

CITY OF SAINT MARYS COUNCIL MEETING

JUNE 19, 2017

CALL TO ORDER

The regular monthly Council meeting of the City of Saint Marys was called to order by Mayor Robert Howard on Monday, June 19, 2017 at 7:00 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on June 15, 2017, posted at City Hall and published in the Daily Press.

PLEDGE TO THE FLAG**ROLL CALL**

Present: Mayor Robert Howard, Gregory Gebauer, Gary Anderson, Andrew Mohney, Bob Mohr, Lou Radkowski, Nedward Jacob, Manager Timothy Pearson and Attorney Bradley Kraus.

VISITORS

Visitors included: Mark Schaut, Debbie Leitzel, Matthew Pfeufer, Rodney Brennen, Vince Assetta, George Werner, Susie Fledderman, Bert Sorg, Amy Cherry, Tina Gradizzi, Matt Quesenberry, Warren Stewart, John Schatz, Tim Ruffner, and Christie Greenawalt.

APPROVAL OF MINUTES
June 5, 2017

Lou Radkowski made a motion to approve the minutes of June 5, 2017, seconded by Gary Anderson and all were in favor, except Andrew Mohney who abstained.

REPORT ON EXECUTIVE SESSION:

Mayor Howard stated an Executive Session was held immediately following Council's June 5th, 2017 meeting regarding personnel matters. No decisions were made.

SPECIAL PRESENTATION:
St. Marys Area Ambulance Service

Bert Sorg, Manager of the St. Marys Area Ambulance, explained it was the Golden Anniversary for the ambulance service which meant they were in their 50th year. He announced the members of the Board of Directors that were in attendance. Rodney Brennen, President; George Werner, Vice-President; Susan Fledderman and Matthew Quesenberry.

Mr. Sorg provided a brief history of the service and noted the nearly 100,000 calls for service. He described the current operations which included EMT's, Paramedics and Advanced Life Support Services. He also provided the area of service information, personnel, and response times with breakdowns of events and its collaboration with the Fire Department and standbys for the local schools and community events.

He further commented on the department's appreciation of Council's support of House Bill 400, which was to support rural Emergency Medical Services and described membership details, and finances of the service.

Gregory Gebauer questioned if the recent ACT 172, which was in support of Emergency Services would benefit the ambulance service and Mr. Sorg responded no, the Act was for volunteer emergency services.

Council thanked Mr. Sorg for his presentation.

CITIZEN COMMENTS ON AGENDA TOPICS

There were no comments on agenda topics.

MAYOR'S REPORT

Mayor Howard reported the following:

- Attended the Bootjack hill by-pass anniversary committee meetings
- Attended the Mayor's Association meetings

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MANAGER'S REPORT

Manager Pearson provided the following report:

- Highlighted that the City and he personally take flooding issues very seriously and he personally apologized to those that thought he was not passionate about flooding in the City or that it was not a priority for the City.
- Update for Council and concerned residents regarding flooding issues: He contacted the Army Corps of Engineers and was referred to their Planning Department, which suggested a conference call with the City's Civil Engineer and Planning Department to discuss further. A site visit will be scheduled.
- Thanked the numerous volunteers within the City that assist the City with a variety of activities being planned to celebrate the 175th Anniversary which occurs on December 8, 2017.

Manager Pearson requested an Executive Session regarding real estate matters.

SOLICITOR'S REPORT

There was no Solicitor's Report.

TREASURER'S REPORT

Manager Pearson provided the following Treasurer's Report for May 31, 2017.

Total revenue collected for the General Fund was \$3.8 million or 58 percent of budget. Tax revenue collected as of May 31, 2017 was \$3.34 million or 71 percent of budget. Total expenditures for the General Fund as of May 31, 2017 was \$2 million or 31 percent of budget. Last year's expenditures were at 30 percent of budget and in 2015 was 32 percent and in 2014 was 34 percent of budget. Revenue in 2016 as of May 31st was \$4.6 million or 74 percent of budget and tax revenue was at 3.27 million or 70 percent of budget. In 2015 total revenue in the General Fund was \$3.5 million or 46 percent of budget and tax revenue was 3.17 million or 68 percent of budget. Earned Income as of May 31, 2017 was at 52 percent of budget, with collections of \$780,023. Sewage Treatment Fund cash on hand as of May 31, 2017 was 1.075 million, as of May 31, 2016 it was \$836,287 and for May 31, 2015 it was 1.075 million. In May of 2017 and 2016, a principal payment was made on the Municipal Authority's bond issue, usually only interest is paid. Fund Balance for the Sewage Treatment Fund for May of 2017 was \$3,257,244, for 2016 was \$2,917,526 and for 2015 was \$2,928,474.

LEGISLATIVE ACTION:
Cooperation Agreement with
Straub Brewery and The
Progress Fund

Tina Gradizzi, Community & Economic Development Coordinator explained as a follow up to the presentation from Straub Brewery on May 15, 2017, a Cooperation Agreement was being presented tonight for Council's consideration between Straub Brewery, The Progress Fund and the City of St. Marys.

Straub Brewery has been approved to submit an application for a Redevelopment Assistance Capital Project Grant. (RACP) The cooperation agreement is one of the requirements. The City will be considered the host municipality in the agreement. The Progress Fund will submit the application and administer the grant.

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Gary Anderson questioned section four and requested an explanation of the City's obligation under this agreement and Attorney Kraus responded in the event that Straub Brewery pays for the project and is later deemed to be ineligible, the host municipality is "on the hook" to reimburse the Commonwealth of Pennsylvania. The City would first look to Straub Brewery for reimbursement of any ineligible expense.

Gary Anderson questioned if the grant would be subject to the purchase of American made steel and a prevailing wage and labor acts and Attorney Kraus and Ms. Gradizzi confirmed this.

Gary Anderson also questioned on page three number nine of the agreement if the grant agreement was reviewed for any possible conflicts between the two agreements and Vince Assetta responded the grant agreement does not exist yet. Once the application is filed, the State will assign a consultant who will review the project and prepare a report to submit to the Office of Budget. Then a grant agreement will be prepared listing requirements for the project and will be circulated for signatures. The entire project is set up as a reimbursement of funds already expended so bridge financing will be obtained to pay contractors in a timely manner. The State will review expenses before they reimburse any funds. The current deadline to file the application is November of 2017, but it was anticipated to file before the deadline. It was anticipated once the application was filed it would take approximately two to three months before the grant agreement would be available for review.

Gary Anderson questioned if the Brewery would be willing to enter into a letter of credit form a bank or other financial institution, indemnifying the City in the event there were ineligible expenses and Mr. Assetta responded in paragraph four of the agreement the Brewery indemnifies the City and holds the City harmless. He asked the City to look to that language as being adequate given the structure of the program. They were told by the Office of Budget that never in the history of the program has this been required, due to the nature of the process and numerous things would have to go wrong before that situation would occur. He further stated the full faith and credit of Straub Brewery was there to make the City whole, under the unlikely circumstances that anything were to happen. He asked that Council consider the current language as adequate, but if they wished they could look into the letter of credit, but would like to avoid the additional financial cost for the letter of credit.

Attorney Kraus stated his understanding was traditionally the Brewery would submit a requisition to the State that would have to be reviewed before the State would issue any payment, which meant the requisition would have to contain ineligible expenses that someone from the State approved and then was deemed ineligible.

Mr. Assetta stated the Brewery would prepare the documents and The Progress Fund will then review the information and then will submit to the State for their review and believed the level of control has proven to be adequate in the program.

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Nedward Jacob questioned the dollar value of the grant and Mr. Assetta responded up to one million dollars was approved.

Gary Anderson questioned if The Progress Fund was indemnified and Attorney Kraus responded no, that would be a separate contract between the Brewery and The Progress Fund.

Gary Anderson clarified the question was if the City was indemnifying The Progress Fund since North Central on the hotel project insisted on indemnification of North Central by the City and in this agreement he did not see that language and assumed the City would have recourse against The Progress Fund if something did go wrong.

Attorney Kraus responded in the event the City would have to seek indemnification from Straub Brewery they would also join The Progress Fund was a requisition was submitted with ineligible expenses.

Mr. Assetta referred to paragraph two which stated the grantee "The Progress Fund" would actively administer the program pursuant to the grant agreement. The Brewery will have a detailed agreement with The Progress Fund which would list the specifics of the overall duty to administer the grant.

Attorney Kraus agreed and stated he did not think that it was a concern and Gary Anderson believed it would be a stronger agreement for the City.

Motion
Roll Call Vote – Motion Passed

Nedward Jacob made a motion to approve the Cooperation Agreement between The Progress Fund, Straub Brewery and the City of St. Marys, seconded by Gary Anderson and on a roll call vote, all were in favor.

Consider for adoption:
Ordinance No. 304, re:
Establishing maximum
allowable industrial loadings
under the City's Pretreatment
program

Ordinance No. 304 establishing maximum allowable industrial loadings under the City's pretreatment program was presented for adoption. Manager Pearson stated the ordinance was duly advertised and displayed with no comments received.

Manager Pearson explained the EPA requires the City to develop local limits for industrial discharges to the sanitary sewer system. The City submitted limits and the EPA had approved those limits.

Motion Passed

Gary Anderson made a motion to adopt Ordinance No. 304, seconded by Bob Mohr and all were in favor.

Consider for adoption:
Resolution No. 17-10, re: Early
Intervention Program – Phase
III

Resolution No. 17-10 submitting an application for an Early Intervention Program Phase III grant. Tina Gradizzi, Community & Economic Development Coordinator, explained in order to move forward with the recommendations that were presented in The Novak Group Report, the City had four projects totaling \$150,000. The grant request was for \$75,000 with a 50 percent match by the City of \$75,000. The projects were as follows:

Police Department \$40,000
All City Departments - \$50,000
Finance Department - \$30,000
Code Enforcement - \$30,000

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Some of the funding was previously approved as the match portion for the City through the Capital Improvement Fund, but an additional \$15,000 was needed to complete the projects.

Manager Pearson further explained Council would need to commit to the additional \$15,000 as part of the City's match.

Tina Gradizzi confirmed the Novak recommendations numbers were 7, 10 and 13.

Lou Radkowski questioned the balance in the Capital Improvement Fund and Manager Pearson responded it was under budget.

Council and the Manager discussed the funding options and the proposed projects. It was determined the Resolution was just to submit the application to D.C.E.D.

Motion

Gary Anderson made a motion to adopt Resolution No. 17-10, seconded by Lou Radkowski.

Discussion

Gregory Gebauer questioned if it was necessary to specify the additional \$15,000 in the motion and Gary Anderson and Bob Mohr responded the funds have to be received first.

Motion Passed

Manager Pearson stated Council could wait on that decision.

All were in favor to adopt resolution No. 17-10.

Consider for publication: An ordinance amending the City Zoning Map

Matthew Pfeufer, City Zoning Officer, explained the City of St. Marys has received a request to re-zone 40.921 acres of property at 208 Clay Road owned by Marc Nero. The proposal is to re-zone from Rural Conservation to Industrial for future business expansion. The rezoning of property must be done via ordinance, as it is an amendment to the City's Zoning Ordinance. The petition has been revised per the Planning Commission's comments and it recommended approval of the application. The amendment was sent to the Elk County Planning Department, and it had no comments on the petition.

It was confirmed the property is adjacent to Industrial zoning property.

Nedward Jacob was concerned with this information not being discussed during the recent conditional use request.

Gregory Gebauer questioned if this was a standard process and Manager Pearson it was standard to change a Zoning district.

Matthew Pfeufer confirmed the zoning district bisects the applicant's property.

Motion Passed

Gregory Gebauer made a motion to approve the ordinance amending the City's zoning map for publication, seconded by Lou Radkowski and all were in favor.

2017-13 Minor Subdivision for Eric Fledderman, N. Michael Street

A subdivision application was presented from Eric Fledderman for property located on North Michael Street. The subdivision proposed to subdivide a 750sqft lot from a 4,700sqft parcel as a lot addition to an adjoining parcel. The residual parcel will be 3,950sqft and contains an existing single family dwelling. The receiving lot contains an existing garage. The subject

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parcel is undersized according to current zoning regulations, and the proposed subdivision will aggravate this, so a variance is required to be approved by the Zoning Hearing Board. The variances were approved by the Zoning Hearing Board on May 31, 2017. The Planning Commission had no comments on the subdivision, and recommended approval.

Motion Passed

Lou Radkowski made a motion to approve the 2017-13 Fledderman subdivision application, seconded by Andrew Mohney and all were in favor.

2017-14 Minor Subdivision for Elcam, Inc., West Creek Road

A subdivision application was presented from Elcam Inc. for property located on West Creek Road. The subdivision proposed to subdivide a 9.211ac lot from a 29.149ac parcel as a lot addition to an adjoining parcel with an existing industrial use. The residual parcel will be 19.938ac and contains an existing manufacturing facility. No new building lots will be created as a result of this subdivision. The Planning Commission had no comments on the subdivision, and recommended approval.

Motion Passed

Lou Radkowski made a motion to approve the 2017-14 Elcam subdivision application, seconded by Gary Anderson and all were in favor.

2017-15 Final Plan of Lot consolidation for Robert P. and Julie R. DeLullo, Silver Creek Road

A subdivision application was presented from Robert P. and Julie R. DeLullo for property on Silver Creek Road. The subdivision proposed to consolidate a recently subdivided 3.104ac lot and a 1.124ac lot into a 1.00ac parcel with an existing single family dwelling with public water and onlot sewage disposal. The lot consolidation will correct some boundary line encroachments and zoning issues. The Planning Commission had no comments on the subdivision, and recommended approval.

Motion Passed

Gary Anderson made a motion to approve the 2017-15DeLullo subdivision application seconded by Lou Radkowski and all were in favor.

2017-17 Final Plan of Minor Subdivision for James R. and Junette I. Weisner, Melody Road

A subdivision application was presented from James R. and Junette I. Weisner for property located on Melody Road. The subdivision proposed to subdivide a 5.143ac lot from a 34.695ac parcel as a side lot addition to an adjoining parcel. The residual parcel will be 29.552ac and contains a single family dwelling with public water and onlot sewage disposal. The proposed lot will be 7.029ac and contains a single family dwelling with public water and onlot sewage disposal. No new building lots will be created as a result of this subdivision. The Planning Commission had no comments on the subdivision, and recommended approval.

Motion Passed

Lou Radkowski made a motion to approve the 2017-17 Weisner subdivision application seconded by Gary Anderson and all were in favor.

TOPICS FOR DISCUSSION:

There were no topics for discussion.

CITIZEN COMMENTS ON NON-AGENDA TOPICS

Warren Stewart commented on the cleaning of the parking garage.

COUNCIL COMMENTS

Council congratulated the St. Marys Ambulance on their 50 years of service anniversary.

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ANNOUNCEMENTS


Mayor Howard made the following announcements:

- Council's July 3rd worksession is cancelled. Council's next regular meeting will be held on Monday, July 17, 2017, at 7:00 p.m. at City Hall.
- Council will adjourn to an Executive Session regarding real estate matters.

ADJOURNMENT

Gary Anderson made a motion to adjourn the meeting. Meeting adjourned at 8:05 p.m.


Recording Secretary


Deputy Mayor