

**Meeting Minutes of Middletown Borough Council
November 1, 2016**

The November 1, 2016, regular meeting of the Middletown Borough Council was called to order at 7:04 p.m. in Council Chambers at 60 W. Emaus Street, Middletown, Pennsylvania by Council President Ben Kapenstein.

After the Pledge of Allegiance, the following Council members answered roll call: Anne Einhorn, Diana McGlone, Dawn Knull, Ian Reddinger, Robert Reid, Damon Suglia and Ben Kapenstein. Also present were Mayor James H. Curry III, Borough Manager Ken Klinepeter, Solicitor Esch McCombie, and Borough Secretary Grace Miller.

Public Comment on Agenda Items – None

Approve Meeting Minutes – October 18, 2016 – **MOTION** by Ian Reddinger, second by Damon Suglia to approve Council meeting minutes for the October 18, 2016, meeting as amended. Motion carried by a vote of 7 to 0.

Approval of Bills - **MOTION** by Dawn Knull, second by Ian Reddinger to approve payment of bills as shown on the Accounts Payable List dated October 31, 2016, for the period October 15, 2016 through October 31, 2016, to ratify approval of such bills already paid, and to authorize the appropriate officials to take required actions to make said payments and approval of payment of \$439.77 from the ICDA to the Borough of Middletown. Motion carried by a vote of 7 to 0.

Presentation – Investment Firms (Pension and OPEB Funds)– President Kapenstein turned the meeting over to Vice President Suglia and recused himself from the meeting. Mr. Klinepeter stated that President Kapenstein had previously submitted a Conflict of Interest letter due to a working relationship with a subsidiary of one of the firms who will be presenting tonight. Mr. Klinepeter noted that RFP's were requested for Investment and Management Services for the Borough's Non-Uniform Defined Benefit Plan and OPEB funds. In accordance with the direction of Council, contact was made with the top three rated investment companies who sent in a proposal and they are in attendance tonight to make a 20 minute presentation allowing for a 5 minute question/answer period with Wells Fargo being the first to present. Tom McKean, David Schibetta and David Nelson from Wells Fargo were in attendance to present information on the Wells Fargo investment program noting that Wells Fargo currently handles the post-retirement accounts of the Borough. Wells Fargo representatives indicated a specialized investment team would be assigned to the Borough if they are awarded the opportunity to handle Borough funds. Reporting to pensioners would be done as a 1099 form at the end of the year. Other pensioner reporting would be provided by Council's actuary.

Mr. Klinepeter introduced PFM Asset Management, LLC as the second firm to present. Marc Ammaturo and Alexander Goldsmith were in attendance to present information on

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the PFM Asset Management Services. Mr. Ammaturo stated that the representative who would be handling the Borough's accounts would be Mark Yasenchak who had a prior commitment and was not able to attend. Representatives indicated PFM is an independent financial firm based in Pennsylvania with over 400 employees in the Commonwealth currently holding 90 municipal retirement plans in the Commonwealth.

Mr. Richard Hazzouri of Morgan Stanley was in attendance to present the third and final presentation. Morgan Stanley uses Graystone Consulting for investment management and consulting and currently holds 64 clients in Pennsylvania.

All investment groups left at this time and President Kapenstein returned to the meeting with Vice President Suglia turning the meeting back over to him.

Adopt Ordinance 2016-1330 – Mr. Klinepeter noted the Code Enforcement Ordinance mainly gives the Borough the power to have an appeal board. **MOTION** by Diana McGlone, second by Anne Einhorn to adopt Ordinance 2016-1330 Revising Code Enforcement. Motion carried by a vote of 7 to 0.

Adopt Ordinance 2016-1331 – Mr. Klinepeter stated this will clean up the existing code and replaces it with the Uniform Construction Code. **MOTION** by Diana McGlone, second by Anne Einhorn to adopt Ordinance 2016-1331 amending Chapter 114 of the Construction Code. Motion carried by a vote of 7 to 0.

Adopt Ordinance 2016-1332 – Mr. Klinepeter noted this cleans up the Property Maintenance Codes repealing redundancies and making the codes more uniform. **MOTION** by Diana McGlone, second by Ian Reddinger to adopt Ordinance 2016-1332 amending the Property Maintenance Code. Motion carried by a vote of 7 to 0.

Ratify Emaus Street Water Line – Mr. Klinepeter noted this is the additional cost needed to make the alternate tie in from Main Street due to the need to get around a gas line. Mr. Klinepeter indicated another issue has recently occurred causing a delay in making the connection due to the need to meet Suez requirements and this will cause additional costs. **MOTION** by Robert Reid, second by Ian Reddinger to ratify and approve the payment of \$9,725. change order to re-route the water line for the contribution agreement with PennDOT for Emaus Street water line extension project. Motion carried by a vote of 7 to 0.

Renewal of Nixle Agreement – Mr. Klinepeter noted that the Nixle Agreement expires at the end of December and Councilor Knull had been looking into other software. Councilor Knull recommended approving the Nixle Agreement as they had reduced the original quote and are now offering a 3-year agreement at \$3,000. per year. **MOTION**

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by Dawn Knull, second by Robert Reid to authorize the Borough Manager to sign the contract with Nixle for a 3-year term at a cost of \$3,000. per year. Motion carried by a vote of 7 to 0.

Winter Storm Procedures – Mr. Klinepeter noted that Council had requested staff to look at the Winter Storm Procedures. Staff has begun to look at the procedures and a few minor changes may be needed which will be brought to the meeting on the 15th.

Beautification of Properties by New Train Station – Mr. Klinepeter stated that Councilor Reid had expressed concern about the view around the public works compound and had suggested possibly planting trees. Mr. Klinepeter noted the area is very tight in getting trucks turned around and the soil is not very good. Councilor Reid mentioned the new train station will be coming and the view looking towards Borough property is poor. President Kapenstein requested Mr. Wilsbach to come up with some ideas to share with Council.

Crime Watch Program– Mr. Klinepeter noted that Councilor Knull and Chief Bey have been working together to create a Neighborhood Crime Watch Program and requested approval to place an ad for the program in the Press and Journal. Councilor Knull stated that there is a meeting scheduled at the Liberty Fire Hall on November 16, 2016 at 6 p.m. for all residents to attend. The topics being covered will be how to start a crime watch program in your neighborhood, quality of life issues and crime prevention. It is planned to make this a bi-monthly meeting. **MOTION** by Robert Reid, second by Ian Reddinger to ratify the purchase of 4 x 8 full color ad for the Crime Watch Program in the Press and Journal in the amount of \$97.04. Motion carried by a vote of 7 to 0.

Appraisal of ICDA Properties – Mr. Klinepeter noted that ICDA owns properties at 8 North Union Street, 3 East Emaus Street and 27 East Emaus Street that it wishes to sell. Mr. Klinepeter noted he received two proposals for appraisals and requested authorization to have a commercial appraisal done on these 3 properties using the services of Mark Heckman Real Estate. Mayor Curry indicated the ICDA has been approached regarding the 27 East Emaus Street property and requested a segregated proposal be completed. **MOTION** by Dawn Knull, second by Ian Reddinger to authorize the Borough Manager to enter into an agreement retaining the services of Mark Heckman Real Estate Appraisers for the properties located at 8 North Union Street, 3 East Emaus Street and with a segregated appraisal of 27 East Emaus Street at a cost not to exceed \$1,900. Motion carried by a vote of 7 to 0.

Middletown Business Association – Mr. Klinepeter noted that ICDA ran an ad in the Patriot News requesting applicants to apply to serve as organizational directors of the Middletown Business Association and 5 have responded who would like to serve on the

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Business Association. Councilor Suglia questioned as to whether or not the Borough was going to be involved with this Association. Councilor McGlone stated the Borough will not be involved with this Association. After some discussion, Council approved the ICDA to appoint members to the Middletown Business Association. **MOTION** by Diana McGlone, second by Robert Reid to recommend to the ICDA to appoint Scott Miller, Scott Sites, Carol Kupp, Robin Pellegrini and Joseph Suple to serve as directors on the Middletown Business Association. Motion carried by a vote of 4 to 3. Ann Einhorn, Ian Reddinger and Ben Kapenstein dissenting.

Councilor Ian Reddinger, as Chair of ICDA, requested that ICDA advertise to hold a special meeting on November 15, 2016 at 6:30 p.m. in order to appoint 5 individuals and have it ratified by Council at Council's meeting on November 15, 2016.

Councilor Robert Reid asked Greg Wilsbach, Public Works Director, what the progress is on downtown parking. Mr. Wilsbach informed Council that he has identified changes that Council will need to make to the Borough's Ordinance in order to enforce parking restrictions. President Kapenstein requested this information be brought to Council at the November 15, 2016 meeting. Mr. Wilsbach noted he will send the information to Council prior to the November 15, 2016 meeting for their review.

President Kapenstein noted that the Council is having a Budget Meeting on Thursday, November 3, 2016 at 6:30 p.m. which is open to the public.

Elks Building Grant – President Kapenstein noted that the Borough received a grant from RACP for \$500,000 that would need matching funds by the Borough for rehabilitation of the Elks Building. President Kapenstein stated he has a meeting scheduled with Dave Black of Capital Region Economic Development Corporation (CREDC) to discuss whether or not they can assist the Borough due to the amount of work involved. Mr. Klinepeter asked if the Borough moves forward and accepts the grant, who is going to operate the facility once it's completed as the grant is very specific with its requirements. Councilor Reid asked how much the funds were that are being set aside from the cell tower rentals. President Kapenstein noted the escrowed funds are less than \$100,000 and the sale of the McNair building will contribute toward that fund as well. Mayor Curry commented the projected costs to rehab the theater were around \$1.3 million. Mr. Gordon Einhorn indicated that the Friends of the Elks and Tattered Flag had met with A.P. Williams who went through the building and are putting together a proposal for what needs done to make this into a multi-use facility.

Councilor Dawn Knull left the meeting at 9:05 p.m.

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Councilor Ann Einhorn noted that Communities that Care will be presenting at the Council meeting on December 6, 2016.

Public Comment

Kay Whelan (131 Keystone Avenue) – Ms. Whelan stated what great news to hear about the grant for the Elks and hopes the intent is to make it operable for the community. Ms. Whelan expressed her interest in the Crime Watch Program indicating concern about her neighborhood and encouraging residents to get involved. Major Curry noted that the Crime Watch in conjunction with Communities that Care will be helpful to the community.

Jenny Miller (227 West Water Street) – Ms. Miller asked whether the Codes Ordinances that Council passed would enable anything being done with the property located behind her home. Councilor McGlone assured her they would. Councilor Reid noted that the property at 329 N. Catherine street needs attention as well. Ms. Miller indicated that when you are at Tattered Flag Bunkies is in plain view, which is not a view the Borough wants seen.

Jonathan Crist – Mr. Crist stated he used to run the Elks Theater and custom built the sound system in the theater. Mr. Crist noted he had taken the speakers with him when he left, but requested permission to remove the custom built cabinets he had made so he could use them in his home theater. Councilor Reid asked what if the theater would like to use that sound system when it reopens. Mr. Crist informed Council that the speakers are no longer in the theater and the cabinets are useless without them. President Kapenstein noted Council would like to discuss the matter with their solicitor and would get back with him. Mayor Curry asked if he was understanding correctly that Mr. Crist would like to remove empty wooden boxes. Mr. Crist indicated that is what he is requesting. Mr. Gordon Einhorn noted that the Elks had bought a new sound system and would not need the cabinets in question.

David Craig (27 E. Emaus Street) – Mr. Craig stated he received an eviction notice October 10, 2016 from McNees, Wallace on behalf of Middletown ICDA. Mr. Craig noted the letter he sent to the solicitor was forwarded on to ICDA requesting the eviction notice be reconsidered. Mr. Craig regaled Council with the services his business provides both to residents of Middletown and others outside of Middletown. Mr. Craig noted he has spoken with Mr. Reddinger of the ICDA and has submitted a proposal to purchase the property which needs resubmitted with more specifics.

Rachelle Reid (448 Grant Street) – Ms. Reed thanked Council for passing the building code ordinances. Ms. Reed noted that there is nothing stating someone cannot serve

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on two different boards. Councilor Einhorn indicated Council just wants to see if the motion they made had any stipulations in it regarding serving on the Zoning Hearing Board. Ms. Reed noted that Officer Rux had indicated he was looking into a project for a community crime watch where certain properties could be outfitted with cameras to help in solving crimes.

Bob Houser (37 Brown Street) – Mr. Houser noted the police have started this program as he was signing up residents at National Night Out who have cameras outside their homes to enable police to have video footage to help solve crimes. Mr. Houser noted the importance of having ERISA, item 3 on Agenda, noting that of the 3 companies that presented only 1 representative indicated they were 338. President Kapenstein recused himself from the meeting at this point. Mr. Houser stated this allows adjustment to investment portfolio without having to contact the Borough each time. Mr. Houser recommended Council inquire as to whether the other firms also have that capability.

Adjournment - President Kapenstein returned to the meeting and stated Council would adjourn to Executive Session to discuss litigation, personnel and labor relation issues. **MOTION** by Ian Reddinger, second by Anne Einhorn to adjourn the meeting. Motion carried unanimously and the meeting was adjourned at 9:36 p.m.

Grace Miller
Borough Secretary