

CITY OF JOHNSTOWN, PENNSYLVANIA  
RESOLUTION NO. 10244

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOHNSTOWN, CAMBRIA COUNTY, PENNSYLVANIA TO ELECT MARIE MOCK AS DEPUTY MAYOR FOR THE CALENDAR YEARS 2020-2021 VIA A NOMINATION VOTE.

ADOPTED:

January 6, 2020

By the following vote:

Yeas: Mr. Arnone, Mr. Britt, Mr. Capriotti, Mayor Janakovic, Rev. King, Mrs. Mock,  
Mr. Vitovich. (7)

Nays: None (0)

  
Frank. J. Janakovic, Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10244** as the same adopted by the City Council of the City of Johnstown, Pennsylvania

  
Nancy J. Cushing, City Clerk

CITY OF JOHNSTOWN, PENNSYLVANIA  
RESOLUTION NO. 10245

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF JOHNSTOWN, CAMBRIA COUNTY, PENNSYLVANIA, APPOINTING BEARD LEGAL GROUP, P.C., AS THE SOLICITOR FOR THE CITY OF JOHNSTOWN, PENNSYLVANIA ON A MONTH TO MONTH BASIS, CONTINUING FROM JANUARY 6, 2020.

WHEREAS, the City of Johnstown by majority vote passed Resolution No. 10037 on January 2, 2018 to retain Beard Legal Group, P.C. as Solicitor for the City of Johnstown effective as of that date; and

WHEREAS, Beard Legal Group, P.C. has submitted the attached agreement to provide legal services to the City of Johnstown for a term of two (2) years, beginning with the Reorganization Meeting of January 6, 2020 and continuing through January 3, 2022, which is the date of City Council's next Reorganization; and

WHEREAS, the City of Johnstown wishes to appoint Beard Legal Group, P.C. as Solicitor for the City on a month to month basis, at Beard Legal Group, P.C.'s rates reflected in the attached Agreement in order to ensure continuation of Professional Legal Services for the City;

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Johnstown, Cambria County, Pennsylvania, hereby appoints Beard Legal Group, P.C. as the Solicitor for the City of Johnstown, Pennsylvania per the terms of the attached Agreement on a month to month basis.


ADOPTED:

January 6, 2020

By the following Vote:

Yeas: Rev. King, Mrs. Mock, Mr. Vitovich, Mr. Arnone, Mr. Britt, Mr. Capriotti,  
Mayor Janakovic. (7)

Nays: None (0)

  
\_\_\_\_\_  
Frank J. Janakovic, Mayor  
Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10245** as the same by the City Council of the City of Johnstown, Pennsylvania.

  
\_\_\_\_\_  
Nancy J. Cushing, City Clerk

CITY OF JOHNSTOWN, PENNSYLVANIA  
RESOLUTION NO. 10246

A RESOLUTION OF CITY COUNCIL OF THE CITY OF JOHNSTOWN  
ESTABLISHING THE SCHEDULE OF CITY COUNCIL MEETINGS FOR THE  
YEAR 2020.

WHEREAS, City Council of the City of Johnstown wishes to establish a public  
advertisement of meetings for the year 2020; and

WHEREAS, an advertisement will be placed upon approval by City Council establishing  
the dates and times of the City of Johnstown City Council public meetings; and

WHEREAS, the schedule shall be known as Exhibit A and shall be attached to this  
Resolution.

NOW, THEREFORE, BE IT RESOLVED, that City Council of the City of Johnstown  
approves the schedule of meetings for the year 2020.

ADOPTED:

January 6, 2020

By the following vote:


Yeas: Mrs. Mock, Mr. Vitovich, Mr. Arnone, Mr. Britt, Mr. Capriotti, Mayor Janakovic,  
Rev. King. (7)

Nays: None (0)

  
\_\_\_\_\_  
Frank J. Janakovic, Mayor  
Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10246**  
as the same adopted by the City Council of the City of Johnstown, Pennsylvania.

  
\_\_\_\_\_  
Nancy J. Cushing, City Clerk

## EXHIBIT A

### PUBLIC NOTICE CITY OF JOHNSTOWN 2020 MEETING SCHEDULE

PLEASE TAKE NOTICE of the following dates and times for Public Meetings by the City Council of the City of Johnstown. All meetings will be conducted in Council Chambers, 4<sup>th</sup> floor of the Public Safety Building located at 401 Washington Street, Johnstown, PA 15901.

DATE	MEETING	TIME
January 6, 2020	Reorganization Mtg.	5:00 PM
February 12, 2020	Regular	6:00 PM
March 11, 2020	Regular	6:00 PM
April 8, 2020	Regular	6:00 PM
May 13, 2020	Regular	6:00 PM
June 10, 2020	Regular	6:00 PM
July 8, 2020	Regular	6:00 PM
August 12, 2020	Regular	6:00 PM
September 9, 2020	Regular	6:00 PM
October 14, 2020	Regular	6:00 PM
October 30, 2020	Special Meeting (Presentation of 2021 Budget)	5:00 PM
November 18, 2020	Regular	6:00 PM
December 9, 2020	Regular	6:00 PM

CITY OF JOHNSTOWN, PENNSYLVANIA  
RESOLUTION NO. 10247

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF JOHNSTOWN, CAMBRIA COUNTY, PENNSYLVANIA, ESTABLISHING COUNCIL COMMITTEES AND APPOINTING COMMITTEE CHAIRPERSONS FOR THE CALENDAR YEARS 2020-2021.

The following Johnstown City Council committees are hereby authorized for the calendar years 2020 and 2021, and appointing Chairpersons of Committees.

<u>Mayor Janakovic</u>	Legislative Affairs Liaison
<u>Dave Vitovich, Ricky Britt, Mike Capriotti</u>	Chairperson, Public Safety/Public Works Committee
<u>Dave Vitovich, Charles Arnone</u>	Chairperson, Buildings and Grounds Committee
<u>Mayor Janakovic, Ricky Bitt</u>	Chairperson, Downtown Committee
<u>Dave Vitovich, Charles Arnone</u>	Chairperson, Parking Operations Committee
<u>Marie Mock, Mike Capriotti</u>	Chairperson, Boards, Authorities, and Commissions
<u>Rev. King, Marie Mock</u>	Chairperson, Recreation Committee
<u>Marie Mock, Mike Capriotti, Mayor Janakovic</u>	Chairperson, Budget & Finance Committee
<u>Rev. King, Ricky Britt, Marie Mock</u>	Chairperson, Community & Economic Development Committee

1. The Mayor shall be a member of all standing Committees authorized under this Resolution.
2. Council respective Committees are authorized to hold Committee Meetings at 5:00 p.m. prior to all regularly scheduled meetings of Council when desired or necessary. All other Committee meetings may be called by respective Chairman/Chairpersons and notification to City Manager for any required "Sunshine" notice placement.
3. Council or Chairman/Chairpersons may request meetings of Committee-meeting-of-the-whole (all Council members) when deemed necessary or advisable.
4. Neighborhoods/Civic Liaisons – At least two (2) members of Council, on a rotating basis, are requested to attend the monthly meetings of the various neighborhood civic groups, with all members expected to be in attendance at least one (1) meeting of all such groups and organizations during the 2020-2021 years.

ADOPTED:

January 6, 2020

By the following Vote:

Yeas: Mr. Vitovich, Mr. Arnone, Mr. Britt, Mr. Capriotti, Mayor Janakovic, Rev. King,  
Mrs. Mock. (7)

Nays: None (0)

  
\_\_\_\_\_  
Frank J. Janakovic, Mayor  
Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10247** as the same by the City Council of the City of Johnstown, Pennsylvania.

  
\_\_\_\_\_  
Nancy J. Cushing, City Clerk

CITY OF JOHNSTOWN, PENNSYLVANIA

RESOLUTION NO. 10248

A RESOLUTION OF CITY COUNCIL OF THE CITY OF JOHNSTOWN, PENNSYLVANIA AUTHORIZING THE INTERIM CITY MANAGER TO SIGN A CONTRACT FOR PURCHASE OF NEW COMPUTER SERVER SOFTWARE AND HARDWARE FROM PITT BULL SECURE TECHNOLOGIES. THIS RESOLUTION ALSO AUTHORIZES THE INTERIM CITY MANAGER TO SIGN A CONTRACT FOR THE SERVICE MAINTENANCE AGREEMENT WITH PITT BULL SECURE TECHNOLOGIES FOR THIS NEW COMPUTER EQUIPMENT.

WHEREAS, Pitt Bull Secure Technologies had the low bid for the necessary equipment and service contract.

WHEREAS, the existing computer servers are 12 years old. The Police Department is experiencing conflicts with their new equipment and our existing servers.

WHEREAS, the new servers and software will cost \$29,565.28. The service contract will cost \$10,800 per year. Expense Account to be charged for hardware is 18.489.28.196.00, Capital Project Miscellaneous Expense. Expense account to be charged for service contract is 01.434.37.025.00, Computer Maintenance.

WHEREAS, it is the desire of the City of Johnstown to upgrade their computer systems and service contract.

THEREFORE, BE IT RESOLVED, THE CITY OF JOHNSTOWN, PENNSYLVANIA AUTHORIZING THE INTERIM CITY MANAGER TO SIGN A CONTRACT WITH PITT BULL SECURE TECHNOLOGIES UPON REVIEW OF THE CITY SOLICITOR.

ADOPTED:

January 6, 2020

By the following vote:

Yeas: Mr. Arnone, Mr. Britt, Mr. Capriotti, Mayor Janakovic, Rev. King, Mrs. Mock,

Mr. Vitovich. (7)

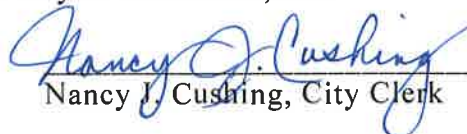
Nays: None (0)



Frank J. Janakovic, Mayor  
Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10248** as the same adopted by the City Council of the City of Johnstown, PA.



Nancy J. Cushing, City Clerk

Main:  
Email: [brett@pittbullsecure.com](mailto:brett@pittbullsecure.com)  
Web: [www.pittbullsecure.com](http://www.pittbullsecure.com)



**Pitt Bull**  
SECURE TECHNOLOGIES

## Hardware

Description	Price	Qty	Ext. Price
P00323-S01 HPE DL385 GEN10, (1) AMD 2.1GHz Processor, 48GB of RAM, (2) HPE 1TB SATA HDD, (4) HPE 2TB SATA HDD, Smart Array P408i RAID Adapter, (4) Gigabit Ethernet Ports, (2) 500watt Power Supply* NO INSTALLED OPERATING SYSTEM	\$5,299.99	2	\$10,599.98
Subtotal:			\$10,599.98

## Software

Description	Price	Qty	Ext. Price
9EM-00652-19-5DL WINDOWS SERVER 2019 STANDARD - 16 CORE LICENSES - W/ 5USER CALS SOFTWARE TYPE: MICROSOFT PROVIDED LICENSE KEYS - DOWNLOAD ONLY	\$1,249.99	4	\$4,999.96
R18-05767-19DV WINDOWS SERVER 2019 STANDARD SINGLE USERS CAL	\$39.99	4	\$159.96
R18-05767-19X WINDOWS SERVER REMOTE DESKTOP SERVICES 25 USER CAL	\$999.99	1	\$999.99
228-10817-17DL SQL SERVER 2017 STANDARD	\$949.99	1	\$949.99
359-01027 SQL SERVER CLIENT LICENSE	\$95.99	60	\$5,759.40
Subtotal:			\$12,869.30




Main:  
Email: [brett@pittbullsecure.com](mailto:brett@pittbullsecure.com)  
Web: [www.pittbullsecure.com](http://www.pittbullsecure.com)



**Pitt Bull**  
SECURE TECHNOLOGIES

## Services

Description		Price	Qty	Ext. Price
Office365 - G1	Office 365 - G1 Email Only Plan 1Business-class email with the ability to have a shared calendar, 50 GB of storage with your own domain. Services include Active Directory integration, guaranteed 99.9% uptime, Spam and Malware protection. Billed Monthly	\$4.00	127	\$508.00
 Office 365				
Subtotal:				\$508.00

Main:  
Email: brett@pittbullsecure.com  
Web: www.pittbullsecure.com



## Computer Hardware and Software, Contract No. 2020-25 (BID)

**Prepared by:**

**Pitt Bull Secure Technologies**

Brett Summers  
brett@pittbullsecure.com

**Prepared for:**

**City of Johnstown**

401 Main Street  
Suite 104 (Finance Office)  
Johnstown, PA 15901  
R. Ritter  
(814) 533-2033  
rritter@cojtn.com

**Quote Information:**

**Quote #: 000025**

Version: 1

Delivery Date: 12/12/2019

Expiration Date: 01/07/2020

### Quote Summary

Description	Amount
Hardware	\$10,599.98
Software	\$12,869.30
Services	\$508.00
Subtotal:	<b>\$23,977.28</b>
Estimated Tax:	<b>\$1,438.64</b>
Total:	<b>\$25,415.92</b>

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.

**Pitt Bull Secure Technologies**

**City of Johnstown**

Signature: \_\_\_\_\_

Name: Brett Summers

Title: \_\_\_\_\_

Date: 12/12/2019

Signature: \_\_\_\_\_

Name: R. Ritter

Date: \_\_\_\_\_

# Support Contract Cost Breakdowns

## Option #1 Full Service (Servers Only)

Item Description	Term	Monthly Costs	Yearly Costs	Yearly Renewal Rates
Proactive Plan	1 year with fixed approval renewal	\$900.00	\$ 10,800.00	3.00%
Proactive Plan	1 year with fixed automatic renewal	\$900.00	\$ 10,800.00	1.50%

## Option #2 Server Monitoring with pay as you go service (Pay as you go can be used for any issues you encounter)

Item Description	Term	Monthly Costs	Yearly Costs	Yearly Renewal Rates
Manage Plan	1 year with fixed approval renewal	\$150.00	\$ 1,800.00	3.00%
Manage Plan	1 year with fixed automatic renewal	\$150.00	\$ 1,800.00	1.50%

## Option #3 Pay as you go (this can be used for any issues you encounter)

Item Description	Coverage	Hourly Costs
Pay as you go	Business Hours On-site	\$99.00
Pay as you go	Business Hours Remote	\$79.00
Pay as you go	After Hours On-site	\$99.00
Pay as you go	After Hours Remote	\$79.00
Pay as you go	Holiday Tech 1 & 2	\$149.00
Pay as you go	Holiday Tech 3	\$199.00
Pay as you go	Holiday Expert	\$299.00
Pay as you go	Exper Support non-holiday (manufacture certified expert)	\$225.00

*\*Additionally, any hardware purchased through Pitt Bull Secure Technologies will be install at no additional charge. This includes any network hardware, physical installation of servers and workstations (configurations depending on the need may be billable).*

## Robert Ritter

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**From:** Derek Grove [derek.grove@inshorettech.com]  
**Sent:** Thursday, November 14, 2019 11:28 AM  
**To:** Robert Ritter  
**Cc:** Evan Croyle  
**Subject:** Server Hardware/Software Licensing  
**Attachments:** CoJ - Connection Shopping Cart.pdf

Hey Bob,

Attached and below is pricing to replace servers and software. As mentioned earlier in the year, this would replace all of the server hardware and software that is going end of life in January and is already end of life, including:

- Server 2003
- Server 2008 R2
- Exchange 2010

For the attached hardware pricing, you will need **two** of those, so double the price. Below is an estimate of software pricing that includes server licensing, user cals, and exchange licensing.

- Qty 4 – Windows Server Standard 2019 – 4 x \$890 = \$3,560
- Qty 149 – Windows Server Standard 2019 User CAL – 149 x \$35 = \$5,215
- Qty 24 – Windows Server Remote Desktop Services User CAL – 24 x \$115 = \$2,760
- Qty 1 – SQL Server Standard 2017 – 1 x \$750 = \$750
- Qty 60 – SQL Server User CAL – 60 x \$90 = \$5,400
- Qty 127 – Office 365 Exchange Online - \$6,460/year
- **Total = \$24,145**

As mentioned before, leaving these things as is are, and will become a huge security risk. They'll stop getting updates and security patches, leaving the city more vulnerable to malicious attacks.






Let me know if you have any questions.

Thanks,

Derek Grove  
Project Coordinator  
In-Shore Technologies, Inc.  
814-361-3610 Ext. 122  
[derek.grove@inshorettech.com](mailto:derek.grove@inshorettech.com)  
[www.inshorettech.com](http://www.inshorettech.com)



# My Cart Detail

	Product	Unit Price	Qty	Total
	HPE 1TB SATA 6Gb s 7.2K RPM LFF 3.5" SC Midline Hard Drive Call for next available delivery Item#: 32828081 Mfg. Part#: 861691-B21	\$256.00	2	\$512.00
	HPE 2TB SATA 6Gb s 7.2K RPM LFF 3.5" SC Digitally Signed Firmware Hard Drive Ships Today Item#: 33903978 Mfg. Part#: 872489-B21	\$453.00	4	\$1,812.00
	HPE 16GB (1x16GB) 1Rx4 2666 DDR4 Registered Smart Memory Kit Call for next available delivery Item#: 34927120 Mfg. Part#: 838081-B21	\$597.84	3	\$1,793.52
	HPE 500W Flex Slot Platinum Hot Plug Low Halogen Power Supply Kit for ProLiant DL380 Gen10 Server Ships Today Item#: 34303860 Mfg. Part#: 865408-B21	\$295.00	1	\$295.00
	HP ProLiant DL385 Gen10 AMD 2.1GHz EPYC Ships Today Item#: 34941845 Mfg. Part#: 878712-B21	\$1,459.99	1	\$1,459.99

Subtotal:	\$5,872.51
Shipping & Handling: Best Way - Ground	\$59.98
Tax:	\$0.00
Total:	\$5,932.49

Phone: 1.888.912.3151  
 Fax: 1.601.399.5077  
 Online: www.howardcomputers.com



Howard Computers  
 P.O. Box 1588  
 Laurel, MS 39441

## Online Quotation

**Quote No:** AT6 983511.00  
**Customer Name:** Robert Ritter  
**Company Name:** City of Johnstown  
**Quote Name:**

**Quote Date:**  
**Phone Number:**  
**Fax Number:**

December 05, 2019  
 0000000

### Item 1

Category	Description	Qty.	Unit Price	Ext. Price
<b>System Type:</b>	<b>Accessories</b>			
1:	HPE ProLiant DL385 Gen10 Entry - Server - rack-mountable - 2U - 2-way - 1 x EPYC 7251 / 2.1 GHz - RAM 16 GB - SAS - hot-swap 3.5" - no HDD - GigE - monitor none MPN: 878712-B21	1	\$1,329.00	\$1,329.00
2:	HPE SmartMemory - DDR4 - 16 GB - DIMM 288-pin - 2666 MHz / PC4-21300 - CL19 - 1.2 V - registered - ECC MPN: 838089-B21	3	\$130.00	\$390.00
3:	HPE Midline - Hard drive - 1 TB - hot-swap - 3.5" LFF - SATA 6Gb/s - 7200 rpm - with HPE SmartDrive carrier MPN: 861691-B21	2	\$114.00	\$228.00
4:	HPE Midline - Hard drive - 2 TB - hot-swap - 3.5" LFF - SATA 6Gb/s - 7200 rpm - with HPE SmartDrive carrier MPN: 872489-B21	4	\$153.00	\$612.00
5:	HPE - Power supply - hot-plug / redundant (plug-in module) - Flex Slot - 80 PLUS Platinum - AC 100-240 V - 500 Watt - 563 VA MPN: 865408-B21	1	\$215.00	\$215.00
6:	Microsoft Windows Server 2019 Standard Edition - License - 16 cores - OEM - ROK - DVD - BIOS-locked (Hewlett Packard Enterprise). Microsoft Certificate of Authenticity (COA) - English - Worldwide MPN: P11058-B21	4	\$747.00	\$2,988.00
7:	Microsoft Windows Server 2019 - License - 1 user CAL - Multilingual - Americas MPN: P11075-DN1	4	\$46.00	\$184.00
8:	Microsoft Windows Server 2019 - License - 5 user CALs - Remote Desktop Services - Multilingual - Americas MPN: P11073-DN1	24	\$756.00	\$18,144.00
9:	Microsoft SQL Server 2019 Standard - License - local, Microsoft Qualified - OLP Government - Linux, Win - English MPN: 228-11491	1	\$738.00	\$738.00
10:	Microsoft SQL Server 2019 - License - 1 user CAL - local, Microsoft Qualified - OLP Government - Linux, Win - English MPN: 359-06894	60	\$152.00	\$9,120.00
11:	Microsoft Exchange Online Plan 1 - Subscription license (1 year) - 1 user - hosted - local, Microsoft Qualified - OLP Government - Win, Mac - English MPN: Q6Y-00007	127	\$44.00	\$5,588.00

**Sub-Total:** \$39,536.00

**Parts & Accessories Shipping:** Included

**Taxes:** \$ 2,372.16

**Total for Item 1:** \$41,908.16

This quote will expire January 04, 2020.

To expedite your order, please include your quote number with your Purchase Order.

### Total for all pre-configured items

**Sub-Total:** \$39,536.00

**Parts & Accessories Shipping:** Included

**Taxes:** \$ 2,372.16

**Total:** \$41,908.16

**Notes:**

CITY OF JOHNSTOWN, PENNSYLVANIA  
RESOLUTION NO. 10249

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF JOHNSTOWN, CAMBRIA COUNTY, PENNSYLVANIA, APPOINTING MCNEES WALLACE & NURICK LLC TO SERVE AS COUNSEL TO THE CITY OF JOHNSTOWN FOR PURPOSES OF NEGOTATING AGREEMENTS THAT COULD BE USED IN CONNECTION WITH A POTENTIAL SALE OF ITS SEWAGE COLLECTION SYSTEM SUBJECT TO REVIEW AND FINAL APPROVAL OF ANY ADDITIONAL AND/OR SUBSEQUENT AGREEMENT TO BE ENTERED BETWEEN THE PARTIES BY THE CITY SOLICITOR AND FURTHER SUBJECT TO APPROVAL OF DEFINITIVE AGREEMENTS AND THE TERMS THEREOF BY CITY COUNCIL.

WHEREAS, the City of Johnstown is subject to an Exit Plan previously adopted by the City and recommended by the Act 47 Recovery Team which calls for the valuation of assets and potential disposition of certain assets including the City Sewage Collection System; and

WHEREAS, following a study completed by HJA Strategies, LLC for purposes of identifying potential disposition strategies for the assets included within the study, the City administration has determined to take additional steps towards a potential disposition of the City Sewage Collection System and desires legal counsel to advise the City; therefore the City issued a request for proposals for legal services to be provided as transaction counsel for purposes of any potential sale of the Sewer Collection System; and

WHEREAS, the City has reviewed and identified the proposal of McNees Wallace & Nurick LLC and identified said Firm's proposal as the most qualified and cost effective submission for these purposes; and

WHEREAS, the City Council desires to appoint McNees Wallace & Nurick LLC to serve as counsel to the City of Johnstown relative to any potential sale of its Sewage Collection System for an upfront fee of \$25,000.00 payable on a schedule of \$5,000.00 per month for the first five (5) months, plus out-of-pocket expenses, with any subsequent amounts over \$25,000.00 being comprised of the applicable hourly rate charges set forth in the proposal and becoming payable upon and subject to the closing of any asset sale, subject to a cap and other features, all as set forth in the McNees proposal attached hereto; and

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Johnstown, Cambria County, Pennsylvania, hereby appoints McNees Wallace & Nurick LLC to serve as special transaction counsel to the City of Johnstown relative to the potential sale of its Sewage Collection System under consideration, and in accordance with the terms of the proposal submitted, subject to review and final approval by the City Solicitor of any subsequent agreements to be proposed between the parties in order to effectuate said proposal.


ADOPTED:

January 6, 2020

By the following Vote:

Yeas: Mr. Capriotti, Mayor Janakovic, Rev. King, Mrs. Mock, Mr. Vitovich, Mr. Arnone. (6)

Nays: Mr. Britt. (1)



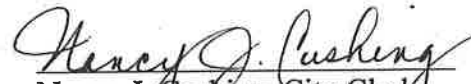
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Frank J. Janakovic, Mayor

Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10249** as the same by the City Council of the City of Johnstown, Pennsylvania.



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Nancy J. Cushing, City Clerk





570 Lausch Lane • Suite 200 • Lancaster, PA 17601-3057  
Tel: 717.291.1177 • Fax: 717.291.2186

David Unkovic  
Direct Dial: 717.581.3711  
Direct Fax: 717.260.1647  
dunkovic@mcneeslaw.com

December 18, 2019

City of Johnstown, Pennsylvania  
Attention: Steven A. Goldfield  
205 North Monroe Street  
Media, Pennsylvania 19063

Dear Mr. Goldfield:

Reference is made to the Response of McNees Wallace & Nurick LLC to City of Johnstown, Pennsylvania, Request for Proposals dated September 13, 2019 to serve as counsel to the City of Johnstown in the sale of its sewage collection system to the Johnstown Redevelopment Authority (the "Original Proposal").

You and City representatives have given us additional information of the scope of work you would be looking for us to undertake as counsel to the City. Based on that information, we are presenting this revised fee proposal.

Our new hourly rates as of December 1, 2019 are as follows (revising the chart shown on page 13 of our Original Proposal):

<u>Attorney</u>	<u>Rate</u>
Ade A. Bakare	\$325
Crystal Clark	\$305
James P. Dougherty	\$500
David J. Evenhuis	\$305
Benjamin Haverstick	\$365

[www.McNeesLaw.com](http://www.McNeesLaw.com)

Harrisburg, PA • Lancaster, PA • Scranton, PA • State College, PA • Columbus, OH • Frederick, MD • Washington, DC

Erica Koser Wible	\$250
Stephen J. Matzura	\$365
Kathy L. Pape	\$420
David Unkovic	\$400

The first component of our fee proposal in the Original Proposal was “an upfront fee of \$25,000.” We reiterate that component here, except that it will be payable on the schedule of \$5,000 per month for the first five months.

We are withdrawing the second component of our fee proposal which was an amount equal to 2.8% of the final asset purchase price, to be paid out of asset sale proceeds.

The new second component of our fee is equal to our hourly charges for hours worked on the representation at the rates set forth above plus out-of-pocket expenses (the “Hourly Charges”). The first \$25,000 of Hourly Charges shall be covered by the upfront fee. Any amounts over \$25,000 will be payable upon (and subject to) the closing of the asset sale. Assuming the asset sale closes by October 1, 2020, our Hourly Charges (including the up front \$25,000) will be capped at \$200,000. If the asset sale does not close by October 1, 2020, our Hourly Charges will not be capped.

A new third component of our fee, whether or not the asset sale closes by October 1, 2020, is a success fee of \$50,000 payable upon closing of the asset sale.

Any post-closing work will be billed monthly based on Hourly Charges.

This revised fee proposal is based on and subject to the following assumptions:

1. There will be no RFP process. The buyer has been identified as the Johnstown Redevelopment Authority.
2. The buyer’s counsel will prepare the initial draft of the asset purchase agreement, and our firm will review that agreement on behalf of the City.
3. There are no labor issues involved in the sale on the City side.
4. There will be no PUC process or approval (Act 12 or otherwise).
5. The buyer will have its own bond counsel and transaction counsel.

6. PennVest has already agreed to allowing the existing debt related to the sewer system to be assumed by the buyer.
7. We will not be undertaking right of way and easement work or other similar real estate work, such matters to be handled on behalf of the City by the City Solicitor.
8. Our \$200,000 cap assumes a sub-allocation of \$25,000 to environmental work related to the DEP consent order and the transfer of liability and limitations of the same; if such environmental work exceeds \$25,000, then such amount in excess of \$25,000 will not be subject to the \$200,000 cap.
9. We also assume that, as is the practice in mergers and acquisitions deals, our firm, as seller's counsel, will not be asked to deliver a legal opinion.

For example, if the asset sale successfully closes on September 15, 2020, and our Hourly Charges amount is then at \$220,000, then our cap of \$200,000 would apply, and the \$50,000 success fee will apply, and of the \$250,000 owed to us (the cap of \$200,000 plus the success fee of \$50,000), \$25,000 will have been paid from the \$5,000 per month paid for the first five months, and \$225,000 will be due to us at closing (\$250,000 minus \$25,000).

By way of further example, if the asset sale successfully closes on December 15, 2020, and our Hourly Charges amount is then at \$220,000, then our cap of \$200,000 would **not apply**, and the \$50,000 success fee will apply, and of the \$270,000 owed to us (the Hourly Charges of \$220,000 plus the success fee of \$50,000), \$25,000 will have been paid from the \$5,000 **per month** paid for the first five months, and \$245,000 will be due to us at closing (\$270,000 minus \$25,000).

Thank you for the opportunity to present this revised fee proposal.

Very truly yours,

McNEES WALLACE & NURICK LLC

By



David Unkovic

Response of  
McNees Wallace & Nurick LLC to  
**City of Johnstown, Pennsylvania**  
Request for Proposals

September 13, 2019



**Contact:**

David Unkovic, Esquire  
McNees Wallace & Nurick LLC  
100 Pine Street  
Harrisburg, PA 17101  
Phone: 717-581-3711  
Email: [dunkovic@mcneeslaw.com](mailto:dunkovic@mcneeslaw.com)



[www.McNeesLaw.com](http://www.McNeesLaw.com)



# McNees

Wallace & Nurick LLC

570 Lausch Lane • Suite 200 • Lancaster, PA 17601-3057  
Tel: 717.291.1177 • Fax: 717.291.2186

David Unkovic  
Direct Dial: 717.581.3711  
Direct Fax: 717.260.1647  
dunkovic@mcneeslaw.com

September 13, 2019

VIA E-MAIL

City of Johnstown, Pennsylvania  
Attention: Steven A. Goldfield, Esquire  
205 North Monroe Street  
Media, Pennsylvania 19063

Dear Mr. Goldfield:

On behalf of McNees Wallace & Nurick LLC, I am pleased to submit the enclosed proposal to serve as counsel to the City of Johnstown in the sale of its sewage collection system to the Johnstown Redevelopment Authority.

Please advise if you have questions or need further information.

Sincerely,

McNEES WALLACE & NURICK LLC

By: 

David Unkovic, Of Counsel

[www.McNeesLaw.com](http://www.McNeesLaw.com)

Harrisburg, PA • Lancaster, PA • Scranton, PA • State College, PA • Columbus, OH • Frederick, MD • Washington, DC

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## OVERVIEW OF FIRM

McNees Wallace & Nurick LLC ("McNees" or the "Firm") was established in 1935 and is comprised of more than 130 attorneys and 125 administrative staff. We have offices in Harrisburg, Lancaster, State College, York and Scranton, Pennsylvania and in Columbus, Ohio, Washington, D.C. and Frederick, Maryland.

For over 84 years, McNees has provided clients with a comprehensive range of legal services tailored to meet the legal priorities and unique needs of Pennsylvania municipalities. The McNees culture has a long history of attracting and retaining the best people, which enables us to use our unique talents to better serve our clients enthusiastically and with unity of purpose. We welcome the opportunity to serve the City of Johnstown (the "City") in the sale of its sewer system assets.

### ***WHY CHOOSE MCNEES?***

#### **1. McNees has Experience in Public Water /Wastewater Legal Issues**

McNees lawyers are knowledgeable and experienced in public water and wastewater legal issues across disciplines.

Recent experiences include:

- assisting municipalities and authorities with stormwater compliance requirements, including development of funding solutions, incorporating grants, low-interest loans, and/or stormwater fee programs;
- utility experience in rate design and tariff terms and conditions development;
- environmental experience with regulatory commissions such as DEP and River Basin Commissions; and
- assisting municipalities in the sale/transfer of their water and/or wastewater assets (see below for more details).

#### **2. McNees is a Full-Service Law Firm**

McNees is a full-service law firm, with 39 specialized practice areas, including public utilities/energy, public finance, corporate and tax, mergers and acquisitions, labor and employment, nonprofit entities, construction and procurement law, real estate and litigation.

The depth and breadth of the Firm's experiences position us well to represent the City in the sale of its sewer collection assets. As legal challenges or issues arise during the course of our representation, the City will have access to our entire team of in-house attorneys.



Below please find a sampling of McNees's experiences that would assist the City in the sale of its sewer system.

#### Public Sector & Government Services

The McNees Public Finance and Government Services group is a one-stop shop where elected and appointed officials can turn to get help with the unique legal issues that face governmental entities and providers of water and wastewater services. Our attorneys are keenly aware of the unique challenges facing public service providers in Pennsylvania, including constituent relations, tight budgets, Sunshine Act compliance and Right to Know Law compliance. We know about these legal challenges because we currently represent a number of entities that look to McNees to resolve their issues at all levels of government, including Commonwealth agencies, counties, cities, municipalities, authorities and school districts.

We also understand the practical challenges facing elected and appointed officials and that public entities at all levels operate within a heavily regulated and complex legal framework. Other law firms may view these challenges from within a single practice area, but we take a comprehensive, strategic approach, drawing on the collective knowledge and experience of our lawyers across practice areas.

A big reason for our understanding, awareness, and proactive approach is based on our own experiences. Our attorneys have a multi-layered perspective, because they have worked either in-house at the state, county or municipal level or within the agencies before whom many issues are decided. Several of our attorneys joined McNees following successful public sector careers where their legal experience was shaped and strengthened.

Of note, several McNees attorneys providing service under this Request have in-house governmental experience, including Crystal Clark (former Lancaster County Solicitor), Ade Bakare (Pennsylvania Public Utility Commission "PUC"), Kathy Pape (Office of Consumer Advocate and PUC) and David Unkovic (Chief Counsel, Department of Community and Economic Development, and state-appointed Receiver for the City of Harrisburg). Attorneys on the McNees team are well versed in the areas of municipal law, the Pennsylvania Municipal Authorities Act, and regulatory compliance issues facing municipal authorities.

#### Energy & Environmental Experience

Our Energy & Environmental team focuses on regulatory compliance, guiding public sector and utility service clients through complex regulatory frameworks, and representing public entities and authorities before federal regulatory agencies including the Environmental Protection Agency, the Federal Energy Regulatory Commission and the Susquehanna River Basin Commission, as well as state agencies, including the



Pennsylvania Department of Environmental Protection and the Pennsylvania PUC. We are experienced in litigating before federal and state courts and other tribunals, including the Pennsylvania Environmental Hearing Board. We help municipalities defend Environmental Rights Amendment claims.

We advise municipal entities that own and operate fixed utility systems (e.g., water, wastewater, stormwater, electric, etc.) on end-user rates and rate design issues, customer service issues, service and water quality issues, as well as inter-municipal agreements concerning use of those fixed utilities. This includes dispute resolution regarding terms, conditions and rates for those fixed utility services for customers living inside and outside municipal boundaries, as well as many other issues regarding the provision of water and wastewater service.

On the transactional side, we assist municipalities with the development and implementation of renewable energy, energy efficiency, and sustainability projects. We work with municipalities to obtain competitive market pricing for both wholesale and retail electric/power purchase contracts, and we assist with asset monetization, whether in the form of an asset sale, long-term lease, or long- or short-term operational agreement. To support these projects, we have facilitated successful public-private partnerships.

#### PUC Rulemaking

In addition to directly representing clients in various PUC rate filings, complaint proceedings and adjudicative matters, McNees attorneys have additionally participated in numerous rulemaking proceedings and other activities shaping key PUC policies and regulations in recent decades. McNees attorneys have actively engaged in numerous PUC rulemaking proceedings, including the Commission's ongoing Alternative Ratemaking Investigation concerning potential modifications to the PUC's historic ratemaking practices and its Universal Services Investigation seeking guidance on potential modifications to energy conservation and assistance programs for low-income utility customers. McNees serves in the PUC's Office of Competitive Market Oversight ("OCMO") and Committee Handling Activities for Retail Growth in Electricity ("CHARGE") working groups. McNees attorneys have also participated in the PUC's Energy Efficiency & Conservation and Smart Meter Plan Implementation, Distribution System Improvement Charge Implementation, Electric Restructuring, Retail Natural Gas Investigation, Natural Gas Switching, and End State Default Service proceedings.

McNees attorney Vicki Karandrikas served as the 2016 Public Utility Section Chair of the Pennsylvania Bar Association and McNees attorney Ken Stark served as the 2018 Section Chair. Additionally, McNees attorney Ade Bakare (full biography, below), served on the PUC's Procedural Rules Committee and previously served as a member of the Philadelphia Water Department's Stormwater Fee Customer Advisory Committee. Additionally, attorney Kathy Pape (full biography, below) was selected by Governor Rendell to serve on his Sustainable Water Infrastructure Task Force.

### Labor & Employment Experience

Our labor and employment attorneys have extensive experience in collective bargaining, grievance administration and arbitration, and interest arbitration. In the context of asset transactions like that being contemplated by the City, our attorneys have specific experience with working through the effects and impact of those asset transactions on employees, whether union or non-union.

Our Labor and Employment team's proactive approach allows municipal leaders to stay in front of issues, rather than waiting to respond to costly litigation. We work with elected and appointed officials to develop policies, procedures, handbooks and general practices to avoid costly and time-consuming litigation.

### Real Estate

Our Real Estate team provides sophisticated legal advice to a broad range of clients in most areas of commercial real estate and land use. Our goal is to help our clients achieve their objectives at every step of the real estate transaction through practical, efficient and timely representation.

## 3. McNees Puts Clients First

McNees is committed to a Clients First approach. In practice, this means that we exist to provide professional services of superior value that are designed to enhance our clients' success. We do this with integrity and creativity by anticipating problems and understanding our clients' needs. We understand and embrace our role as valued counselor and as professionals who strive to solve issues rather than simply identify them.

## **PRIOR EXPERIENCE OF LAWYERS BEING PROPOSED**

1. Please provide a list of lawyers who will be tasked with this engagement along with a notation of their specialties.

### **ADE A. BAKARE**

Ade practices in the firm's Energy & Environmental Group. His practice focuses on issues involving electric, natural gas, communication, and water utility services. Ade represents industrial, commercial, institutional and educational consumers of these services before administrative agencies and in energy transactional matters, including energy procurement. In addition to representing large energy consumers, Ade counsels municipal and investor-owned utilities on cost allocation, rate design, billing disputes, contract negotiations, asset monetization transactions, regulatory compliance, and customer service complaints. He has recently participated in numerous speaking engagements related to issues of stormwater rate design, including speaking before the International Municipal Lawyers Association and conducting a webinar for the Pennsylvania State Association of Boroughs.

Ade joined McNees in 2011, after beginning his legal career with the Pennsylvania PUC. As an attorney at the PUC, Ade participated in public utility regulatory proceedings involving both investor-owned and municipal water and wastewater utilities.

### **CRYSTAL CLARK**

Crystal Clark is a member of the McNees's Labor and Employment practice group. Crystal provides representation and counsel to employers on a wide range of legal matters including harassment and discrimination, FMLA and ADA compliance, the Fair Labor Standards Act, Civil Service/Merit Based Hiring compliance, Unemployment Compensation, collective bargaining and labor arbitrations. She counsels employers on all facets of State and Federal employment laws, and also conducts training for both clients and the bar on employment law matters.

Prior to joining the firm in September 2015, Crystal served for over four years as the Lancaster County Solicitor. Crystal was in-house legal counsel for the County, which necessitated a wide knowledge of legal issues unique to government entities. She was routinely consulted by Human Resources regarding all manner of employment-related legal issues involving County employees, and oversaw all employment litigation to which the County was a party. Additionally, she was a member of the County's negotiation team in all labor negotiations during her tenure, and was liaison between the Board of Commissioners and outside counsel on labor matters, from grievances and interest arbitrations to unfair labor practice charges.

### **JAMES P. DOUGHERTY**

Jim has spent almost 40 years in the fixed utility industry. Jim now practices in the Energy and Environmental Law Practice Group of McNees's Harrisburg, PA office, representing industrial users before state and federal regulatory commissions and agencies with respect to utility matters, including natural gas, electric, water, wastewater and communications. While the majority of Jim's practice is before the Pennsylvania Public Utility

Commission and the appellate courts of Pennsylvania, he is also active in several other states on water and sewer as well as other regulatory matters.

Jim is also involved in the valuation and monetization of municipal and municipal authority assets, including water and wastewater facilities. In 2013, he was counsel to Lehigh County Authority which entered into a 50-year Concession Agreement for the City of Allentown's water and sewer facilities. He is also active in several pending monetization projects throughout the Commonwealth.

#### **DAVID J. EVENHUIS**

David is an attorney in the McNees Real Estate and Public Finance & Government Services Groups.

His areas of focus include commercial real estate development, purchases and sales, leasing transactions and coordinating real estate transfers within corporate mergers and acquisitions. David represents businesses, municipalities and individual clients throughout the entire process of commercial transactions, including negotiation, contract drafting, due diligence and closing. He is also known for advising clients about realty transfer tax, right of way easements, manufactured housing communities and real estate brokerage law.

David is a frequent author and lecturer on real estate title and transactional issues. Before joining McNees, he focused primarily on real estate litigation at another area law firm. He has also worked as a financial advisor for UBS and Merrill Lynch in New York.

#### **BENJAMIN HAVERSTICK**

Ben is an attorney in the Corporate & Tax and Mergers & Acquisitions Groups in the Lancaster, PA office of McNees. Ben focuses on mergers and acquisitions, business law, loans and financings, LLCs, partnerships, private placements, contracts and commercial transactions. He serves as outside general counsel and transaction counsel to clients in various industries, including the service sector, technology, manufacturing, healthcare and real estate.

Ben is admitted in Pennsylvania and New York State, and started his career with close to 10 years' experience in New York City, working on large, complex transactions. Ben has represented clients in over \$30 billion of mergers, acquisitions and financings, including over \$500 million out of the Lancaster office. He is recognized for the range of his transaction experience, speed and efficiency and a strong sense of industry practice in getting deals done.

Ben grew up in Lancaster, PA. He received his B.A. from Wesleyan University in 2000 and his J.D. from New York University School of Law in 2005. He also spent several years studying in Germany.

**ERICA M. KOSER**

Erica is an associate in the Public Finance & Government Services Group. She focuses her practice on municipal law and finance.

She received her J.D. from the George Washington University Law School and her undergraduate degrees from the Shippensburg University of Pennsylvania.

**STEPHEN J. MATZURA**

Steve advises industrial, commercial, and municipal clients on a broad range of environmental, health, and safety ("EHS") issues, including water quality, stormwater, water use, wastewater, waste, hazardous materials and safety, and air quality. He works with clients in various industry sectors, such as energy, oil and gas (including pipelines), manufacturing, food and beverage, metals, construction and land development, auto dealerships, education, and healthcare. Steve helps clients with EHS compliance, permitting, auditing, self-disclosures, and enforcement actions, including addressing issues with environmental agencies, river basin commissions, and the Occupational Safety and Health Administration ("OSHA"). He also advises clients on the environmental implications of business and real estate transactions and litigates environmental matters before courts and administrative hearing boards, including the Pennsylvania Environmental Hearing Board.

**KATHY L. PAPE**

Kathy Pape has been a leader in the water and wastewater industries and a national speaker on utility issues for more than 40 years. As a lawyer representing residential customers in service and rate cases at the Office of Consumer Advocate and the Public Utility Commission (PUC) to representing Pennsylvania American Water, Aqua Pennsylvania and General Waterworks (now Suez), Kathy has spent a career finding resolutions to difficult service and rate issues as a business, tax and utility lawyer at General Waterworks, a finance expert as Treasurer at Aqua American and as a business leader as President of Pennsylvania American Water. She has been involved in and responsible for the financial and customer service results of numerous acquisitions and divestments. She understands not only how to assess the financial impacts of transactions but also the employee and customer impacts and the importance of transparency and communications to maximize the benefits and minimize the issues from a transaction.

Kathy has been engaged in improving the communities in which she and her family have lived. She has chaired the PA. Business Council, the Foundation for Enhancing Communities and the Whitpain Township Planning Commission. She is currently Vice Chair of the Hampden Township Industrial Development Authority and is a member of the Milton S. Hershey Medical Center Board of Directors, the Earth Conservancy, and the Edinboro University Council of Trustees.

Kathy has a B.S. in Political Science from Edinboro University, a J.D. from the Dickinson School of Law and an LLM from Villanova University School of Law.

#### DAVID UNKOVIC

David Unkovic has been a municipal bond lawyer in Pennsylvania for over 35 years. He has served as bond counsel on debt offerings by all sizes of governmental entities, including the Commonwealth of Pennsylvania, state agencies, counties, townships, boroughs, cities, school districts and authorities. He also focuses his practice on the legal aspects of developing and implementing recovery plans for distressed municipalities.

For most of his career he has worked at private law firms, but he has also served as chief compliance officer at PFM Asset Management, and, in the Corbett Administration, as chief counsel of the PA Department of Community and Economic Development (DCED) and as the first state-appointed receiver for the City of Harrisburg. As receiver, he established the initial processes for the eventual asset transactions involving the incinerator and the parking system.

David joined McNees in 2013 and practices in the Lancaster office. He was born in Pittsburgh and resides in Montgomery County. David received his B.A. in political science, summa cum laude, from the University of Pennsylvania, and his J.D. from Harvard Law School. He is a former president of the Pennsylvania Association of Bond Lawyers and is a fellow of the American College of Bond Counsel.

2. **For such lawyers only, provide a list of public-public or public-private utility transactions they have worked on previously.**

#### Steelton Borough Authority

McNees serves as counsel to the Steelton Borough Authority (the "Authority") in connection with the pending sale of its water system. As part of our representation, McNees has assisted and continues to assist the Authority by providing the following services:

- Analyzed the financial, operation and legal impacts of the sale of the water system assets;
- Prepared a Request for Proposals;
- Facilitated small group meetings for the Authority and its consultants to address questions and vet all aspects of the transaction;
- Attended Authority board of directors' meetings to provide updates on the transaction;
- Facilitated community meetings to discuss the transaction and receive community feedback;
- Drafted and negotiated the Asset Purchase Agreement (the "APA") for the sale of the water system to benefit the Authority, including easement limitations;
- Assessed and resolve real estate issues;

- Negotiated the APA to maximize future capital improvements and customer assistance program, minimize rate change impacts and minimize employee impacts;
- Drafted applicable ordinances and resolutions;
- Participate in and protect the interests of the Authority during the PUC review process; and
- Prepare closing documents to minimize the Authority's continuing obligations.

#### Lehigh County Authority

We served as bond counsel and transaction counsel to the Lehigh County Authority, a large regional water and sewer authority, in connection with its issuance of \$307,683,598.90 Water and Sewer Revenue Bonds (City of Allentown Concession), Series 2013. The Authority was selected, through a bidding process, to enter into a concession agreement with the City of Allentown for the operation and improvement of the City's water and sewer system under a concession agreement for 50 years. The City is using the concession price to address its unfunded pension liability. The transaction has enabled the Authority to expand its water and sewer system.

This was the first public-public transaction of its kind, and *The Bond Buyer* recognized it as the co-deal of the year for the Northeast United States in 2013. The complex structure included differentiating the City's system from the systems under the Authority's existing security structure. The financing included a combination of current interest bonds, capital appreciation bonds, and taxable bonds.

As a strong, large, AA-rated entity, the Authority is able to provide more efficient operation of the system and more control over future rate increases. The City found a solution to its difficult pension situation from this asset transaction while maintaining long-term ownership of the asset.

In addition to the bond counsel work, we also represented the Authority as transaction counsel in the negotiation of the concession agreement, which involved a complicated set of financial, operational, regulatory and labor issues.

This transaction reflects our ability not only to provide sophisticated bond counsel representation, but to also provide quality representation on a range of related issues that arise in a cutting-edge transaction.

#### Borough of Phoenixville

McNees serves as counsel to the Borough of Phoenixville in connection with the pending sale of a portion of its water system. As part of our representation, McNees has assisted and continues to assist the Borough of Phoenixville by providing the following services:

- Analyzed the financial, operation and legal impacts of the sale of a portion of the water system assets;
- Prepared a Request for Proposals;

- Facilitated small group meetings for the borough to address questions and vet all aspects of the transaction;
- Attended borough council meetings to provide updates on the transaction;
- Drafted and negotiated the Asset Purchase Agreement (the "APA") for the sale of a portion of the water system;
- Assessed and resolved complex and contested real estate title and easement issues;
- Negotiated the APA and amended wholesale water service agreements to minimize rate change impacts;
- Drafted applicable ordinances and resolutions;
- Participate in and protect the interests of the borough during the PUC approval process (the PUC approval is pending); and
- Prepare closing documents to minimize the borough's continuing obligations.

#### East Berlin Area Joint Authority

McNees served as counsel to the East Berlin Area Joint Authority in connection with the preparation of an RFP for sale or lease of its water and sewer system. As part of our representation, McNees assisted the East Berlin Area Joint Authority by providing the following services:

- Analyze the financial, operation and legal impacts of the sale of the water and sewer system assets; and
- Prepare a Request for Proposals.

Following the receipt of multiple responses to the Request for Proposals expressing interest in purchasing the system, the East Berlin Area Joint Authority determined to not proceed with a transaction.

#### Borough of Cornwall

McNees served as counsel to the Borough of Cornwall in connection with the termination of the Cornwall Borough Municipal Authority and the transfer of its water and sewer system assets back to the Borough of Cornwall. As part of our representation, McNees assisted the Borough of Cornwall by providing the following services:

- Advised the Borough Council on the proper procedure to follow to terminate its municipal authority;
- Represented the borough at meetings of the Board of the Cornwall Borough Municipal Authority;
- Drafted ordinances and resolutions authorizing the termination of the Authority; and



- Represented the borough before the Court of Common Pleas of Lebanon County and the Pennsylvania Public Utility Commission in multiple proceedings to enforce the Borough's right to terminate its municipal authority and retake the water and sewer assets held by the Authority.

Hamiltonban Township Municipal Authority and Hamiltonban Township

McNees served as counsel to the Hamiltonban Township Municipal Authority and Hamiltonbank Township in Adams County in connection with the sale of wastewater system assets to Pennsylvania-American Water Company. The transaction was approved by the Pennsylvania PUC in 2013. PUC A-2013-2352182.

Franklin Township Municipal Authority and Franklin Township

McNees served as counsel to the Franklin Township Municipal Authority and Franklin Township in Adams County in connection with the sale of wastewater system assets to Pennsylvania-American Water Company. The transaction was approved by the Pennsylvania PUC in 2013. PUC A-2013-2344624.

**3. Provide contacts that can serve as references for the foregoing experience.**

Steelton Borough Authority

Douglas Brown  
Borough Manager  
Borough of Steelton  
123 N. Front Street  
Steelton, PA 17113-2998  
(717) 939-9842  
[dbrown@steeltonpa.com](mailto:dbrown@steeltonpa.com)

Lehigh County Authority

Ms. Liesel M. Gross, Chief Executive Officer  
Lehigh County Authority  
1053 Spruce Street  
Allentown, PA 18106  
(610) 398-2503  
[lieselgross@lehighcountyauthority.org](mailto:lieselgross@lehighcountyauthority.org)

Borough of Phoenixville

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Borough of Phoenixville  
351 Bridge Street, 2nd Floor  
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East Berlin Area Joint Authority; Hamiltonban Township; Franklin Township

Matthew R. Battersby, Esq.  
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East Berlin Area Joint Authority  
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Borough of Cornwall

Anthony J. Fitzgibbons, Esq.  
Former Vice President of Borough Council, Borough of Cornwall  
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(717) 279-8313  
[tony@ajflaw.net](mailto:tony@ajflaw.net)

## RATES AND FEES

1. For the lawyers above, list their regular hourly rates and the discounted rates your firm proposes to charge on this engagement if your firm is successful.

Here are our regular hourly rates:

	Regular Hourly Rates
Ade A. Bakare	\$295.00
Crystal Clark	\$295.00
James P. Dougherty	\$500.00
David J. Evenhuis	\$295.00
Benjamin Haverstick	\$345.00
Erica M. Koser	\$235.00
Stephen J. Matzura	\$335.00
Kathy L. Pape	\$410.00
David Unkovic	\$385.00

2. At the discounted rates above, what is your estimate of the overall cost the City will incur if it retains your firm and the transaction closes by June 1, 2020?

McNees proposes an upfront fee of \$25,000, plus an amount equal to two and eight tenths percent (2.8%) of the final asset purchase price, to be paid out of the asset sale proceeds, such purchase price to include the cash amount paid by the purchaser plus an amount equal to the principal amount of the City's debt assumed by the purchaser. The 2.8% portion of such fee structure is subject to the completion of the asset sale.

3. How would your firm propose to be paid for its work on this engagement (e.g. contingent on closing; hourly until term sheet is executed; other?). Would your firm be willing to agree to a fee cap, assuming a closing prior to June 1, 2020? Provide a short description of the primary assumptions that you base your fees on (e.g. JRA has sophisticated Bond Counsel and Transactional Counsel and they take the laboring ore on the Asset Purchase Agreement, Solicitor to the City undertakes the title work, your firm provides the form of the asset transfer agreement and is thus quite familiar with the terms, etc.)

Our fee, as described above, is based on the following assumptions:

- McNees assumes that JRA will have sophisticated bond counsel and transaction counsel who will be responsible for drafting the majority of the transaction

documents, the exception being the Asset Purchase Agreement (the "APA") (discussed below).

- McNees assumes that it will be involved significantly in the drafting and negotiating of the APA. To this point, the City, along with its solicitor, must decide if the APA should include language that restricts and/or limits JRA from selling the sewer system to a private party separately or as part of a sale of other sewer assets within a certain period of time.
- McNees assumes that it will work hand in hand with the City/Authority's financial advisors to negotiate the rates and rate structure most advantageous to the City's residents in the long term.
- McNees assumes that it will not represent the City employees assigned to the sewer system but will consider implications on those employees during negotiations of the APA.
- McNees assumes that it will negotiate a customer assistance program for the residents of the city of Johnstown as part of the APA.
- McNees assumes that it will negotiate a multi-year collection system capital improvement plan in the City as part of negotiation of the APA.
- At the City's request, McNees assumes that it will attend City and/or Authority meetings to provide updates or address any questions/concerns regarding process.
- McNees assumes that it will assist the City in resolving issues related to its current easements. However, McNees assumes that the City will not be responsible for securing easements or other real estate rights that are not currently owned by the City.
- McNees assumes that the City is currently in compliance with applicable regulations. Should the City need to take steps to come into compliance, McNees will assist for an additional fee.
- McNees assumes that its legal fee does not include litigation.
- McNees assumes that PUC approval is not required for the asset sale.

In addition to the foregoing, McNees assumes that its legal fee does not include the title work. A McNees subsidiary, Pine Street Land Company, does provide title work. For an additional fee of approximately \$40,000, McNees is able and willing to assist the City in obtaining the necessary title work through Pine Street Land Company.

CITY OF JOHNSTOWN, CAMBRIA COUNTY  
PENNSYLVANIA

RESOLUTION NO. 10250

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOHNSTOWN AUTHORIZING THE INTERIM CITY MANAGER TO SIGN ALL DOCUMENTS NECESSARY TO SUBMIT THE NECESSARY PAPERWORK ON BEHALF OF TERRA WORKS, INC. TO THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION IN ORDER TO SUPPLY THE HIGHWAY RESTORATION AND MAINTENANCE BOND FOR THE FAIRFIELD AVENUE SANITARY/STORM SEWER SEPARATION PROJECT CONTRACT 2018-03.

WHEREAS, the City of Johnstown is completing construction tasks involving sewer separation in the City in and around the Neighborhood known as Morrellville, and

WHEREAS, the City of Johnstown is completing construction projects on an area that is owned and the responsibility of the State of Pennsylvania, Department of Transportation, and

WHEREAS, Terra Works, Inc. was the lowest responsible bidder for a project that will take place known as Contract 2018-03, and

WHEREAS, the Pennsylvania Department of Transportation requires that a bid bond must be submitted to their offices confirming that the contractor is in possession of a highway restoration and maintenance bond, and

WHEREAS, Terra Works, Inc. has provided proof of a maintenance bond from The Aegis Security Insurance Company, and the Interim City Manager will provide proof of this documentation.

NOW THEREFORE IT BE RESOLVED, THAT THE CITY COUNCIL OF THE CITY OF JOHNSTOWN AUTHORIZES THE INTERIM CITY MANAGER TO SIGN ALL DOCUMENTS NECESSARY TO SUBMIT THE NECESSARY PAPERWORK ON BEHALF OF TERRA WORKS, INC. TO THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION IN ORDER TO SUPPLY THE HIGHWAY RESTORATION AND MAINTENANCE BOND FOR THE FAIRFIELD AVENUE SANITARY/STORM SEWER SEPARATION PROJECT CONTRACT 2018-03.


ADOPTED:

January 6, 2020

By the following vote:

Yeas: Mr. Capriotti, Mayor Janakovic, Rev. King, Mrs. Mock, Mr. Vitovich, Mr. Arnone, Mr. Britt. (7)

Nays: None (0)



---

Frank J. Janakovic, Mayor  
Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10250** as the same adopted by the City Council of the City of Johnstown, Pennsylvania.



---

Nancy J. Cushing, City Clerk

CITY OF JOHNSTOWN, CAMBRIA COUNTY, PENNSYLVANIA

RESOLUTION NO. 10251

A RESOLUTION OF CITY COUNCIL OF THE CITY OF JOHNSTOWN, PENNSYLVANIA AUTHORIZING THE ACTING CITY MANAGER TO SIGN ALL DOCUMENTS NECESSARY TO APPLY FOR A GRANT THROUGH THE PA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT IN THE AMOUNT OF \$424,905.00 TO ASSIST WITH REMEDIATION AND REPAIR EFFORTS OF THE RETAINING WALLS AND STREAM BANK ON ST CLAIR RUN.

Be it RESOLVED, that the City of Johnstown of Cambria County hereby request a PA Small Water and Sewer Program grant from the Pennsylvania Department of Community and Economic Development to be used for retaining wall and stream bank repairs on the St Clair Run Flood Protection Project in the Morrellville neighborhood of the City of Johnstown.

Be it FURTHER RESOLVED, that the Applicant does hereby designate Robert Ritter, Acting City Manager, as the official(s) to execute all documents and agreements between the City of Johnstown and the PA Department of Community and Economic Development to facilitate and assist in obtaining the requested grant.

I, Nancy Cushing, duly qualified Secretary of the City of Johnstown, Cambria County, Pennsylvania, hereby certify that the forgoing is a true and correct copy of a Resolution duly adopted by a majority vote of the City of Johnstown Council at a regular meeting held November 13, 2019 and said Resolution has been recorded in the Minutes of the City of Johnstown Council and remains in effect as of this date.

IN WITNESS THEREOF, I affix my hand and attach the seal of the City of Johnstown, this 6<sup>th</sup> day of JAN., 2020.

Nancy Cushing, Secretary

(SEAL)

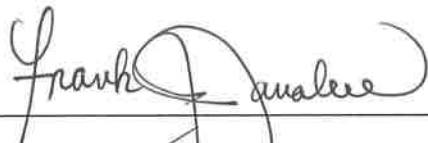
ADOPTED:

January 6, 2020

By the following vote:


Yeas: Mayor Janakovic, Rev. King, Mrs. Mock, Mr. Vitovich, Mr. Arnone, Mr. Britt, Mr. Capriotti. (7)

Nays: None (0)

  
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Frank J. Janakovic, Mayor  
Marie Mock, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Resolution No. **10251** as the same adopted by the City Council of the City of Johnstown, Pennsylvania.

  
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Nancy J. Cushing, City Clerk