

## MEET THE PROFESSIONALS

As negotiations relating to the potential sale of the City's sewer collection system to GJWA proceed, the City has worked with a group of dedicated professionals that have the specific expertise Johnstown needs to obtain the best deal for its residents, its business community and the City at-large.

They are:

- Steve Goldfield, Esquire
- Ben Haverstick, Esquire
- Kathy Pape, Esquire
- David Unkovic, Esquire
- Bruce Graham
- Edward Schmitt



### **STEVE GOLDFIELD**

Steve Goldfield is a public finance attorney and an independent financial advisor who brings over 30 years of experience representing states and local governments. He was retained in 2018 by the City's Act 47 coordinator to help assess the potential value of the City's sewer collection assets for the City's three-year Act 47 exit plan. Following a public hearing and approval of the exit plan by the City, Steve assisted the City in hiring legal counsel with expertise in municipal asset sales, environmental and financial issues.

Four proposals for legal counsel were received from McNees Wallace, Ballard Spahr, Buchanan Ingersoll and Strassburger McKenna/Dinsmore. After taking into consideration the proposed team, experience and cost proposals, the City appointed McNees Wallace at its first public meeting in 2020. Steve and McNees Wallace considered the policy concerns and objectives of the City as they developed the terms of the sewer collection system proposal and crafted an asset purchase agreement.

The proposed purchase price for a sewer transaction cannot be established until key terms and conditions of the sale are agreed upon. Even before a municipality decides whether to sell a utility, an

asset purchase agreement is prepared by the seller's legal counsel, distributed for comment, negotiated, and only then will a price proposal be solicited. The reason: terms like the length of any rate limitations, the circumstances under which rate freezes can be lifted, distribution of risks and a host of other issues will have a material bearing on the amount an interested purchaser is willing to pay for the system.

Steve was the financial advisor for the City of Harrisburg's Act 47 receiver and subsequent Act 47 coordinator from 2012-2017. In that role, he assessed water and sewer assets (which were transferred to an operating authority, not sold), parking assets (which were transferred to a state agency under a long-term capital lease) and the infamous incinerator (which was sold to a municipal authority). Steve's experience with municipal water and sewer assets also includes:

Representing Strategic Management Team in connection with the Borough of Shenandoah's consideration of a potential sewer system sale (recommended not to sell) and water system sale (maybe).

Representing the Wyoming Valley Sewer Authority in a potential acquisition of the City of Wilkes-Barre's Sewer System (public-public regional effort).

- Represented the Valley Forge Sewer Authority to ensure the sale of underlying sewer collection/conveyance assets did not adversely impact the owner of the treatment facilities.
- Represented the Act 47 coordinator in the City of Scranton in connection with the City's sale of the Scranton Sewer Authority's assets to PA American.
- Represented the City of Chester in connection with Chester Water Authority matters.
- Represented New Garden Township Sewer Authority in connection with the sewer assets sale to Aqua American.
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Steve's fees are paid by a Commonwealth of Pennsylvania grant obtained by the City with the assistance of the City's Act 47 coordinator.



**BENJAMIN HAVERSTICK**

Ben has taken the laboring oar as drafter and City Team negotiator for the Asset Purchase Agreement.

Ben is an attorney in the Corporate & Tax and Mergers & Acquisitions Groups in the Lancaster, PA office of McNeese. Ben focuses on mergers and acquisitions, business law, commercial transactions and financings. He has been lead transaction counsel on a number of water and wastewater sales throughout Pennsylvania. He also serves as outside general counsel and transaction counsel to clients in various industries, including the service sector, technology, manufacturing, healthcare and real estate.

Ben is admitted in Pennsylvania and New York State, and started his career with close to 10 years' experience in New York City, working on large, complex transactions. Ben has represented clients in over \$30 billion of mergers, acquisitions and financings, including over \$500 million out of the Lancaster office. He is recognized for the range of his transaction experience, speed and efficiency and a strong sense of industry practice in getting deals done.

Ben grew up in Lancaster, PA. He received his B.A. from Wesleyan University in 2000 and his J.D. from New York University School of Law in 2005. He also spent several years studying in Germany.



**KATHY L. PAPE**

Kathy has been instrumental in helping the City with amendments to the 2015 International Plumbing Code to permit Slip Lining and Pipe Bursting, with the rates and charges, freeze provisions and limits in the Asset Purchase Agreement.

Kathy is an attorney in the Public Finance and Governmental Services and Government Relations Groups in the Harrisburg, PA office of McNeese. Kathy has been a leader in the water and wastewater industries and a national speaker on utility issues for more than 40 years. As a lawyer representing residential customers in service and rate cases at the Office of Consumer Advocate and the Public Utility Commission (PUC) to representing Pennsylvania American Water, Aqua Pennsylvania and General Waterworks (now Suez), Kathy has spent a career finding resolutions to difficult service and rate issues as a business, tax and utility lawyer at General Waterworks, a finance expert as Treasurer at Aqua American and as a business leader as President of Pennsylvania American Water.

She has been involved in and responsible for the financial and customer service results of numerous acquisitions and divestments. She understands not only how to assess the financial impacts of transactions but also the employee and customer impacts and the importance of transparency and communications to maximize the benefits and minimize the issues from a transaction.

Kathy has been engaged in improving the communities in which she and her family have lived. She has chaired the PA. Business Council, the Foundation for Enhancing Communities and the Whitpain Township Planning Commission. She is currently Vice Chair of the Hampden Township Industrial Development Authority and is a member of the Milton S. Hershey Medical Center Board of Directors, the Earth Conservancy, and the Edinboro University Council of Trustees.

Kathy has a B.S. in Political Science from Edinboro University, a J.D. from the Dickinson School of Law and an LLM in Taxation from Villanova University School of Law.

Kathy has been involved in various municipal asset sales. For example, Kathy lead the McNeese team serving as counsel to the Steelton Borough Authority (the "Authority") in the sale of its water system. As part of our representation, McNeese has assisted and continues to assist the Authority by

providing the following services:

- Analyzed the financial, operation and legal impacts of the sale of the water system assets;
- Prepared a Request for Proposals;
- Facilitated small group meetings for the Authority and its consultants to address questions and vet all aspects of the transaction;
- Attended Authority board of directors' meetings to provide updates on the transaction;
- Facilitated community meetings to discuss the transaction and receive community feedback;
- Drafted and negotiated the Asset Purchase Agreement (the "APA") for the sale of the water system to benefit the Authority, including easement limitations;
- Assessed and resolve real estate issues;
- Negotiated the APA to maximize future capital improvements and customer assistance program, minimize rate change impacts and minimize employee impacts;
- Drafted applicable ordinances and resolutions;
- Participated in and protected the interests of the Authority during the PUC review process; and
- Prepared closing documents to minimize the Authority's continuing obligations.



**DAVID UNKOVIC**

Dave is playing an important role in making sure that the protections for the City in the Asset Purchase Agreement are memorialized properly in the documents the Buyer plans to utilize in the financing of the payment of the purchase price.

David is an attorney in the Public Finance and Government Services Group in the Lancaster, PA office of McNees. David has been a municipal bond lawyer in Pennsylvania for over 35 years. He has served as bond counsel on debt offerings by all sizes of governmental entities, including the Commonwealth of Pennsylvania, state agencies, counties, townships, boroughs, cities, school districts and authorities. He also focuses his practice on the legal aspects of developing and implementing recovery plans for distressed municipalities.

For most of his career he has worked at private law firms, but he has also served as chief compliance officer at PFM Asset Management, and, in the Corbett Administration, as chief counsel of the PA Department of Community and Economic Development (DCED) and as the first state-appointed receiver for the City of Harrisburg. As receiver, he established the initial processes for the eventual asset transactions involving the incinerator and the parking system.

David joined McNees in 2013 and practices in the Lancaster office. He was born in Pittsburgh and resides in Montgomery County. David received his B.A. in political science, summa cum laude, from the University of Pennsylvania, and his J.D. from Harvard Law School. He is a former president of the Pennsylvania Association of Bond Lawyers and is a fellow of the American College of Bond Counsel.

## **BRUCE GRAHAM, PROJECT MANAGER & CONTRACT ADMINISTRATOR**

With the City of Johnstown Bruce has been providing independent oversight of projects and interfacing between the City and the Engineer. He is also reviewing contracts, current projects, pay estimates, change orders, work sequencing plans, conversion of old sewer to stormwater, system status, project performance, system testing and overall system functionality. Bruce has been assisting amendments and structuring of City ordinances as they relate to the 2015 International Plumbing Code and trenchless methods of pipe replacement.

Mr. Graham has been employed with Gibson-Thomas Engineering for over fourteen years and has extensive experience in all phases of construction projects beginning with funding applications to project close-out. Bruce's involvement also includes the preparation of feasibility studies, rate studies, cost estimates, budget preparation, specifications, pay estimates, change orders and coordination with field inspectors. Bruce has a long-standing relationship with our clients and serves as the project liaison on numerous engineering contracts.

Bruce has administrated numerous waterlines, sanitary sewer and storm sewer projects particularly in Cambria County, Westmoreland County, Allegheny County, Fayette County, Armstrong County and Indiana County. He has experience in funding applications and reporting to various funding sources such as the Pennsylvania Infrastructure Investment Authority (Pennvest), Rural Utilities Services (RUS), US Environmental Protection Agency (EPA) and the Community Development Block Grant (CDBG).

### **REPRESENTATIVE SEWER PROJECT:**

#### **Deer Creek Drainage Basin Authority – Bakerstown/Culmersville Sewer Extension Project –**

This sewer project included the preparation of RUS funding applications for over \$7.5 million for the *Deer Creek Drainage Basin Authority*. The project included 427 EDU's, approximately 13 miles of sewer line and a pump station. Involvement included the preparation of contract specifications, bidding, contract management and close-out.

The following additional projects were completed for the Deer Creek Drainage Basin Authority. These projects were funded locally, and responsibility included the preparation of contract specifications, bidding, contract management and close-out.

- Rich Hill Force Main Replacement
- Hartwood Acre Force Main Repair
- SR 1013 Sewer Relocation Project

## **REPRESENTATIVE WATER PROJECTS:**

**Conemaugh Township Interconnection Project** – This project included the preparation of a Rural Utilities Services funding application for the \$2.5 million pumping, storage and interconnection project for the *Greater Johnstown Water Authority* in Cambria and Somerset Counties. The project included preparation of contract specifications, bidding, contract management and close-out.

**Greater Johnstown Water Authority – Ligonier Interconnection Project** – This project included the preparation of a Pennvest funding application for the \$10 million pumping, storage and approximately 16 miles of waterline. Involvement included right of way acquisition, preparation of contract specifications, bidding, contract management and close-out.

**Greater Johnstown Water Authority Capital Improvement Projects** – Annual waterline construction projects of approximately \$1 million per year which include the preparation of contract specifications, bidding, contract management and close-out.

**Municipal Authority of Westmoreland County – 5 Year Capital Expenditure Plan** – This project included the preparation of the 5 year plan as supporting documentation used in the application for the \$141 million bond acquisition. The plan includes pumping, storage, plant upgrades and approximately 13 miles of 48” waterline. Involvement includes right of way acquisition, preparation of contract specifications, bidding, contract management and close-out.

## **EDWARD F. SCHMITT – PARTNER AND VICE-PRESIDENT**

With the City of Johnstown, Ed has been providing independent oversight of projects and interfacing between the City and the Engineer. He is also reviewing contracts, current projects, pay estimates, change orders, work sequencing plans, conversion of old sewer to stormwater, system status, project performance, system testing and overall system functionality. Ed has been assisting amendments and structuring of City ordinances as they relate to the 2015 International Plumbing Code and trenchless methods of pipe replacement.

### **EDUCATION:**

B.S. Pennsylvania State University, State College, PA – 1972

B.A. St. Vincent College, Latrobe, PA – 1972

### **EXPERIENCE:**

Before coming to Gibson-Thomas Engineering Co., Inc., Mr. Schmitt served as Chief Mechanical Engineer on the Pittsburgh Bulkmail Center, and the Coal Research Facility in Library, Pennsylvania while working for the U.S. Army Corps of Engineers. While with the Corps, he also served as an Environmental Protection Agency Representative on major sanitary sewer construction projects throughout Western Pennsylvania. Throughout his career with Gibson-Thomas Engineering Co, Inc., beginning in 1980 his responsibilities have included design and construction management on major water and sewage projects, coordination with the numerous government agencies involved in completing sewage projects, and he serves as the primary Grants Coordinator in obtaining Pennvest, Rural Utilities Service, Community Development Block Grants and other state and federal funds.

### **REPRESENTATIVE PROJECTS: SEWAGE**

**The Municipal Authority of Buffalo Township Sanitary Sewage Collection and Treatment System, Butler County, PA - Project Director.** The total system consists of a 0.48 mgd extended aeration sewage treatment plant, two pump stations, and thirty-three (33) miles of gravity collector lines serving approximately 1066 customers. Gibson-Thomas Engineering Co., Inc. recommended and designed an extended aeration treatment plant using chemical nitrogen and phosphorus removal and ultraviolet (UV) disinfection. Gibson-Thomas Engineering Co., Inc. has been involved in all phases of the project since its inception and design, including technical and grant application assistance for the \$10.2 million dollar PennVest Loan as well as the \$3.3 million dollar Revenue Bond to construct the project.

**Indiana County Municipal Services Authority Sanitary Sewer Collection and Treatment Systems, Indiana County, PA – Project Director.** These six projects were designed and constructed to provide sanitary sewage service to a total over 3,400 households in ten municipalities throughout Indiana County, as well as portions of Cambria, Clearfield and Armstrong Counties. These remote communities were serviced by gravity collection lines, 17 sewage pumping stations, and 12 sewage treatment plants. The total cost for these projects was over \$42 million. Gibson-Thomas Engineering Co., Inc. was involved throughout each phase of the project. Specifically, Ed was involved throughout each phase of the project with feasibility, funding application, design and construction.

**Derry Township Municipal Authority McGee Run Interceptor, Westmoreland County, PA– Project Director.** This project serves approximately 830 new customers and included 165,000 lineal feet of transmission line and four pump stations which were constructed in the spring of 2001. Three existing sewage treatment plants in the area are utilized for the treatment of the collected sewage. Mr. Schmitt served as project director and handled the project from its inception. Funding for this \$8.4 million-dollar project was obligated in July of 1999 from the USDA Rural Utilities Services. **The McGee Run Interceptor Project was the largest project funded in the Water 2000 Program for that fiscal year.**

**Conemaugh Township Sanitary Sewage Treatment Plant and Collection System, Indiana County, PA – Project Director.** This \$2.8 million sewer project serves 225 households in Conemaugh Township, Indiana County. Approximately 40,000 lineal feet of sewerline was installed, and an 80,000 gallon per day treatment plant was constructed to serve the area. Gibson-Thomas Engineering Co., Inc. assisted the Authority in applying for funding from USDA Rural Utilities Service to successfully complete the project.

**Upper Allegheny Joint Sanitary Authority – Sewage Treatment Plant Upgrade, Allegheny County, PA – Project Director.** The Upper Allegheny Joint Sanitary Authority serves approximately 10,000 customers in the communities of Tarentum, Borough of Brackenridge, East Deer Township, Fawn Township and Harrison Township in Allegheny County. Gibson- Thomas Engineering Co., Inc. is responsible for designing all replacements or upgrades that maintain the 8 mgd sewage treatment plant. Examples of recent upgrades at the plant include modifications of the existing aeration system, digester conversion from anaerobic to aerobic, numerous mechanical improvements, replacement and upgrade of all combined system outfalls, and replacement of plant main pumps. The work is ongoing.

**Borough of Derry – Fourth Ward CSO Project and Route 217 Pump Station Rehabilitation, Westmoreland County, PA – Project Director.** This \$2.3 million project located primarily in the Fourth Ward area of Derry Borough involves separation of sanitary and storm sewers sharing common

pipings. The pipings overflow during storm events causing point discharge/pollution to McKee Run. This stream ultimately runs through and along recreational areas of the Borough. Elimination of the overflows will improve the quality of this area and protect public health. The elimination of the flows will add capacity to the existing treatment plant allowing room for economic development in the area, particularly the KOZ zone adjacent to the project.

**Borough of Derry – Sewage Treatment Plant Upgrade, Westmoreland County, PA – Project Director.** The project consisted of upgrading the existing treatment plant to meet PA. Department of Environmental Protection NPDES requirements and expanding the plant to handle the peak hydraulic loads and to provide capacity for the regional development of sanitary sewers with Derry Township. The plant improvements included adding treatment processes and hydraulic capacity to prevent two consistent problems which occur: non-compliance with NPDES ammonia nitrogen requirements and hydraulic overloads causing bypassing and deterioration of discharge quality. The improvements reduce ammonia nitrogen and solids discharge levels and eliminate bypassing of untreated sewage to McGee Run.