

A work session of the Borough Council of Lewisburg, Union County, Pennsylvania, was held on **Tuesday, May 10, 2011** in the Council Chambers, 55 South Fifth Street. Present: Council President Bergonia; Councilmembers Baker, Casimir, Cox, Mahon, Molesevich, Morris and Strosser; Mayor Wagner and Manager/Treasurer Smith. Also present: Tom Zorn, Kevin Drewencki, Jim Buck, Hank Baylor, Keith Smalley, Joe Denlein, and Chris Brady.

CALL TO ORDER: Council President Bergonia called the meeting to order at 7:05 PM.

LEWISBURG AREA RECREATION AUTHORITY (LARA)/LINE OF CREDIT: Tom Zorn, LARA Chairman, made a formal request for a loan to LARA. He explained the following: The total amount of LARA's outstanding Line of Credit with Sovereign Bank is \$190,717.20. At a meeting of East Buffalo Township held last night, May 9th, East Buffalo Township agreed to loan LARA two-thirds of the \$190,717.20 or \$127,144.80, with the stipulation the Borough agree to loan one-third of the total loan amount or \$63,572.40 to LARA. He continued to explain: LARA would agree to repay at a rate of \$854.00 per month over a four (4) year period with two-thirds being repaid to East Buffalo Township, which is \$569.00, and one-third being repaid to the Borough, which is \$285.00. In addition, once the Meridian easement funds are received, which totals \$155,000.00, one-third of that amount would be paid to the Borough toward this loan, and that amount equals \$51,667.00. To clarify, the total loan amount from the Borough would be \$63,572.40, less the \$51,667.00 which would be paid through the Meridian easement funds, making the remaining balance \$11,905.40 and that would be the amount which would be paid back by the monthly payment of \$285.00 over a four (4) year period. There was **much** discussion.

Councilmember Casimir made a motion, seconded by Councilmember Morris, to agree to loan LARA \$63,572.40 toward the pay-off of their current Line of Credit with Sovereign Bank, conditioned upon the same repayment terms and conditions as outlined by East Buffalo Township Solicitor Matson in his memo to Borough Solicitor Lyons dated May 10, 2011. Motion was unanimously approved.

LARA/ANNUAL CONTRIBUTION: Tom Zorn, LARA Chairman, reported LARA currently has an outstanding bill to the Contractor of Record for Phase II of the Lewisburg Recreation Park Project. At the East Buffalo Township meeting held last night, May 9th, the Supervisors approved sending the last two (2) quarter disbursements of the township's annual allocation early, to give LARA operating funds and the ability to make an equitable payment to the Contractor until the Pennsylvania Department of Environmental Protection (DEP) funds are received later this summer. Mr. Zorn formally requested that Borough Council consider the same funding advance of their annual allocation.

Councilmember Baker made a motion, seconded by Councilmember Strosser, to advance, as quickly as possible, the last two (2) quarter disbursements of the 2011 allocation to LARA. Motion was approved with one dissenting vote, Councilmember Casimir voted no.

ADJOURNMENT: There being no further business, Council President Bergonia adjourned the meeting at 7:45 PM.

Respectfully submitted,

Chad N. Smith
Borough Manager

ATTENDANCE

CALL TO ORDER

DISCUSSION OF
LARA LINE OF
CREDIT

COUNCIL
APPROVED LOAN
TO LARA IN
AMOUNT OF
\$63,572.40

DISCUSSION OF
ANNUAL
CONTRIBUTION

COUNCIL
APPROVED
ADVANCE OF
LAST TWO (2)
2011 QUARTERLY
PAYMENTS

ADJOURNMENT