

**BOROUGH OF SEWICKLEY**  
**COMMITTEE OF THE WHOLE MINUTES**  
**TUESDAY, JULY 9, 2013**

President Bob Hague called the Committee of the Whole Meeting to order at 7:30 p.m. Members in attendance were Susan Aleshire, Bill Cornman, Tom DeFazio, Charles Driscoll (participating by phone), Carole Ford, Stan Ference, Robert Glenn, and Jamie Morrill. The others in attendance were Bobby Cherry from the Sewickley Herald, Larissa Dudkiewicz of the Sewickley Patch, Jennifer Markus and Alex DeLoia of Village Green Partners, Cindy and Mike Mullins, Mary Beth Pastorius, Larry Rice, Mayor Brian Jeffe, Solicitor Richard Tucker, and Borough Manager Kevin M. Flannery.

**COMMENTS FROM THE PUBLIC**

Jennifer Markus and Alex DeLoia, of Village Green Partners, provided Council an update of activities within the business community. The first Night Market in June had 35 businesses participating. The second Night Market will be held on Friday, July 12<sup>th</sup>. They asked to close a larger portion of Beaver Street, extending the closed area to Blackburn Road, to accommodate the additional businesses wishing to participate.

Village Green Partners indicated that there will be two Ribbon Cutting Ceremonies; on Thursday, July 11<sup>th</sup>, at 10:30 a.m., for the new SUBWAY, and on August 17<sup>th</sup> for Samaritan Counseling. Also, on Wednesday, July 17<sup>th</sup>, the Chamber of Commerce will host Nancy Stampahar for the second Professional Development Speaker Series.

**COMMENTS FROM THE PRESIDENT/MEMBERS/MAYOR**

Mayor Jeffe stated that the Sewickley Officers were dispatched to an intruder call at 302 Thorn Street. They were assisted by neighboring Departments and the Allegheny County Police. A Police involved shooting occurred. The incident is currently under investigation by the Allegheny County Police, and all inquiries should be directed to Lt. Andrew Schurman of that agency. His office number is (412) 473-1253.

Council President Robert Hague indicated that an Executive Session will be held at the conclusion of tonight's meeting for an update by the Solicitor on AVK Enterprises, Ltd. v. Borough of Sewickley; Michael M. Lyons v. Zoning Hearing Board No. SA 13-414; and Melissa Farlow and Randy Olson v. Borough of Sewickley Zoning Hearing Board No. SA 13-342.

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**REPORT ON BUILDING INSPECTION. ZONING. PUBLIC WORKS AND  
WASTEWATER TREATMENT PLANT**

Council reviewed the Building Inspector's Report, indicating that seven (7) permits were issued in June, with permit fees of \$3,140.00 collected on \$235,000.00 worth of construction. Thirty-four (34) building inspections and seven (7) property maintenance inspections were performed.

Council reviewed a Zoning Hearing Board Appeal for a Retail Home Occupation, at 618 Locust Place, to sell military antiques, including curio and relic firearms, through internet sales.

Council reviewed the Public Works Report for June, highlighting work associated with the Sweetwater Summer Music Series, the QVRA 5K Race, the Night Market, the repair of sidewalks at 535 Centennial Ave., the sweeping of the Sewickley Bridge, a minor slide on Dickson Road, and the installation of three memorial plaques.

Council reviewed the Wastewater Treatment Plant Report for June, indicating that 20.8 million gallons of sewage were treated. In addition, 103,133 cubic feet of digester gas was used. Repairs were made to the auger on the press discharge system and the press.

Borough Manager stated that Dennis Mike, Superintendent of the Wastewater Treatment Plant, and he met with Mary Beth Pastorius and Laura Doty of Beaver Street regarding water backing up into their houses during the third week of June. At the meeting held on June 24<sup>th</sup>, the Borough's procedures regarding downspouts from houses were reviewed with the homeowners and it was indicated that the Borough would televise the sewer lines. Upon the inspection, it was found that the lines were damaged by the Glen Osborne Interconnect Project contractor, who immediately corrected the situation at both homes.

Mary Beth Pastorius addressed Council, indicating that she was not aware of the Glen Osborne Sewer Project, and that the Borough should be responsible for her lateral. She was reminded that the property owner is responsible for the lateral from the main pipe to the property.

In addition, the Borough Manager advised that the Borough is removing a tree on Beaver Street, between Manhole 33 and Manhole 32, in order to prevent root intrusion into the pipes in the future.

The Borough Manager reviewed a sewer backup complaint from Mr. and Mrs. Mullins, of 517 Grimes Street. He indicated that the Borough was made aware of a backup and the Borough immediately checked the main sewers and everything was fine. In addition, the Borough has televised the lateral line at the property location. The video was completed on Monday, and WWTP Superintendent Dennis Mike and the Borough Manager will meet with Mr. and Mrs. Mullins to review the tape. A copy of the tape will be provided to them.

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**REPORT ON BUILDING INSPECTION. ZONING. PUBLIC WORKS AND  
WASTEWATER TREATMENT PLANT (CONTINUED)**

Cindy and Mike Mullins were in attendance at the meeting, indicating that they have not had any previous flooding and asked if the sewers are checked on a regular basis. The Borough Manager indicated that they are checked on a regular basis.

Council also reviewed the Consulting Engineer's Report, indicating that the Glen Osborne Interconnect Project force main has been installed and tested. Manholes are being completed at Beaver Road and River Road and at a crossing at Beaver Road and Glen Mitchell Road. The pumps have been installed for the Pump Station and we are currently waiting for the installation of the motor control center.

Council also reviewed the Surety Bond for the Boundary Street Pump Station which has been completed.

The Building Inspector's Report, Public Works Report, Wastewater Treatment Plant Report and the Consulting Engineer's Report were received and filed.

**SOLICITOR'S REPORT**

Council reviewed the Solicitor's Report for June, highlighting the purchase and financing of property at 418 Walnut Street, the spot zoning challenge, the Presbyterian Church Conditional Use and Land Development, Findings of Fact and Conclusions of Law, the Firemen's Insurance lawsuit, the condemnation of property for a sewer line through Haysville, and the 2013 Road Project Contract.

Council reviewed the Solicitor's Invoice in the amount of \$9,531.14.

Solicitor Tucker stated that the delinquent tax collections for real estate taxes produced \$5,352.36 for the month of May.

Solicitor Tucker reviewed the latest tax assessment appeals regarding Orders of Settlement, Discontinuance and additional appeals to be filed.

Solicitor Tucker advised that the Sheriff's Sale for 319 Logan Street was removed due to the fact that all real estate taxes were paid on the property.

The Solicitor's Report was received and filed.

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**BOROUGH MANAGER'S REPORT**

The Borough Manager reviewed a Notice to Proceed from Morgan Excavating, LP to begin the 2013 Road Project. It is anticipated that crews will mobilize and begin paving the week of July 15<sup>th</sup>. The contract is to be completed by September 8<sup>th</sup>.

In addition, the Borough Manager provided a Progress Update for the Columbia Gas work. As of July 1<sup>st</sup>, 80% of the mainline has been replaced, and 55% of the customer services lines have been completed. The Borough Manager and Borough Arborist Jim Edson reviewed with Columbia Gas all of the sidewalk replacements to be completed on Bank Street. The Borough Manager and the Borough Arborist will meet as each street is completed and Columbia Gas will compile a complete listing of the sidewalk repairs.

Mr. Ference asked about road repairs, with the Borough Manager indicating that the road repairs will be done at a later date, estimated to be in late September. All repairs will be done curb to curb.

The Borough Manager stated that Borough of Sewickley Resolution No. 2012-016, adopted by Council on November 19, 2012, called for any revenues over \$2,453,704, to be deposited into an escrow account for 2013 real estate tax refunds. At the June 20<sup>th</sup> Borough Council Meeting, \$20,536.67, which was the amount over the \$2,453,704, was deposited into the Real Estate Refund Escrow Account. For the month of June, the Borough received an additional real estate tax amount of \$32,878.47, which has been prepared for approval at the July 15<sup>th</sup> Council Meeting, to be deposited into the Real Estate Refund Escrow Account. That will bring a total of \$53,415.14 into the Real Estate Refund Escrow Account. Council will also need to approve \$30,023.29, for refunds for 48 properties, at the July 15<sup>th</sup> Council Meeting. As of July 3, 2013, the assessed valuation is presently down to \$441,261,010; this represents a reduction in values to date of \$31,451,620. There are 101 appeals still pending. As has been done since the enacting of the resolution and the adoption of the 2013 Budget, the Borough will continue to provide a monthly report that shows the revenues deposited into the escrow account and any payments made from the account for refunds.

Council reviewed the monthly report regarding the nine pin settings for Dickson Road, indicating that there was very little movement on Dickson Road.

Pursuant to a request by Mrs. Aleshire, Council reviewed a letter from Gavin Boward Engineers regarding the distressed roadway of Crescent Avenue. The letter suggests continued monitoring. Mrs. Aleshire will communicate the letter to the resident of Crescent Avenue who made the inquiry.

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**BOROUGH MANAGER'S REPORT (CONTINUED)**

The Borough Manager indicated that at the previous Council Meeting, Council agreed to buy 418 Walnut Street for \$910,000. The appraisal for the property came in at \$945,000. The Borough Manager presented two suggestions for funding the payment of the property. One suggestion was to proceed with a loan proposal from First National Bank, which will require approval from the Department of Community and Economic Development, with a minimum of 20 business days to be approved, and there would be costs incurred with legal and financial requirements in preparing the loan.

The Borough Manager proposed an alternative means that would, basically, utilize the Borough's reserve funds at this time, and pay the \$910,000, from reserves in the General Fund, pursuant to the adoption of an Inducement Resolution. An Inducement Resolution means that the Borough is affirming, by resolution, a formal vote, indicating that current cash is being utilized for the purchase of land in anticipation of making a permanent improvement on the land. This Inducement Resolution would also include the September 16<sup>th</sup> Council Meeting date as a time deadline to authorize any additional borrowing should Council wish to proceed with the construction of a parking garage, or at a minimum, to complete the official borrowing of the \$910,000. This alternative method allows the Borough to save approximately \$17,000 in fees associated with borrowing and formal state approvals.

Members of Council indicated to place the Inducement Resolution on the agenda for the Council Meeting on Monday, July 15<sup>th</sup>; this would give Council Members time to review the proposed resolution document.

The Borough Manager indicated that the Committee of Mayor Jeffe, Council Vice President Susan Aleshire and the Borough Manager met with Chris McElhaney of Carl Walker Associates this morning, July 9<sup>th</sup>, to review a final draft of the proposed parking garage. Three options were reviewed and the Committee has indicated that they are recommending Option 2. Option 2 would provide 297 parking spaces, with 2 elevators, a brick façade and be visible from Walnut Street and Green Street. The proposal would also allow for a shell space for the Village Theater to be located on Walnut Street, between Vocelli's Pizza and the Herbst Gas Station.

In reviewing the proposed parking garage, the Borough Manager indicated that there are 229 days in which one pays for parking in the Sewickley Borough.

- 365 Days
- 10 Holidays
- 52 Sundays
- 52 Saturdays
- 22 Yuletide Days
- 229 Days

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**BOROUGH MANAGER'S REPORT (CONTINUED)**

There are currently 508 metered parking spaces within the Borough of Sewickley, and there are 56 spaces in the Green Street Lot. So, if that number is removed out of the calculation, there would be 452 metered parking spaces left within the Borough of Sewickley.

In our best estimate, we are looking at cost of approximately \$8,000,000 for the building and coordinated parking garage construction as outlined below.

**ESTIMATED COST**

Garage Construction – 297 spaces with 2 elevators & brick facade	\$5,988,729.00
Relocation of Hoey's Run	\$ 500,000.00
Purchase Cost of Land - Reimbursement to Borough Funds	\$ 910,000.00
New Parking Machines & Mobile App	\$ 350,000.00
Contingency	<u>\$ 140,000.00</u>
	\$7,888,729.00

In reviewing debt payment services, the Borough Manager indicated that the \$7,888,729.00 could be financed at 20 years at \$575,000 annually, or financed at 30 years at \$483,000 annually.

With the recommendation for building the garage with 297 spaces and new parking meter machines (which would be similar to what is in downtown Pittsburgh parking garages), the revenue suggested calculations are based upon the minimum being \$1.00 for 1 hour of parking.

**REVENUE**

120 Spaces x \$100.00 per month x 12 months	\$ 144,000.00
177 Spaces x 4 hrs. x 229 days	\$ 162,132.00
452 metered spaces x 4 hrs. x 229 days	<u>\$ 414,032.00</u>
	\$ 720,164.00
If Saturday, added at \$2.00 for all day parking	<u>\$ 71,904.00</u>
	\$ 792,068.00

If we take into consideration the TIF (Tax Increment Financing), and only utilizing the building that has an actual permit, we estimate the following:

**TIF REVENUES**

One New Building - \$2,000,000 Net Increase in Assessment

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**BOROUGH MANAGER'S REPORT (CONTINUED)**

**MILLAGES**

QVSD	16.93
Borough	5.75
County	<u>5.69</u>
	28.37 Mills

\* The Borough millage is an estimate of what the mills may be reduced to for 2014.

Based upon a \$2,000,000 net increase in our assessment, it would generate \$56,740 in new real estate taxes. Taken at a 70% value, would add \$39,718 to the revenue figure, which would bring the total revenues to \$759,882, at a minimum, and with a Saturday reduced fee, the revenues increase to \$831,786.

Looking at the expenses, the debt payment, the maintenance of a garage, maintenance of parking meter machines, and contribution to the Borough of Sewickley General Fund:

Debt Payment	\$575,000.00
Maintenance of Garage	\$ 50,000.00
Maintenance of Parking Machines	\$ 20,000.00
Contribution to General Fund	<u>\$186,786.00</u>
	\$831,786.00

In this calculation, we have made a contribution to the General Fund which can assist with the salaries of the meter patrol and the cost of tickets, etc. We have not included any of the fines and penalties associated with tickets into the revenues, as they are utilized to assist in providing public safety services.

Council had a discussion regarding free parking on Saturdays and there was a general consensus to look at a minimum amount to be charged for all day parking at the garage and at the parking meters throughout Sewickley. In addition, the Borough Manager recommended that the parking garage be 24-hour fee based, and if you parked there in the evening, it would probably be at a reduced rate. The parking meter machines that would be placed at the other parking spaces in town would operate only between 9:00 a.m. and 5:00 p.m. The Borough Manager estimated that if the Borough provided free parking on Saturdays, based on the new plan at \$1.00/per hour, the revenue loss to the Borough would be approximately \$131,436.

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**BOROUGH MANAGER'S REPORT (CONTINUED)**

The Borough Manager recommends that Council include in the Inducement Resolution, an amount not to exceed \$8,000,000, and that the Borough Manager and the Solicitor can proceed to obtain bond financial proposals for the August Council Meeting and to review the requirements for Pennsylvania State Approval to do a private-public partnership for the parking garage both for construction and maintenance operations.

President Hague indicated that if it was necessary, a special meeting could be held during the timeframe.

Borough Manager indicated that if Council were to pass the Inducement Resolution on July 15<sup>th</sup>, it would provide a bridge loan to pay for the property and allow the additional information and reports to be prepared in order that Council could review and formalize a decision at the August Committee of the Whole Meeting, which then could be placed on the agenda for the August Council Meeting, and to adopt the ordinances for the necessary bond financing at the September 16<sup>th</sup> Council Meeting. It is noted that the financial approval of either the funds for the construction of the garage or simply the funds for the repayment of the purchase of the land, needs to be completed by the September 16<sup>th</sup> Council Meeting, and it would take until approximately October 20<sup>th</sup> to complete the necessary transactions for funding. Council was in general agreement to at least proceed with continuing the investigation of the parking garage.

The Borough Manager stated that letters regarding the 2014 Budget have been sent to the Department Heads and Members of Boards and Commissions.

The Borough Manager reported on the June 26<sup>th</sup>/27<sup>th</sup> electrical power outage, indicating that he was in contact with Duquesne Light, and it was indicated that two of the transformers at the new substation on Chadwick Street took direct lightning hits. In working with Duquesne Light officials, especially with Mr. Tom Hamilton, the Borough was able to get back-up transformers. The Borough Manager commended the Buncher Industrial Park and the Leetsdale Industrial Park for their assistance to Duquesne Light with backing down power to the Borough of Sewickley in order that electricity was restored to the Borough.

The Borough Manager indicated that with the retirement of Mr. Glenn and Mr. Hague from Council at the end of the year, there are two unopposed candidates for their seats, namely Mr. Renner and Mr. Rice. It was recommended to Council that the orientation process begins for the new Council Members with providing them with packet information, excluding anything that would be considered Executive Session materials. Members of Council were in agreement to pursue this action.

Council reviewed a check in the amount of \$100,000, representing the first of (4) tap-in fee payments pursuant to the Aleppo-Sewickley Sewer Agreement.

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**BOROUGH MANAGER'S REPORT (CONTINUED)**

The Borough Manager provided two types of bolts used at the Chestnut Street and Walnut Street docks. Over the last few weeks, we have had several enterprising youth go down and remove the cotter pin at the end of the device, and some of the docks were set free. A heavier bolt with a nylon tip was used to replace those bolts.

The Borough Manager indicated that the automatic pay station has been removed from the Green Street Parking Lot and has been replaced with the original mechanical parking meters. On June 20<sup>th</sup> and 21<sup>st</sup>, Public Works Personnel were in direct contact with Duncan trying to correct the problems. Duncan indicated, after working over 6 hours with our people, that they had “no idea” what the problem was. It was indicated to them that this was an unacceptable answer, and we are working with them, requesting a financial refund to the Borough of Sewickley. In addition, they indicated that if the Borough was willing to cover the expenses, they would fly someone out to review the situation. Given the fact that Council is either going to review the building of a garage or look at grading the property that we bought to join with the current Green Street Parking Lot, we believe that it was not in the best interest of the Borough to have a Duncan representative come to Sewickley.

The Borough Manager’s report was received and filed.

**EXECUTIVE SESSION**

Council went into Executive Session at 9:30 p.m. to discuss AVK Enterprises, Ltd. v. Borough of Sewickley, Michael M. Lyons v. Zoning Hearing Board No. S.A. 13-414, and Melissa Farlow and Randy Olson v. Borough of Sewickley Zoning Hearing Board No. S.A. 13-342

The Executive Session concluded at 9:43 p.m.

**ADJOURNMENT**

On motion of Mr. DeFazio, the Committee of the Whole Meeting was adjourned at 9:45 p.m.

Respectfully submitted,

Kevin M. Flannery  
Borough Manager/Secretary

KMF:pmf