

MINUTES OF THE 05/20/2020 TELECONFERENCE MEETING

A teleconference meeting of The Municipal Authority of the Borough of Lewistown was held at 70 Chestnut St., Lewistown, PA and various remote locations due to the COVID-19 statewide social distancing and emergency declaration. The meeting was called to order by Chairman Laite at 1:00 p.m. A verbal roll call was recorded with a verbal acknowledgement of each person present. A quorum of three (3) Board members was established. A verbal roll call was requested for any public present at any remote location and the Authority office. The public parties present at remote locations are listed below.

Chairman Laite addressed the resignation letter from Dianna Walter and acknowledged the replacement appointment of Ben Rager.

Berrier advised he was recording the meeting.

<u>BOARD MEMBERS PRESENT:</u>	Bargo, Berrier, Laite, Rager, Rocco
<u>BOARD MEMBERS ABSENT:</u>	None
<u>BOARD MEMBERS LATE:</u>	None
<u>OTHERS PRESENT:</u>	Bubb, Hassinger, Searer, Ward, White
<u>OTHERS ABSENT:</u>	None
<u>OTHERS LATE:</u>	None
<u>PUBLIC PRESENT:</u>	Tony Willard – Kish Insurance Tom Walenchok, Brandon Zlupko, Min Zhong – Baker Tilly

PUBLIC COMMENT:

Tony Willard presented the 2020/2021 PIRMA insurance renewal coverages, prior period loss run, deductibles, fire hydrant coverage option, and an update on the new pollution coverage option. The premium for the renewal is about a 6% increase and the first increase since 2014. A Rocco/Bargo motion to approve the renewal in the amount of \$55,391 was approved 5-0 after a verbal roll call vote. Willard left the meeting.

Brandon Zlupko introduced the Baker Tilly team and stated the team would be reviewing the 2019 annual financial audit, required communications related to the audit. Tom Walenchok advised the audit went well and there were no disagreements with management. Walenchok reported no issues with the quality control review and a clean opinion was given. The Management and Discussion Analysis is a good summary of the audit results. The detailed statements were reviewed with no major variances or inconsistencies when compared to the prior year in the majority of the activity. The new accounting principles and pension plan status were presented and reviewed. The subsequent events touched on the COVID situation and will also include information on the lawsuit and litigation file as a contingency for future events. A Rocco/Bargo motion to approve the draft audit report was approved 5-0 after a verbal roll call vote. A Rocco/Bargo motion to approve officers execute the Baker Tilly Representation Letter prior to the next Board meeting was approved 5-0 after a verbal roll call vote. The Baker Tilly team left the meeting.

READING OF THE MINUTES:

The Rocco/Bargo motion was made to approve the minutes of the meeting 04/15/20. During discussion Berrier questioned the motion in the Treasurer's report regarding future Cozen O'Conner invoices. Berrier would like to exclude these invoices and have a separate vote on the invoices. Rocco stated the minutes reflected his intent correctly for Cozen O'Conner invoices. Rocco was willing to make a motion to revise the prior motion on 04/15/20 to separate the Cozen O'Conner invoices from the voucher report. A Rocco/Berrier motion to separate the Cozen O'Conner invoice and require full Board approval was approved 5-0 after a verbal roll call vote.

TREASURER'S REPORT:

The Treasurer's report was presented by Bargo. The Cozen O'Conner invoice was reviewed by Rocco and Searer. Rocco & Searer stated the billable hours were appropriate for the actions completed during the month. A Rocco/Bargo motion to approve the Cozen O'Conner invoice in the amount of \$94,249.11 was approved 3-2 after a verbal roll call vote (Berrier-No, Rager-No)
A Rocco/Bargo motion to approve the balance of the voucher report was approved 5-0 after a verbal roll call vote.

OFFICE MANAGER'S REPORT:

Hassinger's presented her written report.

A refund on the Workers Comp Policy in the amount of \$3895 was reported due to an inquiry regarding employee classification. The credit will be posted to current year premium balance due.

The Q2 Conrad Siegel Investment Advisor report was provided. No action is required. An interim fund replacement from Goldman Sachs Int'l Small Cap Insights Fund to the Artisan Int'l Small-Mid Fund was reported and approved by Hassinger as recommended by Plan Advisor.

An update on the Kish Insurance loss claim status was provided. Claim damages of \$4,455.21 plus MABL labor has been submitted. The deductible is \$2,500. A check is in progress.

Hassinger provided an update on the cyber security project. The hardware for the firewall for office and SCADA servers are on order. Software upgrades to email, anti-spam and anti-malware will also be implemented. Future phases to include a virtual server for CMI applications and software upgrades were discussed for 2021.

An update of special procedures related to COVID was given. Work will continue for PEMA/FEMA expense reimbursement.

MABL submitted the grant application for the USDA GIS mapping project for 20/21.

Cash flow and AR variances are being monitored. Water turn off status and AR financial impact status were attached for review. No additional action recommended.

OPERATIONS MANAGER REPORT:

White presented his written report.

Due to ph instability Seaquest corrosion control will be discontinued and Zinc Orthophosphate will be used. Permit is with DEP for approval.

Contact basins are cleaned and samples have been sent for evaluation for land application. Quotes from 2 vendors for hauling have been submitted.

The ozone system upgrade warranty period is approaching the 1-year mark. A warranty inspection will be scheduled with Uni-Tec.

EXECUTIVE DIRECTOR'S REPORT:

Bubb presented his written report.

The S Main St bridge work is progressing. The contractor did a good job with the pipe on bridge hangers. The MABL cost share estimate is \$35,000.

The waterline project on N Walnut St is complete. Derry Township has nearly 14,000 of 2019 CDBG funds available for tap fee reimbursement to qualifying residents.

An update on the Mann Avenue, W 4th St, Derry Heights, Olde Carriage Crossing projects was provided. All projects moving forward with no major issues.

The DCED grant for a water line extension in Belleville has been moved forward with a recommendation to the CFA Board for funding.

A Rocco/Bargo motion to approve the project design and engineering work for Filter Plant roof, Filter Plant PLC's and sodium hypo system maintenance, was approved 5-0 after a verbal roll call vote.

A Rocco/Bargo motion to approve attendance to the PMAA annual conference was approved 3-2 after a verbal roll call vote. (Berrier-No, Rager-No). Berrier requested a written opinion from the Solicitor on expense coverage related to attending the conference.

ENGINEER'S REPORT:

Ward presented his written report.

Updates on the South Hills pump station, W 4th St project were provided. All projects moving forward with no major issues.

The DECD CFA Grant Program announcements have been moved to September.

The corrosion control permit amendment with DEP was discussed. DEP acknowledged receipt and it may take 90-120 days to approve. Chemicals should be ordered to cover this period.

SOLICITOR'S REPORT:

Searer presented his written report.

Searer gave updates on current water line extension agreements and the Ard's Ridge property. Work continues to move the project forward to completion.

The meeting moved to executive session at 2:38 p.m. to discuss litigation.

Berrier acknowledged the recording was paused.

The meeting reconvened at 3:11 p.m.

OLD BUSINESS:

NEW BUSINESS:

A Rocco/Bargo motion to approve BRIF Requisition #2020-02 in the amount of \$51,086.78 was approved 5-0 after a verbal roll call vote.

A Rocco/Laite motion to approve BRIF Requisition #2020-03 in the amount of \$17,953.24 was approved 5-0 after a verbal roll call vote.

A Rocco/Rager motion to approve the VFD purchase order in the amount of \$16,167.74 was approved 5-0 after a verbal roll call vote.

COMMITTEE REPORTS:

A Rocco/Bargo motion to have the legal team work on employment contracts for management staff members and possibly other staff employees was approved 3-2 after a verbal roll call vote. (Berrier-No, Rager-No)

CORRESPONDENCE:

AUTHORITY

A Rocco/Berrier motion to adjourn the meeting at 3:25 p.m. was approved with no opposition, 5-0.

Attested by:

Barry Bargo
Secretary