

MINUTES

January 3, 2012 3:30pm
Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary, Chief Richard Skiles, and Wilbert Bailey, EMC. The visitor list is attached.

- **REORGANIZATION:** Supervisor Blough moved that all current positions remain the same as in 2011. This motion was seconded by Supervisor Huff. They are as follows: Supervisor Blough will remain as chairman of the Board. Supervisor Tvardzik as Secretary-Treasurer and Supervisor Huff as Vice-Chairman. Supervisor Blough will remain as Roadmaster(working). All employees will remain the same; wages, compensation, and holidays are outlined in the union contracts. Richard Skiles will remain as Chief of Police and Wilbert Bailey as Emergency Management Coordinator and technical data technician. The animal control officer is Frank Meyers, and cleaning staff Linda Manges. The legal counsel is Stofko Law Offices (Matthew C. Moore) and the township's engineering firm is the EADS Group. The treasurer's bond will remain at \$100,000.00. First Commonwealth Bank, First National Bank, Slovenian Savings and Loan will remain as depository of funds. Gary Madey will remain on the Vacancy Board. Regular meetings will remain on the third Tuesday of each month at 3:30pm at 1741 Basin Drive. Special meetings will be advertised. Supervisor Tvarzdik will serve as delegate to the State annual convention. Supervisor Tvardzik will serve as Chief Administrator of the nonunion and the Act 600 Pension Plans. Roll call: Blough-yes, Huff-yes, Tvardzik-yes.

It was moved by Blough and seconded by Tvardzik to accept the minutes from the December 20, 2011 as presented. Roll call: Blough-yes, Huff-yes, Tvardzik-yes.

The bill list was read aloud by Taormina. Motion by Huff and seconded by Tvardzik to pay the bills as presented. Roll call: Blough-yes, Huff-yes, Tvardzik-yes.

Emergency Management: the Emergency Management 2011 Annual Report was presented by Wilbert Bailey, Emergency Management Coordinator.

1. A Stormwater Management page has been added to the Paint township web page.
2. The two video monitors installed in Mr Bailey's office provide a direct link to the Knowledge Center and to real time broadcasts and public service announcements.
3. Copies of all the forms and paperwork used by Emergency management during times of crisis (such as the recent earthquake) have been submitted.

Police Report:

1. The December 2011 report will be submitted for approval with the January 2012 report at the February 21, 2012 Township meeting.
2. Motion by Huff and seconded by Blough to approve payment of unused E-Days from 2011 for three former part-time officers that have now accepted full-time positions with the Paint Township Police Department. This reimbursement will be on the January 18, 2012 pay date as

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- follows: S. Kisel, 1 E-Day; D. Schrader, 2 E-Days; A. Tessari, 3 E-days for a total of \$673.92.
3. It was noted the Township web page was updated to reflect the changes in the Paint Township Police Department.
 4. On February 20, 2012 the Police Department will have its annual First Aid and CPR updates.
 5. The Paint Township Police Department accepted a donation from D. Edward Leasing in the amount of \$2,000.00. This donation has been deposited in the Police Community account and will be used to replace rifles and buy ammunition for the department.

Old Business: There was no old business to discuss at this time.

New Business:

1. Motion by Huff and seconded by Tvardzik to approve Lorraine Hissong to the two year term of Township Auditor. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
2. Motion by Blough and seconded by Tvardzik to accept the Township's Snow Removal Policy. Roll call: Blough-yes, Huff-yes, Tvardzik-yes.
3. Motion by Tvardzik and seconded by Huff to approve Resolution No. 2012-1; Act 600 Police Pension. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
4. Motion by Blough and seconded by Huff to approve payment of the Pennsylvania State Association of Township Supervisors annual dues for 2012. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
5. Motion by Tvardzik and seconded by Huff to approve the following: Effective January 1, 2012, for purposes of the Federal Fair Labor Standards Act (the “Act”), and pursuant to Section 207 (k) of the Act and applicable regulations (29 C.F.R. Part 553), the declared work period for eligible law enforcement employees under section 207 (k) of the Act is hereby established at 14 (fourteen) days and said declared work period begins on Sunday. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Correspondence: None presented at this time.

Open Forum: None

Adjournment: Motion by Blough to adjourn, seconded by Huff. Roll call: Blough-yes, Huff-yes, Tvardzik-yes. Next township meeting will be on February 21, 2012.

Andrew Tvardzik
Secretary-Treasurer

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February 21, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary, Chief Richard Skiles. Guest speakers, Mr. Timothy Tokarsky and Mr. Jeff Silka present. The visitor list is attached.

Minutes: It was moved by Tvardzik and seconded by Huff to accept the Minutes from the January 3, 2012 Reorganizational Meeting. Roll call: Blough – yes, Tvardzik – yes, Huff – yes.

The bill listing was read by Taormina. Motion to approve payment made by Huff and seconded by Tvardzik. Roll Call: Blough – yes, Tvardzik – yes, Huff – yes.

Police Report: Chief Skiles presented the Annual Report for 2011, the monthly reports for December, 2011 and January, 2012.

1. The Board adjourned at 3:36pm to executive session for a personnel issue and regular meeting reconvened at 3:38pm.
2. Chief Skiles noted that an antenna from the Windber building was being installed at the Paint Township building for central communication purposes. Penelec has donated a 45ft telephone pole and will install this pole for free.
3. Motion by Tvardzik and seconded by Blough to accept the police report as presented. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Old Business: No old business.

New Business:

1. An overview of zoning was presented by Mr. Jeff Silka, director of the Somerset Economic Development Council. The points stressed were the protections for residents and business owners and the orderly and organized progression within a municipality when zoning is implemented. Mr. Joseph Cominsky asked that he be on record as being very apprehensive about zoning in Paint Township and was concerned about "grandfathering in" current uses of property. Mr. Paul Henger questioned the cost to the Township for zoning and was answered by Supervisor Tvardzik that the cost would be approximately \$15,000.00. It was also stressed by the Supervisors that the Planning Commission has not yet approved any zoning draft and that there is a procedure that must be followed including public meetings.
2. Mr. Timothy Tokarsky, president of the Windber Area School District, presented an overview of the financial condition of the school district in light of the Pennsylvania State budget cuts last year and this year. The school board is looking to form a Facilities Commission with representatives from each municipality to provide input and direction to the school district in their long-range planning. A summary hand-out was given to those attending the meeting to review the school district's financial status. The main goal is to keep communication lines open between the school district and the public.
3. Motion by Tvardzik and seconded by Huff to purchase a police cruiser through the State

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CoStars program in the amount of \$23,420.88. The police department received a private donation for the purchase of the vehicle and Chief Skiles has said the the donor wishes to remain anonymous.

4. Motion by Blough and seconded by Tvardzik to send a letter of support to Benson Borough for the proposed waterline replacement project in Benson Borough. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.
5. It was noted that the Supervisors along with Wilbert Bailey and Chief Skiles will attend the Windber Area School District Business Breakfast, April 11, 2012 at 8:30am.
6. It was noted that the supervisors were given financial statements from all township accounts for year ending December 31, 2012.
7. Motion by Blough and seconded by Tvardzik for the Supervisors to attend the Somerset County Convention on May 3, 2012 at 9:00am at the Quality Inn in Somerset. All who wish to attend may do so.
8. Motion by Tvardzik and seconded by Huff to approve the following names submitted by the EADS Group, Jared Bowers, Danielle Weyant, and F. Scott Rugh as Sewer Enforcement officers and approve the fee schedule submitted for 2012. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.
9. It was noted that a letter has been submitted to PennDot for permission to erect a “hidden driveway” sign at 1511 Camp Drive located along State Route #1031 in Paint Township.
10. It was noted that a letter was received from the EADS Group notifying the Township that Kukurin Construction has been notified about the incorrect depth of the cable lines between the wet wells and the alarm panels for the grinder pumps. It has been requested by the Township that all the cables throughout the project be checked for proper depth placement.
11. There was no discussion or action on Dollard Road.

Correspondence: none at this time

Open Forum: Concerning item #10 on the agenda, Mr. Sabo reaffirmed with the Supervisors that all cables would be checked and Mr. Cominsky has requested that he be called when Kukurin checks his so he can observe. Mr. Cominsky also asked about making payments for the Sewer Tap-in fee. The tap-in fee must be paid in full in one payment. Mr. Henger asked the following questions: If the addition of the four new full-time police officers was within budget? Answered yes by Supervisors Tvardzik and Huff. How many have not yet paid their tap-in fees? Answered 17 by Supervisor Tvardzik. Why was an extension of time given to those who haven't paid their tap-in fees? Answered that a process had to be followed and the legal action would take place if payment does not happen. And was there any news on the consolidation of the municipalities within the school district? Answered by Supervisor Tvardzik that the consolidation of the municipalities is not going anywhere at this point.

Adjournment: Motion by Tvardzik to adjourn, seconded by Huff. Roll call: Blough-yes, Huff-yes, Tvardzik-yes. Next township meeting will be on March 20, 2012.

Andrew Tvardzik, Secretary/Treasurer

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March 20, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the “Pledge of Allegiance”. Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Huff and seconded by Tvardzik to accept the Minutes from the February 21, 2012 Meeting with one correction. In item #1 under new business the minutes should have read Mr. Joseph Cominsky. Roll call: Blough – yes, Tvardzik – yes, Huff – yes.

The bill listing was read by Taormina. Motion to approve payment made by Tvardzik and seconded by Huff. Roll Call: Blough – yes, Tvardzik – yes, Huff – yes.

Police Report: Chief Skiles presented the monthly report for February, 2012.

1. The telephone pole that was installed at the Township building as a donation by Penelec and Penelec employees and the antenna installed by Township employees to centralize communications is working well.
2. The new cruiser has been purchased and is currently in the process of being outfitted for use.
3. Note that the Cottage Lane Bridge will be replaced and the road will be closed by PennDot for this construction. The road will be posted.
4. Noted by Chief Skiles that the Purchase of Service agreements with Paint Borough and Central City Borough are due to be renewed this year for 2013.
5. Motion by Blough and seconded by Huff to accept the police report as presented. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Old Business: the Township received approval from Penndot to place a “Hidden Driveway” sign at 1511 Camp Drive. As the Township currently does not have a sign available, one will be ordered.

New Business:

1. Motion by Tvardzik and seconded by Blough to approve the Cover Chevrolet subdivision plan as approved by the Planning Commission at their March 14, 2012 meeting. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
2. Motion by Huff and seconded by Blough to approve the Bill Sipko/BCL Manufacturing boundary change as approved by the Planning Commission at their March 14, 2012 meeting. The rest of the subdivision plan will be approved by the Township when approval has been received from Keith Largent of the Somerset County Land Conservation/Stormwater Management.
3. Motion by Tvardzik and seconded by Huff to approve the Ridgeview Estates/Phillip Petrunak subdivision plan as approved by the Planning Commission at their March 14,

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2012 meeting.

4. Motion by Tvardzik and seconded by Blough to deposit the sewer maintenance fees remitted to the Township in the Sewer Tap Fee Account each month. Supervisor Blough requested that all monies from that account that have been used are to be replaced. Supervisor Tvardzik mentioned that a deposit had been made to start replacing those funds, but Taormina said that no deposit had been made to date. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.
5. Motion by Blough and seconded by Huff to approve providing the police service to the Miners Memorial Day, June 15, 16, 17, 2012 as the Township has done in the past. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
6. Motion by Blough and seconded by Tvardzik to approve Spring Clean-up with Yonish Disposal for Saturday, June 2, 2012. Cost is the same as previous year - \$40.00. Permits will be issued starting May 21, 2012 through June 1, 2012. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
7. Noted that Mr. Wilbert Bailey has been recommended by the Somerset County Director of Emergency Services to attend the Community Emergency Response (CERT) Train-the-Trainer Classroom Course to be held April 10 and 11, 2012 in Harrisburg.
8. Noted that all three Supervisors received financial statements for all accounts for January and February, 2012, including all transactions/transfers.
9. Motion by Tvardzik and seconded by Huff to approve payment to Somerset County for the Township's share of the printing costs for the Real Estate Tax notices in the amount of \$122.95. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
10. Noted that the Township has received notification that our hospitalization plan will have a rate increase from \$963.90 to 1002.46 per employee per month effective for coverage in May, 2012.

Correspondence: none at this time

Open Forum: Mr. Joseph Cominsky read a letter to the Township that he also presented to the Planning Commission at their March 14, 2012 meeting concerning the proposed zoning for Paint Township. He asked that this letter be a part of the minutes for today's meeting. The letter is attached to these minutes and is available for review at the Township Office.

Mr. Roy Shaffer asked when the Kukurin company would be back in Paint Township to take care of the outstanding issues for the Sewer project. A meeting is scheduled for Wednesday, March 21, 2012. Mr. Shaffer also questioned when Township roads would be repaired and the extent of repair. Supervisor Blough answered that he was currently looking at the budget and the cost of blacktop and working on a road repair plan for spring and summer.

Adjournment: Motion by Tvardzik to adjourn, seconded by Huff. Roll call: Blough-yes, Huff-yes, Tvardzik-yes. Next township meeting will be on April 17, 2012.

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April 17, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Vice-Chairman Huff called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik. Absent was Chairman Blough. Also present Linda Taormina, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Tvardzik and seconded by Huff to accept the Minutes from the March 20, 2012 Meeting. Roll call: Tvardzik – yes, Huff – yes.

The bill listing was read by Taormina. Motion to approve payment made by Huff and seconded by Tvardzik. Roll Call: Tvardzik – yes, Huff – yes.

Police Report: Chief Skiles presented the monthly report for March, 2012.

1. Motion by Huff and seconded by Tvardzik to accept the police report as presented. Roll call: Tvardzik – yes; Huff – yes.

Old Business: none at this time

New Business:

1. Motion by Tvardzik and seconded by Huff to not accept Alice Lane as a township road as requested by Adam Kohler. Roll Call: Tvardzik – yes; Huff – yes.
2. Motion by Huff and seconded by Tvardzik to approve all sewage connection fees will be deposited in to the Sewer Tap-in Fee Account along with the maintenance fees previously approved and that all monies borrowed from this account will be replaced by the Township. Roll Call: Tvardzik – yes; Huff – yes.
3. Motion by Tvardzik and seconded by Huff to approve Resolution NO. 2012-2 giving Paint Township's support to the annual "Tour de 'Toona" to be held from August 8 through August 12, 2012. Chief Skiles also commented that the Police Department would also be providing traffic control when the Tour came through this area. Roll Call: Tvardzik – yes; Huff – yes.
4. Motion by Tvardzik and seconded by Huff to approve Resolution 2012-3, the fee schedule for the fees to be included with the liens to be placed in lieu of payment of the Sewer Tap-In Fee. Roll call: Tvardzik – yes; Huff – yes.
5. Motion by Tvardzik and seconded by Huff to approve the payment of longevity as contractually agreed to the Township office and road department employees. Roll Call: Tvardzik – yes; Huff – yes.
6. Noted that a letter has been sent to PennDot requesting permission to place "Watch Children" signs at the following addresses: 3129 Dark Shade Drive and 1035 Arrow Road.

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7. Noted that a Road Occupancy Permit has been issued to Keystone Cooperative Association to extend the natural gas main line to service 301 Basin Drive.

Correspondence: none at this time

Open Forum: Mr. Adam Kohler had some various comments concerning Item #1 under new business. It was explained to him that because Alice Lane is not up to the specifications required by the State, the Township is not able to take over the road. Mr. Kohler asked that a clarification of the term “various differences” be provided to him. This is a term used in a letter sent to Mr. Kohler. Mr. Kohler requested that it be a matter of record that the Township did receive Mr. Kohler's letter with his issues with the installation of the sewer line. A map was given to the supervisors showing the property on Alice Lane. Mr. Kohler also is asking for re-numeration based on a calculation of so much per square foot. All other matters concerning Alice Lane and the installation of the sewer on that property are the concern of the contractor for the sewer line (Kukurin Company). These matters have been brought to the Kukurin Company's attention at the meeting held on April 3, 2012. A meeting between Kukurin and Mr. Kohler will be arranged by Supervisor Tvardzik.

Mr. Paul Henger had the following questions:

1. Are the cable franchise fees deposited in the General Fund? Taormina answered yes.
2. Questioned the financial status of the Township including the Police Department. Chief Skiles replied that he had not been informed of any problems for his department and Supervisor Tvardzik replied that money was tight for the Township due to the investment in the sewer project, but that the reimbursement from PennVest would put the Township back on track.

Mr. Joseph Cominsky read the Final Notice letter that he received from the Township concerning the payment of the Tap-In Fee and then a letter from him to the Township explaining his reasons for not paying. This letter is attached to these minutes and is available for review at the Township office.

Mr. William Sabo asked whether another test of the grinder pumps will be done after the rewiring of each grinder pump has been completed. The Township will look into seeing which inspector will do this testing.

Adjournment: Motion by Huff to adjourn, seconded by Tvardzik. Roll call: Huff-yes, Tvardzik-yes. Next township meeting will be on May 15, 2012.

Andrew Tvardzik, Secretary/Treasurer

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May 15, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik and Huff. Also present Wendy Senior, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Tvardzik and seconded by Huff to accept the Minutes from the April 17, 2012 Meeting. Roll call: Blough – yes; Tvardzik – yes, Huff – yes.

Police Report: Chief Skiles presented the monthly report for April, 2012.

1. Chief Skiles reported that the new cruiser purchased with the donated gift has been lettered and is ready for service.
2. Officer Tessari has attended forensics training for child abuse interviewing.
3. Officer Davis is attending fire arms instructor training at his own expense so he will be able to qualify officers in the department.
4. The Windber Area School District evacuation drill held on May 2, 2012, went very well and Chief Skiles was very pleased with all of the students, staff and emergency responders who participated.
5. Motion by Tvardzik and seconded by Huff to accept the police report. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Old Business: none at this time

New Business:

1. Motion by Tvardzik and seconded by Huff to approve the subdivision of the residential property (Lot #57A) in Winchester Estates. The Planning Commission approved this subdivision on May 11, 2012. It was also moved by Tvardzik and seconded by Huff to approve the natural gas line Right-of-Way change on Lot #8. This action is pending the Right-of-Way agreement signed by Daniel and Heidi Maurer. Please see attached.
2. Motion by Tvardzik and seconded by Huff to accept the road maintenance agreement between the Township and the Windber Area School District for Dollard Road. The agreement has been reviewed by Attorney Stofko as prepared by Attorney Clapper and found to be in order. Dollard road is part of the Ramblin Hills development and the road will become part of the township road system when Phil Petrunak completes all of the roads in the Ramblin Hills subdivision. As of this date the roads are not township property. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes. The agreement will be returned to Attorney Stofko for recording.
3. Motion by Huff and seconded by Tvardzik to issue a road permit to the Windber Area Authority for replacement of water lines along Morningland Drive and Hayes Street. The Permit is on file. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
4. Motion by Tvardzik and seconded by Huff to approve the resolution for Intergovernmental Emergency Cooperation authorizing two or more municipalities to agree to delegate municipal powers to one local management coordinator as per Code 35PA.C.S. Section 7101 between Windber Borough and Paint Township. Windber Borough enacted this resolution on May 8, 2012. Please see attached. Roll call: Blough

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– yes; Tvardzik – yes; Huff – yes.

5. Chairman Blough stated that the Board of Supervisors have received the financial statements for all accounts for March and April. Blough stated that the Township is experiencing a budget shortfall in the General Fund and has contacted Attorney Stofko and DCED for direction and guidance as to how to proceed. Blough stated the shortfalls are due to budget over runs for the police building addition, the additional personnel hired, the additional costs in Workman's Compensation and Health Care Insurance. The Township (Secretary/Treasurer) thought that funds could be utilized from the PennVest Tap Fee Account. Those funds cannot be used for General Fund purpose and must be available for settlement with PennVest. Chairman Blough assured the residents that the Tap Fee Account is available for settlement. He further stated that the Tap Fee Account must be maintained and available for maintenance and repair of the sewer system and for the Township's inspector wages in the future. Blough stated that he will inform the general public as to the outcome of the meeting to be held on May 22, 2012 with Attorney Stofko.

Correspondence: none at this time

Open Forum: Joseph Cominsky – requested to know if Kukurin Construction Co. will be moving his electric grinder box to where he has requested it be moved. Blough stated yes. Tvardzik also stated that he spoke to Kukurin's and they will be moving the box for Mr. Cominsky. Mr. Cominsky also inquired about the restoration crew and the board stated the crew will be coming in.

Roy Shaffer wanted to know if the Sewer Tap Fee account was a separate account. Blough stated yes along with the other board members. Roy also stated that he had heard that the Township is broke and that there are outstanding bills that have not been paid. The board stated yes. Roy asked why the overspending when we must all live within a budget – why did the out of budget spending continue? Roy also asked Supervisor Tvardzik how he is being paid? Andy stated he has all of his time sheets and projects that he has worked on for the past years. The conversation became heated. Supervisor Blough stated that he (Blough) is the only working supervisor (Roadmaster) with compensation set by the elected auditors for the Township at their reorganization meeting held every January. At one time the Township had three working supervisors, but the past several years the Township has had only one working supervisor. Supervisor Huff stated that he and Supervisor Tvardzik put in many unpaid hours on various projects and that he (Huff) does not take a paycheck home from the Township. All supervisors are paid to attend the monthly Township meetings. Those board meeting minutes are public information. Roy stated that the Township has never been in this position – why now? The Township must live within its means just like at home. Roy also asked if Dollard road is maintained by the Township? Blough stated no; it is not a Township road at this time.

John Findish inquired whether there was some sort of payment plan for the tap fee? He cannot pay the fee. Supervisor Tvardzik stated that is in the hands of the attorney for the Township and it may come to that. Findish asked how many police officers the Township has? Chief Skiles explained the police roster to him. Findish also expressed the Township living within its means.

Adjournment: Motion by Blough and seconded by Huff to adjourn. Meeting adjourned at 4:05pm.
Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

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Next Township meeting is on June 19, 2012 at 3:30pm.

Andrew Tvardzik, Secretary/Treasurer

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June 19, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Tvardzik and seconded by Huff to accept the Minutes from the May 15, 2012 Meeting. Roll call: Blough – yes; Tvardzik – yes, Huff – yes.

The Bill List was read by Linda Taormina and a motion was made by Huff to approve payment. Seconded by Tvardzik. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Police Report: Chief Skiles presented the monthly report for May, 2012.

1. Motion by Blough and seconded by Huff to accept the police report. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Old Business: none at this time

New Business:

1. Motion by Tvardzik and seconded by Huff to approve the D.E.A. Forfeiture Account opened at Slovenian Savings and Loan. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
2. Motion by Tvardzik and seconded by Blough to approve the payment of Paint Township's Per Capita assessment to the Somerset County Economic Development Council in the amount of \$314.90. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
3. Note that financial statements have been given to all Supervisors from all Township accounts for May, 2012 including the following transfers:
6/5/2012 \$26,500.00 from the Sewer Tap Fee Account to the General Fund.
4. Motion by Tvardzik and seconded by Huff to approve payment to Kukurin Construction in the following amounts: Contract #2 – Pomroys Corner: \$110,605.42 and Contract #3 – Rummel: \$34,399.38. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Correspondence: none at this time

Open Forum: Mr. Paul Henger:

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In reference to the payment approved to Kukurin Construction, Paul still has not had his wall repaired on his property and wanted to make sure that this payment was not the final payment to Kukurin. It is not the final payment.

Asked the amounts currently in the General fund and the Sewer tap Fee Account. The Sewer Tap Fee Account at this time has \$500,000.00 plus and an exact amount in the General Fund was unavailable as the township was cutting payroll checks at the time of the meeting. Taormina offered to go to the computer to retrieve that information but Paul said it wasn't necessary.

Asked if there were any problems with the grinder pumps. Supervisor Blough answered that there were none to date.

Asked the number of residents not yet tapped into the new sewer line. Taormina answered that number was not known, but would check the computer and find out.

Mr. Roy Shaffer:

Raised concerns that he is not yet tapped in to the sewer line and may not make the July 30, 2012 deadline. He has had a contractor lined up for several weeks, but his installation date keeps getting pushed back. Supervisor Blough asked that Roy please keep the Township updated with his situation. Referred to the transfer from the Sewer Tap Fee Account to the General Fund on June 5, 2012 and the minutes from the May 22, 2012 meeting. Supervisor Tvardzik stated that the Township's solicitor said the Township can use those monies as long as they are available for settlement. Supervisor Huff stated that the Township can borrow from fund to fund instead of borrowing from a bank and therefore avoids paying interest. Supervisor Blough responded that meetings have taken place with the solicitor, DCED, and the bank and nothing has been resolved for the Township's financial difficulties to date. Supervisor Blough also said he should have said that "the Township shouldn't touch the money in the Sewer Tap Fee Account, not couldn't". He reinforced that the money has to be available for settlement with PennVest.

Asked for clarification on how Supervisor Tvardzik was drawing a paycheck from the Township. Pay for the Supervisors is set each year in January by the elected auditors after the Township has its re-organizational meeting.

Expressed concern because of the budget overruns in 2011 and 2012 with the police building and additional personnel. Chief Skiles responded that Paint Township is not meeting its obligation for the Police Department. Roy feels that with the additional personnel the Township is actually paying more than their share because the municipalities that are locked into contracts pay only their set amount. Chief Skiles responded that 2 of those contracts would be up at the end of this year (2012) and adjustments would be made in the new contracts for the increased expense. Chief Skiles also explained the difference in the service provided to each of the municipalities with service contracts. Windber Borough and Paint Township receives full-time coverage while Scalp Level Borough, Paint Borough, Central City Borough, and Benson Borough receive 1 ride through per shift and the department answers all calls. Also, by going to the twelve hour shifts, enough money was saved to cover benefits for the 4 new full-timers before the increases in hospitalization. Roy commented that if the township is broke, all spending will have to be watched.

Mr. Adam Kohler:

Raised his concern that the original plan for the current sewer project for Alice Lane to the last house (Kasuba's) did not include a shortcut across ("an encroachment if you will") Mr. Kohler's property at 41 Alice Lane. Mr. Kohler presented a letter to the Board and requested that said letter become a part of the minutes for this meeting.

His question: When things need to be changed during a project where was the "work order change" filed and why weren't the Supervisors aware of the change? Supervisor Tvardzik responded that this matter had been looked into before. Mr Kohler responded that nothing was followed through. Tvardzik

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answered that the matter would be looked into again.

Mr. Joseph Cominsky:

Revisited the police contracts for service and made the comment that because they are 3 year contracts, until the Township can renegotiate a contract the host municipality must absorb any additional cost that occur. Chief Skiles responded that each municipality has the right to opt out of the contract and since the Township has a new 5 year contract with the Police Department he has the contractual figures to work with. Other expenses are unknown such as hospitalization, workers comp, gas prices, etc. It is the same amount of expense whether the department contracts to the smaller municipalities or just Windber Borough.

Concerning the new sewer line: Mr. Cominsky stated that it is state law that residents have 6 months from the time that the system is viable to tap in. Because the grinder pumps were just rewired those with grinder pumps should have 6 months from that the time the rewiring was finished to tap in. It was also stated that state law allows for up to 18 months in extensions. Supervisor Huff stated that the solicitor for the township will be contacted concerning these extensions.

Mr. Cominsky had questions concerning a discharge vent for his grinder pump in case the pump would not come on. This would have to be looked into. The vent could not be put on the discharge side of the pump.

Mr. William Sabo:

Also stated that PA state law gives extensions up to 18 months after the system becomes viable. He had several complaints about the restoration crew and the crew doing the rewiring for the grinder pumps. He also presented a picture that he said was given to him and that he said was taken after the rewiring was completed. The board was not permitted to keep this picture, nor was there a date/time stamp on the picture. Mr. Sabo requested that Brian Weaver verify that the wiring for his grinder pump be checked for depth. Mr. Sabo contends that the wiring is only at 12 inches, not the 18 to 24 inches required.

Mr. Sabo also commented that there is a leak on the new sewer line, but declined to give the Board an address or location of said leak.

Joanne Wright:

Asked why Paint Township is not meeting its financial obligation to the police department. Supervisor Blough answered that there were shortfalls in several categories and this was too much all at once for the Township.

Mr. Sabo asked that the Township not sign off on his property to Kukurin Construction as he is not satisfied.

Mr. Cominsky feels criminal charges should be brought if the grinder pump rewiring is not correct.

Mr. Kohler feels that the focus should be on the EADS Group inspectors.

Mr. Shaffer requested that Brian Weaver check his rewiring also.

Adjournment: Motion by Blough and seconded by Tvardzik to adjourn. Meeting adjourned at 4:50pm.
Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Next Township meeting is on June 19, 2012 at 3:30pm.

Andrew Tvardzik, Secretary/Treasurer

MINUTES

July 17, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Huff and seconded by Tvardzik to accept the Minutes from the June 19, 2012 Meeting. Roll call: Blough – yes; Tvardzik – yes, Huff – yes. The following comments were made by Supervisor Tvardzik concerning items in the Open Forum section of the June 19, 2012 minutes: 1. Mr. Adam Kohler is currently working with the Kukurin Construction Co concerning his property at 41 Alice Lane. 2. Mr. Cominsky's question concerning a discharge vent for his grinder pump is not acceptable to DEP because if there was an overflow, the overflow would go into Mr. Cominsky's lawn.

The Bill List was read by Linda Taormina and a motion was made by Tvardzik to approve payment. Seconded by Blough. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Police Report: Chief Skiles presented the monthly report for June, 2012.

1. Noted that annual qualifications were currently being conducted at the police shooting range.
2. Noted that Chief Skiles had attended Borough meetings at Central City and Paint Boroughs and presented new contracts to those boards for Purchase of Police Service. Those boards are interested in four (4) year contracts instead of three (3) year contracts since that would take them to the end of the current Police contract which ends December 31, 2016. Motion by Tvardzik and seconded by Huff to allow a four year contract instead of three years. Motion carried.

Old Business: none at this time

New Business:

1. Motion by Tvardzik and seconded by Huff to approve the indemnity agreement and appointment of Wilbert Bailey as point of contact for the Pennsylvania One-Call System with respect to the drawing and maintaining map objects as they pertain to Paint Township. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.
2. Note that financial statements have been given to all Supervisors from all Township accounts for June, 2012 .
3. Note that the Township signed a three year engagement letter with Barnes Saly & Co. to do the Township audit for years 2012, 2013, and 2014 and the following fee schedule: 2012 - \$4900.00, 2013 - \$5,000.00, 2014 - \$5,500.00.
4. The request from Windber Fire Co.#1 for a donation towards the new ladder truck has been tabled until August.
5. It was noted that the Road Project is set up and the bid opening has been set for July 31, 2012 at 1:30pm.
6. Motion by Huff and seconded by Tvardzik to approve the Michael Shaffer subdivision plan. This subdivision had already received approval from the Planning Commission at

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the July 11, 2012 meeting. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes. The board received a thank-you from Jerry Thomas for the approval.

7. It was noted that Barnes Saly Co. has provided the Township with a letter (dated July 3, 2012) outlining the Township's current cash-flow shortfalls. This letter has been forwarded to Michael Foreman of DCED, Joseph Trimarchy of First Commonwealth Bank, and Dennis Stofko of Stofko Law Offices. A meeting has been scheduled with First Commonwealth Bank for Wednesday, July 18, 2012 at 1:30pm.

Correspondence: none at this time

Open Forum:

Roy Shaffer: 1. Which roads were to be part of the road project? Answered by Supervisor Blough the roads included would be those disturbed by the sewer project and those roads would be double seal coated. 2. Asked if the payments were being made on the loan for the sewer project and how many total sewer tap-ins there are in Paint Township. The interest payments on the loan for the sewer project have been made. The actual payments will not start until settlement has been made with PennVest. The payment for the loan will be made from the monthly fees collected. The remainder of those fees each month will be put aside for maintenance and repairs to the sewer lines. 3. Roy asked if the Township's bills are being paid? The Supervisors answered yes. 4. Asked if copies of the Township Audit will be available for review. Answered by Supervisor Blough that the audit is soon to be finished and the audit is always available to the public for review. 5. Asked about extension of time for tapping in to the sewer line? Supervisor Tvardzik answered that residents will have to pay whether they are tapped in or not according to the Township solicitor. Supervisor Huff answered that this issue would have to be discussed further, knowing the time constraints for the contractors that have been hired. Supervisor Blough added that The EADS Group is looking at this situation with the attorney and there is not a definitive answer at this time. It was also asked if the Supervisors had the right to create an extension of time on their own.

At this time, Mr Cominsky interrupted with the comment that he wants 6 months from the day of complete installation to tap in. He said he will pay for sewage even if he is not tapped in. Mr. Cominsky also is not pleased with the fact that DEP will not allow the discharge vent that he wants to put on his grinder pump. Mr. Cominsky also stated that when he pays his tap-in fee to the Township, he will only pay \$2500.00 and will not pay the additional fees set by the solicitor for the township.

Paul Henger: 1. Asked if the bills on the bill list were paid on time? Answered by Supervisor Tvardzik that the bills were paid as funds were available. 2. Asked if the mortgage payments for both buildings were current. Answered by Taormina – yes. In response to Item 7 on the agenda, Supervisor Tvardzik confirmed that taxes will be raised but a millage rate has not yet been determined. Concerning the 2012 budget, Paint Townships portion of the budgeted amount for the Police Department was questioned.

Chief Skiles responded by giving the totals for each municipality. Hospitalization: is the Township considering have the employees pay a portion of the cost? Chief Skiles responded that the costs were considered in the purchase of service agreements. Mr. Henger then questioned the status of zoning for the Township. Supervisor Huff responded that zoning was on hold because the Township does not have the funds at this time. Mr. Henger stated his opinion that the Township needs a manager.

Mr. Sabo stated that his wiring for his grinder pump is still not the required depth. Supervisor Blough responded that Brian Weaver will check. In return, Mr. Sabo will let Brian know where the sewer leak is that was mentioned at the previous meeting.

Mr. Clark questioned whether any of the wiring for the grinder pumps was put in conduit. Mr. Sabo

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stated that he put his own in. It was noted that the manufacturer did not want the wiring in conduit.

Adjournment: Motion by Blough and seconded by Huff to adjourn. Meeting adjourned at 4:20pm.
Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Next Township meeting is on August 21, 2012 at 3:30pm.

Andrew Tvardzik, Secretary/Treasurer

MINUTES

August 21, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the “Pledge of Allegiance”. Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Huff and seconded by Tvardzik to accept the Minutes from the July 17, 2012 Meeting. Roll call: Blough – yes; Tvardzik – yes, Huff – yes. Motion by Tvardzik and seconded by Huff to accept the minutes from the special Meeting held on July 31, 2012 for the purpose of opening bids for the road project.

The Bill List was read by Linda Taormina and a motion was made by Blough to approve payment as funds become available in light of the financial situation at the Township. Seconded by Huff. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Police Report: Chief Skiles presented the monthly report for July, 2012. Motion by Blough and seconded by Tvardzik to accept the July police report. Motion passed.

Old Business: Donation to the Windber Fire Co. #1 for the new ladder truck will not be made. Reason given is that there is money allotted each year by the municipality for each of the fire companies.

New Business:

1. Note that financial statements have been given to all Supervisors from all Township accounts for June, 2012 .
2. Motion by Tvardzik and seconded by Huff not to place an ad in the Conemaugh Township sports programs. It was noted that had never been done in the past for either school district. Ads have only ever been placed in yearbooks. Motion passed.
3. The Special Meeting that was item #3 on the August 21, 2012 agenda was canceled shortly before the meeting took place.

Correspondence: A flier for the Somerset County Tire Collection was included with the meeting handout.

Open Forum:

Mr. Adam Kohler raised the issue of an encroachment on his property. Supervisor Huff responded that the engineer had been contacted and the issue would be discussed after the Township meeting.

Mr. Paul Henger asked about the bills presented for payment and the current outstanding bill list, the number of full-time and part-time employees, and whether the bank payments were current.

Mr. Roy Shaffer asked questions concerning the Township getting a loan. The response was that Slovenian Savings and Loan was unable to handle a possible loan to the Township and that First Commonwealth and First Summit Bank were currently working on loans for the Township. All loans are dependent on DCED approval. Asked if the employees had been paid and with what. The response was that yes, payroll had been made with Capital Tax EIT deposits, fine money, and purchase of service contract payments. Supervisor Tvardzik stated that Michael Foreman said that no employee cuts were possible in the Township.

Mr. Joseph Cominsky questioned what type of “hidden taxes “ would be levied against the residents of Paint Township. The response was the tax rate increase would be based on the recommendation of the CPA firm after the assessment of the Township's financial situation was complete and that the bulk of the tax monies come to the Township in April.

Mrs. Beverly Pomroy questioned in light of the cash shortfalls, how has the Township been making it so far.

Mrs. Joanne Wright questioned what had been done in the way of internal cost cutting and if a recovery plan was in place. Chief Skiles responded that the police department is a “not for profit” business and he had no idea what the department will have to do. All is dependent on how the financial situation ends up. Dave Blough responded that to date no cuts had been made in the Road Department. Joanne responded that lay-offs have to happen to cut costs and submitted a letter to the Board requesting a 15 day advance notice if the insurance on the building will not be paid.

Mr. Paul Henger suggested that the employees pay a portion of their hospitalization bill and verified that the pension is state funded.

Mrs. Susan Nicklow questioned whether the part-time employees in the union received hospitalization – No. The part-time police officers do receive a clothing allowance for their uniforms and E-days. She questioned the reasons for the shortfall. Supervisor Tvardzik responded that the increases in fuel, hospitalization, and general bills contributed to the shortfall and that there had been no millage increase for 5 years. When questioned about the new Police Department building, Supervisor Tvardzik stated that the building was self-sustaining and carrying itself. When asked to back that statement, Taormina replied that it was Supervisor Tvardzik's question to answer.

Adjournment: Motion by Blough and seconded by Huff to adjourn. Meeting adjourned at 4:05pm.

Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Next Township meeting is on September 18, 2012 at 3:30pm.

Andrew Tvardzik, Secretary/Treasurer

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September 18, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Blough called the meeting to order and led the board in the "Pledge of Allegiance". Other board members present were Tvardzik and Huff. Also present Wendy Senior, Office Secretary, Chief Richard Skiles. The visitor list is attached.

Minutes: It was moved by Tvardzik and seconded by Blough to accept the Minutes from the August 21, 2012 Meeting. Roll call: Blough – yes; Tvardzik – yes, Huff – yes.

The Bill List was read by Wendy Senior and a motion was made by Tvardzik to approve payment as funds become available in light of the financial situation at the Township. Seconded by Huff. Roll Call: Blough – yes; Tvardzik – yes; Huff – yes.

Police Report: The August Police Report is attached. There was no discussion by Chief Skiles.

Old Business: Motion by Huff and seconded by Blough to approve the Myron Shaffer subdivision plan pending the Planning Commission signature. Roll call: Blough – yes; Huff – yes; Tvardzik – yes.

At this time Supervisor Huff read a statement to the public apologizing for the financial condition of the Township. Huff made a motion to change the time of the remaining Township meetings for 2012 to 6:30pm. The motion was seconded by Blough. Roll call: Blough – yes; Huff – yes; Tvardzik – yes.

It was moved by Huff and seconded by Blough to accept the MMO's for 2013 for the uniform and non-uniform pension plans. All agreed.

New Business:

1. At this time Chairman Blough called for the reorganization of the Board. It was moved by Blough and seconded by Huff for the Board members to have the following responsibilities: Blough – Secretary-Treasurer; Huff – Chairman; Tvardzik – Vice Chairman. All agreed. This action was taken due to the resignation of Tvardzik as Secretary-Treasurer by letter dated September 6, 2012.
2. Note that financial statements have been given to all Supervisors and have been reviewed from all Township accounts for July, 2012 .
3. Motion by Blough and seconded by Huff to extend the Windber Borough Police Contract to November 30, 2012, regarding the deadline to terminate the purchase of service contract.
4. Chairman Huff thanked the Windber Volunteer Fire Co.'s offer of an \$8,000.00 loan at 0% interest. But at this time the Township cannot accept the generous offer.

Correspondence: None at this time

Open Forum:

Items of discussion: Extension of the time to terminate the purchase of service agreement with

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Windber Borough. The tax millage increase for 2013. Blough stated the Township will be going with the 6 mill increase as proposed by the CPA (BarnesSaly); 4mills for debt service and 2 mills for general purpose. Huff stated that BarnesSaly will be preparing the 2013 budget. Discussion was held on the recurring bill list – bills continue to be added each month. Comment was made asking where the money is coming from to pay all of the bills. No response by the Board.

Chief Skiles explained the police contract amounts that are charged for the services for each purchase of service contract and the hours worked by the police department.

The Board explained how the shared service of the EMC director is with Windber Borough. Huff stated that Will Bailey wears many hats. He performs IT and GIS work, prepares the PA One calls for the Township. A line item will be in the 2013 budget for Emergency Services and the Board will be working with Windber Borough for wages for this shared position.

Robert Miller, business representative for the non-uniform employees: commented this is having a devastating effect on township employees. The Township has dedicated, hard-working employees. How is the Township going to pay them? Is the insurance going to be paid (fleet and healthcare)? Why are 5 employees laid off at this time in the non-uniform union? Question was asked by a Township resident if the employees will be called back to work if a loan is secured? Huff replied “on an as needed basis”.

General questions were asked of the Board:

Regarding the 2011 Audit Report, the purchase of service contracts, and the bank loans that the board is trying to acquire. The union contracts and reduction of the township police personnel. Does the Board have the right to reduce the full-time police staff? Huff stated the township will not cut police staff for safety reasons. Rick Keller, business representative for the uniform police officers stated that the department has given concessions in longevity, clothing allowance, and use of the DEA Account to help pay for hospitalization. The department is down to 2 officers per shift. These constitute approximately a \$23,000.00 savings for the Township.

Discussion continued on issues such as the total police budget, the hours the PD works, the police contracts, increases for the purchase of service agreements, and court time. Blough stated the Township will be working with the CPA and the banks.

Question was asked if the Township has repaid the Sewer Tap In Fee Account the \$26,500.00? Board answered no, not as of the date.

Discussion continued on the police building addition and the over-budget spending. Why did the Township continue with the project if it was over budget? Why was it built? Who was the overseer of the police building project? Project manager? Blough stated that he did not vote for the building. Blough further stated that the Police Department was OK with working out of the current building and having some work office trailers set up. Huff stated that he did not oversee the building project day-to-day. Question was asked where the overages occurred for the PD building? Tvardzik responded that the overages were an additional 10% on the building plus office furniture and the driveway. Tvardzik stated that he managed the day-to-day construction of the building.

Discussion was held on filing Act 47 and if the taxes would be reduced after the debt is paid.

Discussion on the reorganization of the Board – what guarantee that the Township will be handled any differently with the same people in office?

The residents stated that they presented a petition calling for Tvardzik's resignation as a Paint Township supervisor. Comment: Be a man and take responsibility for your actions.

Huff stated that Blough will do a good job as Secretary-Treasurer.

Discussion continued on zoning, the millage rate, smoke and dye testing, the PennVest project and the cost to the homeowners. Comment: Time the Board uses common sense and watch every nickel and dime they are spending.

Continued discussion on the CPA firm, the tax limit (which is 14 mills General Purpose), forming a

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citizen advisory board, filing Act 47, the police budget and the over budget items.

The Board took no formal action on any item under Open Forum.

Adjournment: Motion by huff and seconded by Tvardzik to adjourn. Meeting adjourned at 5:20pm.

Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Next Township meeting is on October 16, 2012 at 6:30pm.

David Blough, Secretary/Treasurer

MINUTES

Special Meeting October 2, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Huff called the meeting to order and led the board in the “Pledge of Allegiance”. Other board members present were Tvardzik and Huff. Also present Linda Taormina, Office Secretary. The visitor list is attached.

New Business:

1. This meeting was called for the purpose of accepting or not accepting a Lease/Loan Agreement with First Summit Bank using paid off equipment to obtain funds (\$75,000.00) to help carry the Township until a long-term loan can be obtained. The payback of this lease/loan is over three years with the first payment May 1, 2013.

Discussion:

1. How long to pay off the long-term loan? Response: this will be determined by the CPA
2. Is it possible to go back to the original Police Department only serving Paint Township?
Response: the cost will still be the same or a little more than it is now.
3. Was the budget looked at before the expansion of the police department and building the new building? Blough: yes, but the overages were not accounted for.
4. Amounts of the 2 loans? Response: \$75,000.00 and \$300,000.00
5. Is \$300,000.00 enough? Response: \$300,000.00 according to the CPA will clear the Township.
6. Any plans to reduce the current budget? Blough: currently personnel reductions.
7. Should the Township seek another CPA firm for a second opinion. Blough: BarnesSaly has issued warnings for the last three years with the yearly audit.
8. Why was this not addressed 3 years ago? No response.
9. Why can't the state police take over for a couple of years until the Township gets back on its feet? Huff: new senate bill will enable state police to charge any municipality per hour for coverage.
10. Lease/Loan: are these the last pieces of equipment solely owned by Paint township? Blough: yes and proceeded to list the vehicles included in the loan.
11. Will the \$75,000.00 bring the Township's laid-off employees back to work? Response: no and

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cuts cannot be made in the police department in order to honor the purchase of service agreements.

12. Should the Township file Act 47?
13. Why proceed with the police building when the cost was more than budgeted for?
14. Questioned about whether the Township received a \$6,000.00 tax loan? Response: No such loan was applied for nor received.
15. Lew Clark: why ignore the warnings from the CPA? Huff: should have had a tax increase last year. Blough: the Township was using sewer funds to pay bills.
16. Barbara Vamos: should have had tax increases gradually instead of such a big increase at one time. This makes it very difficult for all those on fixed incomes to finance.
17. Lew Clark: has the budget been split between the Township and the Police Department? Blough: the office clerk has been dividing the bills and the CPA will be in to work on the budget for both sides.
18. Will the road crew be back to plow snow? Blough: yes. There will be a little Liquid fuels money to help pay for plowing.
19. Barbara Vamos: will the taxes go back down when the debt is cleared and the Township is stable? Huff: yes
20. Michael McCracken: why was he not notified of financial difficulties? Blough: the annual audit is available by law to any resident of the Township and the elected auditors can make suggestions and points to the Board at any time they see fit.
21. Lew Clark: when is the closing on the PennVest project? Response: not known at this time. The Township has not yet received notification of the closing date yet but is working with the Engineering group to have the necessary paperwork ready. What is the interest rate on the \$3000,000.00 loan? Response: a meeting has not yet been scheduled with the bank and the interest rate is unknown at this time.

Motion by Tvardzik to accept the terms of the Lease/Loan Agreement with First Summit Bank. Blough refused to second the motion. Motion seconded by Huff. Roll call: Huff – yes; Tvardzik – yes; Blough – a very reluctant yes and only because the payment on the plow trucks is past due and there is no other money to make that payment.

Adjournment: Motion by huff and seconded by Tvardzik to adjourn. Meeting adjourned at 7:10pm. Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Next Township meeting is on October 16, 2012 at 6:30pm.

David Blough, Secretary/Treasurer

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October 16, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Huff called the meeting to order and led the board in the “Pledge of Allegiance”. Other board members present were Tvardzik and Blough. Also present Linda Taormina, Office Secretary. The

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visitor list is attached.

Minutes: It was moved by Tvardzik and seconded by Blough to accept the Minutes from the September 18, 2012 Meeting and the Special Meeting on October 2, 2012, with the following additions and corrections and additions:

Chairman Huff asked that it be clarified that if he is on the Board, the debt service millage rate will be looked at that time (when the Township's debt is paid off) and a decision will be made then whether to reduce or remove that millage rate. Supervisor Blough also stated that no one knows who will be Board members at that time.

On item #21 in the Open Forum part of the Special Meeting minutes for October 2, 2012; the minutes should read \$300,000.00 instead of \$3 million.

These additions and corrections will be made.

Roll call: Blough – yes; Tvardzik – yes, Huff – yes.

Bill List: no bill list was available to due office staff layoffs.

Police Report: The September Police Report is attached.

Motion by Tvardzik and seconded by Huff to accept the resignation of full-time officer Sean Kisel as presented in a letter read by Chairman Huff. Motion carried. Motion by Huff and seconded by Tvardzik to retain Officer Kisel on a part-time basis with the Police Department as requested in the same letter. Motion carried. Letter is attached to these minutes.

Old Business: None presented at this time.

At this time Supervisor Huff read a statement to the public apologizing for the financial condition of the Township. Huff made a motion to change the time of the remaining Township meetings for 2012 to 6:30pm. The motion was seconded by Blough. Roll call: Blough – yes; Huff – yes; Tvardzik – yes.

It was moved by Huff and seconded by Blough to accept the MMO's for 2013 for the uniform and non-uniform pension plans. All agreed.

New Business:

1. It was noted that financial statements from all Township accounts have not been given to the Supervisors, as none of the accounts had been balanced with the September bank statements, due to office staff lay-offs.
2. Motion by Tvardzik and seconded by Blough to approve the Memorandum of Agreement from the Teamsters Union Local 110, read aloud by Chairman Huff. Roll Call: Huff – yes; Blough – yes; Tvardzik – yes.
3. Motion by Blough and seconded by Huff to approve the Memorandum of Understanding from the IAMAW, Local 2171, read aloud by Chairman Huff. Roll Call: Huff – yes; Blough – yes; Tvardzik – yes.
4. Motion by Blough and seconded by Tvardzik to approve extending the “opt-out date” of the Purchase of Service agreement with Scalp Level Borough from September 30, 2012 to November 30, 2012 in light of the financial situation of Paint Township.
5. Motion by Tvardzik and seconded by Huff to accept the extension of the “opt-out date” of the Purchase of Service agreement with the Borough of Paint from

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September 30, 2012 to November 30, 2012 in light of the financial situation of Paint Township. Roll Call: Huff – yes; Blough – yes; Tvardzik – yes.

6. It was noted that the winter materials will be obtained through Co-Stars Contract #6810-02 for the winter of 2012 – 2013.
7. It was noted that the Township Supervisors met with Corina Long and John Sarecena from BarnesSaly on September 18, 2012 to review the 2011 audit report and the financial projections.
8. Motion by Blough and seconded by Huff to approve the continuation of the Emergency Plans already in place for Paint Township. Motion carried.
9. Letter from Robert Miller, Business Representative from the IAMAW, Local 2171, concerning the lay-off status of office personnel, the Emergency Management Co-ordinator, and the Road Crew and violation of Title 35 (the second class Township Code.) was read by Taormina.

Correspondence: None at this time

Open Forum:

Items of discussion: 1. When the road crew will be back to work and does the township realize that the crew has seven days to report? Answer: the road crew will have to be called back to get the plow trucks ready for winter and yes the township is aware of the response time when called back to work.

2. What concessions will the IAMAW be making to the Township?
3. Points were made about the decreasing population of the Township and the ability of the current tax base being able to support the possible 6 mill increase.
4. Bankruptcy as an option for a fresh start for the Township. Comments by Huff and Blough that DCED will not allow a municipality to file bankruptcy until all avenues for revenue have been exhausted. Also, the loan currently applied for will have to be approved by DCED.
5. The Township was questioned as to what was discussed when the Supervisors met with the CPA firm. Huff replied that the financial projections through 2014 were gone over. These projections were required by the banks. And the police force is costing approximately the same as when Paint Township had its own force.
6. The terms for the \$300,000.00 loan have not yet been given to the Township.
7. Act 47 (bankruptcy) is not an option when the Township is making payroll.
8. Can the tax increase be increased the next year?
9. Can the purchase of service municipalities end their agreements with 30 days notice? Both Huff and Blough said yes.
10. Statement that the tax increase will bring in approximately \$300,000.00 in additional tax revenue. What happens if there are unanticipated inflation of costs for the Township?
11. Question: if the bank gives the Township a loan, the Supervisors will take it and if no loan comes through, will the Township file Act 47? Blough answered that the Township isn't the only one that has to agree to the loan. The loan has to be approved by the court and DCED.
12. Comment that even if the Township gets a loan, the demographics do not support the tax increase to pay the loan. The Township needs to go back to being a rural, small, self-supporting community. Response by Huff that it is more effective to have all the communities pool their resources.
13. Comment about the fairness of continuing the purchase of service agreements at the expense of Paint Township taxpayers.

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14. Question: Why aren't Paint Township's calls on the monthly police reports? Huff replied that he will look into that.
15. Can Paint Township opt out of the purchase for service agreements and opting out will solve the problem. Response by Tvardzik that someone else in the county will then end up with 1/3 of the county as a regional police department.
16. Comment: not all expenses were taken into consideration for the purchase of service agreements. Response by Tvardzik that Chief Skiles came up with the figures used for those contracts.
17. Question: if the CPA tells you that you're in trouble why was nothing done and the secretaries for the Township also stated the problems. Response by Huff that the township thought it had other avenues to obtain revenue. Two points: one, the sewer project did not raise taxes and two, the sewer project did open 2 new opportunities. Expansion is the way to go for the Township.
18. Question: would it be possible for the Township to talk to the bank and use a 2 mill increase per year over several years instead of a 6 mill increase in one year? And Expansion is not a possibility for the Township if the taxes take a 6 mill increase. Huff responded that that possibility would be discussed with the bank at the meeting on Wednesday, October 17, 2012.
19. A short discussion followed on ways to bring money into the Township.
20. Comment that the Township needs to address the immediate problem and manufacturing is not the solution.
21. Question: When will a budget be available for 2013? Blough responded that hopefully by the November meeting.
22. Comment: the bill list and the financial statements should have been a priority for the meeting.
23. Question: did the Township get the \$75,000.00 loan yet? Response – no. and the interest rate is not yet known.
24. Comment that the people of Paint Township will not be able to pay for a 6 mill increase, followed by a discussion of the sewer tap in fees.
25. Question: can the fees in the purchase of service agreements be negotiated if no one opts out. Huff responded no.
26. A copy of suggestions and questions was given to each supervisor and answers were requested in writing before the next township meeting.
27. Question: can the township request an audit from the county or state? Response that the state receives a copy of the audit every year for their records.
28. Comment on keeping the costs for the Police Department separate from the other departments and can the funds for the police Department be kept in a separate account.
29. Comments that the employees should be paying part of the hospitalization costs.
30. Request that all meetings in 2013 be held at 6:30pm and the doors be opened at 6:00pm.
31. Comment that the Police Department should be rolled back to a Paint Township department only as Windber Borough is saving \$38,000.00 per year.
32. Comment that there needs to be accountability for the grand plan. Whatever individuals are responsible for the debt, especially if they did not look at the demographics of the township. Roxanne Beri requested to go on record that she is stating the slate needs to be clean.
33. A petition with additional new names was presented to the Board of Supervisors requesting the resignation of Supervisor Tvardzik. Comment that changing the titles of the Board members does not remove the problem and the people of Paint Township are not satisfied with the current Board of Supervisors. (petition is filed with the minutes in the Township minute book). Discussion on the wages received by Supervisor Tvardzik. Response by Supervisor Tvardzik that all of his wages are reimbursed to the Township by PennVest and the EADS group.

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34. Question: would the tax rate increase be in effect for the March of 2013 collections? Answer – yes.
35. Comment: information concerning the Township cannot be withheld from the public. The Township is not charging enough to the different municipalities for the purchase of service contracts. If they were, then a 3 mill rate increase would be sufficient. The supervisors must be more responsible to keep track of expenses versus income. Why has the Township not worked on a recovery plan without waiting for the banks? The facts and figures need to be laid out and the options looked at.
36. Comment that there should be a master plan with scenarios for each possible budget problem.
37. Comment that Chief Skiles and Supervisor Tvardzik had stated publicly that the police building would not cost the taxpayers of Paint Township.
38. Suggestion: would it be possible to have an informal committee for input to put the budget together?

Adjournment: Motion by Huff and seconded by Blough to adjourn. Meeting adjourned at 8:55pm.
Roll call: Blough – yes; Tvardzik – yes; Huff – yes.

Next Township meeting is on November 20, 2012 at 6:30pm.

David Blough, Secretary/Treasurer

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November 20, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Huff called the meeting to order at 6:30pm and led the board in the “Pledge of Allegiance”. Other board members present were Tvardzik. Also present Linda Taormina, Office Secretary. The visitor list is attached.

Minutes: It was moved by Huff and seconded by Tvardzik to accept the Minutes from the October 16, 2012 Meeting with the following additions and corrections:

Supervisor Tvardzik asked that it be clarified in item #33 under Open Forum that his wages that were reimbursed to the Township were for the PennVest Sewer Project. Taormina verified that those wages were for 2010.

It was asked by a resident that a comment concerning the Tap In Fee imposed by the Township be included in the minutes as a matter of public record. That comment is that the Tap In Fee has been and is \$2,500.00 .

These additions and corrections will be made.

Roll call: Tvardzik – yes, Huff – yes.

Bill List: The bill list was read by Taormina. Verified by Taormina that the bill list included all the bills since the regular September monthly meeting. Motion by Huff and seconded by Tvardzik to pay those bills pending availability of funds. Roll Call: huff – yes; Tvardzik – yes.

Police Report: The October, 2012 Police Report is attached.

Motion by Tvardzik and seconded by Huff to accept the police report as presented. Motion passed.

Old Business: The Township expressed recognition of the petitions that have been presented to the Township asking for Supervisor Tvardzik's resignation. No voting action required on this matter.

New Business:

1. It was noted that financial statements from all Township accounts for September and October have been given to the Supervisors for review.
2. Motion by Tvardzik and seconded by Huff to approve the the proposed rate increases by Building Inspector, Mark Walker with the understanding that the increases will be passed on in increases for the permits. Chairman Huff will also be looking into other options such as using the county office for inspections. Roll Call: Huff – yes; Tvardzik – yes. It was noted by Roy Shaffer that he has yet to receive the paperwork that needs to be completed for the inspection of his sewer line and any further increases from Walker Consulting should be presented sooner than the November meeting.
3. It was noted by Chairman Huff that the Police Department will be doing its annual Christmas for Kids program and anyone interested in volunteering to help should contact Joe Huff.

Correspondence: None at this time

Open Forum:

1. Joanne Wright opened discussion with a review of the Right To Know request she presented to the Township and the response received. She had requested copies of the time sheets from Supervisor Tvardzik (one for each quarter in 2011), a copy of Supervisor Tvardzik's 2011 W-2 , and a copy of the reimbursement of his wages for 2011 from PennVest. The Township provided six time sheets and the W-2. No reimbursement for 2011 wages was received by the Township from PennVest, therefore the Township was unable to provide this. Joanne quoted the May 15, 2012; the June 19, 2012; and the October 16, 2012 minutes as Supervisor Tvardzik saying his wages were reimbursed by PennVest. She further quoted the 2011 audit that said wages were a contributing factor in the Township's deficit. Further, she presented page 7 from the Pennsylvania Township Supervisors Manual which states that a supervisor that is not a working supervisor for the Township can receive only \$1,875.00 in compensation per year. Paint Township has only one working supervisor and currently that is Dave Blough, roadmaster. Also, Supervisor Tvardzik's time sheets were signed by himself and Dave Blough, not the other two supervisors as required by Township code. Response by Supervisor Tvardzik: presented a 2008 supplement to the Supervisors Manual that he said provided for the wages that he received from the Township. Because he was unable to find the exact wording in the supplement, the opportunity to review the supplement was requested by Joanne Wright and several other residents. Supervisor Tvardzik handed over the supplement for their review. He further stated that he had been in contact with the township solicitor concerning this matter and had been reassured that his wages were perfectly legal. Joanne requested time to review the supplement,

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let the meeting proceed and would the Board come back to her later in the meeting. It was agreed to do so.

2. Roy Shaffer asked about who to call concerning an emergency with the grinder pumps and the pump station back-up generators. Response: call Brian Weaver or Joe Huff. Roy reinforced that Tvardzik's time sheets should have been signed by the other two supervisors and the conflict of interest if a supervisor is paid from another source \$500.00 or more. At this point, Supervisor Tvardzik left the meeting (7:01pm). The meeting stopped. No adjournment was possible without a quorum. Chairman Huff was prepared to continue the meeting at a later date to be announced. At 7:04 the meeting was back to order with the reappearance of Supervisor Tvardzik. He requested that there be no more discussion of his wages. Roy continued with his questions concerning the budget: Available yet – no. Committee set up yet – no one has approached the Township to be on any committee. Line items in the upcoming budget – yes.
3. Sharon Pruchnik reviewed the October Police report with reference to the call list for each municipality, questioning the \$300,000.00 per year that Paint Township is responsible for the department and the Township had only 40 calls in comparison with 178 for Windber Borough. Supervisor Huff commented that he had discussed the overages with Fred Oliveros from Windber Borough. Discussion followed on returning the department to the original Paint Township Police Department. Chief Skiles stated that he will meet with any of the residents that wish to discuss the police department. Supervisor Huff stated that he will ask for one year contracts for the purchase of service agreements so they can be reviewed annually. The question was raised as to what the residents of Paint Township were getting for the 75% tax increase. Reply: 1. police protection and 2. maintaining the road crew. Comment by a resident of the Feather Nest community that the Township does not take care of the roads there and is a private community and therefore they are not getting anything for the increase.
4. Paul Henger commented that he personally does not have any faith in BarnesSaly as far as the preparation of the budget and wanted to know if there would be input from the Township in preparing the budget? Reply – yes. Also wanted to know if the utility bills for the Township had been paid. Reply – the water bill was paid, but the electric is 2 months behind. Paul also asked about calls on the grinder pumps. Brian Weaver responded that he received 2 calls, both involved the house electric. Paul questioned Brian Weaver's pay from the Township. It was explained that Brian is paid a flat monthly rate no matter how many hours he puts in; not an hourly rate. Comment that the taxpayers do not have to pay their taxes on time which would delay the Township having access to the tax money. Supervisor Huff also commented that hiring a Township Manager would cost the Township an additional 2 mills.
5. The meeting returned to Joanne Wright. She stated that she reviewed the supplement provided by Supervisor Tvardzik and could find nothing that supported his claim that he could legally receive the pay that he did. She stands by her original claim that Supervisor Tvardzik exceeded the amount he could receive in 2011.
6. Brian Mahler asked if the loan the Township is seeking could be spread over a longer period of time to reduce the millage increase? Reply- the Township is looking at options for that, the only drawback is the higher amount of interest that is paid over a longer term.
7. Representative Frank Burns spoke next and made the following points: a. the police force can work as a purchase for service force. There is a learning curve cost. b. he encouraged the residents to find a way to work together to find a solution to the current financial situation. c. don't delay paying your taxes – that is like biting your nose off to spite your face. d. look at the Police Building as an investment. e. revise the price structure for the purchase of service agreements. f. Supervisor Tvardzik had contacted him and there is no state money available to

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- support the police department. The residents at the meeting disagreed with Representative Burns that the cost of the millage increase is something that they should they should accept. It was commented that the residents of the Feather Nest Community will get hit twice with the millage increase and being a private community do not receive the road services of the Township. Comment that the two housing developments in the Township will have trouble getting anyone to build with a 75% tax increase. Supervisor Huff commented that Act 47 (bankruptcy) is not a feasible option at this time because the millage rate is not out of line in comparison with the surrounding communities and Paint Township failed to raise taxes to keep up with costs. A comment was made that the 3200 people in Paint Township do not have the tax base to support this type of grandeur. Representative Burns asked that the people move forward.
8. John Rugg asked that the budget be line itemized and compared with other municipalities. Would Representative Burns be willing to come to Paint Township for budget workshops. Most townships do their own budgets – why is the CPA working on Paint Township's? Reply: having the CPA set the budget up for 2013 will give the Township a guideline to use for future budgets. The comment was made that the ideas from the residents will have to be listened to. Reply: hindsight is 20/20 and if there are ideas that can be used, they will be. By the next meeting, the Board should have information from the meeting with the union and Windber Borough. The state police will put extra cars on if the police department should go down, but the protection will not be there for the residents. Comment: you cannot make money on purchase for service police departments and the paint Township department was originally set up to save money for the municipalities by pooling the resources. Time is needed to get the bugs out. There is legislation (not law as yet) that the municipalities would have to pay for state police protection and population would be a factor in the cost.
 9. Lew Clark: requested that a survey be sent to each household in Paint Township to see what the people of the Township want concerning the Police Department. Reply by Huff: a referendum in the next election is also a possible good idea and that a referendum could also be an idea when it comes time for zoning for the Township. A short discussion followed concerning zoning and bringing business into the Township. Question as to when the 2012 Tax Anticipation loan is to be paid. Reply: by December 31, 2012. Lew would like to go on record that he believes its time to change the length of terms served by the Township supervisors from 6 years to 4 years. A question was asked of Representative Burns concerning the Marcellus Shale drilling. Paint Township falls in the center between the North and South ends of the drilling. This makes Paint township part of the area that is considered the supply chain to each of those areas. Training is currently going on and eventually jobs will result.
 10. Brian Armen: suggested workshops for finding solutions to the Townships current financial problems. Commented that the costs incurred by the Township for BarnesSaly were not unreasonable. He has lived in several communities and has experience with issues as this. He also commented that the police force and the school district serve the people of the area well.
 11. Adam Kohler: asked if there was anyone with an unresolved problem with the sewer project. His encroachment problem has not been resolved and wants to know where the responsibility for unresolved problems falls. Reply by Huff: has instructed the engineer not to release any monies to the contractor until this has been resolved.
 12. Eric Farabaugh: made a suggestion to the residents present – bring back a suggestion to the supervisors for bringing money into the Township. Huff replied that he would like to discuss Eric's questionnaire with him and go over each question.
 13. The board was questioned on the interest rates of the proposed loan for the Township. This is as follows: Somerset Trust:

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2 year, 5 year, or 7 year option are all at 4.75%

First Summit Bank:

3 year – 3.80%

5 year – 4.0%

7 year – 4.20%

Supervisor Huff commented that the Board would look at all the numbers and get this underway ASAP. A short discussion followed and comment that the amount of tax mills for debt would be dedicated to debt service.

Adjournment: Motion by Huff and seconded by Tvardzik to adjourn. Meeting adjourned at 8:47pm.

Roll call: Tvardzik – yes; Huff – yes.

Next Township meeting is on December 18, 2012 at 6:30pm.

David Blough, Secretary/Treasurer

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Special Meeting
November 29, 2012 6:30 pm

The meeting was called to order by Chairman Huff who led the Pledge of Allegiance. Other board members present were Tvardzik, Vice-Chairman and Blough, Secretary-Treasurer. Also present Wendy Senior, Office Secretary. The visitor list is attached.

The purpose of the special meeting is to execute the purchase of police service agreements between Paint Township and the Borough's of Central City and Paint.

Huff outlined the terms of the Central City contract to the public. The contract is a four year agreement beginning in fiscal year 2013 through 2016, year 2013, \$36,100.00, year 2014, \$37,925, year 2015, \$39,750.00 and year 2016 \$41,575.

Public comments were taken. Items discussed, did the township use gross up figures? Will extra time and costs be passed on to the respective municipalities who may have over runs? What happens if the township exceeds budget before September? Will Paint Township bear those costs? Huff stated gross up figures were calculated, extra time will be passed on, the budget will be monitored very close and if the budget begins to become a problem hopefully the other municipalities will be under. Huff stated that cuts will have to be addressed if a problem occurs within the budget. Huff stated that all the municipalities were agreeable to the increases. Comments continued, why so many police officers? Huff stated hours must be covered and for officer and public safety. Comment the 2013 millage rate being proposed is to extreme. Has a factual monetary cushion been built into the police contracts? Huff yes, Blough commented that the police purchase of service contracts help to keep costs down, less duplication of services. Question was asked as to the length of the police union contract? Huff stated it is a 5 year union contract, comment, too many variables and unknown factors in purchase of service agreements and the salaries that are being paid. When will the 2013 budget be completed? Supervisors stated it is still being worked on. Comment of declining township population, the bank loans and why a profit cannot be made by the township regarding the purchase of service agreements and if the township does not receive a benefit from the purchase of service agreements why is the township agreeing to them? Huff stated he does not see a decline in the population for Paint Township because of the two large residential developments, the KOZ site and sewage service. Blough stated that he would like to have a referendum placed on the ballot asking if the residents of Paint Township would like to continue in the purchase of police service contracts. Blough continued further on the possibility of forming a regional police department taking the police services out of township's control. Blough stated that after 2013 if the township cannot afford the purchase of service agreements the township will have to reevaluate continuing with the agreements. Blough stated this is his opinion. Motion was made by Tvardzik and seconded by Blough to accept the Central City purchase of service agreement. Motion carried. Roll call: Huff – yes, Tvardzik – yes, Blough – yes.

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Huff outlined the Paint Borough Police Service Agreement. Huff stated that the Paint Borough agreement is identical to the Central City agreement. Public comments, length of contract, are there factual monetary cushions built into the cost? Is Paint Township planning to hire any additional police officers? Huff stated no. Comments continued on the size of the department, why is the township agreeing to these police service contracts when it does not have a 2013 budget prepared? Huff stated that he will be monitoring the police budget on a monthly basis and the township will be meeting on a quarterly basis with all the municipalities. Motion was made by Tvardzik and seconded by Huff to accept the Paint Borough police purchase of service agreement. Motion carried. Roll call: Huff – yes, Tvardzik – yes, Blough – yes. Note no action was taken on any items regarding public comments. Motion was made by Huff and seconded by Tvardzik to adjourn. Meeting adjourned at 7:40 pm.

David Blough
Secretary-Treasurer

MINUTES Special Meeting

December 10, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Huff called the meeting to order at 6:30pm and led the board in the “Pledge of Allegiance”. Other board members present were Tvardzik and Blough. Also present Linda Taormina, Office Secretary. The visitor list is attached.

New Business:

Discussion was held concerning the following items:

1. the collateral put up for the \$350,000.00 loan is none: this is a General Obligation Note.
2. The loan is for 5 years
3. There is no penalty for prepayment
4. The loan is at 4% interest.
5. The first payment will be \$ 38,953.82 six months after the loan has been processed.
6. The millage rate increase won't change much from what had been expected.
7. The Ordinance is specific to this loan.
8. The steps for the loan are: today's meeting to approve the ordinance, an ad stating the ordinance was adopted, filing the petition with the Court of Common Pleas, and approval by DCED.
9. A short discussion was held concerning the late payment of the 2012 tax anticipation note with Slovenian Savings and Loan. The penalties for late payment are not known at this time.
10. The question was asked: What if the \$350,000.00 was not enough to get the Township through until the real estate tax revenue starts coming in? The reply was that it had to be enough.
11. Discussion: the \$75,000.00 lease/loan will fall under the millage designated for debt. This will be paid off in 3 years. The first payment is due in June 2013. The truck lease has only one more payment (2013) so that amount can be used as another payment on the lease/loan in 2014, provided another truck is not needed by the road crew.
12. When the 2013 budget would be ready for public review was asked. The reply was that the budget was almost there and would be available for the public ASAP. A meeting was

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scheduled on Tuesday, Dec. 11, 2012 with the Township solicitor to discuss the budget among other things.

A motion by Tvardzik and seconded by Blough was made to adopt Ordinance No. 2012-4 for the \$350,000.00 loan from 1st Summit Bank. Roll call: Huff – yes; Blough – yes; Tvardzik – yes.

Motion to adjourn by Huff, seconded by Tvardzik. Next regular Township meeting will be held December 18, 2012 at 6:30pm.

David Blough, Secretary

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December 18, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Huff called the meeting to order at 6:30pm and led the board in the “Pledge of Allegiance”. This was followed by a moment of silence for the victims of Newtown, Conn. And former Township Supervisor, Bruce Statler. Other board members present were Blough and Tvardzik. Also present Linda Taormina, Office Secretary. The visitor list is attached.

Minutes: It was moved by Huff and seconded by Blough to accept the Minutes from the November 20, November 29, and the December 10, 2012 meetings.

Roll call: Tvardzik – yes, Huff – yes; Blough - yes.

Bill List: The bill list was read by Taormina. Motion by Blough and seconded by Tvardzik to pay those bills pending availability of funds. Roll Call: Huff – yes; Tvardzik – yes; Blough - yes.

Police Report: The November, 2012 Police Report is attached.

Motion by Tvardzik and seconded by Blough to accept the police report as presented. Motion passed.

Old Business: None presented at this time.

New Business:

1. It was noted that financial statements from all Township accounts for November 2012 have been given to the Supervisors for review.
2. Motion by Blough and seconded by Tvardzik to approve Resolution No.2012-5. Mr. Dennis Mash from the Windber Area Authority presented the information that during the PennVest loan review it was found that the Windber Area Authority's articles of incorporation expire in 2031 and their current PennVest Loan expires in 2032. The Resolution No. 2012-5 approves the extension of incorporation to a date not exceeding 50 years from the date of approval. Paint Borough, Richland Township, and Scalp Level Borough have already given their approval. Windber Borough is also scheduled to vote on this matter on December 18, 2012. Roll Call: Huff – yes; Tvardzik – yes; Blough - yes.

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3. Discussion concerning a referendum included: 1. How will the question be phrased? 2. Will there have to be another tax increase? 3. How will the public be notified (public meeting, post online)? Joseph Cominsky stated that he had been misquoted in the Tribune Democrat and that he is not against the police force as it currently is. He is against the current cost to the Township taxpayers. Supervisor Huff responded that is one of the reasons a regional police force is currently being looked at. 4. Will the wording of the referendum be approved at a future meeting? Chief Skiles commented that DCED will come in and look at the the possibility of a Regional force and make recommendations for cost efficiency. Chief Skiles added that the Township does not want the wording of the referendum to eliminate the possibility of a Regional Force. Motion by Tvardzik and seconded by Huff to approve a referendum to be placed on the spring ballot concerning whether or not the residents of Paint Township want to continue in the purchase of service agreements for police protection. Roll Call: Blough – yes; Huff – yes; Tvardzik – yes.
4. Discussion of the tax rate: 1. Will the debt service millage be in a separate account? Answer is yes – the debt service millage will be deposited in an account separate from the General Fund and will only be used for the debt. 2. How was the tax rate arrived at? Answer – the CPA firm figured the rate in order to balance the budget. Motion by Blough and seconded by Tvardzik to set the millage rate for Paint Township for 2013 at 14 mills: 10.35 mills for General Purpose and 3.65 mills designated for debt service. Roll Call: Huff – yes; Blough – yes; Tvardzik – yes.
5. The motion to adjust the Real Estate Collectors commission for 2014 has been tabled until the reorganization meeting scheduled for January 7, 2013 when a formal resolution will be approved. Please note that Joanne Wright wishes to be on record that she does not want her income to increase due to the Township's current financial woes and has requested that the Township also agree to an adjusted commission for 2013 with a possible cost of living increase included.
6. Motion by Blough and seconded by Tvardzik to accept the resignation of elected auditor, Michael McCracken, dated December 8, 2012, effective immediately. Roll Call: Huff – yes; Blough – yes; Tvardzik – yes.

Correspondence: It was noted that a letter had been received from the Pennsylvania Department of Agriculture to attend the Farm Show in Harrisburg, including a brunch on Jan. 10, 2013 at 11:00am.

Open Forum:

1. Lew Clark: in view of the recent financial history of Paint Township, which supervisor will be responsible for the finances? Response is that all 3 supervisors will be responsible. There will be a monthly review of the finances and the line items in the budget and quarterly reviews with the purchase of service municipalities and the Teamsters concerning the police budget. The purchase of service agreements are fixed and by September 30 the Township can ask for more money or opt out. Mr. Clark's personal opinion is that \$350,000.00 is not going to be enough to get the Township through until the real estate taxes start coming in. He also has noticed an increased presence of the state police on Route 56. Chief Skiles responded the the state police rotate their areas of enforcement.
2. Joseph Cominsky commented that he thought it was foolish to walk away from the investment the Township has made to the police department and the township needs to look carefully at the expenditures.
3. Adam Kohler presented a letter to be included with the minutes from this meeting as a matter of

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record.

4. Brian Armen stated that he would like to extend a thank-you to all township employees for the jobs being done.
5. Supervisor Huff commented that the procedure for the grinder pumps will soon be ready to be given out. And the budget will be ready for public review by the end of the week. There will not be time for the budget to lay for the required 20 days and there will probably be a special meeting on Dec. 31, 2012 for approval of the budget.

Adjournment: Motion by Huff and seconded by Tvardzik to adjourn. Meeting adjourned at 7:00pm.

Roll call: Tvardzik – yes; Huff – yes; Blough - yes.

Next Township meeting is on January 7, 2012 at 6:30pm.

David Blough, Secretary/Treasurer

MINUTES

Special Meeting

December 31, 2012

Paint Township 1741 Basin Drive Windber, PA 15963

Chairman Huff called the meeting to order at 6:30pm and led the board in the "Pledge of Allegiance". Other board members present were Blough and Tvardzik. Also present Linda Taormina, Office Secretary. The visitor list is attached.

New Business: This meeting was held for the sole purpose of approving the proposed 2013 Budget. An explanation of the proposed budget and the reasons for the shortened time frame was offered by Chairman Huff. Due to the loan application, the CPA firm being involved in this years budget, and the additional revenue needed for debt service and the purchase of service agreements the budget process could not include the 20 days for public review.

1. Sharon Pruchnic offered the following questions and observations: a. Is the overtime for the police department built into the numbers presented on the wage line items? Answer -yes. b. Will the Supervisors look at the budget every month? Answer -yes. c. Sharon felt that there is a **\$228,000.00 difference from the line items for the police department on the 2012 to the line items on the 2013 budget**. The answer was that the 2013 contains a more specific breakdown (line items) for the police department on the 2013 budget. Many items were included with the General Government totals on the 2012 budget. d. How are the purchase of service agreement numbers arrived at? Is this based on the number of calls, number of hours per municipality? Chief Skiles answered that all of those items were taken into consideration. He pointed out that Paint Township is paying for 24/7 coverage. And though the Police Department answers all the calls in Scalp Level Borough, Paint Borough, Benson Borough, and Central City Borough there is not a police presence in those municipalities 24/7. Sharon's point was that the calls from the above municipalities equaled the number of calls for Paint Township each month. The combined income for the above municipalities is approximately \$8,100.00 for 2012 as compared to \$25,000.00 for Paint Township. e. Referenced the newspaper article that said the Township could not place a referendum on the ballot

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concerning the police department. Huff replied that police departments were not one of the 24 items that could be referendum questions. Possibly a questionnaire or survey would be the way to determine public opinion. All ideas would be welcome.

2. Eric Farabaugh asked: a. where Paint Township found the funds to match the \$14,426.00 amount that Windber Borough has agreed to pay in 2013 in addition to their previously agreed purchase of service contract. Answer -cuts were made to free up the funds. b. What was the total spent by the Township in 2012? Answer -that amount is determined by the CPA when the audit is done.

3. Brian Armen wanted to know at what point was the Township at with the purchase of service contract with Windber Borough? Answer -two of the three years have been completed at the end of 2012.

4. David Zeglin asked: a. whether the township and police department secretaries were on the hospitalization plan? Answer -yes. b. Asked if the Emergency Management department was included in the purchase of service agreements? Answer -after this year that will happen. It was noted that the current coordinator is a former police officer and Chief for Paint Township.

Also, the EMC takes care of all the IT for the Township, including the record and computer maintenance and the Township website. To outsource this would cost the Township a lot more than currently paying. Also, the EMC is doing the mapping of the sewer system in conjunction with the PA One Call system. c. Comment by Mr. Zeglin that the hospitalization bill is bleeding the taxpayers. d. Are monthly payments possible on the loan? Answer -yes, with no penalty. e. Will there be enough money until the tax money starts coming in and has the Township applied for a tax anticipation loan for 2013? Answer -there has to be enough money and there will be no tax anticipation loan for 2013 because the Township was unable to pay the last one. f. Did the CPA advise on areas to make cuts for the budget such as hospitalization and were the purchase of service contracts reviewed by the solicitor? Chief Skiles responded that starting in January, 2013 DCED will be asked to do a study to determine the cost of a regional police force if the other municipalities are interested.

Motion by Tvardzik and seconded by Huff to approve the 2013 budget as proposed. Roll Call: Huff -yes; Blough -yes; Tvardzik -yes.

Adjournment: motion by Blough and seconded by Huff to adjourn at 9:45am. The next Township meeting will be January 7, 2013 at 6:30pm.

David Blough
Secretary Treasurer

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