

**Millcreek Township General Authority
Regular Meeting**

February 14, 2023

The regular meeting of the Millcreek Township General Authority was called to order at 3:00 pm by Vice Chairwoman Cheryl Mitchell in the Assembly Room of the Millcreek Township Municipal Building. Present were David Zimmer via telephone, James Bock, Daniel Ouellet, Kim Clear, Cheryl Mitchell, Matthew Waldinger, Mark Zaksheske, Mark Shaw, Esq., and Sheryl Williams.

Following the Pledge to the Flag, Solicitor Mark Shaw recommended that the Agenda be amended to add two (2) items due to time constraints and the need for the documents to be signed by the Authority. On recommendation by Mr. Shaw, it was moved by Ms. Clear, seconded by Mr. Ouellet and carried by 4-1 roll call vote with Mr. Bock voting no, per Section 712.1(e) of the Pennsylvania Right-to-Know Law, to add the following items to the Agenda. Mr. Bock stated that he received the documents just before the meeting and felt that he did not have adequate time to review the documents under consideration:

6. Approval of Closing Documentation for Acquired Properties on 8th Street

7. Approval of General Liability Insurance for Joe Roots and The Grasshopper

Ms. Mitchell called for Public Comment on Agenda items. No public comment was offered.

On separate motions by Ms. Clear, seconded by Mr. Ouellet, the minutes from the January 10, 2023 regular meeting and January 30, 2023 special public meeting were unanimously approved.

On separate motions by Ms. Clear, seconded by Mr. Ouellet, the following bills were unanimously approved:

MacDonald Illig Jones & Britton Basic Solicitor Services (MIJB) – December 2022
Legal Services: \$3,184.50.

MIJB – December 2022 Non-basic Legal Services: \$11,257.80

Millcreek Township – Annual Administrative Charges: \$34,757.97

Altair Real Estate Services – Consulting Fee #8 of 12: \$5,000.00

On recommendation of Solicitor Mark Shaw, it was moved by Ms. Clear, seconded by Mr. Ouellet and carried 4-1, with Mr. Bock voting no, to approve the Joe Roots and Grasshopper Settlement Statements, Purchaser Affidavits and Applications for Exemption from Real Estate Tax, the Notification of Assignment to Purchaser from Roots West, LLC to Millcreek Township General Authority, and to authorize Vice Chairwoman Cheryl Mitchell to execute the above agreements and documents.

On recommendation of Atty. Shaw, it was moved by Ms. Clear, seconded by Mr. Ouellet and carried 4-1, with Mr. Bock voting no, to approve a General Liability Insurance Policy for Joe Roots and Grasshopper buildings from Risk Placement Services, Inc. with the premium not to exceed

\$2,700.00. Mr. Shaw explained that there will be a \$1,000,000 limit, \$2,000,000 aggregate and a \$1,000.00 deductible.

The Authority members discussed changing the March meeting date to Wednesday, March 22, 2023 at 3:00 p.m., due to a conflict for two members. The new meeting date and time will be advertised one week prior to the meeting, per Section 709 of the Sunshine Act.

Solicitor Mark Shaw reported that the Authority received a letter from John Groh, which was accepted into the Township record.

There were no further Communications and no Executive Session.

Sue Weber, Millcreek resident, asked who is paying for the transfer taxes and attorney fees for the sale of Joe Roots and the Grasshopper, to which Mr. Shaw responded that they are being split between the buyer and seller. She asked Mr. Zimmer why ERIEBANK did not loan the Authority funds for the property purchases, to which he replied that his bank was not asked to do so. Ms. Weber read a list of items for which she opined would be a better use of the fund balance.

Nancy Shae, Millcreek resident, opined that the Authority meetings should be recorded and/or live streamed, to which Ms. Clear replied that this matter is in discussion going forward. Ms. Shae asked if the purchased properties will be taken off the tax rolls, to which Atty. Shaw replied yes, temporarily, but the intent is not to be too long and only until the properties are redeveloped. Ms. Shae asked several other questions and a brief discussion ensued regarding grant funding, fees, and general costs of the project.

On motion by Ms. Clear and seconded by Mr. Ouellet, it was carried unanimously to adjourn the meeting at 3:35 pm.


Respectfully submitted,

Sheryl A. Williams
Millcreek Township General Authority Secretary


APPROVED: March 22, 2023



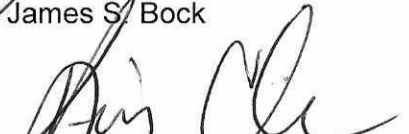
David Zimmer, Chair



James S. Bock



Cheryl Mitchell, Vice Chairwoman



Kim Clear



Daniel P. Ouellet

(Received February 9, 2023)

Dear Supervisors and Authority Members,

I wish to provide some comments regarding the recent action by the Board of Supervisors and the General Authority. As many of you know, I served on the Board of Supervisors 2013 thru 2019. During that time, the Board by a 2-1 vote took action to sell the Millcreek Water Authority to the City of Erie Water Works. Although I can't recall the exact amount, it was in the range \$24 million dollars. The township would receive a down payment of 14 million and yearly payments of 1 million plus interest as calculated by an index on Wall Street.

In 2016, the Board took further action thru the adoption of Resolution 2016-R 11 which spelled out the transfer of the funds to a special account and how it could be used namely, special projects. I will say the proposed use of the funds is contrary to the intent of 2016-R-11. I will add I am very concerned not only about the funds but how this action was done. Although legal counsel has probably stated everything is legal and above board, I disagree. The very optics of what occurred has me troubled for several reasons.

The creation of the General Authority and membership thereof although represented by 2 professionals in their respective fields is troubling since there are 3 elected supervisors on the Authority. As I said, appointing them as authority members is good since they are knowledgeable and well respected in their fields. To my recollection of Pennsylvania regulations about authorities, it may allow an elected official to serve but it cannot be the majority.

The creation of an authority would normally draw quite a bit fanfare in the media. In essence, the Board of Supervisors would make this newsworthy; its purpose and powers. To my recollection, it did not. Although one might expect a brass band for such announcement, this was very quiet.

I understand the purchase price of the subject properties is well above the appraised values which from what I recall in Second Class Township Code is prohibited. (?) However, that is probably why the Authority was formed in the first place (to avoid such problem) and why would the Authority purchase property at a higher price. What is the end game? Either way, a great deal of money is planned to be used for the purchase.

Public statements have been made that the 5 properties are blighted. I will tell you in my 30 years as a certified building inspector prior to holding elected office they **DO NOT** constitute blight. That is also true if a redevelopment authority had eyes on acquiring them using the same plan. Plain and simple, not blighted. However, they do need good owners and some of them need remodel and updates.

As I have also stated several times, the "Embrace Millcreek Plan" is merely a municipal comprehensive plan with several coats of lipstick. Some make it seem like it is the Magna Carta. It's a comprehensive plan. It's a plan of what we would like to see but probably doesn't always happen because of funding. A comp plan can be amended as needed especially times in which major events occur such as a financial downfall in the country, pandemic and others. The Plan was adopted in 2018 , before the pandemic of 2020. Additionally, so many may believe the Embrace Millcreek is only about West 8th St....its not. Its about all of Millcreek. By the way, for those who may not know, I am an instructor of municipal planning and zoning programs for the PA State Association of Boroughs and Penn State University. (i.e. I know a little bit about this).

A "Main Street" program on West 8th of this magnitude is not needed. Millcreek has much bigger problems and number 1 is flooding. It was my hope that the MWTWA funds would be used to fix that. In 2021, the Board adopted an Official Map Ordinance that designated properties it might acquire for municipal use. I thought we were heading in the right direction. I even complemented John Morgan on leading that charge for the Official Map Ordinance .

I implore you to listen to the financial advice of the township treasurer Mark Zaksheske. He knows his work quite well and doesn't want to see you folks squander this money and place the township into financial ruin.

The Township really has to come up with a better plan and idea for how to use the MWTWA funds. Purchasing property isn't one of them.

In closing, I can only say I wish the Authority and the Board would revisit the matter and stop this purchase.

Please pardon me as I sometimes sound a bit snarly especially when it comes to matters like this.

*John Groh, CPM (former Millcreek Supervisor)
Elected Township Auditor and long time Millcreek resident*