

AUGUST 16, 2021

**CALL TO ORDER**

The regular monthly Council meeting of the City of Saint Marys was called to order by Mayor Christopher Pletcher on Monday, August 16, 2021, at 7:00 p.m. Notice of this meeting was sent to Council on August 12, 2021, posted at City Hall and published in the Daily Press.

**PLEDGE TO THE FLAG**

**ROLL CALL**

Mayor Christopher Pletcher, Deputy Mayor Bob Roberts, Andrew Mohny, Gina Vrobel, Margie Brown, Shane Schneider, Solicitor Tom Wagner, Manager Joseph Fleming, and Recording Secretary Lorrie Levenduski.

City Staff: Carol Muhitch, Finance Director, and Tina Gradizzi, Community Development Director.

**VISITORS**

Jerry Sorg, Clythera Hornung, Richard Sadley, Amy Cherry, Ned Jacob, Karen Mohny and Lance Mohny.

**APPROVAL OF MINUTES**

July 19, 2021 – Regular meeting  
Motion Passed

Margie Brown made a motion to approve the July 19, 2021 minutes, seconded by Andrew Mohny and all were in favor.

**PRESENTATION OF  
CERTIFICATE OF  
APPRECIATION: Susan  
Rettger – City Employee**

Mayor Pletcher read a Certificate of Appreciation for Susan Rettger for her 28 years of service as a Borough and City Employee.

**CITIZEN COMMENTS ON  
AGENDA TOPICS**

Jerry Sorg noted he applauded Deputy Mayor Bob Roberts for his effort on the sewer rates.

**MANAGERS REPORT**

Manager Fleming provided the following report:

“Congratulations to Susie. I know she has been looking forward to spending more time with her family. You will be dearly missed by your City Hall family. Susie brought professionalism and great work ethic to City Hall and is just a great person to be around. Thank you for all your years of hard work for the city.

Reminder to residents, schools will be opening up next week, so motorists use caution when in the school zones and attention to the buses on their routes.

As you may have noticed, the public access channel is up and running. I believe we have fixed the audio for broadcast. Working with Salter Communication on content and working out any kinks, but so far so good. A lot of city information and events are being placed on the channel.

Summer Park programs are either completed or wrapping up this week with the Community Pool having its last day on Friday August 20<sup>th</sup>. Thank you to all the summer staff who work with the parks this season. Dani is slated for next month to give her season ending report at the September Council meeting.

Downtown Event Park is becoming busy with events being scheduled, also if not this week, very soon, the pad for the fitness area will be placed and looking at around mid-September to start the assembly of the fitness area of the park.

I have completed the policy portion of the Parks Sponsorship Program, once I have the program completed, I will pass it along

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to council for your review. It should be completed by next council meeting.

Human Resources has completed its consulting with Barry Wolfe. All I-9 and DOT paperwork is up to date for city employees. Barry will be used on an as needed basis.

I will be attending the PML Leadership Summit in Lancaster on Oct 6<sup>th</sup> to the 9<sup>th</sup>, if any council member would like to join me, please let me know as soon as possible.

We are in budget season of course, worksheets have been sent out to department heads, and more on that in the coming months.

Brackets are in for the Hometown banners; City staff will soon be putting up the banners with a completion before the Fall Fest.

Knee deep into the tar and chipping of roadways and berms.

Sara Road project is progressing well, the top pour was performed last week, will be doing a strength test this week on the top layer, if it goes well, they will start to backfill the bridge, still looking at completion prior to school but worst-case scenario, maybe a couple days of closure after the start of school. We will work with the bus company if that should happen.

Finally, the 2<sup>nd</sup> phase of the Rock Street project started today and should be completed by the start of school also. Of course, with the Sara and Rock project, weather will play a factor.

We are dealing with an issue at the traffic light at South Saint Marys Street near the plaza and McDonalds to where it is going to a default flashing light. Working with multiple agencies to correct the problem.

I received word that PennDOT's paving project of Bruxelles Street will begin sometime in October, so expect delays if traveling from the Sheetz area to Bucktail Plaza area."

**TREASURER'S REPORT**

Manager Fleming provided the following July, 2021 Treasurer's Report:

Total revenue collected for the General Fund was at \$5 million, last year was \$4.2 million and in 2019 we collected \$4.2 million. Total Expenditures for the General Fund as of July 31, was at \$3.95 million, last year it was \$3.3 million and in 2019 expenditures were \$3.4 million. Revenues collected for the General Fund were at 67% of budget and expenditures were at 52.5% of budget. Last year at this time revenues were at 57% and expenditures were at 45% of budget. Earned Income tax collected is at 55% of budget - for 2020 it was 56% and for 2019 it was 49% of budget. Pension plans continue to increase in value compared to last year at this time.

**LEGISLATIVE ACTION:**

Tyler Technologies Software

Manager Fleming explained the Tyler Technologies Software was previously presented to Council. "The Tyler program is a capital asset that will be paid out of funds in the capital reserve fund. This program will benefit all employees at City Hall: management, financial, code enforcement, police, public works, recreation and economic development. The program has the capability to reach out to the residents for their needs – pay sewer

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bills, apply for permits-building, certificate of compliance, pool memberships, sign up for activities at the parks and much more. It has the ability to alert the resident if there is construction in an area and if the street is closed – events happening in town – not just what the City is doing, but other organizations. Since this is a cloud-based program, City Council will have access to the data.

If we don't use the ARPA funding, we just transferred the 2019 unrestricted fund balance from the general fund to the capital reserve fund in the amount of \$572,179. This was not budgeted in the 2021 budget, so will be available to use for this capital purchase of \$100,000. After the 2020 audit is complete, we should be able to transfer at least \$500,000 more. Since this purchase of software was not part of the 2021 budget, we are requesting that City Council approve the contract with Tyler.

This will benefit every department and the citizens of St. Marys. The program that we have right now was purchased in 1989 and there have been some updates, but not enough to keep up with the times. It is an Access program and very difficult to work with."

It was clarified \$51,304 was the annual software maintenance fee.

Carol Muhitch clarified the transfer of funds process for capital reserve projects.

Motion

Shane Schneider made a motion to approve Tyler Technologies quote number 2021-126811, seconded by Margie Brown.

Discussion

Andrew Mohny noted he had performed his own research on the software and determined two other municipalities had conflicts with their existing programs and the Tyler programs.

Manager Fleming restated the benefits of the software.

Carol Muhitch explained the benefits of combining departmental programs for City staff and for the community and then stated she supported the Tyler software.

Motion Passed

All were in favor, except Andrew Mohny who opposed.

2019 and 2020 CDBG Revisions  
and Modification

Tina Gradizzi explained in 2019 City Council allocated \$125,000 of 2019 CDBG funds for the construction of the new Dickinson Center. Jim Prosper from Dickinson notified the City on June 8, 2021 rescinding their request for the funds. It was proposed that the funds be modified to cancel the Dickinson project and add a new activity- Housing Rehabilitation. In addition, City Council approved 2020 CDBG funds towards the demolition of 123 Fourth Street. The project has been completed and there is a balance in that activity of \$3,503. The proposed revision was to close out the 123 Fourth Street activity and add the funds to the existing Sidewalk Replacement Program. The Sidewalk Replacement Program is an approved activity under the 2020 CDBG contract in the amount of \$43,500 and it was requested to increase that budget to \$47,003. For 2019, it was also requested to move \$835.00 left over funds from the Depot Street demolition project to the Sewer Lateral Replacement project.

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Motion Passed	Andrew Mohney made a motion approve the \$835.00 2019 revision as described, seconded by Deputy Mayor Bob Roberts and all were in favor.
Motion Passed	Deputy Mayor Bob Roberts made a motion to approve the 2019 \$3,503.00 revision as described, seconded by Andrew Mohney and all were in favor.
Motion Passed	Andrew Mohney made a motion to approve and add the 2020 modification as described, seconded by Margie Brown and all were in favor.
2021 CDBG Tentative Project	Tina Gradizzi requested Council approve the 2021 CDBG tentative project of an improvement of a public facility. She noted the public facility was the local Boys and Girls Club for a handicap accessibility project. Their board of directors had not yet met to approve the project. The project was contingent on their board approving the project.
Motion	Gina Vrobel made a motion to approve the tentative 2021 CDBG project for the Boys and Girls Club, seconded by Andrew Mohney.
	Andrew Mohney requested the Manager to set up a tour of the Boys and Girls Club for City Council.
Motion Passed	All were in favor of the motion.
Appointment of PML Voting Delegates	Manager Fleming explained the 2021 Municipal Leadership Summit for the Pennsylvania Municipal League (PML) was being held this year and the annual appointment of the City voting delegate was presented. The delegate was City Manager Joseph Fleming and the alternate was Mayor Christopher Fletcher.
Motion Passed	Andrew Mohney made a motion to appoint the delegates as listed, seconded by Gina Vrobel and all were in favor.
Appointment to Elk County Planning Commission	Manager Fleming explained the City received notification from the Elk County Planning Director stating there was a vacancy for the St. Marys position on the Elk County Planning Commission formerly held by Lou Radkowski.
	Solicitor Wagner suggested the City solicit applicants for the position.
	The position could be advertised, and applicants could be presented at the next Council meeting.
Motion Passed	Deputy Mayor Bob Roberts made a motion to authorize the Manager to solicit applicants in the community that may be interested in the vacancy on the Elk County Planning Commission, seconded by Shane Schneider and all were in favor.
Land Development Application 2021-12LD Straub Brothers LLC. Kallas Road	Matt Pfeufer explained a Land Development Application 2021-12LD Straub Brothers LLC on Kallas Road was being presented tonight. The application proposed to construct two 30' x 160' mini-warehouse buildings and one 30' x 80' mini-warehouse building with associated parking areas and access drives. The City of St. Marys Zoning Hearing Board approved an application for special exception on May 19, 2021. The stormwater management plan is under the jurisdiction of the Elk County Conservation District and is in development. Any motion to

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approve the land development plan should be contingent upon recommendation of approval from the St. Marys Planning Commission.

Motion Passed

Deputy Mayor Bob Roberts made a motion to approve the 2021-12LD land development application contingent upon approval by the St. Marys Planning Commission, seconded by Andrew Mohny and all were in favor.

**TOPICS FOR DISCUSSION:**  
Sewer Rate Committee Update

Deputy Mayor Bob Roberts stated the following:

"The Sewer Rate Committee was created by Council, and consists of Council members Andrew Mohny, Shane Schneider, Chairman Bob Roberts, Citizens Jerry Sorg, and Ned Jacob. This committee has met numerous times and researched every aspect of the rate structure, with the help of Carol Muhitch the Finance Director, and Manager Joe Fleming, we analyzed each possible solution and present the results for your consideration tonight.

We also recognize the time and work of the Finance committee in developing the flat rate for residential users, since this plan was authorized and put in place there have been numerous complaints and problems identified and presented to Council and in particular the staff, who were collecting the fees.

Therefore, we place in consideration a complete rate structure balancing all users of the sewer system, Residential, Commercial Mixed, Commercial, Industrial and all others, in a fair and equitable manner to provide revenue to balance the budget, make needed repairs and provide stability for the next three years. Granted this is not an end all long term solution, but the beginning of a conversation with the Manager, Council and the Municipal Authority to plan, create and implement a long term solution to running this facility and the rates needed to maintain a quality sewer disposal and treatment plant far into the future.

Council has been provided the entire rate structure for their review and understanding and an offer to explain and answer any questions.

This consumption plus base rate plan provides user control, much like other utilities, natural gas, electricity and water all have a base rate and measured usage."

In detail this is the Rate plan as proposed:

1. Residential Rate: of \$42.00 + 3000 gallons credit, overage charged at \$6.00 per Thousand.
2. Mixed Property: Billed at Residential units \$42.00 + 3000-gal. credit for each unit, Commercial Units in this property billed at \$42.00. plus \$6.00 per thousand consumptions for balance. Total gallons per residential units will be deducted from Commercial consumption, any balance charged at \$6.00 per thousand.
3. \$6.00 per thousand gallons of water for all consumers.
4. All other users, base rate based on past year consumption usage.
  - 0-3000 gal. \$58.50.
  - 3001-10,000 gal. \$111.50
  - 10,000 + gal. \$164.50

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This will result in new revenue to balance the budget and add to the capitol reserve. Of these rates, further disposition of \$8.00, of \$58.50, \$16.00 of \$111.50, and \$32.00 of \$164.50 charges will go to Sewer Replacement and I & I account.

- 5. Quarterly billing all accounts.
- 6. Use \$160,000 from American Recovery funds over the next three years to repair the facility and allow the 5-year Capitol plan to remain on schedule. This along with the increased revenue will stabilize the revenue for at least 3 years.
- 7. Change billing due date to 3<sup>rd</sup> day of each month instead of the 11<sup>th</sup> or 12<sup>th</sup>.

Council discussed the proposal at length with the following highlights:

Approx. 2,000 residences use less than 3,000 gallons.  
Currently there is less than 4 percent delinquency rate.  
The rate must be considered reasonable.  
Mixed properties are a combination of commercial and residential (apartments).  
Not all apartment buildings have separate meters for each apartment.  
Property owners receive sewer bills.  
American Rescue funds are restricted for use and may not be able to be used for this purpose since the rules are not yet finalized.  
A bond issue was not considered in the proposal.  
Current flat rate was considered burdensome on multi-tenant buildings.  
Examples of current rate breakdown was provided.  
Low end users would see a lower rate with the proposal.  
Consumption has historically decreased.  
Approx. 2,000 residences use more than 3,000 gallons.  
The proposal was not a long-range plan.  
The Municipal Authority was a financing authority not an operating authority and City staff should present proposed rates.  
Quarterly billing will provide the actual amount used and will not require estimating.  
A programming charge to change back the current software would be a onetime fee. Last time it was changed it cost approx. \$4,000.  
Commercial and Industrial customers use from 100,000 to 24 million gallons.

Motion

Deputy Mayor Bob Roberts made a motion to approve the rates contained in the proposal effective October 1<sup>st</sup>, and to authorize the Manager to create a Resolution stating the full rate structure and Council will be asked to approve the Resolution for correctness only, seconded by Andrew Mohny.

Discussion

Gina Vrobel questioned if the proposal contains American Rescue funds which are not approved as eligible would this be valid?

Solicitor Wagner responded the Resolution would only change the rate and will not include any reference to the funds used. If the American Rescue funds are not available, then the money for the capital reserve account would have a shortfall.

Deputy Mayor Bob Roberts restated this proposal was based a 5-year plan and future funding would still need addressed.

Carol Muhitch noted the current rate structure contains multi-year

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funding for the Washington Street/Erie Avenue sewer line replacement project and this information was contained in the budget.

It was noted that consumption-based revenue cannot be guaranteed.

Roll Call Vote – Motion Failed

On a roll call vote, Shane Schneider, Deputy Mayor Bob Roberts and Andrew Mohny voted in the positive. Gina Vrobel, Margie Brown and Mayor Pletcher voted in the negative. Tie Vote – Motion Failed.

CITIZEN COMMENTS ON  
NON-AGENDA TOPICS

There were no citizen comments on non-agenda topics.

COUNCIL COMMENTS

Gina Vrobel reminded everyone school is starting soon, so please be cautious.

Margie Brown stated she hoped the American Rescue funds or a bond could provide relief for residents. She suggested anyone having difficulty paying their bills to contact Northern Tier Community Action Group.

Deputy Mayor Bob Roberts thanked Dani Schneider and the park staff for a great program year. He also thanked the Daily Press for their coverage of events.

Mayor Pletcher reminded COVID is still a threat and to please get vaccinated.

Andrew Mohny reminder everyone of the upcoming Aviation Days festival.

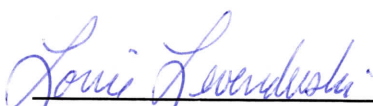
ANNOUNCEMENTS

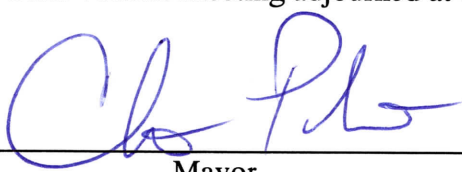
Mayor Pletcher made the following announcements:

- Council's next regular meeting will be held on Monday, September 20, 2021, at 7:00 p.m.
- "Trick or Treat" will be held on Sunday, October 31, 2021 from 6:00 p.m. – 8:00 p.m. by porchlight invitation only

ADJOURNMENT

Andrew Mohny made a motion to adjourn the meeting, seconded by Gina Vrobel. Meeting adjourned at 8:44p.m.

  
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Recording Secretary

  
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Mayor