

JACKSON TWP WATER AUTHORITY

AUGUST 25, 2009

WALTER DITCHCREEK, CHAIRMAN OPENED THE MEETING WITH A PRAYER AND THE PLEDGE OF ALLEGIANCE. Others board members in attendance were Robb Piper, Vice Chairman; John Wallet, Secretary; Ray Dodson, Treasurer; Don Hrapchak, Assistant Tres./Sec; Jim Potopa, Engineer; Dick Wilkinson, CPA; CJ Webb, Solicitor; Karl D. Smith, Authority Foreman; and Debra Buksa, Billing Secretary. Rich Wray, consulting engineer for the Swigle Mountain project, Mr. & Mrs. Plymette and Ms. McGraw - residents from Spring Glen Drive also attended.

The minutes of July 28, 2009 were approved as printed.

PUBLIC COMMENTS: Marlin Plymette spoke on behalf of the Spring Glen residents regarding a gate that has been placed across Spring Glen Drive. They are also concerned with the fact that the fire hydrant located near their homes is blocked by this gate. The solicitor informed them that since this is a private road, this is a private access issue. The only issue that appears to involve JTWA is whether the gate prevents the Water Authority and Fire Company from accessing the fire hydrant. The Board authorized CJ to send a letter to Mr. Zearfoss requesting him to correct this situation in order to permit the Water Authority and Fire Company unobstructed access to the fire hydrant.

ENGINEER'S REPORT: (James Potopa) Jim explained that PennDot needed a more detailed sketch of the planned work site for the permit for the extension along Rt. 271. Jim also supplied information and vendor names for JTWA concerning the Public Notification for Tier 1 violations required by DEP.

CPA'S REPORT: Dick Wilkinson distributed the 6-month Statement of Income.
ON MOTION BY ROBB, SECOND BY DON AND APPROVED BY ALL TO ACCEPT THE CPA'S REPORT.

ATTORNEY'S REPORT: C.J. Webb will wait to report until end of meeting.

FOREMAN'S REPORT: (Karl Smith) Karl read his report.

OLD BUSINESS:

Ford's Corner Tank roof - Brent from Gwin Dobson & Foreman has contacted Firestone and will set a meeting date. He has also priced a new hatch – approximately \$1,400. Ray requested that he be informed of the meeting date, he would like to attend.

Replacement of pipe along Rt. 271 – Jim Potopa will submit a more detailed sketch of the work site.

Insurance proposals : Walter called for an executive session at this time: 8:00pm for personnel matters and litigation purposes involving the condemnation and the Sekerak litigation. The regular meeting resumed at 8:20pm with no actions taking place.

JTWA had received two proposals: 1 CBiz in the amount of \$14,514
2. Ebensburg Insurance Agency in the amount of \$10,960

ON MOTION BY JOHN, SECOND BY ROBB AND APPROVED BY ALL TO ACCEPT THE LOWER PROPOSAL FROM EBENSBURG INSURANCE AGENCY FOR THE AUTHORITY'S INSURANCE..

Kevin Sekerak: On motion by Don to reduce Sekerak's bill by 30%. Motion dies due to the lack of a second vote. Kevin Sekerak's bill stands as is \$3,010.55. A break down of this figure is attached to the end of the minutes.

Health Insurance: ON MOTION BY DON, SECOND BY ROBB AND APPROVED BY ALL TO CONTINUE WITH PRESENT HEALTH INSURANCE CARRIER, UPMC.

ON MOTION BY JOHN, SECOND BY DON AND APPROVED BY ALL TO PAY THE BILLS FOR JULY.

Office Window: 3 quotes were requested. 2 proposals received.

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| 1. Best Window | \$1,050.00 | } for 86" x 59" glass to be centered and framing of the remaining opening. |
| 2. Custom Plus | \$1,745.00 | |

ON MOTION BY ROBB, SECOND BY JOHN APPROVED BY 4 TO 1 WITH RAY OPPOSING TO ACCEPT THE LOWER BID SUBMITTED BY "BEST WINDOW" TO INSTALL AND FRAME A NEW OFFICE WINDOW, ONCE THE SIZE IS CONFIRMED AT 86"X59"..

NEW BUSINESS:

Dick distributed four rate increase scenarios: regarding the proposed PennVest loan and proposed Swigle Mountain waterline project comparing purchasing water from Ebensburg vs. Nanty Glo.

He explained what JTWA's financial situation would be if we take the PennVest loan. JTWA may also need to have a single audit performed at a higher cost to JTWA. Debt forgiveness from the Township for the meter loan was also suggested. Robb asked John to have the Supervisors consider 2 things.

1. Pass an ordinance removing the grandfather clause regarding tap ins
2. Forgive repayment of the current meter loan with the Township

Bids have gone out for the Swigle Mountain Road Project and bids will be open at next meeting. The board will revisit this issue once they see what actual costs will be.

There was some discussion at the benefit of renegotiating our rate with Ebensburg Borough but the solicitor cautioned that there may not be enough time to accomplish this prior to the PennVest loan closing.

The solicitor presented and explained several Resolutions for consideration by the Board related to the PennVest loan closing and the required interim financing:

ON MOTION BY DON, SECOND BY JOHN AND APPROVED BY ALL TO SIGN THE RESOLUTION AUTHORIZING THE SECURING OF FUNDING FROM PENNVEST IN THE MAXIMUM PRINCIPAL AMOUNT OF \$1,700,000 FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COST OF THE CONSTRUCTION, REPAIR, REHABILITATION,

REMEDICATION, EXTENSION, ACQUISITION, IMPROVEMENT AND EXPANSION OF THE WATER SYSTEM OF THE FUNDING RECIPIENT AND TO PAY COSTS AND EXPENSES OF SECURING SUCH FUNDING; AUTHORIZING THE EXECUTION AND DELIVERY OF A PLEDGE OF, LIEN UPON AND SECURITY INTEREST IN THE RECEIPTS AND REVENUES SUCH WATER SYSTEM; APPROVING THE FORM, TERMS AND CONDITIONS OF THE FUNDING DOCUMENTS; AUTHORIZING THE EXECUTION OF THE FUNDING DOCUMENTS AND PROVIDING FOR THE AUTHENTICATION AND DELIVERY THEREOF; AND AUTHORIZING THE DISPOSITION OF THE FUNDING PROCEEDS RECEIVED OR TO BE RECEIVED FROM PENNVEST.

ON MOTION BY JOHN, SECOND BY DON AND APPROVED BY ALL TO SIGN THE REIMBURSEMENT RESOLUTION: DECLARATION OF OFFICIAL INTENT TO REIMBURSE SHORT-TERM BORROWED FUNDS OR OTHER AVAILABLE FUNDS USED TO ACQUIRE, CONSTRUCT AND FINANCE IMPROVEMENTS TO ITS WATER SYSTEM WITH FUNDS RECEIVED FROM PENNVEST.

ON MOTION BY ROBB, SECOND BY RAY AND APPROVED BY ALL TO SIGN THE RESOLUTION EXTENDING THE LIFE OF THE AUTHORITY ANOTHER 50 YEARS FROM THE DATE OF APPROVAL OF ARTICLES OF AMENDMENT BY THE SECRETARY OF THE COMMONWEALTH AND TO SIGN THE ARTICLES OF AMENDMENT.

The township will need to adopt and approve a resolution amending the Articles of Incorporation, also.

ON MOTION BY JOHN, SECOND BY DON AND APPROVED BY ALL TO SIGN THE RESOLUTION OF THE BOARD OF JACKSON TOWNSHIP WATER AUTHORITY AUTHORIZING AND APPROVING THE JACKSON TOWNSHIP WATER AUTHORITY TO PROCEED WITH CONDEMNATION PROCEEDINGS RELATED TO THE WATER PROJECT, AND DIRECTING OTHER NECESSARY AND PROPER ACTION.

ON MOTION BY ROBB, SECOND BY DON AND APPROVED BY ALL AUTHORIZING CJ TO DRAFT A LETTER TO RICHARD & ROSE BODENSCHATZ STATING THAT JTWA WILL PROCEED WITH THE CONDEMNATION.

The solicitor explained the figures for the legal service agreements for himself and Robert Long, Jr. Esquire pertaining to the Swigle Mountain project.

ON MOTION BY DON, SECOND BY ROBB AND APPROVED BY ALL TO APPROVE AND SIGN THE LEGAL SERVICES AGREEMENT FOR ROBERT LONG, JR. ESQUIRE.

ON MOTION BY DON, SECOND BY JOHN AND APPROVED BY ALL TO APPROVE AND SIGN THE LEGAL SERVICES AGREEMENT FOR CALVIN WEBB, II, ESQUIRE.

ON MOTION BY ROBB, SECOND BY DON AND APPROVED BY ALL TO HIRE BARRY ROUZER, CONSTABLE, TO SERVE NOTICE ON RICHARD AND ROSE BODENSCHATZ.

ON MOTION BY JOHN, SECOND BY ROBB AND APPROVED BY ALL TO ADJOURN THE MEETING AT 9:30PM.