

The regular monthly meeting of the Altoona Water Authority Board of Directors was held on Thursday, December 21, 2017 in the Board room at the Administrative Office. Chairman Schirf called the meeting to order at 9:00 a.m.

Pledge of Allegiance

Attendance:

Mr. Schirf, Mr. Ake, Mr. Neugebauer, Mrs. Marcinko & Mr. Strohm were present, constituting a quorum in accordance with AWA Bylaws. All AWA Board of Directors meetings are conducted in accordance with the PA Sunshine Laws. Also in attendance were Consulting Engineer, Mark Glenn, Solicitor, Alan Krier, AWA Staff, Mark Perry, Mike Sinisi, Gina DeRubeis, Ron Becher, Todd Musser and Kathy Gabella.

Public Comment:

None

Guests:

Dave Wholeslagle, Isaiah Freet, and Jared Markel

Boy Scout Recognition

Mr. Schirf recognized Jared Tyler Markel and Isaiah Alexander Freet for the excellent job they did in painting the 1,988 fire hydrants within the Altoona Water Authority's system. Both boys participated as part of their Eagle Scout project. Mr. Schirf explained the safety part of the painting of the fire hydrants and the importance of being able to locate them quickly when there is a fire.

Mr. Wholeslagle explained the process of becoming an Eagle Scout. He also gave examples of the different Eagle Scout projects within the city. These projects included the welcome to Altoona sign on 17th Street, the welcome to Juniata sign, Gospel Hill Park (twice), Tuckahoe Park renovation, landscaping the Salvation Army both building, Teen Shelter at 17th Street renovation of the garage and many more projects. The painting of the 1,988 fire hydrants is the largest of the projects so far for the scouts.

Mr. Perry made the presentation of the fire hydrant awards to both Jared and Isaiah. He thanked them for a job well done.

Approval of the Minutes:

Mrs. Marcinko made a motion to approve the minutes of the November 16, 2017 meeting. Mr. Neugebauer seconded the motion. Mr. Schirf called the question. The motion passed with a vote of 5-0. The minutes were approved as submitted.

Unfinished Business:

1. Bellwood Dam Upgrades – the geotechnical report that was submitted in April 2016 is still

under review with DEP. The first person to review it has retired and a second party reviewer took over the review process. DEP has since hired a reviewer and that person is now reviewing the report. Mr. Perry will try to contact the chief of Dam Safety, Roger Adams. This is costly for the Authority, because each reviewer has their own set of questions, which are technical in nature and require the Authority's engineer to respond to each question.

The project is past the geotechnical phase and has moved to the design phase. The permit information on the plans and specifications is ready for submission. The project is approximately a year and a half behind schedule.

2. Fee Schedule for Brine Water – a local supplier gets in rock salt by rail car and the salt is covered with tarps. The rain water that comes off the tarps creates very salty water that can't be disposed of except to haul it away. Mr. Musser has been in contact with the hauler to put it through our system. This is one more way to generate revenue; another way is food waste reception. That would require an upgrade to the treatment facilities but is a very large market right now.

Josh Wyandt has been in touch with the pipeline water haulers and set them up to bring in several types of wastewater. The test water that they purchase from us is now being brought back at a charge. They are also drilling under different water locales where they are getting mass quantities of muddy water. They are bringing that to the treatment facilities and for a charge plus a surcharge due to each load being different. Mrs. Marcinko asked if the brine water could be used to treat icy roads. Mr. Musser will give her the contact information.

3. Meter Reading Radio Transmitter Units Fee – this fee would apply to new construction only and is for the installation of the meter reading radio transmitter unit.

Requisition Approval:

Mr. Schirf asked Mrs. DeRubeis for the Financial Report and the Requisitions/Authorizations. Mrs. DeRubeis gave her report and then asked for approval of the following requisitions.

Requisitions #77 - 78 Water Division Construction Fund totaling – \$60,199.80

Requisition #2015-35 Water Division Capital Project Fund totaling - \$28,196.69

Mrs. Marcinko made a motion to approve the requisitions. Mr. Ake seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

New Business:

1. None

Resolutions:

1. Resolution #17-12-861 to adopt the 2018 Water Division Water Revenue Fund Budget

Mrs. Marcinko made a motion to approve resolution #17-12-861. Mr. Neugebauer seconded the

motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

2. Resolution #17-12-862 to adopt the 2018 Wastewater Division Sewer Revenue Fund

Mr. Neugebauer made a motion to approve resolution #17-12-862. Mrs. Marcinko seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

3. Resolution #17-12-863 to approve raising the water sales rates by seven percent (7%) effective with the January 1, 2018 billing

Mrs. Marcinko made a motion to approve resolution #17-12-863. Mr. Ake seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

4. Resolution #17-12-864 to approve raising the sewer sales by six percent (6%) effective with the January 1, 2018 billing

Mr. Neugebauer made a motion to approve resolution #17-12-864. Mrs. Marcinko seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

5. Resolution #17-12-865 to amend the Wastewater Rates, Rules & Regulations Fee Sheet to include Brine water at a rate of \$.04/gallon

Mrs. Marcinko made a motion to approve resolution #17-12-865. Mr. Ake seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

6. Resolution #17-12-866 to amend the Water Rates, Rules & Regulations Fee List to include a charge of \$130.00 for the installation of Meter Reading Radio Transmitter Units

Mrs. Marcinko made a motion to approve resolution #17-12-866. Mr. Ake seconded the motion. Mr. Schirf called the question. Motion passed with a vote 5-0.

7. Resolution #17-12-867 to approve the 2018 Water Division Capital Expenditures Budget

Mrs. Marcinko made a motion to approve resolution #17-12-867. Mr. Strohm seconded the motion. Mr. Schirf called the question. The resolution was defeated with a vote of 3-2. The results were Mr. Schirf, Mr. Ake & Mr. Neugebauer voted nay. Mrs. Marcinko and Mr. Strohm voted yes.

After the vote Mrs. Marcinko asked for clarification. The vote was to approve the Water Division Capital Expenditures Budget. It was discussed a surcharge would have to be established and approved before the Capital Expenditures Budget could be approved. A lengthy surcharge discussion ensued concerning the amount of a water surcharge to be established. There were two options; option one would cover the entire amount needed for the 2018 Water Capital Expenditures. Option two would cover \$500,000.00 with the surcharge and the remaining balance would be funded with a short term loan.

Mrs. Marcinko then made a motion to approve Resolution #17-12-869 to amend the Rates, Rules & Regulations to establish a Wastewater Capital Surcharge to offset the ongoing wastewater system capital needs of the Authority. The most equitable way to assess the surcharge is on the basis of each

customer's capacity demand as determined by their meter size. Mr. Strohm seconded the motion.

It was stated it was a large increase for the citizens that are on a fixed income. There are other increases that are taking effect in 2018 such as taxes, health insurance etc. It was stated that it was too much of an increase with the full surcharge since there was another way to achieve the same result.

After further discussion Mrs. Marcinko called the question. Mrs. Marcinko and Mr. Strohm vote in favor. Mr. Schirf, Mr. Ake and Mr. Neugebauer voted against the motion. Motion was defeated with a vote of 3-2.

Mr. Neugebauer made a motion to establish a surcharge on water and sewer usage that will generate \$500,000.00 in revenue for 2018; and to authorize staff to pursue short term borrowing for 2018 and 2019 for the amount of \$1,700,000.00 per year for the Water Division Capital Expenditures Budget. Mr. Ake seconded the motion. Mr. Schirf called the question. Mr. Schirf, Mr. Ake and Mr. Neugebauer voted in favor; Mrs. Marcinko and Mr. Strohm voted against the motion. Motion was approved by a vote of 3-2.

8. After clarification was given for the earlier vote of Resolution #17-12-867 it was decided to take a revote to approve the 2018 Water Division Capital Expenditures Budget

Mrs. Marcinko made a motion to approve resolution #17-12-867. Mr. Neugebauer seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

9. Resolution #17-12-868 to adopt the 2018 Wastewater Division Sewer Revenue Fund Capital Expenditures Budget.

Mrs. Marcinko made a motion to approve resolution #17-12-868. Mr. Strohm seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

Other Business:

Mrs. Marcinko made a motion to approve the 2018 Board Meeting Scheduled. Mr. Ake seconded the motion. Mr. Schirf called the question. Motion passed with a vote of 5-0.

Media Questions

The board and staff addressed questions from Bill Kibler from the Altoona Mirror.

Executive Session:

None

Adjournment:

No further business was brought before the Board. The meeting was adjourned at 9:32 a.m. The next meeting will be held on Thursday, January 18, 2018 at 9:00 a.m. in the Board Room at the Administrative Office Building located at 900 Chestnut Avenue.

Frank C. Cho

Secretary/Assistant Secretary

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