

SAXONBURG AREA AUTHORITY BOARD MEETING
Meeting Minutes
September 19,2023

Vice Chairman Doug Farney called the meeting to order at 5:31 p.m.

Roll Call

Rob Mrozek, Scott Herbst, John Ham, Joe Neubert, Doug Farney, Curt Heakins, and Doug Roth were present. Gregory Clifford and Patricia Rinebolt were absent.

Also in attendance were Mary Papik/Controller, Melissa Wolfe/Billing Coordinator, Halei Protzman/Billing Technician II, Chuck McGee/Director of Operations, Paul Cornetti/Manager, and Donald Graham/Solicitor.

Correspondence

None

Minutes

Vice Chairman Doug Farney asked if there were any additions or corrections to the Minutes of August 15, 2023. Hearing none, they were approved as submitted.

Public Comments

None

Director of Operations Charles McGee

Operations Report, Item A.10

Mr. McGee was in attendance and provided an update on the status of the Powell Road Force Main Sewer Line Replacement Project. He expects that the line will be replaced in the upcoming days.

Introduction of Halei Protzman, New Item

Paul introduced Halei Protzman, the new front office employee to the Board. The Board welcomed Halei to our team.

Mary Papik Retirement, New Item

Paul explained that tonight was Mary's last meeting. The Board thanked Mary for the past 19 years of meeting attendance.

Billing Coordinator/Director of Finance Melissa Wolfe

SAA Board of Director Reappointments, Item A.9

Melissa explained that she had contacted Mr. Clifford, Mr. Ham, and Mr. Farney regarding their reappointments to the Authority Board. All wished to be reappointed. Mrs. Papik explained that these reappointments are on the Borough's agenda for this evening.

2024 Board of Director Meeting Dates, Item A.11

Melissa inquired about the Board's desires to keep the same Board of Directors meeting schedule. The Board would like to maintain the same schedule. Melissa will bring a schedule for advertisement to next month's meeting.

Controller

Mary Papik

Bills, Item C.2.3

<i>Purpose</i>		SAA	Borough	Park	Total
Borough General Fund	Decrease Adjustments	\$682.48	\$4,380.59	\$1,604.84	\$6,667.91
	Payroll	\$62,701.79	\$31,803.91	\$640.78	\$95,146.48
	Checks Paid				\$0.00
SAA Revenue Fund	Decrease Adjustments	\$41,858.41	\$8,142.82	\$25.16	\$50,026.39
	Checks Paid	\$63,430.08	\$1,296.77	\$0.00	\$64,726.85
Total:		\$168,672.76	\$45,624.09	\$2,270.78	\$216,567.63

Motion was made and seconded by Doug Roth/Rob Mrozek to approve Authority's portion of the bills as presented in the table above in the total amount of \$168,672.76. The motion carried.

Manager

Paul Cornetti

Connoquenessing Township Sanitary Sewer System, Item A.12

Paul explained that Lambert Rosenbaum from Connoquenessing Sewer Authority contacted the SAA regarding updated costs for connection into the SAA system. He requested this information for inclusion into the Township's 537 Plan. Paul provided last year's report to Mr. Rosenbaum and explained that updated figures would be calculated at the appropriate time.

2024 Draft Budget Presentation, Item C.1

The staff presented the preliminary draft budget for 2024. The draft included \$5.5 million in revenues, of which \$1 million is developer contributions and grants. Revenue has been steady over the past 5 years. The total expenses for 2024 are estimated to be \$7.5 million, of which \$1.6 million is depreciation and \$1.5 million are capital projects. O&M expenses are estimated at \$1.8 million. These O&M expenses have increased dramatically in the past few years. From a cash standpoint, we estimate \$4.9 million in revenue and \$5.8 million in expenses causing a cashflow deficit of \$900k.

Paul provided illustrations that show that new customer connections have been lower in recent years, causing our cash flow to be impacted. The development has slowed in the system, likely due to the economy's interest rates.

Paul presented several alternatives for user rate increases that may be necessary for the 2024 budget year. The Board reviewed and discussed 3 rate adjustment alternatives: a fixed fee, a fixed percentage, and a combination of both. Ultimately, the Board would like

the staff to study the fixed percentage alternative, and present options, including multiple year increases at next month's Board meeting.

Paul also presented the joint splits, joint purchases, and projects along with all capital improvements proposed for 2024.

Butler Co. Infrastructure Bank/2024 Sewer Line Replacement Projects, Item C.13

Last month, the staff requested additional financing for both the emergency Powell Road project, and for the Infrastructure Bank projects currently being designed by HRG. The commissioner's carefully considered funding the emergency project, but ultimately was unable to. We will be considered for the shortfalls of the Infrastructure Bank projects.

New Spreader and Plow for Truck, Item E.8

Paul explained that the proposal for the new spreader and plow came in \$3,000 over budget. Paul requested a motion to split this overage with the Borough.

Motion was made and seconded by John Ham/Scott Herbst to approve the new spreader and plow for a total cost of \$18,000 to be split with the Borough. The motion carried.

Hawkins Crest Phase 2A, Resolution #5-2023, Item I.11

Paul explained this portion of the project is nearing completion and requested the Board's adoption of Resolution #5-2023, accepting ownership of the main sanitary sewer lines extended by Hawkins Crest LLC in Phase 2A, contingent upon the successful completion of all post-construction activities.

Motion was made and seconded by Scott Herbst/John Ham to approve the Resolution #5-2023. The motion carried.

Solicitor Don Graham of Dillion, McCandless, King, Coulter, & Graham, LLP

No report at this time.

Old Business

None.

New Business

None.

Adjournment

The meeting was adjourned at 6:49 p.m.

The next meeting is scheduled for Tuesday, October 17, 2023.

Melissa Wolfe
Billing Coordinator/Director of Finance