

**Meeting Minutes**  
**State College Borough Council**  
**Regular Meeting/Work Session**  
**Monday, November 19, 2012**

The State College Borough Council met in a regular meeting on Monday, November 19, 2012, in the State College Municipal Building, 243 South Allen Street, State College, PA. Mayor Goreham called the meeting to order at 7:30 p.m.

Present: Elizabeth A. Goreham, Mayor  
Donald M. Hahn, President of Council  
Thomas E. Daubert  
Catherine G. Dauler  
Ronald L. Filippelli  
Sarah Klinetob  
Peter Morris  
James L. Rosenberger

Also present: Terry J. Williams, Borough Solicitor; Thomas J. Fountaine, Borough Manager; Sharon K. Ergler, Assistant Borough Secretary; Carl R. Hess, Planning Director; Mark A. Whitfield, Director of Public Works; Courtney Hayden, Communications & Grants Coordinator; Norma Crater, Manager of Financial Services; Amy Kerner, Borough Engineer; Charles DeBow, Parking Manager; and members of the media and interested PSU journalism students.

**Public Hour - Hearing of Citizens**

tated on April 12, 2012, Council voted to rename Fraser Plaza after Dr. Martin Luther King, Jr., a man who stood against discrimination. However, Chapter 19, Section 501.6.g of the Borough's Zoning Ordinance discriminates against students. This ordinance limits the population density of students in the R-1, R-2, and R-3 zoning districts. Students are not a protective class and people should be judged for their actions, such as are they loud, noisy and do they park everywhere. There are strict punishments in place for noise, public nuisances and illegally parked vehicles. Mr. Killian said students should be treated as residents. He said there is not one late night place of assembly in the downtown except for bars. There should be other alternatives. Mr. Killian noted that, in State College, there are residential areas that could work for young, talented people. He asked Council to consider his suggestions.

**Focus on Appearance Awards**

Ms. Zoe Boniface, Chairman of the Design Review Board, presented the Focus on Appearance Awards. The first was issued to Dale and Pamela Trout for their recently renovated house at 800 West College Avenue, which is located in the Urban Village. Ms. Boniface said the Urban Village is an area that the community has chosen to preserve in historic fashion. The Trouts have taken this existing student home and have made it more viable. By using flexible zoning incentives, the Trouts have preserved the historical façade along West College Avenue while extending the house further back onto the lot. She commented that the South Patterson Street façade is very attractive. She said, with great pleasure, she presents Mrs. Trout with this award. Ms. Boniface said the Trouts, with the use of flexible zoning incentives, were able to carry out the spirit and actions of the intent of the zoning ordinance

Ms. Trout thanked Ms. Boniface, as well as her architect, Albert Drobka, and contractor, Chris Kunes.

Ms. Boniface presented a second Focus on Appearance Award. This award was given to the Pennsylvania State University for the Nittany Lion Inn. She complimented Gordon Turow, the recipient, on the way the Inn has been preserved because this is a piece of our heritage on an important corner in town. Ms. Boniface said this is a favorite place of many alumni and a location that many think of in their minds. She said the recent renovations at the Inn were reviewed by the Design Review Board (DRB) and it was a pleasure to work with the Office of Physical Plant because everyone involved was open to all suggestions made by members of the DRB.

Mr. Turow said it is wonderful to win design awards and he is more than happy to accept this one. He followed up by saying it is a distinct honor to receive them.

## **ABC Report**

Report from the Design Review Board – Ms. Boniface presented the DRB's proposed 2013 work plan. She commented the DRB continues to look for ways to promote good design. She said the DRB is planning to update the Design Guide. While it is not a published document, the DRB is looking to update photographs, and review the Guide to see what other changes need to be made to it. She also briefly reviewed with Council what the DRB has accomplished this year, such as reviewing designing plans, sign applications, etc.

## **Consent Items**

Mr. Rosenberger made a motion to approve the Consent Items with the exception of Item A. Mr. Morris seconded the motion, which passed unanimously in favor.

- Approve a resolution for the destruction of records in the Police Department.
- Approve the closing of South Allen Street, from College Avenue to Calder Way, on Thursday, November 29, 2012, from 5:30 – 7:30 p.m. for the annual tree lighting ceremony sponsored by the Downtown State College Improvement District.

Mr. Morris made a motion to approve Carol Gold's resignation from the Board of Health, effective immediately, with much regret. Mr. Rosenberger seconded the motion but said he understood why she would want to spend time on the West Coast with her grandchild.

Mr. Morris said both Mrs. Gold and Mr. Gold have done a list of good things and have sacrificed time and energy for the sake of the town.

Mayor Goreham said she remembers meeting Dick and Carol Gold in the old Municipal Building on South Fraser Street. She said they represent some of the best citizens we have.

Mr. Gold thanked the Mayor, Council and staff for their willingness to serve. He said they have sold their home within the last couple of months and he wanted to thank the Public Works Department staff who helped them get things out of their house. He said they have over 30 years of memories in State College. He added that State College is a very special place and he and Carol are leaving with great memories.

The motion to approve Mrs. Gold's resignation passed unanimously.

## **General Policy and Administration**

### Refunding of the 2009 General Obligation Bond

Mr. Christopher Gibbons of Concord Public Financial Advisors explained that Borough Council had approved a resolution in 2008, which outlined the policy for refunding bonds when the savings exceeded the 3% threshold for refunding the debt. He explained that the estimated savings for the 2009 General Obligation Bond is 4%.

Mr. Gibbons characterized the refinancing of these bonds, similar to a home mortgage. The 2009 General Obligation Bond would be refinanced from a higher interest rate to a lower interest rate, thereby saving the Borough approximately \$352,000, if the interest rate remains low. He said it makes good economic sense to move ahead. Mr. Gibbons said not all of the 2009 General Obligation Bonds are all advance refundable. Only a certain portion of them are. This is the Borough's opportunity to refinance the portion that can be refinanced.

Mr. Rosenberger asked how long does the refinancing take and to put the bonds on the auction for quotations.

Mr. Gibbons said he will come back to Council at the December 3<sup>rd</sup> meeting to lock in the rates. He said the risk of waiting until 2013 is that the same lower interest rate may not be available and the savings to the Borough may not be as significant and therefore, it may not exceed the 3% threshold as established in the resolution established for refunding debt.

Mr. Hahn made a motion to have Council approve the advance refunding subject to verification of the actual savings before completion. Mr. Daubert seconded the motion.

Mr. Hahn said the 3% threshold sounds good; however, he would be curious for future reference to run some scenarios of 4% or 5% threshold and whether the Borough would have netted more or less.

Mr. Fontaine said staff cannot answer that question tonight; however, 3% is the threshold in the policy. He said staff can take a look at that issue and provide guidance to Council.

Ms. Klinetob asked, given the information available, would it make sense to wait another six months? The financial forecast could still be positive. She asked Mr. Gibbons what information he was basing his decision on.

Mr. Gibbons said the economic forecast rate will stay the same. He asked if the Borough has any other large projects they want to do next year. The rates are at an all-time low during the study period.

The motion to adopt Ordinance 2003 and the refunding of the 2009 General Obligation Bond passed unanimously.

#### Pension Amendments

Mr. Fontaine said the proposed pension amendment provides full-time staff from the Centre Region Council of Governments to begin participation in the State College Borough's Defined Contribution Pension Plan. If Council approves this amendment, COG employees could join with Borough employees in the Defined Contribution Pension Plan effective February 1, 2013.

Mr. Morris said this is a great opportunity for COG.

Mr. Rosenberger agreed and said the Borough works with COG on other plans.

Mr. Fontaine said the pension costs go back into the pension plans. Some of the Borough staff does pension work that involves COG; however, the Borough does not get reimbursed for it. This amendment will allow COG employees to move to defined contribution, which was not previously available to COG employees. This simply opens the opportunity for COG to participate.

In a roll call vote, Council unanimously approved Ordinance #2004.

#### Pension Advisory Boards

Mr. Fontaine explained that over the past eighteen months, staff has been working with a Pension System Advisor to evaluate the State College Pension Fund's performance and assist the Borough in its fiduciary responsibility in the administration of pension plans. One of the advisor's recommendations was to establish a pension Advisory Board to work with the various professional advisors in assisting the Borough to fulfill its fiduciary responsibility. Mr. Fontaine said Randy Rhoades, the Borough's Pension Advisor, first presented this information at a Council meeting in 2011. The recommendation was to establish two advisory boards, a Police Pension Plan Advisory Board and a Non-uniformed Employee Pension Plan Advisory Board. Others who sit on the Boards are the Manager, the Assistant Manager and Human Resources Director.

Mr. Filippelli made a motion to enact Resolutions #1073 and #1074 authorizing the creation of two Pension Advisory Boards. Mr. Rosenberger seconded the motion.

Mr. Daubert said three of the four people serving on these Pension Boards are administrators. He said the administrators are giving advice to themselves.

Mr. Fontaine said the recommendation would bring active members of the plan into the process. These members will work closely with the professional advisors and receive input and feedback. These amendments will simply bring another party into the process.

Mr. Rosenberger asked if that meant the Sunshine Law applies and are the meetings open to other employees and/or the public. Mr. Fontaine responded yes.

Resolutions #1073 and #1074 were approved unanimously.

Mr. Hahn said he appreciates Mr. Daubert's comment. He said he felt the addition of an active member to each Pension Advisory Board was a step in the right direction.

Mr. Rosenberger commented that anything the Pension Advisory Boards recommends will continue to come to Council for approval. Council has the opportunity to quiz the Pension Advisor on an annual basis.

## **Planning and Community Development**

### Sponsor a Renewal Application for the Local Shelter Support Initiative

Mr. Fontaine explained that Ron Quinn, Director of Housing Transitions, Inc. has asked the Borough to sponsor a renewal application for the Local Shelter Support Initiative. The purpose of the shelter project funding is to increase the capacity of Centre County Women's Resource Center, Housing Transitions, and Burrowes Street Youth Haven to provide services to homeless mental health consumers and homeless youth.

Mr. Fontaine said this project is an initiative of the Centre County Affordable Housing Coalition, which needs a sponsor for the application. Local governments are eligible to apply, and the Coalition has requested the Borough again sponsor this application. The application will request \$10,920 in supportive housing funds for a one-year program. There is a 20% match requirement; however, the three organizations will supply the match. No request for funding is being made for or by the Borough.

Mr. Rosenberger made a motion to approve the submission of the application on behalf of Centre County Affordable Housing Coalition. Mr. Morris seconded the motion, which was approved unanimously without any discussion.

## **Public Works**

### Rights-of-Way Excavation and Occupancy Ordinance

Mr. Fontaine explained that as the Comcast Cable Franchise was being renegotiated, the Centre Area Cable Consortium (CACC) communities determined that certain activities within the rights-of-way should be regulated by a common set of regulations for all communities. Over the past several years, the Engineering and Public Works staffs from these municipalities have been working jointly to establish a recommended ordinance. As the CACC developed the ordinance, it was determined that parties of the right-of-way ordinance could be standard, but that there are also unique elements that each municipality needed to address in a local ordinance. The existing right-of-way ordinance was passed in 1940, which only regulated excavations at that time. The amendment updates standards for construction and requirements for restoration of rights-of-way.

Mr. Filippelli made a motion to approve the Rights-of-Way Excavation and Occupancy Ordinance. Ms. Dauler seconded the motion, which passed unanimously.

Mr. Rosenberger asked how this ordinance differs from the amendments other municipalities might pass. Mr. Fountaine said Mark Whitfield, the Public Works Director, led the project and the Borough Solicitor participated in the process.

Mr. Whitfield said his staff used a boilerplate ordinance, which was recommended by the consultant who worked on the franchise agreement. He noted that this amendment repeals an ordinance that was one paragraph long. The proposed amendments protect the Borough and its citizens. Mr. Whitfield said this amendment mirrors similar to what PennDOT uses.

Mr. Whitfield added that Amy Kerner, the Borough's Engineer, has worked extensively on this amendment. He said the Borough's amendment is as uniform as possible with adjacent municipalities.

Mr. Hahn said he would defer to professional recommendations.

Ms. Dauler said she was on the committee that worked on renovations of the Comcast Franchise Agreement. She said the committee could not have done the work without the professional lawyer who knew the industry, because the agreement was very complicated. She said she would expect that Borough staff did this with this amendment as well.

Council voted in a roll call vote and the amendment passed 6-1 with Mr. Rosenberger voting against the motion.

#### Vehicles and Traffic Ordinance Changes

Mr. Fountaine said Council is asked to make two changes to the Vehicle and Traffic Ordinance. The first change is to the parking regulations on Corl Street. During the reconstruction of Corl Street, a fire hydrant was placed in a new section of the street. As a result, the posted sign regulations contradict PA State Law forbidding parking within fifteen feet of a fire hydrant. Section 1 of the amendment corrects that problem. Staff is also proposing to change the parking regulations on South Fraser Street. After the realignment of Fraser Street, a sign was posted that allowed loading and unloading in the travel lane during certain times. This zone was designed for quick food deliveries but has been used by large tractor trailers whose deliveries are taking up a considerable amount of time. During these extended times, a safety hazard is created for pedestrians and vehicles. The proposed regulations will restrict all stopping, standing, loading and unloading from the travel lanes.

Mr. Rosenberger made a motion to enact Ordinance #2006. Mr. Morris seconded the motion.

Ms. Klinetob asked if there were any designated loading zones on Fraser Street before the realignment. Borough Engineer, Amy Kerner, said there was a loading zone north of Calder Way and there was some concern raised about it being relocated with the Fraser Street realignment; however, there is another loading zone on West College Avenue, in front of Dunkin Donuts.

In a roll call vote, Council voted unanimously in favor of amendments to the Vehicle and Traffic Ordinance.

#### **Official Reports and Correspondence**

Mayor's Report – Mayor Goreham said she recently attended a PA Municipal League Board meeting where pension reform is being proposed by the PML. She said the Board recommended they proceed with that recommendation.

Mayor Goreham said every member of the PML Board expressed their enthusiasm about State College hosting the annual convention here in June.

Mayor Goreham reported that the Borough/University semi-annual meeting was held on November 9. The Manager provided a quick summary of the topics discussed and briefly noted who attended from Penn State. He noted that Ford Stryker gave a presentation on the Penn State gas line extension project.

Mayor Goreham said Penn State enrollment applications are down slightly; however, applications for International Students are way up. This has been the trend around the country. The Manager said the University officials do not think enrollment will be affected at the University Park campus.

President's Report – Mr. Hahn said he had nothing to report.

#### Regional Liaison Committee Reports

Executive – Mr. Morris said the Executive Committee meets tomorrow and they will be discussing the draft of the COG Comprehensive Plan and referring it to the municipalities for review and comment. The Executive Committee will also be discussing the Code Administration software contract with Tyler Technologies. Lastly, the Committee is being asked to endorse the 2013 COG Budget.

Finance - Mr. Rosenberger reported that the Finance Committee will be discussing the COG Budget next week and referring it to the municipalities.

Human Resources – Mr. Filippelli said the Human Resources Committee did not meet this month.

Parks Capital – Mr. Daubert said the Parks Capital Committee did not meet with month; however, they will be meeting on December 13. He commented that the Centre Region Parks & Recreation Department, as well as the Parks Capital Committee, decided to put the maintenance facility at the Whitehall Road Park. The Parks Capital Committee will also be discussing changes to the Oak Hall and Whitehall Road Park plans.

Public Safety – Mr. Hahn said the Public Safety Committee held a joint meeting with the Public Services Committee; however, he was unable to attend.

Public Services and Environmental – Ms. Klinetob said Public Services and Environmental Committee held a joint meeting with the Public Safety Committee where they discussed regional services, such as police, fire, and Public Works. This joint meeting was held right after Hurricane Sandy and they talked about how these services all work together. Ms. Klinetob noted that these joint efforts take a lot of coordination and cooperation.

Transportation and Land Use/MPO – Mr. Daubert said the Transportation Committee met on November 5 and reviewed all 40 pages of the changes recommended by municipalities for the Comprehensive Plan. Mr. Daubert said the MPO meets quarterly and their next meeting will be held on November 27.

#### **Staff Reports**

Council's Objectives – Council has asked for an opportunity to review and discuss the 2012-2013 Council Objectives. This information was provided to Council at their November 5, 2012 meeting.

Mr. Fontaine distributed a revised copy to Council at the meeting. He said if Council had any questions, he would be happy to try and answer them this evening.

Mr. Daubert had a question related to the Alliance for Innovation and Development. He said he has not heard an update on this recently and asked how this relates to several of the other objectives on the list.

Mr. Fontaine said the Alliance for Innovation is the group staff has been working with for the past year. This effort would create opportunities for entrepreneurs in an incubator for start-up properties. This project is associated with the existing Innovation Park project. He said this project is consistent with the implementation of Council goals. A project such as this one encourages graduates to stay in the area and also provides new employment opportunities. Mr. Fontaine said Carl Hess has been the staff person working on this project. He added that additional information on this project will be provided in the future.

Mr. Filippelli stated if the Redevelopment Authority establishes an incubator in the downtown, it would be attractive to young people. He suggested a mixed-use project that included both residential and retail.

Mr. Daubert raised a question about objectives 6 & 7. He said he has not heard updates on these for a long time. He said Council needs to be more informed. He said the update lists that there have been several meetings with the neighborhood groups; however, Council has not received a report on it.

Mr. Fontaine said last June we held two Council meetings with the neighborhood representatives. In addition, we hosted two meetings a year with the neighborhood presidents; however, this has been delayed a bit since Kate Doe left. Mr. Fontaine said he would make certain Council gets the notes and/or minutes from those meetings.

Student Representative Report – Ms. Petrulionis said students are gearing up for their first break of the semester. She said the UPUA is funding electronic signs on campus that tells passengers where the CATA bus is located on their route, and additional projects are in the planning phase. Ms. Petrulionis said UPUA is in the process of organizing an encampment for student leaders in the spring.

## **Adjournment**

Council recessed to a work session at 8:38 p.m. to discuss the proposed 2013 Operating Budget

### 2013 Operating Budget

First, Assistant Manager Roger Dunlap provided an overview and briefly reviewed the budget's highlights.

General Fund Revenues - Norma Crater, Manager of Financial Services, introduced Kathy-Koetje-Simin, the Assistant Manager of Financial Services, who started in July. Ms. Crater provided Council with details on the General Fund Revenues. She said revenues were down slightly in 2012. She said in terms of Intergovernmental Revenue, no new programs or grants are planned in 2013. Ms. Crater also briefly reviewed the Schedule of Fees and Charges.

Mr. Morris raised a question about Neighborhood Services in the Department of Ordinance Enforcement and Public Health's budget. He asked what happened to this line item. Mr. Fontaine said last year staff had talks with Penn State about receiving assistance to help fund the Neighborhood Services Coordinator position; however, the funding did not come through yet for 2012. As a result, revenue was shifted to Administration's Community Engagement. He added that not all of the funds were realized this year. He said he anticipates additional conversations with Penn State about this shared position.

Budgetary Policies – Ms. Crater said no changes have been recommended to the policies. Additional discussion on this portion of the budget will take place on either December 3 or 4.

Mr. Daubert raised a question that the fund balance is not to exceed 12%, as it is written in the current policy; however, the fund balance could be 3% or 5%. He said he felt this section needs to be rewritten.

Debt Management – Mr. Dunlap commented that the Borough's debt management section of the budget is correct and it reflects the refinancing of the 2005 General Obligation Bonds, as well as the refinanced pool debt.

Debt Service – Ms. Crater briefly reviewed the Borough's current debt. Mr. Rosenberger asked if the debt includes payments to COG. Ms. Crater said the payments to COG are under the Regional Programs section of the budget.

Capital Improvements - Mr. Dunlap offered Council some highlights from 2012 and provided a quick overview of the 29 projects in the 2013 CIP. He noted that there are no General Fund contributions required to fund these projects. Some of the projects include the construction of the Municipal Service Facility and the Downtown Master Plan. Other projects include the Memorial Field sinkhole, compost operations, and the sanitary sewer inflow and infiltration program.

Mayor Goreham complimented staff on preparing a budget without any tax increase again this year.

There being no additional business matters to discuss, Council adjourned the meeting at 9:16 p.m.

Respectfully submitted,

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Sharon K. Ergler  
Assistant Borough Secretary