

MINUTES OF THE 02/19/20 MEETING

A meeting of The Municipal Authority of the Borough of Lewistown was held at 70 Chestnut St., Lewistown, PA. The meeting was called to order by Chairman Laite at 1:00 p.m. The group recited the pledge of allegiance.

BOARD MEMBERS PRESENT: Bargo, Berrier, Laite, Rocco, Walter

BOARD MEMBERS ABSENT: None

BOARD MEMBERS LATE: None

OTHERS PRESENT: Bubb, Hassinger, Searer, Ward, White

OTHERS ABSENT: None

OTHERS LATE: None

PUBLIC PRESENT: Chris Keller

PUBLIC COMMENT:
None

READING OF THE MINUTES:
The minutes of the meeting 01/15/2020 were approved on a Rocco/Laite motion.

TREASURER'S REPORT:

The Treasurer's report was presented. A Rocco motion to approve the Treasurer's report was made, and died due to a lack of a second. Berrier asked who Cozen O'Conner was and asked Chairman Laite for details on the \$79,837.99 invoice. At 1:07 pm Berrier asked if the meeting was being recorded and he told Walter to recording the meeting. Chairman Laite stated that Cozen O'Conner is the legal firm representing the Authority in legal action pertaining to the Lewistown Borough and the invoice was for legal fees. Berrier asked if this expenditure was authorized and who authorized it. The approved motion made at the 1/6/20 special meeting authorized the appointment of the law firm Cozen O'Conner and Timothy S Searer, Of Counsel, Tucker Arensberg, PC to pursue all available legal remedies to resolve the issues raised by the Borough of Lewistown and also authorized the Chairman, Vice Chairman and Executive Director to participate in such pursuit. Berrier requested specific information on the attached copy of the invoice provided with the voucher. He also questioned who approved the costs and the lawyers professional conduct. Bubb presented the executed engagement letter with Cozen O'Conner. Public, Chris Keller, asked to comment during the discussion. Chairman Laite allowed the request. Keller questioned Authority Board appointments and how Walter, Lewistown Borough Manager could be appointed. It was explained the Lewistown Borough appoints the Authority Board members. Searer gave a summary of the steps taken in litigation in both the Mifflin County Court of Common Pleas and the Commonwealth Court of Pennsylvania. The Mifflin County matter concerning the determination of the legality of the Borough's resolutions has been assigned to Sr. Judge David Grine from Centre County. As of the meeting, nothing is scheduled in terms of a conference or hearing. Walter welcomed the Authority to have a discussion with Lewistown Borough. Searer stated the Authority's position is to have no direct communications at this point due to pending litigation. He also advised any meeting with Lewistown Borough could violate the Sunshine Act with Walter being present with any two (2) Authority Board members. Berrier voiced his opinion the actions by Bubb with the other Townships/Boroughs was outside of his job description. He criticized Bubb for bad mouthing the charter Authority, again outside of his scope of authority. Berrier also said there were never any "No" votes from the past Authority Board. Rocco challenged that as a false statement and advised Berrier to read meeting minutes. Searer advised the water Authority is being run for the benefit of all Authority customers, not just Lewistown Borough. Berrier requested the voucher reports be acted upon individually. A Rocco/Berrier motion to approve the 12/20/19 to 1/15/20 voucher report was unanimously approved. A Rocco/Laite motion to approve the 01/16/20 to 2/20/20 voucher report was approved by a roll call vote: Bargo-Yes, Rocco-Yes, Berrier-No, Walter-No, Laite-Yes.

OFFICE MANAGER'S REPORT:

Hassinger presented her written report.
The Q4 2019 Executive Summary from Conrad Siegel Investment advisors was provided for review.
The monthly overtime and meter test report were provided for review.
The annual rebate in the amount of \$812.30 and related correspondence was presented from PA One Call.

An update on the cyber security project was given. Eight (8) computers need Windows 10 upgrade. A request to upgrade four (4) office computers and eight (8) upgrades outlined on purchase order 1202004 through a PA COStars contract in the amount of \$2,870.52 was unanimously approved on a Rocco/Walter motion.

The MABL Rate Study work with Uni-Tec first pass has been completed. Pat will present the final report. The Authority/Mifflin County Academy Apprentice package was presented at the February 13, 2020 PA Dept of Labor and Industry Apprentice Committee meeting. The Committee provided feedback on the Related Training outline provided by Mifflin County Academy and will do a final review at the March meeting after the recommendations are added. The program should be approved at the March Committee meeting. Hassinger will attend the March meeting via conference call.

The Baker Tilly Annual Fair Rental Value Option work continues. First review is scheduled for late February. An update on 2019 annual reporting was provided. Engineering report is scheduled for completion March 2020 and the financial audit report is targeted for April 2020.

The PA State Ethics statement of financial interests were distributed for completion by 5/1/20.

The JVB signature card needs updated. A Rocco/Walter motion to execute the signature document was unanimously approved.

The Bank of New York, trustee, annual update to the incumbency certificate and execution was unanimously approved after a Rocco/Walter motion.

OPERATIONS MANAGER REPORT:

White presented his written report.

The vendor is scheduled for a site visit to evaluate the SCADA migration controls and replace the five (5) old PLC units.

White provided an update on Seaquest corrosion control chemical evaluation. The report from Herb Spencer has been received which covered the chemistry details to help improve chlorine residual and stabilize the Ph. The study will be reviewed in detail and updates on recommendations are pending.

Catwalks are not in production. White continues to work with vendor to have them completed prior to upcoming DEP performance evaluation.

Utility Service is working with DEP on tank painting permits.

DEP was on site for an inspection of the NPDES discharges at the filtration plant. No major issues. A recommendation to get a ticket for each load of sludge removed was noted.

White provided information on the Maximum Probable Precipitation study conducted by DEP. This information is relative to the spillway rehab project, driving the construction of the auxiliary spillway on the dam.

The annual lab accreditation for proficiency tests, microbiology lab was approved.

A pin hole in the body of the stream release valve was discovered. The valve will be replaced.

Installation of the Beck actuators is scheduled for next week.

The new master meter and backflow has been completed at the MCIDC vault. The Distribution crew completed the change out with no interruption to water service.

A capital item purchase order for a Finish Ph Probe in the amount of \$2,269.80 was presented.

A Rocco/Bargo motion to replace the VFD drive in Milroy Well #1 in the amount of \$17,953.25 was unanimously approved.

A Rocco/Bargo motion to approve an onsite training course by Susquehanna Safety, to be held at the Lewistown Borough Rec Center, pending availability, was unanimously approved.

A Rocco/Bargo motion to approve attendance to PA Rural Water training for two (2) operators, sixteen (16) hours each, at a cost of \$325 each was unanimously approved.

A Rocco/Bargo motion to approve attendance of White and Bubb for SCADA training, related to the Authority goal to replace Snyder tower radio equipment, at a cost of \$95 each was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT:

Bubb presented his written report.

Bubb touched again on the importance of the 2020 capital project to replace the PLC's at the Laurel Creek Filtration Plant. They are original equipment from the 1998 plant expansion.

Bubb gave an update of the upcoming PennDot projects and related construction schedules.

-The 4th Street project had positive input from the District Project Manager. Street restoration cost savings based on Authority inquiry could be significant and there may also be an opportunity for a cost share.

-The Valley Street resurfacing project may be pushed back one (1) year. The Authority plans to replace the 10" waterline ahead of the paving project in the summer of 2022. There is a possibility that the costs could be incorporated into the project for a possible cost share based on impacts to water utility.

-The Market Street resurfacing project schedule has been requested. A 10" waterline will be replaced ahead of the paving schedule.

Awaiting acceptance of a construction estimate to Hawbaker Engineering for water line extension in Derry Heights.

Phase I of the Olde Carriage Crossing townhouse project has begun. A Water Line Extension Agreement will be submitted in March to update the scope of the project.

ENGINEER'S REPORT:

Ward presented his written report.

Ward touched briefly on the Laurel Creek Dam DEP mandated auxiliary spillway that has been on hold at an estimated project cost of \$17 to \$20 million dollars. This ties in directly with the recent studies done by DEP regarding probable precipitation. Updates will be provided monthly

Ongoing support work continues for the Milroy well aquifer testing for the Susquehanna River Basin Commission.

The Oak Ridge Road pump station is under DEP permitting. The Authority will construct the pump station with Authority workforce.

Ward discussed details on the W 4th St water main replacement project (PENNDOT SR 3002 Sec 718) bid package. There will be a base bid that will cover streets from Bratton Avenue to Grove Avenue. The alternate bid is from Grove Avenue to Union Avenue. The bid is being prepared and construction is scheduled for the summer of 2020. The bid package will be available on PennBid and also mailed to local contractors. The Authority will provide the materials for the project using PA CoStars contract pricing. A Rocco/Bargo motion to authorize the publishing of the bid documents was unanimously approved.

Ward reviewed the completed rate study. The three (3) major goals of the study were to simplify the current declining block rate structure, establish a ten (10) year look forward period for budget purposes and provide a dynamic spreadsheet that can be modified with different rates, cost and budget factors. Ward reviewed the details of scenario 4, which most closely satisfied all the goals of the rate study. The rate structure was a reduced base price with a set charge per 1,000 gallons of water. The downside of scenario 4 was the increase to industrial water consumers. Uni-Tec and the Authority will continue to work with the rate study data for a possible long-term solution.

SOLICITOR'S REPORT:

Searer presented his written report.

The Deed of dedication transferring the water line from Valley View Haven to the Authority is complete and needs Valley View Haven signatures.

Searer questioned the status of the Kish Bank Water Line Extension Agreement. Hassinger will check the status and provide an update to Searer.

Searer updated the Board on the ongoing litigation matters related to the Lewistown Borough as directed at the 01/06/2020 special meeting. Rocco posed the question and had a concern with how to handle inquiries by citizens, the newspaper etc. How should he respond? Searer advised anything between litigants should be done between each Counsel. Otherwise, you may speak for yourself.

A request from Penelec for a right-of-way at the easternmost triangular point of the Authority's Chestnut St property was discussed. This is a new electric service. The actual property owner needs to be established so a grantee can be determined.

OLD BUSINESS:

NEW BUSINESS:

Bubb presented information regarding a public awareness campaign proposal for a marketing firm. The proposal was tabled for now.

COMMITTEE REPORTS:

The Personnel Committee presented the Staff recommendation to offer the Filter Plant Operator open position to Daniel Stuck. A Rocco/Bargo motion to approve the new hire was unanimously approved. The discretionary lump sum increases will be presented to the Personnel Committee for March meeting.

The Commonwealth Court action concerns the Borough's appeal from the decision of Judge Gingrich to issue an injunction in response to the Authority's request. This case could possibly be mediated before Judge Leadbetter of the Commonwealth Court. Aside from this possibility, MABL has requested expedited status of this case by the court, but the Borough has opposed any expedited argument or conference. Senior Judge Grine, Common Pleas, will review the merits of the case. The request for conference is with the Judge.

Rocco suggested a townhall type meeting to let each side express their opinion.

Public present, Chris Keller asked to be recognized to comment. The Chairman granted his request to comment. The concern of rates going up, due to the Lewistown Borough Council actions, is his main concern as a resident in the community. He said he has taken the time to learn more about the situation by attending this meeting as well as the Lewistown Borough Council meeting. Keller noted that not one word at

the meeting of February 10, 2020 mentioned the intent of the most recent resolution. The community as a whole understands what is going on, the less they know brings them to the wrong conclusions. Keller also expressed concerns of a conflict of interest in discussing the legal matters with the Authority Board members with ties to the Lewistown Borough.

White provided a review of the most recent three (3) year DEP Plant Performance Evaluations. A commendable rating was received for the past three (3) years. This is not something that happens every day. The DEP representatives actually commented on this positive achievement. The DEP has asked how this strong performance is completed on a regular basis. White sighted a strong commitment to doing things the right way, this may not always be the easiest way or the cheapest way, but it's how we operate. "The Authority has always had support from the Board of Directors, Staff and Employees to do things the right way and I want to keep it that way."

CORRESPONDENCE:

The meeting adjourned at 3:50 p.m. on a Rocco/Bargo motion.

Attested by:

Barry Bargo
Secretary