

2019-15
STRASBURG BOROUGH COUNCIL
MAY 14, 2019
MINUTES

Members Present: Mike Chiodo Ray Garraffa
 Jim Rice Will Hutchinson
 H. Dale Spaulding David Dunn

Others Present:

Bruce Ryder, Mayor	Dave Felpel
Lisa M. Boyd, Borough Manager	Richard Waller
F. Steven Echternach, Police Chief	Denise Waller
Bill Crosswell, Solicitor	Joe Duda, Pension Actuary
Lynn Commero, LNP	

CALL TO ORDER AND PLEDGE TO THE FLAG: Council President Mike Chiodo called the meeting to order at 7:30 p.m., followed by the salute to the flag. President Chiodo announced that the meeting is being audiotaped and maintained until the minutes are approved. The Borough Manager took the roll call.

REQUESTS TO BE HEARD:

PUBLIC HEARING ON PROPOSED AMENDMENTS TO THE TEXT OF THE ZONING ORDINANCE AND CONSIDERATION FOR ENACTMENT BY BOROUGH COUNCIL OF THE PROPOSED ZONING ORDINANCE AMENDMENTS –

ORDINANCE 2019-1: President Chiodo turned the meeting over to the Solicitor for the Public Hearing. The Solicitor reviewed the procedural steps that took place prior to this meeting for tonight's meeting to consider this proposed ordinance which included:

1. The legal notice for the proposed ordinance was advertised, as required, on March 22, 2019, April 22, 2019 and April 29, 2019. These legal notices met the requirement of the Municipalities Planning Code, the Borough Code and Sunshine Law.

2. The ordinance became legally pending on March 22, 2019 and, if enacted, the effectiveness dates back to the date it was first advertised which was March 22, 2019.

3. The notice that was published in the newspaper was in summary form, which is allowed by law as long as the full text was furnished to the Lancaster County Law Library and Lancaster Newspapers. The full text was furnished to the Lancaster County Law Library and Lancaster Newspapers, as required.

4. The notice was posted and the Ordinance available for public inspection at the Borough Office when it was advertised.

5. The proposed amendments were submitted to be reviewed by the Strasburg Borough Planning Commission and the Lancaster County Planning Commission on March 22, 2019, which meets the submittal requirements in advance of enactment.

6. The Borough received the Lancaster County Planning Commission's review letter dated April 23, 2019.

7. The Strasburg Borough Planning Commission took action regarding the proposed ordinance and made a recommendation at its May 6, 2019 meeting. The Borough Manager has furnished Borough Council with a letter indicating the action from the Planning Commission.

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8. A Public Hearing is required under the Municipalities Planning Code, and Public Participation is required under the Sunshine Act.

9. If enacted, the Ordinance needs to be approved by the Mayor, put into the Borough's Ordinance book and sent to the Lancaster County Planning Commission to be recorded in the Lancaster County Courthouse.

The Solicitor reminded the members of the significant decision dated April 26, 2019 in the Supreme Court regarding the Slice of Life Case.

President Chiodo asked if there was any public comment, which meets the requirement for obtaining public comment under both the Municipalities Planning Code and the Sunshine Act.

Rick Waller, 33 East Main Street, stated that that he is in favor of the proposed ordinance and he would like Council to consider supporting the proposed Ordinance. He stated that he and his wife own a Bed and Breakfast on East Main Street and their simple rationale is that there is an existing Borough Ordinance to allow for short-term rentals, which is the Bed and Breakfast section, and it has been in place since the 1980's. He stated that he does not see the rationale in creating a new zoning section for something that is already included in the Ordinance. He added that their Bed and Breakfast is owner-occupied.

Denise Waller, co-owner of the Bed and Breakfast at 33 East Main Street stated that she agrees with Rick Waller's comments and also recommends Borough Council enact the ordinance.

Hearing no additional public comments, a motion was made by Dave Dunn, seconded by Ray Garraffa and passed unanimously to close the public hearing.

A motion was made by Dave Dunn, seconded by Will Hutchinson and passed unanimously to enact Ordinance 2019-1 titled: AN ORDINANCE TO AMEND THE STRASBURG BOROUGH ZONING ORDINANCE OF 1993 TO DELETE SECTION 107, USES NOT PROVIDED FOR; TO REVISE AND ADD DEFINITIONS; TO REVISE REGULATIONS GOVERNING BED AND BREAKFASTS; TO REVISE PERMITTED USES IN THE HIGHWAY COMMERCIAL ZONE (C-2) AND THE RESTRICTED COMMERCIAL ZONE (C-3); AND TO DELETE SECTION 504, SUBSTITUTION OR REPLACEMENT OF NONCONFORMING USES, in the form and content presented at this meeting.

PENSION ACTUARIAL UPDATE – JOE DUDA: Joe Duda, the Borough's Actuary, was in attendance and stated that under Act 205, we are required to have a value calculated for the plans every two years. He stated that the 1/1/2019 valuations are not as good as the 1/1/2017 valuations. He stated that, as previously approved, the 1/1/2019 valuation was calculated on an annual 7% investment rate and a 4% payroll increase but our plan showed a two-year average investment return of 12%. He added that PFM did a good job with our investments because our plan is one of the higher returns of the plans that he serves as the actuary. Mr. Duda stated that another thing that we do really good for our plans is the historical payment of additional funds towards the unfunded liabilities.

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Mr. Duda reviewed the 1/1/2019 valuation results, which he reminded the members are the smoothed numbers which spreads out the losses, which are:

Police unfunded liabilities \$133,693

Non-Uniformed unfunded liabilities \$68,508.

He also reviewed the estimated 2020 Minimum Municipal Obligations and reminded the members that the numbers for both plans increased because an additional employee was added to each plan.

Mr. Duda stated that, in light of the investment returns not being as high as we anticipated, Council may want to consider decreasing the investment rate assumption to 6.75% in the future but reminded them that reducing that number will increase the MMO's. It was the consensus to follow Mr. Duda's recommendation and review the rate again in 2021.

A motion was made by Dave Dunn, seconded by Ray Garraffa and passed unanimously to accept the valuation results and unfunded liabilities report dated 1/1/2019 as written.

Mr. Duda added that our auditor needs the valuation numbers for the annual audit, and those numbers are included in the audit. He also reviewed the Police Post-Retirement Medical benefit values and stated that according to his projections, as of 12/31/2018 we have approximately \$177,000 in the fund and the liability is \$390,000. He stated that we are doing a really good job with setting aside money for this because only about 35% of his clients are setting funds aside for this liability.

MINUTES OF APRIL 9, 2019: A motion was made by Dale Spaulding, seconded by Jim Rice and passed unanimously to approve the minutes of the April 9, 2019 meeting as printed.

REPORTS:

MAYOR – Mayor Ryder stated that he attended the Vacant Property Reinvestment Board meeting regarding 8-10 East Main Street and Mr. Carter did not challenge the conclusion but stated that he could not afford to fix it up and is trying to sell the property. Following the program requirements, the VPRB did issue a second determination of blight and the Lancaster County and Strasburg Borough Planning Commissions need to review the blight determination and certify that the Redevelopment Authority did everything correctly, which then turns the property over to the Redevelopment Authority. Mayor Ryder stated that if someone purchases the property before it gets turned over to the Redevelopment Authority, any new owner is required to contact and work with the Redevelopment Authority because the property has already been designated as a blighted property. Mike Chiodo thanked Mayor Ryder for his work on this project.

PRESIDENT – President Chiodo had nothing additional to report.

MANAGER – The Borough Manager's written report for April 2019 was received and accepted.

POLICE – The Police Department's report for April 2019 was received and accepted.

PUBLIC WORKS – The Public Works report for April 2019 was received and accepted.

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ZONING OFFICER – The Zoning Officer’s report for April 2019 was received and accepted.

CONSENT AGENDA: A motion was made by Jim Rice, seconded by Dave Dunn and passed unanimously to approve the following items on the Consent Agenda:

PAYMENT OF BILLS IN THE AMOUNT OF \$748,626.17
HISTORICAL ARCHITECTURAL REVIEW BOARD CERTIFICATES OF
APPROPRIATENESS – 54 WEST MAIN STREET, 122 EAST MAIN STREET,
131 EAST MAIN STREET, AND 7 EAST MAIN STREET
APPROVAL FOR STRASBURG FIRE POLICE TO ASSIST AT GALA AT
RAILROAD MUSEUM OF PA – RATIFY AND CONFIRM
APPROVAL FOR STRASBURG FIREMEN TO PARTICIPATE IN BOOT DRIVE ON
SATURDAY, MAY 25, 2019
AUTHORIZATION TO SIGN APPLICATION FOR TRAFFIC SIGNAL APPROVAL
TO RELOCATE SIGNAL BOX – RESOLUTION 2019-2
LANCASTER COUNTY CONSERVATION DISTRICT MEMO OF
UNDERSTANDING
APPROVAL OF SCOUT HOUSE PROPANE TANK REPLACEMENT PROPOSAL
2019 PAVING PROJECT – PERMISSION TO EXPAND SCOPE TO INCLUDE END
OF DALLAS AVENUE AND END OF SHENK AVENUE

UNFINISHED BUSINESS: None.

NEW BUSINESS: None.

OTHER BUSINESS: The Borough Manager stated that donations are normally paid in May of each year to the Fire Company, Ambulance, Library, Playground Association and Scout House. In light of the large legal expenses this year for Rutters, 8-10 East Main Street and the Airbnb’s, the Borough Manager asked if Council wanted to delay paying the annual donations. She did state that the Borough was recently awarded the reimbursement of approximately \$28,000 in legal fees associated with the 8-10 East Main Street project but noted that those funds will be collected as part of a lien on the property and may not be received this year.

She stated that she and the Police Chief met to review the budget and that for the General Fund, other than the donations which total approximately \$85,000, one other large payment that Council has chosen to pay that is not a required payment is about \$72,000 toward unfunded pension liabilities. She noted that most other funds that are transferred to Capital Improvements Reserve Funds are made up of General, Water and Sewer funds and do not have a large individual impact on the General Fund.

Will Hutchinson thanked the Manager for discussing this matter now instead of having a surprise during budget time. He also suggested reviewing the budget to have a backup plan in place. The Borough Manager and Police Chief will continue to review other options and report back to Council with an update at a future meeting.

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A motion was made by Will Hutchinson, seconded by Jim Rice and passed unanimously to send 50% of the 2019 budgeted donations to the Fire Company, Ambulance, Library, Scout House and Playground Association with a letter of explanation.

Will Hutchinson stated that he did meet quite a few residents while he was getting petition signatures and heard an overwhelming comment from residents that they were appreciative of the Borough fighting these issues. He added that he understands it is uncomfortable for us financially right now but the community is appreciative.

CITIZENS' COMMENTS: None.

ADJOURNMENT: A motion was made by Jim Rice, seconded by Ray Garraffa and passed unanimously to adjourn the meeting at 8:46 p.m.

Respectfully submitted,

Lisa M. Boyd
Borough Manager