

Meeting Minutes
State College Borough Council
Work Session
November 29, 2006

The State College Borough Council met in a work session on Wednesday, November 29, 2006, in the State College Municipal Building's Council Chambers, 243 South Allen Street, State College, PA. Ms. Dauler called the meeting to order at 12:00 p.m.

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

Also present: Thomas J. Fountaine, II, Borough Manager; Thomas S. Kurtz, Assistant Borough Manager; Michele Nicolas, Director of Human Resources; Carl R. Hess, Planning Director; Mark A. Whitfield, Public Works Director; Michael Groff, Finance Director; Thomas R. King, Chief of Police; Alan W. Sam, Arborist; Mark S. Henry, Health Director; Arthur M. Caccavale, Parking Manager; Linda S. Welker, Tax Administrator; Norma J. Crater, Accounting Supervisor; Timothy Grattan, Information Technology Director; John P. Marchek, Jr., Risk Manager/Budget Officer; Sheila Lubold, Recording Secretary; members of the media; and other interested observers.

Public hour. No comments from the public.

Urban Village Report. Rich Kalin, Steering Committee Chair, and Karen Dickinson with Delta Development attended the meeting to provide Council with an update on the status of the Urban Village planning process. Ms. Dickinson highlighted the activities over the last several weeks as including the review of background materials, holding public input and steering committee meetings, and interviewing stakeholders.

Ms. Dickinson said she was pleased with the number in attendance at the first public input meeting and stated there was a nice cross-section of representation from business owners, rental property owners, students and residents.

Ms. Dickinson explained the interviews conducted thus far have been with public officials, rental and commercial property owners, students, and permanent residents. The remainder of the stakeholder interviews will be completed December 4. After all the interviews are completed a matrix of responses and comments will be prepared.

Ms. Dickinson stated the Planning Office is advertising and mailing a brochure to the Urban Village study area residents informing them of the December 13 public input session at Unity Church on North Gill Street. The consultant team plans to present two alternate concept plans for the Urban Village area and will receive feedback from the public.

Mr. Kalin added he is pleased with the progress of the project and felt the schedule is aggressive but the process is going smoothly. He felt the information gathering stage is going well but formulating a plan will be more difficult. It will be important to develop a plan that is financially feasible and will allow for cooperation from property owners.

Ms. Goreham questioned if an assessment was being done of the buildings in the Urban Village study area that have an historic significance and are still in good structural condition. Ms. Dickinson stated an assessment is being done with a photograph and description of each property.

2007 Operating Budget. Council began discussing the 2007 Operating Budget. Mr. Fountaine explained staff is working to answer the questions that have been submitted by Council members.

Council asked for more clarification on the funding for the general government and police pensions. Ms. Nicolas explained the annual costs and amortization requirements. From 2000-2004 additional Borough and employee funding was needed for both pensions but this is more evident with the police pension, she noted. Since 2004 both pensions have started to recover from the earlier losses.

Mr. Daubert asked what the employee contributions were for the pensions. Ms. Nicolas explained the general government employees contribute four percent of their salaries and the police officers contribute five percent, which are the maximum amounts allowed by Borough ordinance. Mr. Fountaine added in 2007 a pension expert would be reviewing the Borough pensions to provide advice on how to manage both pensions. The 2007 budget proposes to fund the Borough's share of the 2007 pension costs from the insurance reserve fund. The insurance reserve fund will have a balance of \$1.9 million while the recommended balance is \$1.7 million. He noted this is a short term option. Long term funding for the pension plans will need to be discussed in the future.

Mr. Fontaine also noted it is normal practice for the retiree pension to be reviewed every 5 years for a cost of living increase; however, the last time a review was done is 2000. Staff looked at giving a three percent increase in 2007 but it was not recommended. Council suggested reviewing other comparable pension funds and how they deal with cost of living increases and discussing the findings at a future meeting.

Mr. Hahn questioned the increase in employee benefits for police administration as compared to police officers. Ms. Nicolas explained the number of officers budgeted under the police officer budget is one less with that officer being the third Lieutenant position in police administration. She also added the turnover and vacancies during the year impacted these numbers. Council was also informed of an error was made with 2006 year end number. Funding for an Information Technology position that should have been moved to police administration was not, and therefore was still being shown in the IT budget.

Mr. Fontaine added that staff has not had time to prepare answers for all of Mr. Daubert's questions about the Arts Festival but plans to address the questions in January or February of 2007. Council discussed the fees being collected under the current ordinance compared to the costs and felt there is a need to discuss the possibility of amending the current ordinance. Ms. Dauler remembered a presentation done by the Arts Festival explaining the benefits to the community by hosting the Arts Festival and felt maybe a review for this information would be beneficial.

Mr. Daubert also suggested looking into the cost of extra police services during extraordinary events at the University and in the area. The University and other agencies are trying to solicit more events in the area but Mr. Daubert is not sure the Borough is receiving the proper compensation. Mr. Fontaine stated when possible arrangements are made to have the organizers of special events pay for the additional fees. Mr. Filippelli added that some consideration may also need to be given to the benefits and services the University provides for the Borough.

Council questioned what is being planned for the budget officer position that will be vacated during 2007. Mr. Fontaine stated staff is still working on restructuring ideas but has indicated the position may move back to the manager's office. It is also likely the position will have the primary duties of the budget officer but will have other duties as well. Council will also be presented with a recommendation on how to deal with risk management and insurance staff assignments.

Council next discussed the proposed performance measures and benchmarking program. Mr. Fontaine stated the guidelines for the program are done by the International City/County Management Association and the program will help the Borough to set performance strategies and goals. Staff has begun the training process and will transition into the program in 2007. Ms. Dauler was concerned that too much emphasis would be placed on performance management and benchmarking and staff would be overwhelmed with becoming "data collectors". She is not sure this is program the Borough should be participating in. Regarding staff time, Mr. Fontaine stated much of the data has already been collected and only data that is needed will be collected.

Mr. Filippelli stated he spent much of his career benchmarking and felt it was very beneficial. He felt this would be helpful for the members of Council in comparing data in a cost effective way.

Mr. Hahn agreed the data could be useful and suggested staff let Council know when questions being asked will require a greater amount of work and preparation.

Mr. Hahn also questioned the difference in the year end estimate compared to the budgeted amount for the tree trimming contracting. Mr. Whitfield stated the amount of trees that were pruned during 2006 was less than in previous years. He also pointed out the costs for tree trimming continues to increase as trees grow.

Ms. Goreham commented on the composting program and questioned if the program pays for itself and also asked about the amount of garbage taken to landfills. Mr. Whitfield stated the revenues for composting comes from College, Patton, and Ferguson Townships and the amount collected from each township varies. He added the amount of garbage taken to landfills is calculated by weight and the higher than normal rainfalls has caused the garbage to get wet resulting in higher weights.

Mr. Daubert also questioned why such an expensive vacuum cleaner (\$4,100) was needed for the cooling tower as listed in the municipal facilities portion of the budget. Mr. Whitfield said he would look into that.

Mr. Daubert also questioned the addition of a planner to the planning office and what this person would do and who would be replaced. Mr. Fontaine explained this was for a position that has been vacant and the position will combine some responsibilities from two different positions.

Ms. Goreham asked what support staff would be needed to support the RDA. Mr. Hess stated the committee is still too new to determine what assistance would be needed but at this point he

would be assisting the authority. Mr. Fontaine added this is an area where the planner position questioned by Mr. Daubert could be used.

Mr. Kern stated the number of employees has increased over the last ten years and he knows some of this is due to contractual obligations, some are mandated positions, and others were requested by Council. He said he would like to know the number of employees that have been hired by requests of Council or by regulation mandates.

Mr. Daubert felt the addition of personnel is something that should be discussed with Council and should be discussed during the budget process. He felt is it difficult to make budgeting decisions when Council is not given complete information and is not sure of staff responsibilities. Mr. Fontaine stated the 2007 budget does not add new personnel but is reassigning some current personnel. He explained that personnel can not be added without Council's approval.

Mr. Kern said he recognized that Council asked for more police officers and the number of employees in other departments has not changed but he was curious how parking accumulated so many employees. Ms. Dauler asked Council to remember back a few years when Council asked for more enforcement and additional staff to accomplish this. Mr. Fontaine noted the number of employees for parking consists of parking enforcement officers and clerical staff not just the employees that work in the parking facilities.

There being no further business, the meeting adjourned to an executive session to address personnel and litigation matters at 1:36 pm.

Respectfully submitted by:

Cynthia S. Hanscom
Assistant Borough Secretary