

# BOROUGH OF SOUTHMONT

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## NOTICE OF JRA COMPLIANCE PROGRAM

You are receiving this letter because the Borough sent you a Notice of Ground Water Infiltration letter in December 2020 directing you to stop the infiltration of ground water into your sanitary sewer system. This letter has generated many questions from citizens about what action they should take to correct the problem. The Borough purposefully did not specify how property owners were to correct the problem as each home may have different problems to fix. Most surrounding municipalities have directed property owners to replace the pipes under their slabs whether they have a problem or not. Not all basements or slabs are the same and neither are the corrective measures needed to fix the problem.

With that said, one of the ways that you can correct ground water infiltration is the replacement of under-slab piping. It can be an expensive option with home owners having to spend thousands of dollars, search for contractors, and hoping that the contractor completes the job in a professional manner. The Borough understands the downside to this action, but wants you to be aware of a great program from the Johnstown Redevelopment Authority (JRA) that may take some of the downsides out of this option.

The program is called the JRA Compliance Program. In essence, the benefits of this program are as follows:

- No income eligibility requirements, but must own property;
- JRA handles the hiring of a JRA-approved contractor through their bidding process. A pre-bid meeting occurs at your property where approved contractors review your home and submits a bid to JRA.
- JRA handles the construction process. The approved bidder performs the repair/replacement work under the supervision of JRA until completion with a pressure test and full remediation.
- The cost of repair work is financed by JRA; meaning you do not have to get a loan to pay for the project or pay the entire costs of project out-of-pocket. JRA will charge you \$6.00/mo. per \$1,000 spent on the project; i.e. for a \$4,000 project JRA will add \$24.00/mo. to your JRA sewer bill.
- Because your basic JRA sewer charge will be reduced from \$27.00/mo. to \$17.00/mo the first \$1,000 of your project does not cost you anything. With the above example of a \$4,000 project; your JRA bill would be \$27.00/mo. prior to the project. After the project, your JRA bill would be \$41.00/mo. (\$17.00 + \$24.00). Thus, an additional \$14.00/mo. gets your home in full-compliance of both JRA and the Borough's sewer regulations.
- The specific details of the program with an application are enclosed.

**THIS PROGRAM WILL NOT BE AROUND FOREVER AND FUNDING FOR THIS WORK IS NOT UNLIMITED. IF YOU ARE INTERESTED IN UTILIZING THE PROGRAM PLEASE TAKE ACTION NOW.**

AL/mac

Amanda Layton, Executive Secretary



## Johnstown Redevelopment Authority

- Applicant must demonstrate credit worthiness of JRS sewer bill for the last 12 months.
- Applicant must maintain automatic payment of sewer bill and loan payment.  
JRA staff assistance will be provided to owners concerning ACH payment from their bank account for both the regular monthly bill and the loan payment.

### Program Documents

- In addition to the contractors estimate the contractors will provide a written recommendation for construction tasks necessary to have the property meet testing standards.
- Property Owners shall execute a Mortgage and Note in favor of JRS for the full amount of the loan plus filing costs.
- Prior to construction the JRA will review the bid prices and work to be performed with the property owner.
- If, after initial inspection and preparation of the contract, the property owner decides to have the work performed by others without a loan from JRS, the contract documents will be made available only after a Release is signed by the owner absolving the JRS and its agents from any liability in connection with the work.

### Financial Projections and Assumptions

- Cost projections call for charging \$6.00 per month per thousand dollars borrowed. The loan payment is calculated at 3.9 %, with the Authority administrative expense being absorbed in the \$6.00 dollar per thousand cost.

#### Example

**On a \$ 4,000.00 project this would place an additional charge of \$24.00 per month on a customer's bill. Over the term of the 20 twenty-year loan the Authority would collect back (240 \* \$24.00 = \$5,760.00 dollars). The total amount would be limited to the cost of the construction contract and filing fees. There is no penalty for pre-payment.**

- Loans will be required to be immediately repaid in full in the event of any transfer of ownership of the property.
- The Authority will be absorbing the cost of the preparation and administration of the contracts as well as the billing and risks associated with repayment.
- The program will only provide financing for the minimum amount of work necessary to maintain pre-existing levels of sewage service on the property. We currently have until December 31, 2022 to eliminate all SSO's.
- Contract payments shall be made in the form of joint checks payable to the property owner and contractor.



# Johnstown Redevelopment Authority

## Sewer Lateral Compliance Program Application

### Johnstown Redevelopment Authority

Applicants Name: \_\_\_\_\_

Co-Applicant: \_\_\_\_\_

Service Address: \_\_\_\_\_

Phone Contact: Home \_\_\_\_\_ Cell \_\_\_\_\_

Email Address: \_\_\_\_\_

Alternate Mailing Address : \_\_\_\_\_

Are you the current owner of the Property? Yes \_\_\_\_\_ No \_\_\_\_\_

Do you currently occupy this property as your primary residence? Yes \_\_\_\_\_ No \_\_\_\_\_

Is this a single or duplex structure? Single \_\_\_\_\_ Duplex \_\_\_\_\_

The applicant certifies that the above information is true and correct to the best of his/her knowledge.

Verification of any of the information contained in this application may be obtained from any source named herein.

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

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

If you have any questions or require assistance in completing this application, please do not hesitate to contact the Johnstown Redevelopment Authority at 814- 535-6564. Fax 814- 535-6567.



## Johnstown Redevelopment Authority

### Sewer Lateral Compliance Program Owners Checklist

#### Johnstown Redevelopment Authority

Upon return of your application please ensure the following items are included.

- Completed Contractor Selection Form. (Choose 5).
- Property Deed
- Provide proof of homeowner's insurance.
- Receipts of payment of current property taxes.

**PLEASE NOTE:**

- Applicant must demonstrate credit worthiness of JRS sewer bill for the last 12 months.
- Applicant must maintain automatic payment of sewer bill and loan payment.  
JRA staff assistance will be provided to owners concerning ACH payment from their bank account for both the regular monthly bill and the loan payment if one has not been established.

JOHNSTOWN REGIONAL SEWAGE - 2021 Contractor Bidding List

PLEASE SELECT FIVE (5) CONTRACTORS BELOW

Shore Construction 4503 Elton Road Johnstown, PA 15904 814-915-4236 PA #127309	Cambria Basement Waterproofing Bob Murphy 219 Timber Mountain Lane Johnstown, PA 15904 814-525-4313 PA # 136657
Z & B Excavating & Hauling 221 Country Club Road Johnstown, PA 15905 814-244-1809 PA #136723	Ground Control Jackie Cummings 14 Shady Lane Johnstown, PA 15905 814-243-5060 PA # 093479
Derricot Construction Rod Derricot 1268 Tire Hill Road Johnstown, PA 15905 814-341-4652 PA # 042535	Johnstown Construction Mgmt. Svcs. James Vasilko, Jr. 124 Donald Lane Johnstown, PA 15904 814-535-3995 PA #118876
Joe Kanuch Excavating, LLC Jean 200 Sauers Avenue Johnstown, PA 15906 814-254-4611 PA # 063388	B & M Excavating, SLR Jim Marek 113 Norton Road Johnstown, PA 15906 814-619-5737 PA # 135672
Bracken Waterproofing 1046 Menoher Blvd. Johnstown, PA 15905 814-619-8452 PA #108737	Total Remodeling - Johnny V's John Vitalie, Jr. 400 Redwood Ave. Johnstown, PA 15905 814-341-5394 PA # 034957
Lenny's Excavating Lenny Felosky 341 Country Club Road Johnstown, PA 15905 814-248-8848 PA # 120622	Megmar Contracting, LLC Denny Shadron P.O. Box 53 Johnstown, PA 15907 724-289-3926 PA # 135661

I/we acknowledge to have selected 5 contractors to bid on my/our sewer lateral project without influence or recommendations from a representative, employee or agent of the Johnstown Redevelopment Authority/Johnstown Regional Sewage.

\_\_\_\_\_  
Applicant Signature                      /  
Date

\_\_\_\_\_  
Property Address