

**CITY OF SAINT MARYS COUNCIL
REGULAR MEETING**

AUGUST 21, 2023

CALL TO ORDER

The regular monthly Council meeting of the City of Saint Marys was called to order by Mayor Lyle Garner on Monday, August 21, 2023, at 7:00 p.m. Notice of this meeting was sent to Council on August 17, 2023, posted at City Hall and published in the Daily Press.

PLEDGE TO THE FLAG

ROLL CALL

Mayor Lyle Garner, Deputy Mayor Bob Roberts, Nedward Jacob, Andrew Mohny, Shane Schneider, Jerome Sorg, Sally Geyer, Manager Joseph Fleming, Solicitor Tom Wagner and Recording Secretary Lorrie Levenduski.

City Staff: Tina Gradizzi, Director of Community and Economic Development, Dani Schneider, Parks and Recreation, and Tom Nicklas, Chief of Police.

VISITORS

Dwight Hoare, Amy Cherry, Clythera Hornung, Bob Grimm, Jason Powell, Debbie Constable, Joe Goetz, Terri Cunkle, Richard Sadley, Joe Sarginger and Stephen Bagley.

Heather Cuyler via conference phone.

**APPROVAL OF MINUTES
July 17, 2023 – Regular
Meeting
Motion Passed**

Sally Geyer made a motion to approve the July 17, 2023 minutes, seconded by Shane Schneider and all were in favor.

**YEARS OF SERVICE
AWARD – Debbie Constable**

Tom Nicklas, Chief of Police, acknowledged Debbie Constable for her 20 years of service as the Animal Control Officer for the City.

Mayor Garner presented her with a Certificate of Appreciation.

**SPECIAL PRESENTATION:
HRG Group – Strategic
Management Study**

Bob Grimm, Senior Management Consultant from HRG explained his company was engaged to review and analyze the management and financial operation of the City of Saint Marys. He presented the following Strategic Management Planning Program and Five-Year Plan details:

The City was approved for the initiative by the Commonwealth of Pennsylvania Department of Community and Economic Development (DCED) to participate in the Strategic Management Planning Program with a 50 percent match.

In addition to the engagement objectives consistent with the Strategic Management Planning Program, two special conditions

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were identified by the City and incorporated in the Request for Proposal. Those special conditions, incorporated into the Plan, include:

- The operation of the Bavarian Hills Golf Course
- Consideration of Transfer of Sewer operation to a municipal authority

The Strategic Management Planning Program establishes five specific measures for a local government to manage its financial position and attain long-term economic stability. These five program factors include:

- Expenditure Reduction
- Revenue Enhancement
- Implementation of a long-term economic development strategy
- Adoption of best management practices to achieve operational efficiency
- Pursuit of inter-governmental cost sharing

Over the course of this project, HRG:

- Analyzed the City's financial history from 2016 through 2021 focusing on such factors as revenues, expenditures, tax base, operating position, and debt structure.
- Examined the 2021, 2022 and 2023 budgets in relation to ongoing operations, salary and benefit requirements and other obligations of the City.
- Reviewed all tax bases and revenues, major user fees and other revenue sources.
- Projected, to the extent possible based on known factors and available data, revenues, and expenditures for 2023 through 2026, post pandemic, assuming a continuation of obligated levels of wages and operations, existing revenue patterns, and overall operating trends.
- Conducted interviews of key staff members and reviewed policies, labor agreements and other pertinent documents
- Offered recommendations toward cost containment, exploring potential monetization of assets, and continued efforts with community and economic development initiatives.
- The Revenue and Expense Projections Chart show that revenues have historically exceeded expenditures and with the millage increase in 2022 will continue to do so throughout the period of our projection. Although, the projection does show that expenditures will use more of

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the revenue and will thus reduce the City's ability to make transfers into the Capital Fund as has been done in past years. The City will need to look to other sources of revenue to continue to fund capital improvements at the current levels.

- Described the revenue by fund and provided a percentage breakdown

He explained out of the approximately 50 recommendations he then listed the priority recommendations as follows:

Conduct a study to determine the feasibility of transferring sewage system assets to the Municipal Authority and restructuring the Authority to be an operating authority, overseeing all aspects of sewage operation for the City similar to the water authority.

Develop a coordinated long-term economic development strategic plan. This plan should consider marketing, land development regulations and if opportunities for collaboration exist, a coordinated effort with surrounding communities.

Develop and implement a retail recruitment plan to attract businesses to the area where a gap or need exists to make sure residents' needs can be met within the community. Additionally, to make the area more attractive to people or families looking to relocate to the area.

Develop a service fee for recycling and yard waste collection services. This fee would offset the expenses incurred by public works to perform this service and free up approximately \$100,000 in general funds for transfer to capital expenses and projects.

Study the creation of an Authority structure to implement a Stormwater Fee that would be used to repair and upgrade the City's existing aging stormwater infrastructure while not placing undo strain on the City's general fund budget.

Develop a clear organizational structure for the Recreation Director so that the position can function efficiently and effectively. Longer term, establish a Department of Parks and Recreation as a separate department.

Council briefly discussed the presentation and agreed there was a the need to revise the current zoning ordinance.

Terri Cunkle of DCED noted there are additional phases to this study that the City can apply for additional grants and/or funding with a 50 % match.

Joseph Goetz, Chairman of the Municipal Authority, questioned the restructuring of the sewer authority and if there was a timeline already established and Mr. Grimm responded the

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recommendation was for the City to take the next step and engage a consultant and perform a study to start the process, which would create a timeline and provide specific details.

Solicitor Wagner commented that he recommended Council consider the recommendation to review the zoning ordinance.

CITIZEN COMMENTS ON AGENDA TOPICS There were no citizen comments on agenda topics.

MANAGER'S REPORT

Manager Fleming presented the following report:

- "I want to thank Debbie Constable for her many years of service of being the City's Dog Officer.
- As the summer season is coming to a close, I want to also thank all the summer employees for all their help at the parks, street department, and here in city hall.
- Also, I want to welcome Emily Reed our new Administrative Assistant.
- I wanted to advise that we are currently seeking a Deputy Director for our Community and Economic Development department due to the resignation of Joe Kugler who took a position in the private sector.
- I want to remind residents that the school year will be starting up this week with students heading back this Thursday. I urge motorists to use caution especially in the school zone areas. Our police force will be increasing their presence in these areas, so please slow down.
- John Street project is proceeding pretty well with most of the underground work being completed. They are currently performing surface work to get the project completed.
- Wrapping up the oil and chip schedule, along with ditching and mowing.
- Cul de sac was placed at the end of South Michael ext which will qualify it for liquid fuel funds.
- Rock Street manhole repairs should be completed by Thursday.
- Jackson Road project has started and may take about 2 to 3 weeks for completion, once it is safe to do so, the road will be re-opened.
- The Benzinger Park Pedestrian Pathway has been surveyed and mapped out on the Wehler Road property.
- Also, I reached out to the railroad about the crossing in front of City Hall in hope they will do repair work soon.
- The annual budget process is underway and department

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heads are currently working on it.

- Finally, I wanted to send out a job well done with our recent events of National Night Out and the Airport's Aviation Day. Each event continues to grow every year and it is wonderful bringing the community together."

TREASURER'S REPORT

Manager Fleming provided the following Treasurer's Report for July 31, 2023:

Total revenue collected for the general fund was \$5.4 million, last year was \$4.7 million and in 2021 we collected \$5 million. Total Expenditures for the general fund as of July 31, was at \$4.2 million, last year it was \$3.9 million and in 2021 expenditures were \$4 million. Revenues collected for the general fund were 64% of the budget and expenditures were 50% of the budget. Last year at this time revenues were at 56% and expenditures were at 47% of the budget. Earned Income tax collected is at 63% of budget - for 2022 it was 47% and for 2021 it was 55% of budget. Pension plans increased in value for the month of July.

LEGISLATIVE ACTION

Consider for adoption:

**Resolution No. 23-12 – DCNR
Grant Agreement**

Resolution No. 23-12 – DCNR Grant Agreement was presented for adoption.

Tina Gradizzi. Dani Schneider and Heather Cuyler (via phone) explained the Parks and Recreation Open Space Plan was completed but was now finalized. The Resolution being presented tonight was a requirement of D.C.N.R. to formally accept the plan.

Motion Passed

Sally Geyer made a motion to approve Resolution No. 23-12, seconded by Andrew Mohny and all were in favor, except Nedward Jacob who opposed.

**Resolution No. 23-13 –
Multimodal Transportation
Fund grant**

Resolution No. 23-13 – Multimodal Transportation Fund grant was presented for adoption.

Tina Gradizzi explained as a request of D.C.E.D. this was an updated Resolution from the one done in 2022. (120 Connector Project)

It was clarified that the project is still in planning phase.

Motion Passed

Jerome Sorg made a motion to approve Resolution 23-13,

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**Appointment of Animal
Control Officer**

seconded by Deputy Mayor Bob Roberts and all were in favor.

Chief Tom Nicklas presented Jason Powell as the recommended candidate for the appointment of Animal Control Officer. He explained Mr. Powell had the right background, skills and personality for the position.

Motion

Sally Geyer made a motion to appoint Jason Powell as the City's Animal Control Officer, seconded by Shane Schneider.

Solicitor Wagner commented that the recommendation contained a start date of September 1, 2023.

Amended Motion

Sally Geyer amended her motion to include a start date of September 1, 2023, and Shane Schneider amended his second.

Motion Passed

All were in favor of the amended motion.

**PML Voting Delegate
Resolutions Committee
Appointment**

PML Voting Delegate Resolutions Committee Appointment was presented for approval.

Manager Fleming explained he was attending the Annual Conference and requested to be appointed.

Motion Passed

Shane Schneider made a motion to appoint Manager Fleming as the 2023 PML voting delegate, seconded by Deputy Mayor Bob Roberts and all were in favor.

**Request from Water Authority
for Council to oppose sale of
water system to private
investor-owned company**

A request from the Water Authority for Council to oppose sale of water system to private investor-owned company was presented.

Manager Fleming explained he wanted to provide some background to this agenda item. The St. Marys Water Authority approached the City requesting for a resolution to prohibit any discussion with a private organization for the potential of privatization of our City's water supply. The Water Authority through their Association recommended this action as a proactive approach to ensure local ownership of the water supply. Fortunately, the City of Saint Marys Home Rule Charter and procedures prevent any one individual from this form of decision-making without a public forum or community response. He wanted to tell the public that no such discussion is currently being held and never was under this administration. When this item was placed on the agenda, he feared that the public would portray it differently than what the intention of the Water Authority had in mind. He noted that he cannot predict in the

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future (10-15 years) if a discussion will be held, but there are certain policies and procedures in place for this type of situation. Also, any action by Council this evening can be voided in the future.

Solicitor Wagner suggested, due to the uncertainty of the future and that the next Council could think differently, a letter confirming Council's support of the current water system under the control of a public entity is an option to consider.

Dwight Hoare, Manager of the St. Marys Area Water Authority, explained in other municipalities the Mayor had signed an agreement (non-disclosure) with a private company without any public notice or consent of Council, then the matter is placed on an agenda and is approved. Their request was based on guidance from the PA Municipal Authorities Association. He described other instances where large amounts are offered for the purchase of the water system. In 2016 Act 12 changed the way a valuation for an asset is determined.

Solicitor Wagner agreed Council can adopt a Resolution that states their agreement to keep the water system in the hands of the citizens as publicly owned. He suggested Council table this matter until he can present something to Council that incorporates the Water Authority's concerns with the proper structure.

Motion to Table Passed

Shane Schneider made a motion to table the matter until the Solicitor can draft a Resolution to address the request and work with the Water Authority to develop the Resolution, seconded by Sally Geyer and all were in favor.

TOPICS FOR DISCUSSION:

There were no topics for discussion.

**CITIZEN COMMENTS ON
NON-AGENDA TOPICS**

Floyd MacAfoose of 102 Jackson Road described an issue with stormwater and Manager Fleming responded he would look into it.

COUNCIL COMMENTS

Deputy Mayor Bob Roberts commented he would like the recommendation from HRG be reviewed and work with the Planning Commission and Zoning.

Sally Geyer was glad to see the numerous family-oriented events in town.

Shane Schneider welcomed Jason Powell and reminded everyone

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of school starting soon.

Jerome Sorg commented on the good turnout for the Aviation festival and believed more events were needed in the future to continue support of the Airport.

Nedward Jacob also commented that the Aviation Festival and the Car Show was a great success, and he thanked all those involved.

Mayor Garner commented the Airport was cleaned up for the festival and noted a total of 205 cars registered for the car show.

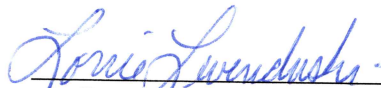
ANNOUNCEMENTS

Mayor Garner made the following announcements:

- The next Council regular meeting will be held on Monday, September 18, 2023 at 7:00 p.m.
- Trick or Treat will be held Tuesday, October 31st from 6 to 8 p.m. by porchlight invitation.

ADJOURNMENT

Nedward Jacob made a motion to adjourn the meeting, seconded by Sally Geyer. Meeting adjourned at 8:25 p.m.


Recording Secretary


Mayor