

MINUTES
INDIAN LAKE BOROUGH COUNCIL MEETING
OCTOBER 12, 2011

The regularly scheduled meeting of the Indian Lake Borough Council was held on October 12, 2011 at 7:00 P.M. at the Indian Lake Borough Building.

THOSE PRESENT:

Richard Stern, President
Patricia Dewar
Charles McCauley
Robert Marhefka
Robert Vogel
Robert Hanson
Paul Cornez
Dan Rullo, Solicitor
Michael D. Miscocoe, Mayor
Theresa L. Weyant, Borough Manager/Secretary
Dean J. Snyder, Zoning Officer/Water & Sewer Plant Operator

THOSE ABSENT:

Visitors – Mark Place, Kenneth Helsel, Tom O’Toole, Kenneth and Fran Letham, Phil Petrunak

The meeting was called to order at 7:00 P.M. by Richard Stern, President.

ORDER OF BUSINESS

1. Mark Place from Mission Communications – The Water & Sewer Committee requested that Mark Place from Mission Communications attend the meeting to discuss with the board what their system will do versus the SCADA system which was previously looked at.

The Mission system is a single source system, which means that they design their own circuit boards, do their own programming, and they maintain the primary servers where all the data is kept. All data is kept in two (2) secure data locations in Atlanta, GA. The data is accessible via the internet 24/7.

Costs for the circuit boards start at \$110.00 to \$495.00 whereas the traditional SCADA systems are around \$5,000.00. With the Mission System, the Radio and Main Board are guaranteed for life of the contract not to exceed \$250.00.

They have two (2) different systems:

1. Basic System which will alarm immediately if there is a problem and updates data either hourly or daily.
2. Real Time System which will alarm immediately if there is a problem and updates data continuously.

2. Approve the Minutes of the Meeting Held on September 14, 2011 - Stern asked for additions and/or corrections. There being none, Dewar made a motion to approve the minutes as submitted. Cornez seconded the motion. All ayes, motion carried.

3. Financial Reports – Dewar made a motion to approve the Finance Committee’s recommendation to approve the Borough’s Financial Reports, including the amendments to the List of Bills Report and to pay the outstanding bills. Cornez seconded the motion. All ayes, motion carried.

Dewar made a motion, based on the recommendation of the Finance Committee, to approve the Water Works Financial Reports, including the amendments to the List of Bills Report, and to pay the outstanding bills. Stern seconded the motion. All ayes, motion carried.

Dewar made a motion, based on the recommendation of the Finance Committee, to approve the Sewer Financial Reports, and to pay the outstanding bills. Cornez seconded the motion. All ayes, motion carried.

Dewar made a motion, based on the recommendation of the Finance Committee, to approve the Summary of Account Balance Report as presented. Stern seconded the motion. All ayes, motion carried.

4. Welcome Visitors –

5. Update on Dam Remediation:

A. Phase 2 – Cornez reported that the Department of Environmental Protection has acknowledged that Phase #2 is completed.

B. Phase 1 – CME has completed the Certification of Completion for Phase #1 and Cornez will sign off on this and it will be submitted to the Department of Environmental Protection.

C. 2011 Annual Dam Inspection – Cornez reported that CME Engineering will do the 2011 Annual Dam Inspection on Monday, October 17th.

6. Correspondence:

A. Somerset Area Ambulance Association-Board Member Vacancy – The Somerset Area Ambulance Association has a board member vacancy for the remainder of a one-year term, which would end September 2012. Hanson said that he would send an e-mail out to the community to see if there was any interest.

B. John Bedzik, North Fairway 132-Illegal Discharge of Fireworks in the Borough and a Copy of a Letter Sent to the Tribune Democrat – Council requested that Mayor Miscoe send a letter to Mr. Bedzik stating what the Borough’s ordinance is on the discharge of fireworks in the Borough and inform them what the police department’s policy is on this matter.

C. Richard Carr, Mohawk 480-Sewage Maintenance Inspection – Manager reported that Mr. Carr was concerned that his inspection wouldn’t be done by the September 30th deadline, but it has been completed.

D. Somerset County Boroughs Association-November Social Meeting – The Somerset County Boroughs Association Social Meeting will be held on Thursday, November 17, 2011 at the Oakhurst Tea Room in Somerset. The cost is \$17.50 per person. Dewar made a motion to authorize the expenditure of \$17.50 for Paul Cornez to attend The Somerset County Boroughs Association Social Meeting. Stern seconded the motion. All ayes, motion carried.

E. Resignation of Veil Schiffhauer as an Alternate Member on the Zoning Hearing Board – Veil Schiffhauer sent a letter of resignation as an Alternate Member on the Indian Lake Zoning Hearing Board. Dewar made a motion to accept the resignation of Veil Schiffhauer from the Indian Lake Borough Zoning Hearing Board. Cornez seconded the motion. All ayes, motion carried.

Council requested Robert Hanson to include a request for volunteers for an alternate member on the Zoning Hearing Board when he does the e-mail for the ambulance association.

8. Committee Reports:

A. Finance Report:

1. 2011 3rd Quarter Financial Reviews - Dewar made a motion to authorize the Borough Secretary to do the following budget adjustments to the General Fund as outlined in the opinion letter and to accept the Borough Financial Review as presented:

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|-----------------------------|-------------|
| 1. 404.316 Legal | \$15,000.00 |
| 2. 486.156 Employee Medical | (15,000.00) |

Cornez seconded the motion. All ayes, motion carried.

2011 Water Financial Review – Dewar made a motion to authorize the Borough Secretary to do the following budget adjustments to the Water Works Fund as outlined in the opinion letter and to accept the Water Works Fund Financial Review as presented:

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|----|--------------------------------|-------------|
| 1. | 448.883 Water Analysis Testing | \$8,000.00 |
| 2. | 402.116 Contracted Services | (8,000.00) |

Cornez seconded the motion. All ayes, motion carried.

2. 2012 Dam Inspection Proposal – Cornez made a motion to accept Proposal #091106 from CME Engineering to do the 2012 Annual Dam Inspection for a cost not to exceed \$13,800.00. Hanson seconded the motion. All ayes, motion carried.

3. Principle Payment to Line of Credit - Cornez made a motion to authorize the Borough Manager to issue a payment in the amount of \$138,000.00 towards the principle on the Line of Credit. Dewar seconded the motion. All ayes, motion carried.

4. Copier Lease - Dewar made a motion to lease a Ricoh 2851SP digital copier from Ikon Office Solutions, Inc. for a term of 36 months with an image management agreement to include equipment, service and supplies, 8,100 copies per quarter, network printing and scanning capabilities, fax option, and ESP Power Filter at a cost of \$133.00 per month. McCauley seconded the motion. All ayes, motion carried.

5. 2011 Firemen’s Relief Fund Distribution - Dewar made a motion to allocate 100% of the 2010 Firemen’s Relief money to the Shanksville Volunteer Fire Department. McCauley seconded the motion. All ayes, motion carried.

6. Request for Funding for the Shanksville Dive Team – Dewar made a motion recommending that no contribution be made at this time. Cornez seconded the motion. All ayes, motion carried.

At this time, Stern updated the board on the meeting that was held on October 11, 2011 with Christopher Brewer, legal counsel with Dinsmore & Shohl, on the Borough’s line of credit with Somerset Trust Company and what long term financing options are available. Attorney Brewer discussed the general market conditions, which are still favorable for a bond issue. Investment terms in the 20 to 25 year range versus a 30 year investment were discussed.

The issue of insurance was discussed. The last time that the Borough was looking into a bond issue it was discussed getting insurance through Radian, an insuring company. Things have changed on the insurance requirement on a municipal bond issue. The Borough can go to a rating agency like Moody’s, and get our own stand alone rating without insurance. In 2008, the Borough did receive a favorable rating of BAA1 from Moody’s, which is an investment grade rating and the Borough could get by without insurance. Currently 85% of all bonds issued do have insurance and 15% do not.

Alternatives to a municipal bond issue would be through commercial lenders like banks. This avenue would provide the Borough with more flexibility and lower upfront costs.

Currently, the Borough’s line of credit with Somerset Trust Company will either need to be paid off or a request for an extension of the line of credit needs to be made by June of 2012. Council needs to decide whether they want to convert the line of credit into permanent financing either through a bond issue or through a commercial lender or submit a request to Somerset Trust Company to extend the commercial loan for another year until the project is completed. If the Borough does extension to the line of credit, then the paperwork will need to be refilled with DCED and the estimated costs for those filings is \$20,000.00.

Christopher Brewer will contact Mike Zubasic, from PNC Capital and request that he prepare actuarial spreadsheets for Council so if this loan is converted to municipal bonds the board knows what the actual principal and interest payments would be for 20/25/30 year bonds. Attorney Rullo will contact Bruce Shipley at Somerset Trust Company to see what might be available through a commercial lender

A decision will need to be made by March of 2012 if Council is going to move forward with Municipal Bonds and if the board wants to move forward with an extension to the line of credit this will need to be done by April of 2012.

9. Legal Report:

A. Thomas and Claudia Kotch, Peninsula 235- Sewage Easement – Attorney Rullo informed Council that he was provided with a release of easement document from Thomas and Claudia Kotch, for Peninsula Lot 235. This easement document will reduce the Borough's side property line easement from 10feet to 5 feet. A survey of the property showing exactly where the 5 foot easement will be on the side property line along with where the septic tank will be located was also provided. After a discussion, Hanson made a motion to authorize the Council President to execute the easement document. Cornez seconded the motion. All ayes, motion carried.

B. Donald Mateer Violation- Attorney Rullo informed Council that a hearing has been scheduled before Magistrate Cook, on Thursday, November 3, 2011. Mr. Mateer did contact Attorney Rullo and informed him that he has now corrected all of the issues and removed the substandard pavilion that was creating the hazardous condition and cleaned up the lot including removal of debris and cutting the grass. Attorney Rullo asked Dean Snyder to verify if in fact he is in compliance.

Dean Snyder stated that he did go out to verify that he did do the work and is now in compliance. In his opinion, Mr. Mateer hasn't done sufficient remediation to come into compliance and would recommend that the Borough continue with hearing before Magistrate Cook. Council was in agreement.

10 Committee Reports:

A. Water & Sewer Report:

1. Proposal from Somerset Well Drilling to Replace Pump and Pipe in Well 99-1 – Dean Snyder presented Council with a proposal from Somerset Well Drilling, in the amount of \$3,940.05, to replace the pump and pipe in Well 99-1. Vogel made a motion to accept the proposal from Somerset Well Drilling, in the amount of \$3,940.05, to replace the pump and pipe in Well 99-1. Hanson seconded the motion. All ayes, motion carried.

2. Mission System – Vogel reported to Council that the Water & Sewer Committee feel this would be a viable system for the Borough and it is a lot cheaper than the SCADA System. The entire system including the transducers would cost approximately \$37,850, \$3,700 for a contingency, installation costs would be approximately \$7,000 to \$8,000, and the yearly service fee is \$4,200.00, which includes the seven boxes.

Cornez made a motion to authorize the Water & Sewer Committee to put together a bid spec for the mission system and to engage CME Engineering to review those bid specs at a cost not to exceed \$1,000.00. Hanson seconded the motion. All ayes, motion carried.

3. Chlorine Contact-4-Log Solution – Hanson made a motion to accept the proposal from CME Engineering to complete the applications for the line extension and the 4-log application and to submit them to the Department of Environmental Protection, at a cost not to exceed \$7,000.00. Cornez seconded the motion. All ayes, motion carried.

The point of contact on the Chlorine Contact 4-Log Solution will be Robert Vogel, as Chairman of the Water & Sewer Committee. Robert Hanson will continue to update the web site and will do the e-mails under Richard Stern's signature as Council President.

4. Act 537 Plan Revision – Vogel reported that the Water & Sewer Committee has a template overlay, which they believe is ready to be added to the Act 537 Plan. Stern made a motion to authorize the Water & Sewer Committee to prepare the template overlay amendment to the Act 537 Plan and to submit to the Department of Environmental Protection. Vogel seconded the motion. All ayes, motion carried.

5. Failed Sewage Inspection – Manager reported that Reggie Musser did a sewage inspection on Carl Monsour's property located at 138 Cherry Lane and suspected that the septic system was malfunctioning. He did a dye test and it failed. Musser will contact the property owner and will discuss some corrective options with him.

11. Old Business: None.

A. Pennsylvania Municipal Service – Collecting Delinquent Earned Income Taxes for the year 2011 and Prior – Stern made a motion to table this matter. Dewar seconded the motion. All ayes, motion carried.

B. Reese Sanitation- Community Garbage Service – Hanson stated that he did contact Reese Sanitation and discussed with them the idea of community wide garbage service. Reese Sanitation would be in favor of Borough wide garbage service if the Borough would do the billing. They also liked the idea of the single use tag or using special bags. If the Borough opted for the special bag option, then the Garbage Ordinance would need to be amended.

12. New Business: None.

13 Public Comment: None.

With no further business to discuss, Hanson moved and Stern seconded to adjourn the meeting at 10:46 P.M. All ayes, motion carried.

The special meeting of the Indian Lake Borough Council will be held on October 26, 2011 at 7:00 P.M. at the Indian Lake Borough Building.

Respectfully submitted,

Theresa L. Weyant
Borough Manager