

MUNICIPALITY OF KINGSTON TOWN COUNCIL

REGULAR MONTHLY COUNCIL MEETING

OCTOBER 5, 2020

MINUTES

A regular monthly meeting of the Town Council of the Municipality of Kingston was held in Council Chambers, 500 Wyoming Avenue, Kingston, Pennsylvania, on Monday, October 5, 2020, at 7:00 p.m.

The following members of Council were present.

Mr. Robert Thompson, Jr.-President

Mr. Anthony Dicton-Vice-President

Mr. Rob Jacobs - excused

Mr. Jack Schumacher

Mrs. Roberta Rowlands

Mrs. Nancy Cooper

Mrs. Margaret Neville - excused

Others present: Paul J. Roberts, Jr.- Mayor; Paul Keating, Administrator; Harry Mattern, Esq., Solicitor; Julie Norton, Secretary

SWEARING IN OF BRIAN BLOOM, RESCUE CAPTAIN:

At 7:05 p.m., Mayor Roberts swore in Brian Bloom as Rescue Captain of the Kingston/Forty-Fort Fire Department.

Chief Guido thanked Council, Administration and Civil Service Commission on all of their hard work for the Fire Department. Welcome Captain Bloom.

Mr. Thompson welcomed Captain Bloom and wished him the best.

PRESENTATION FROM VERIZON:

This was the second presentation from Verizon focusing on radio frequency. Andrew Peterson, of DPM Engineering, is a radio frequency engineer and discussed guidelines and safety information for small cell towers. Radiofrequency energy is used to transmit information without wires. The towers are attached to wood poles and covers a smaller area. Small cell towers are less powerful, but closer levels of exposure are on par to macro power. There are no quantifiable

adverse health effects in humans caused by exposures at or under the current cell phone exposure limits. Mr. Peterson will email Mr. Keating his presentation so that it could be uploaded to our website.

CITIZENS' REQUEST TO ADDRESS COUNCIL:

R. Clark Stewart, 12 Meyers Court – In the area of Meyers Court, there are junk cars and piles of garbage all over the place. Nothing has been cleaned up. This is a neglected area. Mr. Stewart is hoping that this end of town would get cleaned up. This area could be cleaned up with some commitment. Mr. Stewart feels that Kingston is sharply partitioned. Municipal Services and tax dollars are not portioned out fairly. There aren't even sidewalks. Enough is enough.

Regarding, DPW assignments, it is hard to believe there are not any assignments written down. Mr. Stewart just wants the daily assignments. Mr. Dicton showed Mr. Stewart DPW's monthly report. Mr. Keating told Mr. Stewart that assignments are verbal. Mr. Stewart believes that DPW works only in the best part of town and the other streets just sits. Mr. Stewart recalls that his street was not plowed and came to the Municipal Building to ask why his street was not plowed. This happened in 2006.

ADMINISTRATIVE VERBAL UPDATE:

Before going into the report, Mr. Keating thanked the WWSA going beyond for us. Each community gets five basins a year that they will rebuild as part of the MS4 program. Because we are a larger community, they have agreed to five additional basins rebuilt. That will help DPW.

Work started today at Korn Street Park for the new rain garden. It will create a BMP which is part of the MS4 program that Kingston will get credit.

Church Street park is now officially opened. A dedication will happen within the next few weeks. DPW did a great job on the park.

PRESENTATION OF 2021 OVERVIEW OF PUBIC SERVICES, FINANCES, CAPITAL IMPROVEMENTS AND LONG-RANGE PLANS:

The Home Rule Charter requires the Mayor to submit to Council a comprehensive long-range plan for public services, capital improvements, and fiscal policy by the first Monday of October.

In July we requested from council and department heads for their needs, their wish list and their budget.

Kingston officially closed on the capital bonds on September 30. \$1,800,305.72 is now in a bond capital account.

The COVID-19 Pandemic created a whole new level of challenges and uncertainties for our community during 2020. In April, the Mayor, Mr. Thompson, Mr. Diction and Mr. Keating met and never thought that we would be in the shape we are in today. Surprisingly, things look very good given the circumstances.

For the fiscal year of 2020, appropriations for personnel account for 65.60% of Kingston's \$9,346,384.00 General Fund Budget. After paying for personnel and fringe benefit costs, 34.40% of all General Fund resources remain available for operating, overhead, and capital improvements in the 2020 budget. The cost of desired capital improvements substantially outweighs available resources. Grant writing is a top priority of this Administration.

The appropriation for Earned Income Tax accounts for 49.91% of all General Fund Revenues. The Municipality achieved a new investment grade credit rating with Standards and Poor's during the 2020 COVID-19 Pandemic. Kingston's new bond credit rating effective September 2020 is AA-.

Since the inception of the LSA Program in 2008, Kingston is the recipient of \$10,173,303.00 in LSA program awards. Pending LSA application that was submitted last year for improvements to this building has not been funded. No LSA's have been funded. LSA requires letters, resolutions and attachments. By the November council meeting we will need to discuss what we are applying for. These grants are funded by the casinos and, as you know, they were closed for quite a while. Next year, the pot for these grants will be significantly smaller than years past.

Grants were able to be combined which is a huge help. The following LSA grants are now closed/completed: #9 Kingston/UGI Public Safety Partnership Project; #11 2018 Church Street Park Renovation Project; 2019 Greenways, Trails, and

Recreation Program Grant/2019 Church Street Park and Playground; and, 2020 Luzerne County Office of Community Development Infrastructure Grant.

There are funds remaining in the LSA #12 2019 Kingston Recreation Center and Public Safety Improvement Project in the amount of \$43,971.00. The Administration is suggesting that the remaining funds be repurposed to pay for the protective canopy required by Norfolk Southern Railway as a condition for the easement necessary to connect Keiper Park with municipal right-of-way along Third Avenue. The repurposing of the grant funds will require approval from DCEC. The expiration date of the grant is June 30, 2022. This would be helpful in the Multimodal project.

The fire department secured a grant from FEMA in the amount of \$45,545.45 and \$13,563.39 totaling \$61,108.84 for 18 sets of new bunker gear. The Municipality's cost share on the equipment was \$4,924.16.

West Union Street is completed and the total was \$370,115.81. There are excess funds and there is a call into the Office of Community Development to repurpose the remaining funds. No answer has been received at this time.

As of this date, no monies have been drawn towards the Multimodal Project. Payment requests have been for engineering and professional services that are not covered by the grant. Hopefully, the easement will be secured by the end of this year. Contracts have been awarded to Kuharchik Construction for street lighting and to Multiscape for illuminated pedestrian crosswalks. Council has awarded Resolutions for street lights and pedestrian crossing. The Municipality will need to commit a minimum of \$132,935.95 from the new Bond Capital Account or other source of funding in addition to the grant award to complete the new pedestrian pathway.

The 2020 West Union Street Beautification and Infrastructure Improvement was not selected for funding during the 2020 round. Administration intends to resubmit the application during the next available period.

LSA#13 - Kingston Municipal Building Renovation Project applied for \$509,002.00 in December 2019. This application is pending as there has been no award announcement.

The Dept. of Agriculture Rural Development grant to upgrade all mobile communication equipment for the Police and Fire Departments for compatibility

with new Luzerne County 911 protocols. This grant will pay for 65% of the total equipment cost of \$75,822.00.

The 2021 Cares Act Grant has been awarded \$203,467.00 to purchase a 2020 custom Pierce Pumper for the Kingston/Forty Fort Fire Department. The total cost of the new apparatus is \$483,650.00 and will take delivery on December 31, 2020. Letters will be sent to the Columbian Volunteer Fire Department and Independent Volunteer Fire Department requesting contributions of \$50,00.00 from each Department. The Municipality will finance whatever balance remains through a long-term financing arrangement.

Mr. Keating is requesting council to read Potential Projects and contact him should they have a priority or a vision for Kingston.

Currently, there are 74 full-time employees.

Kingston has no unfunded debt, we have good debt. On a borrowing base of 250%, the debt limit is \$22,196,106.00 with a \$11,582,944.00 outstanding debt and \$10,613,162.00 remaining borrowing capacity. On a borrowing base of 350%, the borrowing capacity is \$19,491.604.

Only 6.20% of Kingston homeowner's annual property tax payments go to Kingston the rest of tax dollars are Wyoming Valley West School District and Luzerne County. Additional fees that Kingston residents are paying fees for are the Levee (Luzerne County), Stormwater (WVSA), and Recycling (Kingston).

There are the actual amounts of real estate taxes collected in the past five years, total assessed value of all real estate and who the top ten taxpayers of real estate pointed out on pages 13 and 14. The top ten taxpayers represent 8.4% of the total 2019 assessed value of the Municipality in the amount of \$726,483.00. Please note that there was no real estate sold in the Municipality during the months of April, May and very limited in June due to the mandatory COVID-19 shutdown ordered by Governor Wolf. Local Enabling Taxes are comprised of the Earned Income Tax, Mercantile Tax, and Local Services Tax. The appropriation for Earned Income Tax accounts for 49.91% of all revenue appropriated in the Fiscal Year 2019 General Fund Budget. The actual amounts of Earned Income Tax collected by the Municipality during the past five years is included in this presentation and for your perusal.

Mr. Keating included a letter from Berkheimer Agency (italicized) illustrating the Municipality's earned income tax collection projections as related to COVID-19. The 4th Qtr 2019 and 1st Qtr 2020 payments were minimally affected by COVID restrictions, resulting in your 2020 Year-To-Date collections (through August) changing by 4.57% compared to 2019. Berkheimer has six (6) bullet points which will account for the longer-term effects. There are other variables that, at this point, cannot be defined. However, there will be delays in providing the "State List", which will affect the timing of the delinquent tax collection process. This means that some delinquent revenues that you may have seen in 2020 will be pushed in to 2021.

Mr. Keating pointed out to council (pages 23 and 24) the Mercantile Tax information, top tax payers during 2020, top tax payers for Mercantile Taxes during 2019 based on gross receipts, ten largest employers for 2020, as well as Local Services Taxes information.

Under the heading "Understanding the Municipal Budget and Overview of Municipal Expenses", Mr. Keating wants to point out to council the total amount of annual General Fund Spending for the last five years and what is costs each resident in the Municipality for Essential Government Services in the 2020 Municipal Budget.

All of Kingston's bank accounts are with Fidelity Bank. Fidelity Bank was awarded all of the Municipality's banking through an RFT for Banking and Borrowing Services in December 2016. Fidelity pays interest on all accounts at .30%. On September 30, 2019 our cash on hand in the General Fund was \$1,246,644.64. Effective September 30, 2020 our cash on hand in the General Fund is \$1,612,123.21. The Administration successfully negotiated a new interest rate on borrowing in April of 2020 as part of an overall cost mitigation plan due to the COVID-19 pandemic. The fixed rate of interest on the borrowing was reduced from 4.5% to 3.125%.

Estimated Liquid Fuels funding for 2021 is \$329,629.47. The funding is based upon street mileage and population. The Municipality received Liquid Fuels funds in the amount of \$365,765.94 for Fiscal Year 2020. The Municipality also receives annual Turnback Funds through the Liquid Fuels Program in the amount of \$10,920.00.

The premium for Workers Compensation Insurance for the period August 1, 2020 through July 31, 2021 is \$221,922.00. The expiring premium for the period August 1, 2019 – July 31, 2020 was \$224,973.00. The premium is going down a little bit to \$221,922.00.

The health insurance renewal rates for 2020 are unavailable at this time. The Municipality will receive a return of premium for 2019 performance in the amount of \$44,973.78 in November of 2020. The Municipality's rate information for 2021 is set to be released during the week of October 15, 2020.

Pension Funds, as outlined on the bottom of page 28. In 2020 the MMOs total \$296,243.00, but in 2021 the MMOs will total \$592,891.00. The unit value of state pension aid for 2020 is \$4,923.83. The aggregate amount of the Municipality's MOs increases significantly by \$296,648.00 from FY 2020 to FY 2021. The total aggregate amount of the 2020 MMOs are \$296,243.00. The Municipality's distribution of state pension aid for 2020 totals \$605,631.48. The Municipality's loan payment to Fidelity Bank totals \$390,588.61. Therefore, the Municipality will pay \$81,200.13 from the General Fund to satisfy the funding of the 2020 MMOs. By renegotiating the interest rate, the Municipality will save \$26,299.87 in appropriated expense even with the unanticipated 4% reduction in state pension aid for FY 2020. The significant factor that drives the cost of MMOs is the amortization cost. Amortization costs are caused by investment losses. The Administration will closely monitor and weigh all available options for the protection of our pension plans and cash reserves of the Municipality.

The unit value of state pension aid decreased by 4% or \$196.66 per unit. This year the unit value is \$4,923.83 and in 2019 the unit value was \$5,120.49. By renegotiating the interest rate with Fidelity Bank earlier this year on the 2017 borrowing, the Municipality will save \$26,299.87 in appropriated expenses even with the unanticipated 4% reduction in state pension aid for FY 2020. The Administration will closely monitor and weigh all available options for the protection of our pension plans and cash reserves of the Municipality.

Our debt service, as outlined on page 30, illustrates a representation of the Municipality's actual and anticipated debt service for FY 2020. This debt service consists of small equipment and vehicles.

For the fiscal year 2019, Pringle Borough is paying the Municipality \$73,557.00 for police services. The Agreement was renegotiated for a term of four years with increases of 1% annually.

The Municipality is in need of a new street cleaner which costs approximately \$275,000.00. The Municipality's balance in WVSA's Stormwater Savings Account is \$71,822.32. The Municipality is set to receive two additional distributions in the amount of \$11,372.71 each for the remainder of 2020. The proceeds of the savings account can be used for projects specifically related to WVSA's Regional Stormwater Management Program, which will be used to purchase a new mobile street cleaner. There will be a substantial down payment from our Stormwater Savings Account.

2020 has been a very challenging year for our government. The pandemic has placed tremendous anxiety on our residents and unprecedented stress on the Municipality's resources. Eliminating discretionary spending and restricting debt became the paramount focus for mitigating potential losses of revenue that lie outside of the Municipality's control.

The Summer Parks program was eliminated. DPW has two full time vacancies that are still vacant. Capital spending by Administration has been scaled back.

Although the Kingston Municipal Building was closed to the public, our Administrative employees worked daily without any complaints or resistance. Unfortunately, due to the uncertainty and unknown duration of the pandemic, all non-management employees on Kingston's Administrative team were temporarily furloughed or required to use accumulated leave for being compensated. All employees understood and fully cooperated.

Thank you to all members of the Municipal Council for voluntarily giving up their pays during the months of April and May for the financial sake of our community. Kingston is fortunate to have such dedicated and community-minded officials.

Mr. Keating thanked everyone for listening and this is his 24th year working on the budget.

AGENDA ITEM:

It was moved by Mrs. Rowlands and seconded by Mrs. Cooper that **Resolution 2020-26**; Adopting the Luzerne County 2020 Hazard Mitigation Plan

Motion carried and so ordered.

The vote of Council was recorded as follows:

Mr. Schumacher - Yes

Mr. Dicton – Yes

Mrs. Rowlands – Yes

Mrs. Cooper - Yes

Mr. Thompson – Yes

Motion passes.

It was moved by Mr. Schumacher and seconded by Mr. Dicton that **Ordinance 2020-27**; Approving the appointment of Nancy Cooper and Roberta Rowlands to the Board of Directors of the Hoyt Library

Motion carried and so ordered.

The vote of Council was recorded as follows:

Mr. Schumacher - Yes

Mr. Dicton – Yes

Mrs. Rowlands – Yes

Mrs. Cooper – Yes

Mr. Thompson – Yes

Motion passes.

REPORTS:

The Fire Department responded to 392 calls.

There are 505 memberships at the Rec Center. Greg Shiner began his 37 radiation treatments. Mr. Keating wishes him the best.

Code Enforcement issued 5 violation letters, 6 non-traffic citations and performed 4 quality of life tickets.

The Police Department responded to 671 calls and 32 were in Pringle.

DPW collected 270 tons of garbage and 121 tons of single stream recycling. Paving was done on East Hoyt Street, North Landon Avenue and Wright Avenue. Church Street Park was officially finished this date.

Finance reports are attached for your perusal.

NEW BUSINESS:

Mr. Keating had no comment.

Mayor Roberts had no comment.

Mr. Mattern had no comment.

Mr. Schumacher thanked the Mayor and Administration for another fantastic 2021 projection. Our Department Heads are the best. When will the library be open? The Mayor said that it will be soon, but there is no date.

Mrs. Rowlands thanked Mr. Keating for his time and effort and his explanations are on point and we are all able to understand. Thank you Chief Kotchik and Chief Guido for all they do for Kingston.

Mr. Diction congratulated Brian Bloom for his promotion. Mr. Diction also thanked both Chiefs for all of their work. Thank you Mr. Keating for everything you do for Kingston.

Mrs. Cooper thanked Mr. Keating and the Mayor for doing such a good job. There are very positive comments for Kingston. Congratulations to Brian.

Mr. Thompson thanked everyone involved in Mr. Keating's presentation. At a Hoyt Library meeting recently, it was learned that the Estate of Geraldine Hourigan has donated \$400,000.00 to Kingston.

There being no new business and no further business, it was moved by Mrs. Cooper to adjourn the meeting at 8:40 p.m.

FOR THE TOWN COUNCIL:

Robert Thompson, Jr., President

ATTEST:

Julie Norton, Secretary
October 5, 2020