

CLAIRTON MUNICIPAL AUTHORITY

BOARD OF DIRECTORS MEETING

May 17, 2022

Meeting called to order at 5:35 PM by John Vitullo.

Executive Session was held from 5:00 P.M. until 5:35 PM to discuss personnel and litigation.

	Present	Absent
<u>Roll Call</u>		
Lawrence Wulf	X	_____
Kevin Johnson	X	_____
Donald Nevills	X	_____
John Vitullo	X	_____
Doug Ozvath	X	_____

Administration/Professional

- Ryan Potts, Superintendent
- Jim Hannan, P.E., Finance Director
- John Mowry, KLH Engineers
- Brian Gabriel, Campbell, Durrant, P.C., Solicitor via Zoom
- Allison Genard, Campbell, Durrant, P.C., Solicitor

Citizens Comments:

None

Kevin Johnson moved, and Donald Nevills seconded the motion to approve the minutes from the April 19, 2022, Regular Meeting and the Special Board meeting of May 10, 2022. The motion carried 5-0.

Lawrence Wulf moved, and Donald Nevills seconded the motion to approve the paying of the bills from April 20, 2022, to May 17, 2022. The motion carried 5-0.

Kevin Johnson moved, and Donald Nevills seconded the motion to approve the Year-to-Date Income Statements for Treatment and Collections. The motion carried 5-0.

Lawrence Wulf moved, and Kevin Johnson seconded the motion to approve Collection System Billing Summary. The motion carried 5-0.

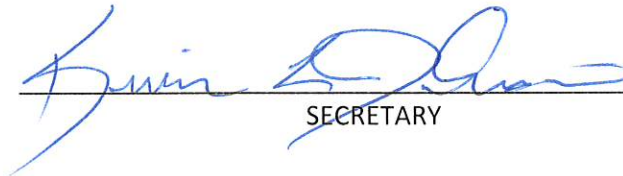
Kevin Johnson moved, and Donald Nevills seconded the motion to approve the request submitted by John Mowry of KLH, for Requisition #373B in the amount of \$886.01. The motion carried 5-0.

Lawrence Wulf moved, and Doug Ozvath seconded the motion to approve the resolution to Borrow with PennVest. The motion carried 5-0.

Donald Nevills moved, and Kevin Johnson seconded the motion to approve the Subordination Agreement with FNB Bank. The motion carried 5-0.

Donald Nevills moved, and Kevin Johnson seconded the motion to approve the Reimbursement Resolution. The motion carried 5-0.

Lawrence Wulf moved, and Donald Nevills seconded the motion to adjourn at 6:00 PM. The motion carried 5-0.



SECRETARY

CLAIRTON MUNICIPAL AUTHORITY

BOARD OF DIRECTORS

Regular Monthly Meeting

Tuesday May 17, 2022

5:00 P.M.

AGENDA

Roll Call and Pledge of Allegiance

Comments from the Public

1. Approval of Minutes
 - a. Motion to approve the minutes from the Regular Board Meeting of April 19, 2022, and the Special Board Meeting of May 10, 2022.
2. Motion to approve the bills
3. Motion to approve the Year-to-Date Income Statements for both Treatment and Collection.
4. Motion to approve Collection System Billing Summary.
5. Finance Report
6. Collection & Operation Report
7. Engineer's Report
 - a. Approval of request submitted by John Mowry of KLH, for Requisition #373B in the amount of \$886.01.
8. Solicitor's Report
 - a. Motion to approve the Resolution to Borrow with PennVest
 - b. Motion to approve the Subordination Agreement with FNB Bank
 - c. Motion to approve the Reimbursement Resolution
9. New Business
10. Old Business

Motion to Adjourn

CMA
MEETING Check Register
For the Period From Apr 20, 2022 to May 17, 2022

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
8831	4/30/22	A&H EQUIPMENT	10310-G	2,658.69
8832	4/30/22	AMAZON CAPITAL S	10310-G	162.16
8833	4/30/22	AMERICAN WATER	10310-G	600.00
8834	4/30/22	Boxer LLC	10310-G	730.00
8835	4/30/22	C. GREGG BOYCE	10310-G	1,000.00
8836	4/30/22	COLUMBIA GAS OF	10310-G	571.52
8837	4/30/22	COMCAST BUSINES	10310-G	489.72
8838	4/30/22	CRAWFORD ELLEN	10310-G	10,100.00
8839	4/30/22	CTS Sports	10310-G	142.00
8840	4/30/22	ENVIRONMENTAL S	10310-G	43.00
8841	4/30/22	FAGAN SANITARY S	10310-G	149.74
8842	4/30/22	Groff Tractor & Equip	10310-G	367.80
8843	4/30/22	HENDERSON PEST	10310-G	90.00
8844	4/30/22	JEFFERSON HILLS	10310-G	108.81
8845	4/30/22	LINK COMPUTER C	10310-G	1,317.69
8846	4/30/22	Madison National Life	10310-G	1,677.60
8847	4/30/22	PASTORE PLUMBIN	10310-G	2,600.00
8848	4/30/22	SHILOH SERVICE, I	10310-G	190.00
8849	4/30/22	SNYDER BROTHER	10310-G	221.10
8850	4/30/22	VERIZON WIRELES	10310-G	415.86
8851	4/30/22	WEX BANK	10310-G	1,801.07
8852	4/30/22	Web-Makeovers	10310-G	150.00
8853	5/17/22	A&H EQUIPMENT	10310-G	272.11
8854	5/17/22	AIRGAS USA, LLC	10310-G	203.75
8855	5/17/22	ALL PRO PITTSBUR	10310-G	400.00
8856	5/17/22	AQUA FILTER FRES	10310-G	108.20
8857	5/17/22	CINTAS	10310-G	354.25
8858	5/17/22	COMCAST	10310-G	1,527.05
8859	5/17/22	DE LAGE LANDEN F	10310-G	230.05
8860	5/17/22	DRNACH ENVIRON	10310-G	4,985.00
8861	5/17/22	DTI Development	10310-G	3,000.00
8862	5/17/22	DUQUESNE LIGHT	10310-G	721.52

CMA
MEETING Check Register
For the Period From Apr 20, 2022 to May 17, 2022

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
8863	5/17/22	ELIZABETH ELECTR	10310-G	199.74
8864	5/17/22	FAGAN SANITARY S	10310-G	324.77
8865	5/17/22	FARNHAM & PFILE	10310-G	1,249.18
8866	5/17/22	FAYETTE PARTS SE	10310-G	55.69
8867	5/17/22	FAYETTE WASTE L	10310-G	139.97
8868	5/17/22	First National Bank	10310-G	3,109.51
8869	5/17/22	FISHER SCIENTIFIC	10310-G	154.72
8870	5/17/22	FNB Commercial Cre	10310-G	1,357.61
8871	5/17/22	IEH AUTO PARTS LL	10310-G	62.38
8872	5/17/22	KC AUTO AND TRU	10310-G	105.00
8873	5/17/22	KLH ENGINEERS, IN	10310-G	8,341.67
8874	5/17/22	Matheson Tri-Gas Inc	10310-G	92.76
8875	5/17/22	MEIT	10310-G	28,056.26
8876	5/17/22	MODEL UNIFORMS	10310-G	494.04
8877	5/17/22	NOBLE ENVIRONME	10310-G	30,183.77
8878	5/17/22	PA AMERICAN WAT	10310-G	3,290.03
8879	5/17/22	PASTORE PLUMBIN	10310-G	1,800.00
8880	5/17/22	PETERSEN PRECISI	10310-G	2,254.07
8881	5/17/22	Pioneer Research	10310-G	719.52
8882	5/17/22	PRECISION COPY P	10310-G	283.20
8883	5/17/22	Precision Industrial C	10310-G	147.93
8884	5/17/22	Quill.com	10310-G	244.94
8885	5/17/22	RONDINELLI, DEBO	10310-G	400.00
8886	5/17/22	SHILOH SERVICE, I	10310-G	989.00
Total				<u>121,444.45</u>

CMA
Year to Date Income Statement
WWTP Budget to Actual
For the Four Months Ending April 30, 2022
Percent of Year 33.33% (4 months / 12 months)

	Current Year Actual	Current Year Budget	Remaining Amount	Percent Expended
Revenues				
Clairton Collecti/Debt Service	\$ 397,251.32	\$ 1,191,638.00	794,386.68	33.34
Jefferson Hills Debt Service	309,533.52	928,601.00	619,067.48	33.33
Petersan WWTP Debt Service	267,022.48	801,067.00	534,044.52	33.33
South Park Debt Service	48,131.48	144,394.00	96,262.52	33.33
Total Debt Service Revenues	1,021,938.80	3,065,700.00	2,043,761.20	33.33
Clairton Collec/Operation/Main	903,392.00	1,078,920.00	175,528.00	83.73
Jefferson Hills Operation/Main	427,092.00	1,071,840.00	644,748.00	39.85
Petersan Operation/Maint	637,340.00	1,114,220.00	476,880.00	57.20
South Park Operation/Maint	118,360.00	233,720.00	115,360.00	50.64
Total Consumption Revenues	2,086,184.00	3,498,700.00	1,412,516.00	59.63
Other Revenue				
Sludge Acceptance	96,647.75	200,000.00	103,352.25	48.32
Collection Office Rent	0.00	12,000.00	12,000.00	0.00
Interest Income	1,869.83	6,000.00	4,130.17	31.16
Investment Interest	581,254.29	2,000.00	(579,254.29)	29,062.71
Capacity Fees	35,596.00	50,000.00	14,404.00	71.19
Total Other Revenues	715,367.87	270,000.00	(445,367.87)	264.95
Total Revenues	\$ 3,823,490.67	\$ 6,834,400.00	3,010,909.33	55.94
Expenses				
Office Expenses	\$ 5,047.71	\$ 15,400.00	10,352.29	32.78
Treatment Supplies & Chemicals	55,080.15	122,500.00	67,419.85	44.96
Treatment Sludge Disposal	117,374.74	300,000.00	182,625.26	39.12
Flow Monitoring Data & Fees	63,082.84	137,480.00	74,397.16	45.89
Equipment	3,482.46	465,000.00	461,517.54	0.75
Maintenance & Repair	34,750.81	68,200.00	33,449.19	50.95
Vehicle Expense	5,900.12	12,000.00	6,099.88	49.17
Utilities	116,702.86	332,400.00	215,697.14	35.11
Wages & Taxes	265,840.26	894,380.00	628,539.74	29.72
Employee Benefits	163,856.16	365,024.00	201,167.84	44.89
Conference & Memberships	3,137.43	26,000.00	22,862.57	12.07
Professional Services	82,402.38	277,900.00	195,497.62	29.65
Insurance	66,859.65	80,000.00	13,140.35	83.57
Total Operating Expenses	983,517.57	3,096,284.00	2,112,766.43	31.76
Total Debt Payments				
Series B Bond Interest Expense	0.00	1,935,700.00	1,935,700.00	0.00
Series B Bond Principal	0.00	1,130,000.00	1,130,000.00	0.00
Debt Service Coverage - 10%	0.00	306,562.00	306,562.00	0.00
Total Debt Payments	0.00	3,372,262.00	3,372,262.00	0.00
Total Expenses	983,517.57	6,468,546.00	5,485,028.43	15.20
Over/Under Budget	\$ 2,839,973.10	\$ 365,854.00	(2,474,119.10)	776.26

For Management Purposes Only

CMA
Year to Date Income Statement
Collection Budget to Actual
For the Four Months Ending April 30, 2022
Percent of Year 33.33% (4 months /12 months)

	Current Year Actual	Current Year Budget	Remaining Amount	Percent Expended
Revenues				
Residential Flat Rate	\$ 337,428.43	\$ 1,000,000.00	662,571.57	33.74
Commerical Flat Rate	51,515.00	145,000.00	93,485.00	35.53
Alleg Housing Flat Rate	38,400.00	115,200.00	76,800.00	33.33
School Flat Rate	7,200.00	21,600.00	14,400.00	33.33
USS Flat Rate	286,600.00	859,800.00	573,200.00	33.33
Total Debt Service Revenues	<u>721,143.43</u>	<u>2,141,600.00</u>	<u>1,420,456.57</u>	<u>33.67</u>
Total Consumption Revenues	<u>443,750.61</u>	<u>1,334,000.00</u>	<u>890,249.39</u>	<u>33.26</u>
Total Consumption Revenues	<u>\$ 443,750.61</u>	<u>\$ 1,334,000.00</u>	<u>890,249.39</u>	<u>33.26</u>
CTH Consumption Revenues	\$ 0.00	\$ 0.00	0.00	0.00
CTH Debt Service Revenues	53,200.00	0.00	(53,200.00)	0.00
CTH Penalty and Interest	0.00	0.00	0.00	0.00
Total Century Townhomes	<u>53,200.00</u>	<u>0.00</u>	<u>(53,200.00)</u>	<u>0.00</u>
Other Revenue				
Penalty	54,601.20	124,000.00	69,398.80	44.03
Dye Test Fees - Plumber	(2,475.00)	0.00	2,475.00	0.00
Dye Test - Application Fees	1,350.00	5,800.00	4,450.00	23.28
Lien Letter Fees	1,035.00	4,500.00	3,465.00	23.00
NSF Fees	104.00	300.00	196.00	34.67
Posting Fees -Terminations \$20	20,591.50	65,000.00	44,408.50	31.68
Magistrate & Legal Fees	0.00	350.00	350.00	0.00
Notice Fee - \$15	0.00	8,000.00	8,000.00	0.00
Interest Income	0.00	1,900.00	1,900.00	0.00
Prior Sewage Fee	0.00	700.00	700.00	0.00
Total Other Revenues	<u>75,206.70</u>	<u>210,550.00</u>	<u>135,343.30</u>	<u>35.72</u>
Total Revenues	<u>\$ 1,293,300.74</u>	<u>\$ 3,686,150.00</u>	<u>2,392,849.26</u>	<u>35.09</u>
Expenses				
Office Expenses	\$ 1,917.79	\$ 8,056.00	6,138.21	23.81
Billing Expense	25,019.62	53,500.00	28,480.38	46.77
Collection System Supplies	9,425.99	25,600.00	16,174.01	36.82
Equipment	12,998.04	17,000.00	4,001.96	76.46
Maintenance & Repair	6,067.27	103,360.00	97,292.73	5.87
Vehicle Expense	7,092.28	15,800.00	8,707.72	44.89
Utilities	10,093.24	28,320.00	18,226.76	35.64
Wages & Taxes	169,133.97	357,750.00	188,616.03	47.28
Employee Benefits	81,345.98	196,300.00	114,954.02	41.44
Conference & Memberships	351.10	11,000.00	10,648.90	3.19
Professional Services	43,506.43	98,900.00	55,393.57	43.99
Insurance	36,454.35	41,620.00	5,165.65	87.59
WWTP Treatment Charges	662,686.00	1,240,000.00	577,314.00	53.44
Total Operating Expenses	<u>1,066,092.06</u>	<u>2,197,206.00</u>	<u>1,131,113.94</u>	<u>48.52</u>
Total Debt Payments				
Debt Pmt City of Clairton	135,912.64	407,738.00	271,825.36	33.33

For Management Purposes Only

CMA
 Year to Date Income Statement
 Collection Budget to Actual
 For the Four Months Ending April 30, 2022
 Percent of Year 33.33% (4 months /12 months)

	Current Year Actual	Current Year Budget	Remaining Amount	Percent Expended
Debt Pmt (full bond)	176,254.16	525,213.00	348,958.84	33.56
Debt Service Coverage - 10%	0.00	52,363.00	52,363.00	0.00
Debt Pmt WWTP Transfers	397,251.32	1,191,638.00	794,386.68	33.34
Total Debt Payments	<u>709,418.12</u>	<u>2,176,952.00</u>	<u>1,467,533.88</u>	32.59
Total Expenses	<u>1,775,510.18</u>	<u>4,374,158.00</u>	<u>2,598,647.82</u>	40.59
Over/Under Budget	<u>\$ (482,209.44)</u>	<u>\$ (688,008.00)</u>	<u>(205,798.56)</u>	70.09

CMA
Cash Account Monthly Summary
As of: April 30, 2022

	<u>Beginning Balance</u>		<u>Deposits</u>		<u>Disbursements</u>		<u>Ending Balance</u>
Operating Accounts							
10320-T FN-WWTP Depository	7,556,048.10	\$	509,507.70	\$	(553,509.74)	\$	7,512,046.06
10330-C FN-Collection Depository	4,000,232.46		322,240.59		(511,280.48)		3,811,192.57
10311-G FN-Payroll	49,654.32		132,060.03		(148,942.74)		32,771.61
10310-G FN-Disbursements	60,862.02		290,070.03		(290,070.03)		60,862.02
Reserved Accounts							
10331-C FN-Collection City Pmts	224,156.39		33,978.16		0.00		258,134.55
10322-T FN-OPEB	500,267.95		139.12		0.00		500,407.07
10321-T FN-WWTP Capacity & Capital Im	2,547,689.32		708.47		0.00		2,548,397.79
10333-C Collection Capital Improvement	1,216,357.23		0.00		0.00		1,216,357.23
10332-T WWTP Debt Coverage	78,780.18		21.91		0.00		78,802.09
Total FNB Accounts	<u>16,234,047.97</u>	\$	<u>1,288,726.01</u>	\$	<u>(1,503,802.99)</u>	\$	<u>16,018,970.99</u>
Trustee Accounts							
10200-C WF Series A - Construction	3.06	\$	0.00	\$	0.00	\$	3.06
10200-T WF - Series B - Construction	447,349.12		22.97		(2,349.88)		445,022.21
10220-T WF - Debt Service	2,034,016.28		297,267.01		0.00		2,331,283.29
10221-T WF - Debt Service Reserve	3,489,890.13		7,030.12		0.00		3,496,920.25
Total Trustee Accounts	<u>5,971,258.59</u>	\$	<u>304,320.10</u>	\$	<u>(2,349.88)</u>	\$	<u>6,273,228.81</u>
Grand Total	<u>22,205,306.56</u>	\$	<u>1,593,046.11</u>	\$	<u>(1,506,152.87)</u>	\$	<u>22,292,199.80</u>

		Collection System Billing Summary									
Service	Description	Charges	Adjustments	Penalties	Interest	Discounts	Refunds	Adjusted R	Receipts		
April 2022 Sewer Billing											
Sewer Receivables											
ALLF1	Allegheny Housing Flat (Wylie)	8,050.00	0	0	0	0	0	0	0	-8,050.00	
ALLF2	Allegheny Housing Flat (Reed)	1,550.00	0	0	0	0	0	0	0	-1,550.00	
CNTRY	Century Town Homes Flat Rate	13,300.00	0	660	2,350.58	0	0	0	0	-100	
COLLE	Metered Sewer Collection	121,691.85	-140.89	2,157.69	2,405.66	0	0	102.46	0	-95,873.78	
COMF	Commercial Sewer Flat Rate	12,833.74	0	159.91	58.77	0	0	0	0	-12,869.24	
RESF	Residential Sewer Flat Rate	84,172.09	-125.76	1,635.32	5,842.04	0	0	158.29	0	-76,301.29	
PRIOR	Prior Balances	0	0	0	0.01	0	0	0	0	0	
SSRF	School Sewer Flat Rate	1,800.00	0	89.97	0	0	0	0	0	-1,784.31	
USSF	USS Sewer Flat Rate	71,650.00	0	0	0	0	0	0	0	-71,650.00	
	Billed Collection Flat usage Charge	16	0	0	0	0	0	0	0	-16	
	Sewer Receivables Totals	315,063.68	-266.65	4,702.89	10,657.06	0	0	260.75	0	-268,194.62	
Sewer Direct											
NSF Fee	NSF Fee	0	50	0	0	0	0	0	0	-4.21	
POST	Posting Fee - Shut Offs	0	4,441.50	0	0	0	0	0	35	-3,318.42	
TurnOff	Water Turn Off Fee	0	120	0	0	0	0	0	0	-360	
TurnOn	Turn On Fee	0	180	0	0	0	0	0	0	-191.29	
NOTICE	10-Day Delinquent Notice	0	0	0	0	0	0	0	0	-75	
	Bankruptcy Money off of account	0	0	0	0	0	0	0	0	-16,000.00	
	Move money off of account balances	0	0	0	0	0	0	0	0	0	
	Dollar Energy Fund Discount CMA	-4,023.00	0	0	0	0	0	0	0	0	
	Sewer Direct Totals	-4,023.00	4,791.50	0	0	0	0	0	35	-19,948.92	
Sewer Summary											
	Previous Ending Balance	2,137,051.13									
	Charges	311,040.68									
	Adjustments	4,524.85									
	Penalties	4,702.89									
	Interest	10,657.06									
	Discounts	0									
	Refunds	0									
	Adjusted Receipts	295.75									
	Receipts	-288,143.54									
	Current Balance	2,180,128.82									
	Total Receipts									-287,847.79	

Report of the Finance Director – April 19, 2022

Century Townhomes – A mediation session was held in our offices on July 9, 2021. **Nothing new to report.**

Upstream Communities: We sent out the Maher Duessel report and the calculation indicating the credit amounts to all communities. We have received comments from PCSA on January 11 extolling their interpretation of the Treatment Agreement especially Appendix B to the Treatment Agreement. Checks have been distributed to Jefferson Hills and South Park. PCSA has deducted from our invoice what they believe is owed to them in violation of our Treatment Agreement. We have calculated the refund for the 2018 and 2019 years and have had preliminary discussions with the solicitor on how to proceed. We have submitted the checks for the 2018 and 2019 years. We received a response from Peters Creek and are preparing a response. Since we have completed the 2020 Audit, we have received a final of the Maher Duessel report on the agreed upon procedures for 2020 so we can allocate any overage to the parties of the Treatment Agreement. Payment to the upstream communities were mailed out after the October Board Meeting. Status meeting held on April 13, 2022. **Nothing new to report.**

Delinquent Accounts shutoffs – In April we sent out 200, 10- day delinquent notices, 73 properties were posted for shutoff, and 15 accounts were sent over to the water company for shut off and 13 were shut off.

Low Income Household Water Assistance Program (LIHWAP) – We have signed on with the PA Department of Human Services to be vendors under this federally funded program which can provide up to \$2,500 per customer who have an arrearage in their sewer bills. They must meet certain income levels similarly to that of the \$Energy fund program (Income 1.5 X poverty level). Once approved payments will be made directly to us. **Nothing new to report.**

Payment Plans – Due to the coronavirus, per the direction of the Board, the CMA has issued 92 payment plans since 3/29/2021. The total amount owed is \$104,377.29. Of the 92 plans 7 have been paid in full and approximately 30% of the monies owed have been paid, mostly as the initial down payment. Eight (8) more customers have not kept their plan and have been sent over for shutoff. **As of May 6, 2022, we have a total of 19 active payment plans.**

Collections Crew Management and Reporting – The April 2022 report has been sent to you.

\$Energy Fund – In March, the fund processed 6 applications, approved 6.

PennVest – Representatives of CMA, KLH Engineers, Peters Creek Sanitary Authority, Jefferson Hills Borough met with PennVest on June 26, 2019, for a preapplication meeting. Authority and engineer staff have been assembling the PennVest Loan application per the direction of the Board. There was a motion passed in January to proceed with the PennVest funding option. Due to the much higher than expected bids on Phase II PennVest has given the CMA an extension on their financing. We anticipate rebidding the project in the last quarter of 2021. We have submitted additional information to PennVest to change the amount borrowed and change the requirement related to the City of Clairton note. The initial request to PennVest has been denied however the PennVest staff is reconsidering it for consideration. We received the bid results for the second bidding of Phase II. It was discussed via conference call with the Board members and the upstream representatives on December 14, 2021. We have a progress call with PennVest on January 11, 2022. **On April 20, 2022, we were approved for additional funding from PennVest.**

Phase II Bidding – Bids on the Project were opened on December 8, 2021.

Grants – We are collaborating with our engineers and grant consultants to be prepared to file for them when they are available. Looking at Federal Grants through the Department of Agriculture for some funding. **Nothing new to report.**

At the special meeting held on May 10, 2022, the Board approved a settlement agreement with the City of Clairton concerning ongoing litigation. Part of this agreement was for the CMA to pay out the \$5,137,772.20 currently owed to the city by the CMA for the purchase of the sewer system. This amount being the remaining 16 years on the note originally issued in 2012. In order to fund the city payout the Board agreed to borrow the amount from FNB Bank, which was also approved at the May 10, 2022, meeting. The loan is scheduled to close on May 17, 2022.

Collection & Operation Report

- Working with KLH and DRV to get gates and main pumps aligned with flow
- All 3 Law offices replied they will be here on May 23rd starting at 1:00. Kate Diersen (GBR Law) 1:00p.m., Bob McTiernan (Tucker Arnsberg) 1:45p.m., Brian Gabriel (Campbell Durant) 2:30
- Port Vue Plumbing is starting work on gas lines for make-up air units
- ACHD will be in on May 26th to inspect our CSO's
- May 12th, we had safety training with Cintas
- Duperon will be in to continue working on #1 perf screen. #2 screen has been running for last few weeks with little or no problems. KLH and Duperon to begin automation process for screens
- Inspected #3 aeration tank for grit. A good amount of grit was present in the tank. Going to clean out tanks when construction begins.



CLAIRTON MUNICIPAL AUTHORITY

Consulting Engineer's Report

May 19, 2022

ACTIVE ITEMS

Phase II Upgrade Project

Currently we are working with the Authority, Solicitor, and PennVest to fund the project. Both Contractors are now requesting additional money due to supply chain issues and material cost increases.

Our PennVest closing is scheduled for June 8th.

Headworks and Pump Station HVAC

Equipment is expected in June. Gas line work will be completed in the next four (4) weeks.

CDBG Year 47

The bid opening for CDBG Year 47 was held on February 17, 2022. The lowest bidder was Jet Jack Inc. with a bid price of \$186,642.00. KLH is working with the COG to award the contract.

CDBG Year 48

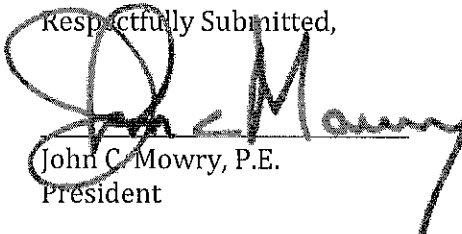
Application was submitted to repair five (5) Level 5 defect sewers. Total project cost estimate is \$179,557.85. The requested grant funding is \$104,329.64.

NPDES Permit Renewal

The permit has been issued effective January 1, 2022, LTCP implementation schedule states WWTP Phase 2 construction begins November 30, 2023.

Capital Requisition

Requisition 373-B in the amount of \$886.01 is presented for Board approval.

Respectfully Submitted,

John C. Mowry, P.E.
President

CAPITAL IMPROVEMENT FUND
REQUISITION NUMBER 373-B

Date: May 19, 2022

TO: Wells Fargo Bank, National Association, as Trustee (the "Trustee")

E-Mail: Rose.Anne.Camilo@wellsfargo.com
Peter.C.Hosfield@wellsfargo.com

-or-

Fax: 877-775-7570

FROM: Clairton Municipal Authority (the "Borrower")

Account No.: 48117303 (2012B CONSTRUCTION FUND)

Re: Draw From Construction Fund established under the Trust Indenture for the above-referenced bonds dated as of August, 2012 (the "Indenture")

The Authority hereby directs the Trustee to pay from the Authorities account within the Construction Fund established under the Indenture the following amount to the Payees listed below, and certifies that such obligations in the stated amount have been incurred by the Authority and that each item thereof is a proper part of the Cost of the Capital Addition and has not been paid; that there has not been filed with or served upon the Authority notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of any of the moneys payable to any persons named in such requisition; that such requisition contains no items representing payment on account of any retained percentage which the Authority is on the date of such certificate entitled to retain; that neither the Authority nor any of its officers or members has received any discount, rebate, commission, fee, proceeds from insurance or other abatement which is not reflected on the requisition in connection with any such expenditures or indebtedness; and that no part of any such item has been included in any previous requisition for the withdrawal of money from the Construction Fund.

Item Number	Payee (Name & Address):	Amount	Purpose of Obligation
1.	KLH Engineers, Inc. 5173 Campbells Run Road Pittsburgh, PA 15205	\$ 400.00	WWTP Phase II Upgrades Invoice No. 68915
2.	KLH Engineers, Inc. 5173 Campbells Run Road Pittsburgh, PA 15205	\$ 486.01	Phase II Oversight Committee Invoice No. 68917
TOTAL		\$ 886.01	

May 19, 2022
Requisition No. 373-B

Account No.: 48117303 2012B CONSTRUCTION FUND

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CLAIRTON MUNICIPAL AUTHORITY
ALLEGHENY COUNTY, PENNSYLVANIA

By _____
Secretary, Assistant Secretary

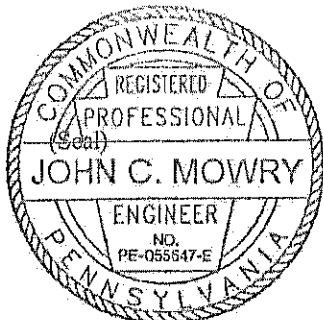
By _____
Chairman or Vice Chairman

A. CONSULTING ENGINEER'S CERTIFICATE

I, the undersigned, the duly appointed Consulting Engineer for the Clairton Municipal Authority, Allegheny County, Pennsylvania (the "Authority") hereby certify the following:

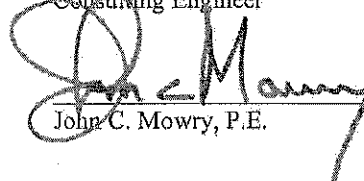
- (a) I hereby approve the foregoing attached requisition of the Authority;
- (b) The obligation listed to be paid on such requisition was properly incurred;
- (c) The amount requisitioned is due and unpaid;
- (d) Insofar as the payment is to be made for work, material, supplies, or equipment, the work has been performed and the material, supplies or equipment have been installed in the project or have been delivered either at the project site or at a proper place for fabrication, and are covered by the Builders' Risk Insurance; and
- (e) All work, material, supplies and equipment for which payment is to be made are, in the opinion of the undersigned, in accordance with the plans and specifications.

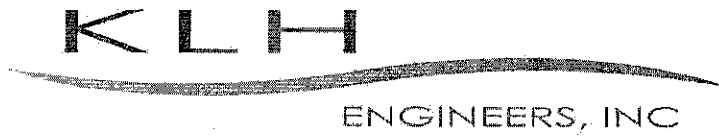
IN WITNESS WHEREOF, I hereunto set my hand hereto this 19th day of May, 2022 _____.



KLH ENGINEERS, INC.

Consulting Engineer


John C. Mowry, P.E.



Clairton Municipal Authority
1 North State Street
Clairton, PA 15025

Invoice number 68915
Date 04/30/2022

Project 273-124 WWTP PHASE II UPGRADES

Professional Services through April 30, 2022

005 Securing PennVest Funding

	Hours	Rate	Billed Amount
CHELSEA CRAIN	1.50	72.00	108.00
JOHN C. MOWRY	2.00	146.00	292.00
Securing PennVest Funding subtotal			400.00

Invoice total 400.00

KLH

ENGINEERS, INC



Clairton Municipal Authority
1 North State Street
Clairton, PA 15025

Invoice number 68917
Date 04/30/2022

Project 273-140 PHASE 2 OVERSITE
COMMITTEE

Professional Services through April 30, 2022

001 Phase 2 Oversight Committee

	Hours	Rate	Billed Amount
JOHN C. MOWRY	3.00	146.00	438.00
Reimbursable Expenses			
			Billed Amount
			48.01
Phase 2 Oversight Committee subtotal			486.01

Invoice total 486.01

FUNDING RECIPIENT - LOAN NUMBER 75379

RESOLUTION TO BORROW

AUTHORIZING THE SECURING OF FUNDING FROM THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY ("PENNVEST") IN THE MAXIMUM PRINCIPAL AMOUNT OF \$29,068,555.00. FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COST OF THE PHASE II CONSTRUCTION OF THE WASTEWATER TREATMENT PLANT OF THE FUNDING RECIPIENT, TO PAY COSTS AND EXPENSES OF SECURING SUCH FUNDING; AUTHORIZING THE EXECUTION AND DELIVERY OF A PLEDGE OF THE FULL FAITH AND CREDIT AND OF THE GROSS REVENUES AND RECEIPTS, APPROVING THE FORM, TERMS AND CONDITIONS OF THE FUNDING DOCUMENTS; AUTHORIZING THE EXECUTION OF THE FUNDING DOCUMENTS AND PROVIDING FOR THE AUTHENTICATION AND DELIVERY THEREOF; AND AUTHORIZING THE DISPOSITION OF THE FUNDING PROCEEDS RECEIVED OR TO BE RECEIVED FROM PENNVEST.

WHEREAS, CLAIRTON MUNICIPAL AUTHORITY, created and existing under the laws of the Commonwealth of Pennsylvania, has determined that it is necessary and in its best interests to construct Phase II (the "Project") that will allow the expansion of certain wastewater treatment facilities; (the "System"); and

WHEREAS, in order to finance the cost of the Project, Clairton Municipal Authority intends to secure a loan in the maximum principal amount of \$29,068,555.00, from PENNVEST to be evidenced by a debt obligation (the "Debt Obligation") (the "PENNVEST Funding"), secured by a pledge of the full faith and credit and the gross receipts and revenues of the Funding Recipient, (the "Project Collateral") and other agreements granting and creating security interests, all as more particularly set forth in the funding agreement between the Clairton Municipal Authority and PENNVEST (the "Funding Agreement") and the funding offer from PENNVEST dated October 21, 2020 (the Debt Obligation, Project Collateral, other security agreements, funding offer, the Funding Agreement and all other agreements, documents, certificates and instruments described in or contemplated by the Funding Agreement are collectively referred to as the "Funding Documents"); and

WHEREAS, the Clairton Municipal Authority desires and intends to take all necessary and proper actions and to execute all documents required by PENNVEST to be executed to obtain the PENNVEST Funding and assure its proper repayment.

NOW, THEREFORE, the Clairton Municipal Authority hereby resolves as follows:

Section 1. For the purpose of providing funds to finance the cost of the Project and to pay costs and expenses in connection with the PENNVEST Funding, the Clairton Municipal Authority hereby authorizes the execution of all Funding Documents and the taking of all actions necessary and required by PENNVEST to obtain the PENNVEST Funding in the maximum principal amount

of \$29,068,555.00 pursuant to the provisions of the Pennsylvania Municipality Authorities Act of May 2, 1945, P.L. 382, as amended} and the Funding Documents.

Section 2. The PENNVEST Funding shall be secured by the Funding Documents from the Clairton Municipal Authority to PENNVEST, and to the extent and in the manner therein set forth, the Project Collateral and other agreements granting and creating certain security interests in favor of PENNVEST, as well as a pledge of all other revenues and receipts of the Clairton Municipal Authority for the payment of costs of, the Clairton Municipal Authority and for the payment of principal of, and interest on, the Debt Obligation. In addition, Clairton Municipal Authority shall accept the Debt Obligation as a special revenue obligation and pledge its sewer revenues toward the repayment of the Debt Obligation.

The Funding Documents shall not in any manner pledge the full faith and credit or taxing power of the Commonwealth of Pennsylvania, nor shall it be deemed to be an obligation of the Commonwealth of Pennsylvania, nor shall the Commonwealth be liable for the payment of the principal of, or interest on, such obligation, but it shall be secured upon and payable from the gross revenues and receipts of the Clairton Municipal Authority derived from the System and from such other moneys as may be made available for the purpose of repaying the Debt Obligation.

Section 3. The form, terms and conditions of the Funding Documents prepared by counsel for the Clairton Municipal Authority and PENNVEST, to be substantially in the form as submitted to this meeting are hereby approved. The Chairman or Vice Chairman of the Clairton Municipal Authority ~~are~~is hereby authorized to execute the Funding Documents in such form on behalf of the

Clairton Municipal Authority, subject to such changes and modifications, if any, as may be approved by such Chairman or Vice Chairman, the execution of the Funding Documents to be conclusive evidence of such approval, and the Secretary or Assistant Secretary is hereby authorized to cause the corporate seal of the Clairton Municipal Authority to be affixed thereto and to attest the same. The Chairman or Vice Chairman of the Clairton Municipal Authority ~~is~~ further authorized to acknowledge the same on behalf of the Clairton Municipal Authority and to deliver said Funding Documents to PENNVEST.

Section 4. The PENNVEST Funding shall be repaid in the amounts and on certain dates, all as set forth in the Funding Documents as submitted to this meeting. The PENNVEST Funding is also subject to early repayment as provided in the Funding Documents.

Section 5. The application for the PENNVEST Funding ("Application") in the form submitted at this meeting is hereby approved with such subsequent, necessary and appropriate variations, omissions and insertions, if any, as may be approved by the Chairman or Vice Chairman of the Clairton Municipal Authority, and the Chairman or Vice Chairman ~~are~~is hereby authorized to sign said Application, amended as aforesaid, on behalf of the Clairton Municipal Authority. The review of the Application and any amendments by PENNVEST, as well as any investigation required by PENNVEST in connection with the PENNVEST Funding, are hereby authorized.

Section 6. Upon receipt, the proceeds from the PENNVEST Funding authorized to be secured in this Resolution, shall be applied by the Clairton Municipal Authority under the terms and conditions set forth in the Funding Documents.

Section 7. The proper officers of the Clairton Municipal Authority are hereby authorized, empowered and directed on behalf of the Clairton Municipal Authority to execute any and all papers and documents to do and cause to be done any and all acts and things necessary or proper for the execution or carrying out of this Resolution, of the Funding Documents and in the Application and securing of the PENNVEST Funding.

Section 8. All resolutions or parts of resolutions inconsistent herewith shall be, and the same are, hereby rescinded, cancelled and annulled.

ATTEST:

Clairton Municipal Authority

Secretary

(SEAL)

Chairman

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT, dated _____, by and among **CLAIRTON MUNICIPAL AUTHORITY** (the "Authority") Allegheny County, a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania; the **PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY** ("PENNVEST"), a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania; and **FIRST NATIONAL BANK OF PENNSYLVANIA**, (the "BANK").

WITNESSETH:

WHEREAS, on March 1, 2012, the Authority and the City entered into a Sale and Purchase Agreement (the "Purchase Agreement"), by which the Authority agreed to acquire the City Sanitary Sewage and Storm Water Collection System for the maximum principal amount of \$9,700,000.00;

WHEREAS, the Authority made an initial lump sum payment to the City in the amount of \$2,600,000.00 on March 1, 2012;

WHEREAS, pursuant to the Purchase Agreement, the remaining outstanding balance of \$7,100,000.00 shall be paid on an annual basis;

WHEREAS, the Authority chose to refinance the payments required to be paid to the City of Clairton; by the issuance of its Sewer Revenue Note, Series of 2022 in a principal amount of Five Million, one hundred twenty one thousand, six hundred thirty seven dollars and 20 cents (\$5,121,637.20).

WHEREAS, First National Bank of Pennsylvania, (the "Purchaser") has agreed to purchase the Note, pursuant to a Commitment Letter dated May 6, 2022

WHEREAS, the Authority is prepared to issue to PENNVEST a debt obligation in the form of a note in the maximum principal amount of \$29,068,555.00 (the "Debt Obligation") which will be secured under the terms of a certain funding agreement between the parties of even date herewith (the "Funding Agreement"), (hereinafter the Debt Obligation and the Funding Agreement may collectively be referred to as the PENNVEST Funding Documents), the proceeds of the Debt Obligation will be used by the Authority to finance a portion of the cost of certain capital improvements to the Authority's sewer system (hereinafter referred to as the "PENNVEST Project");

WHEREAS, pursuant to the funding offer from PENNVEST, PENNVEST requested and the Authority agreed, to subordinate the payments of both principal and interest on the payments required under the Sewer Revenue Note, Series of 2022 for the purchase of its

sewer lines, to the payments of both principal and interest due under the Debt Obligation being issued to PENNVEST on even date to fund the PENNVEST Project;

WHEREAS, payment of both principal and interest to the Bank under the terms of the Sewer Revenue Note, Series of 2022 shall be allowable, so long as there is no default under the PENNVEST Funding Documents; and

WHEREAS, the parties desire to confirm their understanding, in writing, that the payments due under the Sewer Revenue Note, Series of 2022 are subordinate to the payments due under the Debt Obligation.

NOW THEREFORE, the parties hereto, in consideration of the benefits to be derived herefrom, and intending to be legally bound hereby, covenant and agree as follows:

1. The recitals appearing under the caption "Witnesseth" constitute a material part of this Agreement and are expressly incorporated herein.

2. First National Bank of Pennsylvania hereby agrees to subordinate its right to payments due under the Sewer Revenue Note, Series of 2022 to the rights of payments due to PENNVEST under the Debt Obligation.

3. So long as the Debt Obligation and the Purchase Agreement remain unpaid and outstanding, PENNVEST and the Bank shall cooperate in good faith in any enforcement or execution under either the PENNVEST Funding Documents or the Sewer Revenue Note, Series of 2022, subject only to restrictions imposed on either party by applicable law and the applicable instrument.

4. Neither PENNVEST nor the Bank, nor any of their respective officers, employees, agents or assigns, shall be liable to the other creditor for any waiver, release, consent or approval given, or action taken or omitted to be taken, in good faith under this Agreement or under any documentation pertaining to the PENNVEST Funding Documents or the Sewer Revenue Note, Series of 2022, as the case may be.

The terms of this Subordination Agreement in no way shall limit the rights or obligations of any party hereto arising from any other security or collateral in its favor other than the payments.

5. Upon the full payment and performance of all obligations under either the PENNVEST Funding Documents or the Sewer Revenue Note, Series of 2022, this Subordination Agreement shall cease and become void.

6. This Subordination Agreement may not be modified, amended, discharged or waived except by an agreement in writing and signed by the party against whom enforcement of any such modification, amendment, discharge or waiver is sought. As used herein, the singular shall include the plural as the context requires.

7. All notices to the respective parties hereto shall be given in writing and effective when delivered to such party, or if sent by United States mail, postage prepaid, registered or certified mail or by telegram, on the first business day after the day on which mailed or sent, addressed to such party.

8. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument. All signatures need not appear on the same copy hereof.

9. This Subordination Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

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IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, acknowledged and delivered by their proper officers and their corporate seals to be affixed hereto as of _____, 2022.

PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

Brion T. Johnson
Executive Director

CLAIRTON MUNICIPAL AUTHORITY

Douglas Ozvath
Chairman

FIRST NATIONAL BANK OF PENNSYLVANIA

[Name]
[Title]

**RESOLUTION OF
The Clairton Municipal Authority**

DECLARATION OF OFFICIAL INTENT TO REIMBURSE GENERAL
FUNDS USED TO CONSTRUCT IMPROVEMENTS TO ITS WASTEWATER
TREATMENT PLANT PHASE II WITH FUNDS RECEIVED FROM THE
PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

WHEREAS, the Clairton Municipal Authority ("Funding Recipient") has determined that construction of improvements to the Wastewater Treatment Plant Phase II located in the City of Clairton, Allegheny County, Pennsylvania (the "Project"), are necessary; and

WHEREAS, in order to finance the costs of the Project, the Funding Recipient has issued or intends to issue its Debt Obligation to the Pennsylvania Infrastructure Investment Authority ("PENNVEST") in the maximum principal amount of \$29,068,555.00 (the "PENNVEST Debt Obligation").

WHEREAS, Funding Recipient intends to pay Project costs, on an interim basis, using its GENERAL FUNDS until the proceeds of the PENNVEST Debt Obligation are received;

NOW, THEREFORE, the Funding Recipient hereby declares as follows:

Pursuant to federal requirements set forth at 26 C.F.R. § 1.150-2, the Funding Recipient officially intends to reimburse its GENERAL FUND for Project costs incurred by the Funding Recipient with the proceeds of the PENNVEST Debt Obligation up to the maximum principal amount of \$6,000,000.00.

ATTEST:

Kevin L. Johnson, Secretary

Douglas Ozvath, Chairman

(SEAL)

DATE: _____