

**Borough Council Regular Meeting  
May 25, 2021**

The regular meeting of Windber Borough Council was called to order by Windber Borough Council President, Michael Bryan at 7:00 p.m. using telecommunications.

Pledge of Allegiance.

The following Council Members were present through telecommunications: Mike Bryan, Dr. Ledney, John Holden, Joe Pallo, and Jim Spinos. Pino Gallina and Ron Mash were absent. Attorney, Joe Green was present. James Furmanchik, Borough Manager, and Mayor, Mike Thomas, were present.

**Recognition Visitors'** Sean Garin, Bond Counsel for the RACP Ballroom Grant was in attendance and will address council during new business.

**Ordinance 2021-2 Blight** A motion was made by Mr. Bryan and seconded by Mr. Holden to approve Ordinance No. 2021-2 Neighborhood Blight Protections and Enforcement Ordinance Pursuant to the Neighborhood Blight Reclamation and Revitalization Act of 2010. (Act 90). Roll call vote: Mr. Bryan, yes; Mr. Holden, yes; Dr. Ledney, yes; Mr. Mash, absent; Mr. Pallo, yes; and Mr. Spinos, yes. Motion carried.

**Ordinance 2021-3 Authorizing Nonelectoral Debt** Sean Garin from Densmore and Shohl in Pittsburgh, practices primarily public finance. He helps governments such as the borough on a day-to-day basis that want to borrow money. Mr. Garin said when a borough wants to borrow money, the Local Government Unit Debt Act requires you adopt an ordinance that sets forth all the provisions that are required by the Debt Act. So that ordinance has been drafted by his office and provided to administration, Mr. Green and to council, so that is the action this evening.

Mr. Garin said as indicated the ordinance would prove indebtedness for up to \$1,300,000.00. As council is aware that indebtedness will take the form of two separate notes from Somerset Trust Company. That being a one-million-dollar sort of interim line of credit financing which council expects to pay that note with the proceeds of the grant the borough has been awarded for the project. The second piece is \$300,000.00 for the costs that are otherwise not being covered by the grant. As is his understanding the bank has permitted you to turn those amounts out after you draw them during a one-year draw period.

Mr. Garin said the bank's commitment has been out there for a couple of months and provides the interest rates etc. The only change he noted since council first saw the commitment was that he went back to the bank and indicated that he did not really prefer the bank put a mortgage on the Recreation Park Ballroom. They do not typically see mortgages in the municipal finance business, "The old saying is you can't mortgage City Hall" A bank would not want to necessarily own this facility and sometimes banks get kind of twisted up.

Mr. Garin said he went back to the bank and renegotiated on a less honors term which means the bank will make the borough pledge they will not in the future provide a mortgage to any other potential lender. They will not get a mortgage and we will promise them not to incumber or mortgage the facility to another lender.

Mr. Garin said the ordinance does all, that is required under the debt act. It pledges the taxing power of the borough and most importantly it authorizes you to formally accept the commitment of Somerset Trust. It sets forth the form of a loan agreement and all the other requirements to get us through to a closing. He talked to Attorney Green about it, and we are looking towards the last week of June to close this transaction.

Mr. Garin said assuming council approves this we need to run a post enactment legal notice that announces to the public that you have enacted this ordinance and they have a certain amount of time to review it. We will then assemble and make the filing with DCED in Harrisburg and the lawyers out there will review and make sure he followed all the necessary steps that are laid out over the Debt Act and stamp an approval on our proceedings and with that and together with a bunch of other documents we can proceed with a closing with the bank.

Mr. Furmanchik said he spoke with Emaline Diehl from Somerset Trust Company and she said she had to readjust the letter of agreement and basically state there, that the borough would not use that property as collateral in any other loan obligations. Mr. Garin agreed with that as he had stated before. Mr. Bryan said he appreciated Mr. Garin made that catch and made that revision.

A motion was made by Mr. Holden and seconded by Mr. Pallo to approve Ordinance No. 2021-3 authorizing nonelectoral debt estimated in the amount of \$1,300,000. Roll call vote: Mr. Holden, yes; Mr. Pallo, yes; Mr. Bryan, yes; Dr. Ledney, yes; Mr. Mash, absent; and Mr. Spinosa, yes. Motion carried.

**Next Meeting**

Next meeting date will be June 8, 2021 at 7:00 p.m.

**Adjourn**

Meeting adjourned by Council President, Michael Bryan at 7:12 p.m.

Respectfully Submitted By:

Robin S. Gates  
Administrative Assistant