

**BOROUGH OF WHITEHALL**  
**Notice of Meeting**  
**August 17, 2020**  
**6:00 PM**

The Council of the Borough of Whitehall will meet Wednesday, August 17, 2019, at 6:00 PM, at the Borough Building, 100 Borough Park Drive, Pittsburgh, Pennsylvania, for a Pool Workshop.

**AGENDA FOR POOL WORKSHOP**  
**August 17, 2020**

Announcement –No votes will be taken at this meeting. Residents that have called in to the meeting may listen to discussions. Council President will determine when public comment will be allowed.

- I. Financials
  - a. Can the Borough afford a Pool?
  - b. How much is Council willing to borrow?
  - c. Grant Options
- II. Community Input
  - a. Poll the Community
  - b. 2020 Fall Bulletin Survey
- III. Location
  - a. Build in Current Location
  - b. Steeplechase Park

BOROUGH OF WHITEHALL

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MINUTES OF THE AUGUST 17, 2020 POOL WORKSHOP

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## BOROUGH OF WHITEHALL

Pool Workshop Meeting August 17, 2020

The Council of the Borough of Whitehall met at the Borough Building, 100 Borough Park Drive, Pittsburgh, Pennsylvania, Monday, August 17, 2020, at 6:00 PM, for a Pool Workshop. President Nagy called the meeting to order, followed by the Pledge of Allegiance.

President Nagy announced that all meetings will be recorded auditorily.

ROLL CALL:

Present: Linda J. Book  
Kathleen N. DePuy  
Philip J. Lahr  
Robert J. McKown  
Glenn P. Nagy  
William J. Veith  
John A. Wotus  
James F. Nowalk, Mayor

Absent: Irving S. Firman, Solicitor  
Scott Rusmiser, Engineer

STAFF: James E. Leventry, Manager  
Courtney M. Wertz, Assistant Manager  
Walt Milinski, Pool Manager  
Cory Fitzharris, Assistant Pool Manager

ANNOUNCEMENT:

Mr. Leventry stated that the Borough will take possession of a new unmarked police car tomorrow. The City of Duquesne has offered to purchase the police car originally earmarked for a trade-in. The trade in value was estimated to be \$5,000. The City of Duquesne offered to purchase it for \$6,000.

FINANCIALS:

Mr. Nagy stated that Gateway Engineers provided Council with 3 options to repair and/or replace the pool. The ongoing COVID-19 situation complicates matters and no one can predict the future of the virus. This summer, capacity was never reached at the pool. If Council votes to build a new pool, will residents use it?

Mr. Wotus stated that the pool needs revamped. He would like to see an infinity entrance.

Mrs. DePuy stated it is a matter of what the Borough can afford.

Mr. Nagy stated that Council should come up with an idea first, then fund it.

Mrs. DePuy stated that the Borough was debt-free in 2008. Currently, the Borough owes on the Fire Station Loan and Doverdell Drive Project. The debt load is more than she would like to see future Councils have to deal with. The Borough commits an estimated \$15,000 a month to the Fire Station loan from the General Fund and a similar amount from the Storm Sewer Fund for the Doverdell Project.

Mr. Leventy stated that if Council votes to borrow money for the \$4 million option, they would be committing to an estimated \$420,000 a year for 20 years.

Mr. Nagy stated that major capital projects require borrowing. Municipalities do not pay cash for pools

Mr. McKown stated that interest rates are currently low.

Mrs. DePuy agreed but stated that this would be new debt on top of the existing debt service.

Ms. Book inquired about a GoFundMe option.

Mr. Lahr stated the question is "Can the Borough can afford a pool?"

Mr. Veith stated that that when the Country Club was in major debt, they issued silver and gold certificates for members who paid their dues 25 years in advance. It was a way to raise capital to make improvements without having to borrow.

Mayor Nowalk stated the question is not "Can the Borough afford a pool?" It is "Can the Borough afford a pool without a GoFundMe Page?"

Mayor Nowalk stated a vision should be put out there knowing this decision will impact the community for 50 years. He suggested looking at grants. There might be people willing to donate with the right "pitch." He stated a vision should be developed, then the funding can be figured out.

Mr. Leventy stated that Council raised the Earned Income Tax rate this year in order to raise \$800,000 in more revenue and the budget was still unbalanced and \$1.2 million short. The MMO for the Police Pension is just under a \$1 million for next year. These costs will carry forward and will have long-term budgetary impact. The decision to borrow for a swimming pool cannot be made in a vacuum. The Borough Budget is more than a million dollars short at this point.

Mr. Leventy reviewed the breakdown of MMOs which are due by September of each year. This year's costs are as follows: \$781,000 for the Police Pension and \$263,000 for the Non-Uniformed Pension., roughly \$200,000 of which is paid for with money from the state

Mr. McKown stated that due to accounting practices, the Police Pension Fund was underfunded previously.

Mr. Leventy stated that even with the additional \$800,000 projected revenue from the increased EIT rate, the Borough Budget was still short \$1.2 million in 2020. Due to COVID, that additional \$800,000 will not be recognized. Spending has been drastically reduced this year so the deficit should not be as high as budgeted.

Mr. Wotus stated that residents recently noticed that their payroll taxes went up. Mr. Leventy stated that many employers did not change the rate at the beginning of the year and are just changing it now.

Mr. Leventy stated this discussion is not just about the pool but where the Borough is going financially in the next 3-5 years. Council will be looking at a serious tax increase.

Mr. Nagy stated that Whitehall Borough cannot be without a pool if Brentwood and Baldwin have them. Housing values are higher in Whitehall and there is a reason for that – the Police, Library, Road Crew, Pool.

Ms. Book stated that she does not want the pool to go away.

Mr. Nagy stated that Council should start with the premise that they are going to have a pool. He stated the current pool should be repaired. It can be relined, the wall movement can be stabilized, the baby pool can be eliminated, put a sprinkle park in its place and an infinity entrance can be added. He stated the lowest budget option should be done. The Borough cannot afford the "Cadillac plan" but can they justify the decision to residents? There is also an option to do a referendum. Council must decide if and how much input from the public they want. Asking residents for money complicates things as once they know the Borough is contributing money to a project using tax dollars, they are less likely to write an additional check for a fundraiser. Maybe a creative fundraiser could be thought of like the bricks that the Library sold.

Ms. Book stated that spray parks are popular and cheap. She inquired if repair of the current pool was an option.

Council was presented with 3 options from Gateway Engineers. (1) Total Pool Facility Replacement for an estimated \$6 million (2) Temporary Renovations with new Decking and Concessions for an estimated \$3 million and (3) Minimal Demolition and Repair for an estimated \$1 million.

Mr. Nagy stated that structurally, the footprint of the building is in pretty good condition. The roof is in good condition. The plumbing is already there.

Mr. Milinski stated that slides are a novelty and would be a waste. People like diving boards. Any spray park features should be placed in the infinity entrance. Scott Township has spray features and buckets in their infinity entrance. When they are separate from the pool, kids won't use them because they want to be in the big pool. The baby pool is extremely popular among residents. If Council removes the baby pool, he suggested shade cover, a snack bar or vending machines at the current baby pool location.

Mayor Nowalk stated that the baby pool is popular.

Mr. Nagy stated that spray features should be placed in the infinity pool entrance. Any option selected will need to keep costs down.

Mr. Leventry stated that Council will have to borrow money for any option they select.

Mr. Wotus inquired how much it would cost to fix the structural issues and the leaking. Mr. Leventry stated that if the pipes are leaking like they think they are, the entire deep end will need to be ripped out and replaced.

Mrs. DePuy asked if that was the same as Option No. 3. Mr. Leventry stated that Option No. 3 only addresses stabilizing the wall, the decking, new pump room. It does not address the leaking or structural problems.

Mr. Nagy stated that Council should go back to Gateway and let them know the \$6 million option is off the table. Ask them for an option that addresses what they have been discussing tonight, mechanical fixes, and pipe fixes/replacement.

Mr. Milinski stated that there are 2 main drains in the deep end going into the pump room. There are skimmers around the pool and drains up top. He thinks the water problems are coming from the drains around the top of the pool. It took 3 weeks before the pool stopped leaking water this summer. When it rains, the rainwater goes in the drains on the top of the deck.

Mr. Wotus asked for the Pool Manager and Assistant Manager's opinion on the pool as they are on site every day during the summers.

Mr. Fitzharris stated that kids that want slides go to Sandcastle.

Mr. Milinski stated that this was his 23<sup>rd</sup> year as Pool Manager and the problems at the pool have only gotten increasingly worse during his time here. Council cannot continue to band-aid the problems. Improvements should be made. He suggested a plan somewhere in between band-aid repairs and the top dollar option. He cannot imagine Whitehall Borough without a pool.

Mr. Fitzharris stated that patrons at the pool are getting younger. More young families are using the pool and spending more time there.

Mr. Nagy stated that the demographics of the Borough are changing. Older patriarchs are dying off and being replaced by younger people with families.

Mr. Fitzharris stated that the people at the pool for the bulk of the day are younger families and middle school aged kids.

Mayor Nowalk inquired how new construction at the former Sisters of St. Francis site will impact tax revenue. It has to help property and income tax revenue with the new units. The new senior centers help with property tax revenue as they are high end. Development is happening in Whitehall. Elected officials could help get more development along business corridors.

Mr. McKown stated that the wage tax was increased for 2020. No matter what option Council elects to go with, taxes will need to be raised next year and it will have to be real estate taxes. There is already a budgeted shortfall this year. The increased wage tax was only a gap fix and there was still a shortfall. Due to COVID, the additional \$800,000 in Earned Income Tax Revenue will not be fully realized this year.

Mr. Leventry stated the \$1.2 million shortfall was after the additional \$800,000 in Earned Income Tax Revenue was factored into the budget.

Mr. McKown stated that new development will not meet the current obligations of the Borough. Taxes must be raised next year to meet the budget shortfall.

Mr. Leventry stated that Council must keep in mind that if they are going to borrow to fix the pool, they need to stop the leaking. The plan Council is proposing now, does not do that. It only calls for tearing out the current pool and putting a new one in its place.

Mr. Milinski stated that the leak(s) must be found. The fiberglass lining needs replaced for the entire pool.

Mr. McKown stated that the repair option should not be considered. It is beyond repair and there are structural issues that will be expensive to address.

Mr. Leventry stated that Mr. McKown is discussing Option No. 2 whereas Council was previously discussing Option No. 3.

Mr. Milinski stated that the source of the leak is not known. Mr. Leventry stated that cameras have been run through the main drains previously and one of them was fixed about 5 years ago.

Mr. Leventry stated that the existing pool structure cannot be used. Mr. McKown stated that this eliminates Option No. 3.

Mr. McKown stated that Council must decide between Option No. 2 for \$3 million or Option No. 1 for \$6 million. He advocated for Option No. 2 to deal with the structural issues and add some new features.

Ms. Book asked that Gateway provide Council with cost estimates.

Mr. McKown stated that Council can ask Gateway for cost estimates for an expanded Option No. 2, to include an infinity entrance, spray features and the repair of the baby pool.

Mr. Milinski suggested getting a 2<sup>nd</sup> engineering opinion.

Mr. Leventry stated that Gateway is bringing in an outside aquatic expert to help design and review the plans. There other engineering firms that do pool work but the Borough would have to pay for it.

Mr. Nagy stated that Gateway Engineers is one of the biggest engineering firms in Pittsburgh. They have experience. He is not opposed to calling someone else in.

Mr. Milinski inquired about the agenda item regarding location of a pool at Steeplechase. Mr. Wotus stated that potential different locations for the pool were identified. Mr. Nagy stated that the Steeplechase location would be a losing battle with nearby residents.

Mr. McKown stated that Council must be practical. The Borough will be stretching to borrow \$3 million if that is the budget for a new pool.

Mr. Wotus inquired about borrowing versus a bond issue. Mr. McKown stated they are essentially the same thing. Mr. Leventry stated that doing a bond issue has upfront fees that are very high for a slightly lower rate. Mr. McKown stated borrowing rates are low right now.

Mayor Nowalk inquired about the debt service for the Doverdell loan. Mr. Leventry stated that it is paid out of the Storm Sewer Fund and is an estimated \$23,000 a month.

Mr. Leventry stated that borrowing \$3 million at 3% for 20 years is \$270,000 a year in debt service.

Mr. Nagy inquired about any potential storm sewer projects in the future once the Streets Run project is complete. Mr. Leventry stated that he found out today that the Borough received a \$150,000 grant for that project. The Spring Valley project will be next but will be a sanitary and storm sewer project.

Mr. McKown stated that these are two different pots of money. The General Fund is paying the Fire Station loan and will pay whatever loan Council chooses for the pool. Other loans are being paid out of different funds using different fees. The pool loan could be taken out separately or rolled into the Fire Station loan. Mr. Leventry stated rates will have to be compared to see if combining the loans makes sense. The loan could be stretched out for 30 years to lower payments but that will not solve the budgetary problems.

Mr. Leventry stated that \$3 million will not cover the ideas that Council is discussing.

Mr. Wotus stated that grant funding for the pool would prohibit the Borough from excluding non-residents from using the pool.

Mayor Nowalk stated that the Elected Officials should start the conversation with the public about the tax increase for the pool or creating a capital fund for residents to donate too. The upcoming Borough Bulletin can be used.

Mrs. DePuy stated that residents have contacted her in the past about a fundraiser for a pool. She thinks it would be more effort and more costly for the Borough in the long run.

Mr. McKown stated that the following steps need to be taken next (1) Mr. Leventry, Ms. Wertz and Mr. Yevins need to reach out to banks for details on borrowing and review the current standing of the Borough Budget (2) Gateway Engineers will fine tune costs for an expanded Option No.2.

Mr. Nagy stated that the Borough cannot put money into a new pool and not redo the locker rooms because they are the first thing people see.

Mr. Veith stated that Council needs to prepare residents for these decisions in the next Borough Bulletin.

Mr. Nagy stated that residents needs to know that the pool will not open next year.

Mr. Veith stated that if he as a resident saw his taxes increase and saw it was because of something that added value to the community, he would be okay with that.

Mr. Leventry inquired about residents that would not be okay with that. A lot of residents do not want to see their taxes raised for a swimming pool that only 10% of the Borough uses. Council will get pushback and Borough staff will receive calls

Mr. Nagy stated that staff is paid to answer the phones. This is a big decision. Council is charged with these decisions that will impact the Borough for a long period of time. The current Council has been doing this for a long time. They are here to spend residents' money and to do it wisely. He likes knowing that amenities like the Library and Police are here even if he doesn't use it. Council needs to move forward.

Mr. Leventry stated that 25% of the Borough are Senior Citizens and a tax increase would stretch their budgets.

Mr. McKown stated that the Borough's real estate rate is still lower than surrounding communities.

Mr. McKown stated that the following steps need to be taken next (1) Mr. Leventry, Ms. Wertz and Mr. Yevins need to reach out to banks for details on borrowing and review the current standing of the Borough Budget (2) Gateway Engineers will fine tune costs for an expanded Option No.2.

Mr. Milinski asked if residents would be informed in other mediums besides the Borough Bulletin as not all pool patrons read it. He suggested multiple forms of outreach be done.

Mr. Fitzharris stated that social media should be used to reach younger residents.

Mr. Nagy stated that the information will be published everywhere it can be. Council is not trying to hide anything.

Mr. Milinski stated that the biggest question they received from residents this year is "Will the pool be open next summer?" If it is not, he suggested letting the public know as early as possible or try to keep it going next year and then have a contractor start as soon as the pool closes.

Mayor Nowalk stated that COVID will still be a problem next year. That would be a good time to do the construction.

Mr. Nagy stated that the virus will still be here next year in some way. People will be understanding if they know a new pool is coming.

Mrs. DePuy stated that people will be in an uproar and want to know why construction didn't start earlier. The community will push back. She stated the pool should open if possible and construction should start in the Fall.

Mr. Nagy stated that this will be a big project and the summer days will be needed to work on it. It will take a long time to complete this project.

Mr. Milinski asked that Council let residents know early that the pool will not open.

Mr. Nagy stated that Gateway will let Council know of a rough bid and construction schedule. That will guide the decision to open next year or not. At this time, Council doesn't know how much more the structure can take

COMMUNITY INPUT:

Mrs. DePuy inquired about polling the community. Surveys are difficult to write. She is not sure it is a good idea.

Mr. Nagy stated that a survey is basically asking for a referendum. Council was elected to make decisions on behalf of the residents.

LOCATION:

Mr. Wotus stated that the pool will stay in its current location.

Mr. Nagy stated that Gateway will be asked what they can do with a budget in the \$3 million range.

Mrs. DePuy asked that a pool expert be brought in. Ms. Book agreed with getting a second opinion.

Mr. Nagy stated that Council should ask Gateway for their resume on pool projects. There is nothing personal about getting a 2<sup>nd</sup> opinion. It is business and they should be amenable to it.

Mr. Fitzharris stated that if the Borough is spending millions on a new pool, they have a right to ask for a 2<sup>nd</sup> opinion.

Mayor Nowalk volunteered to take on the public relations for this project.

Mr. Nagy inquired if any action related to tonight's workshop needs to be taken at Wednesday's Council Meeting. No action needs to be taken.

Mr. Leventry stated that if Council wants to bring in a 2<sup>nd</sup> consultant to perform a study, no action will be able to be performed until 2021.

Mr. McKown stated that the Borough can't get a 2<sup>nd</sup> opinion as they don't have all the information for a 1<sup>st</sup> opinion yet. He instructed staff to (1) look at the finances and (2) have Gateway provide Council with an expanded Option No. 2 and then seek a 2<sup>nd</sup> opinion to review to Gateway's plan.

Mr. Nagy stated that Gateway will do the heavy lifting and scoping of the project. A 2<sup>nd</sup> engineering firm will review their work.

Mr. Leventry asked for clarification on what Council means by “2<sup>nd</sup> opinion.” A peer review will be conducted on Gateway’s work, not suggestions of new ideas.

Mr. McKown stated that other firms cannot give many ideas to the Borough with their limited budget.

Mr. Lahr stated that Gateway doesn’t have the expertise to do pools. Mr. Leventry stated that they bring in aquatic experts. These experts will be working for Gateway Engineers. Mr. Leventry stated that Council is looking to rebuilding what is already there. They are not looking for “idea people” just that the work is being done correctly.

Mr. Milinski stated that a 2<sup>nd</sup> opinion is a good idea. Pool patrons question staff all the time about 2<sup>nd</sup> opinions.

Mr. Wotus inquired how to get a 2<sup>nd</sup> opinion.

Mr. Leventry stated that there are plenty of engineering firms in the area. He will let Gateway know that someone will be reviewing their work. He will speak to other Borough Manager’s with pools about what engineers they used.

Council is looking at borrowing \$3-4 million. Mr. Leventry will inquire about interest rates.

Mr. McKown stated that taxes will have to be raised next year and it will have to be the real estate tax.

Mr. Leventry stated that this is a strange year and spending was reduced. If the Borough goes back to a normal budget next year, it will be hard to guess what EIT will look like. There is no way to know if it will bounce back

Mr. Nagy stated that raising taxes is part of the deal. You can’t get something for nothing. It is about adding value to the community.

Mr. Milinski thanked Council for including himself and Mr. Fitzharris. in the discussions.

PUBLIC COMMENT:

Residents wishing to participate in tonight’s meeting called in at United States +1 (571) 317-3112 Access Code:884-741-445.

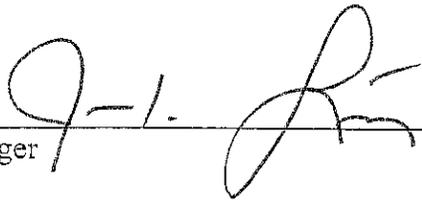
There was one resident on the line who did not wish to speak.

ADJORNMENT:

M-1 Mr. McKown moved, seconded by Ms. Book to adjourn the meeting. The motion carried unanimously.

The meeting adjourned at 7:20 PM.

READ AND APPROVED THIS DAY OF SEPTEMBER 2, 2020:

Manager  \_\_\_\_\_