



Ebensburg Borough Council Meeting
Monday, June 23, 2014
6:30 p.m.

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Borough Council
Doug Tusing, President
Susan Barber, Vice-President
Cecilia Houser
Theresa Jacoby
Dave Kuhar
Joe Lutz
Joe Miller
Mayor
Randy Datsko

AGENDA

CALL TO ORDER & PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Members of the public are invited to comment at this time on any item appearing on the agenda.

1. CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine and will be acted upon by a single motion. There will be no separate discussion of these items unless members of the Council request specific items to be removed for separate action.

Item 9A: Approve the minutes of the May 19, 2014 regular monthly meeting of Borough Council.

Item 9B: Approve the Financial Statement.

Item 9C: Approve payment of bills.

Recommended Action – Approve the consent agenda.

2. APPOINTMENTS TO ADDRESS COUNCIL

3. MAYOR'S REPORT

Item 3A: Report on Police Department

4. COUNCIL PRESIDENT COMMENTS

5. WATER & WASTEWATER COMMITTEE

Kuhar & Houser

Item 5A: Report from Severn Trent Services on Wastewater Plant Operations

Plant Supervisor Bernie Kozlovac will provide a verbal report on projects and activities at the wastewater plant during the month.

Recommended Action – No action required.

*** Item 5B: Water Plant Operations**

Discussions are continuing with Severn Trent over the possibility of Severn Trent managing, under contract, the water treatment plant.

Recommended Action – No action required.

Item 5C: Water Line Replacement

East Ogle Street is included in the planned resurfacing project later this summer. Crews recently made five repairs to an old 4” water line in the center of Ogle Street between Phaney Street and Sugar Street. That section of line should be replaced prior to paving. A new 6” line should be installed to connect to an existing 6” line at Sugar Street.



Blue – Existing 4” water lines
Red – New 6” water line
Yellow – Existing 6” water line

Recommended Action – Approve replacement of approximately 350 feet of water line on East Ogle Street.

6. RECREATION COMMITTEE

Barber & Jacoby

7. STREET COMMITTEE**Lutz, Miller & Houser****Item 7A: Street Paving**

The following bids were opened on June 16th for the street resurfacing project.

	<u>Milling (LF)</u>	<u>Leveling (ton)</u>	<u>Wearing (ton)</u>	<u>Total</u>
New Enterprise	\$7.40	\$75.34	\$74.18	\$190,820.07
Grannas Brothers	\$3.00	\$76.75	\$76.75	\$194,357.75
HRI	\$4.00	\$90.70	\$90.70	\$229,909.10
Quaker Sales	\$9.00	\$90.00	\$90.00	\$230,625.00

The cost estimate for this project was \$209,951. The project will be paid for with Liquid Fuels funds and County Aid Liquid Fuels; no general fund dollars will be required for the project. Staff recommends that the bid be awarded to New Enterprise.

Recommended Action – Award a bid to New Enterprise Stone & Lime for street resurfacing in the amount of \$190,820.07.

- * Item 7B: ARLE Grant
Staff has applied for a grant through the Automated Red Light Enforcement Program. The grant program is funded through fines associated with automated red light enforcement systems across the state. The application is for \$53,840 intended to pay for installation of the pedestrian crossing signals required at Manor Drive in conjunction with the upcoming sidewalk project.

Recommended Action – No action required.

8. ADMINISTRATION COMMITTEE**Lutz, Barber & Jacoby**

- * Item 8A: Tennis Center

Recommended Action – Hire Christoff Trexler as a tennis assistant, effective 5/19/14, at rate of \$7.25/hr.

- * Item 8B: AFSCME Negotiations
The administration committee held its first meeting with AFSCME to begin negotiating a new labor agreement. The current 4-year agreement expires at the end of 2014.

Recommended Action – No action required.

9. GENERAL BUSINESS

- * Item 9A: Minutes of Previous Meeting(s)
The minutes of the previous meeting are presented for Council review and approval.

Recommended Action – Approve the minutes of the previous meeting.

- * Item 9B: Financial Statement
The financial statement for May 2014 is presented for approval.

Recommended Action – Approve the May 2014 financial statement.

- * Item 9C: Bills
A list of bills totaling \$358,960.38 is submitted for approval.

Note that several of the vendors are duplicated. Due to May's early meeting, those were not included in last month's list, but appear here.

Recommended Action – Approve payment of the bills as submitted.

Item 9D: Stormwater

1. Stormwater Utility Rate Analysis Report

The stormwater rate report and recommendations have been distributed to Council. The report forms the basis for establishing a stormwater fee that is adequate to fund planned stormwater projects. The report establishes the following key data:

- a) All single-family residential parcels are assigned one ERU.
- b) One ERU is equivalent to 2,830 sq. ft. of impervious surface.
- c) Commercial and tax exempt properties are assessed based upon the actual amount of impervious surface, divided by 2,830 sq. ft.
- d) Undeveloped lots, including cemeteries, are assigned zero ERUs.
- e) No parcel shall be charged more than 30 ERUs.
- f) The rate per ERU shall be \$4/mo. for the first year, and \$8/mo. thereafter.
- g) The total cost of all proposed stormwater improvement projects is \$7.2 million.
- h) The cost of three priority projects is \$2.2 million.

The extent to which the stormwater fee will cover the cost of future stormwater improvement projects depends greatly on the funding source. For example, if a PENNVEST loan is obtained, ALL proposed stormwater projects could be undertaken and financed over a 20-year period. If only local financing is obtained (at a higher interest rate), then only the three priority projects could be undertaken, financed over 10-14 years. The most likely scenario will be somewhere in between, with a combination of PENNVEST and local financing.

Recommended Action – No action required.

2. Expand the Powers & Purpose of Authority

Doubt has been raised across the Commonwealth as to whether the power for stormwater management, granted to municipal authorities by Act 68 of 2013, extends to boroughs. Many are suggesting that in order to be certain, boroughs and townships implementing stormwater programs and fees should do so by utilizing an existing authority or creating a new stormwater authority. In Ebensburg's case, stormwater powers would be assigned to the Ebensburg Municipal Authority.

The Municipal Authorities Act of 1945 contains a list of powers and purposes that can be bestowed upon municipal authorities by their local governments. Some authorities in Pennsylvania were created with a very specific purpose listed when incorporated. The Act (§5607) states that if a specific purpose is not identified, then the authority will be deemed to have ALL powers and purposes listed in the Act.

Ebensburg's municipal authority's Articles of Incorporation state "The projects or projects to be undertaken by said Authority shall be projects permitted and authorized by the Laws of the Commonwealth of Pennsylvania as the Borough of Ebensburg may from time to time by Resolution or Ordinance specify." Since the Articles lack specificity, staff believes that the Authority already has the power to address stormwater. However, considering that the Authority has not utilized any powers other than those related to water and wastewater since being formed in 1956, and, since the power for stormwater management was only added by Act 68 of 2013, it would be wise to complete all steps prescribed by the Act for granting expanded powers. Further, following all prescribed steps, whether required or not, will mitigate any possibility of a later challenge to those powers. Therefore, staff recommends that Council and the Authority follow the procedures prescribed by the Act for expanding powers and purpose, whether or not deemed necessary, and submit an amendment to the Authority's Articles of Incorporation.

- a) The Authority is required to adopt a Resolution petitioning Council to amend the Articles of Incorporation. That is completed and in Council's packet. In fact, there are three separate Resolutions proposing amendments.
- b) Council is required to adopt a Resolution supporting and agreeing to grant those expanded powers and purposes.
- c) The Articles of Amendment are then submitted by the Authority to the Secretary of the Commonwealth along with the Resolutions.
- d) The Articles of Amendment must be advertised in the newspaper and the Cambria County Legal Journal.

While going through this process to amend Articles of Incorporation, there are two other unrelated matters that staff recommends be addressed at the same time.

Economic Development

While the Articles of Incorporation are being amended for expanded powers, staff suggests that we also include the power and purpose for industrial and economic development projects. The following are four examples of situations in which the Authority could be asked to participate in an economic development project.

- 1) Acquisition and sale or disposal of blighted property. For example, the blighted house at 209 East Ogle Street could be acquired by the Authority for demolition, and then disposed of either through grant or sale. The Borough could acquire the property and obtain funding for demolition, but cannot freely dispose of the property.
- 2) Acquisition and development of a downtown building, similar to what was done in the past by Ebensburg Downtown Partners. The finished property could be sold or rented for income, used as a business incubator, etc.
- 3) Serving as a conduit for property transfers as needed, such as in the case of the former prison.
- 4) Agent for bond issues for non-profit entities, such as South Fork Municipal Authority has participated in. It's an effective way to generate revenue.

Change of Name

While the Articles of Incorporation are being amended for expanded powers, it is a convenient time to change the formal name of the Authority. The formal name is too long, and has never been used in the day-to-day affairs of the Authority. It is only used in dealings with PENNVEST. Staff suggests that the name be changed from The Municipal Authority of the Borough of Ebensburg, to its more common name, Ebensburg Municipal Authority.

Expanding powers and purpose to include stormwater management and economic development initiatives, and the name change, are all included in Resolution 2014-07

Recommended Action – Adopt Resolution 2014-07 approving expanding the power and purpose of the municipal authority for stormwater management, and changing the authority's name.

3. Ordinance Establishing Stormwater Fees

Ordinance #612, establishing the stormwater system fee, is submitted for Council's consideration. It reflects the findings and recommendations contained in the Stormwater Utility Rate Analysis Report.

Recommended Action – Grant tentative approval to Ordinance #612 establishing a fee for support of a stormwater management system, and advertise for public inspection.

4. Other Required Documents

Once the Stormwater Fee Ordinance is finalized and the Articles of Incorporation are amended, there will be several documents that either need to be created or revised relative to the stormwater system.

- a) Borough will adopt an Ordinance transferring ownership of all stormwater facilities to the Authority, as was done with water and wastewater systems.
- b) Borough and Authority will amend the Operating Lease leasing the stormwater facilities back to the Borough.
- c) Borough and Authority will amend the Operating Agreement, delineating roles and responsibilities for stormwater management.
- d) Authority will adopt a Stormwater Fee Resolution.
- e) Authority will adopt Rules & Regulations for the Stormwater System.
- f) Authority will adopt Credit Policy relative to stormwater management fees.
- g) Borough will create a stormwater page for the borough's website, including FAQs.

Recommended Action – No action required. Expected to be on July agenda.

Item 9E: Municipal Pension Reform

The financial instability of municipal pension plans is the most serious threat to the sustainability of local governments across Pennsylvania. It is such a recognized threat that a Coalition for Sustainable Communities was formed in 2011 to combat the problem. The Coalition is comprised of over 40 organizations including Chambers of Commerce (including the Johnstown/Cambria County Chamber) and all statewide local government organizations. House Bill 1581 represents a reasonable approach to solving this crisis. A recent press release issued by the Coalition is included in Council’s packet explaining the details of HB 1581. Staff urges Council to adopt a Resolution lending support to this effort, and urging the General Assembly to act.

Recommended Action – Adopt Resolution 2014-06 in support of municipal pension reform.

* Item 9F: Electric Rates

In March 2014, Council approved changing electricity suppliers to American Power at a variable rate of 8¢/kWh on a month to month basis. A drastic increase in rates is expected across the market. Direct Energy Business offered a fixed rate of 8.2¢/kWh for two years, non-contractual.

This applies to 31 of our 37 accounts. The other six accounts, the majority of our electric purchase, remain with Champion Energy (7.74¢). These 31 accounts transferred to Direct Energy Business are relatively small and are not very marketable.

Recommended Action – Make it a matter of record that electric accounts have been changed to Direct Energy Business at a fixed rate of 8.2¢/kW for a non-contractual 2-year period.

* Item 9G: Codes Enforcement

On May 29th, 74 notices for codes violations were mailed. Most of the violations dealt with high grass. Several were for debris on the property, three for old vehicles, and two were zoning violations.

As of June 17th, six grass violations remained. The borough will cut those and bill the owners. One zoning violation remains, and will be filed at the magistrate’s office.

Recommended Action – No action required.

10. DEPARTMENT REPORTS

Item 10A: Police Department

Chief Wyland will provide a verbal report on the police department’s activities during the month. A written report was e-mailed to Council separately.

Item 10B: Public Works Department

Public Works Director Dave Dodson will provide a verbal report on the public works department’s activities during the month.

Item 10C: Community Development

Community Development Director Danae Koss will provide a verbal report on the community development department’s activities during the month.

Item 10D: Recreation Department

Recreation Director Matt Pfeil will provide a verbal report on the recreation department’s activities during the month.

* Item 10E: Codes Enforcement

A monthly codes enforcement report is provided in Council’s mailbox.

* Item 10F: Ebensburg Municipal Authority

A copy of the minutes of the last municipal authority meeting is included in Council’s packet.

* Item 10G: Ebensburg Planning Commission – No activity

* Item 10H: Ebensburg Zoning Board

1) Henry

The zoning board approved a variance allowing for a new front porch at 509 North Spruce Street for Dwight & Barbara Henry.

11. MEDIA COMMENTS/QUESTIONS

Representatives of the media are invited to comment and ask questions at this time on any issues, whether or not on the agenda.

12. PUBLIC COMMENTS

Members of the public are invited to comment at this time on any issues, whether or not on the agenda.

13. ADJOURNMENT

Copies of all staff reports and documents subject to disclosure that relate to any item of business referred to on the agenda are available for public inspection the Thursday before each regularly scheduled meeting at the Borough office, located at 300 West High Street, Ebensburg, Pa. Any documents subject to disclosure that are provided to members of the Borough Council regarding any item on this agenda are available for public inspection at the Borough office or at www.ebensburgpa.com.

In accordance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Borough office (814) 472-8780 or eburg@ebensburgpa.com. Notification 48-hours before the meeting will enable the Borough to make reasonable arrangements to ensure accessibility to this meeting.