

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, December 4, 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
Jerome Yetsko

Also present were: Ron Cadwallader, Jr., Superintendent; Attorney Bill Barbin, Solicitor; Michael Barton, Forester; Joe Beyer, The EADS Group; 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 Ms. Petrunak.

III. CORRESPONDENCE

Mr. Bowman noted that a letter was received from Portage Borough notifying the Authority of the increase in the curbside pick-up service charge for garbage. The current charge is \$13.85; and it will be increased to \$14.30.

Mr. Bowman reported that a card was received from Clyde and Beverly Costlow relative to the Albert Drive project. Mr. and Mrs. Costlow thanked the Authority for resolving what they indicated was a 20 year concern; and they now feel that it is nice to have clean, clear, potable water. They stated that the project took more time than anticipated; however, the result was "fantastic." Mr. and Mrs. Costlow expressed their appreciation to Ron, Brian, Todd and other Water Department personnel who assisted with the project. They indicated that the employees were exemplary in every way, courteous, accommodating and efficient; and the Authority, as the employer, should be very proud. Mr. and Mrs. Costlow noted that, as rate payers, they are extremely grateful for these men, this project, and the Portage Water Authority.

IV. APPROVAL OF MINUTES

ON MOTION OF MR. KOVAL, SECONDED BY MR. HODGKINSON, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE NOVEMBER 6, 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. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

V. AGENT'S EXPENDITURES

No Agent's expenditures to be presented.

VI. INVOICES

Cambria Mailing Services, Inc	\$	79.78
Capital Region Benefits, Inc		84.71

Centre Communications, Inc	35.00
Channing Bete Co, Inc	523.68
CMPA	1,000.00
Cole-Parmer Inst. Co	587.54
Copy Tech Office System Inc	95.83
Ebensburg Office Supply	616.81
Environmental Service Labs	144.00
FWF Insurance Agency, Inc	1,860.00
Hach	429.89
Heritage Environmental	90.00
L/B Water Service, Inc	490.38
Link Computer Corp	1,245.00
Ludwig Electric	590.25
Mainline Newspapers	84.00
Mary L Elchin	180.00
New Enterprise Stone & Lime Co	393.25
Portage Auto Parts	384.66
Portage Post Office	147.00
Portage Service Center	555.00
PRWA	255.00
Ray Oil & Gas	3,705.67
Raymond Bowman	50.00
RDM – Johnstown LLC	1,989.00
Ronald J Cadwallader, Jr	20.00
Sharon Squillario	50.00
Stager's Store	176.15
Stephen F. Koval	50.00
Thomas Hodgkinson	50.00
Univar USA, Inc	7,878.22
Verizon Wireless	176.86
Vermeer Sales & Service, Inc	122.00
	<u>\$24,139.68</u>

Paid Bills

Brian Randall	\$ 100.00
Comcast	259.86
PA One Call System	47.90
Penelec	1,850.88
Ray's Lawnmower	934.37
REA Energy Cooperative	1,057.26
Sargent's Court Reporting Service	449.00
Verizon	348.26
Visa – 1 st Summit	479.00
Aflac	226.22
Becir Krcishta	100.00
Pro Disposals	142.00
Sheetz Fleet Service	185.04
Swiftreach Networks, Inc	296.05
Talia Diethrick	100.00
1 st Summit Bank	391.34
	<u>\$6,967.18</u>

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF

\$40,511.77 (REGULAR BILLS, \$24,139.68; PAID BILLS, \$6,967.18; PennVEST, \$3,896.36 AND \$5,508.55). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

VII. TREASURER'S REPORT

ON MOTION OF MR. KOVAL, SECONDED BY MR. HODGKINSON, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE NOVEMBER 2014 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,603,559.23; CASH IN, \$163,415.47; CASH OUT, (\$185,648.26); ADJUSTMENT (INTEREST), \$0; ENDING CASH, \$1,581,326.44. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, 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 reported that the Albert Drive project is complete; and all residents have been supplied with water. The Kirby Road project has been complete; however, two residents remain to be hooked up.

Mr. Cadwallader commented that, as mentioned at the last meeting, the hydrant on Shady Springs Road was replaced and is back in service.

Mr. Cadwallader informed the Board that he received a call from McCall's today; and the Authority should be receiving a check in the amount of \$2,500 for the sale of the old Unit #2.

Mr. Cadwallader indicated that he had contacted the Board members relative to a concern with the backhoe. It was thought that the concern was the turbo; however, it seems to be a problem with the throttle. Mr. Brian Cadwallader did some adjustments; and the concern has not recurred. Therefore, an expenditure did not have to be made as previously thought.

Mr. Cadwallader indicated that the Board had approved at the last meeting the purchase of small items with the monies not spent in the budget for this year. The purchase of an auger was inadvertently left off of the list of purchases. Mr. Cadwallader requested the purchase of a 4" auger for the boring machine at a total cost of \$3,058.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE PURCHASE OF A 4" AUGER AT A TOTAL COST OF \$3,058 (TO BE PURCHASED FROM UNUSED FUNDS FROM THIS YEAR'S BUDGET). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

Mr. Hodgkinson noted that, in reviewing Mr. Cadwallader's report as it relates to flushing, he thought that time spent for flushing the lines was to be time off versus overtime. Mr. Koval replied that the employees have the choice of either overtime or compensatory time.

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, as discussed at the last meeting, he is still waiting for final information from Ryan. He did speak with Ryan; and Ryan is almost finished with the survey. By the end of next week, Ryan should have all of the as-builts and paperwork completed.

As it relates to the Mountain Avenue project, Mr. Beyer reported that he has not heard from DEP as yet relative to the water supply permit. Mr. Cadwallader stated that, as it relates to the NPDS permit, he received information today that the request is now under technical review. It will be advertised for 30 days; and after that time, the Authority should receive the NPDS permit. Mr. Cadwallader pointed out that it has been over a year since the Authority requested the permit.

X. SOLICITOR'S REPORT

Attorney Barbin noted that he had submitted a copy of his report prior to the meeting.

As it relates to the discussion at the last meeting regarding Diehl Construction, Attorney Barbin reported that he has not heard anything. He noted that Diehl had 30 days to file an appeal; and the 30 days will end on December 7.

Attorney Barbin reminded the Board that the Authority had issued a Lease and Option to Purchase to Appalachian Regional Energy Center in February 2009 (McCabe rental). Attorney Barbin commented that Mr. Barton has asked if the non-profit corporation that he set up could have an option on the property for the Educational Center. The current lease was for five years; however, the lease expired on February 28, 2014. Attorney Barbin commented that the original lease had many restrictions built into the agreement; i.e., the right to control what chemicals would be used on the property, the right to control E&S on the property, etc. Attorney Barbin stated that Mr. Barton has requested a two-year extension to the agreement. Mr. Hodgkinson questioned how much property is involved, to which Mr. Cadwallader replied that it is about one acre. Mr. Cadwallader informed the Board that Mr. Barton met with Mr. Cadwallader and others and basically outlined the plans for the building. It will be a "green" building that would include a conference room on the bottom floor and an observatory on the top floor to view the windmills, trails, etc.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO GRANT A TWO-YEAR EXTENSION TO THE AGREEMENT REQUESTED BY MR. BARTON AS OUTLINED ABOVE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

XI. FORESTER'S REPORT

Mr. Barton informed the Board that he has all of the timber marked on the ridge for Mr. Claar. Mr. Barton will prepare the information and submit it to the Board, but it is approximately 12,000 feet (\$3,000 worth of trees).

XII. UNFINISHED BUSINESS

- CDBG Project

Discussed earlier in the meeting. Project ongoing.

- 2014 CDBG Grant

Grant information has been submitted.

- Kisic Request

Mr. Bowman questioned the wishes of the Board relative to the discussion with Mr. Kisic at the last meeting and whether we should accept the tap fee. Mr. Koval questioned if we have ever made any exceptions in the past, to which Mr. Cadwallader replied that he has one customer that has paid the tap fee but has yet to put the tap in. Mr. Cadwallader noted that if this customer does not build within a year, it will be considered an abandoned tap. Mr. Koval questioned, if it does become an abandoned tap, would the customer have to then pay a new tap fee, to which Mr. Cadwallader replied affirmatively. Mr. Koval commented that, if we have a standing policy, he does not know if we want to grant an exception in Mrs. Kisic's case. Attorney Barbin noted that, if we grant an exception, then we would not have a standing policy. Mr. Hodgkinson questioned if we should change the policy, to which Attorney Barbin replied that the policy is basically black and white in this case. The Authority put in the line and told the Kisic's that they had to tap in; and Mr. Kisic did not want to be responsible for the extra distance of the line. Discussion took place relative to the difference in the line distance of the Authority and the Township (the Township's rule is unlimited distance). Attorney Barbin pointed out that the Authority follows the rule of 150 feet, which is reasonable. Mr. Cadwallader noted that, when this situation developed, and he was told that Mrs. Kisic did not have sufficient funds, he did assist Mrs. Kisic in applying for grants, etc., but she did not qualify. Mr. Koval noted that the Authority has a rule and standard in place, so we need to abide by that. Mr. Bowman asked that Attorney Barbin send a letter to Mrs. Kisic relative to the Board's decision.

XIII. NEW BUSINESS

- Lease Extension – Michael Barton

Discussed earlier in the meeting.

- Appointment of Treasurer

Mr. Bowman questioned Attorney Barbin, due to Mr. Kunko leaving the Board, could the appointment of a Treasurer be addressed at the January meeting at the time of reorganization, to which Attorney Barbin replied affirmatively.

- Rates, Rules and Regulations and Conditions of Service

Mr. Bowman apprised the Board that the members were provided prior to the meeting a copy of the Rates, Rules and Regulations and Conditions of Service. He noted that this is the first time that the Authority has a copy of this information in digital form. Mr. Bowman requested that the Board members review the information and provide any edits and updates. Mr. Cadwallader pointed out that what the Board was provided was information that has only been in written form over the years. Mr. Bowman indicated that changes that previous Boards had made did not get pulled out and replaced because everything was in written form. Mr. Koval questioned if the rates included in this document are the new rates based on the new budget, to which Mr. Bowman replied negatively indicating that these are the types of changes that need made to the document. Mr. Yetsko recommended that, once we have the changes made, Attorney Barbin should review the entire document prior to Board approval.

- Tax Sale – Caldwell Avenue Property

Mr. Bowman reminded the Board that he had mentioned the tax sale of the Chappell property on Caldwell Avenue at the last meeting. Mr. Cadwallader noted that there is an outstanding loan against the property; however, according to the Prothonotary's Office of Cambria County, the property is clear. Attorney Barbin apprised the Board that a tax sale does not divest a mortgage on a property; however, if the outstanding loan is from a credit card, this would not be a mortgage. If it is a judgment, a tax sale would not divest that either. Attorney Barbin indicated that it has to be a judicial

sale to wipe out the lien. Mr. Bowman commented that in situations like this, if it is a mortgage, we may be able to contact the mortgage holder for a release and we would be the only one that could bid on the property.

Mr. Bowman questioned if we should do a title search on the property, to which Attorney Barbin replied affirmatively. Mr. Hodgkinson questioned if the property would be of interest to the Authority, to which Mr. Cadwallader replied that it definitely would be. Mr. Hodgkinson questioned if we would tear the house down on the property, to which Mr. Bowman replied affirmatively. Mr. Bowman emphasized that this is a good sized property with a lot of potential.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AUTHORIZED ATTORNEY BARBIN TO DO A TITLE SEARCH ON THE CALDWELL AVENUE PROPERTY AS DISCUSSED ABOVE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

ON MOTION OF MR. KOVAL, SECONDED BY MR. HODGKINSON, THE BOARD UNANIMOUSLY AUTHORIZED A \$200 PRE-PAYMENT THAT WOULD REGISTER THE AUTHORITY FOR THE TAX SALE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

XIV. GOOD OF THE ORDER

- Christmas Party

Mr. Bowman reminded the Board of the Christmas party on December 19 and to notify Chris if they are interested in attending.

- 2015 Meeting Dates

Mr. Bowman noted that a copy of the meeting dates for 2015 was provided to the Board prior to the meeting. All meetings will be held the first Thursday of each month, with the exception of January, which will be held the second Thursday. Mr. Bowman asked for a motion to accept the meeting dates as provided.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE MEETING DATES FOR 2015 AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

- Request for Adjustment

Mr. Bowman apprised the Board that the following request for adjustment was received:

- 1208 Conemaugh Avenue – toilet broke and flooded the basement. Consumption, 46,900 gallons; average consumption, 2,000 gallons. Amount billed, \$319.35; average bill, \$17.82; subtotal, \$301.53; 20%, \$60.31; total adjusted bill, \$78.13.

ON MOTION OF MR. HODGKINSON, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY AGREED TO APPROVE THE ABOVE REQUEST FOR ADJUSTMENT AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL AND MR. YETSKO.

- Christmas Bonuses

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO KEEP THE CHRISTMAS BONUSES THE SAME AS LAST YEAR. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL AND MR. YETSKO.

- Posted Signs

Mr. Cadwallader apprised the Board that he had contacted Mr. Barton regarding signs posted on County Line Road by the Castel's. Mr. Barton reviewed the signs and has determined that the signs are on the Authority's property. Mr. Cadwallader noted that he has left a message for the Castel's that the signs would need removed; and he has not received a return call. He will keep the Board apprised.

- Bonus Payment to Mr. Barton

Mr. Bowman apprised the Board that there is \$2,000 in the budget that is unspecified. He questioned the Board as to their thoughts on specifying these monies as an end of the year payment to Mr. Barton for his assistance to the Authority.

ON MOTION OF MR. KOVAL, SECONDED BY MR. HODGKINSON, THE BOARD UNANIMOUSLY AGREED TO PROVIDE A PAYMENT OF \$2,000 TO MR. BARTON AS OUTLINED ABOVE (TO BE PAID OUT OF UNSPECIFIED FUNDS IN THE CURRENT YEAR BUDGET). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL AND MR. YETSKO.

- Amfire

Mr. Hodgkinson commented that he has heard rumors of Amfire closing as of December 31. He questioned the loss of revenue to the Authority, to which Mr. Cadwallader replied that the Authority received income from water usage by Amfire at the truck wash and the sprinkler system. Discussion ensued further relative to this matter; and Mr. Cadwallader will keep the Board updated.


XV. ADJOURNMENT

THERE BEING NO FURTHER BUSINESS, ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD ADJOURNED THE MEETING AT 7:37 P.M. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. BOWMAN, MR. HODGKINSON, MR. KOVAL, AND MR. YETSKO.

XVI. NEXT MEETING

The next meeting will be held on Thursday, January 8, 2015 at 7:00 p.m.

Respectfully submitted,


Sharon Squillario
Recording Secretary