

JUNE 19, 2007

A special meeting of the Jonestown Borough Council was held on the above date beginning at 7:00p.m. with President Jason Kern presiding. The following members were in attendance: Lynn Kleinfelter, Paul Bird, Ronald Gue and Oriana Spittle. Also attending was Mayor George Kaufman, Attorney Dave Tshudy, Paul Lundeen of Rhoads and Sinon, and Secretary Cara Fisher.

In memory of the Borough's Maintenance Employee, Lehman C. Lupo, a moment of silence was observed.

A motion was made by Lynn Kleinfelter, seconded by Oriana Spittle to enact an ordinance authorizing the issuance and sale of two promissory notes in the aggregate principal amount of \$475,000.00 to the Rural Housing Service of the USDA to fund the new borough/maintenance building, such Ordinance being in the form presented by bond counsel at this meeting and to be number as Borough Ordinance No. 2007-2. A role call vote was taken as follows:

Jason Kern – Yes	Ronald Gue – Yes
Paul Bird – Yes	Oriana Spittle – Yes
Lynn Kleinfelter – Yes	

Motion carried with a vote of five (5) to zero (0) in favor with two (2) absent.

A motion was made by Paul Bird, seconded by Ronald Gue to adopt a Loan Resolution in the form required by the Rural Housing Service of the USDA (USDA Bulletin 1780-27), with respect to the loans to be made by Rural Housing Service of the USDA to this Borough for the new borough/maintenance building, such resolution to be in the form presented to the council at this meeting. Motion carried.

A motion was made by Lynn Kleinfelter, seconded by Ronald Gue to approve, ratify and confirm execution and delivery by the President of Council and Borough Secretary of Community Facilities Grant Agreement (USDA Form RD 3570-3) with the Rural Housing Service of the USDA of a grant of \$75,000 for and toward the new borough/maintenance building project, and, as necessary, a modification or replacement of such Agreement reflecting the revised loan commitment of \$475,000 from the Rural Housing Service of the USDA for such project. Motion carried.

A motion was made by Paul Bird, seconded by Oriana Spittle to approve execution and delivery by the President of Council and Borough Secretary of an Assurance Agreement with the Rural Housing Service of the USDA (USDA Form RD-400-4) in connection with the loans and grant for the new borough/maintenance building. Motion carried.

A motion was made by Oriana Spittle, seconded by Lynn Kleinfelter to approve execution and delivery by the President of Council and Borough Secretary of an Equal Opportunity Agreement with the Rural Housing Service of the USDA (USDA Form RD-400-1) in connection with the loans and grant for the new borough/maintenance building. Motion carried.

A motion was made by Paul Bird, seconded by Ronald Gue to authorize the President of Council, Assistant Secretary, Mayor and Borough Secretary/Treasurer to apply for and obtain a Position of Fidelity Schedule Bond on USDA Form RD-440-24 covering each officer of this Borough having access to funds of this Borough in the amount of \$100,000.00 or any such other amount as shall be required by the terms of the loan and grant commitment of the Rural Housing Service of the USDA for the new borough/maintenance building. Motion carried.

A motion was made and seconded to appoint Lynn Kleinfelter to the position of Assistant Secretary of the Jonestown Borough. Motion carried.

A motion was made by Lynn Kleinfelter, seconded by Oriana Spittle to authorize the President of Council, Assistant Secretary, Mayor and Borough Secretary/Treasurer of this Borough to open a "Project Account" for the new borough/maintenance building project with Jonestown Bank and Trust Company, and to execute and deliver such agreements, documents and certificates as may be required by said Bank for the establishment of such account and to designate the Mayor, President of Council, Assistant Secretary and Borough Secretary/Treasurer of this Borough as authorized signatories on said account, the signatures of any two (2) of such officers to be required on any check or draft drawn on the Project Account. Motion carried.

A motion was made by Paul Bird, seconded by Ronald Gue to authorize the President of Council, Borough Secretary/Treasurer of this Borough to execute and deliver such further agreements, documents and certificates as may be required by the Rural Housing Service of the USDA as a condition of closing on the loans and grant for the new borough/maintenance building project including such forms and documents as may be appropriate to provide for automatic deposit of loan proceeds to the Project Account for the new borough/maintenance building and automatic payment when due of the principal of and interest on such loans from the Borough's General Fund. Motion carried.

A motion was made by Paul Bird, seconded by Ronald Gue to approve an addendum to the legal services agreement with Rhoads & Sinon LLP, to increase the legal fees of bond counsel for the new borough/maintenance building project by \$1,500.00, such addendum to be in the form submitted to this meeting and to authorize the President of Council to sign such addendum and the Borough Secretary to attest and to affix the official seal. Motion carried.

**A motion was made to Ronald Gue, seconded by Lynn Kleinfelter to approve an addendum to the legal services agreement with Reilly Wolfson Sheffey Schrum & Lundberg LLP, to increase the legal fees of the solicitor in connection with the new borough/maintenance
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building project by \$1,500.00, such addendum to be in the form submitted to this meeting and to authorize the President of Council to sign such addendum and the Borough Secretary to attest and to affix the official seal. Motion carried.

Council discussed the invoices as received from Beers Hoffman Architects. There is some question regarding the costs listed on these bills. Council will research this and discuss payment at the July Borough Council meeting.

A motion was made by Paul Bird, seconded by Ronald Gue to authorize any two (2) of the President of Council, Vice President of Council, Borough Secretary/Treasurer of this Borough to authorize and approve payment of invoices of this Borough's bond counsel and solicitor for legal services rendered and expenses incurred in connection with the new borough/maintenance building project in accordance with the previously approved professional services agreement with such attorneys, such invoices to be paid at closing for the new borough/maintenance project loans, or as soon thereafter as loan proceeds are made available for such purpose by the Rural Housing Service of the USDA. Motion carried.

A motion was made by Oriana Spittle, seconded by Ronald Gue to authorize any two of the President of Council, Vice President of Council, Borough Secretary/Treasurer and Mayor of this Borough to execute such documents and to do such other things as may be necessary or desirable to obtain an initial advance of loan proceeds from the Rural Housing Service of the USDA in an amount sufficient to pay costs, fees, and expenses related to the new borough/maintenance building project which are due and payable as of loan closing. Motion carried.

A motion was made by Paul Bird, seconded by Ronald Gue to issue a Notice of Intent to Award the contract for construction of the new borough/maintenance building to Woodland Contractors, Inc., in accordance with the bid received on April 24, 2007, at a base bid price of \$448,217.00, but accepting Alternate No. 1 at a deduct of \$31,041.00 and accepting Alternate No. 3 at a deduct of \$3,3450.00 for a total contract price of \$413726.00 subject to all further terms and conditions of the bidding documents. Motion carried.

Upon motion and second, council recessed to Executive Session at 8:30p.m.

Council reentered the regular meeting at 9:30p.m.

A motion was made by Paul Bird, seconded by Oriana Spittle to authorize the solicitor to make a claim under the Errors and Omissions liability insurance of the Borough regarding employee benefit liability. Motion carried.

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A motion was made by Oriana Spittle, seconded by Ronald Gue authorizing the Mayor to advertise for a full time maintenance employee. Motion carried.

Upon motion and seconded, council adjourned at 9:40p.m.

Respectfully submitted,

Cara Fisher
Secretary