

REGULAR SESSION ** ECONOMY BOROUGH COUNCIL ** FEBRUARY 27, 2007

Council President Ronald R. Rock called the meeting to order at 7:00 PM in Council Chambers of the Economy Municipal Building to conduct business of general purposes.

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT: Nick F. Gnarra, Jr., Larry Googins, Arthur O. Mutschler, Audrey Mutschler, Renee Raymer, Donald Sivy, Ronald R. Rock

ALSO PRESENT: Mayor David N. Poling, Dale M. Fouse, Esq., Scott Shoup, P.E., Earl Fitzgerald, Road Foreman, Randy S. Kunkle, Borough Manager

James J. Sas, Chairman, Economy Borough Municipal Authority, came before Council with the following annual summaries regarding the Economy Borough Municipal Authority:

**Economy Borough Municipal Authority
2007 Fiscal Budget Summary**

			% of Revenues
REVENUES			
Sewer Billing Charges	\$ 3,323,377		
Miscellaneous Income	\$ 30,240		
Total Revenues	<hr/>	\$ (3,353,617)	100%
EXPENDITURES			
General Operations	\$ 193,300		
Personnel Operations	\$ 106,000		
Treatment & Maintenance	\$ 163,063		
Total Operations & Maintenance	<hr/>	\$ 462,363	-14%
Administrative Expenses	\$ 31,753		
Administrative Personnel	\$ 93,050		
Hospitalization & Taxes	\$ 101,964		
Total Administration	<hr/>	\$ 226,767	-7%
Other (Income/expense)		<hr/>	7%
Net Operating Proceeds		\$ (2,883,692)	86%
CASH OUTFLOWS			
Capital Expenditures	\$ 674,000		
Construction Expense	\$ 29,500		
Total Capital	<hr/>	\$ 703,500	-21%
Debt Service		\$ 2,091,463	-62%
Debt Service Coverage Deposit		\$ 89,495	-3%
Excess of Cash Inflows Over Outflows		<hr/> <hr/>	0%

**Economy Borough Municipal Authority
Summary of Phase II Sewer Project**

Original Cost, as approved		\$ 33,476,390	100%
Remaining Budget- Unexpended		\$ (303,211)	-1%
Capitalized Interest - Project vs Operations		\$ (599,792)	-2%
Approved Change Orders			
Plant Design and Completion	\$ 1,174,080		
Cost of Slide remediation	\$ 250,000		
Change orders- Construction	\$ 346,637		
		\$ 1,770,717	5%
Marshall Township Infrastructure Contribution		\$ (1,500,000)	-4%
		<u>\$ 32,844,104</u>	<u>98%</u>

Mr. Sas requested consideration to change the monthly stipend for new Board Members; existing Board Members are not permitted a change in this amount pursuant to existing regulations; the current rate is \$45 per month for Board Members and \$50 per month for the Board Chairman; the request is to increase the rate to \$100 per month for Board Members and \$125 per month for the Board Chairman.

HEAR THE PUBLIC:

No one wished to be heard.

MINUTES:

Mayor Poling requested the following changes: 1) Page 274 change “Mayor Poling requested Council review one sided.....” to “Mayor Poling requested Council review off street parking in neighboring communities for possible adoption in Economy Borough.”

Mr. Sivy requested the following be included on Page 275: “Mr. Googins questioned the officers on the 4 ½% pay raise stating that it was way above the cost of living percentage which was around 2 ¾%. Mr. Sivy questioned the officers on paying 1% to 1 ½% of the premium of their health insurance if they wanted that much of an increase in pay.”

Mayor Poling questioned the procedure for correcting minutes as the last correction at the last meeting he made was not initially said by him. Mrs. Raymer stated the comment was from what she read from the memo Chief Harrington sent to the Finance Committee in 2005 for the 2006 budget.

MOTION by Mr. Sivy seconded by Mr. Gnarra – to approve the Minutes of the January 23, 2007, Regular Session of Council, as corrected. **CARRIED UNANIMOUSLY**

MAYOR’S REPORT:

Mayor Poling read from the Mayor’s Monthly Report for the Police Department for the month of January, 2007, as prepared by Chief Harrington.

Mayor Poling requested to meet with the Finance Committee and Mr. Kunkle to discuss the 2006 budget reports.

Mayor Poling asked that Mr. Kunkle work with Joe Luff and Jeff Span regarding issues with the opening of Mr. Span's restaurant in the Northern Lights Shopping Center.

MANAGER'S REPORT:

1. Ordinance No. 412 - \$100,000 2% Loan : Mr. Kunkle advised this ordinance is required by DCED to obtain the \$100,000 loan at 2% interest.

MOTION by Mr. Googins, seconded by Mr. Sivy – to adopt Ordinance No. 412, Increasing the indebtedness of Economy Borough by the issue of a general obligation note in the amount of \$100,000.

CARRIED UNANIMOUSLY

2. CDBG Grant Applications: Mr. Kunkle reported the grant applications applied for were tap fees for those eligible in Phase I and the Phase II Pinehurst Water Line construction; it turns out these need to be done separately and need to be ranked; it would make most sense to rank the tap fees first; a motion to ratify this would be appropriate.

MOTION by Mr. Gnarra, seconded by Mr. Googins – to ratify the CDBG Grant Applications and rank the tap fees first and the Phase II Pinehurst Water Line second. CARRIED UNANIMOUSLY

3. HLISTA SUBDIVISION: Mr. Kunkle reported this is a major subdivision, one 10 acre parcel being split into four parcels of 2.6 acres, 3.3 acres, 1 acre and 3 acres on Concord Church Road, the 1 acre lot has an existing house on it; the 3.3 acre lot has three accessory structures on it but no primary; the Plan of Lots being approved has a note on it stating that a building permit shall be applied for, for the 3.3 acre parcel within 24 months of the recording date or the accessory structure shall be razed.

MOTION by Mrs. Mutschler, seconded by Mr. Sivy – to approve the Hlista Subdivision with the conditions set forth by the Economy Borough Planning Commission and the Beaver County Planning Commission.

CARRIED UNANIMOUSLY

4. Green Forest Trees: Mr. Kunkle reported a resident brought to his attention a large tree in the middle of the cull-du-sac on Green Forest Drive that appears to have a large split in it and makes a lot of noise; the concern is that it's ready to fall down; checked on the ownership status of such locations as there are a number of them throughout Economy Borough and absent of any proof that they were dedicated to the adjoining property owners they appear to be Economy Borough s as they are wholly within the right of way and do not adjoin private property; upon closer review it has been determined that at least one more tree in the group and possibly a third should be taken down as well; in the past Economy Borough has hired Dean Vidovich to take care of these problems.

MOTION by Mrs. Mutschler, seconded by Mrs. Raymer – to authorize Mr. Kunkle to contact Dean Vidovich for a proposal and if the proposal comes in at \$3,500 or less to have the trees removed, with proper bonding and insurance coverage. CARRIED UNANIMOUSLY

COMMITTEE REPORTS and OTHER BUSINESS:

ROAD DEPARTMENT:

Mr. Mutschler read the following Road Department Report with a summary of work that took place during the month of January, as prepared by Mr. Fitzgerald.

- We have been on snow removal 22 times since January 9th. 17 of which were call outs.
- After every snow removal the trucks are washed and gone over. The spreaders are greased and oiled to be made ready for the next event. Conway Wallrose Rd. has not been a problem for us. The men have done a great job.
- Robert's Lane has seen some serious frost heave this year. This is not the first time this has happened to this road. When this happens the road surface rises. This causes the road surface to crack. These cracks allow for salt to get into the subgrade and keep the areas around the cracks from freezing. These areas did not rise which gives the appearance of the area sinking. We have used approximately 30 tons of cold patch to keep the road passable. We will be looking into installing under drainage and making base repairs were needed when the weather breaks in the spring. We have a couple of roads that have minor heaving, but as of yet no damage has occurred to them.
- Various signs throughout the borough have been knocked down or pulled out, they have been put back up.

Mr. Mutschler reported Mr. Fitzgerald is asking permission to attend the 2007 Roadway Maintenance Conference in Charlottesville, Va. April 2-4; this a joint conference put on by the LTAP centers in Pennsylvania, Delaware, West Virginia, Virginia, Maryland and the Federal Highway Administration; each state takes a turn hosting this conference; Earl has attended this conference in the past and finds it very beneficial in keeping up with today's technology; to keep cost down for Economy Borough he would be traveling with Franklin Parks Director and Nottingham Twp. Director and sharing travel and lodging expenses. Cost Conference: Approximately \$150 - Room is \$87 a night; we would be there three nights. \$261 our cost would be \$130.50; Meals and vehicle expenses would be minimal.

MOTION by Mrs. Mutschler, seconded by Mr. Googins – to authorize Earl Fitzgerald to attend the 2007 Roadway Maintenance Conference in Charlottesville, Va. April 2-4 for a cost of approximately \$300 plus meals and travel expenses. CARRIED UNANIMOUSLY

Mr. Mutschler acknowledged the Letter to the Editor by a resident concerning the good job done by the road Department during snow events. Discussion followed concerning the poor condition of Ridge Road Extension.

Mr. Fitzgerald will contact Ambridge Water Authority regarding restoration of a 6' square patch left after a repair on Dogwood Circle and is working on the weight limit signs for Harmony Road

ORDINANCE and RECREATION:

Mrs. Raymer reported 25 people participated in the February 9th ski trip; the March 3rd casino trip has 53 people signed up; and the overnight casino trip has been cancelled.

Mrs. Raymer advised Dale Fouse has provided the draft of the ordinance setting forth procedures for applications and hearings on inter municipal liquor license transfers into Economy Borough; same will be distributed to Council for review/comments for the next meeting.

PUBLIC UTILITIES:

Mr. Googins reported Ambridge Water Authority has a balloon payment of 1.5 million due in 2014, 2015 and 2016 that they will be planning for; may cause a rate increase.

Mr. Googins asked Council's thoughts regarding the request for the change in the Economy Borough Municipal Authority Board Remunerations. Mr. Gnarra suggested the Finance Committee would review the remuneration for all boards before the next appointments.

PROPERTY and BUILDING:

Mr. Sivy reported the electric heater thermostat in Mr. Fitzgerald's office failed and was replaced by Earl; Mr. Shoup will discuss the generator issue; and the gas line leak to the Community Building has been repaired.

Mr. Sivy stated the Perpetual Easement and Right of Way for the proposed Veterans Memorial has not been signed. Mr. Fouse stated power to the monument is an issue to be reviewed and worked out.

PUBLIC SAFETY:

Mrs. Mutschler stated she will have information on the purchase of a new police car for the next meeting.

FINANCE COMMITTEE:

MOTION by Mr. Gnarra, seconded by Mrs. Mutschler – to authorize the ratification of the action taken by the borough manager on the schedule of bills listed and properly signed by the appropriate supervisor of that department for payment. CARRIED UNANIMOUSLY

Mr. Gnarra stated a date will be scheduled to review the 2006 budget concerns with the Finance Committee, Mayor Poling and Mr. Kunkle.

REPORTS:

SECRETARY:

No Report

ENGINEER:

Mr. Shoup stated his February 14th letter was incorrectly referenced and should indicate the Todd Gnarra property, Conway Wallrose Road (CWR). Mr. Shoup stated he has reviewed the drainage situation and spoke to Tom Johnson, PennDOT, regarding the matter; offered the following information for Council to consider: 1) stormwater is currently collected from a portion of CWR and a small portion of Orchard Lane and is

discharged onto the property of Todd Gnarra where it flows over land through the side and rear yards of the property to a point where it is collected and discharged into the Sunset Hills Plan stormwater drainage system; 2) the project discussed with Todd Gnarra and Tom Johnson would consist of replacing approximately 30' of existing pipe and installing approximately 285' of pipe to the point of new discharge (approximately 315' of pipe); the pipe route envisioned would follow Todd Gnarra's eastern property line to a point between the second and third large tree past his driveway and then the pipe would angle southwestwardly across his rear yard to the new discharge point; 3) Tom Johnson expressed that PennDOT would offer to supply a backhoe w/operator and 1 catch basin (for use at the angle point described), if Economy Borough were to supply the pipe and other needed maintenance power, use of the backhoe and operator would be subject to their availability; Mr. Johnson indicated he would need a release or letter from Todd Gnarra indicating that PennDOT would not be responsible for landscaping; 4) Earl Fitzgerald indicated the current unit cost for 15" pipe is \$5.58/foot for approximately \$1,758 for 315' and 18" pipe is \$8.28/foot for approximately \$2,608 for 315'. Mr. Shoup stated as previously indicated to Council, the past and current policy for boroughs in PA is that PennDOT is only responsible for storm sewers within the curb line of their highways and it is municipal responsibility beyond the curbs; since the current storm sewer extends well past the curb line and PennDOT is willing to form a partnership on addressing this drainage concern, he recommends that Economy Borough work with PennDOT and the property owner to address this matter; recommends that the pipe not be installed in an easement and that the pipe remain private in terms of ownership and maintenance; the issue of landscape restoration will need to be addressed with the property owner.

MOTION by Mr. Googins, seconded by Mr. Sivy – to authorize approval of Economy Borough to supply approximately 315' of 18" pipe at the approximate cost of \$2,608 with Economy Borough working in conjunction with PennDOT with this storm water drainage issue. Motion carried

Yes: Mr. Googins, Mr. Mutschler, Mrs. Mutschler, Mrs. Raymer, Mr. Sivy, Mr. Rock
Abstain: Mr. Gnarra

Mr. Shoup reported the Pinehurst Water Line is installed and the pressure test of the line passed; the asphalt work and restoration may not be done until late April; will contact Jeff Allen to discuss the issue of tap ins; there is a window for AWA to do this work. Mrs. Mutschler asked that the road be addressed before April due to the condition.

Mr. Shoup reported the Concord Presbyterian Church agreed to allow an amendment to the right of way, which would allow Economy Borough to take the S bend out of the driveway; will copy the easement plan to Dale Fouse to draft the provisions and the right of way agreement; the church is asking in exchange for the ability of taking out the S bend, that the portion of the right of way that currently comes off Conway Wallrose Road be moved back to the curb line; the right of way agreement between Economy Borough and Concord Presbyterian Church will be provided to act on in the future.

Mr. Shoup reported Highland Tank Company has provided the following offer regarding the insurance warranty of the current steel underground storage tank: 1) Highland Tank would supply a 1,000 gallon single wall steel above ground tank (Petroleum Technical would not recommend a single wall tank); 2) Highland Tank would supply a 500 gallon double wall steel above ground tank (Petroleum Technical indicated this probably would require a fire guard coating system which is several thousand dollars worth of value); or 3) Highland Tank would pay a \$1,000 cash settlement (new 1,000 tank would cost \$2,300, plus installation). Mr. Shoup stated he would personally take the \$1,000 cash settlement. Mayor Poling asked the difference in the expense of buying gas in bulk vs. buying fuel at the pump; Mr. Kunkle will review for 2006, however our card account set up is the fuel with no State or Federal Taxes; there could be a better price through COG. Mr. Rock asked Mr. Kunkle to do this for the next meeting. Mr. Sivy asked if we would pay added higher insurance premiums because of fuel storage. Mr. Googins stated the consensus of member representatives of the Upper Beaver Valley COG felt it was not worth the effort to have self storage of fuel, that use of the card is easier.

Mr. Shoup reported the generator warning light is on and it has failed to start; has called Cuttler Hammer (CH) and Conserve Electric to consult with CH to fix at CH expense; a new person is handling our account and Mr. Shoup talked with the new person who will look into our issue and get to him as soon as she can.

Mr. Shoup reported the salt storage facility bid came in at \$183,427.00 from Park Lane Construction; believes it came in under the estimate cost. Mr. Sivy reviewed the original expected cost of the salt shed with a 10% buffer at \$193,000.00. Mr. Shoup advised that since the funding could be approximately 12 weeks out for the loan, the awarding of the bid could be held up to 90 days giving time to consider the awarding; possibly at the next meeting. Mayor Poling asked for a total cost of the project from start to finish.

SOLICITOR:

Mr. Fouse advised in 2005 the Economy Volunteer Fire Department purchased vacant land subdivided from the Ridge Road School property; the property was inadvertently put back on the tax rolls and the EVFD has received a tax bill; in August, 2006, a hearing at the Beaver County Courthouse was held regarding the tax exempt status of the property; February 23, 2007, Beaver County issued a decision that the property is now tax exempt; the EVFD is requesting that the 2006 Economy Borough tax be exonerated.

MOTION by Mrs. Mutschler, seconded by Mr. Mutschler – to authorize the exoneration to Economy Volunteer Fire Department for Economy Borough real estate tax for the 2006 tax year in the amount of \$426.00. CARRIED UNANIMOUSLY

Mr. Fouse advised he has researched the survey request regarding a sex offender residence ordinance which would restrict where a sex offender could residence and would not recommend adopting such an ordinance. Mayor Poling suggested Mr. Fouse talk with Chief Harrington about this.

Mr. Fouse reported he has received an email from Sgt. Heitzenrater.

Mr. Fouse requested an Executive Session regarding the Road Department grievance with no vote.

Mr. Sivy advised the 2007 model Wind Turbine is in.

Mr. Sivy reported he would not be at the next meeting as he would be in Detroit for work.

MOTION by Mrs. Mutschler, seconded by Mr. Sivy – to adjourn to Executive Session to discuss the Road Department grievance with no vote. CARRIED UNANIMOUSLY Time: 9:58 PM

MOTION by Mrs. Mutschler, seconded by Mr. Sivy – to return to the regular order of business. CARRIED UNANIMOUSLY Time: 10:10 PM

ADJOURNMENT:

MOTION by Mr. Mutschler, seconded by Mr. Sivy – to adjourn the meeting. Time: 10:10 PM CARRIED UNANIMOUSLY

Respectfully submitted,

Susan A. Blum
Borough Secretary
March 9, 2007

List of Bills attached to Minute Book