

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, June 1, 2017, at 7:00 p.m., in the Conference Room at 606 Cambria Street.

Those in attendance were:

Mark Castel, Vice Chairman
Craig Castel
John Gartland
Jerome Yetsko

Also present were: Ron Cadwallader, Supervisor; Attorney William Barbin, Solicitor; Steve Sewalk, The EADS Group; Michael Barton, Forester; Ron Portash, Mainline Newspapers; and Tim Chappell, Resident.

I. CALL TO ORDER

In the absence of Mr. Miorelli, Chairman, Mr. Mark Castel, Vice 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. Castel recognized Mr. Portash, Mainline Newspapers.

III. CORRESPONDENCE

Mr. Castel noted that there was no correspondence to be presented.

IV. APPROVAL OF MINUTES

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE MAY 4, 2017 MINUTES BEING THAT THEY WERE DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE MINUTES AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

V. AGENT'S EXPENDITURES

No Agent's expenditures to be presented.

VI. INVOICES

Cambria Mailing Services, Inc.	\$ 155.91
Cambria Systems, Inc.	675.53
CMPA	1,000.00
Craig Castel	50.00
DEP	60.00
Eichelbergers, Inc.	1,750.00
FWF Insurance Agency, Inc.	2,195.00
Heritage Environmental	4,765.00
Hite Company	77.00
John Gartland	50.00
Kaza Fire Equipment LLC	3,590.00
L/B Water Service, Inc.	551.95

Long Barn Inc II	18.87
Mainline Newspaper	72.00
Mark Castel	50.00
Mary L Elchin	260.00
Michelle Kostan	130.00
Mountain Research, LLC	156.00
PA Dept of Labor & Industry	88.00
PA Rural Water Association	722.00
Portage Auto Parts	45.67
Portage Post Office	147.00
Portage Service Center	860.65
Ray's Lawnmower	16.50
Ray Oil & Gas Co	959.18
RDM-Johnstown LLC	136.00
Ronald J Cadwallader Jr	20.00
Sharon Squillario	50.00
Stager's Store	290.87
Verizon Wireless	165.99
Water System Solutions Inc.	136.00
WB Mason Co, Inc.	61.71
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	\$ 19,306.83

Paid Bills

Aflac	\$ 226.22
Eric Jamieson	100.00
Halle Bachik	100.00
PA One Call System, Inc.	48.21
Penelec	1,687.36
Peoples Natural Gas Company	99.62
SwiftReach Networks, Inc.	209.55
Comcast	293.08
Highmark Blue Shield	7,942.03
JC Ehrlich Co Inc.	165.00
REA Energy Cooperative Inc.	837.25
Lowe's	9.92
Alan Schaffranek	100.00
Cintas	106.57
Pro Disposal, Inc.	142.00
Sheetz Fleet Service	212.24
Staples	89.98
Verizon	446.25
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	\$ 12,815.28

ON MOTION OF MR. GARTLAND, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF \$57,578.02 (REGULAR BILLS, \$19,306.83; PAID BILLS, \$12,815.28; PennVEST, \$3,896.36 AND \$5,508.55; USDA, \$16,051.00). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

VII. TREASURER'S REPORT

ON MOTION OF MR. YETSKO, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE MAY 2017 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,486,840.02; CASH IN, \$250,708.59; CASH OUT, (\$221,600.78); ADJUSTMENT, (\$0); ENDING CASH, \$1,515,947.83. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

VIII. SUPERINTENDENT'S REPORT

Mr. Castel 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 informed the Board that the shed in the back of the Martindale plant that is used to house the tractors, etc. was built with OSB board and the roof is leaking. He obtained the following quotes on a 12 x 21 structure with a 9 x 8 door (all enclosed):

- Dream Machines (Ebensburg): \$2,770 which includes installation (Authority staff would have to level the ground and place the shale).
- Somerset Structures: wooden shed; cost would be \$4,400 plus delivery.
- Esh (Bedford): \$4,680; no delivery charge.
- Olde World Structures: \$4,050.

Mr. Gartland questioned Mr. Cadwallader if he had considered the steel containers, to which Mr. Cadwallader replied that he was going to question Mr. Gartland relative to this. Mr. Gartland commented that he does have a steel container on his property; and he may be eliminating it depending on how the land is divided for the road project near his place of business. He commented that the Benscreek Club purchased a smaller steel container to house their lawn mowers; and they are quite satisfied with it. This container was purchased from Edwards in Windber for \$1,500. Mr. Cadwallader indicated that a container is needed to house the tractor which is nine feet long, seven feet high and six foot wide. Mr. Gartland commented that the container that he has does hold a vehicle. He indicated that it is self-contained; and he has had no attempts of someone trying to break into it. Mr. Castel questioned if there is any concerns with heat in the summer, to which Mr. Garland replied that it does get warm inside the container during the summer. He did look at placing some solar panels on it, which would generate enough heat to keep it from freezing inside during the winter. Mr. Garland indicated that the container discussed above may be an alternative. Mr. Cadwallader questioned if it is more than nine ton, to which Mr. Gartland replied that he did not know. He noted that the container is 40 feet long.

Mr. Castel recommended that Mr. Cadwallader obtain a quote on a container similar to what Mr. Garland has and that the Board would table this matter until the next meeting.

Mr. Cadwallader informed the Board that he did obtain quotes for fencing around the pipe yard. He received quotes from Sturdy Mountain (Windber), Carney Fence, Inc. (Gallitzen); Redrock Fencing; PR Fencing (Johnstown); and JIF Fencing (Windber). The lowest quote received was from Sturdy Mountain in the amount of \$17,232. Mr. Cadwallader noted that the project would include 688 feet of fence, two gates, and the barbed wire on top. He noted that we had budgeted \$14,000 for fencing, which was based on the first quote received previously. We will

probably not be ready for the fencing to be installed until the end of June. Mr. Craig Castel questioned how high the fence will be, to which Mr. Cadwallader replied that it will be eight feet high. Mr. Cadwallader informed the Board that the quote received does include privacy slats one-half way down one side of the fence, across the front, and one-half way down the other side of the fence so that it does not interrupt residents in the area.

Mr. Yetsko questioned where Mr. Cadwallader would obtain the funds for the difference between the \$14,000 which was budgeted and the quote of \$17,232, to which Mr. Cadwallader explained that we had budgeted \$75,000 for the project that did not materialize. Mr. Cadwallader questioned, since we will not be doing this project and are looking at the next project which will not hit until the next budget, would the Board want to use the \$75,000 for the other projects, which would be the eggshells for Benscreek, the chlorinator, etc. and get these projects done this year. Mr. Yetsko questioned how soon the egg shells need replaced, to which Mr. Cadwallader replied that they do need replaced as they are outdated, but that we could wait until next year.

As it relates to the pipe yard, Mr. Cadwallader explained to the Board that we did come across an old foundation on the property. He questioned if the Board would be willing to approve the purchase of 20 yards of concrete, some rebar, and 40 wall blocks for a total of \$7,000, to build the stone bins and blacktop bins. Attorney Barbin noted that this could then repurpose the old foundation. Mr. Cadwallader explained that he came across this when the staff was clearing the land. The concrete is from the old boiler plant that was at the location; and it is really heavy concrete. The blocks that would be purchased are from Marion Center. They take the leftover concrete from whatever they pour and make blocks out of it. This is similar to what the Borough used for their salt bin.

Mr. Mark Castel commented that those items for consideration by the Board are the shed, the materials for the pipe yard, and the fencing. Mr. Cadwallader noted that this would approximate \$13,000 for everything. Mr. Mark Castel questioned if Mr. Cadwallader foresees any large projects coming up in the near future other than these items, to which Mr. Cadwallader replied negatively. Mr. Cadwallader commented that, to date, everything that we have put in the budget to be accomplished this year, the fencing would be the last piece to be completed (without touching the \$75,000). Mr. Yetsko questioned the total figure to be considered, to which Mr. Cadwallader replied that it would be \$7,000 for the pipe yard, \$3,300 for the fence, and the shed. Attorney Barbin noted that the purchase of a shed was put on hold until the next meeting dependent if it could be purchased through Edwards.

ON MOTION OF MR. YETSKO, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE EXPENDITURE OF \$7,000 FOR THE BUILDING OF THE STONE BINS AND THE BLACKTOP BINS AT THE PIPE YARD, AS WELL AS THE EXPENDITURE OF APPROXIMATELY \$3,300 TOWARDS THE FENCING FOR THE PIPE YARD (\$14,000 HAD ALREADY BEEN BUDGETED FOR THE FENCING AND THE TOTAL COST IS \$17,232). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

Mr. Cadwallader informed the Board that we have an insurance claim for a weir probe and analog kit through Cambria Systems. He is waiting for the parts to come in and then the insurance company will finish up with the claim. Mr. Cadwallader does not know if there will be a deductible involved or not (the deductible would be \$500). The cost of the probe is \$1,500.

Mr. Cadwallader reported that the resident from 1607 Puritan Road contacted the Water Authority. The gentleman was in contact with his insurance company; and Mr. Cadwallader also contacted the Authority's insurance company. The resident is claiming that some cracks in his front porch wall were caused by the project that was undertaken in that area. Mr. Cadwallader provided to the insurance company any photos he had from prior to and after the project was completed. The matter is currently being handled by the insurance companies.

IX. ENGINEER'S REPORT

Mr. Sewalk commented that he was present this evening in place of Mr. Beyer, who is attending his son's graduation. He noted that Mr. Beyer had provided a written report prior to the meeting.

Mr. Sewalk indicated that Mr. Beyer would like the Board to consider a date/time to set up a workshop to discuss some ideas for the Authority's long range plan. He pointed out that there are a couple of PennVEST loans coming up; and if the Authority decided to do a specific project today, it usually takes three to four years before the first loan payment comes due. Mr. Sewalk pointed out that, if the Authority plans on replacing its debt service with additional projects, this would be the time to start. He indicated that some projects may take years before the project is actually started due to design, funding, etc. Mr. Sewalk stated that, if the Board would like to set up a time for a workshop, they can let Mr. Beyer know.

Mr. Sewalk informed the Board that the Benscreek permit was submitted to DEP in March; and no response has been received. There has been no change to the status of the Mountain Avenue project. Mr. Sewalk noted that the PA Small Water and Sewer applications are not being accepted until the beginning of August; therefore, the Board does have some time to identify a project for consideration.

Mr. Sewalk reported that PennDOT wants to replace a culvert on Route 53; and a water line in that area will need relocated. EADS has been in contact with PennDOT relative to reimbursement. He noted that, typically, PennDOT reimburses 50% of the costs for this type of request. If the water line is out of the right of way, PennDOT usually reimburses 100%. Mr. Sewalk noted that EADS will work with PennDOT on the scope of the project and ultimately where we stand with the reimbursement agreement. Mr. Cadwallader noted that we will be able to do the work in-house; and this is basically part of the road project going into Cassandra.

X. SOLICITOR'S REPORT

Attorney Barbin commented that he did provide his report prior to the meeting.

Attorney Barbin informed the Board that there will be a judicial sale on a property that the Authority currently holds a lien on for unpaid water bills. If it goes through judicial sale, the Authority will lose its lien. If a decent amount of money is received for the sale, the monies will be divided in order; and the Authority may receive its monies.

XI. FORESTER'S REPORT

Mr. Barton reported that he was in touch with Mr. Salyards of the Blue Knob Fire Company. The dozer has been repaired; and they are awaiting a change in the weather in order to address any repairs to the property. Once the repairs are underway, Blue Knob will provide a status report. Mr. Barton commented that he will monitor the progress; however, from what he observed, it did not look like there were too many repairs that needed addressed, considering

how much rain we had. The run stayed away from what Blue Knob said they would. On the other properties where there were problems, Blue Knob did address those concerns right away.

As it relates to the approval received from the Board at a previous meeting relative to the stone for the old log landing, Mr. Barton questioned if the Board wanted the spreading of the stone done in-house. He noted that, if Mr. Chappell is in the area, he will ask him to spread it; however, he will keep Mr. Cadwallader posted if this is not the case.

XII. UNFINISHED BUSINESS

- Employee Issues

Mr. Cadwallader noted that he met with all of the employees and there were no matters brought forth.

- Blue Knob Poker Run

Discussed earlier in the meeting

- Retirement Plan for Employees

Mr. Cadwallader noted that we will need a motion from the Board to approve the PMRS cash balance pension plan Resolution that was received. Mr. Mark Castel questioned if the Resolution was reviewed by Attorney Barbin, to which Attorney Barbin replied that he did review the Resolution and has no concerns. Attorney Barbin pointed out to the Board that PMRS is a very well-run State organization and has a good earnings rate for the last 10 years. Mr. Yetsko questioned if the employees are permitted to designate any amount to the fund, to which Mr. Cadwallader replied that the employees are required to designate 1% but are permitted to designate more.

ON MOTION OF MR. GARTLAND, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE PMRS CASH BALANCE PENSION PLAN RESOLUTION AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

XIII. NEW BUSINESS

No New Business to be presented.

XIV. GOOD OF THE ORDER

No items to be presented.

XV. RECOGNITION OF VISITORS

Mr. Castel recognized Mr. Chappell.

Mr. Chappell informed the Board that he was present at the meeting to request permission for a group to have a benefit run for Dave Sendick and to utilize the Authority's property. He noted that the Jamestown Rod & Gun Club has agreed to sponsor the run; however, he wanted to request use of the Authority's property. Mr. Chappell indicated that the run will stay above the

highway; and Mr. Noel has stated that he could mark the run the same as that used for the Toys for Tots Run. Mr. Mark Castel questioned if there were any issues identified from the last Toys for Tots Run, to which Mr. Cadwallader replied that there were no issues identified.

Mr. Chappell noted that the run is planned for July 8; and the group would go onto the property on July 9 and clean up the area and address any concerns. Mr. Cadwallader questioned what will be done if it rains, to which Mr. Chappell replied that, if it rains, the run may be cancelled. Mr. Cadwallader commented that he was only questioning this because he was concerned for property damage. Attorney Barbin questioned the total number of riders, to which Mr. Chappell replied that he could not estimate the total number of riders but he would hope that there would be a lot so that sufficient funds could be raised to benefit Mr. Sendick. Attorney Barbin noted that there is a form that the Authority requires to be completed, to which Mr. Chappell replied that this could be completed. He also noted that Jamestown Rod & Gun has a liability form that they require as well that will be used. Attorney Barbin noted that he would prefer that Jamestown Rod and Gun sign the Authority's form since they are the sponsor for the run.

Mr. Barton noted that, once the run is marked, he would be glad to review it prior to the run. Mr. Cadwallader noted that he has no concerns with the run taking place as long as clean-up takes place following the run.

ON MOTION OF MR. YETSKO, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY GRANTED PERMISSION FOR THE RUN DESCRIBED ABOVE TO TAKE PLACE ON JULY 8, 2017. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

Mr. Chappell noted that they would be marking the run area with ribbons prior to the run and ensuring that the riders understand the trails. Mr. Cadwallader emphasized that clean-up of the trash and ribbons must take place immediately following the run. Mr. Mark Castel indicated that the approval of all future runs will depend on the clean-up from this run.

Mr. Chappell noted that he would be in contact with Mr. Barton relative to his review of the run area.

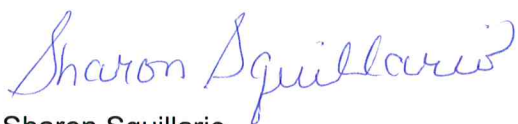
XVI. ADJOURNMENT

ON MOTION OF MR. YETSKO, SECONDED BY MR. GARTLAND, THE BOARD ADJOURNED THE MEETING AT 7:33 P.M. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MARK CASTEL, MR. CRAIG CASTEL, MR. GARTLAND AND MR. YETSKO.

XVII. NEXT MEETING

The next meeting will be held on Thursday, July 6, 2017 at 7:00 p.m.

Respectfully submitted,



Sharon Squillario
Recording Secretary