

The City Council met in regular session in the Council Chambers on Wednesday, August 1, 2012 at 9:00 A.M.

Council Members present: Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0. Mr. Evans was absent.

On motion of Mr. Merski, Seconded by Mr. Brennan, the reading of the minutes of the Meeting of July 18, 2012 were dispensed with and same adopted with copies furnished to the members of City Council by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0. Mr. Brennan abstains on GEIDC bill.

Copies of the bills under date of July 27, 2012, and August 3, 2012. were given to City Council and same adopted by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

 Mayor Joseph Sinnott was present at the City Council Meeting to discuss and submit the Mid-Year Report to members of City Council. The following is the introduction message attached to said Report, a copy of which was given to members of Council.

2012 Mid Year Report

Good morning. Today I present you with the financial report for the mid-year 2012. The figures in this report continue to reflect stability in municipal operation and cost control; as well as the advantage of the transparent budget and spending system we have implemented. It also shows the continued commitment of all departments to stay within budgetary constraints, to continue to find new efficiencies and cost savings and to keep our operation affordable to the taxpayers. Once again, all of the department heads, bureau chiefs and employees of the City of Erie are to be commended for their continued vigilance in these areas.

As an organization, we have achieved a stability which has allowed us to keep the cost of doing business within budget in each of the years of this administration. This year will be no different. At a time when most municipalities are experiencing significant financial distress, are in Act 47 State Intervention, or in some cases are on the brink of municipal bankruptcy, our pledge to create an efficient, cost effective operation has kept Erie away from similar perils.

What has made Erie unique from the many cities that are struggling with insolvency, is that we as a government made many hard decisions throughout the past six and a half years to control our cost of doing business in order to slow the impact of the declining revenue trend. Because of our success in redesigning the way municipalities do business, we have avoided the negative consequences associated with insolvency, and the Act 47 state intervention program.

This is not to say that we don't continue to face the challenge of remaining viable. We are faced with the ongoing decline of our revenue base and the need to adequately support our bare bones operation which continues to increase in cost each year. As the financial issues facing the federal and state governments continue to grow, it is evident that we will not be receiving additional operational funding support from these sources. Therefore, it is incumbent on us to continue to face these challenges at the local level.

Looking at the figures within the report itself, first on the revenue side, you will see that many of the line items continue to be an issue. As the National Economy remains troubled, we are experiencing decreasing revenue in the areas directly affected by these difficult times. Real estate taxes, state reimbursements and those line items affected by the market economy continue to fall.

To counteract some of the effect in these areas we continue our revitalization projects in an attempt to bring people back into the inner City and increase our tax base. This year we have awarded six enterprise loans, each over \$100,000, to help grow Erie businesses. This promotes economic development and will enhance future revenue streams. This, along with projects such as the Union Square Development, the redevelopment of the GAF site and other neighborhood revitalization projects will help to bolster our tax base and create new revenues for long-term viability. We are also continuing to see an overall decrease in revenues from building and construction activities although projects like the Tullio Arena renovation and Union Square developers have helped to supplement them somewhat. Declining pension aid, liquid fuels monies, shared revenues from the Commonwealth; decreases in our market and interest income; and the declining tax base, result in a projection of approximately \$500,000 dollars less in revenue this year.

In response to this, we continue to implement measures that will help to control our operational costs. For example, recent upgrades to the wastewater treatment facility will make our treatment process

much more energy efficient and is expected to save over \$300,000 per year. Also, with the proceeds of last year's bond issue we were able to purchase a new milling truck which allows us to do more of our own street paving work. This cuts our cost of contracted services and allows us to do more with less.

The implementation of an aggressive safety program throughout the operation has yielded significant cost savings in the area of injury claims. This year we have had no "loss-time" claims and no large claims over \$10,000 dollars. This has saved substantial money in our risk management fund, while maximizing employee safety in all areas of the operation.

These, along with our efforts to maximize efficiency in all departments, have allowed us to control our costs and slow the impact of declining revenues.

As we look at the expenditure portion of the report, you will see that all departments are expected to, again, meet their target budget. This proves that we have been able to determine the true cost of doing business, budget accordingly and manage our operation in order to stay within expected expenditures. This is a pledge that we as an administration and council promised our tax payers six and a half year ago. We have fulfilled that promise each and every year.

The trends we see in this report have remained uniform throughout the term of this administration. We have experienced declining revenues which are attributable to forces beyond our local control.

We have managed to counter-act the effects, somewhat, by continuing to control our costs of doing business and operating within our budget constraints every year.

Our projections are only estimates and may change in the second half of the year; however, we made these projections, mindful that the trends have remained uniform over the past several years.

My staff and I will be available to address any questions or concerns you may have after you have had the opportunity to digest this information. I thank you for your ongoing support of this administration as we work together to make Erie a strong, financially vibrant community. We will continue in our mission to make Erie a model for cities across the commonwealth of how they can succeed despite the challenges facing us all.

By Mr. Merski, Council File No. 15,807, Pending Official File Ordinance No. 26-2012

An Ordinance **amending Ordinance No. 26-1958**, the Traffic Code of the City of Erie by the installation of stop signs at 24 intersections.

August 1, 2012. City Council on motion of Mr. Merski, Seconded by Mr. Brennan having read Council File No. 15,807, now known as Pending Official File Ordinance No. 26-2012 does hereby adopt on Final Passage by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays 0.

August 1, 2012, Signed by the President. Attested by the City Clerk.

By Mr. Witherspoon, Council File No. 15,809, pending Official File Ordinance No. 28-2012

An Ordinance appropriating the sum of **\$196.40** from unappropriated and anticipated revenue and providing for the expenditure thereof. 2009 JUSTICE ASSISTANCE GRANT.

August 1, 2012. City Council on motion of Mr. Witherspoon, Seconded by Mr. Winarski having read Council File No. 15,809, now known as Pending Official File Ordinance No. 28-2012 does hereby adopt on Final Passage by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays 0.

August 1, 2012, Signed by the President. Attested by the City Clerk.

By Mrs. Horan-Kunco, Council File No. 15,810

An Ordinance appropriating the sum of **\$69,561.79** from unappropriated and anticipated revenue, \$57,708.18 received earnings from the Enterprise Zone Revolving Loan Fund and \$11,853.61 program income. These funds are to be allocated into the Enterprise Zone Program accounts. .

August 1, 2012. City Council on motion of Mrs. Horan-Kunco, Seconded by Mr. Winarski having read Council File No. 15,810 does hereby adopt on First Reading by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays 0.

August 1, 2012, Signed by the President. Attested by the City Clerk.

By Mr. Winarski, Seconded by Mr. Witherspoon, Resolved, etc.

That the proper City officials are authorized to renew the contract for the **Employee Assistance Program** through Northwest Beacon Group consistent with current bargaining agreement language.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Winarski, Seconded by Mrs. Horan-Kunco, Resolved etc.

That the Mayor and other appropriate City officials are authorized to amend the agreement between the City of Erie and **Erie County MHMR** for the use of Homeless Prevention and Rapid Re-Housing Program Grant funds. The amendment will increase the contract amount by \$17,001.55, from \$1,414,613.00 to \$1,431,614.55.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mrs. Horan-Kunco, Resolved etc.

That the Mayor and other appropriate officials are authorized to request funding under the Keystone Communities Elm Street Program from the PA Department of Community and Economic Development (DCED) in the amount of \$350,000 for the **SNOOPS Neighborhood Organization Elm Street Program**.

Whereas, the City of Erie has prepared an Elm Street Plan for the SNOOPS neighborhood within the city, and;

Whereas, the PA DCED previously approved an Elm Street designation and awarded Residential Reinvestment Grant funding, as well as an Operational Grant to retain an Elm street Manager to implement the SNOOPS Elm Street and carry out the activities funded through the Residential Reinvestment Grant, and;

Whereas, the City of Erie desires to obtain funding from PA DCED to continue carrying out Residential Reinvestment activities in accordance with the SNOOPS Elm Street, Plan, retain the services of the Elm Street Manager and expand their duties from part-time to full-time status;

Now Therefore, Be It Resolved, that the City of Erie Department of Economic and Community Development is hereby directed to file a PA DCED Reinvestment activities and \$100,000 of Operational funding to fund two years salary and operational costs for a full-time Elm Street Manager;

Be It Further Resolved, that the City of Erie will provide the full local share of project costs as required by the Elm Street Program and that the City will reimburse the Commonwealth for the state's share of any expenditures found by PA DCED to be ineligible;

Be It Further Resolved, that the City Clerk is directed to execute a Certificate attesting to the adoption of this Resolution and to furnish a copy of the Resolution to the City's Department of Economic and Community Development.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mrs. Horan-Kunco, Resolved, etc.

That the proposed Repository Sale of property commonly known as vacant lot – No Address assigned, West 21st Street, Erie, PA and identified by Erie County Assessment Index Number 16-31-21-126 by the Erie County Tax Claim Bureau to The Estate of Hannah L. Nickell of the City of Erie in the amount of \$250.00 is hereby approved.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mr. Brennan, Resolved, etc.

That the proper City officials are authorized and directed to enter into an **Easement Agreement** with the Housing Authority of the City of Erie, 606 Holland Street, Erie, PA 16501 for the installation of six (6) poles, six (6) security cameras, and two (2) underground conduits (containing power circuit and fiber optic cable). The equipment will be installed in the public right-of-way on the east side of Schaper Avenue in accordance with Exhibit "A".

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.
 August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mr. Brennan, Resolved, etc.

That the proper city officials are authorized and directed to enter into an **Easement Agreement** with the Erie-Western Pennsylvania Port Authority (Port Authority), 208 East Bayfront Parkway, Suite 201, Erie, PA 16507 for the construction of a Walkway in the public right-of-way of Cascade Street in accordance with Exhibit "A".

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.
 August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mr. Brennan, Resolved, etc.

That the Mayor and City Controller are authorized and directed to execute an Agreement No. 010U30 between the City of Erie and the **Commonwealth of Pennsylvania Department of Transportation** for Line Striping on State Highways, attached hereto and made a part by reference. It is understood between the parties that the maximum amount payable annually under this Agreement by the Commonwealth of Pennsylvania to the City of Erie shall not exceed the sum of \$10,851.09, without a written Supplemental Agreement signed by both parties.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.
 August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mr. Brennan, Resolved, etc.

That the Mayor and City Controller are authorized to execute the Federal Aid Bridge Project Reimbursement Supplemental Agreement No. 010N58-E between the City of Erie and the Pennsylvania Department of Transportation for the Preliminary Engineering, Final Design, Utilities, Right-of-Way and Construction of the City of Erie **Norman Way Bridge**. Estimated costs for preliminary engineering are \$175,000.00. Estimated costs for the Final Design are \$161,000.00. Estimated costs for Utilities are \$10,000.00. Estimated costs for Right-of-way are \$34,000.00. Pre-Construction Cost Sharing. Federal 80%, State 15%, Municipality 5%. Estimated costs for Construction are \$900,000.00. Construction Cost Sharing is 100% State.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.
 August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded By Mrs. Horan-Kunco, Resolved, etc.

That the following amounts are transferred in the HPRP Grant.

Transferred From			Transferred To		
Amount	Account	Title	Amount	Account	Title
\$9,978.15	508-1244-0000-4011	Salaries	\$17,001.35	508-1244-0000-4441	Erie Co. Health Dept.
800.36	508-1244-0000-4016	FICA/Medicare Tax			
1,470.21	508-1244-0000-4017	Pension Cont.			
4,481.96	508-1224-0000-4018	Group Ins			
270.87	508-1244-0000-4021	Deferred Comp			
\$17,001.35					

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.
 August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mr. Witherspoon, Resolved, etc.

That the Mayor and City Controller are authorized and directed to execute contracts between the City of Erie and the following individuals and/or companies for goods and/or services as noted and the City Council does hereby ratify and confirm the said transactions which are to be charged to the respective Budget Code Numbers, viz:

1. **Vavala Concrete Construction LLC**, 2059 West 20th Street, Erie, PA 16502 they being the lowest responsible bidder for the 2012 Curb Ramps III Project, in the amount of \$200,403.60.
2. **Mayer Brothers Construction Co.** 1902 Cherry Street, Erie, PA 16502 for the Proposed Pavement Rehabilitation West 8th Street, Pittsburgh Avenue to Greengarden Road they being the lowest of three (3) bids received, in the sum of \$177,704.06.
3. **Five Star Equipment**, 46 Route 97, Waterford, PA 16441-0385 for a John Deere loader Backhoe, for the Bureau of Sewers for a total of \$70,500.00.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

August 1, 2012. Signed by the President. Attested by the City Clerk.

By Mr. Merski, Seconded by Mr. Brennan, Resolved, etc.

That the Purchasing Agent is authorized and directed to issue purchase orders to the following individuals and/or companies for goods and/or services as noted and the City Council does hereby ratify and confirm the said transactions which are to be charged to the respective Budget Code Numbers, viz:

1. **Donald L. Wilson and Ann J. Wilson**, 3312 Glenside Avenue, Erie, PA 16508 for the conveyance of a portion of property (430 square feet) to the City of Erie at a total purchase amount of \$2,000.00. Said property is scheduled to be affected by the replacement of the Norman Way Bridge.
2. **DCED Governor's Center for Local Government Services**, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225, for State Fees due for April, May and June 2012 (674 permits) for Code Enforcement at a total cost of \$2,696.00.
3. **Fire & Police Selection, Inc.**, 193 Blue Ravine Rd., Suite 270, Folsom, CA 95630 for the fire written exams and fees for the Office of Human Resources at a total cost of \$4,901,25.
4. **Commonwealth of Pennsylvania**, 1800 Elmerton Ave., Harrisburg, PA 17410 for the annual recurring data circuit lease and equipment for NCIC for the Bureau of Police at a total amount of \$3,500.00.
5. **Fire & Police Selecting, Inc.**, 193 Blue Ravine Rd., Suite 270, Folsom, CA 95630 for police written exams and fees for the Office of Human Resources at a total cost of \$5,396.05.
6. **Motorola Solutions**, 1301 E. Algonquin Rd., Schaumburg, IL 60196 for radio desk chargers and spare batteries for the Municipal Garage Radio Division at a total amount of \$4,938.00.
7. **RCI Electrical Systems**, 595 Lake Pleasant Road, Erie, PA 16509, for loop detectors repair for the Department of Public Works, at a total cost of \$11,350.00.
8. **Groff Tractor & Equipment, Inc.**, 6779 Carlisle Pike, Mechanicsburg PA 17050, for parts and labor to repair the milling machine, for the Bureau of Streets, at a cost of \$3,004.37.
9. **Ace Viking Electrical** 2222 East 30th Street, Erie, PA 16510 for a 25 hp drive for the Bureau of Sewers at a total amount of \$2,557.00.
10. **Brainfiller, Inc.**, PO Box 12024 Scottsdale, AZ 85267-2024 for a training course presentation dealing with Arc Flash Hazards & Electrical Safety for the Bureau of Sewers at a total amount of \$3,750.00.
11. **Bucks Fabricating**, 3547 Perry Highway Hadley, PA 16130 for one replacement roll off can for the Bureau of Sewers at a total amount of \$4,000.00.
12. **David Milano Construction**, 2202 Zimmerly Road, Erie, PA 16506 for materials only for repairing the sanitary sewer at 903 West 7th Street and a sanitary manhole at 456 East 5th Street for the Bureau of Sewers as follows: See Attached-\$2,550.98 (Material Costs Only). See Attached-\$3,722.59 (Material Costs Only). Total Cost - \$6,273.57.

- 13. **Wm T. Spaeder Company**, 1602 East 18th Street, PO Box 10066, Erie, PA 16514 for replacing backflow preventers, for the Bureau of Sewers at a total cost of \$10,113.40.
- 14. **WSG Solutions**, 160 Commerce Drive Suite 100 Montgomeryville, PA 18936 for 25 grit buckets for the Bureau of Sewers at a total amount of \$12, 532.25.

August 1, 2012. City Council adopt by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

August 1, 2012 Signed by the President. Attested by the City Clerk.

August 1, 2012 City Council on motion of Mr. Merski, Seconded by Mr. Brennan , adjourned at 10:16 A.M. by yeas Council Members Brennan, Horan-Kunco, Merski, Winarski, Witherspoon and Jones. 6. Nays. 0.

President of City Council

Attest:

City Clerk