

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, February 6, 2014, at 7:00 p.m., in the Conference Room at 606 Cambria Street.

Those in attendance were:

Ray Bowman, Chairman
Tom Hodgkinson
Steve Koval
Tom Kunko
Jerome Yetsko

Also present were: Ron Cadwallader, Jr., Superintendent; Attorney Bill Barbin, Solicitor; Joe Beyer, The EADS Group; Mike Barton, Forester; and Amanda Petrunak, Mainline Newspapers.

I. CALL TO ORDER

Mr. Bowman, Chairman, called the meeting to order at 7:00 p.m., which was followed by the Pledge of Allegiance and Roll Call.

II. RECOGNITION OF GUESTS

Mr. Bowman recognized Amanda Petrunak, Mainline Newspapers.

III. CORRESPONDENCE

Mr. Bowman stated that the following correspondence was received:

- PMAA 2014 Board Member training, Pittsburgh North, Tuesday, March 18, 2014. Any Board members interested in attending were asked to contact Mr. Cadwallader.
- PMAA Online Training Academy: to be held February 12 from 1:00 – 2:00 p.m. Subjects include "What Every Board Member Should Know on Authority Financial Issues," etc. Cost is \$35 per unit (which would be one class per Board member). Any Board member interested was asked to contact Mr. Cadwallader so that the registration could be submitted.

IV. APPROVAL OF MINUTES

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE JANUARY 9, 2014 MINUTES BEING THAT THEY WERE DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE MINUTES AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

V. AGENT'S EXPENDITURES

No Agent's expenditures to be approved.

VI. INVOICES

Amanda Kotch	\$	52.91
Barry Dunmire		50.00
Borough of Portage		264.78
Brad Harrington		100.00
Business Records Management LLC		64.50
Cambria Mailing Services Inc		75.99

Capital Region Benefits, Inc	84.71
Carolyn Goodlowe	54.59
Catholic Charities	130.01
Charles Gouse	100.00
Christine Marlow	53.19
CMPA	1,000.00
Copy Tech Office System Inc	70.04
Corey Niper	39.91
Cummins Bridgeway	32,800.00
Darlene Washko	100.00
Daybreak III	20.00
Daylon Behe	33.79
Devon Mathieson	100.00
Don Gravel	50.00
Ebensburg Office Supply	389.02
Edna Yingling	50.00
Environmental Service Labs	216.00
Erica Hartman-Berkheimer	35.67
Ethel Plummer	15.00
George Gerula	50.00
Grainger	154.26
Greg Twiggs	20.00
Harry Harvey	50.00
Helsel Excavating	720.00
Hines Equipment	170.00
Hite Co.	1,394.06
Holly Behe	44.59
Holly Pawvluk	47.97
James Beyer	50.00
James Nicholson	20.00
Janet Sodini	100.00
Jason MacEwan	2.29
Jody Brunett	50.00
Joel Muldoon	32.50
John Myher	50.00
John P Parsons	20.00
John T Ruffing	20.00
Jonathan Shaw	82.95
Joseph Gribbin	20.00
Joseph Leydig	20.00
Joseph Selapack	50.00
Karen Lazere	50.00
Kerri Bentely-Stultz	20.00
Kimberlee Johnnie	50.00
L/B Water Service Inc	100.00
Linda Causer	50.00
Link Computer Corp	1,218.75
Ludwig Electric	82.30
Malcolm Sawyer	13.81
Marianna Husar	50.00
Mary Jane Krug	100.00
Mary L Elchin	180.00
Matthew Crum	100.00
Matthew Evans	29.98
Melvin Lee	50.00

National Road Utility Supply	70,328.00
Niper's Auto Repair	125.00
Northwestern Human Services	150.00
Paul Gable	100.00
Paul Husar	50.00
PMAA	734.63
PMAA	1,107.72
PMRS	3,261.00
Portage Area Sewer Authority	218.29
Portage Auto Parts	26.92
Portage Post Office	147.00
Portage Service Center	649.00
Ray Foreman	50.00
Ray Oil & Gas	2,891.14
Raymond G Bowman	50.00
RDM Johnstown LLC	170.00
Richard Husband	20.00
Robert Simmons	50.00
Roger Dewar	50.00
Roger Smith	20.00
Ronald Andraychak	50.00
Ronald Cadwallader Jr	20.00
Rosemarie Palvelko	64.04
Roxanne Husar	81.05
Salvation Army	30.46
Sean Kelly	50.00
Sharon Squillario	50.00
Skills of Central PA	150.00
St Vincent De Paul	9.62
Stager's Store	205.32
Stanley Packauski	10.00
Stephen F Koval	50.00
Steve Shedlock	100.00
Terry Riggleman	26.96
Thelma Dunmeyer-Dibble	20.00
Theresa Weller	20.00
Thomas Hodgkinson	50.00
Thomas Kunko	50.00
Timothy Miller	20.00
United Methodist Human Services	25.00
Walter Voss	20.00
WM G Barbin, esq	921.00
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	\$123,435.72

Paid Bills

Comcast	\$ 120.50
Linda Urish	100.00
Peoples Natural Gas	376.08
Cambria Cty Conservation	600.00
PA One Call System	32.50
Penelec	1,630.13
Pro Disposal	142.00
Rea Energy Cooperative	1,426.28
Cambria County Recorder	55.00
Amerigas – Sidman	1,786.19

Dennis McGlynn	41.36
Foster F Wineland, Inc	39.06
FWF Insurance Agency	2,066.00
Gary Boast	100.00
Health America	5,172.24
Martinsburg Municipal Authority	100.00
Norfolk Southern Corp	455.18
Sheetz Fleet Service	537.51
Staples Credit Plan	11.99
Swiftreach Networks	1,225.00
Verizon	602.75
William Maul	50.00
Aflac	153.38
Catherine Cassett	100.00
Dan Erzal	100.00
David D'Agostino	100.00
Jared Bilchak	100.00
John & Phyllis Gresky	100.00
Kayleigh White	100.00
Sandra Roush	100.00
Tricia DeJesus	100.00
William Labar	100.00
Morefield Communication	100.00
Verizon Wireless	635.95
Richard Dividock	541.32
	100.00
	<u>\$ 19,000.42</u>

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF \$151,841.05 (REGULAR BILLS, \$123,435.72; PAID BILLS, \$19,000.42; PennVEST, \$3,896.36 AND \$5,508.55). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

VII. TREASURER'S REPORT

ON MOTION OF MR. KOVAL, SECONDED BY MR. KUNKO, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE JANUARY 2014 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,544,971.52; CASH IN, \$294,184.33; CASH OUT, (\$409,088.53); ADJUSTMENT (INTEREST), \$196.38; ENDING CASH, \$1,430,263.70. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

VIII. SUPERINTENDENT'S REPORT

Mr. Bowman noted that Mr. Cadwallader's report was distributed to the Board members prior to the meeting; and he asked the Board if there were any questions regarding the report.

Mr. Cadwallader stated that he had distributed to the Board members a quote received from Ray Oil & Gas for the propane. He noted that he had contacted all of the Board members prior to obtaining the quote. Mr. Koval questioned how the quote received from Ray Oil & Gas compared to the other propane providers, to which Mr. Cadwallader replied that the other propane providers came in at

\$362. Mr. Koval questioned if Ray Oil & Gas will do all of the installation, to which Mr. Cadwallader replied affirmatively. Mr. Cadwallader noted that Ray Oil & Gas has provided heaters for both the Benscreek and Martindale plants (three new heaters at each plant), and they will install the regulators. Mr. Cadwallader stated that Mr. Wirfel will be installing the gas line from the propane tank to the generator since it has to be certified. He noted that the generator has been installed; and Mr. Brian Cadwallader is finishing up the installation of the contacts, etc.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED RAY OIL & GAS AS THE PROPANE PROVIDER BASED ON THE INFORMATION RECEIVED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Cadwallader reminded the Board of the discussion at the last meeting relative to another party performing the maintenance on the generator. He obtained additional information from Cummins Bridgeway which outlines some of the critical items that Cummins Bridgeway should complete; i.e., checking the oil, etc. Mr. Cadwallader apprised the Board that he was able to negotiate a five-year agreement with Cummins Bridgeway for both plants (the Benscreek plant would begin next year). The previous annual cost with Cummins Bridgeway was \$663 per year; and the five year contract would be: first year, \$604; second year, \$604; third year, \$624; fourth year, \$644; and fifth year, \$665. Next year, when the Benscreek plant is included, it would be a total annual cost of \$1,208. Mr. Koval questioned what the annual cost would include, to which Mr. Cadwallader replied that it would include changing the oil, running samples on the oil, and checking the transfer switch and electronics. Mr. Bowman pointed out that Cummins Bridgeway checking the electronics is important because a mechanic can check the motor, but it would be difficult to find someone to look at the electronics. Mr. Koval questioned if approving the agreement with Cummins Bridgeway would prevent us from calling someone else for something minor, to which Mr. Cadwallader replied negatively.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE FIVE-YEAR CUMMINS BRIDGEWAY GENERATOR MAINTENANCE AGREEMENT, THE COST OF WHICH IS OUTLINED ABOVE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Cadwallader noted that he did contact the Board members relative to having business records shredded in Johnstown. This has been accomplished at a cost of \$64.50. Mr. Cadwallader noted that there was a lot of security provided at the shredding company.

Mr. Hodgkinson joined the meeting at this time.

Mr. Cadwallader apprised the Board that the mower at the Benscreek plant is in need of replacement. The motor has been rebuilt several times, as has been the deck on the mower. Mr. Cadwallader obtained a quote from Hines Equipment for replacement of the rider mower. He commented that there are monies in the plants' budgeted line items that can be moved around to cover the purchase and maintenance. Mr. Koval questioned if we would be trading in the old mower, to which Mr. Cadwallader replied that we could either trade the old mower or sell it outright to an interested party. Mr. Yetzko questioned if Hines would take the old mower as a trade, to which Mr. Cadwallader replied that he does not know why Hines would not. Mr. Bowman commented that the old mower is probably worth \$100; and using it as a trade would save the Authority having to sell it outright. Mr. Hodgkinson questioned if the mower runs at all, to which Mr. Bowman replied that the mower does run; however, the deck has been rebuilt several times and the bearings have been replaced several times. Mr. Hodgkinson questioned if only one quote has been received, to which Attorney Barbin replied that the purchase is below the legal limit requiring bids being obtained. Mr. Bowman commented that the tractor at the Martindale plant could be used; however, the availability of a trailer to transport it would be a concern being that it has a 60" deck. Mr. Hodgkinson questioned if we should perhaps place the

new mower at the Martindale plant, to which Mr. Cadwallader replied that the current mower at the Martindale plant is a four-wheel drive which is required in that area because of the slopes.

ON MOTION OF MR. KOVAL, SECONDED BY MR. KUNKO, THE BOARD UNANIMOUSLY APPROVED THE PURCHASE OF A MOWER FOR THE BENS CREEK PLAN VIA THE QUOTE RECEIVED FROM HINES EQUIPMENT AND USING THE CURRENT MOWER AS A TRADE-IN. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Cadwallader apprised the Board that, when the project was completed on Spring Hill, Mr. Federko approached Mr. Cadwallader relative to running a line to his residence. Previously, Mr. Federko paid for a private line to be run down to his residence; however, now that the Authority has the new main line installed in that area, Mr. Federko would like to have the line run to his residence so he can get back on city water being that he now utilizes a well. Mr. Cadwallader explained that, to get to the Federko residence, it would require 300 feet of line. Mr. Cadwallader received a quote from L.B. Water for 300 feet of 1" CPS at a cost of \$399.60 to get it down to Mr. Federko's property line. The quote includes the saddle, the curb stop, running the 300 feet of line; then Mr. Federko would be responsible for running the 300 feet of line to his residence. Attorney Barbin questioned if it would be 600 feet total, to which Mr. Cadwallader replied affirmatively, noting that the Authority would be responsible for 300 feet, and Mr. Federko would be responsible for 300 feet. Mr. Koval questioned if the Authority would be responsible for the labor, to which Mr. Cadwallader replied affirmatively, noting that this project would be completed after some current projects are completed. Mr. Bowman commented that it is not an urgency that this project be completed now. Mr. Cadwallader indicated that Mr. Federko currently has a well; however, he has a galvanized pipe currently and is experiencing poor water quality. He stated that running the 300 feet of line could be completed in one day.

Mr. Hodgkinson questioned if we have money in the budget to complete this project, to which Mr. Cadwallader replied that there would be monies available in the maintenance budget. Mr. Cadwallader noted that the Authority would also do the tap. Mr. Koval questioned if Mr. Federko is aware of the tap fee, to which Mr. Cadwallader replied that Mr. Federko was aware of the tap fee before but he is not aware of the new tap fee. Mr. Cadwallader noted that there was no tap fee paid previously because it was a private line. Mr. Bowman commented that Mr. Federko would also be paying the minimum each month.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY APPROVED RUNNING OF THE 300 FEET OF LINE TO PROVIDE WATER USAGE TO MR. FEDERKO AS OUTLINED ABOVE, AT A COST OF \$399.60 TO THE AUTHORITY. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Cadwallader apprised the Board that there was a concern last weekend at Amfire in that the 6" main that feeds the truck wash blew out. The line runs alongside the railroad tracks, cuts into the middle of the track, runs a certain length on Amfire property, and then cuts into the Norfolk Southern tracks. In order to address the concern, Mr. Cadwallader commented, we would have had to take everything out underneath the track and we would never had been able to put everything back which would have caused the track to sag. Since this is not possible, Mr. Cadwallader pointed out, what is being proposed is that we reroute the line, taking it off of the new 10" on Dulancey Drive and putting a bore underneath the road and track, and then running a 6" to the feed. Mr. Cadwallader provided to the Board a breakdown of everything that would be involved in this project.

Mr. Cadwallader informed the Board that he talked with Lumadue and obtained a quote. The quote includes 50 feet of bore (30 feet underneath Dulancey Drive and 20 feet under the track) with 2" casing, at a cost of \$285 per foot, for a total of \$14,250. Mr. Bowman pointed out that the \$14,250 includes only the labor and the casing. The additional \$7,226.36 for materials would be the

responsibility of the Authority, unless the Authority decides to purchase a boring machine and perform the work itself. Mr. Cadwallader provided information relative to the cost of a boring machine from Lumineers that does 3" – 10" bores, which could also be used on other Authority projects as well. Mr. Koval noted that the quote from Lumadue stated a 12" bore would be required, to which Mr. Cadwallader explained that Lumadue quoted a 12" bore because that was what he had in stock. Mr. Cadwallader informed the Board that the cost of the boring machine would be \$13,406. Mr. Koval questioned if the Authority employees would be able to run the boring machine, to which Mr. Cadwallader replied affirmatively.

Mr. Bowman commented that the only catch with using a boring machine is that you have to have a good deal of tail so that you can push the casing underneath, and it does not matter which side. You have to have some distance. Mr. Cadwallader shared with the Board information on the distance required for the boring machine. Mr. Bowman commented that outside the project on Spring Hill, we have paid for four bores; i.e., two on the Route 53 project, one underneath Main Street at Sheetz, and one on the other side of Route 53. These would have been the perfect situations where we could have benefited of having our own boring machine. Attorney Barbin questioned if the boring machine could be used by the Borough and the Sewer Authority, to which Mr. Cadwallader replied affirmatively. Mr. Cadwallader commented that the equipment could also be used by other municipalities with whom we have a Shared Services Agreement and the Authority could charge for the boring and labor. Mr. Cadwallader commented that another reason for the need of the boring machine is that you cannot open cut a State highway any longer; it has to be a bore underneath a State highway.

Mr. Koval questioned when the project will need to be done, to which Mr. Cadwallader replied that the line in question is feeding Amfire. Mr. Bowman noted that we need to get the line in place before Spring so that the truck wash can be up and running. Mr. Hodgkinson questioned what the most cost feasible approach for the Authority would be, to which Mr. Cadwallader replied that there is a \$1,200 difference between Lumadue's cost and the Authority purchasing the materials or the Authority purchasing the boring machine and the materials. Mr. Bowman noted that Mr. Cadwallader and Mrs. Ringler did some calculations on the purchase of the boring machine. If purchasing the equipment under a loan, there would be an interest rate between 5.8% - 6.1%. However, the Authority does have an open line of credit through First Summit Bank (not related to the construction project) for 3-1/4%. Mr. Cadwallader questioned if the purchase price would require it to be bid out, to which Attorney Barbin replied that it would require three quotes. Mr. Bowman noted that we could check Costars as well.

Attorney Barbin questioned the Norfolk Southern property, to which Mr. Cadwallader replied that all of the line work would be done on Amfire property; if not, we would need a permit from Norfolk Southern for the boring. Attorney Barbin questioned if the line is now under Norfolk Southern property, to which Mr. Cadwallader replied that the line on Norfolk Southern property has been there for many years. Mr. Bowman noted that this line is not cased, so you cannot slide a new pipe under it.

Mr. Hodgkinson questioned if the Authority is also going to have an expense at the intersection at Dominic's, to which Mr. Cadwallader replied affirmatively. Mr. Bowman noted that it is going to be a 75/25 split of approximately \$75,000. With the project on Dulancey Drive, Mr. Cadwallader noted that the Authority is going to have to find out if the state is going to pay the 75%. He explained that the way he had it figured out with materials and other items, the 25% would hit on the salaries and what equipment we would use of the Authority's. There were some emails exchanged today that need to be looked at as well.

Mr. Koval noted that, if three quotes are needed for the Amfire project, the Board will not be able to act on the matter at this meeting. Attorney Barbin stated that the Board could authorize Mr. Cadwallader to award it at the lowest of three bids, the bid noted above being one of them. Attorney Barbin commented that the Board could also hold a decision until the next meeting until the other two quotes are received. Mr. Hodgkinson indicated that the Board also has to decide how it will be paying

for the purchase. Mr. Cadwallader noted that we do need a month lead time in placing the order. Attorney Barbin noted that, if that is the case, the Board could authorize the purchase when the other two quotes are received, provided the remaining quotes are not above the one already received. Mr. Hodgkinson stated that the other two quotes must have the identical specifications as well. Mr. Cadwallader noted that the boring machine does not have a motor; it will be powered off the hydraulic of the backhoe. Mr. Koval questioned where we would be taking the money from for the purchase. Mr. Cadwallader noted that he had distributed to the Board prior to the meeting information that Mrs. Ringler put together on the options; i.e., what the monthly payment would be under the terms of either 24, 36, 48 or 60 months through the manufacturer, as well as an amortization schedule on the payments and what the Authority would be paying back. Another option would be the line of credit; and Mrs. Ringler provided what the interest rate and payments would be. Mr. Hodgkinson commented that, by going with the manufacturer, we would be paying back \$2,100 in interest over the five years (the Authority would be paying back \$15,501 and the equipment costs \$13,406). Mr. Bowman stated that the line of credit would be cheaper; and the Authority would also have the option to pay if off at any time. If, for example, the Authority had funds left over in the budget at the end of the year, those monies could be used to pay off this debt.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KUNKO, THE BOARD UNANIMOUSLY AGREED TO USE THE LINE OF CREDIT TO PAY FOR THE PURCHASE OF THE BORING MACHINE, WITH THE STIPULATION THAT MR. CADWALLADER OBTAIN TWO ADDITIONAL BIDS WITH EQUAL SPECIFICATIONS AS THE CURRENT BID NOT TO EXCEED \$13,406. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

IX. ENGINEER'S REPORT

Mr. Beyer commented that a copy of the Engineer's Report was distributed to the Board prior to the meeting.

Mr. Beyer noted that there are no Payment Requisitions for approval by the Board this month.

Mr. Beyer presented to the Board an Amendment to the Engineer's Agreement. He requested approval of the Amendment contingent upon Judy's review. Mr. Bowman questioned if this is at the request of USDA, to which Mr. Beyer replied affirmatively. Mr. Beyer had provided a copy to USDA for review but has not received a response as yet. Mr. Bowman commented that the Amendment is needed because EADS moved away from the original contract work. Mr. Beyer stated that the Amendment also includes the extension work on Front Street and Plane Road, as well as some inspection fees from the last project.

ON MOTION OF MR. KOVAL, SECONDED BY MR. KUNKO, THE BOARD UNANIMOUSLY APPROVED THE AMENDMENT TO THE ENGINEER'S AGREEMENT AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Beyer presented two change orders for approval by the Board. He noted that Change Order #4 was approved for payment by the Board in December; however, after talking with Judy, since we want to do the work on Plane Road and Front Avenue, Judy requested that we reduce the contract for Lumadue down to what he is owed, thus reducing the contract by \$166,225.26, which can be applied to the new work that is being done. Mr. Beyer indicated that the revised Change Order would void the Change Order approved by the Board in December.

ON MOTION OF MR. YETSKO, SECONDED BY MR. HODGKINSON, THE BOARD UNANIMOUSLY APPROVED THE REVISED CHANGE ORDER #4 AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Beyer presented Change Order #5, which would be an increase in the contract price for Lumadue in the amount of \$194,171, contingent upon Judy's review. Mr. Beyer noted that part of this amount will be at the Authority's expense because we did not have the money for the Front Avenue/Plane Road project. The Authority's share could potentially be \$44,860.31. Mr. Beyer commented that Judy has stated that the Authority may have to cut a check for the above amount prior to the construction beginning in order to insure the funds are available, or a bank statement could be provided to show the funds are available. Mr. Beyer also pointed out that there is \$14,000 of contingency funds that have not yet been spent, so the Authority may only be paying \$30,000. Mr. Bowman stated that the Board had previously discussed the fact that any monies it would have put toward the Mountain Avenue/Grant Street project could be reallocated to the Front Avenue/Plane Road project.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KUNKO, THE BOARD UNANIMOUSLY APPROVED CHANGE ORDER #5 AS PRESENTED, INCLUDING THE AUTHORITY'S SHARE OF THE PAYMENT TO LUMADUE OF APPROXIMATLY \$44,000. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

As it relates to the permits for the Front Avenue/Plane Road project, Mr. Beyer apprised the Board that the E&S approval has been received. Mr. Beyer is awaiting approval of the waste water permits; and the Township has approved the occupancy permit.

As it relates to the freeze-up list, Mr. Cadwallader indicated that there was some investigation done on some of the freeze-ups. We eliminated a large portion of them in that the problem laid on the homeowner's side. There are approximately seven freeze-ups to complete and then the list will be complete.

Concerning the Main Street/Dulancey Drive intersection project, Mr. Cadwallader reported that a meeting was held on January 22 with all of the utilities involved, the Borough, PennDOT, etc. For this project, Mr. Beyer explained, the water line will need relocated in two locations. Following the meeting, Mr. Franko from PennDOT requested, in order to keep this project moving, that the Authority provide a letter requesting EADS to do the engineering work. A verbal agreement was received from the Board at that time; however, Mr. Beyer requested formal approval by the Board. Mr. Bowman noted that Mr. Cadwallader had contacted the Board members and received verbal approval following the January 22 meeting. Upon approval, a Resolution will be prepared for signature.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY RATIFIED THEIR VERBAL APPROVAL OF UTILIZING EADS ENGINEERING FOR THE DULANCEY DRIVE/MAIN STREET PROJECT. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Beyer explained to the Board that, across from Dominic's, there is a storm pipe that we will have to dig under; and where the existing fire hydrant is, we will also have to dig under that storm pipe as well. That line will need relocated. In discussing this with Mr. Ron Cadwallader and Mr. Brian Cadwallader, Mr. Beyer stated, to tie in we are going to go past Dominic's on Main Street and come down almost to the arch. That will get the valves out of the intersection and prevent any concerns in the future. Mr. Beyer informed the Board that he received a call from Mr. Franko of PennDOT noting that we will have to specifically state why the line needs to be relocated in that section because it is not within the project area and it may not specifically get paid for. Mr. Cadwallader stated that, when you come down Main Street past the former Sheetz store, there is a 6" pitcast which is over 100

years old. This is the main feed to Munster Road as well as the lower end and the area toward Stagers. Coming down Dulancey, there is a new 8" ductile that comes out and then it goes down into a 6" to go into the cross. On the other side of Dulancey near the Gaunt residence, there is a 4". In other words, Mr. Cadwallader pointed out, the cross holds two pieces of 6", a 6"-8" reducer, and a 4"-6" reducer. What is being planned is to eliminate that line, put an 8" cross in and run 8" in every direction and tie it all in. If anything happens in the future, this will then be the takeoff points; and we would also not have to go back into the intersection and affect any State road in that it will all be on a Township road.

Mr. Kunko noted that the Authority has always had a lot of trouble with this line. Mr. Cadwallader commented that for what PennDOT is saying is not within the project work, we will never get it tied in without a major problem because we would be tying all new ductile into lead joints; and as soon as we would move the pipe around, there would be major leaks.

Mr. Koval questioned what the cost is going to be, to which Mr. Cadwallader replied that, prior to the meeting, he questioned PennDOT as to what they would be paying for under the project. For the Route 53 project, it was 50%, but currently it is 75%. Mr. Beyer stated that PennDOT has indicated that they would not cover 75% unless the Authority requested it. Mr. Hodgkinson questioned what 25% of the project would be, to which Mr. Bowman replied that it would be approximately \$17,000. He commented that, if PennDOT approves it, this would only be the beginning in that there would be a series of PennDOT approvals that would be required. Mr. Koval questioned if this project is planned to take place this year, to which Mr. Bowman replied that the project is to go out to bid on April 10, 2014. Mr. Bowman commented that PennDOT was planning this project for over a year; and we did not know until the January 22 meeting that there was a conflict. Mr. Cadwallader explained that, with materials and engineering fees alone, and not including labor, the Authority has approximately \$63,000 tied up in this project already. Mr. Bowman stated that we will also have to have flaggers as well, to which Mr. Cadwallader indicated that there will be a company to come in to do the flagging in that the flaggers have to be certified in order to flag on a State road. Mr. Cadwallader noted that two Authority employees have obtained this certification; however, if you do not place the signs and cones in the correct location and the flaggers are not certified, we could be held liable.

Mr. Koval commented that with the 25%, the Authority would be paying \$17,000; and at the 50% level, the Authority would be paying \$34,000. Mr. Beyer noted that the project needs to be completed by June 9. Mr. Bowman explained that PennDOT has a timeline for their portion of the project and, therefore, the Authority would be under a timeline to complete their portion of the project. Mr. Koval questioned if we can meet our timeline, to which Mr. Beyer replied affirmatively as long as the appropriate paperwork is completed and we obtain the needed approvals. Mr. Cadwallader commented that the gas line and light pole would also have to be relocated. Attorney Barbin pointed out that the faster the Authority moves on its portion, the less conflict it will have with other portions of the project.

Attorney Barbin noted that he is in receipt of a PennDOT general Resolution authorizing the Chairman of the Authority Board to sign the Reimbursement Agreement at a 75% reimbursement level. We do not have the final Reimbursement Agreement in that there were changes made to it today. The new Reimbursement Agreement has the date of the timeline included; the old Agreement had a fixed dollar amount, but the new Agreement does not. Attorney Barbin recommended Board approval of the Resolution authorizing the Chairman of the Board to sign the Reimbursement Agreement with PennDOT at the 75% reimbursement level.

ON MOTION OF MR. KOVAL, SECONDED BY MR. HODGKINSON, THE BOARD UNANIMOUSLY AUTHORIZED THE CHAIRMAN OF THE BOARD TO SIGN THE REIMBURSEMENT AGREEMENT WITH PENNDOT AT A 75% REIMBURSEMENT LEVEL ONCE THE FINAL AGREEMENT IS RECEIVED FOR SIGNATURE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

Mr. Beyer noted that last month he had mentioned the Long Range Plan. He commented that he would like to possibly schedule a workshop with the Board in the near future to discuss the plan. Mr. Yetsko questioned if Mr. Beyer discussed the Long Range Plan with Mr. Koban, to which Mr. Beyer replied that he did not. Mr. Yetsko indicated that the Borough Council will be scheduling a meeting with the Planning Commission. Mr. Cadwallader stated that the Authority has its own Long Range Plan that currently needs updated. Mr. Bowman noted that there are a number of items on the Authority's Long Range Plan that have been accomplished.

X. SOLICITOR'S REPORT

Attorney Barbin stated that he did submit his report prior to the meeting for the Board's review.

Attorney Barbin provided two copies of the Police Agreement for signature. He noted that the signature pages will also require a seal as well.

XI. FORESTER'S REPORT

Mr. Barton apprised the Board that he is moving forward with Shawn Helsel to get the work done on the trails; and hopefully this work will begin soon.

Mr. Hodgkinson questioned if anyone is monitoring the activity on the gas wells, to which Mr. Cadwallader replied that he is monitoring the situation and there have only been permits requested to date. Attorney Barbin stated that he also monitors any permits being applied for. Attorney Barbin noted that the companies can come on the Authority's property without the Authority's permission if they own the gas rights. The Authority would want to continue dialogue with the various companies, but we cannot stop them from entering the property if they own the gas rights.

XII. UNFINISHED BUSINESS

- Jamestown Project

Discussed earlier in the meeting. Project ongoing.

- CDBG Project

Discussed earlier in the meeting. Project ongoing.

- Employee Issues

Mr. Bowman informed the Board that he asked that this subject be a recurring agenda item each month.

- Police Agreement

Discussed under Solicitor's report. Complete.

XIII. NEW BUSINESS

- Cummins Bridgeway – Martindale Generator Maintenance Agreement

Discussed earlier in the meeting.

- Ray Oil & Gas – Propane Bid

Discussed earlier in the meeting.

- Personnel Rules and Regulations – Uniform Allowance

Mr. Bowman presented an Amendment to the Personnel Rules and Regulations to allow the uniform allowance to be paid as one payment annually. Mr. Yetsko questioned when the payment would be made, to which Mr. Cadwallader replied that the payment would be made in January each year.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE AMENDMENT TO THE PERSONNEL RULES AND REGULATIONS RELATIVE TO THE UNIFORM ALLOWANCE AS PRESENTED (PAYMENT OF THE UNIFORM ALLOWANCE TO BE MADE ONCE ANNUALLY IN JANUARY OF EACH YEAR). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

- Dulancey Drive – Water Line Relocation

Discussed earlier in the meeting.

XIV. GOOD OF THE ORDER

- Requests for Adjustments

Mr. Bowman presented the following requests received for adjustments:

- Emma Baudoux – pipe freeze and break: bill received, \$514.64; adjusted amount, \$117.18
- Margorie Federko Estate – pipe freeze and break; house empty: bill received, \$408; adjusted amount, \$95.86
- Luanne Hoffman – pipe freeze and break in rental property: bill received, \$266.89; adjusted amount, \$67.63
- Francis Sopata – pipe freeze and break: bill received, \$127.22; adjusted amount, \$39.70
- Ray Lundberg, Jr. – pipe freeze and break: bill received, \$130.83; adjusted amount, \$40.42
- Francis Gavlak – pipe freeze and break: bill received, \$1,065.45; adjusted amount, \$227.35

ON MOTION OF MR. KOVAL, SECONDED BY MR. KUNKO, THE BOARD UNANIMOUSLY APPROVED THE ABOVE REQUESTS FOR ADJUSTMENTS AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO. MR. HODGKINSON ABSTAIN FOR FRANCIS GAVLAK.

- Insurance Payment - Fence Damage

Mr. Bowman apprised the Board that a check in the amount of \$3,127 has been received from EMC Insurance for the fence damage. Also received was a check in the amount of \$500 for the deductible. It is being recommended that both checks be deposited into Account 104.5, General Account.

Mr. Bowman stated that a dividend refund check in the amount of \$6,975.55 has been received from FWF Insurance for the Municipal Safety Group. It is being recommended that the check be deposited into Account 106.5, Savings Account.

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY ACKNOWLEDGED RECEIPT OF THE ABOVE CHECKS AND UNANIMOUSLY APPROVED DEPOSIT OF THE CHECKS IN THE ACCOUNTS AS NOTED ABOVE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

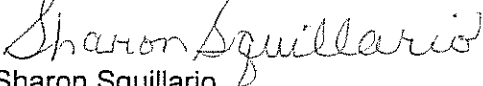
XV. ADJOURNMENT

ON MOTION OF MR. KOVAL, SECONDED BY MR. HODGKINSON, THE MEETING WAS ADJOURNED AT 8:05 P.M. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, MR. KUNKO, AND MR. YETSKO.

XVI. NEXT MEETING

The next meeting will be held on Thursday, March 6, 2014 at 7:00 p.m.

Respectfully submitted,


Sharon Squillario
Recording Secretary