

**SUMMIT TOWNSHIP SEWER AUTHORITY
MONTHLY BUSINESS MEETING
JANUARY 30, 2020**

The regular monthly business meeting of the Summit Township Sewer Authority was called to order with the Pledge of Allegiance at 9:22 a.m. at the Sewer Authority Building, 8890 Old French Road, Erie, Pennsylvania. CALL TO ORDER

Present: Chris Fette, Chairman; Michael Rose, Vice Chairman; Laban Marsh, Secretary; Cloyd J. Rose, Ass't Secretary; Mark Welka, Treasurer; William C. Steff, P.E., Manager; George Joseph, The Quinn Law Firm; Chad Yuriscic, P.E., Greenman-Pedersen; Caitlyn Haener-Schwab, Administrative Supervisor. Visitors: none. ROLL CALL

Motion by Mr. M. Rose, seconded by Mr. Marsh, to approve the minutes of the December 19, 2019 Regular Business Meeting. Vote 5/0. 12/19/19 REGULAR MINUTES

Motion by Mr. Welka, seconded by Mr. M. Rose, to approve the Treasurer's Report as submitted to and reviewed by all Board members. Vote 5/0. TREASURER'S REPORT

Motion by Mr. Welka, seconded by Mr. M. Rose, to approve the Expenditure Report as submitted to and reviewed by all Board members. Vote 5/0. EXPENDITURES

SOLICITOR'S REPORT

Solicitor Joseph explained that the Authority adopted Resolution No. 4 – 2019, a resolution adopting a schedule of attorney's fees in connection with the collection of delinquent sewage charges pursuant to Act 1 of 1996, at the December 19, 2019, Regular Business Meeting but the original resolution was not signed at that time. Solicitor Joseph collected the signatures on Resolution No. 4 - 2019. SIGNATURES

Solicitor Joseph reported that the Wander residence (1741 Robinson Road) was sold at a Sherriff's Sale earlier this month. The Authority has a lien in place for delinquent sewer charges in the amount of \$954.83 and can expect to receive payment as a result of the sale. WANDER
1741 ROBINSON

Solicitor Joseph reported that he has drafted new proposed wording regarding the definition of essential services for the Board to consider submitting while the Summit Township zoning revisions are underway. Solicitor Joseph highlighted that the new proposed wording includes that retention tanks are for emergency use and temporary storage only. The revision should address concerns expressed by local residents and supervisors that the tanks would be used more frequently. Discussion ensued. The Board will revisit once Article Six of the proposed zoning revisions is available for review and comment. Then the Board will reconsider submitting input on both the Essential Services and the odors sections at that time. Solicitor Joseph will have a recommendation for Article Six ready to review for consideration at the February Regular Business Meeting. ZONING:
ESSENTIAL
SERVICES
DEFINITION

Solicitor Joseph reported that he has reviewed the Erie County Redevelopment Authority loan commitment letter. Solicitor Joseph reports that he was not able to resolve the ECRDA LOAN
LETTER

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collateral issue because he did not receive a response. Solicitor Joseph deferred to the Manager's Report for further discussion.

ECRDA LOAN
LETTER (Cont.)

ENGINEER'S REPORT

Engineer Yurisc reported that the Oliver Road Gravity Sewer Planning Module has been submitted to DEP and the review is nearly complete. Engineer Yurisc reports that once the planning module is approved, the Authority will apply for the water quality permit. Engineer Yurisc estimates that the project could be awarded in June for Summer 2020 construction, if the approvals come in soon enough.

OLIVER ROAD
GRAVITY

Engineer Yurisc reported that the Oliver Road Lift Station Upgrades Project design planning is nearly complete. Engineer Yurisc added that he will continue to proceed with planning efforts since Manager Steff has had a constructive negotiation with the owners of the land required for the project. Engineer Yurisc deferred the topic to the Manager's Report for further discussion.

OLIVER ROAD
LIFT STATION
UPGRADES
PROJECT

Engineer Yurisc reported that the a new Act 57 Schedule of Fees – January 2020 has been prepared and distributed to all Board Members for review and comment. The current schedule of fees has been in effect since November 2017. Engineer Yurisc explained that the new schedule includes Oliver Gravity Project and Oliver Lift Station Upgrade Project estimates. Engineer Yurisc will update the schedule with actual costs in 2021. Engineer Yurisc explained that there is no retention in the schedule at this time. Discussion ensued.

UPDATED
ACT 57 FEES

Motion by Mr. Marsh, seconded by Mr. Welka, to adopt the January 2020 Act 57 Schedule of Fees. Vote 5/0.

ADOPT UPDATED
ACT 57 FEES

MANAGER'S REPORT

Manager Steff reports that Administrative Supervisor Haener-Schwab is requesting to carryover 7 days and 5 hours of vacation from 2019. According to the personnel code, the Board must approve any vacation carryover in excess of 5 days.

VACATION
CARRY
FORWARD

Motion by Mr. M. Rose, seconded by Mr. Marsh, to allow Administrative Supervisor Haener-Schwab to carryover 7 days and 5 hours of vacation from 2019 to 2020. Vote 5/0.

APPROVE
VACATION

Manager Steff reports that the current overhead rate of \$39.00 was adopted at the January 2019 Regular Business meeting. Based on a review of the 2018-2019 Fiscal Year Audit Report, Manager Steff recommends that the overhead rate for 2020 should be raised to \$42.00 per hour.

OVERHEAD

Motion by Mr. C. Rose, seconded by Mr. Marsh, to set the overhead rate at \$42.00 per hour for 2020. Vote 5/0.

UPDATE
OVERHEAD

Mr. Welka left the meeting at 9:55 a.m. to attend another township business meeting.

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Manager Steff presented a proposed Asset Capitalization Policy. The Authority auditors recommended that the Authority should have an asset capitalization policy for the purpose of establishing consistent treatment of similar transactions. Manager Steff explained that the proposed policy will establish the authorization of management’s purchasing allowance, reporting requirements for purchases and disposal of listed property. The Board agreed that the Manager should not have to get prior approval from the Board for purchases expected to cost less than the minimum quotation threshold published annually by the PA Dept. of Labor and Industry; if a purchase meets the quote threshold, then the Manager needs to get prior approval. The Board can give authorization at a regular meeting or, on an emergency basis, over the phone by a poll to be ratified at the following regular meeting. The Board agreed that the manager should have to get prior approval before disposing of any listed assets, no matter the original value or salvage value, and the proposed policy must be revised to reflect this decision. The Board agreed that the definition of the term ‘Capital Asset’ should stipulate that the property must have a useful life of greater than 36 months, rather than the proposed policy of greater than 12 months useful life. Administrative Supervisor Haener-Schwab responded that, although the 12 month timeframe is short, an expenditure would still have to meet the spending threshold to be capitalized. The Board preferred to use a 36 month useful life for the policy and directed Administrative Supervisor Haener-Schwab to get an opinion from the auditors on the issue of useful life; the policy will be revised in the future if the response from the auditors requires a change.

ASSET
CAPITALIZATION
POLICY

Motion by Mr. Marsh, seconded by Mr. M. Rose, to adopt the Asset Capitalization Policy, which reflects the changes discussed and will be reviewed by the auditors. Vote 4/0.

ADOPT ASSET
CAPITALIZATION
POLICY

Manager Steff provided an update on the ongoing The Erie County Redevelopment Authority (ECRDA) Loan Application process for the upgrades at the Meadows Lift Station. Manager Steff reports that he does not recommend continuing to pursue a loan with ECRDA at this time. Manager Steff recommends that the Authority apply to obtain a loan directly from S.T.E.I.D.A.. Solicitor Joseph offered to work with Solicitor Sennett to determine what is needed for an application and loan agreement. Discussion ensued.

MEADOWS LIFT
STATION LOAN

Motion by Mr. M. Rose, seconded by Mr. Marsh, to approve the negotiation and submission of a loan proposal for a \$400,000.00 loan from S.T.E.I.D.A.. Vote 4/0.

APPROVE
APPLICATION FOR
STEIDA LOAN

Motion by Mr. Marsh, seconded by Mr. M. Rose, to reject the loan offer from ECRDA. Vote 4/0.

REJECT ECRDA

Manager Steff reported that he has been negotiating to acquire the additional land needed for the Oliver Road Lift Station Upgrades Project. Manager Steff reported that he has been negotiating with Carolyn Cullen, who has represented to Manager Steff that she is representing herself and the two other owners of the property. Manager Steff has negotiated the Authority’s acquisition of a 660 sq. ft. parcel, 44ft x 15ft, adjacent to the current Oliver Road Lift Station site, in exchange for \$2,000.00 total paid to the owners and the Authority will cover all the costs of the subdivision and acquisition. Manager

OLIVER ROAD
LIFT STATION
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Steff recommends that, if the Board authorizes the deal to proceed, the Authority should retain Henry T. Welka to begin work on the subdivision.

Motion by Mr. Marsh, seconded by Mr. M. Rose, to authorize an agreement to proceed between the Authority and the owners of the parcel adjacent to the Oliver Road Lift Station for a 660 sq. ft. parcel in exchange for \$2,000.00 plus costs AND to retain Henry T. Welka to begin work on the subdivision. Vote 4/0.

OLIVER ROAD
LIFT STATION
UPGRADES
PROJECT
(Cont.)

AUTHORIZE
AGREEMENT TO
ACQUIRE PARCEL
AND RETAIN
WELKA

NEW BUSINESS

None.

With no further business to come before the Board, Mr. Marsh motioned to adjourn, seconded by Mr. M. Rose. Vote 4/0.

ADJOURNMENT

Chairman Fette adjourned the meeting at 10:23 a.m.

Respectfully submitted by,

Caitlyn Haener-Schwab
Administrative Supervisor