

April 9, 2009

McKean County Commissioners in special session assembled on Thursday, April 9, 2009 at 10:00 AM in the Commissioners meeting room. Present were Commissioners Joseph DeMott, Al Pingie, and Judy Church, Chief Clerk, Audrey Irons. Also present were Debbie Lunden, Angie Tennes, George Petrisek, Kyle Milliron, and Howard Brush.

The meeting was called to order by Mr. DeMott, followed by the Pledge of Allegiance and a moment of silence.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve the minutes of the March 24 and the April 2, 2009 meetings.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Mr. DeMott – Opened the meeting for public comment.

No public comment.

Moved by Mr. Pingie, seconded by Mrs. Church, to adopt the following resolution.

RESOLUTION NO. 7 OF 2009

WHEREAS, McKean County Commissioners (“Applicant”) desires to undertake the following project:

Knox Kane Rail Corridor Feasibility Study; and

WHEREAS, the applicant desires to receive from the Department of Conservation and Natural Resources (“Department”) a grant for the purpose of carrying out this project, and

WHEREAS, the application package includes a document entitled “Terms and Conditions of Grant” and a document entitled “**Signature Page for Grant Agreement**”, and (See complete copy of resolution on file in the Commissioners Office for Signature Page)

WHEREAS, the applicant understands that the contents of the document entitled “Terms and Conditions of Grant,” including appendices referred to therein, will become the terms and conditions of a Grant Agreement between the applicant and the Department **if the applicant is awarded a grant**; and

NOW THEREFORE, it is resolved that:

1. The “**Signature Page for Grant Agreement**” may be signed on behalf of the

applicant by the Official who, at the time of signing, has **TITLE** of Chairman, County Commissioners.

2. If this Official signed the “**Signature Page for Grant Agreement**” prior to the passage of this Resolution, this grant of authority applies retroactively to the date of signing.
3. If the applicant is awarded a grant, the “**Signature Page for Grant Agreement**”, signed by the above Official, will become the applicant/grantee’s **Executed** page for the Grant Agreement, and the applicant/grantee will be bound by the Grant Agreement.
4. Any amendment to the Grant Agreement may be signed on behalf of the grantee by the Official who, at the time of signing of the amendment, has the **TITLE** specified in paragraph 1 and the grantee will be bound by the amendment.

Debbie Lunden – We received a letter in the mail from Knox Kane Railroad that they were going to abandon the railroad grade for 69.9 miles from down near Knox all the way up to the Kinzua State Park so the other counties got together and we had a meeting and discussed the possibility of doing a trail feasibility study along this corridor and we talked to Mr. Kolvalchick and he is willing to railbank it so that way it will preserve the corridor and in order to do the study we will need these grant funds. The total project cost is \$68,900 and we will get half of that from the DCNR grant program – there are some in-kind services that will be provided by the 4 counties and we will have the cash match and we are also going to apply for a DCED grant to try to get some additional funding. It is a pretty exciting project – this might be a once in a life time opportunity to look at a 69 mile corridor that could be some type of a trail – we are going to look at both motorized and non motorized uses – we are also going to look at the possibility of keeping the tracks intact from Kane to the Kinzua State Park because that is very important in case of a possible future excursion train so that could be a tourism draw. The other counties are much in support of this project. McKean County is going to be the lead agency and then North Central will do the administration of the funding so that means less paperwork for us.

Kyle Milliron – What does it mean to railbank?

Mrs. Lunden – It’s actually to conserve and preserve that right of way so it doesn’t revert back to private property owners – and it will then remain for public use.

George Petrisek – Who will own it?

Mrs. Lunden – Mr. Kolvalchick will own it – he owns it right now and he will own it after it is railbanked until some type of trail organization or an agency would come forward to negotiate the use of that from him – it might be a lease or out right ownership, etc. The study will determine the ownership issues, the best way to do the ownership, the

maintenance issues, the type of uses, the operation issues, and the construction issues. There will be recommendations at the end of the study as to what should be done and it will be more complicated because there are 4 counties involved.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into a modified contract with G4S Justice Services, Inc. for the Juvenile Probation Department. The modification to the contract is for adding new technology to their existing contract. There is an additional fee of fifty cents (\$.50) for electronic monitoring and the ability to hook up to the system if a person only has their cell phone. The modification will also allow the Adult Probation Office to utilize the equipment.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into a maintenance agreement with Karpinski's Office Systems (KOS) for a copy machine for the Children and Youth Services Department. The cost of the agreement is \$310.00 per year.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to adopt the following resolution.

RESOLUTION NO. 8 OF 2009

A RESOLUTION AUTHORIZING REAL PROPERTY, EARNED INCOME TAX, NET PROFITS, MERCANTIEL AND BUSINESS PRIVILEGE TAXES WITHIN A SPECIFIC GEOGRAPHIC AREA IN McKEAN COUNTY DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE, IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, AND RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF ELDRED TOWNSHIP, COMMONWEALTH OF PENNSYLVANIA, UPON CERTAIN TERMS AND CONDITIONS.

WHEREAS, the Board of Commissioners of McKean County Pennsylvania recognizes the need to encourage investment in a defined geographical area of *Eldred Township*, "as set forth in Attachment "A" (for Attachment A see complete copy of the resolution on file in the Commissioners Office) that is experiencing distress characterized by one or more of the following: high unemployment, low investment of new capital, blighted conditions, underutilized, obsolete or abandoned industrial commercial and residential structures, deteriorated tax base, and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act 63 of 2005, as amended by Act 79 of 2008 (SB 1412) hereinafter referred to as the “Act,” authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for designation of an area within the respective political subdivision as a Keystone Opportunity Expansion Zone granting exemptions, deductions, abatements or credits from all local taxes identified in the Act.

WHEREAS, approval of benefits provided in the Act will result in improving both the economic, physical, and social conditions within the proposed new Keystone Opportunity Expansion Zone by stimulating existing businesses employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight within the herein described tract of land by the termination date of the new zone under the Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of McKean County, that effective as of this date 01-01-2010, contingent only upon DCED’s approval of the application for the Proposed new Keystone Opportunity Expansion Zone, the following provisions shall apply:

1. Real Property Tax on the herein described tract(s) is 100% exempt in accordance with the provisions and limitations hereinafter set forth in accordance with the Act, such exemption to terminate 12-31-2020.
2. Earned Income and Net Profits Taxes; Business Privilege and Mercantile Taxes. The Board of Commissioners of McKean County also waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and/or net profits of a qualified business received by a resident or nonresident of the Proposed new Keystone Opportunity Expansion Zone attributable to business activity conducted with said zone and benefits terminating on 12-31-2020.
3. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Ordinance by reference.
4. This resolution shall be effective upon execution, conditioned upon the approval of the application by DCED.

RESOLVED or ORDAINED AND ENACTED by the Board of Commissioners of McKean County, Pennsylvania, this 9th day of April, 2009.

The above resolution was for Ethan Allen Retail, Inc. in Eldred Township.

Mr. DeMott – The state is having the Keystone Opportunity Zones reauthorized and there has been an opportunity for additional properties to be put into Keystone

Opportunity Zones. When the Ethan Allen plant closed it didn't appear that there was an opportunity to add that property to the program, however, we have found that it can be done, but it will have to be done shortly so therefore we have proposed adopting the above resolution approving the county's participation in that program. Eldred Township and the Otto Eldred School District will be presented with the same opportunity in the next couple of weeks.

Mr. Petrisek – How big is that plot?

Mrs. Tennes – We have already two zones in place – we have a Kane zone and a Bradford zone and we have 65 parcels that are affected by the KOZ's and KOEZ's expansion – Ethan Allen's property will become an Eldred zone and I am assuming that it would be handled separately from the Kane and Bradford zones – it will be the same type of program all under the same time lines that were set forth originally.

Mr. Milliron – Is the Eldred KOZ going to be a flat 7 or floating 10 years?

Mrs. Tennes – The original KOZ program ran until 2013 and it is my understanding by recent resolutions of the county and other taxing authorities in the past that they are giving a 7 year extension and then a 10 year.

Mr. DeMott – The county portion of the taxes at face value are \$13,561.02, the township taxes at face value are \$3,287.52, and the school taxes at face value are \$26,300.16.

Mr. Petrisek – Does the state have to approve the application also?

Mr. DeMott – Yes.

Continued discussion on KOZ zones.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into a grant agreement to receive \$50,000.00 from the McKean County Housing and Redevelopment Authority. The funds are to be used to supplement the recycling program of Rustick, LLC for a period of up to six (6) months if an agreement acceptable to all parties is negotiated.

Mr. Milliron – Is the housing and redevelopment authority putting any stipulations on the county as to what the agreement with Rustick should include?

Mr. DeMott – Their offer letter just basically gives us the money, although I spoke with Dusti this morning and they are interested in participating in the discussion with Rustick before the funds are actually disbursed to the county.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to issue real estate exempt status to the Norwich Township Fireman’s Association, Inc. in the amount of \$103.11 for the 2008 tax year for 15.5 acres of land located on the west side of Route 46 across from the Fire Department that they use for training grounds and parking for the Fire Department.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to issue a real estate tax exoneration to the Grace Lutheran Church in the amount of \$40.15 for property they own in Bradford, Pa. for the year 2008.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into a contract with David See Surveyors, for work to be performed on county property adjacent to the jail for the amount of \$3,192.00.

It was noted that the other proposals that were received for the project were as follows:

Cox Surveying - \$4,100.00
James P. Hunter Surveying - \$4,450.00
E&M Engineers & Surveyors PC - \$4,600.00

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Mr. DeMott – Opened the meeting for public comment.

No public comment.

Moved by Mr. Pingie, seconded by Mrs. Church, to adjourn the meeting.

Vote on the above resolution, DeMott – yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Chief Clerk