

Allegheny County Council

436 Grant Street
Pittsburgh, PA 15219
Phone (412) 350-6490
Fax (412) 350-6499



Meeting Minutes - Approved

Thursday, October 30, 2014

4:00 PM

Conference Room 1

Committee on Public Works

Bob Macey, Chair

Members: Barbara Daly Danko, Jim Ellenbogen

Michael Finnerty

Nick Futules

Heather Heidelbaugh

Ed Kress

William Russell Robinson

I. Call to Order

Invited Guests:

William D. McKain, CPA-County Manager or Designee

Deputy Director Stephen G. Shanley P.E., Interim Director-Public Works

Vince Gastgeb was present from the County Airport Authority

Jan Rea and Sue Means were present as non-committee members of Council

Lori Sicard, Erin Graney and Joe Catanese were present from the staff of Council.

Jim Thompson

William McKain

Jan Chirdon

II. Roll Call

Members Present: 5 - Macey, Barbara Danko, Michael Finnerty, Nick Futules and Ed Kress

Members Absent: 3 - Jim Ellenbogen, Heather Heidelbaugh and William Robinson

III. Approval of Minutes

[8582-14](#)

Motion to approve the minutes of the Public Works Committee meeting of Allegheny County Council held on September 25, 2014
Passed

IV. Agenda Items

Ordinances

[8567-14](#)

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, authorizing the lease of minerals underlying real property on which the Allegheny County Airport is situated to the Allegheny County Airport Authority and permitting drilling and other necessary operations to extract oil, gas, natural gas liquids and other minerals underlying the Allegheny County Airport.

Sponsors: Council Member Macey

The Chair invited the guests to the table and asked that the contract provisions with the term limit for authorization be reviewed.

Mr. Forster reviewed the timeline required to retain the bonus money provided for in the agreement with Consol and the Airport Authority

*Mr. Forster stated his belief that the contract with Pittsburgh International would not have existed as it did without the promise of the possibility of the lease for the County Airport.
Mr. Forster stated that if this authorization is not approved then the County Airport would*

lose the bonus money initially given for the County Airport.

Mr. Forister at the suggestion of the Chair stated that the money for the County Airport would benefit the businesses in the surrounding community.

Mr. Gastgeb explained that the money that could be generated through this authorization is unique for the County Airport because it is unlikely that this large sum would not be able to be generated otherwise for the County Airport as they don't have similar fees and taxes available to them like the Pittsburgh International does. He believes that the money could be positive for West Mifflin for development.

The Chair stated his belief that any money injected into the West Mifflin area would be beneficial and add to the possibilities of creating a larger economy.

Mr. Davis stated that the County Airport terminal building could benefit from the money with needed rehabilitation and that the West Mifflin Council fully endorses the authorization.

Mr. Davis was asked to pass out a map to show the nature of the area subject to the proposed drilling. Mr. Forister also provided a large map showing the potential spot for a future well. Mr. Forister estimated that the lateral drill could be a mile or up to 10,000 feet. The Chair asked if there were any schools near the area where the drilling would occur. Mr. Forister said there were no schools, there was a nearby reclaimed slag pit and a rock crushing factory/facility nearby.

Ms. Danko asked that the residential areas be shown to the proposed site. Ms. Danko submitted another map showing residential areas close to the proposed drilling plat.

Ms. Danko stated that there are costs as well as benefits to this activity and noted that there would be increased truck traffic on steep roads coming into the valley and the potential environmental costs.

Mr. Kress inquired how many acres the County Airport sat on and if additional adjacent leases would be required to make the site viable.

Mr. Forister stated that CNX had been very good to work with at the International Airport in Capital project improvements.

Mr. Davis stated that he believes that there is much potential for benefits to West Mifflin through structural improvements.

Mr. Forister stated that he envisioned the bonus money to refurbish the terminal building, bring in a restaurant and add tenants where there are none currently.

Mr. Finnerty asked for clarification on where the money currently sits. Mr. Forister explained that the money currently sits in escrow but has not been received by the Authority.

Ms. Means inquired about the applicable lease terms and Mr. Forister stated that the same lease terms that applied to the Pittsburgh International Lease would apply to the lease with the County Airport.

Ms. Means stated that as Council Members they are required to consider environmental impact. Mr. Forister stated that the Pennsylvania Supreme Court did not require a

consideration of environmental impact and that the Community of West Mifflin was in favor of the proposal.

Ms. Means inquired about laterals and where the drilling would in fact occur. Mr. Forister stated that a typical unit in the industry was one square mile and currently the airport property is less than that and would not in itself constitute a square mile and in his opinion there would not be drilling unless other leases from adjacent property would be required.

Ms. Rea stated her belief that Consol had been very good to work with at the Airport and that the fact that the property lies in an industrial area gives her more peace of mind when making the decision to support the proposal.

Mr. Gastgeb stated that he believes that Consol goes above and beyond with the protections in place and Mr. Davis stated as an environmental engineer he was confident in the proposal.

Mr. Futules inquired about the royalties which could be incurred if the drilling took place. Mr. Forister stated that the gas that could be harvested would be dry gas which would result in a possible lower royalty than what would be generated through the lease at Deer Lakes or Pittsburgh International. Mr. Forister stated in his opinion the royalties would be several million dollars and even if they didn't drill the 2 million would still be available.

Ms. Danko inquired about the term continuous development and how that term would affect the County Airport. Mr. Forister stated that he believed that Consol could essentially sit on the lease for a period of years. Mr. Forister stated that the continuous development had been met in relation to development of the International Airport.

Ms. Danko inquired about the expediency argument and why there needed to be action when the Council had until February for approval. Ms. Danko stated that she believed that Council needed to have input from other surrounding communities, not just West Mifflin and that other municipalities surrounding the site could be affected.

Ms. Means stated her need for additional information prior to being able to approve the agreement.

Affirmatively Recommended

Members Yes: 4 - Macey, Finnerty, Futules and Kress

Members No: 1 - Danko

Members Absent: 3 - Ellenbogen, Heidelbaugh and Robinson

Enactment No: 20-14-OR

8572-14

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, authorizing Real Heaven, Inc. to use certain County-owned real and personal property in connection with filming a motion picture.

Sponsors: Chief Executive

The Clerk read the title of the ordinance into the record and the Chair invited Mr. McKain and Mr. Woltz to the table to review its provisions.

Mr. Woltz stated that the Judge McDaniel's courtroom would be the major use for the film

and the company would reimburse with any required janitorial services and other costs incurred with the use. The agreement is a standard use-agreement. Mr. McKain stated that it was a good opportunity to generate business and highlight the County.

Mr. Finnerty inquired about insurance requirements. Mr. Kress stated that he believes this is a good agreement.

Ms. Danko asked for clarification that the County would not be making any money but would not be losing any either.

Affirmatively Recommended

Enactment No: 24-14-OR

V. Adjournment