

**PLAINFIELD TOWNSHIP
BOARD OF SUPERVISORS
SPECIAL MEETING JUNE 17, 2010**

Page 1

The Plainfield Township Board of Supervisors held a Special Meeting on Thursday, June 17, 2010 at the Municipal Building. 6292 Sullivan Trail, Nazareth, PA. 18064. In the absence of Chairman, Michael Engler, Vice-Chairman, Joe Lerch called the meeting to order at 7:05pm

ROLL CALL:

The following Supervisors answered roll call: Glenn Borger, Randy Heard, Vice-Chairman, Joe Lerch and William Schmauder. Also present were Solicitor, David Backenstoe, Treasurer, Virginia Koehler and Executive Secretary, Joyce Lambert.

Chairman, Michael Engler was absent.

PURPOSE OF TONIGHT'S MEETING:

Vice-Chairman, Joe Lerch reported that the purpose of tonight's meeting was to review, discuss and take possible action on the request for submission of an application for a TIGER II Grant for the Slate Belt Industrial Center Road.

At this time, Vice-Chairman Lerch turned the floor over to Victor Rodite from the Slate Belt COG.

Mr. Rodite informed the Board that the TIGER II Grant provides three opportunities for a municipality to pursue.

1. Apply for a construction grant (generate long & short term jobs)
2. Engineering design for a road for a future project to create long term jobs
3. Some construction now and some development now

A municipality must submit the grant application it cannot be the Council of Government. This would be a \$10 million dollar grant for a project in an urban area. The engineer from Pennoni Associates who had completed the first TIGER Grant application indicated that the increased costs have now made this project a \$10 million dollar project and it would meet the criteria.

A 20% local share match (\$2 million dollars) is required. Mr. Perin felt that the road right-of-way, which he would donate to the Township, would appraise at the \$2 million dollars.

June 17, 2010

Page 2

Mr. Rodite also informed the Board that he has found out that nothing that had been spent out-of-pocket for the improvements that have been completed would be able to be used for the local match as they had previously thought.

There are still environmental review requirements for this project and the standards, which need to be met for this project, are higher and more costly because it is a federal project. The cost for the environmental review would be approximately \$75,000/\$80,000, which would also need to be paid by the Township.

Because this project is not shovel ready, that could also put it further down on the list of grant applicants.

Mr. Rodite indicated that should the application get past stage one, which would be complete in mid July, the next stage comes very quickly. Not as much work would be required for stage two of the application because almost all of the TIGER I grant application submission information can be used for the TIGER II. At that point, it would cost another \$7,000/\$8,000 for Pennoni to do the engineering work. (This is also money the Township would have to pay out-of-pocket)

Solicitor Backenstoe informed the Board that the Board should be concerned with this project. The Township has to have a \$2 million dollar match for the grant, engineering fees would need to be paid by the Township and the Township would also need to pay for the environmental review fees. That means that you would need to have approximately \$2.5 million dollars, or possible more, on hand in order to be all of these expenses.

Solicitor Backenstoe indicated that he keeps hearing, as all of the Supervisors know, that Ginny is struggling to find money to pay bills and the garbage contract every month.

Randy Heard indicated that because of the landfill, we are hurting right now. We have to rob Peter to pay Paul. He asked about Wind Gap going in on this, and Mr. Rodite indicated that they are willing to go in on this, but without monetary funding.

Treasurer, Virginia Koehler informed Mr. Rodite that she had read through the information he had given everyone at the Board of Supervisors Meeting, and she had read that there was a \$30,000 fee. She asked if this also would need to be paid be up front.

Mr. Rodite informed the Board that there is a \$30,000 grant application fee, and this must be paid with the grant submission.

Randy heard felt that the bottom line is how do you test what that road is worth?

June 17, 2010

Page 3

Solicitor Backenstoe noted that this is a Federal Grant and you would need to use an appraiser that is approved by the Federal Government. He then asked Mr. Rodite if he was sure that they would take land as a like kind expenditure.

Mr. Rodite informed the Board that he is not sure if they would take the value of the land as a like kind match. He has, however talked to Pennoni Associates, and they would do stage one of the application for free. It will cost for the second stage because there is more work involved with the cost benefit analysis and an environmental review.

Treasurer, Virginia Koehler then questioned Mr. Rodite on his statement at the last meeting regarding the property being exempted for taxes.

Mr. Rodite explained that he is working with Stroudsburg to expand the Keystone Industrial Zone into the Slate Belt area. This is a 3-year plan. This is not like the KOZ where the businesses do not pay taxes. The Township would still be getting tax money from the business.

Solicitor Backenstoe indicated that the Board has numerous things to think about. This is a \$10 million dollar project. If we were to get the grant, they would give us \$8 million dollars and the Township would have to put up \$2 million dollars. The question is, how can the Township come up with \$2 million dollars? Also, would the Federal Government accept a \$2 million land donation? We don't have any idea if that is acceptable.

Glenn Borger indicated that he felt that there were too many maybes. If we get stuck with a bill and don't have funds available, we are screwed.

Secretary Lambert asked who would have to pay for the appraisal of the land that Mr. Perin would be donating. She was told that this would have to be paid by the Township also.

Randy Heard noted that the Township has no money. We are in debt now and we are going to have to raise taxes next year. Randy felt that we should send a letter off to the GKEDC and see if they would be interested in footing the bill. He thought that at one time, they were willing to give Mr. Perin \$4 million dollars to put in the road, so they should be able to pay for this. The Green Knights always say that they are here to help bring in development, and we're being told that this would bring in development, so they should back it.

Randy also felt that Mr. Rodite should have Pennoni call the grant administrators and ask them if the land would be permissible.

Motion was made by Glenn Borger to not entertain submission of the grant application for the TIGER II grant. (Motion died for lack of a second)

June 17, 2010

Page 4

Secretary Lambert asked if there were no road into this project, could Mr. Perin still get development in there. Mr. Perin stated that he could still develop this land, but it would be more limited development.

Randy Heard asked, "In the grant application, don't they want to know what is going to go in there and how many jobs this would create?" Mr. Rodite stated that was correct and research had been done in the past on this by Urban Research & Development and we can obtain this information from them for the application.

Randy felt that if the Board's answer to applying for the grant is yes, then we need to give Pennoni authorization to do the grant application but only as long as we can get the money from the Green Knight Economic Development Corporation. If we can't get the money from them, then this would be a dead project.

Motion was made by Randy Heard and seconded by William Schmauder to have Secretary Lambert, along with the help of Solicitor Backenstoe, prepare and send a letter to the GKEDC to see if they would be interested in picking up all of the costs involved with the grant submission and any and all expenses related to the project should we receive the grant funding. Motion approved. Vote 3-1, with Glenn Borger voting no.

Secretary Lambert will call and find out when the GKEDC's meetings are held in order to make sure that the letter would be able to be discussed and action taken in time for the grant submission.

Randy Heard again noted that he would not commit to paying \$1.00 of the Township's money for this grant or the project itself.

Having no further business to come before the Board, motion was made by Randy Heard and seconded by Joe Lerch to adjourn the meeting. Motion approved. Vote 4-0.

Meeting adjourned at 8:25pm.

Respectfully submitted,

Joyce A. Lambert, Executive Secretary
Plainfield Township
Board of Supervisors