

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, October 4, 2018, at 7:00 p.m., in the Conference Room at 606 Cambria Street.

Those in attendance were:

Mark Castel, Chairman
Craig Castel
John Gartland
Brent Kinley
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. Mark Castel, 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. Mark Castel recognized Mr. Portash, Mainline Newspapers.

III. CORRESPONDENCE

Mr. Mark Castel presented the following correspondence that was received:

- Letter from Representative Frank Burns congratulating the Authority on the receipt of the \$424,000 grant for installation of 2,750 feet of water line in Portage Borough and Portage Township.
- Letter from Denny Beck. Mr. Beck stated in his letter that he recently read an article relative to the shortage of licensed operators; and Mr. Beck would be interested in working at the plants part-time to help operate the systems until full-time operators or operator trainees are obtained. Mr. Beck has trained over 300 trainees to pass their operator exams; and they are now running their own systems. Mr. Beck is licensed Class A and B, Subclasses 1 – 14. Mr. Mark Castel questioned the need for Mr. Beck at this time, to which Mr. Cadwallader replied that everything seems to be working out well currently. Mr. Mark Castel questioned if there is a timeline when someone else will be certified, to which Mr. Cadwallader replied that Mr. Feathers and Mr. Moore are continuing with their classes; and they are currently taking an operator math class.

Mr. Cadwallader informed the Board that he attended a program recently relative to the Method 334, which has to do with the residual chlorine distribution system at the plants. In addition there will be some training coming up that he would like the employees to attend on the calibration of the CL17 (chlorine monitor), the benchtop and the hand helds. Mr. Mark Castel questioned the cost of the training, to which Mr. Cadwallader replied that he has not received this information as yet.

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 2018 MINUTES BEING THAT THEY WERE DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE MINUTES AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

V. AGENT'S EXPENDITURES

No Agent's Expenditures to be presented.

VI. INVOICES

Adam Emerick	\$	100.00
Brent Kinley		50.00
Cambria Mailing Services Inc		77.23
Cambria Systems Inc		1,039.41
Cintas		77.62
CMPA		1,000.00
Cole-Parmer		4,554.10
Craig Castel		50.00
FWF Insurance Agency Inc.		2,695.00
John Gartland		50.00
L/B Water Service Inc.		3,146.25
Mark Castel		50.00
Mary L Elchin		325.00
Mountain Research, LLC		156.00
New Enterprise Stone & Lime Co Inc.		1,568.28
PA Rural Water Association		190.00
Peoples Natural Gas Company		25.52
Portage Auto Parts		44.24
Portage Post Office		150.00
Portage Service Center		493.00
Quaker Sales Corporation		508.71
Ray's Lawnmower		4.46
Ray Oil and Gas		753.80
RDM – Johnstown		460.00
Ronald Caldwellader Jr		20.00
Sharon Squillario		50.00
Smithmyers Electronics Inc.		598.75
Stager's Store		261.58
Susquehanna Fire Equipment Co		995.00
USA Blue Book		148.09
Visa – 1 st Summit		31.40
WB Mason Co Inc.		197.81
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		\$19,871.25

Paid Bills

1 st Summit Bank	\$ 110.98
Heathery Franey	100.00
Highmark Blue Shield	7,202.05
Katie Myers	100.00
PA One Call Systems, Inc.	47.50
Penelec	1,263.53
William Gates Jr	100.00
Comcast	310.51
Lowe's	341.10
Pro Disposal Inc	150.00
REA Energy Cooperative Inc.	671.78
Verizon	458.23
Sheetz Fleet Service	262.32
DEP	60.00
Sherry Lightner	100.00
Aflac	226.22
Matthew Scott	100.00
Sean Simler	100.00
Verizon Wireless	149.76
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	\$11,853.98

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF \$57,181.14 (REGULAR BILLS, \$19,871.25; PAID BILLS, \$11,853.98; PennVEST, \$3,896.36 AND \$5,508.55; USDA, \$16,051.00). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

VII. TREASURER'S REPORT

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE SEPTEMBER 2018 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,645,337.17; CASH IN, \$204,979.82; CASH OUT, (\$202,386.16); ADJUSTMENT, \$0; ENDING CASH, \$1,647,930.83. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

VIII. SUPERINTENDENT'S REPORT

Mr. Mark 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 he provided information to the members relative to the new backhoe. The coupling is not working out the way it should. There is a lot of slop in the pins, which could cause the pins to bend. Mr. Cadwallader received a quote from John Deere to upgrade the coupling and replace the bucket. The total cost is \$689.17. The new

bucket was not used at all and John Deere will exchange it. All of the buckets will be Case buckets with an adapter and will be able to be used with both the backhoe and the excavator.

ON MOTION OF MR. GARTLAND, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE QUOTE FROM JOHN DEERE AS DISCUSSED ABOVE IN THE AMOUNT OF \$689.17. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

Mr. Cadwallader apprised the Board that he received a telephone call this week from the resident at 1211 Gillespie Avenue. On November 17, 2017, there was a leak near this residence which was fixed. The resident is now claiming that the foundation is sinking and the walls are cracking. Mr. Cadwallader has turned the concern over to the insurance company, who will send out an independent adjuster to check it out and provide a report. Mr. Cadwallader noted that there was another contractor in that area at that time that put a water line and sewer line in.

Mr. Cadwallader reported that the new employees are working out well. Mr. Moore and Mr. Feathers are working great at the plant; and they are catching on fast with reading meters and working the ditch. Mr. Feathers and Mr. Moore recently fixed a leak on Main Street as well. Mr. Yetsko questioned if Mr. Gouse and Mr. Kennedy are working at the plants on weekends, to which Mr. Cadwallader replied negatively. Mr. Cadwallader explained that both employees went out one time on a weekend only to see what was going on; and they did not do any testing and only asked questions.

Mr. Cadwallader informed the Board that the roof at the Benscreek plant is in bad shape and needs replaced. It is currently patched until it can be addressed. During a recent wind storm, one of the air ridge vents blew out and it was open. Mr. Cadwallader did have two contractors to come in to look at the roof; however, he has not received any quotes back as yet. Mr. Yetsko questioned if it is going to be a metal roof, to which Mr. Cadwallader replied affirmatively. Part of the roof, over the lab, is a metal roof already. Mr. Cadwallader indicated that the requested quotes will include the replacement of all of the boards that are bad, taping of the joints, removal of the current shingles, etc.

Mr. Cadwallader stated that the tap for the new bathroom at the Park is done and the water line is installed. The concrete has been poured on the slab and the plumbing work is complete. The plumber will have to come back in the spring to test everything because the water is already shut off at the Park for the winter.

Mr. Cadwallader stated that the Frazier Avenue project is one-third complete. At one area of the project, there was rock one foot down, so we are hammering down 4.5 feet to get the break.

As it relates to the Benscreek dam, Mr. Cadwallader informed the Board that he and Mr. Beyer met and discussed various options. One option would take some piping to get situated; however, we would still have to look at doing the concrete work on the spillway to stabilize it. Mr. Cadwallader stated that Attorney Barbin did mention the potential of putting a holding tank in and keep water in it to be utilized. Mr. Yetsko questioned the cost of this option, to which Mr. Cadwallader replied that he did not check into it yet. Attorney Barbin stated that if you give up the Benscreek dam, you will not be able to utilize it again. Mr. Beyer commented that a meeting needs scheduled with DEP to discuss what they will allow. Mr. Cadwallader

indicated that it is only a 350,000 impoundment; and if DEP would allow us to make it bigger, that would be great. However, he does not know if DEP would give this permission being that it is an exceptional value stream. Attorney Barbin commented that there are not that many exceptional value streams in the state. Mr. Cadwallader noted that we would also have to have discussions with the Fish Commission and others on this. Mr. Beyer indicated that he would schedule a meeting with DEP. Attorney Barbin noted that he would advise the Board to do everything they can to preserve the dam. Mr. Cadwallader agreed indicating that we are being proactive in looking at the various options we have available.

Mr. Cadwallader apprised the Board that included in the information for this evening's meeting was the health insurance quotes. He pointed out that the difference in the cost of the current 750 plan for the five employees that are on the plan, compared to the cost for the coming year, would be an increase of \$62.25 per year. This does not include the two new employees. Mr. Cadwallader stated that the deductible would remain the same, but the copays will increase and the out-of-pocket expenses would increase. If you compare the 250 and 1,500 plans, it is basically the same with the deductibles, copays and out-of-pocket expenses increasing (the 250 plan increased the most). Mr. Cadwallader noted that the cost of the vision did not change. He indicated that the total cost would be \$7,122.66 (\$6,522.66 plus two \$300 opt outs). If you include everyone, the cost would be \$11,836.56 (does not include the vision). Mr. Craig Castel questioned if Mr. Cadwallader had last year's total cost that would have included Messrs. Morgan and Thompson, to which Mr. Cadwallader replied that he could obtain this for the Board.

Mr. Yetsko questioned when a decision needs made by the Board, to which Mr. Cadwallader replied that a decision would need to be made at the November meeting. Mr. Yetsko questioned if Mr. Cadwallader has shared any of the information with the employees, to which Mr. Cadwallader replied that he did not want to share anything until the Board reviewed the information. Mr. Yetsko requested that Mr. Cadwallader obtain the additional information relative to the cost including Messrs. Thompson and Morgan to be reviewed by the Board at the next meeting. Mr. Cadwallader questioned if he should share the information with the employees, to which Mr. Mark Castel replied that Mr. Cadwallader should share all of the plans with the employees. Mr. Yetsko noted that Mr. Cadwallader should share what information is available; and if any employees have any questions, they can contact one of the Board members. Mr. Mark Castel questioned if all of the employees have to agree on the same plan, to which Mr. Cadwallader replied affirmatively.

Mr. Cadwallader presented the following requests for adjustment:

- 301 Lee Street: hot water tank broke; has been repaired (total consumption, 22,600 gallons; average consumption, 4,700 gallons). Billed: \$224; less average bill of \$59.10; subtotal, \$164.90; 20%, \$32.98; adjusted bill, \$92.08.
- 106 Branch Street: pipe broke; has been repaired (total consumption, 12,000 gallons; average consumption, 700 gallons). Billed: \$133.48, less average bill of \$24.08; subtotal, \$109.40; 20%, \$21.88; adjusted bill, \$45.96.
- 1006 Hopher Avenue: pipe under trailer broke; has been repaired (total consumption, 23,800 gallons; average consumption, 1,800 gallons). Billed: \$234.25, less average bill of \$33.75; subtotal, \$200.50; 20%, \$40.10; adjusted bill, \$73.85.

Mr. Mark Castel questioned if the requests for adjustments that the Board has been approving is average for an Authority of our size, to which Mr. Cadwallader replied that the requests for

adjustments being submitted have decreased from last year. We do let the customers know that they can only request an adjustment once every three years.

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. KINLEY, THE BOARD UNANIMOUSLY APPROVED THE ABOVE REQUESTS FOR ADJUSTMENT AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

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 2019 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 2019. He also stated that the maintenance employees at the Park do contact the Authority immediately if they recognize a concern.

ON MOTION OF MR. KINLEY, SECONDED BY MR. GARTLAND, THE BOARD UNANIMOUSLY APPROVED THE REQUEST RECEIVED FROM THE PORTAGE AREA JOINT RECREATION COMMISSION FOR WATER USAGE FOR 2019 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. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

Mr. Cadwallader informed that Board that flushing has been set to begin on October 15.

Mr. Cadwallader presented to the Board for consideration the Link SiteCare Maintenance Service agreement. He noted that the total cost of \$5,250; however, the cost is split one-third between the Water Authority, the Sewer Authority and the Borough. Mr. Kinley questioned what the maintenance service agreement is for, to which Mr. Cadwallader replied that the agreement provides for Link to come in to do all of the upgrades every other month for the computers, software, spyware, viruses, etc. Mr. Craig Castel noted that the Authority's cost would be \$1,750 or approximately \$145 per month. Mr. Cadwallader explained to the Board that all of the Authority's information is backed up on the server in the safe which is locked at night; and it is also backed up on a buffalo, which is an external hard drive that is kept at the bank in a safe.

ON MOTION OF MR. GARTLAND, SECONDED BY MR. KINLEY, THE BOARD UNANIMOUSLY APPROVED THE LINK SITECARE MAINTENANCE SERVICE AGREEMENT AS PRESENTED. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

IX. ENGINEER'S REPORT

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

Mr. Beyer noted that, as indicated at the beginning of the meeting, the Authority is in receipt of a grant in the amount of \$424,790, to be allocated toward the Mountain Avenue project to replace the existing various sized lines (3" to 10") from the tank down to Route 164. Mr. Beyer stated that he just received the acceptance letter and agreement today, which will need signed by the Authority. The Authority has 45 days to accept the grant.

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY ACCEPTED THE GRANT IN THE AMOUNT OF \$424,790 AS NOTED ABOVE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

Mr. Beyer stated that he would have available for approval at the next meeting the agreement from EADS to finish the engineering aspects on the project as the specifications have not been completed yet, along with a tentative schedule for the project. Mr. Beyer questioned the Board if they would be willing to advertise the project early in 2019 so that better pricing could be received. Mr. Cadwallader indicated that this project was not budgeted for this year; therefore, the Board could budget for the project for next year and work with the school on the timing of the project. Mr. Beyer stated that the Board had previously approved a resolution approving the project. He noted that if construction was to begin after the school year, we could advertise the project, open the bids in February, do the ordering in March, and start the project after school closing for the year. Mr. Kinley questioned if we would need a new motion to accept a new resolution, to which Mr. Beyer replied that the original resolution was to accept the Authority's matching part of the grant for \$75,000. Attorney Barbin explained to the Board that the budget and the resolution are two separate matters. He pointed out that the original resolution approved by the Board is still standing unless it would be revoked by the Board.

Mr. Cadwallader commented to the Board that there is more grant money becoming available; therefore, he would like to meet with Mr. Beyer to discuss needed projects so that they could be shovel ready when grant monies are available. The Board agreed with Mr. Cadwallader meeting with Mr. Beyer.

Mr. Beyer informed the Board that the Martindale annual dam inspection has been completed. We will need to maintain the cracks in the spillway, remove the vegetation, and install the gauge. In addition, Mr. Beyer noted, the Authority will need to televise the pipe, to which Mr. Cadwallader commented that the Sewer Authority will be able to televise the pipe. Mr. Cadwallader stated that we may have to look at a different set of wheels for the Sewer Authority to use; however, he will bring this back to the Board if this is needed.

As it relates to the Benscreek reservoir, Mr. Beyer stated that Mr. Cadwallader mentioned this earlier in the meeting. Mr. Beyer presented the following preliminary options:

- Option 1: address the issues that DEP identified.
- Option 2: increase the size of the reservoir.
- Option 3: breach the reservoir.
- Option 4: drill additional wells.
- Option 5: shut something off so that the alarms do not have to be addressed.
- Option 6: keep leaves and branches out/settling tank.

Mr. Beyer noted that, at a minimum, the Board would have to decide to do either Option 1 or Option 3. He pointed out that he does need to know which options the Board would like to consider as being viable options; and then he could present those options to DEP to review to determine what they will allow and what would need done with permitting. After this, a cost could be determined as well as the timeframe. Mr. Cadwallader indicated that he does not think that this falls under the Class C hazardous dam as is in Martindale. Mr. Mark Castel questioned if it would be a big concern with getting DEP approval on drilling of additional wells, to which Mr. Cadwallader replied that in the well report that was done when the well was drilled, the one that was picked by Mr. Castleberry was the most productive. There is another well that will do 400 gallons a minute and another that will do 300 gallons a minute. However, these two are a little further away and would require more piping to get them tied in (they are not drilled yet). Mr. Cadwallader pointed out that the only problem is that the aquifer the Authority is currently in is shared with Highland. Highland has two wells on the bottom which is a big aquifer, but we do not know what DEP would allow us to drill.

Mr. Beyer explained to the Board that we really need to set up a meeting with DEP to discuss the various options. Attorney Barbin stated that serious consideration by the Authority has to be made to the exceptional value stream, which the Authority would not want to lose. He pointed out that the Authority should discuss with DEP the Authority's understanding that the concerns have to be addressed and that the Authority wants to address the concerns to DEP's requirements. Mr. Cadwallader stated that the existing walls of the spillway are stacked stone that was concreted. What is happening is it is starting to erode underneath. The bank on the back side is actually a clay bank; and that is why we are seeing yellow in the water; and the silt comes down the stream and pours into the reservoir. Mr. Cadwallader stated that there are pictures where the leaves have built up; however, if you remove the leaves, then you have algae concerns.

After additional discussion, it was agreed that Mr. Beyer would set up a meeting with DEP to discuss this matter and that the option of drilling additional wells would not be considered.

Mr. Beyer noted that he would have the Engineering Agreement for 2019 available for the next meeting so that it can be considered for budgeting purposes.

X. SOLICITOR'S REPORT

Mr. Mark Castel commented that Attorney Barbin submitted his report prior to the meeting; and he questioned if any Board member had any questions on the report.

Attorney Barbin commented that he had nothing further to report other than what was included in his written report.

XI. FORESTER'S REPORT

No report.

XII. UNFINISHED BUSINESS

- Employee Issues

No employee issues to be presented.

- Start Time

No discussion held.

XIII. NEW BUSINESS

- Link SiteCare Maintenance Service Agreement

Discussed earlier in the meeting.

- Health Insurance Renewal

Discussed earlier in the meeting.

XIV. GOOD OF THE ORDER

- Requests for Adjustment

Discussed earlier in the meeting.

- Portage Area Joint Recreation Commission Request

Discussed earlier in the meeting.

- Insurance Claim - 1211 Gillespie Avenue

Discussed earlier in the meeting.

- Annual Contribution of Board Payment

Mr. Yetsko indicated that for many years he has donated his Board meeting stipend back to the Authority to be used for year-end Christmas bonuses for the employees. He pointed out that he wanted to withdraw this donation and requested monthly payments to be made to him for attendance at the Board meetings with the maximum deductions to be made (to be started at the new budget year). Attorney Barbin explained that Mr. Yetsko, as well as Mr. Miorelli, a former Board member, had donated their monthly stipend back to the Authority to be used for year-end bonuses for the employees at Christmas. Attorney Barbin indicated that Mr. Cadwallader would need to inform Mrs. Ringler of this change and that consideration would have to be made that Mrs. Ringler write into the budget that monies for the year-end bonuses be included for budgeting purposes next year. Mr. Mark Castel commended Mr. Yetsko for making this annual donation each year. Mr. Yetsko pointed out that he did this to be fair and for the benefit of the employees as some employees were not receiving raises; and he feels that the entire Board should consider doing the same in the future.

- New Employees

Mr. Mark Castel questioned when the 90 days is up for the new employees, to which Mr. Cadwallader replied that it would be at the end of December. Mr. Yetsko questioned if the new employees have their employment testing completed, to which Mr. Cadwallader replied

affirmatively. Mr. Yetsko questioned when the health insurance for the new employees kicks in, to which Mr. Cadwallader replied that it would be in January 2019.

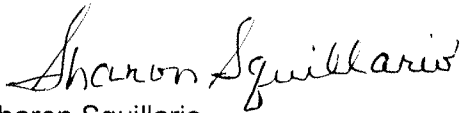
XV. ADJOURNMENT

THERE BEING NO FURTHER BUSINESS, ON MOTION OF MR. KINLEY, SECONDED BY MR. GARTLAND, THE BOARD ADJOURNED THE MEETING AT 7:55 P.M. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. GARTLAND, MR. KINLEY AND MR. YETSKO.

XVI. NEXT MEETING

The next meeting will be held on Thursday, November 1, 2018 at 7:00 p.m.

Respectfully submitted,



Sharon Squillario
Recording Secretary