

Minutes of the Fox Chapel Authority Board of Directors meeting held Tuesday 8/29/17 at 7:00 PM at the Fox Chapel Authority office, 255 Alpha Drive, O'Hara Township, PA.

Board of Directors present	Mr. P. A. Iurlano, President Dr. B. D. Newman, Vice President Mrs. S. M. Mantia, Secretary Mr. R. D. Sikon, Asst. Sec./Treas. Mrs. A. C. Lehman
Board of Directors absent	Mr. J. A. Domaratz, Treasurer Mr. E. W. Nolder
Others present	Mr. A. A. Ditka, Dinsmore & Shohl Mr. M. S. Moore, Bankson Engineers, Inc. Mr. M. E. Nicely, Manager

Mr. Iurlano, President, presided and called the meeting to order at 7:00 PM.

#### Approval of Minutes

Mr. Iurlano requested any comments or corrections the minutes of the July 25, 2017 meeting. There being none Dr. Newman made a motion to approve as presented. Mr. Sikon seconded with all in favor.

#### Visiting Delegations/Public Comment Period

None.

#### Financial Report

Mr. Nicely reviewed those items which don't appear on a recurring basis in the check register after which it was accepted. He continued with a brief review of the July income statement, balance sheet and actual versus budget comparison. Mr. Iurlano requested a check on the budget projections related to the rate increase placed into effect earlier this year.

#### Consulting Engineer's Report

Mr. Moore summarized his written report with an update on the North Tank repainting. A-1 has completed blast cleaning and applying the prime coat to the exterior.

Regarding the Booster Station upgrading the electrical drawings are being reviewed and the construction permit application will be sent to DEP within the next month.

Folino is to contact Mr. Nicely to schedule paving repairs.

#### Solicitor's Report

Mr. Ditka mentioned that he and Mr. Nicely had a conference call earlier today to revisit the bank loan with representatives from First National Bank. He continued with a discussion of the pros and cons of the loan versus bond issue with the major points as follows:

1. Lower fixed interest rate with the same term
2. Trust Indenture requirements gone – many will be kept for business reasons.

3. Continuing disclosure requirements (EMMA) gone
4. Ease of administration
5. No trustee and annual fees
6. Cover requirement increases from 10 to 20%

After discussion it was agreed to proceed with the bank loan with several changes namely the inclusion of allowing a first lien on revenues to enable a future borrowing and a prepay clause with 60 day notice. A special meeting will be advertised for September 19, 2017 to adopt a resolution for the bank loan.

#### Manager's Report

Mr. Nicely noted that a candidate has been selected for the receptionist position and should be hired during the week of September 4, 2017.

#### Committee Reports

None.

#### Old Business

None.

#### New Business

Mr. Nicely presented the resolution to transfer the non-union employee's pension plan from PNC to First National Bank as Trustee. Mrs. Mantia made a motion to have the proper officers execute the agreement. Mrs. Lehman seconded with all in favor. In addition the service agreement and authorized signature list was executed.

Mr. Nicely reviewed his memo regarding the property at 108 Mayflower Drive requesting water service from Orchard Drive for a new garage. After review of the Rules and Regulations the property may either connect to the existing house service or extend the main along Orchard Drive.

Mr. Nicely brought the proposed fee changes from DEP to the groups attention.

#### Executive Session

None.

#### Adjournment

There being no further business to come before the Board of Directors Mrs. Lehman made a motion to adjourn at 8:05 PM. Mrs. Mantia seconded with all in favor.