

## **JOINT MEETING:**

### **Somerset Borough Council & Municipal Authority of the Borough of Somerset**

**July 7<sup>th</sup>, 2025 - 5:00 p.m.**

## **JOINT MEETING AGENDA**

### **1. Joint Meeting Called to Order:**

- a) Borough Council Meeting Called to Order – *President Ream*
- b) Municipal Authority Meeting Called to Order – *Chairman Flower*

### **2. Pledge of Allegiance**

### **3. Roll Call:**

- a) Borough Council Members present: *Pam Ream; Lee Hoffman; Sue Opp; Steve Shaulis; Ian Mandichak and Mario Dirienzo.*
- b) Borough Council Member absent: *Ruby Miller.*
- c) Mayor: *Fred Rosemeyer* also present.
- d) Also present were the following: *Borough Manager, Michele Enos; Municipal Authority Manager, Jessica Sizemore; Director of Finance, Brett Peters; Administrative Assistant, Roger Bailey; Solicitors, James Cascio & William Barbin; Consulting Engineers Tom Reilly & Jake Bolby.*

### **Roll Call:**

- a) Municipal Authority Members present: *Ben Flower; Jeff Shaffer and Lee Hoffman.*
- b) Municipal Authority Member absent: *Ruby Miller.*

### **Public Attendance:**

- a) *Susan Woy, Harvey Frankel, Brandon Duriez, Helen Hawkey, Skeets Ellis, Glenn Miller, Jr., Steve Peck, Barbara Lynch, Douglas Gardner, Judy Ellich, Andy Ellich, Alec Bittner and Eric Martin.*

### **4. General Public Comments:**

- a) Brandon Duriez, Vice-President of Snyder Environmental Services -

Mr. Duriez spoke in behalf of Snyder Environmental Services in regards to the Borough's upcoming Sewer Project. He mentioned that the company submitted a bid for the Borough's Sewer Project.

Mr. Duriez highlighted the company's history, work history and operations of Snyder Environmental Services. He mentioned that they specialize in projects like the sewer project. Mr. Duriez mentioned that the bid package EADS Group put together included different methodologies from lining, pipe bursting, lateral lining and slip lining. He added that Snyder Environmental Services does it all in-house.

Mr. Duriez petitioned for the Authority and Council to award the Sewer Project to Snyder Environmental Services.

*b) Dr. Skeets Ellis (Retired Dentist of 40 years) –*

Dr. Ellis spoke in behalf of not removing fluoride from the Borough's water system. He explained the benefits of why systemic fluoride in the water system is the most effective tool that we have for cavity prevention, with no close second. He said that fluoridation is backed by over 100 leading professional organizations. It is estimated that ending fluoridation could result in 25 million decayed teeth in the next 5 years in the U.S., with the greatest effect on low-income and uninsured families.

Dr. Ellis requested that the Authority reconsider their vote and keep the water fluoridated. He expressed to follow and listen to the science, and not all the misinformation that is being spread around. Dr. Ellis noted that it is a very important health decision.

*c) Dr. Harvey Frankel (Retired Pediatric Dentist - Practiced in Somerset for 38 years) –*

Dr. Frankel also spoke in behalf of not removing fluoride from the Borough's water system. He also explained the benefits of having fluoride in the water system, and the detriment to oral health if it is removed, especially in children.

Dr. Frankel rhetorically asked where the plans originated to remove the fluoride from the water system and where it got its momentum. Fluoridation has shown to be a very effective, and low cost method, to prevent dental cavities for over 75 years.

Dr. Frankel requested the Authority to please rescind their action to remove the fluoride from the water system, or otherwise adjust the concentration of fluoride in the water to zero, and then continue to adjust the level of fluoride to the optimal concentration of .7%.

*d) Helen Hawkey with PA Coalition for Oral Health –*

Ms. Hawkey spoke in behalf of the PA Coalition for Oral Health about keeping the fluoride in the water system. She stated that she wanted to make sure that the Borough's rate payers in the community have a say in the decisions that the Authority is making because it is really important.

Ms. Hawkey mentioned that the PA Coalition for Oral Health has worked with multiple communities across the entire state of Pennsylvania about these things, and works closely with the State Department of Health and the State Department of Environmental Protection. She also mentioned the multiple water systems that the PA Coalition for Oral Health have worked with in the past 4-6 years that have had questions about water fluoridation.

Ms. Hawkey noted that the PA Coalition of Oral Health offers grants to communities for water fluoridation equipment, so costs should not be an issue. She also mentioned awards from the ADA

and CDC to water systems that consistently fluoridate. Resources are also offered to address concerns that the Authority may have.

Ms. Hawkey noted that the amount of fluoride added to the water system, at appropriate levels, is safe and has been tested.

Ms. Hawkey mentioned how low-income and uninsured residents will suffer the most because of poor dental health if fluoride is removed. She also mentioned the shortage of dentists in Pennsylvania, and the resulting long wait times for dental appointments.

Ms. Hawkey requested that the Authority rescind their decision to stop the fluoridation program, and to continue to keep doing what they have been doing for many, many years.

*e) Dr. Eric Martin (Dentist) -*

Dr. Martin also encouraged keeping the fluoride in the Borough water system, and the benefits derived from it for the patients in preventing tooth decay.

As the provider, he expressed that there are so many patients that have a difficult time getting prompt dental appointments, and he is unsure of who is going to be able to do the extra work on patients if there is more tooth decay, because there is a shortage of dentists in this area.

Dr. Martin expressed that the dentists speaking today really want to help people, and they think the right thing to do is to keep the water fluorinated.

Mrs. Ream said that in regards to this discussion, there has only been discussion amongst the Authority and Council. No decision or action has been made at this point. The only action voted on was a motion for discussion to be held.

Solicitor Barbin stated that what initiated the discussion was the expense that was needed to replace equipment at the Water Treatment Plant, due to the corrosion of pipes and pumps from adding fluoride.

*f) Emily Korns (Borough Resident) -*

Ms. Korns also spoke up in favor of keeping fluoride in the water system.

Mrs. Ream noted that discussion amongst the two Boards is always held when it is going to incur new cost to the Borough for water or anything they do.

Mrs. Ream reiterated that no decision has been made. She voiced her appreciation to all in attendance who came to give their comments and information to help the Authority have a better understanding so they can make an informed decision.

Solicitor Barbin noted that the final decision will be made by the Municipal Authority, and if they decide that fluoride will be removed from the water system, a formal Public Hearing will be announced.

**5. New Business – Joint Discussions:**

*a) Executive Session – *Matters of Potential Litigation.**

**Motion**

Mrs. Opp moved, seconded by Mr. Dirienzo to go into Executive Session to discuss matters of potential litigation.

Motion Unanimously Carried  
5:30 p.m.

**Back in Session**

5:50 p.m.

*b) PennVEST Update – Phase 1 – Sewer Project.*

Mr. Bolby reviewed the bids and bid results for the Sanitary Sewer Improvements Project-Phase 1A in the areas of Brierwood and West Somerset. The total budget for the project provided by PennVEST for construction is \$17.3 million dollars, which will be the budget that is available to the Authority to make the award for the Construction Contracts. All bids were within budget.

The bids were opened and read aloud on June 23, 2025 in the Municipal Building. The bid proposals included a base bids, 3 additive alternates and 5 material alternates. Mr. Bolby summarized the details of the work involved and the bid proposals.

Mr. Bolby expressed that EADS recommended for the Authority to consider all the options because there are unique advantages and disadvantages to each. He said to also seek legal advice. After selection the Authority should seek PennVEST approval before they make their formal decision.

6. Council Meeting Business

*a) Move directly into Council Meeting Agenda.*

# **BOROUGH COUNCIL MEETING AGENDA**

## **1. Meeting Called to Order – President Ream**

## **2. Pledge of Allegiance: - (*Done at the Joint Meeting of Borough Council and the Municipal Authority*)**

## **3. Roll Call:**

a) Borough Council Members present: *Pam Ream; Lee Hoffman; Sue Opp; Steve Shaulis; Ian Mandichak and Mario Dirienzo.*

b) Borough Council Member absent: *Ruby Miller.*

c) Mayor: *Fred Rosemeyer* also present.

d) Also present were the following: *Borough Manager, Michele Enos; Municipal Authority Manager, Jessica Sizemore; Director of Finance, Brett Peters; Administrative Assistant, Roger Bailey; Solicitor, James Cascio; Consulting Engineers Tom Reilly & Jake Bolby.*

## **Public Attendance:**

a) *None*

## **4. Approval of Agenda: *Consider approving the agenda as presented.***

### **Motion:**

Mr. Mandichak moved, Mrs. Opp seconded, to approve the agenda as presented.  
Motion Unanimously Carried

## **5. Announcements:**

a) *None*

## **6. Approval of Minutes of Previous Meeting(s):**

a) May 19<sup>th</sup>, 2025 – *Borough Council Meeting Minutes.*

### **Motion:**

Mr. Shaulis moved, Mr. Hoffman seconded, to approve the May 19<sup>th</sup>, 2025 Borough Council Meeting Minutes.

Motion Unanimously Carried

## **7. Award of Bids:**

a) *None*

**8. General Public Comments:**

a) *None Requested*

**9. Administrative Business:**

a) *Communications (None)*

b) *Payment of Bills for the month of June 2025.*

**Motion:**

Mrs. Opp moved, Mr. Dirienzo seconded, to approve the payment of bills for the month of June 2025 numbered 43342 – 43516 totaling \$853,437.91.

Motion Unanimously Carried

c) *Department Reports – Consider approving the Departmental Reports for the month of May 2025.*

**Motion:**

Mrs. Opp moved, Mr. Mandichak seconded, to approve the Departmental Reports for the month of May 2025.

Motion Unanimously Carried

**10. Policy Agenda:**

**Old Business:**

a) *None*

**New Business:**

a) *Pension Ordinance – Consider authorizing the Ordinance for instituting the drop program for Non-Uniform employees under contract negotiations.*

Ms. Enos explained that this is for the ASFME Contract that was negotiated. Part of that was the Pension Ordinance that had to be created for the Drop Program which has to be adopted by Council.

**Motion:**

Mrs. Opp moved, Mr. Dirienzo seconded, to authorize the Ordinance for instituting the drop program for Non-Uniform employees under contract negotiations.

Motion Unanimously Carried

**ORDINANCE NO: 1391**

**BOROUGH OF SOMERSET, SOMERSET COUNTY**

**AN ORDINANCE AMENDING ORDINANCE # 947  
THE BOROUGH OF SOMERSET PENSION PLAN**

**WHEREAS**, the purpose of this Ordinance is to amend a certain portion of the Borough of Somerset Non-Uniformed Pension Plan, as heretofore enacted, amended, and revised; and

**WHEREAS**, the Council of the Borough of Somerset wishes to establish a DROP PROGRAM for its eligible members of the Non-Uniformed Pension Plan under the terms of this Ordinance,

**NOW, THEREFORE**, it is hereby enacted and ordained as follows:

**DEFINITIONS**

1. The following words and phrases, when used in this Provision, shall have the meanings given to them in this Section only unless the context clearly indicates otherwise:
  - a. "DROP:" The in-service retirement option to continue in employment as a working member of the Non-Uniformed Pension Plan-while collecting a retirement benefit established by this Ordinance and administered by the Borough.
  - b. "DROP Participant:" A member of the Non-Uniformed Pension Plan who is eligible to participate in a DROP under the terms of this Ordinance and who has elected to participate in the DROP.
  - c. "DROP Participant Account:" The current pension trust fund ledger account balance for a DROP Participant.
  - d. "Pension Fund" and "Fund Account" The Borough of Somerset Non-Uniformed Pension Plan and any amendments thereto, to be maintained by annual appropriation received (i) from taxes paid by foreign casualty insurance companies, (ii) by appropriations, gifts, grants, devises, or bequests granted to the Pension Fund.
  - e. "Normal Retirement Pension Benefit:" The retirement benefit payable to a Participant of Somerset Borough's defined benefit pension Plan at the point in time when the Participant satisfies the age and service requirements for full, unreduced retirement benefits.

- f. "Subsidiary DROP Participant account:" The separate, interest-bearing, subsidiary DROP Participant account established for a DROP Participant under this Ordinance.

## **ELIGIBILITY AND PARTICIPATION**

1. **Eligibility of Employee to Participate in DROP:** An Employee who is eligible for a Normal Retirement Pension Benefit under the Borough's pension Plan is eligible to be a DROP Participant by filing a written application with the Somerset Borough Retirement Plan Administrator at least thirty (30) days prior to the Employee's effective date of retirement.
2. **Participation in DROP:** An eligible Participant may elect to participate in the DROP during a period beginning on the date of the Employee's retirement and expiring on the fifth anniversary thereof. Upon deciding to participate in a DROP, a Participant must submit, on forms provided by the Borough, fully completed and signed originals of the following documents:
  - (a) The Participant's binding and irrevocable letter of resignation from regular employment with the Borough of Somerset specifying the Participant's retirement date, which shall conclusively establish, confirm, and disclose the Participant's stated intent to retire and establishes the Participant's retirement date.
  - (b) The Participant's irrevocable written election to participate in the DROP specifying the effective date of DROP participation which is the calendar day after the Participant's specified retirement date the "Effective Date, and further specifies the DROP termination date, which shall be no more than five years following the Effective Date. The calendar date specified by the Participant under this subparagraph (which date shall also be the Participant's termination of employment date), which, in the Borough's determination, satisfies the limitation in this Section, details a DROP Participant's rights and obligations under the DROP and includes an agreement to forgo:
    - i. Active membership in the retirement Plan;
    - ii. Any growth in the salary base used for calculating the regular retirement benefit;
    - iii. Any additional benefit accrual for retirement purposes.

As a condition to Participation in the DROP, the DROP Participant shall provide any other information reasonably required by the Borough.



3. **DROP Participation:** A DROP Participant's participation shall begin the day following the Effective Date of the DROP Participant's regular retirement and shall end on the last day of the participation period specified in the ordinance establishing the DROP, based on the Effective Date of the retired Employee's participation in the DROP, which shall also, for all purposes, be conclusively presumed to be the DROP Participant's termination of employment date.
4. **DROP Participation Termination:** No penalty shall be imposed for early termination of DROP participation. A DROP Participant may change the DROP termination date to an earlier date strictly within the limits established by this Section 4. Upon either early or regular termination of DROP participation, the DROP Participant shall be separated from employment by the Borough and the retirement Plan shall pay the balance in the DROP participant's subsidiary DROP Participant account to the terminating Participant.
5. **DROP Participation Effect on Participant Contributions:** A DROP Participant's participation in the DROP shall suspend any obligation of the DROP Participant to make contributions to the Borough Non-Uniformed Pension Plan (Fund Account) for the duration of the DROP Participant's participation in the DROP.

#### **DROP BENEFITS**

6. **Fixed retirement Benefits, Retirement Date and DROP Dates:** Effective with the date of retirement, which must be the day immediately before the effective date of DROP participation, the DROP Participant's Normal Retirement Benefit under the pension Plan, the Employee's effective date of retirement and the Employee's effective dates of beginning and termination employment as a DROP Participant shall be fixed.
7. **Normal Retirement Benefit Payments and Accruals:** The DROP Participant's monthly Normal Retirement Benefit, together with any supplemental amounts provided to a Participant after retirement as cost-of-living increases and interest on that benefit at a fixed annual rate of 3.5% per annum, shall be credited to the DROP Participant's subsidiary DROP Participant account in the pension trust fund as of the Participant's Retirement Date and on the first day of each month thereafter during the Participant's Normal Retirement Benefit accumulation under the DROP shall be calculated annually and provided to the Participant.
8. **Payment of DROP Benefits:** Beginning on the effective date of a DROP Participant's termination of employment with the Borough, participation in the DROP shall cease; and the retirement Plan shall

calculate and pay the Participant's total accumulated DROP benefits in the DROP Participant's subsidiary DROP Participant account to the Participant subject to the following provisions:

- (a) The terminating DROP Participant or, if the terminating DROP Participant is deceased, the Participant's named Beneficiary shall elect on a form provided by the retirement Plan Administrator to receive payment of the DROP benefits in the DROP Participant's subsidiary DROP Participant account by selecting one of the following options:
  - (i) The balance in the DROP Participant's subsidiary DROP Participant account, less withholding taxes, if any, remitted to the Internal Revenue Service, shall be paid in full within forty-five (45) days by the retirement Plan from the account to the DROP Participant or surviving Beneficiary; or
  - (ii) The balance in the DROP Participant's subsidiary DROP Participant account shall be paid within forty-five (45) days by the Borough of Somerset Non-Uniformed Pension Plan from the account directly to the custodian of an eligible retirement Plan as defined in section 402(c)(8)(B) of the Internal Revenue Code of 1986 or in the case of an eligible rollover distribution to the surviving spouse of a deceased Participant, an eligible retirement Plan which is an individual retirement account or an individual retirement annuity as described in section 409(c)(9) of the Internal Revenue Code of 1986; or
  - (iii) If the DROP Participant or Beneficiary fails to elect a method of payment within sixty (60) days after the Participant's termination date, the retirement Plan shall pay the balance directly to the Employee or the custodian of an eligible retirement plan as provided in subparagraph (i).

The form of payment selected by the DROP Participant or surviving Beneficiary shall comply with the minimum distribution requirements of the Internal Revenue Code of 1986.

- (b) The terminating DROP Participant shall commence receipt of the monthly Normal Retirement Benefit directly starting with the first day of the month coincident with or next following termination of employment with the Borough.

#### 9. Taxation, Attachment, and Assignment of DROP Participant's Account

- (a) Except as provided in paragraphs (b), (c) or (d), the right of a DROP Participant to any benefit or right accrued or accruing under the provisions of this DROP and the money in the DROP Participant's subsidiary DROP Participant account are exempt from any State or municipal tax, levy, and sale; garnishment; attachment; spouse's election; or any other process.

- (b) Rights under a DROP shall be subject to forfeiture as provided by the Act of July 8, 1978 (P.L.752, No. 140) known as the Public Employee Pension Forfeiture Act. Forfeitures under this provision or under any other provision of law shall not be applied to increase the benefits that a Participant otherwise would receive under this DROP.
- (c) Rights under this DROP shall be subject to attachment in favor of an alternate payee as set forth in a final, un-appealed Domestic Relations Order issued by a court of competent jurisdiction.
- (d) Under Section 8, a Distributee may elect to have an eligible rollover distribution paid directly to an eligible retirement Plan by way of a direct rollover. As used in this paragraph, the following words or phrases have the following meanings:
  - (i) “Distributee” shall include a DROP Participant, a DROP Participant’s designated Beneficiary, and a DROP Participant’s former spouse who is an alternate payee under a qualified Domestic Relations Order.
  - (ii) “Eligible retirement plan” in the case of an eligible rollover distribution to a surviving spouse shall include an “individual retirement account” as defined in section 408(a) of the Internal Revenue Code of 1986.
  - (iii) “Eligible rollover distribution” As defined in section 402(f)(2)(A) of the Internal Revenue Code of 1986.

10. Pre-Retirement Benefits: Except for those benefits specified in section 2(b) as forgone by the member, a DROP Participant shall be eligible for any employee benefits provided to active employees before retirement by the Borough and those otherwise provided by law, including but not limited to benefits under the Act of June 2, 1915 (P.L. 736, No. 338), known as the Workers’ Compensation Act; the act of June 28, 1935 (P.L. 477, No. 193) referred to as the Enforcement Officer Disability BENEFITS Law; the act of December 5, 1936 (2<sup>nd</sup> Ap. Sess. 1937 P.L. 2897, No. 1), known as the Unemployment Compensation Law; the act of June 24, 1976 (P.L. 424, No. 101), referred to as the Emergency and Law Enforcement Personnel Death Benefits Act; and the Public Safety Officers’ Benefit Act of 1976 (Public Law 94-430, 42 U.S.C. §90 stat. 1347).

## **DROP DEATH BENEFITS**

11. DROP Benefits for Designated Beneficiary: If a DROP Participant dies before the DROP Participant receives all funds due the Participant under the DROP, the Participant's designated Beneficiary shall be entitled to apply for and receive the benefits accrued in the DROP Participant's subsidiary DROP Participant account as provided in Section 7.
12. Final Credited Monthly Retirement Benefit: The monthly retirement benefit accrued in the DROP Participant's DROP Participant account during the month of a DROP Participant's death shall conclusively establish the final monthly retirement benefit credited for DROP participation.
13. DROP Eligibility Termination Upon Participant's Death: A DROP Participant's eligibility to participate in the DROP terminates upon the DROP Participant's death. If a DROP Participant dies on or after the effective date of participation in the DROP but before the monthly retirement benefit of the Participant accruable for the month has accrued in the DROP Participant's subsidiary DROP Participant account, the Borough shall pay the monthly retirement benefits, as prescribed in the Plan, as though the Participant had not elected DROP participation and had died after the Employee's effective date of retirement but, before receipt of the retired Employee's first regular retirement benefit.
14. Subsequent Employment and Renewal of Active Membership: Following the occurrence of (i) the termination of the Participant's employment with the Borough (ii) and the expiration of the DROP participation period, a former DROP Participant shall be subject to the same re-employment limitations applicable to other retired Employees and shall be eligible for renewed membership as an active Participant in the Borough of Somerset Non-Uniformed Pension Plan. Any employee who has been a DROP Participant shall be ineligible to re-enroll in the DROP.

#### **ADMINISTRATIVE PROVISIONS**

15. DROP Participant Account: When the Borough establishes a DROP for an eligible Employee, it shall establish a DROP Participant account to hold that eligible DROP Participant's funds in a separate interest-bearing, ledger book account in its pension trust fund. The account balance shall be accounted for separately but need not be physically segregated from other pension trust fund assets. One separate, interest-bearing, subsidiary DROP Participant account shall be established for each DROP Participant.

When a retired Employee is re-employed as a DROP Participant, the Employee's monthly Normal Retirement Benefit and supplemental amounts provided to a Participant after retirement as cost-of-living increases and interest on that benefit shall be credited to the DROP Participant account under Section 7, interest shall be compounded and credited monthly at a fixed annual rate of 3.5%. When a

DROP Participant terminates employment with the Borough as a DROP Participant, the Participant's total accumulated benefits shall be calculated, charged to the DROP Participant account, and paid out of the Pension Trust Fund under Section 8.

The balance in the DROP Participant account shall be excluded from actuarial valuation reports of the retirement Plan prepared and filed under Act 205. The DROP Participant account shall be held in trust for the exclusive benefit of DROP retired Participants who are or were DROP Participants or the beneficiaries of these Participants or an alternate payee pursuant to Section 8.

16. DROPs Existing Prior to Enactment of this Ordinance: If the Borough of Somerset Non-Uniformed Pension Plan in existence on the effective date of any future modification as a result of amendments or revisions to Pennsylvania DROP legislation does not conform to the provisions of the amended DROP legislation the Borough shall amend its Plan within on within one hundred eighty (180) days of the effective date of this legislation or when the current labor-management agreement creating the Plan expires, whichever is later, to conform with the then current and effective legislative provisions, or as required by future amendments, repeals or modifications to applicable legislation.
17. Noncompliance: If the Borough of Somerset fails to comply within ninety (90) days with a final, non-appealed finding or determination by the Pennsylvania Auditor General of noncompliance, or, if such finding is appealed, within ninety (90) days of the conclusion of the appeal process by a non-appealed or unappealable final order, failure to comply shall be deemed sufficient refusal by the Borough to comply with its duty precedent to the commencement of a mandamus action and the Auditor General shall refer the finding to the Attorney General, following an administrative proceeding in accordance with Pennsylvania Law (relating to administrative law and procedure) shall proceed in the name of the Commonwealth to institute a legal proceeding for mandamus, and no other remedy at law shall be deemed to be sufficiently adequate and appropriate to bar the commencement of this action.
18. Suspension of DROP: In no case shall the Borough be obligated to continue the DROP if the existence of the DROP requires the Borough to make any additional payments into any pension plan at any time. Should it be determined that the existence of the DROP requires the Borough to make additional payments into any of its pension plans, no Participant shall be permitted to enter the DROP after the date of determination. Upon the expiration of the DROP Participation period for DROP Participants who were participating in the DROP at the date of the determination that the existence of the DROP would cause the Borough to make additional payments into any of its pension plans, the DROP shall be suspended and shall not be reinstituted unless and until an actuarial study performed by the Plan's

Actuary demonstrates that the DROP can be reinstituted without requiring the Borough to make additional payments into any other pension plan the Borough maintains.

19. All Ordinances or portions of Ordinances inconsistent and/or conflicting with the provisions of this Ordinance are hereby repealed.

20. This Ordinance shall be effective immediately upon passage.

**DULY ENACTED AND ORDAINED** this 7th day of July, 2025, by the Borough Council of the Borough of Somerset, in public session.

b) Deputy Tax Collector – Consider ratifying the selection of Ms. Jane Miller as the Deputy Tax Collector for Somerset Borough.

**Motion:**

Mr. Mandichak moved, Mrs. Opp seconded, to ratify the selection of Ms. Jane Miller as the Deputy Tax Collector for Somerset Borough.

Motion Unanimously Carried

c) Proclamation – Presented by Mayor Rosemeyer to celebrate the Rotary's 100<sup>th</sup> Anniversary.

## *Proclamation*

### 100<sup>th</sup> Anniversary of the Rotary Club of Somerset

**WHEREAS**, the **ROTARY CLUB OF SOMERSET** was duly formed from it's distinguished, and visionary beginnings on January 30<sup>th</sup> 1925, with the principle of "service above self" and with God's grace has richly served the Somerset community for 100 years and...

**WHEREAS**, 2025 marks the 100<sup>th</sup> Anniversary of this fraternal organization working together to make our community a better place to live through programs of service from local to international and ...

**WHEREAS**, the first Community Service Project undertaken back in 1925 by the Rotary Club of Somerset was working with the Crippled Children Clinic in conjunction with the Easter Seals Society...and

**WHEREAS**, that Community Service has continued through the years with supporting such projects and organizations as the Children Aid Home; Boys and Girls Club; Rotary Radio Days; Hospice Golf Tournament; Salvation Army; Somerset Hospital Foundation; Students of the Month; Humane Society; the Next Step Center; the Somerset County Library; and other projects locally as well as working with the World Health Organization and Rotary Clubs throughout the world to eradicate Polio; and with children's health projects in Haiti, the Dominican Republic and Brazil, and...

**WHEREAS**, the Mayor and Council of the Borough of Somerset wish to honor and congratulate the Rotary Club of Somerset on this special occasion...

**NOW THEREFORE, I**, Pamela L. Ream; President of Somerset of Somerset Borough Council; and Fredric Rosemeyer, Mayor the Borough of Somerset, along with the other members of Somerset Borough Council, do hereby proclaim June 23<sup>rd</sup> 2025 to be Rotary Club of Somerset 100<sup>th</sup> Anniversary Day in the Borough of Somerset in recognition of their continuing service to our community, and furthermore extend our sincerest wishes for continued success.

Signed this 23<sup>rd</sup> day of June, 2025

*d) Somerset County 911 – Acknowledgement of the letter received from 911 concerning procedures for dispatching EMS services.*

Ms. Enos explained that the Borough received a letter from County Control. It stated that with their staffing crisis, they are going to discontinue automatic dispatching for EMS and certain types of fire calls. If it is not necessary, they will not be going out on the first alarms but will be called in. She added that the Borough has been helping out the Borough's Fire Department by going to certain calls and not dispatching the Fire Department unless needed. This will be working the same way with EMS now as well. 911 won't just automatically be dispatching them.

- e) Ordinance – Consider adopting this Ordinance to incur and guarantee debt in connection with the Municipal Authority's Stormwater System and Sanitary Sewer System Improvements Project. (\$7,975,079.00)

Ms. Enos explained that Somerset Borough is required to back this loan of the Municipal Authority, who owns the infrastructure, because the Borough has real estate enabling taxes that back this loan and guarantee this loan. This Ordinance states this fact as part of the PennVEST required documents. Borough Council will be ensuring the \$7,975,079.00 for the project.

**Motion:**

Mr. Hoffman moved, Mr. Mandichak seconded, to adopt an Ordinance to incur and guarantee debt in connection with the Municipal Authority's Stormwater System and Sanitary Sewer System Improvements Project. (\$7,975,079.00)

Motion Unanimously Carried

**BOROUGH OF SOMERSET  
SOMERSET COUNTY, PENNSYLVANIA  
ORDINANCE NO. 1392**

**OF THE COUNCIL MEMBERS OF THIS BOROUGH DETERMINING TO INCUR LEASE RENTAL DEBT, EVIDENCED BY THE GUARANTEED REVENUE BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF \$7,975,079.00, TO BE AUTHORIZED AND ISSUED BY THE MUNICIPAL AUTHORITY OF THE BOROUGH OF SOMERSET IN CONNECTION WITH THE CONSTRUCTION, ALTERATION AND IMPROVEMENTS TO THE PUBLIC SANITARY SEWER AND STORMWATER FACILITIES IN AND ABOUT SOMERSET BOROUGH, AND PAYING RELATED COSTS, FEES AND EXPENSES; SPECIFYING THE REALISTIC USEFUL LIFE OF THE PROJECT; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE BOROUGH TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS, INCLUDING A GUARANTY AGREEMENT BETWEEN THE BOROUGH, AS GUARANTOR AND THE MUNICIPAL AUTHORITY OF THE BOROUGH OF SOMERSET, AND THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY; APPROVING THE FORM, MAXIMUM GUARANTEED AMOUNTS AND SOURCES OF PAYMENT OF THE GUARANTY AGREEMENT, AND PLEDGING THE FULL FAITH, CREDIT, AND TAXING POWER OF SOMERSET BOROUGH IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH GUARANTY OBLIGATIONS AND APPOINTING A SINKING FUND DEPOSITORY; AND PROVIDING FOR THE REPEAL OF ALL INCONSISTENT ORDINANCES OR PARTS OF ORDINANCES.**



**WHEREAS**, the Borough of Somerset, Somerset County, Pennsylvania (the “Local Government Unit”) is the local government unit under provisions of 53 PA.C.S. Chs. 80-8, as amended and supplemented from time to time, known as the Pennsylvania Local Government Unit Debt Act, (the “Act”); and

**WHEREAS**, the Municipal Authority of the Borough of Somerset, (the “Authority”) is a municipality authority organized by appropriate action of the Borough of Somerset and existing under the Municipal Authorities Act, 53 Pa. C.S. Ch. 56 (the “Authorities Act”); and

**WHEREAS**, the Authority will undertake a capital project which consists of constructing alterations, additions and improvements to the sanitary sewer and stormwater system facilities in and about this Somerset Borough, (the “Project”); and

**WHEREAS**, the Pennsylvania Infrastructure Investment Authority (“PENNVEST”) has approved funding for the Project, subject to the approval of lease rental debt proceedings under the Act; and

**WHEREAS**, provided the debt related to the project qualifies as self-liquidating, as aforesaid, the proposed increase of lease rental debt, together with the Local Governmental Unit’s other indebtedness presently outstanding, will not cause the limitations of the Local Governmental Unit’s lease rental debt incurring power, pursuant to constitutional and statutory authority, to be exceeded.

**NOW THEREFORE, BE IT ORDAINED AND ENACTED** by the Somerset Borough, Somerset County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

**SECTION 1.** This Borough of Somerset authorizes and requests the Municipal Authority of the Borough of Somerset (the “Authority”) to undertake and complete the Project.

**SECTION 2.** This Borough determines to incur debt as such term is defined in the Act, which shall be lease rental debt of this Borough pursuant to the Act, in connection with the Project.

**SECTION 3.** Such lease rental debt shall be in the maximum principal amount of \$7,975,079.00 and shall be evidenced by the Borough guaranty of a certain obligation issued by the Authority under the Authorities Act consisting of a guaranteed revenue note in the maximum principal amount of \$7,975,079.00, to be issued by the Authority under the Authorities Act (the “PENNVEST Note”). The PENNVEST Note shall have the benefit of and be secured by, among other things, the guaranty obligations of the Borough.

**SECTION 4.** The Borough specifies that the estimated useful life of the Project is at least 30 years.

**SECTION 5.** Under the PENNVEST Note, the Authority shall begin principal amortization

of the PENNVEST Note on the earlier of: (i) three (3) months after the estimated date of completion of the Project, (ii) the first day of the calendar month following actual completion of the Project, or (iii) three (3) years from the date of settlement. Notwithstanding the foregoing, principal amortization on the PENNVEST Note shall not be deferred beyond the later of two (2) years from the date of settlement or one (1) year after completion of the Project in accordance with Section 8142(c) of the Act. As of the date of this Ordinance, the projected estimated date of completion of the Project is December 2026.

**SECTION 6.** The Borough, as guarantor, shall enter into two Guaranty Agreements, to be dated as provided therein (the "Guaranty Agreement"), substantially in the form approved and presented to this meeting and attached hereto as EXHIBIT A-1 and A-2, with the Pennsylvania Infrastructure Investment Authority (PENNVEST) as security for the PENNVEST Note. The Guaranty Agreement shall set forth the terms and conditions to be observed by the Borough relative to the PENNVEST Note and to guaranty unconditionally, for the benefit of PENNVEST and other holder, from time to time of the PENNVEST Note, full prompt payment of Debt Service, as such phrase is defined in the Guaranty Agreement, to the extent provided therein, as such shall become due and payable under the PENNVEST Note for the life of the PENNVEST Note.

**SECTION 7.** A copy of the Guaranty Agreement, in the form so presented and approved at this meeting shall be filed with the Secretary of this Borough and shall be available for inspection at reasonable times by interested person(s) requesting such inspection.

**SECTION 8.** This Borough in the Guaranty Agreement does hereby covenant with PENNVEST and the Authority as follows: (i) to include the Debt Service, as in respect of its guaranty for each of its Fiscal Years in which such sums shall be payable, in its budget for that Fiscal Year; (ii) to appropriate such amounts from its general revenues for payment of its obligations under the Guaranty Agreement; (iii) to duly and punctually pay or caused to be paid from its sinking funds (hereinafter mentioned and identified) or any other of its revenues or funds, the amount payable in respect to the guaranty, at the dates and times required there under according to the true meaning and intent thereof; and (iv) for such budgeting, appropriation, and payment in respect to the guaranty, this Borough shall, and does pledge irrevocably, its full faith, credit, and taxing power. This covenant shall be specifically enforceable. For purposes of complying with the foregoing covenant, this Borough covenants that it shall budget the amounts set forth in EXHIBITS B-1 and B-2 which is attached hereto and made a part hereof, such amounts being such debt service on the PENNVEST Note for the Fiscal Years in such amounts are payable, and shall appropriate and pay over to PENNVEST such amounts subject to the provisions of the Guaranty Agreement regarding the same.

This Borough also shall covenant in the Guaranty Agreement and does hereby covenant that, to the extent sufficient money shall not be available in its then current budget at any time when payments are required under the Guaranty Agreement, and if it shall be unable to incur debt lawfully in the current year for the purpose or to issue tax anticipation notes or other to satisfy its obligations the Guaranty Agreement, it shall include any monies so payable by it in its budget for the next succeeding Fiscal Year and shall appropriate such amounts to the payment of such obligations and shall duly and punctually pay such obligations in the manner stated in the Guaranty Agreement,

according to the true intent and meaning thereof and, for such budgeting, appropriation and payment, it shall and does pledge, irrevocably, its full faith, credit, and taxing power. This covenant shall be specifically, enforceable.

It shall be the intent and purpose of the Guaranty Agreement that this Borough shall be required to pay over to PENNVEST only that portion of such debt service that cannot be paid from other funds available for that purpose, as set forth in the Guaranty Agreement.

**SECTION 9.** The maximum guaranty obligations of the Borough, with respect to the PENNVEST Bond, as set forth in the Guaranty Agreement, shall be payable, if and as necessary, in such amounts as set forth in EXHIBITS B-1 and B-2.

**SECTION 10.** The guaranty obligation of this Borough shall be payable from the tax and other general revenues of the Borough.

**SECTION 11.** This Borough hereby creates and establishes a sinking fund as such phrase is defined or applied by the Act, with respect to its obligations under the Guaranty Agreement with respect to such guaranty, and Somerset Trust Company is hereby designated as the sinking fund depository and paying agent as such phrases are defined by the Act, with respect to obligations of this Borough under the Guaranty Agreement with respect to such guaranty.

**SECTION 12.** The President or Vice President and the Secretary of the Borough Council, as appropriate, are authorized and directed to prepare, certify and file with the Pennsylvania Department of Community and Economic Development the debt statement, as such phrase is defined in the Act required by 53 Pa. C.S. Section 8110, on behalf of this Borough, and the borrowing base certificate appended to such debt statement.

**SECTION 13.** The President or Vice President and the Secretary of the Borough Council, as appropriate, are authorized and directed to prepare statements required by the Act to qualify the lease rental debt for exclusion from the appropriate debt limit as self liquidating.

**SECTION 14.** The President or Vice President and the Secretary of the Borough Council, as appropriate, are authorized and directed to make application to the Department of Community and Economic Development for approval with respect to the Guaranty Agreement as required by 53 P.S. Section 8111(b), and in connection with this application to pay or cause to be paid the applicable filing fee.

**SECTION 15.** After obtaining the approval discussed in Section 13, the President or Vice President and the Secretary of the Borough Council, as appropriate, are authorized and directed to execute, attest, and deliver the Guaranty Agreement to PENNVEST.

**SECTION 16.** President or Vice President and the Secretary of the Borough Council, as appropriate, are authorized and directed to execute all documents and to do all other acts as may be necessary and proper to carry out the intent and purpose of this Ordinance and the undertakings of the Borough, under the Guaranty Agreement.

**SECTION 17.** In the event any provision, section, sentence or clause or part of the Ordinance shall be held invalid, such invalidity shall not impair or affect any remaining provision, section, sentence, clause or part of the Ordinance from remaining in full force and effect. This Ordinance shall become effective in accordance with the provisions of the Act.

**SECTION 18.** All ordinances or parts of ordinances that are inconsistent herewith are repealed.

ORDAINED AND ENACTED THIS 7<sup>th</sup> day of July, 2025.

**Borough of Somerset  
Somerset County, Pennsylvania**

f) Management Agreement – Consider approving the 2<sup>nd</sup> Amendment to the Management Agreement between the Borough of Somerset and the Municipal Authority of the Borough of Somerset.

Ms. Enos stated that ever since the Borough transferred the stormwater facilities to the Municipal Authority, who in turn created a rate structure, there has been a current existing Management Agreement in place.

This 2<sup>nd</sup> Amendment to the Management Agreement adds that the Municipal Authority is handling these responsibilities, but the Borough is managing the overall system for the Municipal Authority.

**Motion:**

Mrs. Opp moved, Mr. Dirienzo seconded, to approve the 2<sup>nd</sup> Amendment to the Management Agreement between the Borough of Somerset and the Municipal Authority of the Borough of Somerset.

Motion Unanimously Carried

**Committee, Administration, Special Reports**

g) Borough Manager's Report – Given by Michele Enos.  
*Ms. Enos had nothing further to report.*

h) Finance Report – Given by Brett Peters.

Mr. Peters viewed the Finance Report Summary for May 2025 with Borough Council on the digital screen in the Council room. He added that June's Financial Report can be viewed from the Borough's website.

<u>General Fund:</u>	<u>Water Fund:</u>	<u>Sewer Fund:</u>	<u>Storm sewer Fund:</u>
Revenues – 66.77%	Revenues – 38.80%	Revenues – 39.18%	Revenues – 10.52%
Expenses – 38.87%	Expenses – 36.49%	Expenses – 35.61%	Expenses - 0.09%

i) Municipal Authority Manager's Report – Given by Jess Sizemore.

*Mrs. Sizemore had nothing further to report.*

j) President's Report – Given by Pam Ream

*Mrs. Ream had nothing further to report.*

k) Somerset Inc. Representative – Given by Lee Hoffman.

Mr. Hoffman noted that there are 21 professional artists coming to Somerset Borough for “Chalk the Block” this year starting on Friday, July 25 - 27, 2025.

l) PSAB Representative – Given by Fred Rosemeyer.

Mayor Rosemeyer said that the PSAB Conference was held in Hershey, PA the first week of June with over 412 people in attendance. He mentioned that he was elected as President of the Pennsylvania Mayor's Association for the whole state. He will be in that position for the next 4 years.

Also, the County Borough's Association was held in Meyersdale on June 26<sup>th</sup> with 11 Borough's attending.

m) Fire Department Representative – Given by Steve Shaulis.

Mr. Shaulis said that as of July 1<sup>st</sup>, 2025, between the 2 fire departments, there were 503 fire calls.

Glow Bingo is coming up this Friday night, and has become a tremendous fund raiser.

Mr. Shaulis also mentioned that the Fire Department recently provided sprinklers for the playground children during the heatwave.

n) Engineer's Report – Given by Jake Bolby.

***Mr. Bolby discussed the following updates to the Engineer's Report:***

**WATER:**

**1) Water System Capital Improvement Projects:**

Mr. Bolby said that there are still a few items on Contracts 2 & 3 for the Water Project that should be wrapped up shortly, then they will be working with PennVEST to finish up the funding end.

**SEWER:**

**1) Assessment, Repair, and Abatement Plan (Hydraulic Overload):**

Mr. Bolby noted that outside of the bid opening, Phase 1B, 1C, & 1D are moving forward. Depending on DEP's review and approval, 1B could go into PennVEST as early as July 30, 2025 which is the next funding cut-off date.

Mr. Bolby mentioned that the Wastewater Treatment Plant received their Draft NPDES renewal.

**GENERAL:**

**2) Center Ave. Sidewalk:**

Mr. Bolby said we are still in the warranty period, but the repair work is still in discussion with the contractor.

*o) Mayor's Report – (Rosemeyer)*

Mayor Rosemeyer said that the Police Department had an anniversary. The department had its start in 1852, 173 years ago.

July 19<sup>th</sup> is the Drug Free Community if anyone wishes to attend.

Last week the Fire & Police Departments had the “Cone with a Cop” in the park with many children in attendance.

In August of 2026 the “25/250 Salute” will be held in honor of the Fire Department and our country.

The brand new Police vehicle is completely out of service needing a new engine, but is under warranty.

Mayor Rosemeyer thanked the Chief of Police and Officer Borosky for keeping the overtime hours low by being willing to work shifts to make sure the shifts are covered.

“Somerset Night Out” is on Tuesday, August 5<sup>th</sup>. Mayor Rosemeyer encouraged Council Members to also attend.

**11. Executive Session - Personnel.**

*(Executive Session previously held at the Joint Meeting of the Authority and Borough Council)*

**12. ADJOURNMENT**

**Motion:**

Mrs. Opp moved to adjourn, seconded by Mr. Dirienzo.

Motion Unanimously Carried  
6:55 p.m.

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Michele A. Enos, Borough Manager/ Secretary