

**Industrial Development Authority
June 10, 2015**

The regular meeting of the IDA (Industrial Development Authority) was held on Wednesday, June 10, 2015, beginning at 6:00 p.m. in the Borough Building. Mr. Badger called the meeting to order.

Present: Paul Badger; Ray Fisher; Matt Hill; Greg Wendt
Rod Beard, Solicitor; Don Holderman, Secretary;

Excused: Frank Halderman;

Borough Staff:

Visitors: Sue Hannegan, CCPCDO; Todd Giddings, Ferguson Township;

Approval of Minutes:

- Mr. Fisher made a motion to approve the minutes of the IDA meeting of May 13, 2015. Mr. Hill seconded the motion. A voice vote was unanimous to approve the minutes as presented.

Public Comments:

None.

Financial Reports:

a. Mr. Holderman gave the financial report. Under the incidentals on the Monthly Financial Report there is \$13,887.00 that almost the entirety went to the Building Permit for the project. There was another \$7,240.00 that was paid in consultant fees. Attorney fees were \$595.00. \$2,885.00 was paid on the interest to the loan.

On Project Funds as of June 2015 there is a little over \$2 million in Northwest Loan and approximately \$188,000.00 of the Borough's cash that was put into the project, which gives approximately \$2.268 million as the project begins. The Bridge Loan will carry things over until the ARCAP funds start to come in.

For the month of May through June there were expenditures of \$24,607.00. Next month will be significantly more.

b. Buchart Horn Amendment for Design Services - Scott put this in for the additional out of scope services. Most of this was due to the additional work for the Section 106 Historic Resolution. The Army Corp going in didn't know what level of work would be required to get that process through and it required a lot more than they anticipated. They did a lot of the coordinating work. An amendment for the final design phase services would be an additional \$10,900.00. The total contract amount with Buchart Horn is \$355,950.00 plus the \$10,900.00, if approved.

Mr. Fisher made a motion to approve the amendment as presented. Mr. Wendt seconded the motion. A voice vote was unanimous.

c. Mr. Hill made a motion to pay both invoices to Beard Law in the amounts of \$560.00 and \$227.50 and thanked Mr. Beard for revising his billing. Mr. Fisher seconded the motion. A voice vote was unanimous.

d. There was a prepayment invoice from G.O. Hawbaker in the amount of \$149,760.00, which is prepayment for the Redi-Rock.

Mr. Fisher made a motion to table action on this invoice at this time. Mr. Hill seconded the motion.

e. Update on the Bridge Loan by Mr. Wendt. The term sheet for the Bridge Note was approved by the bank and was submitted to Mr. Holderman yesterday and to the attorney that is helping with the bond financing and will be presented at the June 15th Council meeting. The goal is to have the loan completed by the end of July. There are some things that need to be completed regarding conditions. There will be a conference call with Yens and Ben tomorrow morning to discuss things. Mr. Holderman is not worried about that part.

f. Update on meeting with Consultant - Review Special Conditions - Brad (?) from Thomas & Williamson was at the Borough on June 4, 2015 to go over what there currently is with the special conditions. He went through each of the 16 tabs. Five of the tabs everything is fine. Of the other eleven most of the things are very minor modifications. There is some information that Mr. Holderman is waiting on such as the final executed building permit, which needs to be included in that tab. He needs to get with Scott and give him a list. The preliminary schedule for the project needs to be obtained from Hawbaker. He needs a copy of the proof of publication for bids and other items. The biggest item he will have is the cash flow statement will need to be redone. What Mr. Holderman brings as the monthly report is the cover page of a sheet that is really long and they want him to re-categorize them in a sheet RDA300 and an RDA301. Mr. Wendt will get Mr. Holderman a more definite timeline in the next few days.

Overall the consultant thought everything looks good. It will need to be packaged, put on a disk and set up a conference with someone in the Office of Budget to show how the forms are filled out. He said if the first reimbursement is submitted by July it could be received by December.

The grant technically expires in November so an extension will need to be obtained for the grant. If Mr. Holderman requests an extension too early FEMA will deny it.

g. Buchart Horn Invoices - Invoice #24 in the amount of \$6,313.84 for part of the contract and Invoice #11 in the amount of \$4,092.00 for the Act II Clearance work.

Mr. Hill made a motion to approve payment of both invoices. Mr. Wendt seconded the motion. A voice vote was unanimous.

Old Business:

1. Waterfront Property -

I. Scott Russell provided information for Mr. Holderman to share on the progress of the Waterfront Project. Over the last month Buchart Horn prepared the contract for the project in the amount of \$3,315,837.50. Execution of the contract ended the bidding phase of the project. They issued a notice of award, a notice to proceed letter. The effective date of the notice to

proceed was May 18th. There was a preconstruction conference held at the Borough on May 18th. They notified representatives from each of the respective agencies - The Centre County Conservation District; Department of Environmental Protection; The Army Corp of Engineers; and the Fish and Boat Commission. They have been working on Condition #9 with DEP that would be to provide a minimum of fifteen days notice before construction begins as required on May 18, 2015. Buchart Horn notified each of the regulatory agencies of the notice of intent to begin construction. Buchart Horn continued to gather information to resolve outstanding issues with Centre Region Code. They have sent the documents to Hawbaker. They have their signatures and will be in the mail soon. They continue to work on the FEMA Chlomar application.

II. Act 2 Clearance -

a. Removal of Drums - With the Act II clearance there were seven water drums with a small amount of water. Those were taken to the Wastewater Treatment Plant to be treated. There are three drums still on site with a small amount of soil. In the interim they will be placed at the landfill until they can be taken to an appropriate landfill for removal. They are not hazardous.

Mr. Clark did a sample of the transite board that was in the boiler room in Victorian Signs. It was asbestos, approximately eight 4' x 8' sheets that are non-priable. Mr. Holderman called Peneco to come in and remove it. He met with a representative from that company and signed a contract. The earliest they would be able to get in to remove those sheets would be mid to late June. On the wall was old siding and Mr. Holderman had him test it and it was not asbestos. The cost of that removal will be \$1,559.00. That should not be included in the RACP costs. There is concern if Peneco can't get in for a few weeks that it may hold Hawbaker up. It was suggested that Hawbaker be contacted to see where they plan to begin.

2. BAI Group - Comparison to ARM costs associated with Inspection - The Authority asked for comparison numbers to numbers were obtained from BAI Group for the Authority to review. The total cost for BAI is approximately \$15,000.00 - \$16,000.00. A comment they had regarding the way the soil specification is written is if the testing requirements could be modified and be inspected once or twice a week and they would only come back and retest heavily if the soil type and source is changed. It would save approximately \$8,000.00 to \$10,000.00 in testing services. Mr. Holderman will talk with Scott about this. Mr. Clark would ask ARM where the technician is coming from, which is Hershey, PA. ARM was obtained because someone had to be under contract to get the building permit.

New Business:

1. Block Color - Mr. Badger; Mr. Halderman; Nancy Perkins, BHCA; and Megan Tooker from HARB went a week ago to visit the site of Redi-Rock. The ladies were instrumental in getting them to vary the color codes from stone to stone on one poured block, which added a lot of contrast to the wall. Mr. Holderman will ask the ladies for their approval and then will respond to Redi-Rock. This comes with a concrete sealer on it and it repels water for a long time. Clearfield is using them right now for a big project. They can make forty blocks a day and plan to get more molds and then will be able to make sixty a day, but they have to sit a day before they come out of the mold. It will be take 160 truck loads to get them to Bellefonte. There will be 50 ton on each truck.

2. Communications - GO Hawbaker Letter dated June 3, 2015 - Scott will respond with a formal response.

3. Lock Haven Express Article on Groundbreaking Ceremony - Was provided for Authority members to review.

4. Armory Property Transfer Deed - This has been finalized. The IDA is currently the owner of the property.

Executive Session:

The IDA returned from Executive Session where they discussed the Armory Property. No action is needed at this time.

Adjourn:

- Mr. Hill made a motion to adjourn the June 10, 2015 meeting of the Industrial Development Authority at 7:00 p.m. Mr. Fisher seconded the motion. A voice vote was unanimous.