

**MINUTES OF PERKASIE BOROUGH
COUNCIL COMMITTEE MEETING
JULY 5, 2011**

620 West Chestnut Street
Perkasie, Pennsylvania

ATTENDANCE:

Council Member:	Matt Aigeldinger Stephen Algeo Florence Frei Martin Gahman (absent) Barbara Krantz Suzanne Kravitz Chris Nicolosi Jim Purcell Maria Slowik John Hollenbach
Mayor:	Daniel P. Olpere
Borough Manager:	Andrea Coaxum
Assistant Manager:	Joe Gura
Police Chief:	Joe Berardi
Finance Director:	Dan Gilbert
Public Works Director:	Harold Stone
Electric Superintendent:	Josh Aniskevich
Park and Recreation Director:	Ann Weiss
Borough Solicitor:	Joe Nolan
Borough Engineer:	News Herald
Press Representatives:	Daily Intelligencer

Borough Council Vice-President Jim Purcell convened the meeting at 7:00 PM. Mr. Hollenbach gave an invocation followed by the Pledge of Allegiance.

PUBLIC FORUM

David Bryan, 23 S. 4th Street, brought a petition signed by 59 residents in his neighborhood in support of installing a four-way stop sign at the corner of 4th and Chestnut.

REPORT FROM PLANNING COMMISSION

None.

PUBLIC WORKS COMMITTEE MEETING

Review of Superintendent's Report

The Committee reviewed and accepted the Public Works Superintendent's Report for June 2011.

Streambank Stabilization Grant Project

The Borough opened bids for the construction of the crib walls. The low-bidder was Flyway Excavating, Inc. with a bid of \$98,585. This bid was \$11,085 over the grant amount (for this part of the project) of \$87,500. Because the construction is scheduled to begin on August 1st, Council agreed to vote on this item at the meeting. On a motion by Councilwoman Suzanne Kravitz, seconded by Councilman Chris Nicolosi, this item passed with a vote of 8-0 to award the bid and take the additional funding needed from capital reserves.

Trolley Tunnel Improvement Authorization

Councilman Jim Purcell invited Borough Engineer Joe Nolan to speak about his proposal to perform a study to determine the feasibility of constructing a connecting ramp between the trolley bed and Ninth Street. Mr. Nolan explained that this feasibility study would cost a not-to-exceed amount of \$9,200. If their work efforts result in less time being spent on the project, CKS Engineers will only charge for costs incurred. The design could include a retaining wall to support the ramp and may need to be a switchback ramp.

Councilman Purcell noted that First Savings Bank would be interested in helping with the cost of the project, but until we know how much the ramp will cost, they really can't start soliciting donations for the project. Councilman Algeo asked Mr. Nolan if the "ADA Feasibility Study" meant that there was a chance that they won't be able to make it accessible from Ninth Street based on the geography. Mr. Nolan confirmed that the slope might be too steep and they may not be able to fit the ramp into that area.

Councilwoman Kravitz and Councilman Nicolosi had questions about the possible design. Mr. Nolan stated that the ADA requirements are not as easy to apply as one might think. They may be required to install stairs as well as a switchback ramp. The purpose of those requirements is so that all of the public has access to public facilities. Councilwoman Florence Frei questioned how much the newly improved trail would be used for such a high price. Since there is only one large business on Ninth Street, and it can be accessed via the sidewalks on Market Street, is it really necessary?

Councilman Purcell said the current tunnel trail is muddy and lacks good lighting, which has stopped many people from using it. He believes that if Council builds a good trail, the public will use it. Councilman Aigeldinger would like Council to approve the feasibility study so that the Borough can find out the cost for completing the project. We can't get historical or other grants without knowing the price tag. Councilwoman Kravitz suggested an accessibility grant, like the Community Development Block Grant the Borough got in 2010 to install handicap ramps in town.

Mr. Nicolosi would rather spend the money on fixing up the train station, since that would have a bigger impact on economic development in the Borough. Councilwoman Slowik expressed to Council how hard Council has worked to get the Borough back on its feet and questioned whether right now is the right time to spend that much money. Councilman Aigeldinger asked Council to table the issue until the next Committee meeting so that members of Council could speak with their constituents about the matter before voting on it. All agreed.

Stop Sign Discussion – 4th & Chestnut

Councilman Purcell brought this issue to the attention of Council at the last meeting.

During public comment, Council heard from a resident in that area who had collected signatures in support of the stop sign. Councilwoman Frei also thinks it should be a four-way stop.

The Borough's Chief of Police had to send out a police officer with a radar gun to manually capture speeds in this area because the vehicles were moving too slowly for the equipment to capture. On that Monday, his officer observed 36 cars driving between 10 am and 12:30 pm. The average speed going north was 22.6 miles per hour (mph) and 22.8 mph driving south. All vehicles were within the legal range. 50 cars were observed in the afternoon. Since 1997, there have only been 10 accidents in that general area. Chief Gura explained that Penn DOT does not like to use stop signs to control speed or direct traffic.

Councilman Nicolosi asked if the number of incidents in that area was "typical" and the Chief replied that it actually is a little lower than "typical". There was more discussion about the traffic habits in that area, as well as the parking spots that would be lost if stop signs were installed. Councilwoman Slowik asked the Chief for his recommendation. Chief Gura replied that he does not believe that a stop sign is warranted. If Council wanted to give him more time to study traffic in that area, he would gladly look into it further. Councilman Purcell respectfully disagreed and said that there was a lot of public support for a stop sign and asked Council to put it on the next agenda.

PUBLIC UTILITY COMMITTEE MEETING

Review of Superintendent's Report

The Committee reviewed and accepted the Public Utility Superintendent's Report for June 2011.

Market Based Power Supply Contract

Borough Manager Dan Olpere reviewed a chart on projected market prices, the EPI Gas projected numbers that were discussed the previous month, and the market-based product that was in front of Council for consideration. The market-based product would begin in 2016 and go either 7 or 9 years. The Borough has considered several options for purchasing power during this time frame, but to date has not purchased any. This is for base power. The Borough is currently paying about \$81.50 per megawatt hour. Through this product, the bids are expected to come in around \$70. This package is available through a package that allows the Borough to buy power with to other municipalities – Ephrata Borough in Pennsylvania and Front Royal Virginia.

Councilman Aigeldinger asked Mr. Olpere what percentage of the Borough's base power needs would be purchased through this product. Mr. Olpere reviewed a second chart that showed between 22% and 31% (1.1MW-1.5MW), based on what Council feels comfortable with. Mr. Olpere again explained that due to the changes over the last three years in the market, the Borough is striving to diversify its sources for power.

Mr. Olpere also explained that there are several decisions that would need to be made about this purchase. The Borough can choose to purchase power that is delivered either from the PJM West hub and pay congestion costs on our own or pay the price to have it delivered to the PPL zone (the Borough's "home" zone). It is slightly more expensive to go with the PPL zone, but the price is guaranteed and not subject to fluctuations in the congestion market. The Borough's consultant recommends getting it delivered to the PPL zone.

Mr. Olpere also explained that Borough Council would need to pick the length of the contract, which can be 7 or 9 years. The price is slightly cheaper for 7 years, but given the volatility of the market over a period of time, it would appear to be a good deal to lock in for 9 years of consistent base power rate. Lastly, Council would need to authorize the signing of the contract at tonight's meeting, but the actual contract price will not be known until July 12, so it would be necessary for Council to set a cap so that if the actual price goes above the contract would not be voided. Mr. Olpere said that Ephrata Borough put a cap of \$72.50. Front Royal would be approving it at their meeting on July 12th.

Members of Council agreed to move forward with the purchase, and each member was asked to give their choice on the items listed above.

Chris Nicolosi: 1.1 MW, 7 year purchase agreement, PPL Zone

Matt Aigeldinger: 1.1 MW, 7 year purchase agreement, PPL Zone

Steve Algeo: 1.5 MW, 9 year purchase agreement, PPL Zone

Barbara Krantz: 1.1 MW, 7 year purchase agreement, PPL Zone

Maria Slowik: 1.5 MW, 7 year purchase agreement, PPL Zone

FloAnn Frei: 1.1 MW, 7 year purchase agreement, PPL Zone

Suzanne Kravitz: 1.1 MW, 7 year purchase agreement, PPL Zone

Jim Purcell: 1.5 MW, 9 year purchase agreement, PPL Zone

A motion was made by Councilman Aigeldinger, seconded by Councilman Nicolosi allows the Borough manager to sign a contract for market-based power supply purchase beginning in the year 2016 for a term of 7 years at a cost not to exceed \$72.50 per megawatt. The amount of power is 1.1 MW of base power delivered to the PPL Zone through the consortium of communities including Perkasio Borough, Ephrata Borough, and Front Royal, Virginia. The motion passed on an 8-0 vote.

Electric Security Deposit Policy

Manager Dan Olpere explained that the Borough currently requires a security deposit from all customers opening a new electric account in the Borough. The deposit is \$200 for homes heated by a non-electric utility and \$300 for homes heated by electric. The Borough will waive the deposit if the customer can provide the Borough with a letter from their previous utility provider stating that they had not been late more than two times in the last 12 months. The Borough will also return the security deposit on accounts that are in good standing after one year.

After explaining the current policy, Manager Olpere told Council that the Borough has been approached by several landlords over the last three years asking the Borough to require and maintain the security deposit for the life of the account and only return it when the account is closed. At the last Council meeting, Councilman Purcell asked Mr. Olpere to look into the current policy and suggested changing the policy so that the Borough requires and retains all security deposits from customers that rent. The Borough can place a lien on a property for non-payment of electric, so he felt there was no need to change the policy for accounts that are opened by the homeowner.

According to Councilman Purcell, if a tenant abandons their rental property, the landlord/property owner will be stuck with the remainder of the electric bill. Councilwoman Frei expressed her thought was that in this situation, the landlord should only be responsible for the total of the bill

minus the security deposit that the Borough should have kept from the customer. Councilman Nicolosi asked about the policies in place at other municipalities and public utility companies. Borough Utility Billing Clerk Jason Heft told Council that some refund after two years, and others keep the deposit for the life of the account. Councilwoman Kravitz said that she felt changing the policy for just renters would be discriminating against those that rent.

Councilman Purcell suggested that it be placed on the voting meeting agenda and asked the staff to collect policies from other municipal electric companies and see what the Public Utility Commission allows those companies to collect. Borough Electric Superintendent Harold Stone stated that Chambersburg just “absorbs” the lost deposit and only asks the landlord for the remainder of the bill. He also suggested speaking with the Pennsylvania Municipal Electric Association to see if they had a recommendation or standard policy.

PLANNING AND ZONING COMMITTEE

Code Enforcement Officer Report

The Committee reviewed and accepted the Code Enforcement Officer’s monthly report for June 2011.

Other Business

None at this time.

PARKS AND RECREATION COMMITTEE

Pennridge Little League – Request to move park driveway

This item was tabled until a future meeting when Mr. Sudar (a representative from the Little League) can attend.

Ordinance – Leash Law in Dog Park

All members agreed that this item should be advertised and placed on the voting meeting agenda.

PERSONNEL AND POLICY COMMITTEE MEETING

Other Business

None at this time.

FINANCE COMMITTEE

Other Business

None at this time.

ECONOMIC DEVELOPMENT COMMITTEE

Extend Parking Lot Lease with Quakertown National Bank

Manager Olpere explained the history of this agenda item. The Borough entered into a 10 year lease with Quakertown Bank to provide the parking lot area at 6th and Chestnut for the use of the bank and bank patrons. The current lease expires in 2012 and the bank approached the Borough about continuing the agreement. The first lease was signed in 1981 for a 20 year term and renewed in 2001 for a ten year term.

The current lease is for \$335 per month or \$4,020 per year and has been the same rate for the past 30 years. Mr. Olpere explained that he thought it would be appropriate to consider a nominal increase in the amount of the lease for the next 10 years. An increase to \$400 per month would yield a new annual rental of \$4,800 per year. He also stated that the Borough is responsible for paving the lot since it is owned by the Borough, but the bank maintains the responsibilities of maintaining the lot (line painting, signs, snow plowing).

Some members of Council questioned the number of spaces in the lot. Council agreed to place this item on the voting meeting agenda.

Train Station

Councilman Nicolosi briefly reviewed the train station project. The Borough had received three quotes from architects to give the Borough an idea of what kind of condition the train station and outbuildings are in and exactly what repairs would be needed. Of these proposals, the lowest was for around \$4,000. He would like the Borough to move forward with this part of the project using money from the money the Borough received from the Redevelopment Authority. Council agreed to place it on the voting meeting agenda.

Other Business

Councilman Purcell asked Council if they had approved moving forward with installing the new lights in the trolley tunnel. It was agreed that this should be put on the voting meeting agenda for a vote.

PUBLIC FORUM

Justin Stottlar, 4 S. 4th Street, was present at the meeting. He spoke in favor of beautifying the trolley tunnel, but agreed with some members of Council that it is not used by enough people to justify spending that much money on the feasibility study. He also thought that it would not be a bad idea to get an electric deposit from everyone across the board. He also felt that Councilman Purcell should withhold his vote on the agenda item since he is a landlord.

PRESS FORUM

No questions asked.

ADJOURNMENT

The meeting was adjourned.

Daniel Olpere
Borough Manager/Secretary