

Council Minutes
Special Meeting
July 19, 1989 1:00 PM

President Stokes called the Special Meeting to order at 1:00 pm. The meeting was attended by Messrs. Ditzler, Frazee, Schmitt, Witt, Heflin, Mrs. Daniels and Mrs. Simpson, Atty. Oyler, Mayor Linn, Mr. Sterner, Chief Gantz, Mr. Lawver. Also in attendance were Merle Simpson - Walker Engineering, Barbara Chance - Chance Management Co., Don Detwiler - URDC, Frank Leber - Bond Counsel, and Wm. VanArsdale - Gettysburg College.

Purpose of the meeting - opportunity for the Parking Deck Committee to brief Council on the Deck Project as well as to be informed by the various consultants who are assisting Council in this project.

Mr. Stokes announced a Special Meeting to be held on July 25, 1989 at 7:30 pm in Council Chambers.

Mr. Leber outlined the procedure and structure of a 20 year general obligation bond. He explained the various codes and laws which must be adhered to as well as the time schedule for proceeding with the issue. Mr. Leber noted the progress of the Ground Lease with Gettysburg National Bank was proceeding as is the Parking Services Agreement, both should be complete prior to bond sale. Additionally Mr. Leber explained that the size of the deck is not important at this time however we must know cost prior to bond sale.

Merle Simpson reviewed the 2 bay system as presented by Walker Engineers in their latest report. Noted the ramp type system is very efficient - all available space is utilized for parking including the ramps. Recommends building foundations for a third level in the future - but does not favor adding an additional level in the future due to costs involved. Recommends base bid to accommodate 275 cars with an alternate for construction of 230. (Total spaces estimated at this time. Could vary by several upon final drawings.) Construction costs for the 275 space facility approx. \$1,690,000 and for 250 spaces about \$1,400,000. Noted that the construction would be precast. Recommends bidding in October with construction to commence in the spring of 1990. Our timing to go to bid is excellent, should obtain best possible costs.

Barbara Chance explained her most recent pro forma, utilizing Walker's up-to-date construction estimates. Included in addition to construction costs are soft costs, parking expenses, proposed meter rates, etc. Should the Borough decide to construct the larger facility, net cash flow for the first year of operation would be approx. \$34,000. This is less than the current net for parking by \$50,000 which means a possible tax increase of 3 mills. Ms. Chance pointed out that by issuing the bonds as soon as possible we could arbitrage with interest earning about \$25,000. Also recommended by Chance was increasing meter rates and violation fines as soon as possible. Ms. Chance also recommended the larger facility, noting that we will need to use good management practices as well as marketing skills to "sell" the use of the deck.

Don Detwiler summarized the project as to the current progress. He noted that there is a certain amount of risk, as should be expected by a project of this magnitude. Of importance is the fact that bond rates are as low as have been in 10 years. We can expect about 7.00%, a very favorable rate.

Following a short recess Mr. Oyler informed Council of the proceedings of the ground lease agreement with Gettysburg National Bank. The term of the lease being 25 years, renewable for an additional 15 years. Rental, to be paid quarterly, will be \$12,000 per year for the first 10 years, \$18,000 for the next 15 years, and \$27,000 for the last 15 years. The attorneys involved, including Mr. Oyler, have been working diligently to finalize the agreement and it should be forthcoming in the very near future.

Mr. Frazee reminded Council of the duties of the proposed Parking Manager, noting that the person will be responsible for the entire parking system as well as the deck. Also noted was the need for additional enforcement personnel to bring the contingent to at least 2 full time meter enforcement persons.

Mrs. Daniels raised questions to Ms. Chance regarding the pro forma. She favors the smaller deck and warned Council of the consequences of building a deck that is too large. While she agreed that we shouldn't need to add on in the future, she is concerned about parking needs in other areas of the Borough and does not desire to place a future council in jeopardy. Finalizing she hoped that Council would consider the 230 space facility.

There being no further business, moved to adjourn at 3:05pm.

Respectfully submitted,

Barbara K. Gorman

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Assist. Borough Secretary