

Minutes of the Fox Chapel Authority Board of Directors meeting held Tuesday 4/24/18 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 Mrs. A. C. Lehman, Vice President Mrs. S. M. Mantia, Secretary Mr. J. A. Domaratz, Treasurer Mr. R. D. Sikon, Asst. Sec./Treas. Mrs. N. S. Snider Mrs. R. C. Saunders
Others present	Mr. M. S. Moore, Bankson Engineers, Inc. Mr. S. C. Garin, Dinsmore & Shohl Mr. M. E. Nicely, Manager
Guests	Mr. Jason Davidek, Exec. Director ALOM Mr. Patrick Reisinger, Centurion Group

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

Approval of Minutes

Mr. Iurlano requested any comments or corrections to the minutes of the February 27 and March 27, 2018 meetings. There were no comments regarding the February 27, 2018 minutes. Therefore Mrs. Lehman made a motion to accept as presented. Mr. Domaratz seconded with all in favor.

Mrs. Mantia had several comments regarding the March 27, 2018 minutes under Approval of Minutes. Specifically in the fourth and fifth lines place a period after the word "differently", delete the word "and" and capitalize the word "She". In the seventh line add the phrase "since January of 2009", after the word "job."

Visiting Delegations/Public Comment Period

Mr. Jason Davidek, Executive Director of ALOM, and Mr. Patrick Reisinger of Centurion Group did a presentation on a 457 (b) pension plan available to all full time employees. After discussion Mrs. Lehman made a motion to proceed with this after reviewed by the Solicitor. Mrs. Mantia seconded with all in favor.

Financial Report

Mr. Nicely reviewed the check register for March/April and noted those items that do not appear on a regular basis after which the register was accepted. Mr. Nicely continued with a review of the March income statement, balance sheet and actual versus budget comparison. Earlier today the auditor and staff basically resolved the issue which accounted for us being unable to close our books. It appears that when we switched depositories in late 2017 the third party which handles credit and debit cards along with telecheck services didn't switch the telecheck services to our new depository. While the customers' accounts were kept current the associated deposits weren't hitting our bank resulting in a failure to balance our books and close each month. This will be totally resolved with the April statements. The income and expense statement shows that we are \$115,000 ahead of last March due to the rate increase. Our actual versus budget comparison is within \$4000 for the first quarter.

Mr. Nicely continued with the 2017 audit which was presented last month in draft form. Upon a motion by Mr. Sikon to approve the audit followed by a second by Mrs. Mantia the audit was accepted.

Consulting Engineer's Report

Mr. Moore reviewed his written report briefly. He then presented a bid tabulation and recommendation letter to award the 2018 paving contract to A. Folino Construction, Inc. in the amount of \$77,233.10. Mr. Domaratz made the motion with Mrs. Mantia seconding. All voted in favor with one abstention for personal reasons.

Solicitor's Report

None.

Manager's Report

Mr. Nicely briefly reviewed his written report but noted that our new receptionist started on April 16, 2018 and that the audit was sent out for publication. In addition the DCED report was completed and sent to the state and our municipalities along with the audit.

Mr. Nicely continued by explaining that the water loss graph has changed because of an interesting and informative session attended by Mr. Sikon at PRWA concerning water loss. We now will be adhering to the AWWA format so we are able to compare our metrics with any other utility using that system.

He also printed a press release that PWSA has authorized a mid-year rate adjustment to cover a revenue shortfall to cover the costs of compliance since they are now under the jurisdiction of the PUC.

Committee Reports

The Finance Committee met on April 17, 2018 to review the pension plans performance since our switch to First National Bank from PNC late last year. Our next scheduled review will be in July and we'll be drafting a detailed investment policy for review at that meeting.

Old Business

The group discussed the marketing brochure for the National League of Cities Service Line Warranty program. Both Mr. Nicely and Mr. Sikon were instructed to modify this brochure to reflect our system more closely for review next month.

Mr. Nicely reviewed his findings and memo regarding our fueling. It was installed 35 years ago and appears to be approaching the end of its useful life. Decommissioning will cost \$25,000 and to replace and upgrade with a similar system would cost \$165,000. His recommendation is to move to a fuel card purchasing system and decommission our current system later this year and budget for removal in 2019. Mr. Domaratz made a motion to that effect. Mrs. Mantia seconded with all in favor.

New Business

The group was asked to review and discuss the one item of a policy nature in the revised Rules and Regulations provided last month. That item deals with the one-time adjustment of an unknown service line, toilet leak, etc. After some discussion on both sides of the issue it was agreed to leave that policy in place.

Executive Session

None.

Board Comments

None.

Public Comments on Non-Agenda Items

None.

Adjournment

There being no further business to come before the Board of Directors Mrs. Snider made a motion to adjourn at 8:41 PM. Mrs. Mantia seconded with all in favor.