methods, but has not yet made a decision. It is noted that Mr. Konkus joined the meeting at this time. The time was 7:15 P.M.

This concluded Mr. Mark's report.

6. Treasurer's Report – Mr. Watson –

- A. A motion to approve for payment Revenue Fund Requisition No. 104, in the amount of \$129,404.19 was made by Mr. Watson, and seconded by Mr. Chrzan. The motion passed unanimously.

This concluded Mr. Watson's report.

7. General Manager's Report – Kevin Fisher – Mr. Fisher added the following to the written report that was previously distributed.

- A. Mr. Fisher reported that the PaDEP conducted its inspection on July 7, 2009, adding that the Authority received a satisfactory review.
- B. Mr. Fisher reported that one of the final clarifiers is currently being repaired. Both of the swing arms fell off of the unit, and are currently being rebuilt. The bearings and seals in the gear box will be replaced, as well.
- C. Mr. Fisher reported that Elk Air Conditioning installed the air conditioner unit of the grit building last week.
- D. Mr. Fisher reported that he received a third price quote for an air conditioning unit for the control building. The quotes are:

Level Green Plumbing & Heating	\$5,800.00
Hollywood Heating	\$5,995.00
Elk Air Conditioning	\$6,800.00

Mr. Fisher stated that each bidder priced a unit that was at least six (6) tons, ranging from 6 to 6.5 tons. There will be some modification to the existing duct work, in an attempt to balance the air flow throughout the building, and to provide air conditioning to the electrical room. Mr. Fisher requested Board approval to purchase a replacement air conditioning unit for the control building. Mr. Fisher stated that Level Green Plumbing & Heating performed some repair work at the plant several years ago. Mr. Pioth asked if the purchase could be delayed until the plant upgrade work is completed. Mr. Fisher stated that the unit may not last, because the coolers inside the unit are rotting. Mr. Fisher explained that different manufactures carry differently-sized units, but all perform similarly. After discussion, a motion was made by Mr. Nabuda, and seconded by Mr. Chrzan, to accept the quotation from Level Green Plumbing & Heating for a Bryant six (6)-ton an air conditioning unit, at a cost of \$5,800.00. The motion passed unanimously.

- E. Mr. Fisher reported that an ALCOSAN Three Rivers Wet Weather Eastern Basin Manager’s meeting is scheduled for Tuesday, July 21, 2009. Mr. Fisher and Mr. Poole will be attending the meeting.
- F. Mr. Fisher reported that he has scheduled himself, as well as Mr. Spoonhoward, Mr. Diana, Mr. Brnilovich, and Mr. Stitely for a Capacity Management Operation and Maintenance (CMOM) and asset management training workshop to be held in the first week of August, 2009. The cost of the class is \$100.00 per employee, and the employees will earn six (6) DEP credit hours toward their operator’s continuing education requirements.
- G. Mr. Fisher requested Board approval for the Board Secretary and Assistant Secretary-Treasurer to sign and submit the Act 205 questionnaire for the pension plan. Mr. Fisher explained that this is a routine questionnaire that is completed annually. A motion was made by Mr. Chrzan, and seconded by Mr. Testa to authorize Mr. Marks and Mrs. Wtorkowski to sign and submit the Act 205 questionnaire. The motion passed unanimously.
- H. Mr. Watson referred to item no. 9 on the General Manager’s report, and asked Mr. Fisher if the meeting with representatives of the Landfill was routine. Mr. Fisher explained that the Authority has been communicating with landfill representatives for the past four years regarding changes to their discharge permit. The landfill has been submitting to the Authority and to the Commonwealth of Pennsylvania quarterly reports of their leachate analysis. The landfill was testing leachate as it was leaving the landfill before it was being pumped to the pond, and reporting that information to the Authority and to the State. Discharge from the pond is then pumped into the sewer system for treatment here at the plant. Samples taken at the discharge of the pond have shown lower results. The landfill should have been reporting the results from the pond and not the results from the samples that were taken directly from the landfill. Mr. Fisher is currently working with representatives of the landfill to modify the parameters stated in the agreement.

This concluded Mr. Fisher’s General Manager’s report. The complete report is attached to these minutes.

8. Consulting Engineer – Mark Poole, Wade Trim, Inc.:

Mr. Poole reviewed the written report dated July 16, 2009, which was distributed on July 10, 2009.

A. Solids Processing Project:

- 1. Mr. Poole reported that the Solids Processing Project is moving forward. A design progress meeting was held on June 24, 2009. The minutes of this meeting are attached to the Consulting Engineer’s report.

Mr. Poole reported that the centrifuge pilot test, which was conducted by Andritz, Inc., was successful. Mr. Poole stated that the Andritz unit is a nice one, and is being given heavy consideration. The Andritz unit is easier to disassemble for maintenance than the Siemens unit. Mr. Poole is waiting for the pilot test results and price quote.

2. Mr. Poole reported that he and Mr. Fisher met with a man about micro turbines, a small jet engine that runs on methane gas. Mr. Poole stated that there may be grant money available for projects related to energy efficiency. Mr. Poole is currently investigating to see if the Authority can apply, but stated that an energy audit would have to be completed, first. The grant application is due on August 14, 2009.
3. Mr. Poole requested that the Legal and Engineering Services Committee schedule a meeting to discuss progress of the design work, and run the current design plans past the committee.

B. Wet Weather Issues:

1. Mr. Poole reported that the Authority has received nothing from the regulatory agencies regarding the Long-Term Control Plan, and the NPDES Permit renewal will not be issued until the PaDEP approves the Long-Term Control Plan. Approval of the plan was to have been given by the end of May 2009. Mr. Poole stated that Mr. Paul Eiswerth, of the PaDEP, is waiting for Irwin Borough's implementation plan, which is to be submitted by Irwin Borough's Consulting Engineer, Lucian Bove, before approving WWMA's Long-Term Control Plan. The Authority's NPDES permit renewal will not be approved until the Long-Term Control Plan is approved.

C: Semi-Annual Transfer to Capital Improvement Fund:

1. Mr. Poole reported that each January 10th and July 10th, the Consulting Engineer is required to recommend a transfer to the Capital Improvement Fund, in accordance with the Trust Indenture. Mr. Poole recommended that the Authority transfer \$300,000.00 from the Revenue Fund to the Capital Improvement Fund. This would bring the balance in the Capital Improvement Fund to \$2,007,328.00. A motion was made by Mr. Chrzan, and seconded by Mr. Watson, to transfer \$300,000.00 from the Revenue Fund to the Capital Improvement Fund. The motion passed unanimously.

D. Mr. Fisher reported that plant personnel took down the sludge thickener this week, for cleaning and inspection. It was discovered that the bridge support beams are severely deteriorated, and are delaminating in big sheets. Also, the conduit is severely rotted, and the concrete walls are pitted. The Authority will need to include in the current plant upgrade design the repair of the sludge thickener. This will be discussed with the Legal and Engineering Services Committee.

This concluded Mr. Poole's Engineer's report. The complete report is attached to these minutes.

Mr. Marks asked how the post-analysis of the Wet Weather Improvements Project is proceeding, following the resolution of the Westmoreland Electric claim. Mr. Campfield explained that there were several factors that contributed to the problems with the project:

1. There was not a defined hierarchy of responsibility.
2. The contract should include a formal mechanism to address issues as they arise, rather than letting them fester.
3. The Authority needs to decide if there will be an outside inspector/manager for an ongoing project. Mr. Fisher explained the benefits of assigning the task of project management to the contractor.
4. Mr. Campfield stated that the timelines for the work performance were unrealistic. Mr. Fisher responded, explaining that, if it weren't for the vendor errors, the timeline probably would have been achievable.

Mr. Poole explained that everyone is involved in the design work, stating that he is working closely with Mr. Fisher, and the plant personnel are providing input regarding design of the lab, placement of equipment, and future maintenance of equipment. Mr. Poole stated that information is provided regularly to Mr. Fisher at the design progress meetings.

9. Solicitor's Report – John Campfield –

- A. Mr. Campfield request Board approval of Resolution No. 2009-03, ADOPTING AN IDENTITY THEFT PREVENTION PROGRAM, IN COMPLIANCE WITH THE FEDERAL TRADE COMMISSION'S RED FLAGS RULE. Mr. Campfield explained the requirements of implementing an identity theft prevention

program, and how they apply to the Authority. A motion was made by Mr. Testa, and seconded by Mr. Nabuda, to approve Resolution No. 2009-03. The motion passed unanimously.

- B. Mr. Campfield requested Board approval of Resolution No. 2009-04, AUTHORIZING THE AUTHORITY TO ENTER INTO COOPERATIVE AGREEMENTS WITH THE CENTRAL WESTMORELAND COUNCIL OF GOVERNMENTS (COG) AND AUTHORIZING AND DIRECTING ON BEHALF OF THE AUTHORITY ALL MATTERS NECESSARY TO CARRY OUT SUCH COOPERATIVE AGREEMENTS. This is a continuing resolution of the Authority subject to periodic motion by the Authority to enter any particular cooperative purchasing agreement. After discussions, a motion was made by Mr. Chrzan, and seconded by Mr. Konkus, to approve Resolution No. 2009-04. The motion passed, 7-0, with an abstention by Mr. Marks, who is employed by the Central Westmoreland COG. A memorandum, signed by Mr. Marks, is attached to these minutes.
- C. Mr. Campfield requested Board approval to enter into a purchasing agreement with the Central Westmoreland Council of Governments (COG) for the period from September 30, 2009 through September 30, 2010. A motion was made by Mr. Chrzan, and seconded by Mr. Nabuda, to enter into a purchasing agreement with the Central Westmoreland COG, for the period from September 20, 2009 through September 30, 2010. The motion passed, 7-0, with an abstention by Mr. Marks, who is employed by the Central Westmoreland COG. A memorandum, signed by Mr. Marks, is attached to these minutes.
- D. Mr. Campfield requested Board approval to authorize the Authority Secretary to sign a power of attorney, authorizing TALX to be PMAA's agent for unemployment compensation matters. A motion was made by Mr. Chrzan, and seconded by Mr. Testa, to authorize Mr. Marks to sign the power of attorney. The motion passed unanimously.
- E. Mr. Campfield referred to a letter regarding conflict of interest, which was distributed to the Board members this evening. Mr. Campfield explained that, if a Board member, or a member of a Board member's immediate family, is associated with a vendor, even as an employee, the Board member must abstain from voting on the approval of payment. Mr. Campfield recommended separating payment requests for vendors that present a conflict for a Board member. After discussion, it was decided that a separate requisition would be prepared for each item that would present a conflict of interest for a Board member. Mr. Santimyer requested that Mr. Campfield obtain clarification about stock ownership in a vendor being considered ownership of the company.

This concluded Mr. Campfield's report.

10. Reports of Committees:

- A. Grounds and Maintenance Committee – Mr. Santimyer –
Mr. Santimyer reported that the grounds were cleaned well following the June 17, 2009 flooding. Mr. Fisher stated that plant personnel replaced the lights and soffit on the entrance ceiling.
- B. Personnel Committee – Mr. Nabuda reported that two employees are currently on short-term disability leaves. One employee is expected to return on August 13, 2009. A third employee returned from a short-term disability leave on July 6, 2009.
- C. Finance and Budget Committee –
 - 1. Mr. Chrzan reported that the Authority received \$13,659.62 in interest in June, for a year-to-date total of \$102,847.13. Interest rates on CDs are very low at this time.
 - 2. Mr. Chrzan reported that a certificate of deposit for the Capital Improvement Fund is scheduled to mature on August 8, 2009. Mr. Chrzan is recommending that the Authority reinvest the proceeds in a twelve (12)-month public funds CD, with the Huntington National Bank, in the amount of approximately \$303,810.41, at an approximate rate of 1.65%. A motion was made by Mr. Chrzan, and seconded by Mr. Nabuda, to purchase the CD. The motion passed unanimously.
- D. Insurance Committee – Mr. Fisher requested Board approval for the renewal of the Board members' accidental death & dismemberment policy, for a period of one (1) year, at a total cost of \$120.00. A motion was made by Mr. Chrzan, and seconded by Mr. Testa, to approve the renewal of the policy. Mr. Fisher was instructed to request information regarding beneficiary assignments of the policy.

- E. Sludge Committee – Due to Mr. Caroline’s absence, there was nothing to add to the report that was previously submitted.
- F. Legal and Engineering Services Committee – Mr. Testa asked the members of the committee to schedule a meeting to discuss the project.

11. Change Orders and Pay Estimates – None

12. Requisitions:

Mr. Pioth presented the following requisitions with the motions to approve as follows:

- A. Capital Improvement Fund Requisition No. 82: A motion to approve the corrected amount of requisition No. 82, dated June 18, 2009, from \$34,200.00 to \$33,500.22 was made by Mr. Chrzan, and seconded by Mr. Watson. The motion passed unanimously.
- B. Capital Improvement Fund Requisition No. 83 in the amount of \$3,400.00. Motion to approve was made by Mr. Chrzan, and seconded by Mr. Watson. The motion passed unanimously.
- C. 2005 Construction Fund Requisition No. 2005-51 in the amount of \$24,985.01. Motion to approve was made by Mr. Testa, and seconded by Mr. Watson. The motion passed unanimously.

13. Board Member Comments –

- A. Mr. Chrzan reported that the costs related to the Authority’s open house were less than the budgeted amount. Attendees included representatives from North Huntingdon Township, Penn Township, and Irwin Borough. The Board members appreciated the opportunity to talk with representatives of member municipalities. Mr. Watson stated that it was a pleasure to work with Mr. Chrzan in planning the open house. Mr. Pioth commended Authority employees for their fine work in preparation for the open house.

- 14. A motion was made by Mr. Konkus, and seconded by Mr. Santimyer, to enter into an executive session to discuss matters of current or potential litigation with North Huntingdon Township Municipal Authority. The motion passed unanimously. The time was 8:50 P.M.

A motion to return to the regular order of business was made by Mr. Testa, and seconded by Mr. Chrzan. The motion carried unanimously. The time was 9:15 PM.

A motion was made by Mr. Chrzan, and seconded by Mr. Mr. Konkus, to cease negotiations with the North Huntingdon Township Municipal Authority regarding the Ardara Line. Mr. Santimyer stated that ceasing negotiations would delay the process. A roll-call vote was requested.

Mr. Chrzan – yes	Mr. Konkus – yes	Mr. Marks – no
Mr. Nabuda – yes	Mr. Pioth – yes	Mr. Santimyer – no
Mr. Testa – no	Mr. Watson – no	

The vote was tied, 4-4; therefore, the motion failed.

A motion was made by Mr. Marks, and seconded by Mr. Konkus, to authorize the Solicitor to notify the North Huntingdon Township Municipal Authority that their offer is insufficient. Mr. Testa asked if the Board was standing by its original offer. Mr. Marks stated that his motion states only that their offer is insufficient. Mr. Nabuda asked if the Authority would currently be in discussions concerning the sale of the Ardara system if the North Huntingdon Township Municipal Authority had completed the connection of their service lines to the WWMA system. Mr. Fisher replied that it would not be in discussions. A roll-call vote was requested.

Mr. Chrzan – yes	Mr. Konkus – yes	Mr. Marks – yes
Mr. Nabuda – yes	Mr. Pioth – no	Mr. Santimyer – yes
Mr. Testa – yes	Mr. Watson – yes	

The motion passed, 7-1.

A motion was made by Mr. Testa, and seconded by Mr. Santimyer, to direct the Solicitor to respond to the North Huntingdon Township Municipal Authority that the Authority is not accepting their offer, that the Authority stands by its original offer, and that they must respond by WWMA's next regular meeting. A roll-call vote was requested.

Mr. Chrzan – no
Mr. Nabuda – no
Mr. Testa – yes

Mr. Konkus – yes
Mr. Pioth – no
Mr. Watson – yes

Mr. Marks – yes
Mr. Santimyer – yes

The motion passed, 5-3.

15. A motion to adjourn the meeting was made by Mr. Santimyer, and seconded by Mr. Marks. The motion carried unanimously. The time was 9:34 P.M.

Anthony Marks
Secretary