

Minutes of the Fox Chapel Authority Board of Directors held Tuesday October 26th, 2021.

Due to the continued Covid-19 pandemic meetings have been a mix of in-person attendance, Zoom calls and phone conference calling. This should be expected to continue to be the normal process for some time.

Board of Directors present

Mrs. A. C. Lehman, President (Zoom)
Mr. P. A. Iurlano, Vice President (Zoom)
Mr. J. A. Domaratz, Treasurer (Absent)
Mrs. S. M. Mantia, Secretary (Zoom)
Mrs. N. S. Snider (Present)
Mr. C. Pegher (Zoom)
Mr. D. Newman (Present)

Others present

Mr. M. S. Moore, Bankson Engineers, Inc. (Present)
Mr. A. A. Ditka, Dinsmore & Shohl (Zoom)
Mr. Justin C. Jump, Manager (Present)

Mrs. Lehman, President, presided and called the meeting to order at 7:01 p.m.

Approval of September 2021 Meeting Minutes

Mrs. Mantia made a motion to approve the September meeting minutes and Mr. Newman seconded, all voted in favor.

Visiting Delegations/Comment Period

None.

Financial Report

Mr. Jump provided the income statement and balance sheet for September 2021 and the budgeted statement of income for review prior to the meeting. Mr. Jump reviewed the details under the Statement of Income and Comprehensive Income. Mr. Jump also reviewed and commented on the Budgeted Statement of Income.

Mrs. Lehman questioned how the Authority was doing with accounts that were in arrears. Mr. Jump responded that past due accounts are improving due to a combination of payment agreements, residents returning to work and residents that qualify for assistance.

Mr. Ditka clarified a question from Mr. Newman that historically the Authority has strived for a 1% or \$1,000,000 per year return on capital improvements to the Authority infrastructure. The Authority budget has been conservative at the \$750,000 for the past few years.

Mrs. Snider has asked that we review the adjustment policy requests and bring all requests to the attention of the Board on a monthly basis. Mr. Jump to prepare this going forward.

Consulting Engineer's Report

Mr. Moore reviewed the current status of the River Road drainage project and construction status. The contractor advised that the duckbill style check valve will not work in this application, and had resorted back to the original design. The expected delivery date is near the end of October. The Cabin Lane project is complete and all contractual requirements have been met. The 2021 Paving Repairs are ongoing, Mr. Jump commented that Folino Construction is on the system and proceeding. Mr. Moore commented that the SCADA package was reviewed by Bankson and comments were submitted to the Authority.

Solicitor's Report

Mr. Ditka commented on the status of the PWSA contract renewal and subsequent meeting that occurred with PWSA and Fox Chapel Authority. Mr. Ditka along with FCA will review and submit a contract proposal to PWSA to begin negotiations. Mr. Ditka explained that the contract will be somewhat different this time around, in that the PUC has final say on the agreement.

Manager's Report

Mr. Jump reviewed the remaining items on the monthly manager report to include updates on Cabin Lane, Longfellow and the Meter Replacement Pilot Program.

Mr. Jump also advised the Board that the 2021 Annual Flushing Program is continuing and expected through November.

During review of the water loss percentage, Mrs. Mantia questioned the services of Aqua Jet and the leak detection services they provide. Mr. Moore did confirm that the highest the loss percentage was previous to the use of Aqua Tech was 34%, and we are now at 24% with the uni-directional flushing occurring. Mr. Jump to work with the Supervisors to brainstorm alternate methods of finding water loss, and to look into any areas that might be suspect to water theft.

Mrs. Snider questioned the bonding of Authority Board Members. Mr. Jump to review this with the insurance provider MRM, and review with Mr. Ditka.

Committee Reports

The Finance Committee met on October 15th, 2021 to discuss the current loan agreement with FNB, and possible further loan and or bond agreements. The Finance Committee suggested to the Authority Board that it is in its best interest to refinance the current debt into a new loan and/or rate modification. Mrs. Mantia made a motion to give Mr. Jump approval, working with Mr. Ditka, to send out proposals to additional lending institutions for refinancing of the current debt. This motion was seconded by Mrs. Snider, all voted in favor. There will be a 15-day timeline on responding to the proposal, and a requirement of no penalty for early payoff.

Refinancing of the current debt service will give the Authority the immediate opportunity to save money on its current loan, while giving the Authority time to review further borrowing opportunities for long term capital needs.

The Personnel Committee will also tentatively be scheduled to meet before the next meeting.

Old Business

Mr. Jump reviewed the items listed out under old business. The accounting policies audit and following operational policy is being finalized and will be sent to Deluzio and Associates for a final review. The request from the insurance provider for the Cyber Security questionnaire has been submitted. Initial feedback is that the current rate could possibly increase by a few hundred dollars. Once the underwriters review the questionnaire, the Authority will be alerted of the premium for 2022.

The remaining items under Old Business were discussed under Solicitors Report, Engineers Report and Managers Report.

New Business

Mr. Jump reviewed issues with Costa Construction in regards to a missing meter and water theft. Mr. Jump to work with Mr. Ditka to send out a lettering with tampering fines to Costa Construction.

Mr. Jump to work with the Supervisors to brain storm ideas to communicate with the remaining customers withing the service of the Authority that may still have lead service lines, and work with these customers to get their lines replaced.

Mr. Jump received the 180 Day notification to begin contract negotiations for the union employees. Mr. Jump to use the services of Clark Hill as needed for this negotiation.

Executive Session

There was no executive session for this meeting.

Board Comments

Mrs. Lehman reminded the Board that there is only one remaining meeting for 2021. Mr. Jump to send out email for scheduling.

Adjournment

There being no further business, Mrs. Mantia made a motion to adjourn, which was seconded by Mr. Newman. All voted in favor. The meeting was adjourned.