

Meeting Minutes
State College Borough Council
February 6, 2006

The State College Borough Council met in a regular meeting on Monday, February 6, 2006, in the State College Municipal Building Council Room, 243 South Allen Street, State College, Pennsylvania. Mayor Welch called the meeting to order at 7:30 p.m.

Present: Bill Welch, Mayor
Catherine G. Dauler, President of Council
Thomas E. Daubert Donald M. Hahn
Ronald L. Filippelli Craig R. Humphrey
Elizabeth A. Goreham Jeffrey R. Kern

Also present: Thomas J. Fountaine, Borough Manager; Terry J. Williams, Borough Solicitor; Carl R. Hess, Director of Planning; Thomas R. King, Chief of Police; Michael S. Groff, Finance Director; Mark A. Whitfield, Director of Public Works, Michele Nicolas, Director of Human Resources, Cynthia S. Hanscom, Assistant Borough Secretary; members of the media; and other interested members of the public.

Mr. Welch began with a moment of silence and the Pledge of Allegiance.

Public Hour - Hearing of Citizens.

Mr. Welch presented a proclamation to the Happy Valley Alley of the World Clown Association for spreading joy and laughter for the past five years through regular visits to Mount Nittany Medical Center, nursing homes and churches, businesses and community events. Because good humor often is in short supply in the depths of winter, he proclaimed the last Saturday in February to be Good Humor Day in the Borough of State College for as long as there are winters and urged all residents to join the Happy Valley Alley clowns in being of good humor and in keeping the "Happy" in Happy Valley.

Mr. Welch also acknowledged the recent Super Bowl win for the Pittsburgh Steelers.

Mr. Welch asked if there were other comments from the public. There were none.

CONSENT ITEMS

Council reviewed the following consent items:

Appoint or Reappoint Members to Various Authorities, Boards, Commissions, and Committees (ABCs). Mr. Fountaine said that Council selected several nominees to serve or continue to serve as members of ABCs. Each of the nominees were contacted and expressed a willingness to serve on the boards assigned to them by Council.

Authority, Board or Commission	Term Expires	
Parks & Recreation Authority	12/31/2010	Donna Conway
Spring Creek Watershed Commission	12/31/2006	Amy J. Story
Alternate	12/31/2006	Elizabeth Goreham
Community Land Trust	12/31/2008	Catherine G. Dauler
Centre Region Planning Commission	12/31/2006	Bill Ryan
Alternate	12/31/2006	Ron Madrid
Fraser Centre Committee	When project is complete	Ronald Filippelli

Special Activity: 5K Race/3K Walk. Mr. Fountaine said a request for a 5K Race/3K walk to benefit Cure Autism Now Foundation was received. The event will require Allen Street to be closed on Saturday, April 1, 2006, from 8:00 a.m. to 4:00 p.m. Although the request is to close Allen Street from Highland Alley to Foster, staff is recommending the street be closed only from the Schlow Centre Region Library driveway to Foster Avenue. Signs will be placed on Beaver Avenue indicating that the street is open only to the library. This will allow for the bank drive-through to remain open as well.

Resolution for the Destruction of Records. Mr. Fountaine said in accordance with Act 428 of 1968, adopted for use by Council through enactment of Resolution 706 in 1993, each individual act of record disposition must be approved by Resolution of the governing body. Resolution 901 was prepared for enactment by Council to approve the destruction of records in the Finance Department.

Council May Approve the Use of the Council Chambers. Mr. Fountaine noted a request was made by the Downtown State College Improvement District for the use of Council Chambers on

Wednesday, February 22, 2006, from 7:00 p.m. to 9:00 p.m. for a public forum to gather input on Fraser Centre. As per Facility Use Policy, any use of the Council Chambers requires approval.

Mr. Kern moved to approve all consent items. Mr. Humphrey seconded the motion. Mr. Daubert questioned the approval of the appointment to the Fraser Centre Committee. He noted that this was not discussed among Council members. Mr. Kern agreed to withdrawal his motion.

Ms. Goreham moved to defer approval of the appointments. Mr. Daubert seconded the motion. Mr. Humphrey noted the item of concern was appointment to the Fraser Centre Committee; therefore, the other appointments should not be delayed. Ms. Goreham agreed and withdrew her motion.

Ms. Goreham moved to approve the appointments excluding the Fraser Centre Committee. Mr. Humphrey seconded the motion. The motion passed with a 7-0-0 vote.

Ms. Goreham moved to defer the discussion of the appointment to the Fraser Centre Committee to an executive session. Mr. Daubert seconded the motion, which passed unanimously.

Mr. Hahn moved and Ms. Dauler seconded a motion to approve all the other consent items (Resolution 901, use of Council Chambers, and the special activity). The vote on the motion was 7-0-0 in favor.

BIDS/CONTRACTS/AGREEMENTS

Rental of Snow Removal Equipment. Mr. Fontaine said sealed bids for hourly rental of snow removal equipment for use during the remainder of 2006 were opened on January 27, 2006. During times of significant snow accumulations, the Borough's Public Works Department needs to rent various pieces of equipment from private contractors to help remove snow from the central business district, and to help maintain streets and alleys throughout the Borough. Availability of bid packages was advertised in the Centre Daily Times in accordance with the Borough's Purchasing Ordinance and twelve (12) vendors obtained bid packages for review. Three (3) vendors submitted bids, as follows:

Equipment	HRI, Inc.	Glenn O. Hawbaker, Inc.	Paradise Contracting
Tri-Axle Dump Truck	\$60.00/hour	\$69.00/hour	No bid
Track Loader	No bid	\$90.00/hour	\$90.00/hour
4-Wheel Drive Backhoe	No bid	\$73.00/hour	\$50.00/hour
T-Tag Truck	No bid	No bid	\$42.00/hour

Staff recommends that Council award bids to the vendors with the lowest hourly rate bid per type of equipment. By doing this, the Borough will establish the hourly rate by vendor and by type of equipment for use throughout 2006. Bids could be awarded as follows:

Tri-Axle Dump Truck – HRI, Inc. \$60.00 per hour
Track Loader – Glenn O. Hawbaker, Inc. and Paradise Contracting \$90.00 per hour
4 Wheel Drive Backhoe – Paradise Contracting - \$50.00 per hour
T-Tag Truck – Paradise Contracting - \$42.00 per hour

Funding for this award is available in the Highway Aid budget.

Ms. Goreham asked if the costs were higher this year because of increasing fuel costs. Mr. Whitfield replied the hourly rates were up slightly but not by a significant amount.

Ms. Goreham moved to award the bids as recommended by staff. Ms. Dauler seconded the motion, which passed unanimously.

OLD BUSINESS

Historic Resources Commission 2006 Work Program. Mr. Fontaine reminded Council that they had received the 2006 Work Program for the Historic Resources Commission on January 9 and discussed the plan at their January 24 work session. Following discussion, Council made no changes to the plan.

Mr. Hahn moved to approve the 2006 Historic Resources Commission work program. Ms. Dauler seconded the motion. The motion passed with a 7-0-0 vote.

2005 Community Development Block Grant (CDBG) Consolidated Plan Amendment. Mr. Fontaine said Council received a recommendation from the CDBG Citizens' Advisory Committee to reprogram certain funds allocated in the 2005 Consolidated Plan. The original Plan authorized \$18,814 in HOME and \$60,000 in CDBG funds for a rental rehabilitation project. The mix of CDBG and HOME funding presents complex regulatory challenges and increases the cost of program administration. Both Borough staff and Temporary Housing Foundation, partners in the project, recommend allocating HOME funds only for the rental rehab program. The CDBG funding has been replaced with HOME funding in the 2006 budget.

Additional CDBG funds are needed for the Borough's homeowner rehabilitation program. A total of \$80,000 in 2006 CDBG funding was authorized for this program, which would allow the rehabilitation of two or three homes. An additional \$60,000 will allow the rehabilitation of a total of four or five homes. Staff believes this is a realistic goal for the program.

The CDBG Citizens' Advisory Committee met on December 12, 2005, and unanimously recommended the \$60,000 be reprogrammed for the homeowner rehabilitation project. The Plan amendment was submitted to Council on December 19, 2005, and Council conducted a public hearing on the amendment on January 9, 2006. No public comments were received at the hearing or subsequently during the thirty-day public comment period.

Ms. Goreham moved to approve the amendment to the 2005 Community Development Block Grant Consolidated Plan. Ms. Dauler seconded the motion. The motion was approved with a 7-0-0 vote.

Ms. Goreham noted the President of the United States submitted his budget and asked what was proposed for CDBG and HOME. Mr. Hess indicated there was an increase in HOME funding by approximately \$1 million; however, there is a substantial reduction in CDBG funds. Mr. Hess noted the President has also proposed some changes in the funding allocation formulas. He stated that staff would review the proposed budget and advise Council.

NEW BUSINESS

Amend the Membership on the Rental Housing Revocation Appeals Board and Appoint an Alternate Member. Mr. Fontaine presented a proposed ordinance creating an alternate member of the Rental Housing Revocation Appeals Board. This would allow for the alternate member to participate in discussion and vote on any appeals should another member of the Board be unavailable. Following approval of the ordinance, Council is asked to appoint the alternate member. Ahmad Elarbi was contacted and expressed a willingness to serve.

Mr. Kern moved to approve Ordinance 1835 to amend membership on the Rental Housing Revocation Appeals Board. Mr. Hahn seconded the motion, which passed with a 7-0-0 vote.

Ms. Dauler moved and Ms. Goreham seconded a motion to appoint Ahmad Elarbi as an alternate to the Rental Housing Revocation Appeals Board. The motion passed with a 7-0-0 vote.

Modifications to the "Procedure Manual for Council Members" to remove the ABC Liaison Role for Members and Clarify Other Communication Responsibilities. Mr. Fontaine said that Council received a letter from Donald Hahn, dated December 12, 2005, with suggested changes to Council's Procedures Manual. Council discussed these changes at the January 20 work session and asked that a proposal be prepared to amend Chapter 5, Communications, of the Council Procedure Manual, to eliminate the role of ABC liaison for the Borough's ABCs while continuing to appoint Council liaisons for regional boards and commissions. The paragraph outlining correspondence was also included in the discussed changes.

Mr. Fontaine noted a memo was received from the chair of the Transportation Commission asking that the Council liaison be retained because of the expertise provided through the existing relationship.

Mr. Kern moved to approve the amendment to the Procedures Manual. Ms. Dauler seconded the motion.

Ms. Goreham noted she had received correspondence from Peirce Lewis addressing this issue. Mr. Lewis indicated the liaisons were important and urged Council to reject the change.

Chris Falzone, member of the Transportation Commission, commented that his memo stressed the importance of the liaison for the Transportation Commission. He noted the liaison serves their group well and expedites discussion by helping coordinate regional issues.

Mr. Daubert commented he was opposed to eliminating the liaison. He agreed that they were valuable and useful. As the manual states, the liaison "serves as a bridge between Council and the appointed body to expedite communication." If Council eliminates this role, Council will be abrogating their authority over the ABCs. The supervisory role Council provides over the ABC is important.

Mr. Hahn noted there has always been overlap between Council liaisons and staff liaisons in the past. However, over the years, improvements in staff have created unnecessary overlap. With the term limits it is a struggle to get interested individuals to run for Council because of the time consuming nature of the position. Decreasing the number of meetings to attend would decrease the burden and encourage more individuals to serve on Council.

Ms. Dauler indicated she was in favor of the change. In the past six years she served as a liaison to a number of commissions. She noted there is an assumption that Council members have nothing else to do besides attend meetings. In 2005, she attended 54 Council meetings and 28

Planning Commission meetings. She believed Council's role is to make laws and policy and decide how the money is to be spent. It is not necessary for Council members to duplicate the work of the professional staff. For those reasons she felt it unnecessary to continue with the Council liaisons. Although it is good to meet with the other volunteers, she felt the system should go back to the way it was intended, which is to have the chairs of the ABCs report to Council on a regular basis.

Mr. Filippelli noted that there is nothing in the proposal that would restrict Council members from attending the ABC meetings. Also, members of the ABCs could request a Council member attend if their agenda included a subject matter requiring Council's expertise. He believed this would be a good change.

Mr. Humphrey asked if the Transportation Commission would be treated the same way as the other ABCs, even though they had made a special request. Mr. Welch replied the motion on the floor affected all Borough ABCs.

Ms. Goreham noted that Council members are elected to represent the citizens of our town. All parts of town are not the same. There are different perceptions and planning issues from each neighborhood. Council members learn about these concerns in their liaison role. Sentiments are expressed and that information is very valuable. The system of Council liaison has been in place for many years and was a critical link with citizens.

Mr. Kern believed that alternative methods of communication could be tried for a year or two. He did not believe the liaison method was serving Council as well as it could. Council members were very political and there is a tendency to speak out at the ABC meetings. He believed the commissions and committees need to bring their independent thoughts to Council on the issues. Long-term liaisons to committees can sometimes become de facto leaders of that group.

Mr. Daubert said Council is not assured of getting the true feelings from the committee members. Staff cannot tell Council what the commission is thinking because they have their own agenda. They are not necessarily the citizens' point of view. The minutes are usually several months old before Council receives them. He believed changing the method of communication with the ABCs would not improve the system.

Mr. Kern noted that the chair of the ABC will be notified when an issue is before Council that requires their input. The chair and/or other members of the ABC can attend to present their point of view.

Ms. Goreham moved to amend the motion that the chair of the ABC may request a Council member attend for certain discussions. Mr. Daubert seconded the amendment to the motion. Both Mr. Welch and Mr. Filippelli agreed that the presumption is that this could be done regardless of adding this to the language in the manual.

Council voted first on the amendment to the motion made by Ms. Goreham. The vote was 7-0-0 in favor of the amendment.

Mr. Daubert noted that letters that come to Council should be answered by Council whether or not the Manager does the draft. He asked why this was changed. Mr. Fontaine explained the previous language indicated the Manager would determine if a letter was needed for legislative correspondence. The new language includes both Council and the Mayor to decide if a letter is appropriate. This is being changed at the consensus of Council.

Council voted on the original motion which was to approve the amendment to the manual and included the amendment above. The vote was 5-2-0, with Mr. Daubert and Ms. Goreham opposed. The motion passed.

Resolution Authorizing the Allocation of Tax Revenue in 2006. Mr. Fontaine noted the 2006 budget included a real estate tax increase of .835 mills to cover the expected loss of revenue that would result from the legislature's action to increase the minimum exemption level for the EMST to \$12,000 and other changes to the tax base. The legislature has taken no further action on the expected amendments to the Emergency and Municipal Services Tax. Council considered this at their meeting of January 9 and January 20. Since the legislature has not acted on the EMST amendments, the Borough now expects to receive the full amount of the EMST in 2006. Council was reluctant to reduce the tax rate since there are unmet financial needs the Borough must address in the next three years. During the January 20 discussion, it was the consensus of Council to retain the full tax rate for 2006 and apply any additional funds raised to the following projects:

- Fund the Borough's contribution to Musser Gap - \$76,110
- Fund the final payment on for the Schlow Library Project - \$295,000
- Reserve for Capital Projects - \$33,890

Mr. Daubert moved to approve the Resolution 901 to allocate revenue generated from a portion of the real estate tax levy. Ms. Dauler seconded the motion.

Mr. Hahn said the resolution was well-prepared by staff and emphasized several concerns that he would have if not addressed in the resolution. He noted that, because the EMST had been passed by both houses of the General Assembly, in different versions, there was still a possibility that it could be passed retroactive to January 1, 2006. If Council cuts property taxes for 2006, that action cannot be reversed and the \$400,000 loss in revenue (if the revisions to the EMST are passed by the state) would become a deficit in the 2006 budget. Also, only \$76,110 for the Musser Gap project is expected to be spent in 2006; the additional funds will be placed in the Borough's reserve. Because of the uncertainty, he would be in favor of the resolution before Council. He asked that staff prepare a report to Council on recommendations for a tax cut in 2007 if no changes are made to the EMST.

Mr. Kern cautioned that it is important to recognize that Council raised taxes because of the impending loss from changes in the EMST. The expected windfall this year is temporary and it could be taken from us. He was in favor of the resolution because the Borough has impending liabilities that could otherwise require taxes to be raised in the future. The legislature may take the money but in the meantime it could go into reserves.

The question was called on the motion to approve the resolution. The vote was unanimously in favor.

Provide Health Insurance for Personnel Through a Self-Insured Plan. Mr. Fontaine explained that over the past six months, the Centre Region municipalities, COG and CATA have been meeting to consider the feasibility of establishing a cooperative to provide for a modified, self-funded health insurance risk pool. Patton Township, Ferguson Township, and CATA have expressed interest in being part of the cooperative, and COG has approved its participation in the cooperative.

The cooperative would provide a mechanism for the participating members to better control the cost of health insurance for employees. Employee benefits under this funding arrangement would be equivalent to the current health insurance benefits offered. In some cases, the benefits will be improved over the existing policy. The health insurance benefits in the cooperative would be administered by Capital Blue Cross, and Benecon would provide administrative and actuarial services for the cooperative. Staff is recommending approval for participation in the cooperative with a target date of April 1, 2006, for start up.

Mr. Daubert asked about the Board of Directors for the cooperative. Mr. Fontaine explained Council will appoint an individual to serve. Mr. Daubert noted that it was unclear that the Board members would be appointed by Council. Mr. Welch believed the language indicating the Borough would appoint a member explicitly means that it would be done by the governing body. Mr. Williams agreed with Mr. Welch's assessment.

Mr. Kern move to enact Ordinance 1836 to approve the participation in the Centre Region Insurance Cooperative and authorized the officers of the Borough to execute the CRIC Agreement and the PMHIC agreement and all other documents necessary for participation in the pool. Mr. Humphrey seconded the motion. The motion passed with a 7-0-0 vote.

OFFICIAL REPORTS AND CORRESPONDENCE

President's Report. Ms. Dauler reported she had appointed Craig Humphrey as Council liaison to the Centre Region Parks & Recreation Authority.

Staff/Committee Reports. Mr. Fontaine presented a staff report on the creation of an emergency access connection between a service road off of White Course Drive and the West Campus housing. Staff has reviewed the agreement between the Borough and Penn State and believes the emergency access does not meet the requirements of the agreement which require Council's approval for an open public access; therefore, Council would not be reviewing the request. He noted the access would be controlled by a gate that could be electronically opened by transmitters in emergency vehicles. Mr. Daubert questioned whether or not it would be used for routine police patrols. Mr. Fontaine responded that Penn State officials have indicated that it would be used for emergency access only. Mr. Daubert asked the stipulation that it be used for "emergency access only" be put in writing with staff's correspondence to the University.

There being no further business, the meeting adjourned at 8:25 p.m.

Respectfully submitted,

Cynthia S. Hanscom
Assistant Borough Secretary