

**National Pike Water Authority
Monthly Meeting – April 16, 2007**

Chairman Doug Friend called the meeting to order and opened with a moment of silence and the Pledge of Allegiance.

Board Members present: Doug Friend, Bill Knight, Dick Dennis and Kathy Steele.
Also present: Solicitor Jack Purcell, Todd Radolec, P.E. & Lori Frazee, Board Secretary.

Audience members: L.J. Savage, Clarence Savage Jr., Brian Frazee, William Costello, Mike Martin & Gary Rishel.

Bill Knight made a motion to approve the agenda. Seconded by Dick Dennis. Carried.

PUBLIC COMMENT – Agenda Items

Chairman Friend opened the floor for public comment on agenda items. William Costello told the board he had a water connection problem that caused leaking. His water bill amounted to over \$1400 due to the leak. He asked for a one-time forgiveness of the bill.

Dick Dennis made a motion granting a one-time forgiveness to William Costello for his actual water bill, charging him \$35 plus \$100 in place of it. Seconded by Kathy Steele. Carried.

APPROVAL OF MINUTES

Dick Dennis made a motion to approve the March minutes as written. Seconded by Bill Knight. Carried.

COMMUNICATIONS/CORRESPONDENCES - None

TREASURER’S FINANCIAL REPORT

Kathy Steele recommended purchasing a date stamp to be used for stamping invoices as they arrive. She further stated that invoices need to be specific – some do not clearly outline what was being purchased. She’d like for the person ordering items to sign off on them to confirm the item is what they ordered and the price is correct. She will speak to the office secretary about this.

Financial report for March:

Total Operating Income:	\$30,540.59
Total Operating Expenses:	\$34,673.50
Net Loss:	\$ 4,101.86

PRESENTATION & APPROVAL TO PAY BILLS

Chairman Friend said he wanted to go on record as abstaining from voting to approve payments to VITALink, both retroactively to last month and all future bills. Likewise, Dick Dennis took the same position concerning abstaining from voting to approve Dennis Lumber Company bills.

Dick Dennis made a motion to pay the bills on the list and let the treasurer determine the timetable for paying them. Seconded by Bill Knight. Carried. (Dick Dennis abstained from approving payment to Dennis Lumber Co.)

COMMITTEE REPORTS

*Administrative – Issues already covered.

*Financial – Kathy Steele discussed the Authority’s finances, including operating expenses:

Bank account balance:	\$74,906.00
Unpaid bills to date:	\$47,657.93
RUS debt service:	\$19,289.00
Ending Balance:	\$ 7,959.07

With change orders, deduct, Engineering & Legal fees and DT retainage, project costs still owed is \$138,258.21. Money due from the Corp of Engineers is \$84,878.53. The RUS money recently received by the Authority was used to pay off the lines of credit at Somerset Trust – as mandated by Barb McMillen.

Doug Friend made a motion to transfer up to \$100,000 from Line of Credit to pay DT Construction and/or other operating costs, at the discretion of the treasurer. Seconded by Dick Dennis. Carried.

Mrs. Steele requested permission to pay payroll taxes online rather than by check. She also noted that Federal taxes must be paid monthly and not quarterly as they had been in the past.

Dick Dennis made a motion to give the treasurer the authority to use her discretion on how to pay taxes and do so as needed without waiting for board approval. Seconded by Bill Knight. Carried.

*Personnel – Bill Knight introduced information concerning health insurance coverage for the authority's two employees: Mike Martin and Rhonda Fike. Coverage provided by the Authority would be for two singles only; their families would not be covered. It is anticipated that half of Mr. Martin's premium will be paid for by Ohiopyle Borough.

Dick Dennis made a motion to approve providing and paying for PPO health insurance for the Authority's two employees as presented by Bill Knight; the total combined premium for both employees is not to exceed \$500/month,. Seconded by Kathy Steele. Carried.

*Operations – Dick Dennis reported problems with the SCADA system not working properly at Pump Station 2. He has been in contact with Invensys about this and a tech is supposed to be coming tomorrow, April 17th.

*Expansions/Extensions – Todd Radolec, Dick Dennis, Bill Knight and Chairman Friend met earlier in the week and reviewed potential areas of interest for expansion. Mr. Radolec will be preparing a report outlining their findings. Areas of the most interest are those that could end up funding themselves.

Dick Dennis presented a cost estimate for an extension on Braddock Rd. Two customers are within 400' of the Flat Rock extension who could be served. Mr. Dennis' estimate included costs for using both 2-inch and 6-inch pipe. Henry Clay Twp Supervisors indicated they would prefer 6-inch pipe be used because of potential future development and additional homes that could be served. Costs using 6-inch pipe: \$4262 - Tap Fees: \$2000 = \$2262

Bill Knight made a motion to approve a 400 ft extension on Braddock Road, using 6-inch pipe. Seconded by Dick Dennis. Carried.

ENGINEER'S REPORT

Todd Radolec's report included the following:

- Hidden Lakes testing went well and everything passed.
- Recommended the board accept Change Order #7.
- Provided the Authority with a reconciliation of funds spreadsheet
- Gave a breakdown of monies paid/due from the Corp.
- Submitted as-built plans for Flat Rock Rd, Rt 381 & Fort Necessity ext, for approval

➤ Discussed DT Construction's Substantial Completion letter, dated March 13, 2007.

Bill Knight made a motion to accept Change Order #7, a deduction in the amount of \$25,380. Seconded by Dick Dennis. Carried.

Full Engineer's Report is on file.

SOLICITOR'S REPORT – Nothing to report

OLD BUSINESS

Kevin Swanson Billing Complaint – Still working on wording for amending the rules and regulations.

Rustic by Design, Willis Liston and Gary Tressler Service Freeze Up – Waiting on DT Construction to fix.

RUS Reimbursement – Funds received.

Western PA Conservancy Quarterly Report – Dick Dennis presented a report showing amounts owed to the Conservancy for the 1st Quarter of 2007. He also provided a breakdown of royalties owed for 2005 totaling \$10,928.

Dick Dennis made a motion to pay \$250 to the Western PA Conservancy for the 1st Quarter of 2007 and be apprised that the Authority owes them monies for year 2005. Seconded by Kathy Steele. Carried.

Bank Signatory – The proper paperwork has been signed and at this time only Chairman Friend and Treasurer Kathy Steele are listed on NPWA accounts as signatories. (Locked bank deposit bags were supplied by Somerset Trust for transporting deposits.)

Post Construction Tap Fees for New Project Areas & Quarterly Billing Option – Letters were sent to customers in the Flat Rock Rd extension area. The Hidden Lakes letter was delayed.

Computer System Update – Chairman Friend reported the Authority's computer had gotten a virus and the system had to be wiped and programs reinstalled. He recommended that in the future, they may want to consider getting a second computer and use one strictly for billing purposes. Dick Dennis stated he has a trial version of a new billing program they may want to check out.

NEW BUSINESS

Debt Reserve Fund – Secretary Rhonda Fike sent a letter to RUS requesting use of the Debt Reserve Fund to pay the following invoices:

- Invensys Systems, Inc., \$1,372.40 - Pump Station #2 repair
- W.C. Weil Company, \$1,115.00 - Pump Station #2 repair
- John P. Place, \$1,832 - Pump Station #2 valve repair
- DT Construction, \$2,650.00 – Humberson Hill repair
- Keystone Lime C., Inc., \$1,186.20 - Humberson Hill repair

Chairman Friend followed up via a phone call to Barb McMillen but was unable to reach to her. Solicitor Purcell recommended faxing the request to RUS. Monies cannot be moved without RUS approval.

Pressley Ridge School – Ohiopyle school is interested in getting water. Clarence Kamp and other representatives from PRS met with Chairman Friend and Todd Radolec to discuss the possibility of the NPWA providing them with public water. The school is located six-tenths of a mile off of the main road and they do not own all the property in between.

Board members discussed different pipe sizes they could use, who would be responsible for construction of the line and the possibility of additional residential customers tapping in. Todd Radolec indicated PRS could be served without putting a burden on the system water-wise.

Grant Request from Kasunic's Office – Due to a request from Sen. Kasunic's office, the grant paperwork has to be resubmitted on paper. Copies will be sent via US Mail and fax.

Somerset Trust Co. Line of Credit –

Dick Dennis made a motion to apply for a \$100,000 revolving line of credit from Somerset Trust Co. Seconded by Bill Knight. Carried.

PUBLIC COMMENT – Non-Agenda Items

Clarence Savage told the board he was asked by Touchstone to hook them up to the public water; they were under the impression that the water line was within 400 yds of their property. (The board noted the line is 4 miles from their property.)

Bill Costello asked if there is a device he could buy to put on his water line that would automatically shut off the water in the event of a leak or if the water flow rate got above what it should be. Mr. Savage believes a device of this nature exists, but he is not familiar with it.

L.J. Savage asked about the possibility of the water line extending further back on Flat Rock Rd. Chairman Friend said the area was reviewed and part of the criteria used for determining expansion/extension feasibility is having 25 committed users per mile.

ADJOURNMENT

Kathy Steele made a motion to adjourn the meeting. Seconded by Bill Knight. Carried.

The National Pike Water Authority board will meet again on May 21, 2007 at 7:00pm.

Respectfully submitted:

Lori L. Frazee, Board Secretary