

November 30, 2010

McKean County Commissioners in regular session assembled on Tuesday, November 30, 2010 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 Tom Frungillo and Martha Knight.

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 November 9, 2010 meeting.

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 approve payment to Mt. Jewett Borough in the amount of \$2,266.00 representing payment for their completed Liquid Fuel Project for the year 2010. This money is to be taken from the Liquid Fuel Fund.

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 approve the following county aid applications for the year 2010.

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|-------------------|------------|
| 1. Eldred Borough | \$1,650.00 |
| 2. Otto Township  | \$4,471.00 |

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 tax refunds to the following:

1. Jason Roth - \$228.56 – Assessment was adjusted per a formal appeal for the year 2010.
2. NW Land Development - \$149.49 – Assessment was adjusted per a formal appeal for the year 2010.
3. Bradford Rentals, Inc. - \$273.42 – Building was destroyed by fire on April 4, 2010.
4. James & Margaret Fox - \$110.92 – Property was double assessed for the years 2005 through 2010.

5. Abraham Rosenberg - \$89.18 – To correct an error in his acreage for the years 2005 through 2010.
6. Joseph & Joni Britton - \$186.14 – Property should have been assessed under Clean and Green values.

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 tax exemptions for the following:

1. Bradford Area School District - .09 acres of land and building on 24 Willard Avenue, Bradford, Pa. – District is tax exempt and they are going to tear down the building for additional parking.
2. Episcopal Church of the Ascension - .03 acres of land on 39 Chautauqua Place, Bradford, Pa. – Religious organization.

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 agreements with the following service providers for the Department of Human Services.

Perseus House, Inc., Erie, Pa. – CYS  
 Sugar Valley Lodge, Franklin, Pa. – MH

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 accept the following offers for purchasing property from the McKean County Repository for unsold property:

- |                            |          |  |
|----------------------------|----------|--|
| 1. Kane Borough            | \$0.00   | Vacant lot on 314 Chase Street, Kane, Pa. Borough has spent over \$11,000 for the clean up after a fire on the property. |
| 2. Marvin Race             | \$250.00 | Vacant lot on 437 South Avenue, Bradford, Pa.  |
| 3. Russell & Wendy Persing | \$500.00 | Vacant lot on 31 South Kendall Avenue, Bradford, Pa.   |
| 4. Mrs. Ricky Mahney       | \$500.00 | House and lot on 28 Water Street, Ludlow, Pa.  |
| 5. Troy Glasgow            | \$250.00 | House and lot on 105 Clay Street, Kane, Pa.  |
| 6. Troy Glasgow            | \$250.00 | House and lot on 402 Maple Street, Kane, Pa.   |
| 7. Adam Rhoades            | \$250.00 | Vacant lot on 16 Bolivar Court, Bradford, Pa.  |

Mr. Pingie – Mentioned that the property for Kane Borough was destroyed by fire and the individual who owned it did not have insurance to cover it so that is why Kane Borough has spent the money for cleanup and wants to obtain the property to hopefully re-coup some of their costs.

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 designate the following holidays for the year 2011:

New Year's Day	Friday, December 31, 2010
President's Day	Monday, February 21
Good Friday	Friday, April 22
Memorial Day	Monday, May 30
Independence Day	Monday, July 4
Labor Day	Monday, September 5
Election Day	Tuesday, November 8
Veteran's Day	Friday, November 11
Thanksgiving	Thursday & Friday, November 24 & 25
Christmas	Friday & Monday, December 23 & 26
Employee's Birthday	
New Year's Day 2012	Monday, January 2, 2012

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 20 OF 2010

#### A RESOLUTION TO PROVIDE THE GUARANTEE OF A LOAN TO THE BRADFORD REGIONAL AIRPORT AUTHORITY (BRA) TO PROVIDE LONG TERM FINANCING FOR CONSTRUCTION OF THE MULTI-TENANT FACILITY

**WHEREAS**, the Bradford Regional Airport (BRA) will be constructing a multi-tenant facility of approximately 30,000 square feet; and

**WHEREAS**, the facility will be funded in large part by state and federal grants; and

**WHEREAS**, it may be necessary that the BRA provide up to \$400,000.00 to complete the project; and

**WHEREAS**, the BRA will need to borrow this money from a private lender; and

**WHEREAS**, the private lender will likely require that security for the loan be provided by a loan guarantee from the McKean County Board of Commissioners.

**NOW THEREFORE**, on this 30<sup>th</sup> day of November, 2010 it is hereby **RESOLVED** and enacted as follows:

1. The Board of Commissioners hereby agrees to provide the necessary guarantee dealing with the repayment of a loan of up to \$400,000.00 which will be obtained by the BRA Authority from a private lender provided that the county's guarantee is approved by the Pennsylvania Department of Community and Economic Development, as required by law.

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

Martha Knight – By a private lender - this isn't by a bond?

Mr. DeMott – No, they will be standard bank loans.

Ms. Knight – So it will be from an area financial institution or you don't know?

Mr. DeMott – The authority will be sending out letters to financial institutions to see who is interested in providing those.

Ms. Knight – And they can't do an internet competitive bid?

Mr. DeMott – No, but numerous financial institutions will have an opportunity to make a proposal and we will be looking for the best price and it is actually the airport authority that will be conducting that process rather than the Commissioners ourselves.

Ms. Knight – Will you be asked to sign off on the agreement at some point?

Mr. DeMott – Yes.

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

#### RESOLUTION 21 OF 2010

#### A RESOLUTION TO PROVIDE THE GUARANTEE OF A LOAN TO THE BRADFORD REGIONAL AIRPORT AUTHORITY (BRA) TO PROVIDE SHORT TERM FINANCING FOR CONSTRUCTION OF THE MULTI-TENANT FACILITY

**WHEREAS**, the BRA will be constructing a multi-tenant facility of approximately 30,000 square feet; and

**WHEREAS**, the facility will be funded in large part by state and federal grants; and

**WHEREAS**, those grants require the BRA to expend funds for construction before applying for reimbursement from the funding agencies; and

**WHEREAS**, this process will require a loan from a private lender to provide working capital for the construction project; and

**WHEREAS**, the private lender will likely require that security for the loan be provided by a loan guarantee from the McKean County Board of Commissioners; and

**WHEREAS**, on June 8, 2010 the McKean County Commissioners passed a resolution to guarantee a loan of “up to “\$550,000.00” for the multi-tenant center; and

**WHEREAS**, recent forecasts predict a higher cash flow need.

**NOW THEREFORE**, on this 30<sup>th</sup> day of November, 2010 it is hereby **RESOLVED** and enacted as follows:

The Board of Commissioners hereby agrees to provide the necessary guarantee dealing with the repayment of a loan up to \$750,000.00 which will be obtained by the BRA Authority from a private lender to provide cash flow for construction of a multi-tenant facility provided that:

1. The county’s guarantee is approved by the Pennsylvania Department of Community and Economic Development, as required by law, and
2. That adequate funding to complete the project is provided by the Pennsylvania Department of Transportation Bureau of Aviation, the Economic Development Administration (EDA) and/or other funding sources.

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

Ms. Knight – So this is in addition to?

Mr. DeMott – This is short term financing. The way these programs work with the Department of Transportation and Economic Development Administration is that the airport will have to actually pay for the construction, engineering services, etc. first and then submit that bill to those funding agencies for reimbursement so there is a considerable amount of up front costs that will eventually be repaid by state and federal granting agencies.

Ms. Knight – So this loan gets retired as reimbursements come in – it’s just for cash flow purposes until the other funds come in, but this has a different amortization type schedule?

Tom Frungillo – Correct, the Bradford Regional Airport has received notice of a \$900,000 PennDot Bureau of Aviation grant, as well as \$800,000 from the Economic Development Authority and a \$400,000 award of Redevelopment Assistance Capital Program (RACP) funding. This funding is for the construction of a 2.6 million dollar multi-tenant center. Each of the funding sources are cost reimbursement grant programs requiring the recipient have line of credit financing or other financing sources in place as a condition of receiving the grant funds. The McKean County Commissioners have authorized the Airport to seek proposals from financing institutions to set up a line of credit borrowing in the amount of \$750,000 for this purpose. This loan borrowing will be secured by the full faith and credit of the taxing powers of the County of McKean and does require the Airport to formally comply with the state Local Unit Data Act. The County and Airport would like the term of the Line of Credit to be for 18 months at a fixed rate of interest. The interest rate shall be at the tax-exempt rate. The Airport will likely begin drawing on the Line of Credit when construction starts in the spring of 2011.

In addition the McKean County Commissioners have authorized the Bradford Regional Airport Authority to secure a \$400,000 loan to aid in funding the construction of this project. We are seeking a 20 year loan term with a fixed rate of interest. It is also important to the Airport that there be no penalties incurred for early payment.

Mentioned that the multi tenant center is only part of what they are doing. They are still looking at the industrial park – they still have sites available. We still have a lot more initiatives out there.

Mr. DeMott – So basically we are getting a 2.5 million dollar building for roughly \$400,000 of locally investments and we should recoup enough rent from the building to cover that cost also.

Ms. Knight – Do you have any tenants lined up at this point?

Mr. Frungillo – We do have one tenant that has committed for sure, but we do not want to release the name at this time. We have several businesses that have inquired about locating their operations to the airport once the facility is constructed.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into an Intergovernmental Cooperative Agreement with the Potter County Commissioners for providing their county with Tax Assessment/CPE Services from McKean County's Chief Assessor, Angie Tennes.

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

Ms. Knight – So your tax assessment department is going to provide some services to Potter County?

Mr. DeMott – Yes, they are in the process of change in their assessment office and they needed someone with experience and certification to guide their program in the interim so Angie is going to help them out until they have their own certified person.

Mr. Pingie – We will be reimbursed for her wages and mileage from Potter County.

Ms. Knight – How will she juggle her time here?

Mrs. Church – She can do some of it from her computer here and she has some good people working for her that can take over some of the work load and she has been doing it for a couple of weeks now and everything is running smooth here and it is running smoother for Potter County as well.

Ms. Knight – So it is a personnel change shift they are doing not necessarily resetting or re-organizing their office or is it?

Mr. Pingie – It's both.

Mrs. Church – And they didn't have anyone certified and they will be getting that done.

Moved by Mr. Pingie, seconded by Mrs. Church, to appoint Mark Hollenbeck as the alternate Right to Know Appeal Officer for McKean County.

Mr. DeMott – Our appeal officer for the Right to Know Law is currently our District Attorney, Ray Learn, but should someone want to appeal a decision that Mr. Learn has made concerning his office, we need to have someone else be the appeal officer in that case and Mark Hollenbeck has agreed to serve in that function. For example, if someone requested information from me that I didn't give them and if they appealed to Mr. Learn and he felt I was correct they could not appeal to Mr. Hollenbeck. This is only in case someone requests information from the District Attorney's Office and he doesn't feel it is a valid request or if he had a conflict then they could appeal to Mark Hollenbeck, but it would not be a second appeal.

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 reappoint John Satterwhite to the Bradford Regional Airport Authority for a five year term.

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

Mr. Frungillo – Mentioned that Mr. Satterwhite is the longest serving board member on the Bradford Regional Airport Authority.

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