MEMBERS PRESENT
VERNON WALKER
JOHN BARR
JAMES DRAPCHAK
JOHN HEIDER
JAMES PETERS

OTHERS
ROBERT SHAHADE, SOLICITOR
KEN MESKO, ENGINEER
MARY KAY MAHER, RECORDING SECRETARY
TERRY REESEY, PUMP STATION MAINTENANCE-ABSENT

OTHERS: Mike Alberts, Rich Chimiak

CHAIRMAN CALLED THE MEETING TO ORDER AT 7:00 P.M.

PERSONS REQUESTING TO BE ON AGENDA
TOM KIMLIN, KLINE-KIMLIN – 2018 AUDIT REPORT

Tom presented the 2018 Audit Report draft to the Board. Tom reported they are done with the submissions for the Federal Audit Clearinghouse and the program audit. Pages 1-2 are the auditor's opinion. This statement represents a clean opinion which is the best you can obtain. Tom reviewed page 8 – Statement of Net Position on the Asset side. Last year the Assets of the Authority were $13,867,164 which increased in year 2018 to $14,105,029. Page 9 – Statement of Net Position (Liabilities) showing current liabilities of $539,002 with the long-term debt of 8,500,976 for a total of $9,039,978. Net Position is $5,065,051 for total liabilities, deferred inflows of resources and net position of $14,105,029 at the end of 2018. Page 10-11 – Changes in Net Position or Income Statement reflects Operating Revenues of $1,054,214 increased from 2017 due to the 58% rate increase and the collection of approx. $46,000 in Non-compliance fees. Revenues increased about $400,000 from year 2017. Operating expenses reflect approx. $850,000 due to pump station maintenance costs associated with the decommissioning of the Girard Street pump station and the portion of the engineering fees associated with the rules and regulations were also expensed. Operating income was $206,691 as compared to the year 2017 that reflected $61,996. The net position of the Authority ending in 2018 was $5,065,051 Pages 14-17 Notes to Financial Statements are what the accounting policies are and the nature of the Authority is which did not change from last year. Page 18 covers Cash and Investments reflecting $1,055,903 that is uncollateralized but is covered by the bank's investments that is over and above FDIC insurances that the bank is required to carry. Page 19 – indicates market value of the stock as opposed to cost of the stock investments that the Authority has with AXA investments. Tom noted the rates received are about 2 ½ percent on their AXA investments. Also noted is a breakdown of the Capital Assets that the Authority has. Page 20 reflects the Long-Term Debt which is the PennVest loan up to year 2045. Tom noted that PennVest has a requirement that the Authority charge sufficient rates to ensure coverage and payment of the PennVest loan – Tom noted this requirement has been met by approx. $150,000. Page 21-22 identifies the latest Contracts and Agreements the Authority has with other municipalities along with the latest rate increases and the current condition of the Girard Street Pump Station.

John Heider moved, James Drapchak seconded to accept the 2018 Audit report as presented. MOTION CARRIED 5/0

PUBLIC PARTICIPATION – NONE
OLD BUSINESS
FLOW METER REPORT

Ken reported there are only three meters installed, -Wonder Street, Sell Street and Riverside. There were heavy rains on May 29th and 30th and all three locations reflect the rain event. There is still a lot of work to be done on the laterals in the Benscreek area. Ken's office is still working on the older lines that were done in the 80's, 90's and 2000. There is a company that will line laterals without viewports. Most of the customers in Upper Yoder has viewports but there are some that do not. Ken hopes to piggyback off of some refitting work in Westmont in order to get Upper Yoder's done at a cost savings. Westmont has

1,600 to do and Upper Yoder has a few hundred to do that have the "Tee's" installed. Ken is doing camera work to verify they are the ones causing the infiltration in the area where slip lining was done with pipe bursting. If the mains are ok, it could only be coming from the lateral connections or the manholes themselves. Ken reported there were no overflows or flooding problems reported with the heavy rains of 5/29-30.

HGA SYSTEM UPGRADE

Ken reported that he received additional flow meter information since the last meeting which was in a better format and they are in the process of obtaining a direct view of the meter information. If it is not received in the following week, Ken will proceed to send a certified letter to the administration. Ken reported the flows still indicate a few spikes, but not as many as they had in the past. The work they did has reduced the spikes. Ken uses a calculation that their engineer has provided that indicates their allowable flow rate based on the 625 EDU based on the facility. This would limit them to 51 GPM at any given time. They have exceed that at times but overall it is less than it was before.

CORRECTIVE ACTION PLAN/TAP REQUEST/WASTELOAD MGMT REPORT/CONSENT ORDER & AGREEMENT

Ken will submit the mid year report that is due on July 15th based on the Consent Order and Agreement. A letter was received from Johnstown Redevelopment Authority requesting the same information be submitted to them by June 17th. It is a six month report from January 1st to June 30th.

COMPLIANCE REPORT

Upper Yoder is now up to 84% compliant. John Barr asked if the Authority is on schedule with the Consent Order and Agreement work. Ken stated the Authority has until the middle of the year 2021 and is on track. Solicitor noted there will still be some residences that will not be certified or comply. Vernon noted the non-compliance reports reflect approx. 118 residences that are not in compliance. Solicitor noted the non-compliance fees are being charged. The Authority could also shut-off water and/or prosecute to pursue enforcement. The fees were a monetary inducement. It was noted that Camoset Village is now compliant.

NON-COMPLIANCE FEES

The Board reviewed the listings as submitted of residences incurring a non-compliance fee for the month of June. Questions were made on 218 Elim Street and 424 Woodmont Road, whether they were abandoned or foreclosed on.

James Drapchak moved, James Peters seconded to approve the submitted listing of eligible non-compliance fees for the month of June. MOTION CARRIED. 5/0

GIRARD STREET PUMP STATION

Ken stated they worked with the contractor on the submittals. A request was received from the residents to change the color of the brickwork by the residents. Category "A" is listed in the specifications which is the most cost effective and is a greyish color. The residents are requesting a red color which would be an up-charge. He inquired if the Board would consider it. Solicitor stated he would not. Originally, the residents did not want to draw attention to the building and changing the color would. Ken stated the equipment takes 4-16 weeks to order the equipment so it should be a couple more months until they could begin construction. The wet well items have to be made and the pumps have to be ordered along with the electrical equipment which will all be upgraded.

Another issue was the 9-1-1 addressing system as the pump stations never received an official address and the building code official and Penelec need an address. The Dept of Emergency Services was contacted for an address and all house numbers were used on that street, with no available numbers.

9-1-1 will not assign a "rear" number. The Authority will not have the house numbers of the residents changed to accommodate the pump station. A categorical number will have to be assigned, per the Solicitor that would be unique both pump stations - Girard Street and Woodmont Pump Stations.

Ken informed the Board that the contractor could start the demolition of the old building while they are waiting on the equipment ordered. They could also be putting in the temporary facilities while they are waiting. Ken just reviewed all the submittals with the contractor, as everything has to be reviewed and approved by the engineer before the contractor could order the equipment and proceed.

PAST REHABILITATION PROJECTS/LATERAL CONNECTIONS
Ken invited the Board members to come to his office next Wednesday to observe a presentation from a Company from Ohio. Their methods and products will be checked and a price will be obtained on the lateral work. They are one of the largest companies in the country that does this kind of work. Ken is interested in how the liner will be sealed in the laterals.

SUMP PUMP ENFORCEMENT – nothing to report

PENNDOT- FRANKLIN STREET/OLD COUNTRY ROAD – COOPERATION AGREEMENT
Ken reported PennDot will be milling and repaving Franklin Street which will necessitate the manholes to be raised to meet the level of the new paving road. If the Sewer Authority would provide the risers and/or castings, PennDot will install them as the work progresses at no cost to the Authority other than their purchase price. Ken reported there are approximately eight (8) manholes on Old Country Road. The vast majority of the manholes on Franklin Street are behind the curb, but will be checked. The Road Dept. will check to see if there are any stored at the Township garage. If not, they will be ordered as needed. Work could start shortly for this summer.

RESOLUTION NO. 06-17-19 – I

Ken presented a letter addressed to PennDot requesting the work be done on the Authority's manholes and/or castings for the proposed Franklin Street work, along with a Utility Relocation Clearance Report, and a Resolution to be approved by the Board authorizing the Chairman to execute the authorization letter to Penndot.

Vernon moved, John Heider seconded to approve Resolution No. 06-17-19-8 authorizing the Chairman to execute the request to PennDot for the upgrade to the manholes on Old Country Road and Franklin Street in conjunction with the repavement work to be done by Penndot. MOTION CARRIED 5/0

CORRESPONDENCE
COMPREHENSIVE PRESSURE TESTING REPORT
Highland is 85% - Upper Yoder is 75% compliant. Solicitor noted Upper Yoder will not get credit on the CCTV inspections until our municipality is compliant overall. The CCTV will then get the discount on treatment charges.

AXA INVESTMENT FUNDS
Currently the Authority has funds invested with AXA that were noted on the financial statement in the amount of $62,163.95. Vernon talked to Don Cowie from AXA who manages the funds. If the funds are liquidated, all that is needed is a motion by the Board and a phone call to Don; or the funds could be kept and reinvested. Vernon noted the Authority received approx. $800 in dividends from the investments so far this year. They are earning approx.. 2 ½ % interest on the investments. Tom noted the Authority received $1,467.38 last year in dividends; however, he noted the rates had also decreased last year. The

rates did increase the first of this year. Vernon stated the Board can decide what they want to do with the funds. No action was taken.

INACTIVE ACCOUNTS

Vernon inquired about the inactive accounts and the number of accounts they represent. He was informed those accounts are the ones that have liens filed on the properties and represent tenants that had moved out leaving bills or owners that have vacated the properties or in foreclosure.

ACH PAYMENTS

Secretary reported Somerset Trust is ready with the receipt of the ACH payments, but First National Bank is not on board yet. Munilink cannot set up the processing system until both banks are up to date with setting up the process. Once First National is set up for receipt of the garbage/recycling payments, then Munilink can finish their set-up for processing ACH payments.

BILLS FOR APPROVAL - $97,291.01

Jim Drapchak moved, James Peters seconded to approve the submitted bills of $97,291.01. MOTION CARRIED 5/0

APPROVAL OF MINUTES – MAY 20, 2019

James Drapchak moved, John Barr seconded to approve the Minutes as submitted. MOTION CARRIED: 5/0

PUBLIC PARTICIPATION – NONE

ADJOURNMENT

John Barr moved, John Heider seconded to adjourn the meeting. MOTION CARRIED 5/0

ADJOURNED 7:59 P.M.

John Barr, Secretary

JP/mcm