

April 21, 2014
Middletown, PA 17057

The April 21, 2014 meeting of the Middletown Borough Council was called to order at 7:00 p.m. by Council President Christopher R. McNamara.

Following the Pledge of Allegiance, the following Council members answered roll call: John Brubaker, Anne Marino Einhorn, Tom Handley, Benjamin Kapenstein, Robert Louer, Victoria Malone, Christopher R. McNamara, Scott Sites, and Sue Sullivan.

Also present were Mayor James H. Curry III, Attorney Adam Santucci, McNeese Wallace & Nurick, Borough Manager Tim Konek, and Borough Secretary Amy Friday.

A motion by Councilor Handley was made to recess the Committee meeting to move towards a special meeting on the grant for the Middletown Volunteer Fire Department for \$250,000. The motion was seconded by Councilor Kapenstein and approved by unanimous voice vote by Council.

The meeting of the Middletown Borough Council reconvened at 7:15 p.m.

Donna Kreiser of McNeese Wallace & Nurick made a presentation on the Dauphin County Infrastructure Bank Compliance with the Local Government Unit Debt Act. Ms. Kreiser reported the Borough had submitted an application with the Dauphin County Infrastructure Bank to seek funding to undertake certain streetscape improvements and the replacement of existing utilities on South Union Street from Ann to E. Emaus Streets. She reported the county has accepted the application and has made determination to loan to the Borough \$1.5M to undertake the project. In order to authorize the borrowing, Ms. Kreiser stated the borough must comply with certain requirements with the Local Government Unit Debt Act. Ms. Kreiser placed in front of each council member an ordinance which is drafted in conformance with that Act. She said the ordinance indicates the Borough is pledging their full faith credit and taxing powers for the payment of the loan and in addition the Borough is also pledging the receipts and revenues received under the liquid fuels tax municipal allocation law. Ms. Kreiser mentioned the ordinance sets forth the incurrence and provisions of repayment of the loan, stating the attractive interest rate of 0.500% through the final maturity date of January 1, 2024. She stated, upon closing of the loan, the monies will be deposited in a project account held at First National Bank.

At this time, questions regarding the default rate were discussed by Councilors Handley and Kapenstein, along with responses from Ms. Kreiser.

Adrienne Vicari of HRG Engineering made a presentation on the Water and Sewer Rate study. Ms. Vicari distributed copies of the revised sewer rate options handout to council members. She reported, as part of HRG's work regarding the sewer and water rate studies, we went through and developed several options for water and sewer rate structures. She mentioned she met with the Borough Committee in December 2013 to take a look at the different structures and based upon the feedback there was a single structure that was presented in the draft rate study back in January 2014, which is the one we have been discussing for the past couple of months. Because of some concerns raised by council with Option A, Ms. Vicari stated they have reevaluated Option B1. She said Option B1 is similar to your existing structure in that the rates are billed based upon a minimum charge and then a volumetric approach and includes 100 gallon billing increments. Since originally presenting B1 to the committee back in December 2013, Ms. Vicari stated we updated the rates in Option B1 to reflect the adopted 2014 budget and the impacts of implementing a delayed rate increase. She reported, if an option is approved this month, it will likely take effect in June 2014. Ms. Vicari mentioned the third change made was an increase in the amount of water sold as part of the minimum charge. She noted the current rate structure has a 2000 gallon minimum charge, and we are proposing in Option B1 a 2250 gallon minimum charge. Ms. Vicari referenced the last page of her handout, stating it shows a comparison of Option A and Option B1. She discussed the result of Option B1 and stated that you may not have to raise rates again until 2019. Ms. Vicari reported both methods in Option A and Option B1 are considered appropriate methods for billing sewer service based on industry standards. In closing, Ms. Vicari stated we are comfortable with supporting the Borough with either one of the options.

At this time, questions from Councilor Kapenstein and Council President McNamara regarding the highlighted residential, transfer of tapping fee, the 100 gallon minimum, and advertising of Option B1 were discussed with Ms. Vicari. Mr. Mark Morgan of Susquehanna Financial Advisors

gave an update and explanation of the bond redemption improvement fund to remove any confusion.

Ms. Vicari directed council to keep in mind the rates you are being shown tonight are the ones needed to be enacted now, so they would go into effect in June. She mentioned by delaying that would result in a rate increase.

Mr. Morgan also stated the importance of getting the billing system revised so the first cycle bill going out in July for the June billing consumption will have the new rates. He stressed this needs to be done to get an Engineer's certificate on the sufficiency of the rates to avoid a debt covenant violation on the water and sewer revenues. At this time, questions regarding the default status were discussed amongst Councilors Kapenstein and Louer, Mr. Morgan and Ms. Vicari who gave an update on the conversations she has had with the trustee in regards to the default status.

Mr. Ken Klinepeter, Superintendent of Public Works, explained how the Borough came to the 100 gallon billing.

A motion by Councilor Louer was made to adopt Option A of the water/sewer rates that was advertised. The motion was seconded by Councilor Brubaker.

At this time, Councilors Louer, Handley, Sullivan, Sites, Mayor Curry, Ms. Vicari and Mr. Morgan discussed concerns regarding the effects of both option's rate increases. In response to a question by Mayor Curry would this be effective next billing cycle, Council President McNamara stated he believes staff has communicated it would take a month or more. Borough Manager, Tim Konek confirmed with that statement. Mayor Curry reported on a conversation he and Councilor Sites had with M & T Bank directly, in regards to the requirement of the bond, and stated the bond is to be signed off on by January 1st of every year. Mayor Curry stated he agrees that there needs to be a rate increase, however; he asked can the increase be spread out between now and December 31, 2014, meaning when HRG goes to sign off on the bond on January 1, 2015, that rate will have been implemented. In response to Mayor Curry's question, Mr. Morgan stated yes and they can also sign off on the 2014 sufficiency of rates. Mayor Curry reiterated his question stating, if we adopt Option A which is a 58% increase, can the 58% increase be tapered now until December 31, 2014. In response to Mayor Curry's question, Mr. Morgan stated, no because we would not generate sufficient revenue. Mayor Curry asked Mr. Morgan can we extend it 3 months into 2015. In response, Mr. Morgan stated no because the rate covenant certification is a calendar year rate certification it is not bring back 3 months of revenue from the previous year. Mr. Morgan stressed we have to generate sufficient revenue this year or effectively we are in default of that revenue.

Discussions were held at this time pertaining to the increase in the percentage of the rates from previous meetings to current, the default rate, and bond holder extension, and the covenant in the trust indenture.

Councilors Einhorn and Kapenstein commented on having the information submitted to Council and the public in advance of the meeting.

Councilor Handley made a comment on the way people are viewing how balanced the increases are of both options.

The motion failed 6 – 3, with Councilors Handley, Sites, Kapenstein, Malone, Einhorn, and McNamara voting against and Councilors Brubaker, Sullivan, and Louer voting for.

A motion by Councilor Handley was made to advertise Option B1 of the water/sewer rates. The motion was seconded by Councilor Kapenstein.

Councilor Kapenstein inquired could we vote on either option at the next meeting, since they will both be advertised. Attorney Santucci stated he would need to check the advertisement date, since you can't vote to enact more than 60 days of an advertisement date.

The motion was approved by a 6 – 3 vote, with Councilors Sullivan, Brubaker, and McNamara dissenting.

Council President McNamara introduced Mr. Adam Santucci of McNees, Wallace and Nurick to make a presentation on the proposed "Request for Proposal" for the Lease of Water/Sewer System. Mr. Santucci reported earlier this year Council directed McNees; in conjunction with Susquehanna Group Advisors, to prepare a draft for "Request for Proposals" for the potential

lease of the water and sewer system. He mentioned council was provided a draft of the RFP on March 28 2014 and feedback was received from some council members. He said we were asked to come tonight to provide an overview of the draft RFP to the council and public and answer any questions. Mr. Santucci reported meeting with the committee of the authority and council who provided some general guidelines prior to proceeding. Mr. Santucci reviewed the guidelines so that everyone understands the premises under which they are to operate. He stated the long term lease of the system presents a potential opportunity to help address debt relief and the general fund deficit. Mr. Santucci stated an RFP is not a requirement the Borough take any action on after the RFP is advertised. He said it is only an invitation to provide offers and then to determine whether or not the Borough wants to proceed with any specific offer. He also stated we will have significant controls over the award and the RFP process and there will be significant requirements if the Borough elects to proceed on a successful bidder.

Mr. Santucci explained the three step process of the RFP. He said we believe this process is an efficient process because the Borough is in control of the process. Mr. Santucci explained the key aspects/provisions and high level of importance items of the RFP and the concern from Councilor Louer regarding the potential growth the system might experience.

Mr. Santucci commented and discussed the ability to create an operating authority and the practical and legal concerns associated with the operating authority. He stated an operating authority is a creation of the Borough, which would be looking to the Borough in many respects, to assist it with raising capital.

In closing, Mr. Santucci discussed the financial obligations and decisions which will need to be taken care of by the Authority and Council.

Councilor Louer asked if the content of the RFP advertisement will be what Mr. Santucci presented and explained. Mr. Santucci responded yes

Since Council did not have any additional questions for Mr. Santucci, Council President McNamara opened the comments up to the public.

PUBLIC COMMENT (RFP)

George Vargo, 40 Peony Avenue

Mr. Vargo asked if this would affect the residents at all. Mr. Santucci responded it would affect the rate payers in much the same way as in the discussion of the rate increase. Mr. Santucci stated Council has taken that into account by putting in specific requirements in regards to customer service that the successful bidder must have significant experience in providing water and sewer services elsewhere.

Sandy Robbins, 118 Grandview Avenue

Ms. Robbins asked, if this proposal is so good that somebody wants to come in and take over our system, why can't we do it and why is it going to look so good to an outsider. Mr. Santucci responded there are a couple reasons for that; in which he discussed in detail. Ms. Robbins mentioned her concerns with how the current employees will be treated. In responding, Attorney Mike Jarman or McNeese, Wallace and Nurick provided an explanation of the standard for concession agreements, stating two major concessions were discussed with respect to public employees. He mentioned negotiations, in regards to the employees, are completed upfront. Ms. Robbins asked about the term of the lease. Councilor Kapenstein responded it is a 50 year lease and Mr. Jarman gave an explanation on why the 50 year lease.

Ms. Dawn Knull, 123 State Street

Ms. Knull asked who has the right to decide on the bidder. Mr. Santucci responded Council will decide based on recommendations from the Committee's review. He said he does not think all nine council members will be reviewing the substantial amount of bid documents received. He said we will go through the initial process of reviewing to make sure bidders are qualified, look at the financial terms, and then make a recommendation. Mr. Santucci stated the Authority and Council will need to approve this transaction. Ms. Knull asked shouldn't Council see all of the bids that come in. In responding, Mr. Santucci and Councilor Kapenstein stated Council is more than welcome to see them, if they want, but the Committee was formed to come back and recommend. Ms. Knull stressed she is hoping Council would get all of the information before making a decision and there is a quick response to water and sewer problems with residents. Mr. Jarman reported one of the expected standard provisions of the winning bidder is to have a physical presence in the community. Mr. Jarman provided an explanation on the provisions, bidding process and the negotiating of the terms.

Mike Bowman, 100 Wilson Street

Mr. Bowman said the only way someone can privately do this over us is if they get different tax incentives or breaks. Mr. Santucci stated there are certainly different tax implications and amortization schedules over a period of time. Mr. Mark Morgan commented on the tax implications and capital needs. He also explained the Municipal Authority's Act and the Borough's asset of the water and sewer system.

Rachelle Reid, 448 Grant Street

Ms. Reid directed her question to Mr. Santucci asking what the cost is to the Borough if they bail on the negotiation process of the RFP. Mr. Santucci commented it would depend on how far we are into the process. He noted a past experience with the Borough and stated we did not charge the Borough for their services at that time; however, we would be looking to the Borough for reimbursement of the cost to prepare the RFP, etc. Ms. Reid asked would we be responsible for the fee for the attorney's services as well as the attorney or solicitor services for the bidder, if we would bail. Mr. Santucci responded no, we reserve the right in the RFP to not award a bid or cancel a bid in the process at anytime. Ms. Reid discussed the RFI and RFP and the meetings she has attended in which discussions were held on both. Mr. Santucci stressed an RFI is conducted if you are unsure of your next steps and would cause a significant delay and increase their costs. Mr. Jarman discussed the numerous factors that go into a firm bid. He stated, we would not advise Borough Council to look at this if we did not have a fair sense that they could achieve their objectives.

Council President McNamara introduced Mr. David Stubbs from United Realty & Infrastructure Group, Silver Spring Maryland.

Mr. Stubbs provided information on the URI Group and reported their main focus is primarily on financing and development on commercial real estate and infrastructure. He reported on the Urigroup's interest in the Borough of Middletown and meetings he has had with the community stakeholders such as; the Borough, ICDA, GMEDC, Business Association, and other private landowners vested in the Borough. Mr. Stubbs noted the consistent goal and objective of the stakeholders, is the revitalization of the business district. He also noted the strong economic drivers. He presented the proposed development projects, noting the potential hotel to be located at the intersection of Emaus and Catherine Streets and the relocation of the Mill Street sub-station. Mr. Stubbs stated he is here for an endorsement from the Borough and an execution of a non-binding letter of intent outlining the transactions.

Councilor Louer asked how the Urigroup would help aid the Union Street project in regards to facilitating completion of the project. Mr. Stubbs commented the infrastructure improvements that have not been completed can be bundled along with the financing of the commercial real estate.

Discussions regarding tax exemptions, needs that were identified and the non-binding letter of intent were held between Messrs. Santucci and Stubbs, along with Council President McNamara and Council members.

Council President McNamara mentioned, there is a lot of positive energy out there; and if we don't do something soon we will not benefit from the economic benefit Penn State University provides.

A motion by Councilor Sites was made to receive the non-binding letter of intent from David Stubbs representing URI Group, to move forward on the proposed development projects. The motion was seconded by Councilor Malone and approved by a unanimous vote of 8 – 0. Councilor Handley abstained from voting.

PUBLIC COMMENT**Dawn Knull, 123 State Street**

Ms. Knull contacted Councilor Louer and asked that the Public Safety Committee meetings be held in the evenings to accommodate work schedules of the citizens. Ms. Knull stated her disappointment with the schedule of the Public Safety Committee meetings and asked for the meetings to be held in the evenings. Councilor Brubaker responded he can't make the meetings in the evening, due to prior commitments. Councilor Brubaker discussed the details in the planning and advertising of the meetings and another committee meeting he attends monthly at 1:00 p.m.

Ms. Knull directed Council to turn the cameras back on at Hoffer Park. She stated, in the past four months, there have been burglaries/thefts/robberies at the park. Council President

McNamara and Mayor Curry stated they were both not aware of the cameras being turned off. Mayor Curry stated he believes there was a report of a stolen iPhone.

Ms. Knull asked is the investigation of Mr. Louer, Jr. going to be on the May agenda. Mr. Santucci stated he was not given any information on an investigation involving Mr. Louer, Jr. Councilor Einhorn asked didn't we vote to have the tape recording of the interaction submitted so that we could hear the tape. She commented, that is what Ms. Knull is referring to. Ms. Knull asked is it going to be brought up at the next meeting, since the tape was to be reviewed, then brought up for a vote to determine if Council was going to do a resignation of Mr. Louer, Jr.'s authority. Council President McNamara stated he does not recollect that. Mayor Curry stated, I don't think at the last meeting we even knew of the tape. He said he thinks that came out from the Press and Journal afterwards. Mayor Curry stated, if the minutes are accurate, the vote was to instruct the solicitor to investigate the situation. He also stated, if that includes a tape it includes a tape which I believe is out there. Councilor Handley stated, it was also included to be brought back at the May meeting. Ms. Knull asked that Mr. Rob Louer and Council President McNamara refrain from voting on anything to do with Mr. Louer, Jr.

Mr. Louer asked Ms. Knull about the sewage problem she mentioned earlier. He asked her if she had a floor drain in her house. Ms. Knull stated there was a floor drain and it is now blocked.

Mr. Jack Still, 37 W. Emaus Street

Mr. Still distributed a handout to Council regarding a "Right to Know" request pertaining to the mortgagee for the GMEDC. He asked Council if they knew who holds the mortgage for the GMEDC. Councilor Kapenstein responded, the Borough. Mr. Still reported the Borough and the tax payers hold the mortgage for the GMEDC. He showed Council a copy off the mortgage off the Dauphin County webpage. He discussed the insurance section of the copy and the concerns of water issues and the many stipulations that are not being met.

Mr. Still commented on the sewer/water ordinance. He said Council should have passed the ordinance back in January 2014, that way you would have had money coming in and if you did not like it, you could have changed it at a later date.

Ms. Diana McGlone, 805 Adelia Street

Ms. McGlone sent an email to the Borough Manager, Tim Konek, on April 16, 2014 regarding 242 W. Water Street, a property adjacent to her property at 240 W. Water Street. She commented on the 242 W. Water Street home, stating it has been vacant and unoccupied for several years. Ms. McGlone said she is getting water in her basement, due to the recent rain and the parting wall in which the two properties share. Ms. McGlone would like to know who owns this property. She has not received any response to date from Mr. Konek and that she also reported to police a broken window at the 242 W. Water Street property. Mr. Santucci recommended she contact the County for property owner records. Ms. McGlone responded, she has contacted the County and they can't do anything more for her. She sent numerous letters to the property owner in Texas and has not heard anything. Ms. McGlone would like to get this resolved since there is water coming into her property from a hole in the roof of the property at 242 W. Water Street.

Ms. McGlone reported, at the July 1, 2013 Council meeting, she asked for a new occupancy permit for her property at 240 W. Water Street. She followed up with an email to Mr. Konek on July 3, 2013. She said the occupancy certification she has on this property lists total occupancy is two, which is incorrect based on the square footage of the property. She stated she has an occupancy load for four individuals. She would like her occupancy certificate be changed and she has been waiting over a year.

Ms. McGlone mentioned coming into the Borough for a permit on a property. She was told because it was structural; she would have to pay \$60.00 in advance to Commonwealth Codes. She does not mind paying the \$60.00 fee, but her concern is having residents pay an upfront inspection fee when the permits are valid for 180 days. She stressed this needs to be looked into. Ms. McGlone reported bringing this issue up to the Finance committee at their recent meeting.

Ms. McGlone reported filing code complaints on some blighted properties in the Borough. She would like to know once the complaints are filed, what is the procedure that Commonwealth Codes will be doing and how individuals who file complaints be notified that corrective action is taken.

Council President McNamara stated to Ms. McGlone, your comment is duly noted.

Ms. McGlone asked Council and/or her third ward representatives to have an answer to her previous questions regarding the code complaints at the May Council meeting.

Mike Bowman, 100 Wilson Street

Mr. Bowman reported he received his code complaint posting today. He commented on issues surrounding Ms. Diana McGlone.

Ms. Diana McGlone stated, please have those minutes correct as you will be hearing from my Attorney. She said she is tired of this and Mr. Bowman's personal attacks on me and my family.

Rachelle Reid, 448 Grant Street

Ms. Reid said a couple months ago she made a comment about the Communications Director that was out of line. She said she will start of first by apologizing, but the night she made the comment about him, indirectly or directly, she walked to that door (referencing the council chambers door) and the man threatened me by putting a lien on my house for \$30.97. Ms. Reid stated she put in a "right to know" request and asked for information on the capital improvement fund. She knows that she made a written mistake (incorrect dates), in the request. Ms. Reid stressed it still does not negate the fact the man threatened me with a lien. Ms. Reid said she came in the next day and paid the lien and she did not receive the information she requested, stating at this point it is called fraud.

Ms. Reid said to Council President McNamara, last month or earlier this month you talked about me bringing it to your attention about fraud with the \$200.00. Council President McNamara corrected Ms. Reid stating, I don't think I said anything about fraud. He stated we had our Financial Consultant stand up in the audience and suggest that is was fraud, based upon your comments. Ms. Reid commented she was wrong on that. She asked are you going to refund me the \$30.97 or give me my information and gave details of a telephone conversation with the Director of Communications.

Mayor Curry stated, regardless of any personal attacks of either party, it comes down to getting Ms. Reid the information or give her money back.

Councilor Kapenstein asked Borough Manager, Tim Konek to comment.

Mr. Konek commented it is a "right to know" request and the state law is very clear on the rights and responsibilities and is out of Borough's hands, it is under state law. He said every resident has very clear and enumerated rights and responsibilities for making "right to know" requests and that's the proper venue for this particular thing. In closing, Mr. Konek stated if you are aggrieved in a "right to know" request that is your venue. Ms. Reid stated the actual award was made and is online. She discussed the details on the confusion regarding how the request was made. Ms. Reid asked if she is going to get her money or not.

Council President McNamara stated, based upon the Borough Manager's response, he recommended to Mr. Reid, if she is aggrieved she should contact the office of open records at the Commonwealth of Pennsylvania.

Mr. Courogen commented, I want to make it very clear at no time was there ever any threat of there being a lien. He said he reminded of there being a past due bill.

Councilor Kapenstein recommend Ms. Reid look into the process and also we should look into it here that it was handled properly.

Mr. Mark Morgan reported on the obligations of the Borough, residents and office of open records in regards to "right to know" requests. In closing, Mr. Morgan said the office of open records will also look into the time frames of Ms. Reid's request when she contacts them and will adjudicate that whether she is due a refund or copies the records.

A motion by Councilor Sites was made to authorize the Solicitor to advertise the Request for Proposal for the leasing of the Water/Sewer System. The motion was seconded by Councilor Kapenstein and approved by a 6 – 3 vote, with Councilors Einhorn, Handley, and McNamara dissenting.

A motion by Councilor Einhorn was made to authorize the adoption of Ordinance number 1305 of 2014 in accordance with the Pennsylvania Local Government Unit Debt Act for the purpose of complying with the requirements of the Dauphin County Infrastructure Bank Loan for the funding of the South Union Street Project. The motion was seconded by Councilor Sites and approved by a unanimous vote of 9 – 0.

Council President McNamara stated the Ordinance is what Attorney Kreiser presented earlier in the meeting. He said the Finance Committee took it up at their meeting and all we are doing is complying with the Pennsylvania Local Government Unit Debt Act on our borrowing powers and the state code that required the ordinance be advertised. He stated the ordinance has been duly advertised.

A motion by Councilor Handley was made to authorize the Letter of Credit to be established with Metro Bank in accordance with the PENNDOT requirements for the issuance of the Highway Occupancy Permit (HOP) in the amount of \$179,000.00 dollars and that Borough Manager Tim Konek and Borough Secretary Amy Friday be authorized to sign the loan documents and pledge the collateral in the form of a CD with Metro Bank. The motion was seconded by Councilor Sites and approved by a unanimous vote of 9 – 0.

Council President McNamara stated the standard form is a requirement from PENNDOT. He said it is a standard form showing collateral until the end of the S. Union Street project. He said it will not be touched unless we do not make good on the project. Councilor Handley asked for a scope of the project. Council President McNamara gave a description and geographical scope of the project.

Councilor Einhorn requested having a copy of this information ahead of time. Council President McNamara stated he will make every effort to get all of the information out to Council. He said when the committees start moving, the information will get out, but they just started.

A motion by Councilor Handley was made to authorize the Borough Manager Tim Konek to act as our Designated Agent for the FEMA Hazard Mitigation Grant Program (flood buyout) for the remaining homes to be acquired. The motion was seconded by Councilor Malone and approved by a unanimous vote of 9 – 0.

Council President McNamara reported this is a matter of housekeeping. He said it is a FEMA requirement every time we move through the different phases the Borough Manager will act as the Real Estate agent in the transaction to acquire the homes, as result of the flood buyout program.

Councilor Brubaker asked for the names of the two property owners in the two buyouts.

Mayor's Report

Mayor Curry reported on meeting with Representative Payne, stating there are projects on the horizon.

Mayor Curry reported on the process of assigning the interim chief of police. Mayor Curry stated Sergeant James Bennett will be serving as interim chief of police. He reported Ms. Friday represented that applications for the full time chief of police position that has been advertised, stating one to two have been submitted to the Borough and we will consider those going forward and will conduct interviews with the Chief of Police Association of Pennsylvania and hopes in about 60 days, we could have a full time chief appointed. Mayor Curry stated the department as a whole has respected his decision in terms of Sergeant Bennett and all involved conducted themselves very professional and he congratulated Sergeant Bennett.

Mayor Curry gave a report on the number of calls in the police department for the month. He stated there were .8 – 1 call per hour. Mayor Curry said he will submit the formal report to the Borough Secretary to get to the Council President.

Mayor Curry reported receiving applications for the four part-time police positions that were approved to be advertised by Council. He stated he is very impressed with what he received thus far. Mayor Curry explained the process of how the application materials were being reviewed and handled. He stated Sergeants Bennett and Heister were tasked to assist in the process.

Mayor Curry commented on the Historical Society Museum, stating he attended the Historical Society meeting and explained to them what was discussed at the last Council meeting. He stated they are on board and understand that Council wants all Boards and Commissions of the Borough organized and abiding by the Borough Code and they are eager to get into their new home.

Mayor Curry commented on his disappointment with pictures of two of the buildings Ms. Diana McGlone submitted to council earlier on blighted properties in the Borough. He recommends Council look into two part-time positions for property maintenance.

Manager's Report

Mr. Konek reported on attending a meeting with Representative Payne. He said Rep. Payne was visiting with all the towns in his district to discuss some future PENNDOT projects that he has an opportunity to include in legislation. Mr. Konek said the time frame for any of these projects is five to twelve years out, since PENNDOT projects for the next five years is already listed out. He reported Superintendent of Public Works, Ken Klinepeter and Councilors Rob Louer and John Brubaker all attended the meeting. Mr. Konek explained a couple of the projects and their estimated costs that were discussed at the meeting, which meet the criteria. Councilor Brubaker added all interstate bridges are in the process of being widened to three lanes. He said the interstate and turnpike will all be three lanes each way eventually.

Mr. Konek reported discussions with Ken Klinepeter looking at hiring some seasonal and casual laborers to assist with the grass mowing and that type of work. We are going to advertise and hire six seasonal and two casual laborers in the very near future.

Secretary Report

Ms. Friday reported on attending three training sessions administered through the Pennsylvania State Association of Boroughs.

Ms. Friday reported on the letters of interest for the Boards and Commissions of the Borough have all been submitted and copies given to each of the Council members. She stated she received a total of nine letters of interest. Mayor Curry informed Ms. Friday he received one more letter for the Shade Tree Commission and he will forward onto Ms. Friday.

Ms. Friday explained the process of items received for the Committees will be forwarded onto to the specific Committee to discuss at their next meeting.

Mayor Curry asked Mr. Konek if the letter regarding the \$200 was mailed out to Ms. Klocko. Mr. Konek responded, yes.

Mayor Curry recommended for the Council to consider advertising for the two property maintenance positions as soon as possible, due to the number of blighted properties in the Borough.

Council President McNamara responded to Mayor Curry's comments on the blighted properties, stating none of that happened in the past two to three years.

Council President McNamara reported some ten years ago they formed a Uniform Construction Code across Pennsylvania. He said Middletown was given a choice to opt in or out and they decided to opt in. Council President McNamara explained someone on the staff had to have all of the certifications to enforce the Uniform Construction Code. He reported, Middletown did not have a code enforcement officer and they hired the infamous Ed Kazlauskas, who was a retired engineer from PENNDOT and he did not have any of the certifications to enforce the Uniform Construction Code. Council President McNamara said Ed Kazlauskas was fanning out the work to a list of third party engineers off the Commonwealth of Pennsylvania's Department of Labor and Industry website who provide those services. He said after Mr. Kazlauskas left the Borough, that is when we arrived at Commonwealth Codes.

Council President McNamara mentioned Commonwealth Codes is one of those agencies that provide that service and because we opted into it, we have to have a Building Code Official that has statewide jurisdiction. He stated this is who we use as a code official from a building standpoint and Mr. Konek stumbled upon them and they also provide property maintenance. Council President McNamara mentioned, Mr. Konek has been canvassing the town and what he can report to you is that service is already being performed. In closing, Council President McNamara stated, if there is still a need for it, I am in favor of it.

Mr. Konek provided council with some examples of property maintenance issues being resolved.

Council President McNamara reported structural complaints are not a property maintenance issue. He said they must be dealt with by a Building Code Official that is certified by the state and those requests may take a while.

Mayor Curry asked if the two property maintenance positions are not needed, can we reallocate the funds in the budget towards something else.

Mr. Mark Morgan stated he has not done a reallocation analysis on that, but if there is something that we could free up, then we could do an analysis and report back.

Councilor Handley asked how often we have Commonwealth Codes here. Mr. Konek said they are usually here on a regular basis and also act on complaints they receive. Council Handley made a recommendation to use the money budgeted for the part timers. He recommended bringing them in on a regular basis in the spring and next couple months and look into what needs to be addressed.

Mayor Curry agrees with this due to the revitalization that is to occur.

Councilor Sullivan made recommendation for Borough employees who are driving around town to make a list.

Community Development Committee Report

Councilor Sites reported the committee will be meeting on Wednesday night at 7:00 p.m. in Council Chambers.

Administration and Personnel Committee Report

Councilor Sullivan stated nothing to report

Subcommittee on Labor Relations

Councilor Brubaker reported on meeting with the Teamsters on Friday at Mr. Santucci's office.

Public Works

Councilor Brubaker reported the first meeting was a reorganization meeting held on March 28, 2014. He reported Councilor Brubaker was appointed Chairman, Councilor Louer was appointed Vice Chairman and Councilor Sullivan was appointed Secretary. He reported several items were discussed. Mr. Brubaker reported the Scada System has been completed and additional training is needed for Mr. Wilsbach. Mr. Brubaker reviewed the Scada training expenses and stated it was recommended to present this to Council but there was no second. Mr. Brubaker discussed the AB chance cut outs, stating he asked Mr. Klinepeter to get the list from Mr. Wilsbach to present at the May 5, 2014 Council meeting.

Council President McNamara asked Councilor Brubaker to revisit the feasibility study on the relocation of the substation and share it with Councilor Handley and come back to the Council with a recommendation.

Councilor Brubaker reported on trees on the North side of Wilson Street. He stated possible removal would need to be discussed with the Shade Tree Commission.

Councilor Brubaker reported on an action item for an itemized listing of how the \$10,000 given to the Middletown Baseball Association last year was spent. He stated we have not received the information. He would like to have the itemized list, training for Scada System, follow up on the trees and the defective AB chance cutouts on the agenda for the May Council meeting.

Councilor Louer reported the April 7, 2014 minutes of the water and sewer meeting. He said items discussed were hydro flow testing, employees and their language in the streets, sewer overflow in Hoffer Park, and ownership of the pump building to have it removed. Councilor Louer recommend establishing ownership of pump building.

Councilor Brubaker reported on Friday, April 18, 2014 at 9:00 a.m. there was a preconstruction meeting on the downtown project of the water and sewer. Councilor Brubaker handed Council a packet consisting of two items that are in the State Legislature. He noted House Bill 1581 a way to get out of a pension mess for all municipalities. Councilor Brubaker would like to have this listed on the agenda for the May meeting, for the Director of Communications to send a letter to Representatives that we approve of House Bill 1581.

Public Safety

Nothing to report.

Finance Committee

Councilor Kapenstein reported the Finance Committee met last Monday, April 14, 2014 and will be meeting the second Monday of every month. He reported the committee organized and Councilor Vicky Malone will be serving as Chair, Councilor Sue Sullivan as Vice Chair and Councilor Ben Kapenstein will be serving as Secretary. Councilor Kapenstein stated they discussed the RFP and water and sewer rate increase.

Council President McNamara asked the Finance Committee to discuss at their next meeting and get back to Council on a recommendation on the issue of electric shutoffs. He reported being advised by Mr. Mark Morgan, Borough's Financial Advisor, the delinquencies have sky rocketed. Council President McNamara stated we need to figure out how to deal with this on a policy standpoint.

Rec Board

Councilor Kapenstein reported talking to Barb Layne and she told him she would send an email when they are going to meet.

GMEDC

Nothing to report.

Councilor Handley made a motion to adjourn. It was seconded by Councilor Einhorn and approved by unanimous consent. At 10:20 p.m., the meeting was adjourned.

Amy J. Friday
Borough Secretary