

February 6, 2018, Council Meeting
Minutes

The regular meeting of Clarion Borough Council was held on February 6, 2018, in the Clarion Free Library. President Lapinto called the meeting to order at 7:00 p.m. Everyone recited the Pledge of Allegiance. Councilmembers present were Mr. Zerfoss, Ms. Roberts, Dr. Sanders Dédé, Mr. Aaron, Mr. Noto, Ms. Logue, and President Lapinto. Chief Peck, Mayor Parker, Solicitor Marshall, Mr. Colosimo, Mr. Sharrar, Mr. Preston, Mr. Lynch (Borough's financial consultant), and Ms. LaVan were also present.

Mr. Aaron made a motion to amend the agenda for an Executive Session to be held, including Chief Peck, the Borough Secretary, the Borough Treasurer, and Financial Consultant Samuel Lynch Jr. Mr. Noto seconded the motion. Motion carried unanimously.

Just so the paper is aware, Solicitor Marshall commented it is relating to personnel issues. The Executive Session began at 7:01 p.m.

President Lapinto called the meeting back to order at 7:24 p.m.

Solicitor Marshall asked the record reflect no official action will be taken at this time.

Mr. Noto made a motion to amend the agenda for the Storm Water Authority report to be given before Administration. Mr. Aaron seconded the motion. Motion carried unanimously.

Mr. Noto made a motion to HRG the authority to set up the Planning Consultation Meeting with PENNVEST. The Committee would like to be able to begin the process of looking at how the Borough is going to be able to fund the Storm Water Authority and for the Center Place Project. This is to authorize the Borough's engineer, HRG, to be able to work with PENNVEST to see if funding is possible through their organization.

Mr. Zerfoss seconded the motion.

President Lapinto thought Mr. Noto was going to amend the agenda to include this later but stated it's okay to do it now. President Lapinto asked for any questions or more explanation.

Mr. Colosimo informed everyone Council authorized HRG to look at the Borough's possibility at any PENNVEST funding for the Center Place Project. HRG believes the Borough is eligible 100% for grant funding. The likelihood of receiving 100% is not guaranteed, but it seems as though it will be possible for a grant-loan package. Mr. Colosimo commented the next step is for the Borough to actually meet with DEP and PENNVEST officials to explore the possibility of the application.

President Lapinto asked why it is urgent at this point to move forward now.

Mr. Noto reported PENNVEST's funding process is starting rather quickly and it's better to move forward, if possible, sooner than later, because some of the funding requirements may change later this year. So, this is the optimal time to approach PENNVEST.

Mr. Sam Lynch, Borough's financial consultant, added Mr. Colosimo and he had a conference call with HRG and the attorney helping the Borough with the Storm Water Authority regarding the whole scope of this project. HRG feels there is a great opportunity that the Borough may get this 100% by a grant, or maybe with a grant-loan situation. There are two application periods that the Borough is aiming for, May with a July approval day or August with an October award date. Going forward from those times, Mr. Lynch reported PENNVEST is going to change the method of calculation of the grant-loan situation, which will result in less money from the Commonwealth. For this reason, Mr. Lynch asked Mr. Colosimo and Ms. LaVan to add this item onto the agenda tonight to allow HRG to start the discussion process with PENNVEST so that in March Council will have a clearer direction on how to proceed. Mr. Lynch voiced he would hate to see the Borough lose an opportunity moving forward.

Mr. Noto stated this is the best opportunity and that's the reason for moving now.

President Lapinto pointed out Center Place may cost \$1 million and if the Borough receives grant funding, that would be the way to go.

After speaking with Mr. Colosimo yesterday, Mr. Dave Neal, EADS Group, provided a memorandum for Council, which is attached to the Official File Copy of these minutes. EADS has contracted with the Borough to do the design of the Center Place Project and has met with the Public Works Committee to discuss where everything is at as far as laying out the project, obtaining right-of-ways and easements. Mr. Neal reported the EADS Group works with PENNVEST all the times and currently has about 20 PENNVEST projects out right now, of which he has one out and one in the works personally. In discussion with Dave Henning from PENNVEST previously, Mr. Henning did state there is a potential for 100% grant funding but then added about three paragraphs that it would be contingent upon. Over the last year and a half, EADS has done 3 PENNVEST projects and has never received 100% grant funding. Those projects submitted were for sewer systems with a large failure rate and cross contamination of drinking water. Most of the time, funding is dependent on urgency, failure, and health risks. Mr. Neal feels the idea of 100% grant to pay for the entire project, all the engineering, legal, inspections and so on is probably unlikely. However, there could be a good portion of the grant to offset it. The Borough has worked with HRG on the storm water side and developing the ordinance for the authority. The EADS Group has intimate knowledge of working with PENNVEST. Mr. Neal commented it will be pretty difficult to have two engineering firms involved in a PENNVEST project for submitted. The reason is the EADS Group will be doing all the design and will have to provide HRG with all the numbers, permits, and the submission with HRG having to do all the submittals and going back and forth. A lot of time and expense will add up through this process. If Council wishes to go the PENNVEST route, Mr. Neal prefers that EADS be the ones to handle this process since they are designing it and could set up a meeting in a couple weeks as well. EADS doesn't anticipate any need for extra permits, environmental

wise. When an application is submitted to PENNVEST, the full design, all necessary permits, easements, and so on must be in place. You essentially have to be ready to bid when it is turned in. Mr. Neal reported this means a lot of work between now and May. This is assuming the Borough has cooperative people with the easements as well. Another question arises when a portion of this project is going into another municipality, Clarion Township. Having pointed that all out, the memo reflects at the bottom some ideas of \$1 million what a standard rate for 20 years at 4.15% is at \$6,139.13 per month, or \$1.2 million (because going PENNVEST adds a lot of extra costs, full-time inspector, legal representation, and more administrative cost) at 1.75% would be \$5,929.55 per month. PENNVEST is more expensive, but those extra costs can be deferred into the grant. As an update on the project, Mr. Neal contacted Pennsylvania America Water Company on the water line crossing at Boundary Street to see if it is possible for them to relocate some of their lines in conjunction with this project. Members that are not as aware of the Center Place Project, there are numerous lines weaving throughout that area, such as, water, sewer, and gas. Some run parallel and are very close, which is making it difficult. Mr. Neal commented one restriction by PENNVEST is that they do not pay for asphalt repaving. If PENNVEST is the route Council wishes to go, Mr. Neal stressed the EADS Group is willing to move forward in that direction, whether it is collaboratively with HRG or working alone.

President Lapinto asked if Mr. Noto still wishes to move forward with the motion?

Mr. Noto stated yes and added this is the first time he's heard of another option. Council can discuss it if he/she wishes.

Mr. Colosimo pointed out this is not an authorization for the application itself, it is just to schedule a preliminary meeting with PENNVEST to investigate the possibility. The cost to do this would be about \$400.

Mr. Neal commented PENNVEST will hand out three packets at the meeting; one for environmental clearance, one for how the projects are ranked, and the third for whatever the regulations and requirements will be.

Dr. Sanders Dédé confirmed EADS is the engineer for the project but what does HRG do for the Borough.

Mr. Noto reported HRG is helping the Borough set up the storm water authority and also trying to find ways to fund storm water projects that needs addressed now. This is where the idea came from.

Ms. Logue understands EADS can help the Borough do it as well.

Dr. Sanders Dédé asked how much EADS would charge to do this?

Mr. Neal hates undercutting anybody else but noted the fee would be built into the design of the project.

Mr. Colosimo thinks EADS should participate with the Borough in this planning consultation meeting also.

According to what Mr. Neal stated, Ms. Logue commented it will almost add another layer to the process if that occurs.

If HRG submits the application on behalf of the Borough and EADS being the design engineers, Mr. Neal agreed it does add some complications.

Mr. Not reported HRG could do the initial consultation and then if Council changes his/her minds and wants the EADS Group to submit the application that can be done.

Ms. Roberts questioned why not use EADS from the beginning?

Not trying to offend Mr. Neal, Mr. Noto voiced concern with EADS as they have not been a proponent at all of the Borough going to PENNVEST and have kind of steered the Borough away from them through this whole process. Now for Council to allow them to set up a meeting seems kind of strange to Mr. Noto. PENNVEST has not been EADS' preferred method.

Mr. Neal stated the only defense is the timeframe. The Center Place Project has been discussed for over 5 years that the pipes were failing and are deformed/squished. If an application is put in for May, construction will not begin until spring of 2019 at the earliest.

Mr. Noto noted the increased costs also were a reason. However, PENNVEST lending money is very cheap.

Mr. Neal agreed it will add \$40,000 to \$50,000, because you have to hire a full-time inspector. This is why they have been moving forward with the design. EADS hasn't had a lot of success with PENNVEST for projects for stand-alone storm water projects. Add that to the timeframe and the added expense was part of the thought process of not going that way.

President Lapinto stated there is a motion and second and asked if Council is ready to vote?

Mr. Zerfoss asked the motion be repeated.

Mr. Noto stated the motion is to give HRG the authority to set up a planning consultation meeting with PENNVEST.

The motion carried after the following roll call vote: Mr. Zerfoss, yes; Ms. Roberts, no; Dr. Sanders Dédé, yes; Mr. Aaron, yes; Mr. Noto, yes; Ms. Logue, no; and President Lapinto, yes.

On a motion by Mr. Mr. Zerfoss with a second by Mr. Aaron to approve the January 2, 2018, Reorganization Meeting, minutes. The motion carried with a vote of six yea with Dr. Sanders Dédé abstaining as she was absent.

On a motion by Mr. Zerfoss with a second by Mr. Aaron, approving the January 2, 2018, Council Meeting, minutes, was carried with a vote of six yea with Dr. Sanders Dédé abstaining as she was absent.

CITIZEN COMMENTS: Agenda Items Only

Ms. Janice Horn commented everyone received a copy of the resolution in support of a citizens commission for legislative and congressional redistricting and provided Council with several maps this evening. Every decade when the decennial census approaches, the issue of redistricting surfaces largely around the make-up of the Legislative Redistricting Commission. The Constitution requires 5 members, 2 leaders from each the House and Senate (2 Republicans and 2 Democrats) with the fifth members chosen by those four. If they are unable to agree on a person, Ms. Horn commented the Pennsylvania Supreme Court appoints him/her. The Constitution sets a very high standard for legislative maps, stating that no counties or municipalities shall be divided “unless absolutely necessary”. Looking at the maps, Ms. Horn pointed out there are many obvious instances where that is not the case. In Clarion County on the U.S. Congressional map, the 3rd and 5th Congressional Districts are divided. Even worse, Ms. Horn stated it divides Piney Township with a population of fewer than 500 people and questioned why was that division “absolutely necessary”. In the next redistricting, there’s a possibility of Clarion Borough being divided. Looking at the map for the Pennsylvania House districts, specifically Butler County, Ms. Horn reported it is sliced and diced into 8 districts. How will the people in Butler County know who is representing them, or will it be up to each resident to notify all 8 of their representatives? Ms. Horn informed Council several bills have been introduced in the General Assembly to address this issue, of which they strongly support House Bill 722 and Senate Bill 22 for the following three reasons: 1) there is a random selection of commission members from pre-qualified lists of voters; 2) there is a prohibition against appointing lobbyists, government officials, or their family members; and 3) it provides for a transparent redistricting process that encourages public input. Many municipalities have passed this resolution, and many others are considering doing so. Ms. Horn urged Councilmembers to consider it and then recommend it be passed.

President Lapinto asked if Council is comfortable voting on this tonight or if it should go back to the Committee and brought up at the March meeting?

Mr. Noto, Mr. Zerfoss, and Ms. Logue stated they could vote tonight.

Mr. Bob Balough asked if Council is going to ask for more public comments as he signed in to speak this evening.

Ms. LaVan apologized for not getting the list and provided it for President Lapinto.

Ms. Elisabeth Fulmer feels this is a no brainer and Council needs to do something about this redistricting problem. First, it's obvious based on the last week's activities, it is a problem that needs to be fixed. There is a reasonable way to do it, and these bills provide a way to help equalize the situation.

Mr. Bob Balough encourages Borough Council to approve this resolution. Gerrymandering is probably the biggest threat to the American form of democracy there is. It is possible with gerrymandering that a minority vote could be in control, which is not a democratic process.

Putting minority, Republican, and Democrat aside, Dr. Sanders Dédé supports this resolution.

On a motion by Mr. Noto with a second by Ms. Logue to approve the Resolution in support of a citizens commission for legislative and congressional redistricting. The motion carried after the following roll call vote: Mr. Zerfoss, yes; Ms. Roberts, yes; Dr. Sanders Dédé, yes; Mr. Aaron, no; Mr. Noto, yes; Ms. Logue, yes; and President Lapinto, yes.

ADMINISTRATION

On a motion by Mr. Zerfoss with a second by Mr. Aaron to approve the appropriations for the month of February. The motion carried with a vote of seven yea.

President Lapinto stated the Treasurer's Report of Fund Totals and Budget Analysis are in the packet for informational purposes.

On a motion by Mr. Noto with a second by Ms. Logue, giving permission for Todd Colosimo to attend the 2018 CDBG Conference in State College on March 26-27, 2018, for an approximate cost of \$600, was carried with a vote of seven yea.

On a motion by Mr. Aaron with a second by Ms. Roberts to give permission to mail registration fee for the 2018 CDBG Conference at the fee of \$150 to Pennsylvania Association of Housing and Redevelopment Agencies (PAHRA). The motion carried with a vote of seven yea.

On a motion by Mr. Noto with a second by Dr. Sanders Dédé to approve Clarion University UAB's special event request for a concert to be held April 21, 2018, beginning 6 p.m.

Ms. Roberts asked who was going to be the performer?

Dr. Sanders Dédé commented they do not know yet.

Ms. Roberts pointed out the Nellie concert was ridiculously loud last year and went longer than Council had permitted. Hopefully, the noise ordinance will be handled differently this year.

The motion was carried with a vote of seven yea.

President Lapinto stated next is the Delta Zeta's special event request and asked Chief Peck if he had any questions or comments on any of these requests?

Chief Peck stated no, they are all annual requests and there are no issues with any of them.

On a motion by Mr. Zerfoss with a second by Mr. Aaron to approve Delta Zeta's special event request for their 5K Turtle Trot to be held April 21, 2018. The motion carried with a vote of seven yeas.

On a motion by Mr. Aaron with a second by Dr. Sanders Dédé, approving the Advisory Board for Leadership and Engagement's special event request for Come Together Clarion and 5K/10K race to be held on April 29, 2018, was carried with a vote of seven yeas.

On a motion by Mr. Noto with a second by Mr. Aaron, approving the Craig E. Fleming Post #066/The American Legion's special event request for Memorial Day Services to be held May 28, 2018, was carried with a vote of seven yeas.

President Lapinto reported the next two items on the agenda really go together. For some background, when Council began the budget process last year, an inventory of what the Borough's capital needs were going to be was completed. President Lapinto commented the copy of the resolution includes them as follows: the Library, repairing steps, new heating system, and correcting the storm water issue; Fire Company, new building doors; Police Department, computers for the cars and a camera system; Public Works Department, a new lawn mower and a used bucket truck (currently, the employees are using a ladder to change all the banners on the light poles, which is unsafe); and funds to start up the Storm Water Authority. The main question became how is the Borough going to accomplish all these things and still keep taxes at the current rate. With the Borough's financial consultant, Mr. Lynch's help, President Lapinto commented Council came up with a plan and asked him to discuss this process.

Mr. Lynch stated the resolution basically discusses the Borough's capital needs and, if money were to be spent tomorrow without borrowing the money first, by adopting it now, the funds can be reimbursed to the Borough. When you go out and have debt, you must follow all the Tax Arbitrage laws. Right now, it's unsure which direction will be taken with the debt structure because of the aforementioned storm water project on Center Place and PENNVEST funding possibilities. This is the reason the approval to move ahead with that came before this discussion. PENNVEST is a big equation of the whole structure moving forward. Any costs associated with the storm water could be reimbursed, if qualifiable, from the PENNVEST funding. Mr. Lynch will work with Ms. LaVan and Mr. Colosimo on that, if it becomes the way to go. Basically, the resolution mentions all the capital needs brought up during budget discussions. If the money is borrowed in May, and items listed in this resolution were purchased, the Borough can get reimbursement. For instance, if after tonight's meeting, Chief Peck needs something right now, and the funds are received, it can be reimbursed to the Borough. The Borough has to be very careful and follow the correct procedure to comply with

the Tax Arbitrages laws. Mr. Lynch stressed this is not for operational expenses but to pay for exactly what's listed in the resolution. Until the Borough understands how the PENNVEST funding may come in, whether 100% grant or a 50-50 match, no funding will be sought. However, in the next 2 months, Mr. Lynch feels he will have a better idea of the direction Council will have to take.

Mr. Neal, EADS Group, added PENNVEST funding offer will not be known until an application is put in.

Mr. Lynch stated he fully understands that, but it's necessary to know what direction the Borough is heading before the next phase is completed.

At the meeting with PENNVEST, Mr. Neal stated they will say here are the planning, the process, and how to proceed.

Mr. Lynch understands that.

Hearing no further questions, on a motion by Mr. Zerfoss with a second by Dr. Sanders Dédé to approve Resolution #2018-413, Debt Restructuring for Capital Projects.

President Lapinto pointed out the Solicitor has reviewed this resolution and is okay with it.

The motion carried with a vote of seven yea.

On a motion by Mr. Zerfoss with a second by Mr. Aaron to authorize Mark Lundquist (FA), Financing Ideas Incorporated, and Samuel J. Lynch, Jr., Clarion Borough's Financial Consultant, to seek request for proposals with Clarion Borough's local banks or other banks to finance the Borough's capital debt needs.

Mr. Lynch explained the State of Pennsylvania Commonwealth requires if you go out and borrow money, you have to have a financial advisor certified with the SCC assist, which he is not. Mr. Lundquist is a financial advisor and has the background to do this type of work. Mr. Lynch works with Mr. Lundquist throughout the Commonwealth on other projects. Mr. Lundquist will not get paid unless the Borough closes on the note. Having stated that, Mr. Lynch stated Council can decide not to do this process if he/she wishes. What this motion does is once the PENNVEST funding is known, Mr. Lynch and Mr. Lundquist will begin the process of contacting local banks in Clarion and around the area to get the best rates possible. As of now, it will probably be April before anything starts happening. Mr. Lynch commented then all information will be given to the Administration Committee as the process moves along.

President Lapinto stressed the Borough definitely has needs and Council wants to maintain the current tax rate, which this will provide a way to do so.

Hearing no other questions, the motion carried with a vote of seven yea.

BLUEPRINT COMMITTEE

Dr. Sanders Dédé reported the Committee reorganized and elected her as chair. The Committee is looking for new members and new ideas to revitalize the community. Grants are a possibility in order to implement the ideas.

Dr. Sanders Dédé announced the Committee is planning an outdoor concert for the Fourth of July, possibly using the Millers' backyard at the Bed and Breakfast or the open space on campus on the corner of Wood and 8th Avenue. It will be a free Jazz concert.

PUBLIC WORKS

Mr. Zerfoss stated the monthly report is in the packet for everyone's review. Public Works is spending 99.9% of the time in snow removal and shoveling. Mr. Zerfoss asked Mr. Preston to explain what the Department is doing in the remaining .1%.

Mr. Preston repeated the majority of time is keeping the snow off the roads. Once some nice weather comes around, the Department will try to patch some potholes, which there are quite a few of.

PUBLIC SAFETY

On a motion by Mr. Aaron with a second by Ms. Roberts, giving permission to hire Andrew Monger as the part-time Meter Enforcement Officer at 29 hours per week at the rate of \$9.25 per hour, was carried with a vote of seven yea.

LIBRARY REPORT

Mr. Noto commented the needs were addressed in the Administration report with the resolution for debt restructuring.

HOUSING AND ZONING

Ms. Roberts reported the monthly report is in the packet for everyone's review and pointed out quite a few tickets have been issued for snow removal from sidewalks. Going on a lengthy walk today, Ms. Roberts noticed quite a few that have not been shoveled. It's important for the residents to be aware that they are used by high school students walking to school, college students, and elementary-aged children walking to bus stops. It's important he/she is more vigilant on shoveling the sidewalks.

RECREATION

Ms. Roberts had nothing to report.

SECRETARY'S REPORT

Secretary LaVan commented things are moving along and hopefully the accounting can be closed out later this month.

MAYOR'S REPORT

Mayor Parker had nothing to report.

OLD BUSINESS

There was none.

NEW BUSINESS

There was none.

CITIZEN COMMENTS: Non-Agenda Items

Backing up to the storm water discussion, Ms. Cindy Miller, Greenville Avenue, asked how this rate will be charged to residents in the Borough. Her cement driveway is at least 30' long and the water doesn't even go to the storm drains but into her yard. Ms. Miller questioned if the Borough will charge her a lot more for an improved driveway versus residents with an unimproved, compact driveway.

Despite where the water may run, Mr. Noto commented it eventually ends up in the storm water system. Everyone will be charged a rate.

Mr. Colosimo thinks the idea is for the Authority to charge a flat fee for residential properties and a property calculation based fee for all individual large non-resident properties so they are being charged according to the amount of impervious surface.

Mr. Noto agreed it will be an average rate assessed to residential rates will vary for all non-residential properties.

Mr. Balough asked if the rate will be the same or based on the square footage of individual properties within the Borough?

Mr. Colosimo reported the Borough is waiting on the results of the fly over to help calculate an average impervious surface for residential properties in the Borough. That same amount is what the residential user will pay. The larger impervious surface areas, such as commercial or non-residential properties will be assessed on a scale. The more impervious surface a place may have, the more that will be paid.

Once the rates are being developed, Mr. Noto announced public hearings will be held everyone to attend to hear the data and information and ask any questions he/she may have. Right now, it is unknown what an average area for a house will be.

Mr. Balough asked how much the Borough's storm water budget will be eliminated each year once this is up and in place.

Mr. Noto doesn't know the answer at this time. The Borough is paying for projects as they come along.

Mr. Colosimo reported the biggest problem is the Borough's system is deteriorating and many developers over time have built developments and turned them over to the Borough. Different types of systems and parameters for dealing with the storm water that are failing at this point.

Mr. Balough inquired if the Borough anticipates receiving enough money from the fee revenue to maintain the sewer repairs?

Mr. Noto commented the hope is over time it will help pay to repair and replace the system.

President Lapinto pointed out Council decided to go with a Storm Water Authority so that everybody will pay the fee; the County, School District, and University who are exempt from paying taxes. Currently, the Borough's budget is paying to handle all these repairs

Mr. Balough reported he is not concerned with paying a fee but wants to know where that money that is being spent every year on these expenses to handle the problem, at one time was reported at \$250,000, will be spent? Surely, the Borough is not going to reduce taxes because there is more money now.

Mr. Noto stated the Borough has been absorbing these costs as they come about and cannot continue to do so.

Solicitor Marshall interjected and thinks Mr. Balough is misunderstanding what the Authority does and what the Borough does. The Borough is allowed to establish an Authority, who will run the system. The Authority will collect the revenues that are supposed to support the system with the funding and day-to-day operations. Solicitor Marshall commented the Borough will only be a guarantor of any of that debt. The Authority should be the primary obligator on the debt and will be its own separate entity. Solicitor Marshall believes the Authority has already been formed and appropriately filed through the State. Therefore, the Borough won't be able to take its budget in the saving and put it on the debt.

CORRESPONDENCE

There was none.

On a motion by Mr. Zerfoss with a second by Mr. Aaron, the meeting was adjourned at 8:24 p.m.

Linda LaVan, Borough Secretary