

The regular monthly meeting was called to order at 6:31 p.m. by President, Jeffery L. Wright, with the pledge of allegiance, followed by a moment of silence.

In Attendance:

MaryJo Szada
Michael Kovach
Jeffery Wright
Stephen Shaver
Dennis Heefner

Absent:

Lisa Wiedeman-Krosnar
Michael Albert

Mayor Thomas Acri
David A. Wion, Solicitor
Kathleen D. Handley, Secretary
Dennise Hill, Executive Assistant

APPROVAL OF MINUTES:

On a motion made by Mr. Heefner, seconded by Mr. Kovach, Council Members present unanimously voted to approve the minutes from the March 16, 2009 Council meeting, as presented.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS: (Secretary Handley):

Mrs. Handley said she had nothing to report at this time.

PUBLIC COMMENT: Agenda Items Only

There were no comments.

PRESENTATIONS:

Mr. Leber, Rhoads & Sinon – Discussion of amortization schedules and presentation of a reimbursement resolution.

Mr. Leber stated that he was speaking in regards to the eminent domain issues that are pending. He referred to a Resolution he drafted and gave to Mr. Wion. He stated that Section 3 of the Resolution suggests that the Borough make payments from the General Fund and reimburse those payments through tax exempt revenue. The Resolution was presented for consideration.

On a motion made by Mr. Shaver, seconded by Mr. Heefner, Council Members present unanimously voted to accept Resolution 2009-R-9.

Mr. Wion instructed Council that they should be looking into taking care of eminent domain payments so the money is available upon request of them to be repaid. Mr. Shaver asked if any arbitrage is associated with this. Mr. Leber stated that technically, there is but, it is not subject to rebate since it is under \$5 million and five percent (5%) will be spent within the first six months. Also, he urged Council to draw down financing for what is needed for the first 18 months of the agreement, and the Borough will only pay interest on what is drawn. The Borough won't be able to pay the yield on the entire amount; therefore, Mr. Leber suggests that this particular type of financing will be best.

On a motion made by Mr. Shaver, seconded by Mr. Heefner, Council Members present unanimously voted to instruct Mr. Leber and staff to research financing for \$1,250,000 at a rate not to exceed six percent (6%).

David Black & Linda Goldstein, CREDC – Discussion on the KOZ and Pilot Agreement.

Mr. Black spoke regarding the Keystone Opportunity Zone and Pilot Agreement. He stated that his firm has been working with ArcelorMittal. If the Resolutions are passed, they will proceed and submit the official application. He stressed that ArcelorMittal has not committed due to the national economic status. However, he is confident that the project will be successful. Mr. Black thanked Mayor Acri, Council Members, Dauphin County Commissioners, and Governor Rendell for their support throughout this process.

Mayor Acri asked which ArcelorMittal plant would receive the potential money (Steelton or Canada). Mr. Black stated that the Steelton plant would receive it and he is positive that they want to proceed. Mr. Shaver asked if there are currently any buildings on the parcel of land considered for the KOZ Zone. Mr. Black stated that there are older buildings that are not utilized or are used minimally. These buildings may have to be demolished. Mr. Heefner noted that the proposed zone has expanded to 78 acres and asked when those buildings will be demolished. Mr. Black said that demolition will not occur until ArcelorMittal's corporate office grants permission. Mr. Heefner asked, if Arcelor Mittal is sold before the agreement expires, will the agreement language state that the new owner will honor the KOZ contract. Mr. Black stated that the contract is with Steelton Borough, Steelton-Highspire School District, and the State of Pennsylvania. The state has the power to end the entire project and associated funding if the owner does not adhere strictly to the agreement. Dr. Szada asked for a succinct explanation of the Resolution that was presented. Mr. Black stated that Arcelor Mittal will pay the property taxes on the KOZ Zone and certain state taxes will be waived for 10 years. In return, the proposed \$500 million project must be completed. This agreement is proof of job creation and a long term commitment to do business in the Borough. Dr. Szada asked what would happen if ArcelorMittal were to go bankrupt. Mr. Black stated that if that were to happen, the State could collect property taxes. CREDC will serve as a liaison between the Borough of Steelton, the school district, ArcelorMittal, and the state. Mr. Kovach stated that he recently became aware of new legislation passed in reference to this Resolution

and encouraged Council to vote in favor of this. Mr. Shaver stated that he noticed that two parcels of land were added that weren't originally included. Mr. Black said that when the plans were drafted, the parcels did not have numbers. In discussion with the accountant, pieces were added due to the location of the new rails. Mr. Wion referred to the map provided to Council Members. He said that the KOZ parcels are located in six different tax parcels. The state will assign different numbers to each of them for tax assessment purposes. The Resolution is only in reference to the footprint indicated in orange on the KOZ map. Dr. Szada asked if ArcelorMittal can acquire parcels then sit on them. Mr. Black said that the state will not allow that to happen.

On a motion made by Mr. Shaver, seconded by Dr. Szada, Council Members present unanimously voted to approve Resolution 2001-R-8.

Mr. Wion stated that Mr. Black provided an agreement signed by ArcelorMittal. Mr. Wion submitted one that is consistent with the school district and the county. He also clarified that the agreement submitted tonight, by Mr. Black, will be approved.

On a motion made by Mr. Shaver, seconded by Mr. Heefner, Council Members present unanimously voted to approve the agreement between ArcelorMittal and the Borough, as submitted by Mr. Black tonight. Mr. Wion asked Mrs. Handley to provide a signed copy of the agreement to Mr. Black.

COMMUNICATION:

PSATS – Invitation to register for the Economic Stimulus Funding Workshop.

Anyone interested in attending should contact Mrs. Handley.

Ryan Norris, General Manager, Dura-Bond Pipe – Letter informing Council that there is a mass layoff pending.

This was provided for Council's information.

William Green, President, Cole Crest Reunion Committee – Requesting permission to block off lower end of Wood Street for the 2nd annual Cole Crest Reunion.

On a motion made by Mr. Shaver, seconded by Mr. Kovach, Council Members present unanimously voted to approve this request, contingent upon review by Chief Lenker.

Nancy Stekovich, 727 N. Front Street, Steelton, PA – Request to have the penalty removed from her delinquent tax bill.

On a motion made by Mr. Shaver, seconded by Mr. Kovach, Council Members present unanimously voted to ratify Council's decision to approve Mrs. Steckovich's request to waive the Borough's penalties on her delinquent bill due to extenuating circumstances..

Perry Albert, Executive Director, Capital Region Council of Governments – Memorandum on Comcast Cable Franchise Renewal.

Mr. Wion stated that this is presented for authorization to join with other municipalities that are already participating in this program. He said that the more municipalities that participate, the cheaper the cost will be. Attorney Cohen will negotiate on behalf of the Borough and other Region Council of Governments. Mr. Shaver asked what the current fee that is collected from Comcast. Mr. Heefner said it is approximately \$45,000, which is down from the previous amount of approximately \$65,000. Mr. Wion also stated that this is regulated by the federal government.

On a motion made by Mr. Shaver, seconded by Mr. Heefner, Council Members present unanimously voted to partner with Capital Region Council of Governments.

Frank Lynch, Director of Government Affairs – Comcast Annual Report.

This was provided for Council's information.

Ms. Kim DePaulis, Principal, Prince of Peace – Requesting the use of the Borough's Carnival Games for their May Fair.

Mr. Shaver stated that he has no problem with Prince of Peace using the games. However, they should pick them up and drop them off. He asked Mrs. Handley to reach out to Prince of Peace about the pick up and delivery of the games.

On a motion made by Mr. Shaver, seconded by Mr. Kovach, Council Members present unanimously voted to allow Prince of Peace to use the Borough's carnival games.

Samuel Gaither, Region #1 Director, I.B.P.O. Elks of the World – Request to purchase an ad in the Cyrene Lodge #169 and Cyrenus Temple #75 State Association Convention Souvenir Journal.

Mr. Gaither asked Council to advertise in their program. The prices are as follows: \$400 for a full page and \$275 for a half page. Mr. Gaither stated that in the past, he gave the Borough three full pages at no charge and hopes that they consider helping the Elks in their fundraising efforts this year. Mr. Wright stated that any donations made must come from Council Members' personal funds.

Dauphin-Lebanon Borough Association – Invitation to next dinner meeting at the Borough of Middletown.

Mayor Acri will call to respond for any Council Members that wish to attend.

UNFINISHED BUSINESS:

Mr. Wion – Ratify Ordinance 2009-2, Amending Chapter 110 “Vehicles and Traffic”, increasing the fee for notices of violations (Tickets).

Mr. Wion stated that the Ordinance was advertised incorrectly. It has been updated and re-advertised.

On a motion made by Mr. Heefner, seconded by Mr. Kovach, Council Members present unanimously voted to adopt Ordinance 2009-2.

Dennise Hill – Update on the Hot & Spicy Festival location, and the Veterans/Elks Parade.

Ms. Hill stated that the Elks will be participating in the ceremony at Veterans Park. She also clarified that having a reviewing stand will not hold up the flow of the parade. Groups will simply salute the dignitaries as they march by. She also stated that the progress of the Hot & Spicy Festival is going well.

NEW BUSINESS:

Joseph Pilsitz, Steelton Baseball – Mr. Pilsitz wishes to address Council about funding for the Baseball Program.

Mayor Acri stated that no money was received for 2008. Mr. Pilsitz stated that Mrs. Brown-Sweeney, who is no longer with the Borough, stated that the grant money was not available and later distributed money to other sports organizations. Mrs. Handley stated that a check was received recently but, that was money for 2006. Mr. Wright stated that if we receive money from Representative Buxton’s office, the amount requested will be given to Mr. Pilsitz.

OTHER BUSINESS:

Mrs. Handley – Informing Council that an Executive Session is needed to discuss Personnel Matters and Pending Litigation.

There were no comments.

AUDIENCE PARTICIPATION:

There were no comments.

COUNCIL'S CONCERNS:

Dr. Szada: had no comment.

Mr. Kovach: had no comment.

Mr. Heefner: had no comment.

Mr. Shaver: had no comment.

Mayor Acri: reminded Council that negotiations for the Steelton Police Department 2010 contracts are coming up. He asked Mr. Heefner, Mr. Wright, and Dr. Szada to attend. Mayor Acri will update everyone with meeting dates.

Mayor Acri also spoke regarding the Steelworkers' "Buy America" Resolution. Council decided to wait for the House of Representatives to pass it, which they recently did. Mayor Acri spoke to Mr. Bowers and he asked about the update on it. Mayor Acri asked Council to consider the Resolution.

Mr. Wright: thanked everyone for attending the meeting, and also thanked Mr. Musser for coming to the meeting. He stated that the Finance Committee has been meeting regularly. Mr. Wright urged all committee chairs to review budgets to assess where any financial savings can be made.

On a motion made by Dr. Szada, seconded by Mr. Heefner, the Council meeting recessed into executive session at 7:43 p.m., to discuss personnel matters, land acquisition and potential litigation.

The Council meeting reconvened at 8:50 p.m.

On a motion made by Mr. Shaver, seconded by Mr. Heefner, Council Members present unanimously voted to post Mrs. Sprow's job at \$14.50 per hour. Mrs. Handley will handle this issue.

On a motion made by Mr. Shaver, seconded by Mr. Heefner, Council Members present unanimously voted to put the proposed cellular phone policy into effect.

ADJOURNMENT:

There being no further business before Council, on a motion by Mr. Shaver, seconded by Mr. Heefner, the Council meeting adjourned at 8:52 p.m.

Respectfully submitted,

Kathleen D. Handley
Borough Secretary

Dennise Hill
Executive Administrative Assistant