

A meeting of the Board of Directors of the Municipal Authority of the Borough of Portage was held on Thursday, November 1, 2018, at 7:00 p.m., in the Conference Room at 606 Cambria Street.

Those in attendance were:

Mark Castel, Chairman
Craig Castel
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:

- It was noted that the PMRS 2018 excess interest award was received. A total of \$10,800 would be added into the Authority's pension plan as a result of interest earnings by PMRS. Credits will be made to the Authority's account, the active members' accounts, and the retired members' accounts.
- Letter was received from the Game Commission relative to the donation of trees. Mr. Cadwallader suggested that we obtain less trees this year due to the difficulty of Mr. Beck in finding individuals to plant the trees.

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO OBTAIN 100 TREES FROM THE GAME COMMISSION. MR. CADWALLADER WILL MEET WITH MR. BARTON TO DETERMINE WHAT TYPE OF TREES. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

- Active Shooter Preparedness Program: Attorney Barbin informed the Board that the County EMA Director sent information out to the County; and Attorney Barbin shared the information with the various Authorities. He commented that this is a 20-minute program and can be viewed online by the office employees.

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED THAT THE AUTHORITY OFFICE EMPLOYEES VIEW THE 20 MINUTE ACTIVE SHOOTER PREPAREDNESS PROGRAM ON THEIR COMPUTERS. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

- DEP: Mr. Cadwallader apprised the Board that there was a recent article in the newspaper stating that DEP will soon be funded by water and sewer authorities. The funding will be determined by the population served by the various authorities, not by the number of customers. As the current population served by the Municipal Authority is 7,300, the Authority would fall into the \$5,000 - \$10,000 range, so the Authority will have to pay DEP \$10,000 each year, which will be effective in 2019. Mr. Cadwallader pointed out that this will need to be included in the budget for the upcoming year. Mr. Cadwallader explained to the Board that currently DEP does not have enough sanitarians and the State is not providing enough money to obtain sanitarians. This is a way for DEP to build up fund to obtain more sanitarians to be more cautious to the rules and regulations, to do the sanitary surveys at the sewer and water plants, etc. He pointed out that this will also include mining, permits, etc. under DEP as well. Mr. Cadwallader commented that we will also be seeing an increase in the fee for various DEP permits (general, construction, etc.), some of which will be doubling in price. Attorney Barbin commented that this additional funding to DEP is going to cause a concern for the smaller Authorities.

IV. GRANT FUNDING

Mr. Cadwallader informed the Board that he did provide to Mr. Beyer an article which appeared in the Water News Digest that stated that President Trump has put funding into an infrastructure grant program for water, sewer and irrigation (\$1.5 trillion). The awarding of the grants will go through the Army Corps of Engineers. Attorney Barbin pointed out that the project for the repairs to the Martindale dam would be a project to keep in mind for this type of grant funding. Mr. Cadwallader agreed indicating that we should get something ready so that we are prepared when the grants are announced. Mr. Kinley questioned if we have plans ready to go in case something comes up, to which Mr. Cadwallader replied that we do not and this is why he was bringing this matter to the Board's attention. Mr. Kinley pointed out that it would always be good to be a "step ahead" and have plans ready when the need arises. Mr. Cadwallader stated if we choose a project, we could then obtain the needed letters of encouragement where we would then have a better chance of obtaining a grant.

Mr. Mark Castel pointed out that that dam project is a priority, to which Mr. Cadwallader interjected that both dams would be a priority. Attorney Barbin indicated that the Martindale project would be a much more expensive project; and this would be the project that the Authority would have a hard time addressing without some type of grant monies. He noted that the concerns at the Benscreek plant could be addressed on our own. Attorney Barbin questioned if both projects could be placed together under one project, to which Mr. Beyer replied affirmatively. Mr. Beyer pointed out to the Board that he and Mr. Cadwallader will be meeting with DEP; and we could show them what projects we have in mind. He stated that another project to be listed would be finishing up the lines from Fiddler's Green directly into the Borough.

ON MOTION OF MR. MARK CASTEL, SECONDED BY MR. KINLEY, THE BOARD UNANIMOUSLY AGREED THAT A PLAN BE FORMULATED ON WHAT PROJECTS COULD BE ADDRESSED SHOULD GRANT FUNDING BECOME AVAILABLE AND THAT MR. BEYER HAVE THIS AVAILABLE WHEN MEETING WITH DEP. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

The Board also asked that Mr. Beyer bring back costs and specifics on these projects for the next meeting. Attorney Barbin pointed out that, even if grant funding was not available, it is good that the Board plan for any needed projects.

V. APPROVAL OF MINUTES

Mr. Castel made a correction to the minutes of the October meeting clarifying that the 90 days for the new employees is up as of December 8 and not the end of December. Also, the new employees would be eligible for health insurance as of December 2018.

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE OCTOBER 2018 MINUTES BEING THAT THEY WERE DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE MINUTES AS PRESENTED, WITH THE CORRECTION AS NOTED ABOVE. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

Mr. Mark Castel questioned Mr. Cadwallader if there were any concerns with the new employees, to which Mr. Cadwallader replied that the new employees are working quite well. He commented that one of the employees is now learning the meters; and the other is working on projects. Mr. Cadwallader informed the Board that all of the employees, including the new employees, have been working well together and helping each other out in all areas.

Mr. Mark Castel questioned if the new employees would then go on the health care benefits as of December 9. Mr. Kinley commented that this is the date that the new employees would be eligible for the health care coverage. Mr. Cadwallader noted that both new employees would be covered under the family plan. Mr. Mark Castel questioned the cost for one month, to which Mr. Cadwallader replied that it is approximately \$1,587.28 per month for a family plan. Mr. Cadwallader pointed out that the cost per employee is based on age, so the cost for younger employees would be less. Mr. Yetzko questioned what the employees agreed to on the health plan, to which Mr. Cadwallader replied that all of the employees are in favor of the 750 plan. Mr. Mark Castel questioned if, when we hired the new employees, were they informed they would have health care coverage, to which Mr. Cadwallader replied that the new employees were told they would have coverage after their probationary period. Mr. Yetzko questioned if the new employees have received a 90-day evaluation, to which Mr. Cadwallader replied that he has not done a written evaluation but he will do one at the end of the 90 days.

ON MOTION OF MR. YETSKO, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED THAT, FOLLOWING THEIR 90-DAY EVALUATION, MESSRS. KENNEDY AND GOUSE WOULD BE INCLUDED UNDER THE AUTHORITY'S HEALTH CARE COVERAGE PLAN. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

Mr. Yetzko questioned if there will be any increases for water usage coming up, to which Mr. Cadwallader replied that this will be discussed during the budget discussions. He commented that we must also keep in mind the new \$10,000 payment to DEP that will have to be included in the budget for the coming year. Mr. Mark Castel questioned how our rates compare with other Authorities, to which Mr. Cadwallader replied that our rates are similar to Nanty Glo, Carrolltown, Northern Cambria and Glendale.

VI. AGENT'S EXPENDITURES

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. KINLEY, THE BOARD UNANIMOUSLY APPROVED THE AGENT'S EXPENDITURES FOR THE PERIOD MARCH 1, 2018 TO OCTOBER 31, 2018 IN THE AMOUNT OF \$130.69.

BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL,
MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

VII. INVOICES

American Water Works Assoc	\$ 355.00
Brent Kinley	50.00
Cambria Mailing Services, Inc	76.56
Cambria System, Inc.	393.80
Cintas	106.04
CMPA	1,000.00
Cole-Parmer	711.22
Conemaugh Memorial Medical	234.00
Craig Castel	50.00
Damin Printing	132.00
Diversified Technology	1,480.00
EADs Group	1,935.31
Foster F Wineland Inc.	460.00
FWF Insurance Agency Inc.	2,953.00
Groff Tractor & Equipment	105.70
Hach	2,739.23
Hines Equipment	60.84
Hite Company	45.55
JC Ehrlich Co Inc.	172.00
John Gartland	50.00
Kline Kimlin	6,450.00
L/B Water Service Inc.	4,793.45
Link Computer Corporation	1,312.50
Mainline Newspaper	78.00
Mark Castel	50.00
Mary L Elchin	260.00
McCall Motors Inc.	117.12
Mountain Research LLC	156.00
New Enterprise Stone & Lime Co. Inc.	4,428.32
Niper's Auto Repair	45.00
PA Rural Water Association	190.00
Peoples Natural Gas Company	52.08
Portage Auto Parts	94.40
Portage Post Office	150.00
Portage Service Center	567.00
Railroad Management Company IV LLC	1,498.65
Ray Oil and Gas Co	866.45
RDM – Johnstown LLC	236.00
Ronald J Cadwallader Jr	20.00
Sharon Squillario	50.00
Stager's Store	250.32
United Graphics	1,334.79
WB Mason Co Inc.	448.42
William G Barbin, esq	1,306.50
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	\$37,865.25

Paid Bills

Christine Clinton	\$ 100.00
Comcast	310.11
Galeton	25.59
Highmark Blue Shield	5,068.29
Long Barn Inc. II	29.20
Lowe's	96.97
PA One Call System Inc.	35.70
Penelec	1,326.97
PennDot	10.00
Verizon	456.98
Pro Disposal, Inc.	150.00
Samantha Jo Teeter	100.00
Staples	151.97
Aflac	158.48
REA Energy Cooperative Inc.	933.53
Sheet Fleet Service	482.75
	\$ 9,436.54

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. KINLEY, THE BOARD UNANIMOUSLY AGREED TO ACCEPT AND PAY INVOICES IN THE AMOUNT OF \$73,812.79 (REGULAR BILLS, \$37,812.34; PAID BILLS, \$9,436.54; PennVEST, \$3,896.36 AND \$5,508.55; USDA, \$16,051.00; 1ST SUMMIT, \$1,108.00). BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

VIII. TREASURER'S REPORT

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AGREED TO DISPENSE WITH THE READING OF THE OCTOBER 2018 TREASURER'S REPORT AS IT WAS PREVIOUSLY DISTRIBUTED IN WRITTEN FORM AND UNANIMOUSLY ACCEPTED THE REPORT WITH A BALANCE OF: BEGINNING CASH, \$1,647,930.83; CASH IN, \$267,880.94; CASH OUT, (\$243,749.63); ADJUSTMENT, \$0; ENDING CASH, \$1,672,062.14. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

IX. 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 the Frazier Avenue project is approximately 50% complete. We are finishing up getting the main down through. There are two residents where we will have to dig across the road; however, this part of the project will have to be determined by the weather. The project is almost to the pump station where we will do the tie-in; and there are two spurs that will have to be tied in. Once this is completed, Mr. Cadwallader indicated, we will be able to sanitize it and do the bacteria samples; and once the results are received, we will be able to start tying in the residences. As it relates to the lines across the road, Mr. Cadwallader explained that, if we open these up and it rains, the residents will end up getting water in their basements. Mr. Mark Castel questioned if we have to notify DEP prior to turning it on, to which Mr. Cadwallader

replied negatively stating that, once we have the satisfactory bacteria samples back, we can start to do the tie-ins.

Mr. Cadwallader stated that he has nothing new to report relative to the insurance claim on the Caldwell Avenue residence. The last information that Mr. Cadwallader received was that an independent contractor was going to review the area.

Mr. Cadwallader stated that under New Business, an item was included relative to the roof for the Benscreek plant. He reported that there were two contractors that reviewed the project. One contractor provided a bid and the other did not. The bid received was for \$19,875 from J&J Construction. Mr. Cadwallader provided to the Board examples of projects this contractor has done previously as well as colors to be chosen for the roof. He also noted that the capital improvement account contains enough funds to cover the cost of this project. Attorney Barbin questioned why we were not able to obtain three quotes. Mr. Cadwallader explained that he did contact three contractors. One did not show up to review the area; two contractors did review the area but only one provided a bid. Mr. Cadwallader questioned if we need an additional bid before we can move forward, to which Attorney Barbin replied affirmatively. The Board discussed other contractors; and the names of other potential contractors were provided (Kaufman Metals and Sinking Valley Construction). Attorney Barbin commented that, due to the urgency of this project because of the winter weather moving in soon, and that the quote is so close to the advertisement limit (\$20,100), the Board could authorize Mr. Cadwallader to contact additional contractors and to contract with the contractor who provided the lowest bid, whether it be the contractor who has already provided the bid or another contractor. Mr. Cadwallader stated that he will ensure that all bids are inclusive of the same standard of work; i.e., all items would be the same as the quote that has been received.

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY AUTHORIZED MR. CADWALLADER TO CONTACT ADDITIONAL CONTRACTORS AS NOTED ABOVE AND TO CONTRACT WITH THE CONTRACTOR WHO PROVIDED THE LOWEST BID, WHETHER IT BE J&J CONSTRUCTION OR ANOTHER CONTRACTOR WHO PROVIDED A LOWER BID. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

Mr. Cadwallader informed the Board that he had provided information prior to the meeting relative to the reagents and other supplies for the new Method 334 testing. He explained that, for some of the testing, you have to run it for 14 days to get the calibration and then run it quarterly. The supply of reagents was running low, so Mr. Cadwallader did provide authorization to order more.

Mr. Cadwallader stated that he had also provided information relative to the chlorine testers. He did talk with Hach and there were some things done to them to bring them back to working presently. He requested that the Board table the request until such time as he can ensure that they continue to work before making any purchase.

As it relates to the budget, Mr. Cadwallader noted that a budget meeting needs to be scheduled. After discussion, it was agreed that a budget meeting would be scheduled for Tuesday, November 13 at 7:00 p.m. Mr. Cadwallader will confirm the availability of all Board members for the meeting.

Mr. Cadwallader noted that the engagement letter was received from Kline Kimlin for the 2018 audit, which needs signed.

ON MOTION OF MR. KINLEY, SECONDED BY MR. CRAIG CASTEL, THE BOARD UNANIMOUSLY APPROVED THE KLINE KIMLIN ENGAGEMENT

LETTER FOR THE 2018 AUDIT AT A TOTAL COST OF \$6,350. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

Mr. Cadwallader apprised the Board that the REA capital credit check was received, which was deposited into Account #104.5.

X. 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 stated that there is no further information available on the Emergency Action Plan.

Mr. Beyer commented that he had sent an agreement to the Authority relative to preparing the bids for the PA Small Sewer and Water grant. He noted that approval of the agreement would be needed.

ON MOTION OF MR. CRAIG CASTEL, SECONDED BY MR. KINLEY, THE BOARD UNANIMOUSLY APPROVED THE CONTRACT FOR ENGINEERING SERVICES RELATIVE TO THE MOUNTAIN AVENUE PROJECT. BOARD MEMBERS VOTING AFFIRMATIVELY INCLUDED MR. CRAIG CASTEL, MR. MARK CASTEL, MR. KINLEY AND MR. YETSKO.

Mr. Beyer stated that Attorney Barbin will be reviewing the existing easements for the properties along the school as it relates to the Mountain Avenue project. Mr.; Cadwallader stated that he did talk with the school; and they will include whatever approvals that are needed on the school Board agenda.

As it relates to the Benscreek reservoir, Mr. Beyer apprised the Board that he spoke with Doug Kahler; and he had offered to set up a conference call with Mr. Beyer and Mr. Cadwallader to talk about what will be discussed with DEP prior to setting up a meeting with DEP. Mr. Beyer noted that he would set up this call.

Mr. Beyer informed the Board that the retainer fee from the EADS Group would remain the same in 2019 as it was in 2018.

XI. 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.

XII. FORESTER'S REPORT

No report.

XIII. UNFINISHED BUSINESS

- Health Insurance Renewal

Discussed earlier in the meeting.

XIV. NEW BUSINESS

- Kline Kimlin Engagement Letter

Discussed earlier in the meeting.

- Pocket Colorimeter

Discussed earlier in the meeting.

- Roof for Benscreek Plant

Discussed earlier in the meeting.

XV. GOOD OF THE ORDER

- REA Capital Credit

Discussed earlier in the meeting.

- Commendation

Mr. Cadwallader expressed his thanks to the Borough, Township and Sewer Authority for their assistance with the blacktopping recently.

- Pipe Yard

Mr. Mark Castel questioned how the pipe yard is, to which Mr. Cadwallader replied that everything is working fine.

- Bathroom at Park

As it relates to the bathroom at the Park, Mr. Cadwallader noted that the roof is on the building and the piping is completed. The plumber will return in the spring to finish as the water has been turned off at the Park.

- New Backhoe

Mr. Craig Castel questioned how the new backhoe is running, to which Mr. Cadwallader replied that it is running fine but that the adapter has not been received yet.


XVI. ADJOURNMENT

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

XVII. NEXT MEETING

The next meeting will be held on Thursday, December 6, 2018 at 7:00 p.m.

Respectfully submitted,

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

Sharon Squillario
Recording Secretary