

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, October 5, 2017, at 7:00 p.m., in the Conference Room at 606 Cambria Street.

Those in attendance were:

Dave Miorelli, Chairman
Craig Castel
Mark Castel
Jerome Yetsko

Also present were: Ron Cadwallader, Supervisor; Attorney William Barbin, Solicitor; Joe Beyer, The EADS Group; Ron Portash, Mainline Newspapers.

I. CALL TO ORDER

Mr. Miorelli, 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. Miorelli recognized Mr. Portash, Mainline Newspapers.

III. CORRESPONDENCE

Mr. Miorelli apprised the Board that a letter was received from the Game Commission relative to the donation of a variety of trees to be planted on the water shed. A variety of trees are available, Mr. Miorelli commented; however, white oak or red oak would probably be the best. Mr. Yetsko questioned who would plant the trees, to which Mr. Beyer replied they would most likely be planted on Earth Day by the school students. Mr. Cadwallader will address.

IV. APPROVAL OF MINUTES

ON MOTION OF MR. YETSKO, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE SEPTEMBER 7, 2017 MINUTES BEING THAT THEY WERE DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE MINUTES AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

V. AGENT'S EXPENDITURES

No Agent's expenditures to be presented for period of August 1, 2017 to September 30, 2017.

VI. INVOICES

1 st Summit Bank	\$	45.94
B & R Construction LLC		381.60
Cambria Mailing Services, Inc.		76.30
Cintas		68.05
COMP		1,000.00
Cole-Parmer		640.77
Craig Castel		50.00
Cummins Bridgeway, LLC		64.44
FWF Insurance Agency, Inc.		2,238.00

Groff Tractor & Equipment	114.48
Hite Company	90.10
John Gartland	50.00
L/B Water Service, Inc.	3,485.50
Link Computer Corporation	302.52
Mark Castel	50.00
Mary L Elchin	325.00
Mountain Research, LLC	156.00
Portage Auto Parts	37.98
Portage Post Office	147.00
Portage Service Center	694.65
Ray Oil & Gas Co.	290.01
RDM – Johnstown LLC	276.00
Ronald J Cadwallader, Jr	20.00
Sharon Squillario	50.00
Stager's Store	237.46
Univar USA Inc.	5,129.00
Verizon Wireless	149.74
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	\$ 16,170.54

Paid Bills

Comcast	\$ 323.97
Highmark Blue Shield	7,942.03
PA Once Call System, Inc.	50.22
Penelec	1,735.01
Peoples Natural Gas Company	18.94
Brian Peacock	100.00
Denise Smithro	100.00
Jacqueline Castel	267.06
Pro Disposal, Inc.	142.00
REA Energy Cooperative, Inc.	697.90
Verizon	425.10
Wallace Litzinger III	100.00
WB Mason Co. Inc.	9.99
Aflac	226.22
Bobbie Jo Mullen	100.00
Sheetz Fleet Service	121.70
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	\$ 12,360.14

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. YETSKO, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF \$53,986.59 (REGULAR BILLS, \$16,170.54; PAID BILLS, \$12,360.14; PennVEST, \$3,896.36 AND \$5,508.55; USDA, \$16,051.00). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

VII. TREASURER'S REPORT

ON MOTION OF MR. YETSKO, SECONDED BY MR. MARK CASTEL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE SEPTEMBER 2017 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE

REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,586,227.98; CASH IN, \$249,193.42; CASH OUT, (\$196,898.74); ADJUSTMENT, (\$0.00); ENDING CASH, \$1,638,522.66. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

VIII. SUPERINTENDENT'S REPORT

Mr. Miorelli 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 he obtained a quote from Cambria Systems for repair of the effluent flow meter at the Benscreek plant. Testing was done and it was found that the electronic portion is working where the power comes in; however, the mag meter itself is not working. Therefore, the mag meter in the pit will need replaced; and the quote amount for replacement is \$3,100. Mr. Cadwallader commented that, if approved for replacement by the Board, the monies would come out of Account #455.

ON MOTION OF MR. YETSKO, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE REPAIR OF THE MAG METER AT A TOTAL COST OF \$3,100 (CAMBRIA SYSTEMS QUOTE), WITH THE MONIES TO COME OUT OF ACCOUNT #455. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

Mr. Cadwallader apprised the Board that, as it relates to the discussion at the last meeting relative to the current back flow preventer, he did find that there was one buried in the Township. It was removed and the numbers taken off of it; and it was found that it is lead free and NSF certified. Therefore, Mr. Cadwallader commented, we will only need to purchase one back flow preventer to be placed at the school, which he did find would cost \$425.

ON MOTION OF MR. MARK CASTEL, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE PURCHASE OF THE BACK FLOW PREVENTER TO BE PLACED AT THE SCHOOL AT A COST OF \$425. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

Mr. Cadwallader informed the Board that the sewer line at the Martindale plant has been installed and tested. He commented that, as the Martindale plant never had sewer before, there is a \$3,000 tap-in fee. There is also a \$1,500 tap-in fee for the Authority office as well because the Authority had to obtain its own tap (was tied into another line previously). Mr. Cadwallader commented that he would suggest that the Authority approach the Sewer Authority Board relative to charging them for the cost of water and see what their reaction is toward the tap-in fees. Mr. Beyer commented that the Sewer Authority has not met this month; however, he pointed out that the Sewer Authority did have to look at utility water in the past because the cost of water usage would have been very high. Attorney Barbin pointed out that free service creates its own problem; and if you pay for your service on the same basis as everyone else, you do not have any problems. Mr. Cadwallader questioned the Board if he should pursue a meeting with the Sewer Authority Board, to which Mr. Miorelli replied that he we could approach the Sewer Authority and offer free water service if the tap-in fees are waived; however, after hearing Attorney Barbin's comment, he would think that the Authority should just pay the tap-in fees.

Mr. Cadwallader questioned if it would be possible for him to request that the Water Authority Board meet with the Sewer Authority Board at their next meeting to discuss this matter. He commented that we currently have a good working relationship with the Sewer Authority; and we would not want to damage that relationship. Mr. Miorelli commented that sometimes he feels that groups charging each other, such as the Township charging the Borough and the Borough charging the Township, really does not make sense because everyone is working together. Attorney Barbin commented that he does not feel comfortable with offering a free service; however, there is nothing better than two groups cooperating with each other. He commented that a meeting between the two Boards would be beneficial. Mr. Cadwallader commented that he would talk with the Sewer Authority relative to attending their next meeting and would notify the Board members.

Mr. Cadwallader informed the Board that flushing of the lines will begin on October 16. All of the flushing should be completed in three days; and Mr. Cadwallader will send out a notification to the customers the night before the flushing is to take place in their area.

Mr. Cadwallader stated that Attorney Barbin is working on the Norfolk Southern leases.

Concerning the health insurance renewal, Mr. Cadwallader reported that he did meet with all of the employees; and the employees are all comfortable with the \$750 deductible. Mr. Miorelli questioned if the employees understand that, next year, if the employees want to go beyond the \$750 deductible, it would be out of their pocket, to which Mr. Cadwallader replied affirmatively. Mr. Mark Castel questioned what the increase was in the premium compared to last year, to which Mr. Cadwallader noted that the former rate on the plan with the \$750 deductible was \$7,820.73 per month; and the new rate will be \$8,282.76 per month.

ON MOTION OF MR. YETSKO, SECONDED BY MR. MARK CASTEL, THE BOARD UNANIMOUSLY APPROVED THE RENEWAL OF THE HEALTH CARE PLAN FOR THE EMPLOYEES WITH HIGHMARK (PLAN B) FOR 2018, WITH THE \$750 DEDUCTIBLE, ALONG WITH THE STIPULATION THAT, IF AN EMPLOYEE WISHES TO CHANGE THE DEDUCTIBLE OR BENEFITS AFTER 2018, IT WILL BE AT THEIR OWN COST. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

As it relates to the Club Road concern with dirty water as discussed at the last meeting, Mr. Cadwallader informed the Board that there is a 4" and a 6" line that run side by side in the area; and complaints are being received from residents that are on both lines. He does not want to take the residents off of the 4" line and put them on the 6" lines and have the same concern. Mr. Cadwallader commented that he does believe we could address the concerns this year with help from the Sewer Authority. Mr. Yetsko questioned what is causing the concern, to which Mr. Cadwallader replied that he is not sure. Mr. Yetsko commented that there must be something that is causing the problem. Mr. Cadwallader stated that he is not sure if there is a belly in the line that is causing the problem. Attorney Barbin questioned if there is a possibility of running a pig through the line, to which Mr. Cadwallader replied that, in his opinion, when you cut the line and run a pig through, you may be chasing leaks down the line. Mr. Cadwallader outlined for the Board how the lines currently run. Mr. Miorelli pointed out that one problem could possibly be that Cooney was down all winter into the spring and now they are drawing water. Mr. Cadwallader commented that they were taken off of the 6" line and are tapped on a 10" line. Mr. Cadwallader noted that his theory is that the water is warm; and whatever is inside the pipes (the tuberculous) may be breaking down and is breaking off. He stated that, unless we cut the pipe and find out physically what is inside, we will not know.

Mr. Yetsko commented that we do have a flush in that area. Mr. Cadwallader explained that we will be flushing in two weeks; however, the crew has flushed these lines numerous times. He pointed out that he was to the point where he turned the 4" blow off and had it on for three days and it still did nothing for one of the residents. Mr. Cadwallader cannot open it up full because other residents would then not have water.

Mr. Miorelli questioned where we are for cost to address the issue, to which Mr. Cadwallader replied that the total cost of the project would be \$10,208.60 in material. Once we complete the project, however, we would not be able to blacktop until the spring because the plant shuts down on November 15 (cold patch could be installed to hold over the winter). Mr. Miorelli questioned once this line is put in, would it be permanent, to which Mr. Cadwallader replied that the next major improvement would be where we deadhead this line now, we would take off from that point and keep going down. Mr. Cadwallader emphasized that what he is attempting to do is take care of the concerns of the current residents as he has no residents above or below this area that are having problems. The only area with the concern is Andrian Lane to the "Y" at Club Road and Dulancey Drive. Mr. Miorelli questioned if Mr. Cadwallader will be able to get the job done in-house, to which Mr. Cadwallader replied affirmatively. Mr. Yetsko questioned if we will be able to guarantee that the residents get clean water, to which Mr. Cadwallader replied that he has no one that is on the line he will be tapping into that is complaining regarding dirty water. Mr. Yetsko questioned if we have the monies to fund the project, to which Mr. Cadwallader replied that we would take the funds from the capital improvement fund. Mr. Cadwallader commented that he has the paperwork completed. We will not need a permit since it is a line extension. He did talk with DEP and they sent Mr. Cadwallader the necessary paperwork indicating that the project can be started at any time. Once the project is completed, Mr. Cadwallader commented, we would have to run the two bacteria samples, tie the residents in, and the project will be complete.

ON MOTION OF MR. YETSKO, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE CLUB ROAD PROJECT AS OUTLINED ABOVE AT A TOTAL COST OF \$10,208.60. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

Mr. Mark Castel questioned if it will be a 6" line, to which Mr. Cadwallader replied that it will be a 6" PVC line. Mr. Miorelli questioned, where we would have the tap-ins, since it will be plastic, will we let the metal pipe there, to which Mr. Cadwallader replied that, we will be using the plastic and putting a tracer line down through (#12 solid copper wire); and where it comes off for each service, there will be a line coming down each service. We will be using the CTS plastic for the service lines. There will be a brass saddle with a stainless steel band to tie each of the residents in. Mr. Cadwallader commented that he talked with the Township; and they will be able to assist. The Township is also fine with us coming down their right-of-way. Mr. Cadwallader noted that he will also be talking with the Benscreek Club relative to storing material for the project on their property. Attorney Barbin questioned if the Township is also comfortable with the area not being paved until the spring, to which Mr. Cadwallader replied affirmatively. Mr. Miorelli indicated that if the project is completed prior to the November 15 deadline for blacktop, we could take care of the blacktop as well. Mr. Mark Castel questioned if there will be a shutoff at the end of the line, to which Mr. Cadwallader replied that there will be a fire hydrant. He does have a fire hydrant that was pulled from Benscreek that can be used (B-84-B national); therefore, he only had to include the hydrant "t" and the valve into the cost of the project.

Mr. Craig Castel questioned how many feet of the 6" line will be needed for the project, to which Mr. Cadwallader replied that there will be 800 feet of pipe. Mr. Craig Castel further questioned how much of the pipe will be purchased from LB Water, to which Mr. Cadwallader replied that LB Water

contacted him regarding the pipe. They indicated that the rosin plants that manufacture the C909 PVC pipe were wiped out in Texas during the recent hurricane. LB Water has 5,000 feet of C909 currently; and LB Water has placed the pipe on hold for the Authority at a cost of \$4.52 per foot (currently running at \$7 per foot). If the Board is interested, Mr. Cadwallader commented, we could purchase more of the pipe than is needed for this project at the lower price, which would allow us to keep what is left in stock. We could then have pipe available when we address the concerns on Meadow Lane and Groggin Lane (2,000 feet would probably be needed). Mr. Cadwallader indicated that, because of the concerns at the rosin plants in Texas, if anyone has to do a sewer line and would be in need of SDR35, they are going to have a difficult time getting the pipe. Mr. Yetsko questioned where the additional pipe would be stored, to which Mr. Cadwallader replied that it could be stored at the pipe yard.

Mr. Miorelli commended Mr. Cadwallader on the work that was done for the pipe yard. He questioned what happened relative to the posts that were torn out that Mr. Cadwallader mentioned at a previous meeting, to which Mr. Cadwallader replied that the contractor did not charge extra for them. The posts were not damaged as they were only pulled out of the wet concrete.

Mr. Mark Castel commented that, if we have the funds to purchase the additional pipe, we should do so at the reduced price. Mr. Cadwallader noted that we could use funds from the capital improvements fund.

ON MOTION OF MR. MARK CASTEL, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE PURCHASE OF THE 5,000 FEET OF C909 PVC PIPE FROM LB WATER AT A COST OF \$4.52 PER FOOT. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

As it relates to the budget meetings, discussion ensued relative to a date to consider to begin budget discussions. The Board agreed that a budget meeting would be held on November 21 at 7:00 p.m. Mr. Miorelli questioned what the Board would be considering in the budget relating to the pay scale. He commented that the national level for inflation is currently at 3.9%. Mr. Mark Castel commented that we have to take into consideration the increase in the health insurance costs for next year. Mr. Miorelli noted that last year the budget included 1% to the pension plan and 2% to a pay raise. Discussion ensued relative to this matter; and Mr. Cadwallader was requested to have information available for the budget meeting taking into consideration any increase to the pension plan contribution, any pay raise contribution, the increase in the health insurance premium, etc.

Mr. Yetsko commented that he was approached by an individual at the last Borough Council meeting questioning why the Authority Board changed the working hours for the Authority secretaries. Mr. Yetsko informed the individual that we have a Sewer Authority secretary in the same office that is working certain hours; and it makes it difficult to restrict the Water Authority secretaries over the Sewer Authority secretary. Mr. Yetsko questioned Mr. Cadwallader's feelings, to which Mr. Cadwallader replied that his feeling is that the secretaries deserved the time change. Attorney Barbin pointed out that the time change for the secretaries was a Board decision. Mr. Mark Castel commented that he was approached by one of the Water Authority secretaries who thanked him for the Board's decision in making the change in the working hours as she was very appreciative.

IX. ENGINEER'S REPORT

Mr. Beyer noted that he had provided a written report prior to the meeting.

Mr. Beyer informed the Board that, as it relates to the long range plan, the Board should compile a list so that it can be considered for budget purposes.

Concerning the Small Water and Sewer Grants, Mr. Beyer noted that a date has not been set for issuance because of the state of the Pennsylvania budget. The bulk water permit for the school and the Township building was submitted this week to DEP. Mr. Beyer reported that the annual dam inspection report has been completed and was given to Mr. Cadwallader. Once signed, this will be submitted to DEP. Attorney Barbin questioned if there are any findings that need addressed, to which Mr. Beyer replied that the report includes recommendations relative to taking care of the cracks, addressing the vegetation, etc. Mr. Cadwallader asked that Mr. Beyer check to see if the video of the pipes is available, to which Mr. Beyer replied that he will check and get back to Mr. Cadwallader.

X. SOLICITOR'S REPORT

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

As it relates to the purchase of the land from Angels Coal Trust, Attorney Barbin informed the Board that he has received the signed Agreement of Sale. The subdivision plan has been signed and submitted to the Township. The Township will have to approve the subdivision since we are only purchasing a portion of the land. Discussion took place relative to some cleanup that needs done on the purchased property.

XI. FORESTER'S REPORT

No report.

XII. UNFINISHED BUSINESS

- Employee Issues

No employee issues to be presented.

- Health Insurance Renewals

Discussed earlier in the meeting

- Club Road Project

Discussed earlier in the meeting

- Back Flow Preventer

Discussed earlier in the meeting

XIII. NEW BUSINESS

- Budget Meeting

Discussed earlier in the meeting.

- Pipe Price Increase

Discussed earlier in the meeting.

- Martindale Tap In Fee

Discussed earlier in the meeting

- Cambria Street Tap In Fee

Discussed earlier in the meeting

- Benscreek Effluent Flow Meter

Discussed earlier in the meeting

XIV. GOOD OF THE ORDER

- Request from Portage Area Joint Recreation Commission

Mr. Cadwallader informed the Board that a letter was received from the Portage Area Joint Recreation Commission (PAJRC) requesting that the same consideration be given to PAJRC for 2018 relative to water usage at the Park. In the past, the Authority agreed to a cap of 500,000 gallons; and if PAJRC would exceed that cap, usage would be paid at the normal rate charged to other residents. Mr. Cadwallader noted that PAJRC did submit their current budget as well as the proposed budget for 2018.

ON MOTION OF MR. YETSKO, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE REQUEST RECEIVED FROM THE PORTAGE AREA JOINT RECREATION COMMISSION FOR WATER USAGE FOR 2018 AT THE PARK AT A CAP OF 500,000 GALLONS, WITH ANY USAGE OVER THAT AMOUNT TO BE PAID AT THE NORMAL RATE CHARGED TO OTHER RESIDENTS. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL AND MR. YETSKO.

XV. ADJOURNMENT

ON MOTION OF MR. YETSKO, SECONDED BY MR. MARK CASTEL, THE BOARD ADJOURNED THE MEETING AT 7:55 P.M. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. MIORELLI, MR. CRAIG CASTEL, MR. MARK CASTEL, AND MR. YETSKO.

XVI. NEXT MEETING

The next meeting will be held on Thursday, November 2, 2017 at 7:00 p.m.

Respectfully submitted,



Sharon Squillario
Recording Secretary