

JOHNSTOWN REDEVELOPMENT AUTHORITY
REGULAR MEETING
Tuesday, October 17, 2023

The Johnstown Redevelopment Authority met in a stated session for the general transaction of business. Mark Pasquerilla, Chairman, called the meeting to order at 11:59 a.m. The Pledge of Allegiance was recited. Chairman Pasquerilla offered the invocation.

The following members of the Authority were present for roll call:

Mr. Pasquerilla, Ms. Rae, Mr. Truscello, Bruce Haselrig (via telephone) (4).
Ms. Huchel (1) was not present when the meeting commenced.

William Barbin, Esquire, Solicitor; Melissa Komar, Executive Director; Cheryl Labosky, Finance Director; Thomas Kakabar, EADS Group; Michael Grandinetti, Maintenance and Operations Manager; and Joel Valentine, Wessel and Company, were also present.

MINUTES

Ms. Rae made a motion to approve the Minutes of the September 26, 2023 Regular Meeting . The motion was seconded by Mr. Truscello and passed by the following vote:

Yeas: Mr. Pasquerilla, Ms. Rae, Mr. Truscello, Mr. Haselrig (4).
Nays: None (0).

PUBLIC COMMENTS CONCERNING AGENDA ITEMS:

None.

Ms. Huchel entered the meeting at 12:07 p.m.

REPORTS:

EXECUTIVE DIRECTOR'S REPORT

Melissa Komar, Executive Director, reported the Ave Maria Medical Clinic (Cambria Rowe Project) will be moving forward with the asbestos abatement. She noted the Cambria Rowe project would be added to the scope of work for the EDA funding. She reported that Mr. Barbin has had discussion with Somerset Trust regarding the current mortgage.

Mr. Barbin explained the certification documents for the EDA requires either certification that the property has no liens or an intercreditor agreement

sharing first lien with whoever has that first lien. The first mortgage held by Somerset Trust, approximately \$89,000, would need to be paid off first or there would need to be an intercreditor agreement indicating they agree to share first lien.

Mrs. Komar noted the original bid for the asbestos removal was \$113,000 and to pay off the mortgage would be an additional \$89,000. She commented that EDA may allow use of the grant for the asbestos removal but wanted to keep the Board updated as far as dollar amounts.

Mr. Barbin repeated the explanation for the intercreditor agreement.

Regarding the State Theater project, Mrs. Komar noted contact with counsel for Duke LifePoint regarding a few additional areas that need to be addressed including the taxes currently owned at the transfer of the property which Mr. Barbin explained would be the proration of already paid taxes. She noted that both subdivisions have been approved by the City and County.

Mr. Barbin explained JRA would take ownership, would be the trustee but doesn't have assets to contribute to the project. Mrs. Komar contacted Eric and advised he needs to take this into consideration as soon as possible.

Mrs. Komar reported that the siphon cleaning continues on Broad Street. JRA and EADS will begin discussion regarding the sealing of the syphons. She suggest the capital improvement plan be in place before the budget and which ones to start with based on recommendation from EADS.

Executive Director Komar indicated the deeds approved at the September 2023 meeting have transferred over the last few days. She noted that Michelle has met with many property owners and is overseeing that process from beginning to end. Mr. Barbin was provided with the information to file the deeds.

Executive Director indicated legal discussions regarding the O&M contract with Inframark were held and any issues should be soon resolved. She stated the Board Chair and Vice Chair will move forward with scheduling a special meeting for the end of next week.

Mr. Pasquerilla explained the matter is significant enough that a special meeting should be scheduled for discussion of this positive news for JRA.

Mrs. Komar reported the Blight Elimination Project continues, and the asbestos removal contractor was onsite at 524 and 530 Horner Street in

preparation for demolition along with 119 Jackson Street, which were all funded through the DCED grant received for blight elimination.

Executive Director Komar continues to work with community leaders and local legislators regarding the Ideal Market. The market study received from Peter Gerney last week was emailed to all members and one local grocer, and a telephone call had been scheduled with a second local grocer.

A meeting was scheduled for Friday, October 20, 2023, with Morgan from DCED for discussion of what the market showed and future plans to secure funding based on the study.

Mrs. Komar reported touring numerous buildings with various entrepreneurs in the Central Business District as well as the Morrellville section and indicated that one business is interested in relocating into the City.

She indicated that properties of interest are being gathered for the next LandBank sale. There was an article in a recent edition of the Tribune-Democrat which provided a good tool for the general public to understand the process of a LandBank sale. Michelle was commended for her efforts regarding the matter. Mrs. Komar indicated the County LandBank was moving forward, and one of the developers, Abrams Development, was in contact with Ms. Daly regarding some County properties. Mr. Barbin suggested that a notice regarding LandBank be sent to Ms. Daly for posting.

WESSEL AND COMPANY PRESENTATION

Joel Valentine, Wessel and Company, was present for discussion of policies that he and Ms. Labosky have been working on as recommended by auditors and financial consultants. He asked members to review the information for approval at the next meeting or a special meeting if possible.

Policies members were referred to were Policy 2023-01, a policy regarding the allocation of administrative costs; the debt policy change based on a report issued in November of 2022; the cash reserve policy based on the financial consultant report.

In response to questions by Mr. Truscello, Mr. Barbin indicated these are written as full and final policies and a resolution coversheet could list and name them and noted all details are provided. Mr. Valentine would provide monthly reports. Mr. Valentine had discussion regarding how shortcomings would be transmitted to S&P which would include scheduled meetings. Mr. Barbin explained one requirement for EMMA reporting is regarding any

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significant changes in financials, and the three policies would be uploaded to that website where rating agencies visit.

Mr. Pasquerilla inquired if members wanted to approve the policies now or defer to another time.

Mr. Truscello made a motion to amend the agenda to add the three policies presented by Mr. Valentine.

Mrs. Komar suggested further discussion at the special meeting. Mr. Truscello withdrew his motion.

Mr. Valentine referred members to the monthly report and discussion of the two additions recently provided.

FINANCE DIRECTOR'S REPORT

Cheryl Labosky, Finance Director, referred members to grant funding project updates for further discussion of the Honan Avenue project which is in the progress of being closed out and anticipates final reimbursement within the next two weeks.

Letters have been sent out to municipalities regarding the Whole Home Repairs Program.

2024 budget preparations are underway and a draft would be provided at next month's meeting.

Kotzan has retrieved the August financial information, and data is included in the packet.

The August cash disbursement form was updated. The total disbursements were \$1,370,185.26.

The September cash disbursements were read into the record as follows:

Cambria Iron Works, \$3,513.82; Grant Partnership Fund, \$612.50; Centre Town Mall, \$4,308.67; Revolving Account, \$210,135.80; Johnstown Regional Sewage, \$958,846.37, for a total disbursement of \$1,177,417.16.

SANITARY SEWER OVERFLOW REPORT

Thomas Kakabar, EADS Group, provided an update of ongoing interceptor sewer

system projects.

Regarding PennVEST 7, Fairfield Avenue, Mr. Kakabar reported he is still awaiting final inspection with DEP.

Regarding Interceptor Maintenance Projects, Mr. Kakabar noted Broad Street siphon phase two was scheduled for November.

Completion of the Washington Street relining was scheduled for the week of October 30, 2023.

Report No. 30 had been submitted to DEP, and no comments were received.

NPDES renewal application was approved in September and submitted to the department for review.

He stated the DCED H2O and Small Water Grant announcements had been postponed until November.

The Annual Engineer's Report and Budget was submitted as required by the Trust Indenture.

Mr. Kakabar noted working with staff on budgetary activities related to the closeout of the consent order, which is due to have the SSO sealed by the end of next year. The push will be on what would be necessary to complete within calendar year 2024 to be in compliance with the consent order deadline.

He noted working on a minor stormwater project at the Dornick Point Plant.

SEWAGE OPERATIONS REPORT

Michael Grandinetti, Maintenance and Operations Manager, noted meetings with Mike Sabo and Tom Kakabar to develop a capital improvement project for the infrastructure and siphons and projects being considered at the plant.

Regarding the lighting project, Mr. Grandinetti reported lights were Ordered, and he awaited delivery. He commented the project will be paid off within less than 14 months at a significant savings at the plant. He commended Mr. Sabo and staff, who will perform approximately 2/3 of the installation which is also a cost savings.

He noted meeting with two industrial painting contractors to obtain estimates as another capital improvement project for 2024.

Mr. Grandinetti discussed an eco project and is getting some properties together. He noted that Mrs. Komar would have further information regarding the matter.

He had nothing new to report with regard to the Ideal Market but indicated much work by Mrs. Komar and staff.

The project team is also focusing on infrastructure and siphon cleaning, including the JRS line. He anticipates more information will be available the beginning of next month.

Regarding the Ideal Market, Mrs. Komar indicated she has contacted Ginger Jakubowski three times with no response or update. Mr. Pasquerilla suggested the matter be discussed at the special meeting.

SOLICITOR'S REPORT

None.

Mrs. Komar reported that information on training through F&B has been received, and each employee will complete the training and sign off with regard to what is expected of each employee and agreed upon.

Ms. Rae made a motion to approve the Fiscal/Operations Reports. The motion was seconded by Ms. Huchel and passed by the following vote:

Yeas: Mr. Haselrig, Ms. Huchel, Mr. Pasquerilla, Ms. Rae,
Mr. Truscello (5).
Nays: None (0).

RESOLUTIONS AND MOTIONS

- A. A RESOLUTION OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF JOHNSTOWN APPROVING A FIVE (5) YEAR CONTRACT WITH INFRAMARK, LLC FOR THE OPERATION AND MAINTENANCE OF THE DORNICK POINT WASTEWATER TREATMENT PLANT.

Ms. Rae made a motion to table. The motion was seconded by Mr. Truscello.

The motion passed by the following vote:

Yeas: Mr. Haselrig, Ms. Huchel, Mr. Pasquerilla, Ms. Rae,
Mr. Truscello (5).

Nays: None (0).

B. A RESOLUTION OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF JOHNSTOWN AUTHORIZING PAYMENT OF CERTAIN OBLIGATIONS RELATED TO SEWAGE OPERATIONS IN ACCORDANCE WITH STANDING RESOLUTION NUMBER 3869.

Mr. Truscello made a motion to approve. The motion was seconded by Ms. Rae and passed by the following vote:

Yeas: Mr. Haselrig, Ms. Huchel, Mr. Pasquerilla, Ms. Rae,
Mr. Truscello (5).

Nays: None (0).

NEW BUSINESS/ANNOUNCEMENTS/DISCUSSION ITEMS

Mr. Pasquerilla suggested a motion authorizing an appraisal from Gregory Rea, Valbridge Property Advisors, Pittsburgh, at a cost up to \$10,000 but stated he expects it to come in a little lower.

Ms. Rae made a motion to amend the agenda. The motion was seconded by Mr. Truscello and passed by the following vote:

Yeas: Mr. Haselrig, Ms. Huchel, Mr. Pasquerilla, Ms. Rae,
Mr. Truscello (5).

Nays: None (0).

Mr. Truscello made a motion to engage Valbridge Property Advisors for a cost not to exceed \$10,000 to prepare an appraisal of the Rite Aid at 300 Market Street. The motion was seconded by Mr. Haselrig and passed by the following vote:

Yeas: Mr. Haselrig, Ms. Huchel, Mr. Pasquerilla, Ms. Rae,
Mr. Truscello (5).

Nays: None (0).

Mr. Pasquerilla attached additional information regarding the matter.

PUBLIC COMMENTS (ITEMS NOT ON AGENDA)

None.

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ADJOURNMENT

Ms. Huchel made a motion to adjourn. The motion was seconded by Ms. Rae and passed by the following vote:

Yeas: Mr. Haselrig, Ms. Huchel, Mr. Pasquerilla, Ms. Rae,
Mr. Truscello (5).
Nays: None (0).

There being no further business, the meeting was adjourned at 11:45 a.m.

AN EXECUTIVE SESSION WAS HELD IMMEDIATELY FOLLOWING THE
MEETING WITH REGARD TO PERSONNEL MATTERS



TRANSCRIBED BY:
SARGENT'S COURT REPORTING
SERVICE, INC.



RICHARD TRUSCELLO,
VICE CHAIRMAN