

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, August 4, 2016, at 7:00 p.m., in the Conference Room at 606 Cambria Street.

Those in attendance were:

Mark Stancovich, Chairman  
John Gartland  
Steve Koval  
Dave Miorelli  
Jerome Yetsko

Also present were: Ron Cadwallader, Superintendent; Attorney William Barbin, Solicitor; Joe Beyer, The EADS Group; Mike Barton, Forester; Ron Portash, Mainline Newspapers; Chuck Salyards and additional representatives, Blue Knob Fire Department; Mark Castel, Resident.

## **I. CALL TO ORDER**

Mr. Stancovich, 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. Stancovich recognized Mr. Portash, Mainline Newspapers.

Mr. Stancovich recognized Mr. Castel, indicating that Mr. Castel will be taking Mr. Stancovich's Board seat beginning in September.

Mr. Stancovich recognized the representatives from the Blue Knob Fire Department. Mr. Salyards noted that the representatives from the Fire Department were present at the meeting to obtain the Board's approval on the work that has been done to clean up the trails. Mr. Cadwallader noted that he talked with Mr. Barton; and everything is satisfactory. The representatives from the Fire Department questioned if Mr. Barton provided invoices for the work that has been completed, to which Mr. Cadwallader replied that he did not.

Mr. Barton joined the meeting at this time.

Mr. Barton apprised the Board that all efforts have been made to clean up the trails. Some of the work is rough, which is to be expected. The cleanup is approximately 90% complete; and the work is phenomenal. All of the approaches and streams are rocked and are cleaned up; and the Fire Department has done everything that the Board requested that they do. Mr. Barton stated that the new trail stays far away from any of the water resources, so the watershed is protected; and we are in a much better position moving forward than we were in the past.

Attorney Barbin questioned if there are invoices available to be given to the Blue Knob Fire Department for the work that has been completed, to which Mr. Barton replied that he has invoices from Raptosh and from himself. Mr. Barton pointed out that the total of the Raptosh invoice is \$4,562.99, which would be split 2/3 to the Blue Knob Fire Department (\$3,042) and 1/3 for the Authority (\$1,521). He noted that the invoice from Raptosh was for the limestone and for all of the approaches at the stream crossings.

Mr. Barton pointed out that the Board and the Blue Knob Fire Department had also requested that a map be provided for the new trail system, which Mr. Barton distributed to the Board. He pointed out that the new trail system on the map was highlighted in blue; and also highlighted

was the work that Blue Knob Fire Department was to complete as well as the loads of stone. Mr. Miorelli questioned if the area on the map in solid blue would be the area that Blue Knob would be riding from this point forward, to which Mr. Barton replied affirmatively, pointing out that the ride would be staying away from all Authority property in the future. Attorney Barbin commented that the new route will still be a nice route. Mr. Miorelli questioned what will happen when the route moves on the gas lines to Benscreek, to which Mr. Salyards replied that the ride does not go on the gas lines at all. Mr. Miorelli questioned if the land on the other side of the pipeline is game land, to which Mr. Salyards replied affirmatively.

Mr. Stancovich commented that his question would be, if the Board is satisfied, what we will do with restoration moving forward, to which Mr. Cadwallader agreed. Mr. Cadwallader questioned if what the representatives from Blue Knob would be looking at would be to move in right after the ride and address what needed to be done, to which Mr. Salyards replied that he does not believe there would be anything to be addressed in the future since they would not be on Authority property. Attorney Barbin questioned if the Fire Department would be patrolling the area and then checking out the route after the ride, to which Mr. Salyards replied affirmatively. Attorney Barbin suggested that the Fire Department take pictures after each ride in the event of any dispute. Mr. Barton pointed out that all of the Authority's property is painted in white on the property, so the Fire Department will be aware.

Attorney Barbin commented that the Board would need to make a motion approving the upcoming run for the Blue Knob Fire Department based on the revised trail as submitted. Mr. Stancovich questioned if this would be approved on an annual basis, to which Attorney Barbin replied affirmatively.

ON MOTION OF MR. MIORELLI, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE UPCOMING RUN FOR THE BLUE KNOB FIRE DEPARTMENT BASED ON THE REVISED TRAIL MAP AS SUPPLIED BY MR. BARTON, AND THAT APPROVAL BE OBTAINED ON A YEAR-TO-YEAR BASIS, ALONG WITH ANY RESTORATION OF THE AUTHORITY'S PROPERTY FOLLOWING EACH RUN. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. MIORELLI AND MR. YETSKO.

Mr. Castel questioned if liability waivers are obtained, to which Attorney Barbin replied affirmatively.

The representatives from the Blue Knob Fire Company departed from the meeting at this time.

### **III. CORRESPONDENCE**

Mr. Stancovich shared the following correspondence received:

- Thank you card from Joy Powers for the flowers sent from the Authority in memory of Faye Brunett.
- Notification of the award to the Authority from the American Water Works Association (AWWA), congratulating the Authority for 50 years of membership in the AWWA. The plaque was presented as a token of the AWWA's appreciation for the Authority's long and valuable service to the water profession. The letter from the AWWA indicated that, at the recent annual conference of the AWWA, the names of all recipients were announced and included on a slide. Mr. Stancovich shared the plaque that was received with the Board.

**IV. APPROVAL OF MINUTES**

ON MOTION OF MR. YETSKO, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE JULY 7, 2016 MINUTES BEING THAT THEY WERE DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE MINUTES AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. MIORELLI AND MR. YETSKO.

**V. AGENT'S EXPENDITURES**

ON MOTION OF MR. GARTLAND, SECONDED BY MR. MIORELLI, THE BOARD UNANIMOUSLY APPROVED THE AGENT'S EXPENDITURES FOR THE PERIOD APRIL 1 THROUGH JULY 31, 2016 IN THE AMOUNT OF \$240.26. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. MIORELLI AND MR. YETSKO.

**VI. INVOICES**

84 Lumber	\$ 37.73
Cambria Mailing Services, Inc.	76.04
CMPA	1,000.00
Commonwealth of PA – Chapter 302	150.00
DEP	60.00
Environmental Service Laboratories, Inc.	160.00
Hach	276.89
Hite Company	78.56
John Gartland	50.00
L/B Water Service, Inc.	1,152.15
Laurel Sand and Stone	96.23
Long's Equipment	31.00
Mark Stancovich	50.00
Mary L Elchin	180.00
Michael Barton	228.47
National Road Utility Supply Inc.	531.45
New Enterprise Stone & Lime Co Inc	201.45
Portage Auto Parts	2.99
Portage Post Office	141.00
Portage Service Center	615.70
Ray's Lawnmower	14.50
Ray's Tires	35.00
Ray Oil & Gas Co	172.01
RDM – Johnstown LLC	204.00
Ronald Cadwallader Jr	20.00
Ronald R McCoy Fr	100.00
Ross Valve Mfg. Co	1,415.72
Sharon Squillario	50.00
Smithmyer's Electronics Inc.	7,825.00
Stager's Store	66.12
Stephen Koval	50.00
Verizon Wireless	161.80
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	\$15,233.81

### **Paid Bills**

Aflac	\$ 226.22
Comcast	290.69
Highmark Blue Shield	7,312.08
Penelec	1,528.10
Peoples Natural Gas Company	0.64
REA Energy Cooperative Inc.	773.40
Tiger Equipment	187.69
Environmental Service Lab	160.00
Groff Tractor & Equipment	263.62
JC Ehrlich Co Inc	159.00
Lowe's	73.81
Matthew Bienvenue	100.00
Nathan Myers	100.00
New Enterprise Stone & Lime	269.66
PA WARN	37.50
Pro Disposal, Inc.	142.00
Sheetz Fleet Service	172.35
Steve Lutz	100.00
Tony Bialas	100.00
Verizon	445.50
WB Mason Co Inc.	13.89
Tiger Equipment	180.39
Tonka Water	13,563.00
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	\$26,199.54

ON MOTION OF MR. YETSKO, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF \$66,889.26 (REGULAR BILLS, \$15,233.81; PAID BILLS, \$26,199.54; PennVEST, \$3,896.36 AND \$5,508.55; USDA, \$16,051.00), IN ADDITION TO THE INVOICE RECEIVED FROM RAPTOSH EXCAVATING AS DISCUSSED EARLIER IN THE MEETING OF \$1,520.99 FOR RESTORATION OF THE STREAM CROSSINGS. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. MIORELLI AND MR. YETSKO.

### **VII. TREASURER'S REPORT**

ON MOTION OF MR. GARTLAND, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE JULY 2016 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,491,352.71; CASH IN, \$216,271.08; CASH OUT, (\$225,943.99); ADJUSTMENT (INTEREST/MISC.), \$0; ENDING CASH, \$1,481,679.80. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. MIORELLI AND MR. YETSKO.

## **VIII. SUPERINTENDENT'S REPORT**

Mr. Stancovich 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.

As it relates to the Cemetery Road project, Mr. Cadwallader apprised the Board that the project is approximately 95% complete, with some restoration to be finished up and blacktopping. The crew will have the area ready for when the Township does their final laydown so that they will be able to blacktop everything through this area. Mr. Cadwallader commented that he still has to pull the hydrant and tie in the Koban and Kunko properties. He will then cut the old piece of line and deaden it.

Mr. Cadwallader reported that the Unit #2 has damage to the back quarter panel on the bed as a result of the driver backing into a tree. The damage estimate was sent to the insurance company; and the Authority would only be responsible for the \$250 deductible. The unit will be taken to McCall's on August 22 to have the repairs done; and it will be out of service for approximately one to two weeks until all of the repairs are completed.

As it relates to the Brunett property, Mr. Cadwallader commented that Mr. Brunett has everything cleaned up. He has the right-of-way laid out; and when the pipes were put in, the Authority crew put the pipes down the center of it showing the lines, and Mr. Brunett stayed to both sides of it. Mr. Brunett did break the pipes up; and when Mr. Cadwallader was at the area today, Mr. Brunett is within inches of it. Mr. Cadwallader noted that he would keep monitoring the area and will report back at the September meeting as everything should be completed by then.

Concerning the pipe yard, Mr. Cadwallader informed the Board that the deed is in Attorney Neugebauer's hands but has not been filed. As it relates to the discussion at the last meeting with the request from the Hough/Handel party who wants to obtain the piece of property, Hough/Handel did discuss this with the Ambulance Association; and the Ambulance Association has made up an agreement with the Hough/Handel party on how this will play out according to Attorney Neugebauer. Attorney Barbin questioned if there was already a subdivision that was approved and filed, to which Mr. Cadwallader replied affirmatively. Attorney Barbin noted that we are really back then to our original deal with the Ambulance Association. He noted that the Authority will get the deed from the Ambulance Association for the entire tract of land; and the Authority will provide the Ambulance Association with a deed to the Authority's property that is being swapped. The Authority will then have to agree or not agree with Hough/Handel about "giving" her the 36 feet piece of property. The Hough/Handel party would pay all costs. A new map would be drawn up, the subdivision taken to the Planning Commission to be approved, and then filed. It will then be the Authority's property that will be subdivided into two pieces; and the Authority could theoretically sell the piece of property to Hough/Handel. Attorney Barbin informed the Board that you should only sell property at fair market value; but with only 36 feet of property, the cost would not be that high. Mr. Cadwallader noted that Mr. Rimini provided the Hough/Handel party with a proposal based on fair market value. He also explained to the Hough/Handel party what needed to be done. Mr. Cadwallader noted that he has a paper that says exactly what the Hough/Handel party has to do. If the Authority would move the pipe yard into the piece of property, 10 feet from the house the fence will be there and there will be a walkway between the fence and the house.

Attorney Barbin informed the Board that he has a rule that he tries not to let annoying people make him react back. He represents a lot of government people and he sees a lot of annoying people; but his view is that people have a constitutional right to be annoying. The second item

that Attorney Barbin wanted to mention is that the Board probably will question sometime in the future whether the Authority could do this legally. He pointed out that, if the Board wanted to do this, they could do it legally because the Hough/Handel party does have some issue of squatter's rights. It is not a great issue of squatter's rights, but there is a legal issue of squatter's rights. To resolve this and have it settled, Attorney Barbin noted, the Authority would receive fair market value for the ground which thus avoids a dispute that the Hough/Handel party might raise with the Authority. If questioned why the Authority "gave" the property, Attorney Barbin can respond that there was a legitimate dispute and the Authority had a right to settle it, and thus settled it in a way that it did not cost the Authority anything and the Authority received fair market value for the property. Mr. Yetko questioned what the fair market value is of the property, to which Attorney Barbin replied that we will have to figure that out. Mr. Yetko questioned if Mr. Rimini also figured this out, to which Mr. Cadwallader replied affirmatively and that Mr. Rimini provided a figure to the Hough/Handel party. Mr. Barton noted that the piece of property is probably 1/10 of an acre. Attorney Barbin commented that fair market value would probably be between \$2,000 - \$4,000 per acre in developed areas, so the cost would be between \$200 - \$400 for the property. Mr. Miorelli commented that, even if we sold the property at the low end of the fair market value, it would still set a precedent that it would be fair market value for anyone else in the future as well. Attorney Barbin pointed out that anyone else could raise a legitimate dispute or some type of legal claim. However, he explained that there is a rule that says you cannot have squatter's rights against the government; however, if the squatter's rights occurred before the government owned the property, then you can have squatter's rights. If you question whether the Hough/Handel party has real squatter's right, Attorney Barbin pointed out, some judges would say yes and some would say no. Mr. Yetko questioned if the Authority in reality would be the seller of the property, to which Attorney Barbin replied affirmatively. Attorney Barbin noted that he would have set this transaction up the same way as Attorney Neugebauer did so that the work that has been done to date did not have to be redone.

Mr. Cadwallader questioned if, after the last meeting, this matter was to go to the Ambulance Association, to which Attorney Barbin replied affirmatively, explaining that the Board instructed the Hough/Handel party that they had to approach the Ambulance Association because the Authority did not have a deed to the land. The Ambulance Association did the subdivision, so if anything would change, they would have to address it. Mr. Yetko questioned if the Authority would be extending its land out another 36 feet on the other side, to which Attorney Barbin replied negatively stating that it has already been subdivided for that specific block. Mr. Cadwallader noted that, if we did that, it would come into a refuge pile that has been sold. On the piece of property in question the Hough/Handel party has a shed and some trees on the property, as well as a ditch that runs through it so that the area does not flood.

Mr. Beyer questioned if we would have to have an appraiser come in, to which Attorney Barbin replied that, if the Authority would just be placing a piece of property up for sale, it would have to accept bids for the appraisal. However, in this situation, there is a legal dispute that ties to one person. Attorney Barbin noted that we would need to determine what the fair market value is. He stated that vacant land is not worth more than \$4,000 per acre. Mr. Yetko questioned what would be done if he requested to purchase the piece of property in question, to which Attorney Barbin replied that, if a stranger came in off of the street and wanted to purchase the piece of property in question, we could tell that person that this situation is different because there is a dispute that has a legal basis. As the Solicitor for the Authority, Attorney Barbin commented that the Authority can claim that there is a legitimate, arguable, legal dispute in this situation. Mr. Miorelli questioned if this would cover the Authority for any precedents in the future, to which Attorney Barbin replied affirmatively, stating that someone else would have to come to the Authority with a similar dispute. He commented that an individual cannot get squatter's rights

from land that the Authority already owns. However, with the new property the Authority is obtaining, someone would have to prove they have squatter's rights.

Mr. Cadwallader shared a map of the property and questioned a certain area and whether there would be any problems with a land lock, to which Attorney Barbin replied that there would only be a problem for Cooney and not the Authority. There is no rule that says you cannot land lock property; and a person can voluntarily land lock their property. Mr. Cadwallader commented that the piece of property he was questioning the person does not own it but there is a fence that runs back that would not give the person access to the piece of property.

Mr. Koval joined the meeting at this time.

Attorney Barbin replied that it would be appropriate to consider a motion to move forward on the property question under the terms discussed above or the Authority could wait to make a decision at a later date. Mr. Stancovich commented that his opinion is that we just let the matter go. Attorney Barbin noted that there is no harm in that as we are getting the entire tract of property and we can see where it goes. He commented that he was only apprising the Board of what could be done legally; however, we can wait to see what happens.

Mr. Cadwallader stated that the agreement with the Ambulance Association has not been signed. Attorney Barbin noted that this agreement can be signed since the Ambulance Association has the subdivision completed and Attorney Neugebauer has the deed prepared. If the Authority decides to sell the property to the Hough/Handel party, it can make the decision at a future time. Attorney Barbin noted that the deed will require signature as well.

Mr. Cadwallader apprised the Board that, at the last meeting, the Board approved the purchase of the backup tapes for the office. However, the cost of the purchase was not the correct amount. The amount approved was \$160 and this was the cost for one of them. The cost for four would be \$419.48. Mr. Stancovich noted that he had already given the approval for the purchase.

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY RATIFIED THE PURCHASE OF FOUR BACKUP TAPES FOR THE OFFICE AT A TOTAL COST OF \$419.48. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Cadwallader apprised the Board that there are monitoring waivers that will become due to take care of the SOC's, PCBs, dioxin and asbestos. This will save the Authority \$200 per test for each. This item is included under New Business for this evening's meeting.

Mr. Cadwallader reported that everything has been filed at the Magistrate's office relative to the Kukurin matter and reimbursement for the leaks. Attorney Barbin commented that the hearing will take place on August 29 before Magistrate Prebish.

As it relates to the settling tubes in Martindale, Mr. Cadwallader stated that the tubes have been installed. Within a day everything was back on line. Mr. Cadwallader thanked the Sewer Authority and Township for their assistance. In this light, Mr. Cadwallader requested permission of the Board to have a pizza party for the Authority staff, the Sewer Authority and the Township in appreciation for their assistance.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD AUTHORIZED TO SUPPLY A PIZZA PARTY FOR EVERYONE INVOLVED IN

THE INSTALLATION OF THE SETTLING TUBES AT THE MARTINDALE PLANT, THE COST OF WHICH WOULD COME OUT OF PETTY CASH. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Cadwallader noted that in the next couple of weeks the crew will finish up all of the blacktopping that needs done in the areas where the leaks were repaired (27-30 patches will be done).

Mr. Cadwallader informed the Board that the Township Supervisors approached him relative to the Authority waiving the tap-in fee for the new water line at the Township's new building. Mr. Yetso questioned what the current policy is, to which Mr. Cadwallader replied that we have never waived a tap fee in the past. Mr. Koval questioned what the fee would be, to which Mr. Cadwallader replied that the fee would be \$2,000 or time and material, whichever is greater. Mr. Cadwallader noted that the Authority would be assisting in the installation. He noted that the Township assists the Authority regularly in different situations.

Mr. Miorelli questioned where the Authority would be on its own if it needed another tap, would the Authority have to pay for that. Attorney Barbin commented that we need to think about the paving restoration that the Township will be completing for the Authority. Mr. Cadwallader noted that the Township has waived fees for the Authority in the past as well; and as far as the blacktopping is concerned, instead of just an overlay they have been paving the trench. Attorney Barbin noted that this would not be setting a precedent because one government entity can help out another government entity. Mr. Stancovich questioned if the fee has been paid yet, to which Mr. Cadwallader replied that the paperwork has been completed but no payment has been made. Mr. Koval questioned what is going to be done with the Township's old building, to which Mr. Stancovich replied that the Township will be using that building for storage.

ON MOTION OF MR. MIORELLI, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO WAIVE THE TAP-IN FEE FOR PORTAGE TOWNSHIP FOR THEIR NEW BUILDING THAT IS BEING CONSTRUCTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Cadwallader reported that there is an employee who will be going on vacation next week that has requested permission to get his paycheck early. Friday is the payday; and the employee is leaving for vacation on Tuesday. Mr. Koval stated that he spoke to Mrs. Ringler yesterday relative to this matter; and it is Mr. Koval's suggestion that, rather than creating confusion of issuing a paycheck early, perhaps we could issue the employee an advance of what his pay would be and then deduct it from his pay. Mr. Cadwallader commented that what we are running into is that of the deductions for State and Federal taxes; the State taxes come out at one clip later on in the week and the Federal taxes are deducted on that day. Mr. Koval noted that if we issue an advance, we would avoid that. Mr. Gartland commented that he told Mrs. Ringler he would agree to an advance as well. Mr. Miorelli indicated that we would be setting a precedent in issuing an advance, to which Mr. Gartland agreed. Mr. Koval pointed out that the advance is being issued in the week the employee is getting paid, so he has already earned those monies. Mr. Miorelli stated that in the future, any other employee who is taking a vacation during the week of a payday may request an advance as well. In addition, perhaps the employee should have scheduled his vacation the following week. Mr. Cadwallader indicated that some employees have direct deposit and some do not. Mr. Gartland stated that if we start this, all employees will be requesting their paychecks early no matter what the reason. Mr. Koval pointed out that we could address any future requests on a case-by-case basis.



Mr. Miorelli noted that perhaps we need to inform those that do not have direct deposit to arrange for that. Mr. Koval noted that the employees would not get the monies any sooner with direct deposit, to which Mr. Miorelli stated, however, that the employees would understand that the money would be in the bank. Mr. Cadwallader stated that the deposit is made on Wednesday and by Friday it is in the employees' accounts for those that have direct deposit. Mr. Miorelli noted that there is less work for the office staff with direct deposit. Mr. Koval questioned how many employees receive paper checks, to which Mr. Cadwallader replied that three employees have direct deposit and six receive paper checks. Attorney Barbin pointed out that we should recommend direct deposit for everyone. Mr. Miorelli stated that we could grant this employee's request but also request all employees to use direct deposit if it continues to be a problem. Mr. Cadwallader noted that the advance for this employee would be the normal 80 hours; no overtime would be included.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE ADVANCE AS REQUESTED BY THE EMPLOYEE ABOVE WHO WILL BE GOING ON VACATION, WITH THE AMOUNT TO BE DEDUCTED FROM HIS NORMAL PAY AND WITH THE AMOUNT TO BE HIS NORMAL 80 WORKING HOURS. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Cadwallader informed the Board that tomorrow will be the last day for the summer help as they would be out of time. He requested of the Board that we retain the summer help to the end of August in order for them to assist with the blacktopping and grass cutting. Mr. Stancovich stated that, if the summer help is willing to stay on, he would see no problem with it. Mr. Cadwallader commented that the cost would be approximately \$1,600 for 200 more hours, which would take them to the end of the month. Mr. Cadwallader noted that we do have monies in the budget to cover it. Mr. Cadwallader emphasized that the summer employees helped out tremendously this year.

ON MOTION OF MR. KOVAL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE REQUEST FOR THE ADDITIONAL HOURS FOR THE TWO SUMMER PART-TIME EMPLOYEES, THE COST OF WHICH WOULD BE DEDUCTED FROM ACCOUNT #476 (120 HOURS FOR EACH EMPLOYEE). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI 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.

As it relates to the Martindale transmission line, Mr. Beyer reported that he received the final pay application from Lumadue on July 2 for review, but it was not signed. Mr. Beyer reviewed it; and he sent back to Lumadue what he thought were acceptable adjustments, along with the close-out documents. Lumadue replied back that he wanted partial payment for surveyed as built; he was asking for ½ of the 260 pins on the bid form. Mr. Beyer informed Lumadue that there were not 260 pins installed and that Lumadue did not fulfill his contract obligations to that point. Lumadue is requesting \$9,750 for the partial payment; and Lumadue said he was firm on that price and would seek legal action if he does not receive payment. Mr. Beyer then

contacted Attorney Barbin and Mr. Cadwallader on how to handle this matter; and Attorney Barbin advised that we have to pay Lumadue for what is owed to him whether Lumadue signs the pay application or not.

Mr. Beyer pointed out that he, therefore, prepared the pay application and made his corrections in red, copies of which were received by the Board prior to the meeting. With that, Mr. Beyer commented, Lumadue would receive a payment of \$43,735.35, which will require approval by the Board. Attorney Barbin questioned if the total includes the deductions for the work the Authority had to do that Lumadue did not complete, to which Mr. Beyer replied affirmatively, stating that \$18,000 was taken deducted which is on the change order. Attorney Barbin replied that Lumadue is bearing the cost of what it took the Authority to complete the work. Mr. Beyer noted that he included the change order with the Board's information as well. Attorney Barbin explained that theoretically it did not cost the Authority more, to which Mr. Beyer agreed explaining that the Authority would have owed Lumadue this money no matter what. Attorney Barbin stated that he does not think Lumadue will sign the pay application because he feels that he is owed \$9,000 more. He pointed out that Pennsylvania has a Contractor's Payment Act which states that if the owner, as a governmental body, does not pay the contractor for work, the contractor can collect 1% per month interest on the money not paid and an additional 1% per month as a penalty for unreasonably withholding the payment, and the owner would have to pay the contractor's attorney's fees. Therefore, Attorney Barbin pointed out, the Authority needs to ensure that it pays everything that is owed to Lumadue but not more. Then, Attorney Barbin noted, Lumadue will have to go back to his attorney and decide if he is going to pursue the additional monies. Mr. Beyer noted that he would need Board approval for the final payment to Lumadue. Mr. Stancovich questioned if this would be the final payment, to which Mr. Beyer replied affirmatively.

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY APPROVED THE FINAL PAYMENT APPLICATION TO LUMADUE IN THE AMOUNT OF \$43,735.35, EVEN WITHOUT THE SIGNATURE ON THE PAYMENT APPLICATION. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Beyer noted that, in addition to the above, he provided the Board with a copy of Change Order #6, which would be the deduction of \$18,000 off of the Lumadue contract price, which was withheld for Lumadue not fulfilling contract obligations for the as built.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED CHANGE ORDER #6 IN THE AMOUNT OF \$18,000 AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Beyer also presented Change Order #7 which was prepared to reconcile the quantity of items not installed and to get the price down to zero, thus a decrease in the contract price of \$46,601.23.

ON MOTION OF MR. KOVAL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED CHANGE ORDER #7 IN THE AMOUNT OF \$46,601.23 AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

As part of the close-out documents, Mr. Beyer stated, he will have to send to Lumadue an Affidavit of Payment, a Release of Liens, an Acceptance of Final Payment, and a General Release stating that when the payment is made by the Authority, Lumadue accepts same as final payment. It was questioned what will happen if Lumadue does not sign the final payment documents, to which Attorney Barbin replied that he does not think Lumadue is going to sign and return the final payment documents, so Mr. Beyer should only send one copy to Lumadue for signature. Mr. Beyer questioned if we should wait to send all of the documents to Lumadue until the Authority cuts the check and send everything together, to which Attorney Barbin replied affirmatively.

As it relates to the Martindale as built, Mr. Beyer noted that they are complete and he has submitted everything to Mr. Cadwallader.

Relating to the CDBG project, Mr. Beyer noted that he and Mr. Cadwallader met with the Borough to discuss the restoration on Mountain Avenue and Farren Street. After that meeting, Mr. Beyer received a call from the Redevelopment Authority. Mr. Custer talked to DCED; and since the Authority received the current grant within five years, DCED will not provide another grant of \$500,000 to the Authority to do the above project. Mr. Custer reported to Mr. Beyer, however, that the Redevelopment Authority has \$190,000 that the County allocated that the Redevelopment Authority could put toward this project; however, it would not be allowed to be put toward Mountain Avenue but would have to be put to Farren Street because those residents would more meet the income requirements. Mr. Beyer noted that, when the meeting was held with the Borough, the Borough wanted to do Mountain Avenue first; therefore, Mr. Beyer needs direction on how to proceed.

Mr. Beyer pointed out that Mr. Custer has already sent out the fliers for the income study because that needs completed no matter what is decided. As an example, Mr. Beyer commented that if all of the residents met the \$100,000 income requirement, the project would not be eligible in that area anyway. Mr. Stancovich pointed out that the income study is definitely going to be the deciding factor. Attorney Barbin stated that the one way to counter would be if the Borough wanted to do an income survey on the Mountain Avenue residents themselves. He noted that the Borough is better equipped to do the income survey and could send the survey out to the residents and then show them to Mr. Custer when they are returned. Mr. Cadwallader questioned, if the Borough is agreeable to doing the income survey, would the Board have a problem with the Authority doing the mailing of the survey, to which Attorney Barbin replied that this would be legitimate. Attorney Barbin commented that there is nothing stopping us from doing the income survey. Mr. Cadwallader noted that he has already received the income survey as he lives on Farren Street. Mr. Beyer noted that \$190,000 of grant money from the Redevelopment Authority would complete Farren Street, basically from Johnson Avenue to Caldwell Avenue, depending on the number of hydrants, etc.

Mr. Stancovich stated that the first step would be to do the income study and see where we end up. Mr. Beyer questioned if a motion would be required for the Authority to do the income study. Mr. Cadwallader questioned if this would have to be taken to the Borough first for approval of sending out the income survey, to which Attorney Barbin replied negatively. Mr. Miorelli noted that this would be beneficial because we would then have a comparison and it may be that the income from Mountain Avenue residents may be lower than the Farren Street residents.

As it relates to the CDBG project for Johnson Avenue and Grant Street, Mr. Beyer reported that he received the as built from Lumadue. Mr. Beyer sent a letter to Mr. Custer indicating that Lumadue has provided the as built; therefore, this project can be closed out.

Concerning the Martindale spillway, Mr. Beyer noted that he sent the Authority an agreement for the study that was discussed at last month's meeting, which will require Board approval. Mr. Beyer noted that the cost of the study is not to exceed a fee of \$15,000. Mr. Cadwallader commented that this would fall under the \$70,000 put aside for the spillway project.

ON MOTION OF MR. MIORELLI, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE ENGINEERING AGREEMENT WITH EADS FOR THE SPILLWAY STUDY AT AN AMOUNT NOT TO EXCEED \$15,000, EFFECTIVE THE DATE OF THIS MEETING. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Beyer informed the Board that the Highland interconnection vault was repaired last week by Guyer Brothers. He commented as well that the field investigation for the dam inspection was completed this week. The valve could not be operated at that time, so it will be done in August.

Mr. Beyer stated that he sent Mr. Cadwallader information that came out on August 1 relative to the Pennsylvania Small Water and Sewer Grant. This group has \$22M that became available through the Commonwealth Financing Authority. Therefore, if you have projects not less than \$40,000 and not more than \$500,000 you can apply. The grants are based on total project costs; and there are stipulations on the use of funds, i.e., permitting, inspections, etc. Mr. Cadwallader questioned if it has to be a shovel ready project, to which Mr. Beyer replied that these type of projects usually are and will require plans, etc. Mr. Beyer noted that the grant application would need submitted by October, so if the Authority is interested, we would need a Resolution approving the grant application, signatures would be needed, etc. Mr. Cadwallader questioned if this would be like a DCED grant based on income, to which Mr. Beyer replied negatively. Mr. Beyer noted that the application would cost \$100, so he would suggest that a larger project be chosen. He suggested that the Board think about projects that could be completed and this could be discussed further at the next meeting.

#### **X. SOLICITOR'S REPORT**

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

Attorney Barbin noted that everything in his report was discussed previously in the meeting with the exception of the Cooney property, which Mr. Barbin will be addressing.

#### **XI. FORESTER'S REPORT**

Mr. Barton noted that, for the Board's information, he has expended a tremendous amount of time overseeing the watershed project; and, while doing that, he has discovered that the Authority has some major problems on some trails close to the streams that Blue Knob has never run but other four wheelers are running. Mr. Barton's thought is that, while Mr. Helsel is doing the restoration, if the Board could approve two to four days of additional work by Mr. Helsel, Mr. Barton could clean up and stabilize the trails. After that, Mr. Barton will be able to then post those areas where four-wheel traffic is absolutely now allowed. Mr. Barton emphasized that we are creating our own problem by allowing the four wheelers in an area where they should not be. He noted that the work that was done by Mr. Raptosh did when Walker Lumber skidded on the trail has basically been destroyed. Mr. Barton pointed out that if we are going to continue to allow four wheelers in the watershed, we are going to have to shut some trails down; and the only way to do that is to clean them up and then drop trees across the

trails and block them so the four wheelers will not be able to enter. Mr. Barton emphasized that, every time a run occurs, the Authority employee has to address concerns at the well, which means something is wrong; and this should not be occurring.

Mr. Barton noted that the other thing he found is that right above the plant where the main road goes, they used that as an old log landing; and because of the four wheeler traffic, we placed stone in that area. The Board had agreed to put stone in that area, but now it is all soil and we will probably need another two to three loads of stone to stabilize that area,. That, in Mr. Barton's opinion, along with shutting the trail down, if it does not fix the problem, there is nothing more that we could do. Mr. Barton emphasized that he had Blue Knob fix every stream crossing within ½ mile of the reservoir; and after next week they will be stabilized and seeded.

As it relates to the trails, Attorney Barbin questioned if those are the trails that cross the stream, to which Mr. Barton replied that they are the ones that either cross the streams or parallel them. Mr. Barton noted that there are a couple of areas where we should not allow the four wheelers. Mr. Barton pointed out that he was on the watershed from 12:00 – 4:00 p.m. today, and 24 quads and motorcycles passed him. The trails are being used extremely heavily; and there are some that should not be on the trails.

Discussion ensued relative to the areas that need stabilized to protect the watershed. Mr. Miorelli questioned where we came in at on the stone that was purchased. Mr. Barton replied that there was \$1,000 in stone purchased, two hours to install it, and there were three loads. He commented that we probably need 17-18 more ton to sure everything up. After further discussion, the following motion was approved.

ON MOTION OF MR. KOVAL, SECONDED BY MR. MIORELLI, THE BOARD UNANIMOUSLY APPROVED AN EXPENDITURE OF NOT TO EXCEED \$2,000 TO PROVIDE THE STONE AND LABOR TO STABILIZE THE WATERSHED AREA. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Barton apprised the Board that Claar has finished the second sale and the sale along County Line Road. Claar has submitted payment for the pulp wood. Mr. Barton will oversee the cleanup. Mr. Miorelli questioned if Claar will be removing the logs across from the Martindale plant, to which Mr. Barton replied affirmatively. Mr. Yeteko questioned the cost of the timber that Claar purchased, to which Mr. Barton replied that it is usually \$35 per ton, and there was probably 16 – 18 loads. Mr. Barton commented that \$500 - \$750 is the going rate per load.

## **XII. EXECUTIVE SESSION**

An Executive Session was called at 7:55 p.m. to discuss the purchase of the Cooney property.

## **XIII. RECONVENING OF REGULAR SESSION**

The Board reconvened into Regular Session at 8:20 p.m.

## **XIV. UNFINISHED BUSINESS**

- 2014 CDBG Grant

Discussed earlier in the meeting.

- Employee Issues

No employee issues to be presented to the Board.

- Cemetery Road Project

Discussed earlier in the meeting.

- Blue Knob Poker Run

Discussed earlier in the meeting.

- Kukurin (Unpaid Invoices)

Discussed earlier in the meeting.

- Don Brunett Right of Way Problem

Discussed earlier in the meeting.

- Pipe Yard Project

Discussed earlier in the meeting.

- Agreement with Portage Area Ambulance Association

Discussed earlier in the meeting. The agreement will be signed by the Authority following this meeting. Attorney Barbin will forward a copy of the deed which will require signatures as well. The quote received for the fencing will be put on hold until a later date.

- Back-Up Tapes for Office

Discussed earlier in the meeting.

## **XV. NEW BUSINESS**

- Township Taps

Discussed earlier in the meeting.

- Insurance Renewal

Mr. Stancovich apprised the Board that we received the quotes for the renewal of the insurance with EMC and PIRMA. As it relates to the EMC insurance, which is the commercial property, government crime, fidelity, commercial inland marine and business auto and worker's compensation, the renewal quote is for \$26,279. Mr. Cadwallader noted, on the contents for the Authority's office building, the contents were only listed at \$40,000; therefore, it is going to cost \$91 more to raise the value of the contents to \$100,000 to take care of everything except the trucks. Therefore, the total cost of the insurance will be \$26,370. Between last year (\$25,155) and this year (\$26,370), there is an increase of \$1,215 in this insurance cost.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE EMC INSURANCE RENEWAL AT A TOTAL COST OF \$26,370. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Concerning the PIRMA insurance (general liability, auto liability and business officials liability), the total quote is for \$11,440. Last year the cost was \$11,434, an increase of \$6.

ON MOTION OF MR. KOVAL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE PIRMA INSURANCE RENEWAL AT A TOTAL COST OF \$11,440. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

- CD Renewal

Mr. Stancovich apprised the Board that we received notice of renewal for the CD. The CD will automatically renew on August 9, with a new maturity date of August 2019. The current balance of the CD is \$102,938.71. Mr. Koval stated that he thought we were renewing the CDs every five years, to which Mr. Cadwallader replied that this is the CD which had a three-year renewal. Mr. Stancovich stated that the renewal rate for three years would be 1.06%.

ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY AGREED TO RENEW THE CD FOR AN ADDITIONAL THREE YEARS (2016 – 2019) AT A 1.06% INTEREST RATE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

- Allegheny Ridge Operating Fee Check

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO DEPOSIT THE ALLEGHENY RIDGE OPERATING FEE CHECK IN THE AMOUNT OF \$55,772.96 INTO SAVINGS ACCOUNT #106.5). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

- Allegheny Ridge Royalty True Up Check

ON MOTION OF MR. YETSKO, SECONDED BY MR. KOVAL, THE BOARD UNANIMOUSLY AGREED TO DEPOSIT THE ALLEGHENY RIDGE ROYALTY TRUE UP CHECK IN THE AMOUNT OF \$20,168.84 INTO SAVINGS ACCOUNT #106.5). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

- Shawn Claar Logging Check

ON MOTION OF MR. KOVAL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY AGREED TO DEPOSIT THE SHAWN CLAAR LOGGING CHECK IN THE AMOUNT OF \$1,903.89 INTO SAVINGS ACCOUNT #106.5). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

- Jamestown Rod & Gun Poker Run

Mr. Stancovich commented that a request was received from the Jamestown Rod & Gun Club for their Toys for Tots Run. Mr. Cadwallader noted that this is the run that Jamestown hold every year; and their trails stay below the dam. The run will be held on September 17, 2016.

ON MOTION OF MR. GARTLAND, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE JAMESTOWN ROD & GUN CLUB POKER RUN TO BE HELD ON SEPTEMBER 17, 2016. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

Mr. Barton noted that he would also like to look at the trails with the group as well. Mr. Cadwallader noted that the group did provide a map of their trail, which he provided to Mr. Barton.

- Monitoring Waiver Application

ON MOTION OF MR. GARTLAND, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY APPROVED THE MONITORING WAIVER APPLICATION FOR A FEE OF \$1,000. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

## **XVI. GOOD OF THE ORDER**

- Request for Adjustment

Mr. Stancovich presented the following request for adjustment:

- ✓ 124 Holly Street; leaking toilet which has been repaired. Amount billed, \$195.99; adjusted bill, \$56.05.

ON MOTION OF MR. KOVAL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE ABOVE ADJUSTMENT AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

- Unit 2 Accident

Discussed by Mr. Cadwallader earlier in the meeting. A check has already been received for the repairs from the insurance company, less the \$250 deductible. Repairs will be done by McCall's.



**XVII. ADJOURNMENT**

THERE BEING NO FURTHER BUSINESS, ON MOTION OF MR. KOVAL, SECONDED BY MR. YETSKO, THE BOARD ADJOURNED THE MEETING AT 8:45 P.M. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. STANCOVICH, MR. GARTLAND, MR. KOVAL, MR. MIORELLI AND MR. YETSKO.

**XVIII. NEXT MEETING**

The next meeting will be held on Thursday, September 1, 2016 at 7:00 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sharon Squillario".

Sharon Squillario  
Recording Secretary

