

Chairman Joe Kerber on Thursday July 5, 2018 at 6:30pm in the Meeting Room of the Municipal Building called a Special Meeting of the Sewickley Township Board of Supervisors to order as advertised in the Tribune Review on Wednesday June 27, 2018. The members of the Board of Supervisors present were Joseph Kerber, Brian Merdian, and Mark Petros. Also attending the meeting were, Daryl Dermotta, Georgia Yezersky, Jill Petros, Tom Couch, Terri Couch, Sandy Dull, Attorney Kansler, and Erika Horvat.

Mr. Kerber led those present in the Pledge of Allegiance.

Public Comment

Daryl Dermotta asked what the motion is about on the agenda. Attorney Kansler stated that there are three things on the agenda for tonight. The first thing is to adopt an ordinance concerning the refinancing of the Sutersville Sewickley Municipal Sewage Authority's loan with PENNVest that they originally obtained in 2006 or 2007 to fund their sewage project. Essentially the township has guaranteed a portion of that loan and PENNVest offered to refinance the loan to make the loan longer so the payments can be lowered so they can make them. We need to approve the guarantee again. The second thing on the agenda is would be to discuss the property maintenance code. We had a special meeting regarding this at the end of April where we started these discussions. This is to give me some guidance on how to prepare the ordinance. The third thing on the agenda is another workshop item regarding the street light allocation process. This will be on how to use proceeds from the street light tax to install new street lights.

Mr. Dermotta asked if we are taking over Sutersville. The Supervisors stated no. Attorney Kansler went on to explain that SSMSA had to get a loan to finance the entire sanitary sewer they put in. It services 66% of the rate payers that live in Sutersville, and 44% of the rate payers that live in Sewickley Township. Sutersville did not have sufficient capital to obtain the loan on their own, so the Township had to guarantee the loan. It has to be sort of looked at as like cosigning for a school loan for you child. Then if the child would default on the loan, you would be responsible to make the payments. Currently it's a loan that SSMSA has with Pennvest, Sewickley Township guarantees 44% of the obligation which is around 1.5 million. Sutersville Borough guarantees 56% of the loan which is about 2 million. That has been in place since 2007. Which means that if SSMSA does not have enough rates or money coming in to pay their loan obligation, then the township and the borough would have to pay their percentages. This guarantee will extend the current debt for a longer time and make the payments lower so SSMSA can make those payments. Mr. Merdian stated that we are advising that the SSMSA board make a prompt decision in regards to the potential sale of that authority. We are not doing this guarantee as a long term solution to their problems down there. They need to get the authority sold for the better of their customers. Mr. Kerber stated right now that sewage goes to Elizabeth and we cannot break that contract with Elizabeth in till that loan is paid off. If that authority is sold to MAWC they are going to pay it off and turn the pumps around to our existing sewage plant in Lowber and do away with the high cost of doing business with Elizabeth Township.

Georgia Yezersky lives at 41 Sixth Street and has some concerns with the alley near her residence. She tries to keep it cleaned and mowed as best as possible but can't do it anymore. Mr. Kerber stated that this is a paper alley. Attorney Kansler asked how long Ms. Yezersky lived there and had the alley ever been opened. Ms. Yezersky stated 54 years and it has never been opened in those 54 years. Attorney Kansler stated if it wasn't opened within 21 years then the paper alley reverts to the property owners abutting that alley. It's not a road that we could take over. Mr. Kerber and Attorney Kansler stated that they will go take a look at the property.

Tom Couch asked if lack of maintenance on the infrastructure at the SSMSA's plant is causing some of the issues. Mr. Kerber stated no, one concern is the cost to have the sewage going to Elizabeth. They could keep raising the rates and we have no control over it. Mr. Merdian stated that there was an Act 537 plan which comes from the DEP that will mandate changes and improvements. There is some acquisitions going on between PA American water and McKeesport Authority, all those improvements are causing a threat to the rates that our customers pay. Sewickley Township's board refused to sign the Act 537 last year. Mr. Merdian stated that the sale of that authority will help to stabilize it. Mr. Couch asked if SMSA is able to raise the rates to cover the increase that comes along with the issues at Elizabeth. Attorney Kansler stated that the problem with that is the rate payers down there can't afford an increase. The delinquency rate is already extremely high, almost 20%. Mr. Kerber stated that when we had the meeting with the DEP regarding the ACT 537 plan they stated there could be as much as a 30%

increase. If those rates go up, the residents can't pay that increase, then SSMSA can't pay their loan which we guaranteed. They are having a hard time making the loan payment now. The township, meaning the taxpayers, will then have to step in and make the payments on the part of the loan the township guaranteed. We would have to be the ones to bail them out. The best thing would be for MAWC to buy them out. They would then pay off the debt and turn the pumps around to our plant. Mr. Merdian stated that there is plenty of room at our plant to accommodate this. The plant right now is running at 52%. A resident asked about the rates regarding the sale of MSATS. Mr. Merdian stated that the rates will be locked for five years. Mr. Kerber stated that our plant is a stackable plant and it will not be very costly to add on to it.

Brian Merdian made a motion, seconded by Mark Petros to adopt Ordinance No. 6-2018 authorizing the execution of a guarantee agreement between SSMSA, the Township of Sewickley, the Borough of Sutersville and PENNVEST, approving the consulting engineers' cost estimate and report and authorizing the executing and filing of an approval request, debt statement, borrowing base certificate and related self-liquidation debt exclusion certificate for said guarantee agreement with the DCED. Voting: Mr. Kerber, Mr. Merdian, Mr. Petros; yes. Motion carried unanimously.

Workshop Discussion: Property Maintenance Code

Mr. Merdian stated that after the two previous discussions we had I think it is critical that we focus on the delinquent, dilapidated and hazardous properties. This code is not meant to create a police state when you have a shingle falling off or a piece of vinyl siding falling off. It is more to help us get more ammunition and to have a stronger and more powerful tool to go after some of the major non-compliant property owners. Whether it is slum lords, bank owned properties, vacated properties. We need more ammunition to help with the blight that has been created here in the township. I would like to also look at ways that we can utilize this to enforce some type of inspection for landlords to make sure that properties that are rented are kept up and in good condition and hopefully this will lead to a better group of tenants that these landlords are renting to. If we can hold these landlords to a higher standard it may then lead to them charging more money for rent and that in turn may lead to a better clientele of folks renting in our community. Attorney Kansler stated that this ordinance is to make sure health and safety measures are being addressed in the township, making sure there is safe plumbing and electrical. Mr. Merdian asked when we find these issues or non-conforming properties, how will this code give us more ammunition to go after them. Attorney Kansler stated that it depends on the level of the problem. We would first provide them with a notice of the violation. And give them an opportunity to fix the problem. If they do not fix the problem we have to look at the enforcement mechanisms which can range from taking them to the magistrate or if the property is hazardous and not fit for living we can have it condemned. We would get something from the engineer first saying it's a dangerous structure. Then we can have it condemned, which then forces landlords to fix the properties. If it is too bad, we can get a demolition permit and have the property demolished. Mr. Merdian asked how we can do this without trespassing. Attorney Kansler stated that we would first go to the magistrate to get these inspections done. Mr. Kerber stated that some of these properties we would be focusing on are the burned out buildings on Greenhills Road, Mikes Bar in Herminie and the Aaronkes property in Lowber. Right now we are paying to maintain the high grass at these properties. Attorney Kansler stated that this ordinance will help to allow us to hold the property owners responsible and to reimburse us for this kind of maintenance. Mr. Merdian asked if these ordinances can be enforced by our Ordinance Officer. Attorney Kansler stated we would want someone with a level of training to help enforce the code. It doesn't have to be someone who is an expert, but we would need someone who understands what we are trying to do. Attorney Kansler went on to discuss the concerns with landlords in the township. He stated that there would be an observation when the landlords are not in compliance with the code. If there would be an inspection process in place, for example, if every time the landlords would rent to new tenants they have to get a certificate of occupancy. Most municipalities require a certificate of occupancy. Also, whenever there is a change in property owners, before the sale is completed, an occupancy certificate can be required. The building inspector would be the one to do it. They would be looking to see if the property can safely house individuals. We could do a landlord tenant ordinance and that is when if there is a new tenant the property has to be inspected. The landlords would have to register as a landlord. You can make it a \$15 registration fee. Usually the permits are free. If landlords would not follow the ordinance, they could be subject to a summary offence. The reason why we are doing this is because we want to make sure the landlords keep up with providing smoke detectors, carbon monoxide detectors, fire extinguishers, not having open electrical outlets, etc. We would have a certified building inspector to help with this. Mr. Merdian asked what would be our next step. Attorney Kansler would prepare an ordinance adopting the International Property Maintenance Code we agree to go with. You can view the 2012 and the new 2018 codes online. We can tailor the code to the townships needs.

Workshop Discussion: Street Light Allocation Process

Mr. Merdian stated that back in 2016 into 2017 we changed our taxing structure here in the twp. We used to pay out of general fund the portion of the cost it takes to maintain and operate street lights. We used to have an assessment on the property owners who were privileged enough to have street lights near their houses, however the ability to collect the taxes on those properties became rampant, there was an excess amount of people who were charged for their street light who were not paying and it was becoming quite an encumbrance on us to go after these people even legally, so the decision was made to forgo that assessment and make a uniformed tax with the idea that it would cover these costs and the township would no longer be taking a loss. Even if we did have full compliance of all accessed properties owners paying, we still were taking a loss. We decided to add a .75 mileage on all properties within the township whether they have a street light or not. Thinking that we all benefit from the use of street lights, we all drive on the roads that are illuminated with street lights. We would then have a fund that would stabilize our expenses with the usage and maintenance of these street lights. In perspective, in 2017 it cost the twp. \$ 44,000 to maintain and pay for the electricity associated with these street lights. This is even after we worked out a deal with West Penn Power to have them come in at no charge to anyone to change all the bulbs to LED. There was about a 25% savings associated with this change and we didn't have to pay a dime for it. We gained from the tax about \$47,500 so we are now in the black. This was not supposed to be a money making tool, whatever net savings we get from the tax change we will then put into new street lights. Looking at the figures from 2017 we have a net savings of about \$3,500. Now the challenge becomes how we best go about to deciding where these street lights should go. We talked about generating a questioner which property owners could feel out, then putting them into a type of lottery system to decide who would get a street light. In all practical purposes we need to look at financially what is best for the community. The first thing we need to consider, this is the first year we could see an increase in funds available for the installation of the new street lights, we are not sure what that increase will be next year, it might not be as much. We are sitting in a positive situation right now and I think this is something we need to look into doing. When we are taking about adding street lights, according to West Penn they estimate the cost for a new light on a pole with an existing transformer to be \$275. If you pick a pole without a transformer the price would be significantly higher, about \$1,300 to \$1,500. Mrs. Dull suggested taking population into consideration when allocating where these street lights should go. The heavily populated areas bring in the most tax money. Mr. Merdian stated that this is one way we can look at this. Mrs. Dull asked if the change of lightbulbs to LED was paid for by a grant. The Board of Supervisors stated no. Attorney Kansler stated his thoughts on this would be to consider the location of poles, if a transformer is available, the population density within a set distance, the street conditions, is there a curb, intersection or steep grade. You can take into consideration if a strand of lights is needed or if one or two lights would be significant. I think that the criteria as a whole should work towards a comprehensive system of lighting. For instance installing ten lights along a roadway, or more lighting around a school if needed. My suggestion would be is to have a process to where residents could submit suggestions to the township that we can consider with our own criteria. These decisions should be based on by the type of road that these lights will service, are there roadways that are heavily traveled on need more lighting, population density in the area, and conditions of road, might be appropriate to having lighting at a four way stop, dangerous curbs where lighting would be beneficial to the areas. Mr. Merdian stated that we need to be careful we don't over install and increase our bills to where we are in the red again. Attorney Kansler stated we can negotiate a contract with West Penn Power to give us a rate structure. Attorney Kansler stated that he will draft up a policy the Board can discuss under old business at the next meeting. Mr. Petros stated he agrees with taking into consideration road conditions like steep drop-offs and dangerous curves.

New/Old Business - None

With no further business to come before the Board, Mark Petros made a motion to adjourn, seconded by Brian Merdian. Voting: Mr. Kerber, Mr. Merdian, Mr. Petros; yes. Motion carried unanimously. Meeting adjourned at 7:23pm.

Erika Horvat
Secretary/Treasurer