

PROGRESS REPORT – MONTH OF NOVEMBER 2016

The following is a summary of the items that are being addressed by the Grass Root Solutions (GRS) team by category under the current engagement.

New and Updated Items:

Item: 2017 Budget Development

The proposed 2017 budget was not prepared and a schedule for budget workshops, reviews, and adoption had not been distributed when GRS was engaged.

Action: GRS has prepared and distributed the proposed 2017 budget to Council members and staff. The proposed 2017 budget includes a Budget Message, Budget Schedule, Fund Balance History and detailed budget information for each fund – General Fund (01), Sewer Fund (05), Health & Sanitation Fund (06), Fire Truck Fund (14), and Liquid Fuels Fund (35). The first budget workshop meeting was held on November 10 at 6pm in the Borough Office at which time a review of Revenue items was completed. A second budget workshop meeting was held on November 22 at 6pm in the Borough Office at which time a review of Expenditures and department head meetings were conducted. A budget workshop meeting is scheduled for Tuesday, December 6 at 6pm at the Borough Office at which time a final review of Revenue and Expenditures will be completed as well as a review of the Pool operation and sewer fund. The budget will be available for public display on December 9 and will be adopted by Council on December 20 at the regular Council meeting.

Item: Advance Auto Zoning Board Decision

The Borough received a “right to know” request for a copy of the zoning decision for the Advance Auto construction and land development.

Action: After a thorough search for documents and discussions with staff, we were unable to locate any records that indicate that a decision was ever issued. A response has been fashioned to the requestor indicating that the document does not exist. We will await any further response from the requestor.

Item: Ben Avon Heights Snow Removal Contract

The current contract expired December 1, 2016.

Action: The GRS team updated and prepared the new contract for execution by Ben Avon at their November meeting. Council approved the agreement at the November 15 Council meeting and it was signed and forwarded to Ben Avon Heights.

Item: BIU Services and Lease

The most recent contract for services has not been updated since 2001. The lease agreement for rental of office space expires at the end of 2016.

Action: GRS is working with BIU to draft a new contract agreement for review by the Solicitor in order to clearly identify services and update fees for 2017. GRS has also updated the current rental lease for office space at the Library building for a new 3 year term. Both items will be reviewed with Council as part of the budget process and scheduled for action at the December 20 Council meeting.

Item: Comprehensive Plan

This project has stalled and the Planning Commission is unsure about next steps. Several invoices are unpaid and a portion of the grant money has been withheld until the project is closed out

Action: GRS obtained a copy of the latest draft of the Plan and the county comments from the County. The county reviewed a preliminary draft but that does not constitute a formal submission to the County. GRS will continue to work with EPD to facilitate the completion of this project so that the grant can be closed out and Council can adopt a final Plan. We have also inquired about the "Live Well Allegheny" program and have been informed that, although it is not a requirement for inclusion in the final Plan, it is a recommendation from the County that is contained in the County comments.

Item: Fee Resolution

The Borough does not currently have a comprehensive fee resolution that sets forth all charges, fees, and costs for Borough services, permits, and admissions.

Action: The GRS team has drafted a preliminary fee resolution for review at the budget meeting on December 6 that can be scheduled for adoption on December 20 along with the 2017 budget. This resolution will identify all of the fees and charges for services with a table of contents for each reference by staff and the public.

Item: Fire Inspection Ordinance for Rental Units

The Borough must update and adopt a new ordinance that requires annual inspections by the BCO and establishes and standardizes the inspections of rental units.

Action: GRS is working with staff and BIU to update the local ordinance and to coordinate the adoption of the 2015 International Property Maintenance Code (IPMC) and the International Fire Code (IFC) for inspections of rental and commercial units in the Borough. The Borough will also need to establish a Board of Code Appeals in order to be in compliance with the codes and local ordinance.

Item: Eat N Park Subdivision and Land Development

The developer delivered the plat for signatures by local officials but there are no approvals by the Planning Commission or Council on file in the Borough Office.

Action: GRS investigated the approval process with staff, BIU, the Engineer and County officials. It appears that there may have been a number of irregularities during the approval process and that the Plan may not have officially received all of the necessary sign offs and approvals. We are developing an action plan to correct irregularities and address any corrections that may be necessary. The Borough Engineer will provide a copy of the initial review and the County comments. A discussion of this item is scheduled for Executive Session.

Item: Manager Search

The Council authorized that a Manager Search should be conducted in order to recruit the best qualified candidate to take the manager position as soon as possible but no later than February 28, 2017.

Action: GRS has provided and reviewed with Council a proposed process and schedule for recruitment and selection of manager candidates and a draft advertisement for circulation and distribution. The advertisement for the Borough Manager position was posted with PSAB, the LGA, GFOA, and the PLM on November 17. An email blast was sent out to managers across the Commonwealth. Applications will be taken until December 31, 2016. Interviews will be scheduled early in January.

Item: PW Services Agreements

The Borough has two public works services agreements that expire December 31, 2016 – one with Kilbuck Township and one with Ben Avon Heights Borough.

Action: The GRS team has drafted public works service agreements with both communities and forwarded them to the Solicitor for review. The agreements with final rates for 2017 will be confirmed at the budget meeting on December 6 and scheduled for approval at the December 20 Council meeting.

Item: Property Issues – Unsafe, Vacant, Blighted

The GRS team has worked with Borough staff to resolve several property issues related to vacant, blighted, and unsafe structures that have been longstanding problems:

- 221 Chestnut Street – quotes for demolition and asbestos abatement have been obtained and finalized with participation and oversight by the ACHD. The contractor will be authorized to proceed the week of December 5 and the

- demolition should be complete by the end of the month. Adjacent property owners will be notified.
- 434 North School Street – GRS is working with the Solicitor to transfer the property to The Doorway as a donation so that they can proceed with the Tiny House Project. The Solicitor will draft a Resolution and Deed in order to effect the transfer
 - 411 N. Ohio Street – Raw sewage routinely fills the basement of a vacant house causing a severe health issue. BIU and the Solicitor have been unable to obtain a response from the property owner. GRS has authorized the Street Superintendent to bring in a sewer jetter to clear the blockage in the line in order to alleviate the problem. Costs (should be less than \$1500) will be liened against the property.
 - 529 Taylor Street – the Street Superintendent has been instructed to board up and make safe all windows, doors, garages, and access to the property. It will be identified as one of the high priority structures for demolition in 2017

Item: Sewer Surcharge Fees

The Sewer Surcharge fees have not been sufficient to cover the required operation and maintenance (O&M) projects and the stormwater management MS4 projects that must be completed as part of the EPA consent order.

Action: The GRS team is reviewing the history of the fees and working with the Borough Engineer to identify mandatory activities and projects that should be included in the 2017 budget. GRS met with the Borough Engineer, Street Superintendent, and Office Administrator on Friday, December 2 in order to identify and price the required projects and programs for 2017. GRS has also obtained information about sewer rates for communities in the Northern and Southern basins. This information will be provided to Council on Tuesday, December 6 in order to determine whether a rate increase is indicated for 2017.

Item: Teamsters Contract

The current collective bargaining agreement has been challenged through the filing of an “unfair labor practice” with the PLRB based on the process used to implement the agreement. There is currently no CBA in place – the current contract expired at the end of 2014.

Action: At the request of Council, GRS worked with the Solicitor and the Teamsters to set up a meeting to discuss a possible settlement of the “unfair labor practice” and develop a final proposal for the settlement of the CBA contract. A meeting with the Teamsters’ Business Agent and attorney was held on November 22 and after several hours a proposed settlement was developed. A settlement agreement that would cancel the PLRB hearing and contemplate an agreement through 2018 was provided for Council

and requires additional discussion. The Solicitor will draft the elements of the agreement for Council review at the December 20 meeting.

Old and Continuing Items

Item: 2015 Audited Financial Statements and Management Letter

Several issues related to financial reporting, late state reporting, and pension administration, specifically the deposit of state aid funding and the delinquent payment of the Borough's Minimum Municipal Obligation (MMO) were identified as findings and deficiencies. Some of these deficiencies have resulted in interest and penalty payments and delay in the receipts of state funding.

Action: GRS has opened discussions with the Borough auditors and will work with the Borough Administrator/Treasurer to address findings and deficiencies that have been reported. A final report and analysis will be provided to Council. **Several of the recommendations for improving internal controls will be presented to the Council for review and approval during the 2017 budget process.**

Item: Agendas and Meetings

The Borough is charged with ensuring that citizens have access to the public meetings where decision-making takes place in order to provide a foundation for establishing trust in local government. An established formal agenda for the regular Council meeting is the basis for providing access and ensuring transparency.

Currently, **detailed** agendas are not provided to officials in advance of the public meetings (including Committee meetings and executive sessions), along with materials, documents, or commentary essential to understanding the business items that will come before the Council. Furthermore, the agenda is not available to the public in advance of Council meetings and is not made available on the Borough's website. In fact, a detailed agenda is not available at the Council meeting. This is a violation of the Sunshine Act which requires that the public agency (Borough) give the public the opportunity to comment on all agenda items in advance of the vote on those items. Without a detailed agenda, the public does not have information about what action Council will take.

Action: **GRS will continue to develop and expand the detailed agenda for Committee meetings and Council meetings** by attending the Committee meetings, soliciting information from Council President, Council members, and staff, and distribute agendas with supporting information on the Friday before the regular Council meeting. **GRS is committed to having these agendas available on the website and at the meeting in order to encourage public engagement.**

Item: Blighted and Vacant Property Plan

There is currently no focused plan for addressing properties that are blighted and vacant in the Borough. Especially troubling are properties that are owned by the Borough and are presenting potential liability because of unsafe conditions.

Action: The GRS team is working with the Property/Parks Committee to identify properties that are owned or controlled by the Borough that must be addressed through asbestos abatement, alleviation of dangerous/unsafe conditions, or can be re-purposed through sale or donation to private interests who wish to rehabilitate or redevelop the properties. The plan will provide: 1) list of top 10 properties to be addressed; 2) strategy for each property; 3) costs associated with each strategy; 4) timeframe and schedule for completing the disposition or repurposing of the properties.

Item: Codification of Borough Ordinances

The codification of Borough ordinances is in progress but requires additional attention, review, and final approvals in order to complete the project. This should be moved to a high priority item.

Action: Questions that have been posed by General Code Publishers will be addressed and a final draft of the document will be prepared. The draft will be reviewed by the Police Chief, Solicitor, Secretary/Treasurer, and GRS. Eventually, the codified ordinances will be maintained on-line through General Code® Publishers and will be updated as ordinances are adopted. **The GRS team is working with Borough staff to conduct final reviews and to respond to final questions in order to advance the final draft. The goal is for adoption of the codification document no later than December 31.**

Item: Financial Reporting

Monthly financial reporting is not consistent with standard governmental reporting for local governments. Many of the current reports are redundant and other reports are not really providing useful information for Council. Also, regular financial reports are not provided for public consumption through the website.

Action: GRS and the Borough Administrator/Treasurer will work to restructure the budget comparison (profit-loss) report and will provide balance sheet information that is reconciled to bank accounts. This information will be presented to the Finance Committee for review and advice. Better financial reporting will provide Council with important information moving into the budget season. **The GRS team is currently working with the Borough Administrator/Treasurer to provide the best possible monthly financial reporting for the Council in a user friendly document. The period ending November 30 will be presented to the Finance Committee at the meeting on December 15.**

Item: Minimum Municipal Obligation

State aid to the pension funds has not been paid to the funds in a timely manner in previous years. Furthermore, the Minimum Municipal Obligation has not been paid on time and has resulted in significant penalty and interest payments. In the past, the certified MMO has not been presented to Council by September 30 as required by Act 205 and has not always been shown in the budget accurately.

Action: The certified MMO requirements were distributed to Council on September 30 and will be reviewed with the Finance Committee for inclusion in the 2017 budget. State aid will be deposited in the pension funds in a timely manner. All MMO payments will be made by December 31. A comprehensive review of the payments made and the penalty interest applied has been prepared and will be presented to the Finance Committee on Thursday, October 13, 2016. **With Council's approval, we have completed all MMO payments and presented all invoices to the pension administrator to be paid and addressed all findings in the pension audit as of October 31, 2016. The final item, which includes a retroactive repayment by a retiree, will be presented to the Finance Committee for consideration on December 15.**

Item: Pension Administration

The Borough does not have a fully developed procedure manual or method for maintaining compliance and for meeting all requirements as set forth in Act 205, the PA Pension Standard and Recovery Act and Act 600 the Police Pension Act

Action: GRS is developing a procedure manual for pension administration for the Borough. The pension manual will include statutory authorizations, definitions, deadlines, state reporting, and relevant regulations that must be followed in order to maintain compliance with state law. **This manual will be developed no later than December 31, 2016.**

Item: Personnel/Employee Manual

The Borough does not currently have a personnel/employee manual that provides guidance regarding general employment, work conditions, compensation, benefits, and work policies.

Action: The GRS team has developed an outline and format for a personnel employee manual and will continue to add additional policies and information into the template. To date, we have developed an introduction, organizational chart, working conditions (i.e. attendance, standards of conduct, discipline, general appearance, care of Borough equipment and facilities, communication with the public, drug and alcohol, violence in the workplace) , compensation schedule, benefits, paid leave, and policies such as equal

employment, Americans with Disabilities, sexual harassment, FMLA, and the use of technology. We will continue to refine, adapt, and customize the policies for review and adoption of the manual by the Borough Council.

Item: Records Management

The current storage of both electronic and paper files and the integration of each with regulatory standards and the PA record retention schedule is deficient and disorderly. It is difficult to retrieve information and data without expending significant staff time and resources. Records (both hard copy and electronic) must also be available for retrieval for "right to know" requests.

Action: "Content management solutions" are now available that allow employees to scan and store digital information in a format that provides the ability to easily retrieve the data. Building a fully integrated process can be accomplished partly through the conversion of existing records to searchable microfiche and partly by moving to a paperless business environment that includes searchable document technology, mobile applications, and public portals that provide additional transparency. This move to a paperless environment should be a priority for the Borough. **GRS will explore and provide information to Council about the implementation of such a system.**

Item: Zoning Applications

No forms were available in the Borough Office for zoning permits, conditional use, special exceptions, and subdivision and land development applications. No formal process is in place for accepting these applications and processing them for the Planning Commission.

Action: GRS has provided forms to the Borough for these purposes and will work with staff to establish a formal process for these applications. **Processes for dealing with zoning hearings and subdivision and land development applications will be written and provided to staff.**

Submitted by: *Deborah J. Grass*
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