

## Work Session Meeting Minutes – August 10, 2023

City Council Chambers, City Building, 16 West Scribner Avenue, DuBois, Pennsylvania on Thursday, August 10, 2023 @ 4 p.m.; Council convened at their regular Work Session with Mayor Walsh in the Chair. Other Council Members present were: Pat Reasinger. Also present were: Acting City Manager/City Engineer/Public Work Director, Chris Nasuti; Code Enforcement/Zoning Officer, Zac Lawhead; IT Director, Matt Johnson; and Finance Officer, DeLean Shepherd.

Absent: Councilman Jim Aughenbaugh, Councilwoman Diane Bernardo, and Councilman Shane Dietz

### August 14<sup>th</sup> Agenda Items

Mayor Walsh turned the meeting over to Interim City Manager Nasuti.

#### #3. Resolution of Condolence – Eugene Mabie

Mr. Mabie worked here in the 60's and 70's prior to working for PennDOT.

#### #7. Downtown DuBois Parking Study Report – Downtown DuBois, Inc. – Julie Stewart

Julie Stewart will be here for a presentation on the downtown parking study that was recently completed.

#### #8 Request appointment of Molly O'Bryon-Welpott to DuBois Housing Authority

She will be taking the place of Ms. Lieber.

#### #9 Work Session

We will continue our discussion on Work Sessions.

#### #10 Request from Priority Media for West Long Avenue from N. Franklin to Brady be closed October 31<sup>st</sup> beginning at 4:30 p.m.

Annual Halloween Parade

#### #11 Request for Intermunicipal Liquor License Transfer

From ARC Restaurants, LLC Clearfield to Public House on Jared, LLC, (Julio's) Jared ST, DuBois. We will be turning that over to the Solicitor and setting a hearing date.

#### #12 Request from Becky McTavish to appoint Julie Stewart to Library Board

#### #13 Tabulations & Recommendations

We will have tabulations and recommendations on three different projects: Coke Hill Water Line, Paving Project, Pricing on three different houses for demolition (21 S. Jared ST, 307 S. Jared ST, 119 W. Weber Ave). We did get multiple contractor pricing on that.

#### #14. Authorization to advertise for Aggregates.

This is an annual request. Sand/Stone for trench backfill for utilities and our antiskid for winter maintenance.

#### #15 Request for use of stage from DuBois Area Youth Football for September 12<sup>th</sup> Cheerleading Expo

#### #16 Request for 2<sup>nd</sup> Public Hearing concerning 2023 Community Block Grant Program for Monday, September 11<sup>th</sup> at 5:45 p.m.

I believe Joe mentioned this last time. We will have the hearing prior to him submitting the application. We are still looking for projects if anyone has any recommendations.

#### #17 Oklahoma Salem Waterline

There is a private water line, most of them have been turned over to the city but there is still one left on Oklahoma Salem Road, it has six properties owners. They have submitted a request for the city to take the line over as we have done with the others. I will present that information. We reviewed it and all the facilities, and we will turn that over to the Solicitor as well.



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The last two items are a discussion on the Financial Director and the Manager's position.

### Public Comments

#### Elliot Gelfand – 1 S. Highland

Mr. Gelfand asked how the city picks which houses are selected for demolition. Is there a signup sheet? Interim City Manager Nasuti directed the question to Code Enforcement/Zoning Officer Lawhead. Lawhead stated that the three listed have probably been on the list the longest and in really rough shape. 21 S. Jared ST appears to be in dire need, it is ready to collapse; it's got to go. Nasuti stated that if we can't find the owners and get the owners to take care of it and we feel it presents a public safety hazard, that is when we decide to take them down. Otherwise, we pursue and try to get the owner to take care of it. Councilman Reasinger said it's a process to get the house and get it torn down. You can't just tear down a house because it looks bad.

Gelfand asked if City Officials are going and looking at properties and making the decisions. Mayor Walsh said no that's Zac's job; he will let us know and we will go and look at them and give our opinions afterward. Gelfand wanted to know when was the last time the city demolished a property. Walsh said a month ago maybe longer. Reasinger asked Lawhead when the last time was; Lawhead said two years ago the fire house on East Park Avenue. Lawhead said we facilitated that demolition. Nasuti asked if it was around seven kitchens? Lawhead confirmed. Reasinger said he believes that Redevelopment bought that house and had it torn down. Reasinger said it wasn't abandoned. Nasuti said the building on W. Long Avenue next to the Wings of Grace Church, we had to go in and tear down that building. Kathleen Clement asked if the Redevelopment bought the house, then they own the property. Reasinger confirmed they do own the property. Clement asked if they would sell that property. Reasinger said presently it is being leased to the neighbor for not a lot of money. We would sell that lot; it is not a very valuable lot as it's small and not a great location. We were hoping it would be part of a development when the seven kitchens property sells, we would try to sell it to them for an entrance. That would be a nice way to get into the property, but that has not started.

#### Jennifer Jackson – 42 N. Brady ST

DuBois Sports. Nasuti said, what about DuBois Sports. Jackson said, let's talk about it. So, Matt Checchio runs DuBois Sports. Nasuti confirmed. So, the money all these fields are getting, is DuBois Sports using the city's taxes? Nasuti stated they have their own. Jackson asked if we get a breakdown of what they are making on the fields, with each game, On Deck? I know the city gave the money to buy On Deck. Nasuti and Reasinger corrected her and stated that Redevelopment did. Jackson said, Redevelopment got the money from the city. Reasinger stated he is not 100% sure on that; it could have been Redevelopment money. I know we talked about that, I'm not 100% sure on that. Jackson asked where do we stand, is it straight across the board? I don't understand why the city is using somebody else to manage the fields, we should hire a parks and recreation employee instead of using Matt Checchio. I've been going through the budgets for the past few years with the fields and the cost and the new field. I just want to do a little bit of background work. I went through all the websites for DuBois Sports. On Deck, what they charge; I didn't see a lot of that coming into the city. I saw where Heindl gave \$100,000 up front; is that what is in that account to maintain? Is that that special account we have for the park? Nasuti said part of that is in there. Nasuti said, I'll go back to College World Series time, instead of the money going to Checchio and then Checchio paying the city, the city now collects the money; that is how we pay Matt. Jackson asked how do we know all the fields are being booked? I have an email that Matt Checchio sent out to somebody on the field and at the end of the last paragraph it was a little strange. It said, "Please do not broadcast or openly discuss this discounted rate with other organizations. The public isn't aware of all our resources and operations yeta yeta....and our organization feels there is too much chatter and gossip, (I guess I'm chattering right now) local discounts and special dispensations would cease." That is from Matt Checchio. Councilman Reasinger asked what the date was on the email. Jackson said December of last year. Reasinger said that is before the city started.... Jackson said yeah. Jackson said she still wanted everyone to know what



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they are doing. Is there different rates? If we are spending all this money on a ball field, which the budget part I will talk about later, we need to maintain it. These fields should be for local people and if they are getting charged astronomically locally to use these fields and getting bumped out for all of these travelling teams; I feel it defeats the purpose of taking out a loan when we can't maintain what we have now. Grants are great, but we need somewhere to get the money to maintain these down the road. If I'm reading the budget right, we will be talking Monday, there are some issues in there. I do not see why we are doing this when we can't maintain what we have now. We haven't raised taxes in how many years Eddie? We have had how many rate increases in the past 10 years? Walsh said 25%. This Council has never voted for a tax increase. It's scary. Nasuti asked if she said we can't maintain our fields. Jackson said no we're at 80% of the budget this year and we're only at the end of July. It's August and we're already at 80% of our budget. Nasuti asked, for the fields? Jackson said in general in this city. Nasuti said he feels that is a little misleading. Jackson said, as in? Nasuti said I want to say there is grant monies for capital improvement projects in there. Jackson said OK. We don't really have a lot in savings from the millions like the city used to. Our savings isn't there, and I don't want to touch much on this today, because I know it is going to be a topic on Monday. You say there is all this money in these funds, we still have a heck of a lot of bills to pay through the end of the year. I understand they are capital projects, but from what the daily expense sheet says we're at 80%. Nasuti reiterated he doesn't feel that is correct; he will get her the numbers. Jackson said OK. Both Nasuti and Jackson began to talk at the same time. Nasuti said based on the revenue that we have projected coming in this year and expenses we have projected this year... Someone asked what revenue? Nasuti said taxes. Jackson said, our taxes barely cover the police budget.

Michael Clement said you only take in about 2.5 million from taxes, property taxes. Nasuti said we have water/sewer rents. Clement said you transferred about 9 million dollars, I'm rounding Chris, it's not exact. You transferred 9 million from the water/sewer fund; it would be two different funds. So now you get a 17 million budget. But, if this budget is correct, and we assume that it is, because it is the same budget, you're down like \$300,000. I think their question is really valid, where is the money coming from. If that is the budget as of today, I think there probably is some sort of money shortage issue going on.

Jackson said there is a two-line item in here that is a budget shortfall. Nasuti confirmed. Explain to me, a balanced budget to me is all your revenue and all of your expenses. Nasuti confirmed. If we had a budget shortfall to balance the budget, why didn't we cut expenses. Nasuti said the balance that they presented in June had a surplus, correct? Jackson said no. Nasuti said yes. Reasinger said \$26,000. Nasuti said it absolutely did. Jackson said \$26,000 OK.

Finance Officer Shepherd stated that we have not adopted that, so that is not showing on our financial system. That is where it is off. What Ms. Jackson is looking at is out of the financial system which isn't the new budget that we came up with. Not spending money that would have been spent in the past.

Nasuti clarified that they are not looking at the same budget. Shepherd confirmed they are not. Nasuti said what he looked at the end of July, we were still forecasted revenue vs expenses to cover everything.

Jackson asked, even if we've drawn out the transferring 4.8 million of the lease and management payment; they don't bring in that kind of money.

Shepherd said that is the budget shortfall. That is counteracting that.

Jackson said OK. Shepherd when on, we were not expecting it all to come in, we knew it wasn't all going to come in, that's what the budget shortfall is for.

Gelfand asked about the field money that is collected, where does it show up? Does it go through Matt Checchio or come here to the city? Nasuti reiterated it will be paid to the city.



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Reasinger stated that his grandkids were at a kickball event last night at Heindl Field, we don't charge for something like that do we? Nasuti said he doesn't believe so. He doesn't know how that was scheduled. Mayor Walsh said there are sometimes the fields are open and you can just go on it. That could be one of those instances. Reasinger said they said they had to quit because it was getting dark, and they didn't have a key to the lights. Mayor Walsh said then they did not have an agreement to be on there; otherwise, they would have had a key. Reasinger said that's OK, he was hoping that they didn't have to pay as it was just a bunch of kids.

### Kristen Vida – 929 Chestnut Avenue

Asked what Matt receives to market and manage DuBois Sports. Nasuti said, I don't have the exact numbers, but he does get a monthly payment and a percentage of the advertising. Vida asked if we have a contract with him. Nasuti confirmed we do. Vida wanted clarification that the city is maintaining the fields and now all the money coming from those tournaments or whatever is coming in through the city. Nasuti confirmed. Mayor Walsh said it no longer goes through Checcio, that is one thing Chris did when he first came on board.

### Ron Trzyna – 120 S. Avenue

I think it is very important that the Council members and even you Chris, go on Spotlight and look at the free panel on holding officials accountable in Pennsylvania. He said Greg Primm, former Manager in Falls Creek, was talking on one of the panels. I don't know if you have seen this or not, but I suggest that you watch it, because they talked about the sewer and water utilities and what's legal and what is not. I really question what we are doing here in the City of DuBois if it is really legal or not. The manager on here, they talked about him; they had three different people one from Chambersburg, one from Penn State, and Greg Primm. I'm very concerned about how you have your lease and management figure. The way they were explaining it, it doesn't look good for the City of DuBois. So, I am just saying on your part I would take a look at that, it's about an hour and a half long.

Mayor Walsh said, we have been through two major lawsuits with Sandy Township and all these questions were asked, what you are bringing up now, and they have never been ..

Trzyna said when he watched it yesterday and I saw especially what Greg said, it hit me, I thought the City of DuBois better watch out when it comes down to that.

One other thing, I wish my best friend would have been here today: Toni. In the last Council Meeting she made a statement that she did not write Herm Suplizio's contract. I did try to make a call to Rich Miller because I heard some things about Campbell, Durrant, and Beatty but he never got back to me. Toni and you said you wish Gary Gilbert would have been here; well, you were here and Diane; Aughenbaugh wasn't. But in the minutes of March 9, 2015, you want to read the highlighted area, what it says. Because I would like to have Toni actually do a do over on that. You can read it out loud. It says, drawn by City Solicitor, given to Council and the Mayor. That is a little bit different than what she told us at the last Council Meeting. Or explained to me at the last Council Meeting. I mean, it is in the minutes and the only one that wasn't there was Aughenbaugh. You and Diane were.

The minutes say, "the contract was drawn up by City Solicitor of the City of DuBois and given to the Mayor and Council for their review at the Work Session, Thursday, March 5, 2015."

### Kathleen Clement – 718 Chestnut Ave

Wastewater Treatment Plant and the PennVEST loan, why did it go from \$40,000,000 to \$80,000,000. Mayor Walsh said COVID was the number one reason and prices just went through the roof. Clement asked if it was filing for it or paperwork. I understand that Anthony Ditka was the Attorney on that. Walsh confirmed. Clement asked why wasn't Toni? Mayor Walsh stated that is his specialty, he does PennVEST loans. Clement went on, it wasn't that we added; from what I understand I think it is the Wastewater Treatment Plant Taj Mahal. Bunk room, washer dryers, locker room, it's pretty fancy for a wastewater treatment plant. Is it



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necessary to have all of that stuff? Mayor Walsh confirmed it is, Nasuti also confirmed and said they have that now. No one wants to leave..... Walsh said do you want your husband to come home from working there all day without a shower? It's what we have now. So, what caused it to go from \$40,000,000 to \$80,000,000; that's the only reason, COVID. Nasuti said when they did their feasibility study the engineers estimated it to be around \$40,000,000; they obviously didn't get the number right. It did go up because of COVID. We rebid it after, the first bid came in at \$79,000,000 and we rebid it again it came in at \$73,000,000 and then PennVEST gave us the loan for that. We asked DEP if we could put it off further, they would not give us any more time to put it off. They didn't think the prices would change either. Reasinger said some of that \$80,000,000 is two waterlines, correct? Nasuti said yes, we have the north interceptor, south interceptor, the Coke Hill Water Lines, and the engineering and inspections that is all included in it. That is not all at the Sewer Plant. Is that another PennVEST? Nasuti said no that is all in one loan. That is the Wastewater Treatment Plant, right? Those are all wastewater projects. Everyone started talking at once. Someone said did we pay Toni for any of that, like legal fees? Nasuti confirmed we did. Someone said so she did work on it and then Ditka took over. Mayor Walsh said no they worked on it together, that is common practice. Kathleen Clement asked if we had to pay Anthony since we paid Toni. Nasuti confirmed we paid both. Clement thought maybe one or the other didn't get paid. Mayor Walsh said they both get paid. Jennifer Jackson asked if they got paid the same amount. Nasuti said not the exact same amount. The general consensus was if he was the expert he would get paid more. Someone asked why he wasn't called in in the first instead of letting Toni do it. Mayor Walsh said because there are certain aspects that had to be done at the local level.

#### Kristen Vida – Chestnut Avenue

Kristen Vida asked a question about the Forensic Audit. She asked about the scope of work on that, such as, how many years are they looking at, when did they start. I think you said it is going to be done in November. Nasuti confirmed. November is the projected timeline. They have until May, but the projected timeline is November. The initial documents they requested go back to 2009. That is every account we have: Water/Sewer, General Fund, Fire Department. They are going to look at loans as well. Nasuti confirmed. Vida said, I have to be honest with you Chris, you know I came in and ran DuFAST Transit after the Director and her Assistant embezzled money from it. We had to have a Forensic Audit done; we only had like four accounts, and it was pretty cut and dry and that took well over a year. I'm shocked that this is moving so quickly as convoluted as all of this is in the city. It just amazes me. That was just one auditor and an assistant, and it took them well over a year for that to be complete. I don't know if they have a team of two dozen people working on this or what. Nasuti stated they do have a team, we went through DCED, we put out the request for proposals through public advertising, we did not hand select the auditors. The auditors just did the same thing in another community near Harrisburg, they are well recommended, and we checked their credentials. I have every faith that they will get it done right. Vida asked if they are going to look at monies that should have been deposited into the General Fund and wasn't. Nasuti said they are going to tell us everything; we didn't hold anything back from them. They have direct access to our accounting system so we don't have to give it to them, they can get into it themselves. Vida asked if they are going to go back through and look at the minutes of approvals and signatures and things like that. Nasuti said I can't tell you what they do, they have all the information. Vida said because part of what came out with DuFAST is that minutes were forged; so, I just wonder how all of this is going to play out. Nasuti said, I am leaving that up to DCED and the professionals. I don't want to guide them on how to do their job. We gave them the parameters. Linda London asked if they will be interviewing Council members. Nasuti said he doesn't know about Council members. After they review this first one, they will give us a list of people they want to interview and the files they want to come see. If you can, I hope they meet individually with Council members about the things they approved and didn't approve. Nasuti said once again I am not going to address that with them. Mayor Walsh said it is being overseen by DCED.

Jennifer Jackson asked if the report will be given to the public. Nasuti confirmed.

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Kathleen Clements wanted to know where everyone was. Mayor Walsh said Diane had surgery today, Jim's in Kentucky, and Shane's on vacation. It's just the perfect storm. Reasinger said, everyone you're stuck with us.

ATTEST:  APPROVED: 



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