

**Industrial Development Authority
March 9, 2016**

The regular meeting of the IDA (Industrial Development Authority) was held on Wednesday, March 9, 2016, beginning at 6:00 p.m. in the Borough Building. Mr. Beard called the meeting to order.

Present: Paul Badger; Frank Halderman; Greg Wendt;
Don Holderman, Secretary; Rod Beard, Solicitor;

Excused: Ray Fisher; Matt Hill;

Borough Staff: Ralph Stewart, Borough Manager

Visitors: Sue Hannegan, CCPCDO; Gay D. Dunne; Doug Johnson; Randy Brachbill;

Approval of Minutes:

- Mr. Halderman made a motion to approve the minutes of the IDA meeting of February 10, 2016. Mr. Wendt seconded the motion. A voice vote was unanimous to approve the minutes as presented.

Public Comments:

- None.

Financial Reports:

- Mr. Holderman provided the Financial Report. The expenditures for last month were \$499,249.00; \$486,678.00 was the G.O. Hawbaker invoice; \$3,877.00 for a Buchart Horn invoice; \$1,925.00 for Beard Law; \$60.00 for incidentals; \$6,709.00 paid in interest on the loan. In addition separated from that there was \$5,487.00 paid for the Act II Environmental Clearance. That makes a total of \$133,772.00 expended for that effort.

Over the past month the final payment application was sent in for the DEPISRP, the Act II Clearance, which was approximately \$8,000.00, which will give the full grant amount of \$75,000.00. They wanted the IDA to submit it, but until the final report is in and approved and everything is finished they won't sent the check.

The follow-up to questions by the Office of Budget were submitted on the special conditions. No comments were received and it is approximately seven months from the initial submittal of the special conditions. That is about the time frame when IDA should anticipate receiving the first check.

Mr. Badger made a motion to pay invoices #19441 and #19413 for a total of \$577.50. to Rod Beard, Solicitor. Mr. Wendt seconded the motion. A voice vote was unanimous.

Old Business:

1. Waterfront Property -

I. Waterfront Project Report – Chuck provided a brief review of the activities. There weren't any job conferences over the last period because of the winter shutdown. Mr. Holderman and Chuck met last week with Hawbaker's men to see when they were going to begin work again. They originally said March 7th, but an email was sent stating they project starting on the 14th. Special inspections were being done for the building code permit through the sub-consultant ARM Group. The need for those has passed. That was sub-grade verification and concrete testing and observation of the placement of those materials. They will continue with periodic site visits to keep track of what is going on.

Five change orders have been submitted to the IDA for consideration and approval. Change order #1 was related to the three-week delay resulting from the unforeseen sub-surface conditions. Change order #2 is for placement of stainless steel railing on the stream access steps at the north end of the project. Change order #3 is to increase the size of the grounding connectors in the lighting system. The code office approved the drawings, but when their field inspector came out and looked at them he made them change from 10 gauge to 8 and six gauge wire. Change order #4 was the IDA's request for an alternative to eliminate the existing stone wall between the end of the Redi-rock wall and the High Street Bridge. That has been prepared and submitted for review. Change order #5 is to delete work at the Lamb Street/Dunlop Street intersection. The original design called for removal for a good part of that bridge parapet that curves around there and reconstruction of the sidewalk there and on the Gamble Mill side of the project. That was examined during a few of the job conferences and it was a nearly unanimous decision that it could remain the way it is.

They also prepared, at the request of the IDA, a couple alternatives for restoration of Dunlop Street using brick pavers instead of asphalt, as in the current design. Chuck had a presentation of slides to show. He showed alternative #1, which is brick pavers the full width of the street. It has 3' concrete gutter line on each side with a curve and then whatever width it is decided to make it. Originally it was 26', thinking that even though it would be used as a pedestrian walkway there might be times that it would need to have traffic going both ways depending on what the developer needs for access to a hotel or restaurants or whatever. Carla also had an alternative where it could be made 16' wide between curbs. That will be a decision that will be made with the IDA. The current road is approximately 16' – 18' wide. Under the brick is what used to be called 2B stone. Underneath that is #2 stone, which is a bigger size stone to help with subsurface drainage. The bricks will have polymeric sand between them that gets hard but lets water trickle down through it. Another alternative is a foot wide concrete strip down the middle and it has concrete under that 5' each side of it beneath the brick. That is intended to be where the wheel line would be on the brick with the concrete under it and the left or right side wheels would be on the concrete gutters on the far side. That would help support it better than just sand or stone or brick. Another alternative that they briefly looked at was way too expensive with all the concrete. They also provided some ideas for the different patterns with the pavers. Under the proposal it is going to be necessary or desirable to block off sections of this to vehicular traffic. Part of the design would be to have sockets in the pavement where bollards could be placed to block off different sections. They could be located at various places. They would be locked in place while there but could be easily moved from one station to another. There was a handout provided that included all the slides that Chuck showed.

Mr. Halderman questioned whether there was plans for the end where the hotel would be regarding access for deliveries. He questioned whether the brick would hold up to daily traffic. Scott said they talked about it quite a bit under the proposal and thought it would be a point of discussion at this meeting when you look long term and get the developer in there and

the options for accessibility; where parking might be located; where access to the proposed development might come from. With the proposal it may not be considered a street, but more of a trail. They want to clarify those issues and see what might make the most sense under the proposal to invest the money that is discussed; what the aesthetic might be; are alternate widths considered as an extension of the High Street sidewalk along Dunlop Street? Make not make a complete improvement. Maybe take the ten that is only pedestrian and when the developer comes in and propose an alternative that becomes more their driveway design that borders the new walk rather than trying to design for that type of traffic and access points and curb cuts, etc.

The intent was to re-grade and repave the street. Mr. Halderman pointed out if that choice is made then that part of the project will not be reimbursable under ARCAP. If that cost is \$150,000.00, which is the ballpark figure for Dunlop Street road construction, it is not reimbursable. The point of going to Council and ask if they were willing to eliminate Dunlop Street as a road was to possibly dress it up, make it look nicer, and get reimbursed. If it costs \$300,000.00 to do the brick pavers and make it look nice and then if it's not a thorough-fare there would be a reimbursement of \$150,000.00 so it is right where we are today, but it looks a lot nicer. Through Hawbaker Chuck brought up another option, which is possibly only pave a part of the way down to allow the contractors to get in and do what they want and leave dirt or grass over the rest of it and let them decide if they want to have a pedestrian walkway. Mr. Stewart said his concern is you can't determine where water and sewer line connections would be made because you don't know where buildings will go. Those main lines are underneath the road. He does not want to spend a fortune and then several months later have to dig up the beautiful road to install a water or sewer tap. Mr. Halderman said there is money in for asphalt so why not get stamped asphalt and shut the road off and make a pedestrian walkway. That way you don't have to spend all that money on brick. He is worried about the maintenance of brick and how it will hold up under traffic. Mr. Halderman said they were thinking of brick pavers because of the water and sewer lines underneath. Five years ago if you have to go in and cut it up you won't be able to match up stamped pavement, but if you pull the brick up and dig the hole to fix the line you could put the brick pavers back in and still have it looking aesthetically nice. Mr. Halderman has used the polymeric sand at home for several years. He got rid of it because the sand kept washing out and he kept getting vegetative growth through it. It was suggested you could maintain the drainage and go to a tight herringbone type pattern.

Mr. Halderman asked who would own the street if the Borough gives up Dunlop Street. Mr. Stewart said it would be an easement or right-of-way on paper. It wouldn't be a street because it wouldn't qualify if it was. Once you vacate the street the issue becomes it's really a sub-division. If that street becomes part of the ground it gets added on to the acreage or do you just keep it separate as separate ownership. The Borough could still own it even if it is vacated. Would that be two potential driveway permits? There could be a lot consolidation plan to combine that back in to the parcels and then it becomes part of the parcel at that point. You do literally give up ownership of that property, but you could maintain an easement.

Another consideration you have is you don't know how long it might take to develop the property. You have a completed project – providing either a street or a pedestrian connection between High and Lamb that you would still maintain and the thought would be to keep that on the Café side of Dunlop Street. It may not be disturbed, but you provide enough room that they can cut their driveways in and you still have what looks like a finished project providing pedestrian walkway from Talleyrand Park down the brick paver, that may not be as wide, but is more of a sidewalk pedestrian through-fare than a road. It may protect it from future development. As they cut their driveways in they could keep that curb line and build from there, just providing them a little bit more land to work with. These are just some considerations.

Mr. Stewart said another option is to do the base coat on the new road and hold off on the finished top until you know where things will go. You could look at stamped, brick, or a topcoat of amacite. Scott said the benefit of considering some of the options now and possibly talk more with Mr. Holderman on where things sit financially with the amount of money in the grant is if you are at a point where you aren't quite to capacity you want to take advantage of that opportunity that you might not have later. Mr. Holderman said that is where things are because the project probably isn't going to meet the whole \$3 million match. Scott said then you take advantage to look at what type of nice pedestrian walkway as you have the availability of the grant funds assisting payment for that which you might not have down the road if you want to improve it later.

Sue Hannegan said typically if a street is vacated it is divided down the middle of the street and given to the adjoining property owners. That would mean the Café on the Park and Rich Fornicola would have a piece of that if it was vacated. Another thought she had was keeping it and holding a traffic impact study. Depending on who the developer is there may be a need and you might be required to have a street. If there is a hotel where the Bush House was would they rather have the traffic come out at Lamb Street rather than High Street. It is unclear what PennDOT would require.

Mr. Stewart said another factor is he checked the liquid fuels maps because he thought it would be too narrow to be covered, but it is covered as a street that the Borough gets money for. It is calculated into the lineal footage of streets so the Borough would lose a few tenths of a mile of a street for liquid fuels money if it were vacated.

Mr. Holderman said a decision needs to be made on Dunlop Street at this meeting. He suggested with all the questions perhaps it would be better to let the contract roll the way it is. Mr. Stewart does not want to do something and then undo it later.

Mr. Brachbill asked if it could be left as gravel. Mr. Holderman said you could but the IDA is discussing taking advantage of the money while it is available. He suggested putting the new base in and then leave it as gravel.

Chuck said when 26' wide options were explored the cost was approximately \$400,000.00. Mr. Holderman felt the process for tonight was to give the alternative, have Carla do the drawings and then give to Hawbaker to price. Scott had a question with the future of the development and the access that becomes a point of discussion. How long do you leave it in an unfinished condition? The IDA feels it needs to be finished with something. Scott said the developer would be obligated to fix it. The RACP deadline for finishing the project is November 2016. A separate contract could be done to finish the road. A sidewalk has to be all ADA compliant. Mr. Stewart is still concerned with the water and sewer lines. Sue Hannegan suggested making it a pedestrian walkway/bicycle path then it could be wide. Doug Johnson said it could be 16' wide and then in the future if it needs to be torn up you are just tearing up a bike path then in the future when you have a permanent resident you could consider negotiating that entity and possibly share in cost of maintenance. Currently in the contract the Borough owns two curbs and a car way. An alternative is to revise the profile to be more of a brick sidewalk at 6' – 8' wide and provide the profile to be a temporary base course with a curb line that still is considered Dunlop Street that would be removed. When they come in to do their development you would lose the curb line and the base course on the finished side of the project. The way would stay on the race side from High Street to Lamb Street.

Mr. Clark questioned whether they would want to maintain the driveway entrances at Lamb and High in order to avoid a PennDOT issue. Maintain the curb cut so you don't have to go back later for a driveway permit. Mr. Holderman suggested putting down a stamped profile on it as suggested by Mr. Halderman. Mr. Halderman would like some cost estimates.

That portion of the contract is approximately \$150,000.00 for road reconstruction. Mr. Badger feels it wouldn't make any sense to do anything that is reimbursable...or say you don't want to go with the \$150,000.00 expense and get away with the bare minimum and then look at it from the standpoint of okay, let's get away with the bare minimum of what is there for 16' and put a sidewalk along side it and possibly you could use some of that \$150,000.00 to offset the cost for half of the sidewalk. Mr. Badger suggested block it off and say we're temporarily not allowing access to it but we're not giving it up until we find out what is going to happen to the parcel in question. Mr. Holderman feels something may need to be done at least down to the second building.

Scott will summarize the discussions and questions and get together with some additional information that Mr. Holderman will get out to the IDA.

Mr. Badger made a motion to approve Change Order #1. Mr. Wendt seconded the motion. Mr. Halderman felt the change order should have been given while the project was going on and there should have been a cost when it was going on and the cost should have been approved before they went ahead. The work was done before it was okayed. The problem he has is with the delay of the contractor for \$60,000.00. They were told to work on the other end of the project because there wasn't a delay there. They did nothing for three weeks so he is not going to vote to pay it and he doesn't think it should be paid for the three week delay. There should have been a letter the day they were being delayed putting the IDA on notice. Chuck stated the only notification they got was at the job conference they said they were delayed until they got the result. They maybe could have gone down to the other end sooner but at the time this happened there was still a lot of the old foundations and structures at the other end that had to be removed before they could get in there. Before the coffer dam was done they did a little demolition on the Cerro building and some of the block fell into the stream and the guy yelled at his operator telling him he couldn't do that. Mr. Stewart feels this is worth an argument and some middle ground should be found to lower the cost. Mr. Halderman wants to know what the Pennsylvania Department of Labor wage rates for Centre County are because they are charging \$90.00 an hour for labor. A few years ago the Labor & Wages with benefits was less than \$40.00 an hours. Mr. Holderman stated they are being strictly reviewed on the labor rates by the Office of Budget. Mr. Holderman has 41 payrolls in the file that can be examined and he is very comfortable because they are being reviewed by the state.

Badger amended his motion to pay everything except the cost for the three-week delay on Change Order #1. Mr. Wendt seconded the amended motion. A voice vote was unanimous.

Mr. Halderman made a motion to approve Change Order #2. Mr. Wendt seconded the motion. A voice vote was unanimous.

Mr. Halderman made a motion to approve Change Order #3. Mr. Badger seconded the motion. A voice vote was unanimous.

Mr. Halderman made a motion to approve Change Order #4. Mr. Wendt seconded the motion. A voice vote was unanimous.

Mr. Badger made a motion to approve Change Order #5. Mr. Wendt seconded the motion. Mr. Halderman asked where the foreman and the labor credits are on this one, but is not separate line item for labor. What was paid in the contract per lineal foot in the schedule of values is what is being credited back. The motion was withdrawn until further clarification so there will be no action on Change Order #5.

II. Act 2 Clearance – The final report is scheduled to be submitted by the end of the day Friday, March 11th.

With the CHLOMAR all the requested information has been submitted to them. The website is checked at least once a day and it continues to say “under review”, which is a good thing.

Mr. Stewart is hoping these will be received soon so the property can be marketed.

The railing will be put behind the wall. The cap block needs to be installed before the railing is installed. The sockets for the posts have been set.

2. Armory Property - This will be discussed after the meeting is adjourned in an Executive Session.

New Business:

The IDA Annual Report will be done when the IDA audit is complete.

Adjourn:

- Mr. Halderman made a motion to adjourn the March 9, 2016 meeting of the Industrial Development Authority at 7:05 p.m. Mr. Wendt seconded the motion. A voice vote was unanimous.

Executive Session:

The IDA went into Executive Session to discuss the Armory property.