

**MINUTES OF THE 08/19/2020 MEETING**

A meeting of The Municipal Authority of the Borough of Lewistown was held at 70 Chestnut St., Lewistown, a teleconference option was offered due to COVID social distancing restrictions.

- BOARD MEMBERS PRESENT:** Bargo, Berrier, Laite, Rager, Rocco
- BOARD MEMBERS ABSENT:** None
- BOARD MEMBERS LATE:** None
- OTHERS PRESENT:** Bubb, Hassinger, Searer, Stoy, White
- OTHERS ABSENT:** None
- OTHERS LATE:** None
- PUBLIC PRESENT:** David Lytle – Conrad Siegel Investment Advisors  
(Teleconference Attendee)

**PUBLIC COMMENT:**

Lytle presented a detailed annual review of the pension plan performance. The current investments and the fund breakdowns were reviewed. The spike in benefit payments over the next five years was noted. The overall portfolio performance was provided as well as the investment and annual fees associated with the plan. Lytle reviewed three recommended changes to the fixed income funds and the fund performance proposed targets. The individual prospectus for each fund was also provided in the report. Lytle will provide an email for approval of the recommended changes. Lytle left the meeting after his presentation.

**READING OF THE MINUTES:**

A Rocco/Laite motion was made to approve the 07/15/20 minutes as presented. The motion passed 5-0.

**TREASURER'S REPORT:**

The Treasurer's report was presented by Bargo. The voucher report was approved 5-0 on a Rocco/Bargo motion.

The Kent Lindsay valuation invoice for \$15,200 was reviewed. The amount previously approved was not to exceed \$15,000. The additional \$200 was presented for approval. The valuation study details and distribution of the report was questioned by Berrier, who said he called Mr. Lindsay regarding the valuation. Searer advised the report was in draft form and there were still questions to be answered. The distribution was limited to the litigation committee. He also advised, due to current litigation and the sensitivity of the information being discussed with Lewistown Borough or distribution outside of the litigation committee was not in the best interest of the Authority. A Berrier/Rager motion to distribute the draft report from Kent Lindsay was tabled until later in the meeting.

The Cozen O'Connor invoice in the amount of \$50,957.92 for services rendered was reviewed by Solicitor Searer and approved by a 3-2 vote on a Rocco/Bargo motion (Berrier, Rager – No).

**OFFICE MANAGER'S REPORT:**

Hassinger's presented her written report.

A Rocco/Laite motion to approve the Conrad Siegel annual review recommendations for investment fund changes was approved 5-0.

<i>Existing Fund</i>		<i>Replacement Fund</i>	
<i>Security Description</i>	<i>Symbol</i>	<i>Security Description</i>	<i>Symbol</i>
DFA Int'l Real Estate Securities Fund	DFITX	Fidelity® Int'l Real Estate	FIREX
Vanguard Int.-Term Bond Index Fund Adm.	VBILX	Vanguard Interm-Term Investment-Grade Adm	VFIDX
Vanguard GNMA Fund Adm.	VFIJX	DFA Intermediate Govt Fixed-Income I	DFIGX

The Conrad Siegel Investment Advisor Q2 investment summary was included for review.

The 2021 Minimum Municipal Obligation (MMO) calculation of \$90,817 with an additional contribution of \$52,000 to cover market performance results and increased member payment smoothing over the next five years was presented for approval. The additional contribution has been done historically to maintain a non-

distressed funding level. Berrier questioned the current funding status. Hassinger stated that information was updated with the annual financial report, and the 2019 actuarial valuation but did not know the exact funding status; that information could be provided. Berrier also questioned if the additional contribution was reported to the State. Hassinger stated the additional contributions were reported to the State annually. The discussion also raised a question of what happens to the pension plan if the Authority would be sold to a private company. Hassinger will provide information for the next meeting. A Rocco/Bargo motion to approve the total 2021 MMO in the amount of \$142,817 was approved by a vote of 3-2 (Berrier, Rager – No).

The monthly overtime and meter test reports were provided for review.

The Apprentice program with MCAST has been entered into the State/Federal level RAPIDS system. Grant funding for the training is available for each apprentice in the amount of \$3,000. Estimated training costs are \$2,500.

Office practices related to the COVID-19 were updated. No changes since last month.

The cash flow and AR variances were updated and reviewed. A similar spike in turn offs was noted for Zone 2. The PLGIT CD 90 day purchase approved at the last meeting was a special rate and had expired. Hassinger will continue to monitor rates. The current rate is .15% for 90 days.

The MVRS to FCS transition and Staff training was completed by Raybern Utility Solutions 8/10/20 and 8/11/20. No major issues were encountered. Support is available for one year after the upgrade. Hardware upgrades will be a capital project for 2021 with Itron, Badger and Census platforms being evaluated.

The last stage of the office cyber security project was completed. A full back up and recovery of the Authority's domain server, simulating a security breach, was completed successfully.

The merger of Baker Tily & Squar Milner and the acquisition of Nittany Media by Zito Media were presented for informational purposes. No action required.

Jesse Rhodes completed his probationary period and has been moved to full time employee status.

#### **OPERATIONS MANAGER REPORT:**

White presented his written report.

The installation of the cellular modems at the wells is complete. Working with security issues limiting data traffic to the information ports.

The SRBC well testing plans for the allocation permit are scheduled for the week of 9/14/20 and 9/21/20.

The welded steel tank maintenance is moving forward. The interior of contact tank #1 has been sand blasted. Target completion date is within two weeks. Bacteria and VOC testing will be required as well as getting the operating permit to put the tank back in service.

White reported the McCoy #2 VFD is installed and working well.

The sodium hypo system room is nearing completion. An overhead door was ordered.

White reported he is working with Vigilant Security, State College, on a security system upgrade for the filtration plant. The current vendor, Simplex Grinnell, did not respond to his request for upgrade quote.

Work continues with the vendor to address warranty issue of an oxygen leak on the Ozone System upgrade.

White reported he did some torque testing on the manifolds to help troubleshoot the leak origin. No positive results. Pureflow is planning a trip to resolve the warranty issue.

The first rate setter Auma actuator is installed and working well.

Tom gave an update on the W 4<sup>th</sup> St project progress. Service line connections continue. Main tie in and restoration will be the next phase of the project.

Efforts continue to coordinate training for required employee contact hours.

White reported that 300' of the Mann Avenue main maintenance project has been completed. The job has been running smooth.

The annual Safety Committee training with Eastern Alliance is scheduled. There was one accident reported to the Safety Committee: An employee stepped into a hole filled with water at an emergency main break. No lost time for the accident.

White recommended Levi Bilger for employee of the month for his commendable work on the W 4<sup>th</sup> St project.

#### **EXECUTIVE DIRECTOR'S REPORT:**

Bubb presented his written report.

The Main St bridge project is complete. The Authority is waiting the PennDOT cost share documents. MABL share is approximately \$35,000.

An update on the N Walnut St water main maintenance project was provided. Derry Township confirmed the availability of 2019 CDBG funds in the amount of nearly \$14,000 for tap fee reimbursement to residents that qualify. Mifflin County will begin the survey process.

Bubb gave an update on waterline extension projects in Carriage Crossing, no progress; MCIDC fire loop, Trinity is working with the insurance company on the flow after replumbing the meter vault and the installation of a new hydrant; Shelly Dr in Brown Township Metzler water line extension options for the Authority to

continue the water main to the other residents on Shelly Drive, approximately 7 more residents and a church; Juniata Valley Group (Pleasant Acres West thirty-two building lots available).  
Bubb provided an update on the W 4th St project. The upcoming progress meeting was discussed. Street permits will be needed for the project. The contractor is responsible to take care of the street opening permits. The main maintenance replacement project at the railroad crossing at Juniata Terrace will need railroad crossing easements. The meeting to do grade crossing elevations with Uni-Tec is scheduled for 8/20/20. Bubb reported information from Doug Marks on N Derry Avenue paving project with CDBG funds available to install three hydrants. Derry Township is working on surveys now. A Rager/Bargo motion to approve participation in installing infrastructure for three future fire hydrants was approved by a 5-0 vote. A letter from Charlie Cox was presented. The letter requested water service to three residents on Sunrise Drive. The estimated length of main to serve the customers is 500' with an approximate cost of \$10,000. The mandatory connection status in Derry Township would be enforced. The discussion also included the extension of service to Third St to loop the main to existing infrastructure and avoid having a dead end main. Bubb will follow up with Derry Township and survey the other property owners. A Rocco/Laite motion to approve the first 500' extension of water main was approved on a 5-0 vote.

### **ENGINEER'S REPORT:**

Stoy presented Pat Ward's written report.

An update on the SRBC well testing status was provided. The permit notification requirement to mail letters to the residents within a half mile radius of the well site was completed. A notice was also published in the Lewistown Sentinel. The McCoy well aquifer testing plans, approved by SRBC, have been reviewed and the testing will begin September 14<sup>th</sup>. The public notices and pumping rates have been sent to the nine homes around the test site.

The Water Treatment roof replacement project successful bidder J. M. Young & Sons had excellent credit review and technical references. The agreement has been executed by the contractor. The Notice to Proceed will be issued.

Stoy reinforced the vendor remediation on the ozone system warranty issue with the air seepage.

The permit for construction of the South Hills pump station was issued on 7/28/20. The modifications to the pump station can be completed by the Authority with a permit application to follow.

Stoy gave an update on the W 4<sup>th</sup> St project. He discussed the areas along the project roadway where the pavement adjacent to the water line project needed repaired. The Borough did provide camera survey of the undermined area. More detail will be seen when the trench is opened. The change order also includes the contractor's price to remove existing hydrants were not included in the contract price. The total for Change Order No. 1 is an increase of \$20,275.00 with a revised project total from \$1,415,563.50 to \$1,435,838.50. A Rocco/Bargo motion to approve Change Order No. 1 for \$20,275.00 was approved on a 5-0 vote.

Stoy reported Uni-Tec and Authority Staff will be meeting at the railroad boring site on 08/20/20 to get the remaining site information needed to submit the railroad crossing permit application. A permit fee of \$2,500 will be due at that time. A Rager/Rocco motion to approve the permit fee was approved on a 5-0 vote.

The results of the DCED CFA grant program have been announced. The Authority's project to extend the water main on Front Mountain Road and Peight's Store in Union Township did not get the grant award. Stoy advised as more money becomes available, the Authority can always re-apply.

### **SOLICITOR'S REPORT:**

Searer presented his written report.

The water line extension information for MCS Bank completed and ready for MCS Bank signatures. Awaiting return of the Kish Bank dedication documents.

The tabled Berrier/Rager motion to distribute the draft report from Kent Lindsay was announced and Berrier called for the questions. A roll call vote was taken; Bargo-No, Berrier-Yes, Rager-Yes, Rocco-No, Laite-No. The motion did not carry on a 2-3 vote.

Recess 3:23 p.m. to 3:30 p.m.

The regular meeting moved to executive session at 3:30 p.m. to discuss litigation.  
The regular meeting reconvened at 4:20 p.m.

**OLD BUSINESS:**

**NEW BUSINESS:**

A Rager/Laite motion to approve BRIF Requisition #2020-06 in the amount of \$357,408.13 was approved 5-0.

**COMMITTEE REPORTS:**

None

**CORRESPONDENCE:**

Authorities Virtual Conference 2020

2019 PLGIT Annual Report (Desk)

2019 PA One Call Annual Report (Desk)

A Rocco/Bargo motion to adjourn the meeting at 4:25 p.m. was approved with no opposition.

Attested by:

Barry Bargo  
Secretary

CC: Borough Manager via Email