

**EPHRATA BOROUGH COUNCIL
WORK SESSION MINUTES
NOVEMBER 7, 2016**

The Ephrata Borough Council Work Session was called to order by President Susan Rowe at 7:00 PM on November 7, 2016 in the Council Chambers of the Borough Office, 124 South State Street.

The meeting began with a moment of silence followed by the Pledge of Allegiance.

In attendance in addition to the President were Vice President Thomas Reinhold, President Pro Tem Melvin Weiler, Council Members Timothy Barr, Linda Martin, Ricky Ressler, Victor Richard, Greg Zimmerman, and Mayor Ralph Mowen.

Also in attendance were Borough Manager D. Robert Thompson, Police Chief William Harvey, and Borough Solicitor James R. McManus, III, Esq.

Attending for the press was Gary Klinger of The Ephrata Review. The following visitors were present:

Tim Auker, 542 North State Street, Ephrata
Julie Hocking, 615 East Main Street, Ephrata
Scott Cover, 300 West Chestnut Street, Ephrata
Ed Ostrowski, Harbor Engineering

Opportunity for Citizens to be Heard

There were no comments from attendees.

Discussion of Committee Actions

The Committee Chairs reviewed and discussed their work session items.

Budget and Finance Committee

Chairman Richard reviewed that the Committee was in receipt of the resignation of Thomas Reinhold from the Pension Advisory Board. The Committee will recommend appointing Mr. Richard to fill the vacancy on the Pension Advisory Board.

Mr. Thompson advised the Committee that the Borough is in receipt of a check from the Ephrata Economic Development Committee for \$328,450.00 and is requesting guidance from Council as to where they would like the check deposited. As you may recall in 2015 Borough Council executed a Reimbursement Agreement with the EEDC. In December 2015 we received payment of \$71,550, which was deposited into the special economic development account. Mr. Thompson recommended the \$328,450 be deposited into the economic development account. Receipt of the payment satisfies the requirement of the reimbursement agreement.

Chairman Richard informed Council that per discussions with Mr. Thompson using this amount to offset a tax increase for 2017 will not impact the circumstances whereby expenditures will exceed revenues for the second straight year. Per Borough financial management policy Council should avoid fund deficits in two consecutive years. In addition, the impact to a funding deficit to the Borough's bond rating can be significant; therefore, using this money to offset a tax increase is not a recommended option.

Council further discussed options for depositing the money either into the general fund or economic development fund. The Committee will recommend depositing the funds into the special economic development fund.

Development Activities Committee

Mrs. Martin addressed the Hocking Apartments preliminary plant that was discussed at the Committee meeting. Mrs. Martin said Mr. Richard was not at the committee meeting so Mrs. Martin wanted him to weigh in with his opinion on what he thought and then the committee can make a recommendation based on what he says.

Mr. Weiler said the reason he said he would prefer not to approve is he didn't feel it was a good

precedent to set to go against the Planning Commission's recommendation. Mr. Weiler said of course we anticipate that they will meet all of the conditions, but once we've gone ahead and done the approval Mr. Weiler felt it was better to get it cleaned up to where it should be, the point it needs to be, and follow the Planning Commission's recommendation to deny the waiver. Mr. Weiler said that's where they ended up split since there were only two of them at that meeting.

Mrs. Rowe said she hates to put Mr. Richard on the spot but since you were not at the meeting they are kind of looking for you.

Mr. Richard said he agrees with Mrs. Martin. He would agree with waiving the preliminary plan and going ahead. Mr. Richard does not like to go against the Planning Commission; however, he read the lengthy notes available, and he thought some of them were very minor. Mr. Richard said they will all be corrected before the final plan is granted any way. Mr. Richard said the applicant is asking to go forward. We have a good rapport with The Shopping News (Hocking) people and doesn't see any reason not to. We have never had any problems with compliance with anything they have done their projects so far, and Mr. Richard doesn't see a reason to hold this up. Mr. Richard said the items listed here some of them were kind of overkill. The choice of trees, a foot here, a grade there. These things will be corrected before the final is issued. Mr. Richard agrees to go ahead.

Mrs. Rowe said maybe she misunderstands but when Mr. Richard says he's agreeing to this you are agreeing to waive the preliminary plan and use the preliminary plan as the final plan so you will not have a final plan to approve. Mr. Richard said he thought there would be a final plan.

Mr. Mowen said you are waiving that right to final. Mr. Thompson said they are waiving the preliminary plan approval and reviewing the preliminary final that has been submitted as a final plan. Mr. Mowen said which means there will be no more plans.

Mr. Thompson said this is the plan you are approving as a final plan. Mr. Thompson said you are going to issue conditional final plan approval, and the conditions are all of those comments must be addressed. Mr. Thompson said staff will confirm.

Mrs. Martin said okay the Committee will be recommending that we move forward with the preliminary plan.

Mrs. Martin said the Committee reviewed the request from EPAC to serve not for sale beer and wine at a holiday party and mixer on November. EPAC has provided a copy of the Special Occasion Permit license issued by the PLCB. The Committee will recommend the Borough Council approve their request.

Mrs. Martin said staff explained a request from the Borough to sign a DEP request for planning waiver and non-building declaration for the John F. Martin Sons/ Elite Coach. This form acknowledges that no building or development requiring additional sewer planning will occur on this tract. The borough needs to complete sections D and E and then the Planning and Engineering Manager will sign section D as the planning agency official.

Mrs. Martin said the Ephrata Public Library provided a recent invoice for HVAC repairs at the library to place a condenser and associated parts. The Committee will recommend Borough Council approve payment of this invoice from H.C. Nye Service Company for \$1,203.18. This is an unbudgeted expenditure to be paid from the building maintenance fund. The Committee also discussed the past HVAC invoices from the Library. Mr. Thompson reported that the library submitted a reimbursement request as part of their 2017 budget request. The staff will present the total to the committee at the November 28 committee meeting to review.

Mrs. Martin said lastly there was one new application to the November Zoning Hearing Board Meeting. The committee is recommending that Borough Council authorize sending the Solicitor to the November 16 Hearing Board meeting for the address of 154 East Main Street to support the porch enclosure requirements and oppose a non-compliant application.

Municipal Enterprises Committee

Mr. Reinhold said they have just one item. The Director of Operations Mr. Natarian and Mr.

Thompson discussed with the Committee that the spending authorizations approved by Council for the substation automation project and solar site in 2015, and the authorizations were \$120,000 for an unbudgeted expense for the substation automation project; \$42,000 for professional services contract for designing and engineering services associated with the solar site distribution line; and \$77,250 another unbudgeted expense to pay for development costs associated with the solar site. None of the items listed had actual expenditures that were paid in 2015. As the Borough entered this past budget year only \$86,240 for the substation automation project was carried over into the budget. The \$33,760 for the substation automation project – that would be the difference between \$120,000 and \$86,240. The \$42,000 for the engineering and the \$77,250 for the site development costs were not in the 2016 budget. In order to use the authorized funds in 2016 it is necessary for Council to reauthorize the spending for 2016. The Committee will recommend that Council approve an unbudgeted expenditure from the unallocated balance of the electric fund in the amount of \$153,010, which is the \$33,760, \$42,000, and \$77,250. Mr. Reinhold said there's a lot of dollars.

Mr. Weiler asked if the funds will actually be spent in 2016. Mr. Reinhold said that is the plan, and Mr. Thompson said yes.

Mr. Thompson said just for clarification as you know the Electric Manager did not make it to the end of the year and as a result it was unclear what was carried out and what was not carried over. Once we got into 2016 we realized with the exception of that \$86,000 the other items were not carried over. From an auditor's standpoint reauthorizing this transfer into this budget year so you can match the authorized action with the expenditures.

Mrs. Rowe said there were several Committees that do not have action items. Mrs. Rowe asked if the Chairs had anything to report tonight.

Mr. Barr said he had a very productive meeting with Mr. Summers with the Rec Center discussing the plans for the coming year and the constable will be back again. The changes that were made were approved by everyone and it looks to be a very good and profitable coming year for the pool.

Mr. Ressler said his committee (Highway) discussed some signage issues and a citizen concern and decided there was no way that the committee could address that issue because it didn't meeting highway criteria. Mr. Ressler said the committee discussed the estimated liquid fuels allocation and discussed a slight change in an ordinance and correct some unmetered parking lot issues as far as length of parking on some of the outlying lots the borough has around the borough to make them more compliant with the rest of the parking in the borough.

Mr. Zimmerman said their committee (Special Projects) talked about some directional signs for the Winters Memorial Trail, the gateway signage and there was also discussion about the mobile food vendors again.

Mr. Weiler said the Public Safety Committee met and had no action items. There was information shared on crime statistics, emergency management and the emergency plan.

Opportunity for Citizens to be Heard

There were no comments from attendees.

Recommendations

Budget and Finance Committee

It was moved by Mr. Richard, seconded by Mr. Reinhold, and unanimously passed by roll call vote that Borough Council deposit the entire funds received from the Ephrata Economic Development Corporation's sale of the Hampton Inn, which was \$328,450 to the restricted economic development fund of the Ephrata Borough.

Discussion/Announcements

Mr. Reinhold said make sure you get out and vote tomorrow. Mr. Reinhold said to those who didn't see his email from this afternoon. The Personnel Committee will have a short meeting after this meeting in the Conference Room. This meeting is for all of Council and the Mayor.

Mr. Zimmerman said a couple weeks ago he had the opportunity to attend Eberbach's celebration that was at The American Legion. Mr. Zimmerman was asked to receive the Sister City's International Certificate commemorating the 40th Anniversary of the Sister City relationship between Eberbach and the Ephrata Borough.

Mrs. Martin said she sent a reminder about the luminaries at the Winters Memorial on Veterans Day, November 11 at dusk in case anyone forgot.

Mayor Mowen asked about the status of the solar field. The last he heard there was a disagreement between the vendor and us that kind of stalled things.

Mr. Thompson said the end of 2015 Congress extended the tax credits for renewable energy projects through 2019. Any projects that are done have to be under construction by the end of 2019.

In 2015, the Borough had some communications and aligned ourselves with a specific developer who would develop and build. We would execute what is called a power purchase agreement for the power. Through discussion with that particular provider it was staff's opinion that the terms and conditions were not favorable to the Borough and since we have the additional time to go back and issue another request for proposal we felt it was in the best interest of the Borough to do so. We severed our relationship with the first developer and rather than us take their contract that are written to benefit them we are going to develop our own power purchase agreement that should be available by the end of first quarter of 2017 where we will then issue that agreement to prospective developers. Mr. Thompson said we believe very confidently that we will have a project commercially operable in 2018.

Mr. Thompson said it's highly probable that we will have a project before the end of the ITC deadline. We will find that one of the benefits we get out of this will be some of the technology for solar panels are they are producing more energy per square foot of the panels so the output that we might be able to achieve for our project may be more output for the same footprint.

Mr. Thompson said he doesn't think we lost a lot of time in 2016, because they actually got all the land development approvals for the site so the site is now fully approved and ready for permitting. That is also a valuable thing for prospective developers.

Mayor Mowen also asked if there is some plan for the old State Police barracks or is that part of this.

Mr. Thompson said we've been holding off until that site gets fully developed before we determine that we need to do something with it or not. We aggressively tried to lease it; we did not market it as a for sale item. Since the building is fully paid for we are not paying debt service on it. We decided to wait until the energy projects have fully evolved so we know what we need from a footprint standpoint.

Mayor Mowen said he knows it's done, but he gets concerned when Council overrides the Planning Commission's work. Mr. Mowen was informed it's not done yet it wasn't voted on yet.

Mr. Mowen said he knows how hard the Planning Commission works to try to make sure that everything meets the Borough's requirements. Mr. Mowen knows of one individual who spends a lot of time reviewing that stuff. They will not be happy if it is overridden.

Mr. Mowen said the Veterans luminaries event on Friday. If you don't have anything to do Friday afternoon they have 800 luminaries bags to disperse along the trail. They do get help from one or two Boy Scout troops. Putting the bags together and then transporting them out the trail takes a lot of effort and then when it's all over at 8:30-9:00 they have to go out and pick them all up. They could use doing that if you don't have anything to do at that hour on Friday evening.

Mr. Mowen said they would need help around 3:00-3:30. That's when they start putting the bags together and setting them out.

If you have not seen it, it is pretty impressive to walk the trail with all the luminaries up. Chief Harvey said just a friendly reminder to take a look at your winter safety planning. He is sure everyone changes their smoke detector batteries when they move their clocks over the weekend.

Mr. Thompson said at each of your places you have a copy of the draft Budget and Program of Services. Christine Moor will be making a budget presentation at next Monday's voting session and the following weeks we'll begin the Committee meetings as it relates to the development or finalization of budget. Be mindful that the Development Activities and Budget and Finance Committee times on the fourth Monday are flipped flopped so the Budget and Finance Committee meeting is at 7:30.

Mr. Thompson reminded everyone while they are here is those civic contributions that in the budget. Those amounts that we have historically given year after year are incorporated into the budget as part of the base. Those additional requests for additional moneys from the previous year are not, and they will be entertained by the Budget and Finance Committee at their meeting at 7:30.

Mr. Thompson wanted to clarify that because a few years ago there were moments when the Committee would look at it and make a decision about whether to include or not include the amount and then the applicants would come to the Budget and Finance Committee and they might choose to do something different. Either remove it or add in. Mr. Thompson said we want to remove that conflict so all new requests for new money are going to the Budget and Finance Committee so that means Community Pool, Eicher, Library, EPAC. Those kinds of requests will not go to the specific committees but will go to Budget and Finance.

Mr. Thompson said Chris did an outstanding job especially her first time through.

Mr. Thompson said the second item is perhaps Mr. Klinger will put something in the paper. We have received a number of requests about the political signs in front of the building next to the Library known as The Exploratorium. The concern by some of the citizens is that a borough facility (property) should not be taking sides and endorsing any particular candidate. Please be mindful that The Exploratorium is a building owned by the Ephrata Public Library. It is not a borough facility. The Library is leasing out that facility and as part of that they are free to post whatever political affiliation and signage that meets zoning.

Mr. Thompson said the response from the Director of the Library said they use all of the borough funds that they receive as contributions for Ephrata Public Library business only.

Mrs. Rowe said please get out and vote tomorrow and also reminded everyone that at 7:50 PM the Personnel Committee will be meeting with full Council and the Mayor in the Conference Room.

ADJOURNMENT

The meeting was duly adjourned at 7:35 PM.

Respectfully submitted,

D. Robert Thompson, Secretary