

**Meeting Minutes of Middletown Borough Council
November 3, 2016**

The November 3, 2016, meeting of the Middletown Borough Council was called to order at 6:35 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: Diana McGlone, Dawn Knull, Ian Reddinger, and Damon Suglia. Robert Reid arrived at 6:45 p.m. and Anne Einhorn arrived at 6:50 p.m. Also present were Mayor James H. Curry III, Borough Manager Ken Klinepeter, Director of Finance and Administration Bruce Hamer, Chief of Police John Bey, and Public Works Director Greg Wilsbach.

Public Comment on Agenda Items –

Mike Bowman (109 W. Emaus Street) – Mr. Bowman stated costs for the Zoning Hearing Board need to be increased to \$900.

Rachelle Reid (448 Grant Street) – Ms. Reid noted that previously Council had suggested an increase in fees and fines and asked if those items had been looked at. President Ben Kapenstein stated he was not sure if it got fully implemented. Ms. Reid asked if Council would be looking into this and adding revenue to the Operating Budgets. President Kapenstein agreed this should be looked at. Mr. Reid asked if the Electric Trust Fund would be used to offset the rates this year. President Kapenstein indicated there was nothing scheduled to take funds out of the Electric Trust Fund in the current budget.

Mike Bowman (109 W. Emaus Street) – Mr. Bowman asked if fines could be implemented where someone has to pay a fine when police visit properties after a certain number of times.

Jack Still (37 W. Emaus Street) – Mr. Still asked what interest was being earned on the Electric Trust Fund. President Kapenstein noted these funds are invested in a conservative account with interest not earning over 1%.

Fund Balance Policy – President Kapenstein recommended instituting a Fund Balance Policy. President Kapenstein, using Moody's Rating Services & GFOA guidelines, indicated 30% of the annual budgeted revenue is recommended to be set aside as a reserve for unforeseen circumstances. Mr. Bruce Hamer, Director of Finance and Administration, stated the funds under this policy would be set aside and would need specific direction from Council in order to be spent. Mr. Hamer noted that a Resolution should be implemented for establishing the Fund Balance Policy.

Middletown Volunteer Fire Department – Jim Wealand, Rick Seachrist and Ken Whitebread, Sr. were in attendance to request funds for the operation of the Middletown Volunteer Fire Department. The MVFD currently receives an annual grant of \$13,000

**Meeting Minutes of Middletown Borough Council
November 3, 2016**

from the State Fire Office and \$1,300 from USDA Communities Facilities Grant. \$12-13,000 was raised by the Gun Raffle. Mr. Wealand indicated the roof on the building and the HVAC system is starting to fail and requested Council contribute \$145,000 annually or reinstate the fire tax for an operating budget and use other funds being earned for capital projects. Mr. Wealand asked for Council endorsement to go after a gaming grant. Councilor Bob Reid asked if there were funds still available in the Fire Fund. Mr. Hamer stated there are two funds (Fire Operations Fund and Fire Sinking Funds) in the amounts of \$48,423 and \$147,618. Mr. Hamer noted that receivables are due to these funds for non-payment of taxes. Councilor Reed stated the Budget should have \$5,000 allocated for equipment for fire police. Mayor James Curry III asked if the Fire Tax was eliminated, why were taxes not reduced. Mr. Ken Whitebread noted when the Fire Tax was eliminated it was rolled over into the regular Property Tax.

Councilor Dawn Knull asked if the Borough had a Fire Marshall. President Kapenstein indicated the Borough did have a Fire Marshall. Councilor Knull asked why a Fire Marshall is being paid. Borough Manager Ken Klinepeter noted there are different certificate levels of Fire Marshall's where with the basic license Mr. Glassmeyer holds he can investigate fire scenes but cannot deal with property issues such as safety and security. Mr. Wealand stated property inspections are conducted by a Codes Official, not a Fire Marshall. The Fire Marshall position is for cause and origin of fires and public safety and education.

Councilor Diana McGlone stated she would like to see \$150,000 allocated for the Fire Operating Budget due to the level of service and dedication of volunteers.

Historical Restoration Commission – Ms. Jenny Miller was in attendance to present a budget request for the Historical Restoration Commission. Ms. Miller indicated that the Historical Restoration Commission is requesting \$10,000 for signage around town as there are 5 buildings listed on the National Historic Registry. Ms. Miller noted there needs to be some type of holder for the plaque to be replaced at the clock and also something to hide the silver box. Mayor Curry noted he liked the angled style signs. Ms. Miller stated she preferred that style as well, but due to size restrictions believed the flat ones would interfere less with sidewalks.

Capital Expenditure Proposals – Mr. Ken Klinepeter stated management staff had come up with a list of several projects involving building renovations, equipment, and vehicle purchases. Mr. Klinepeter noted an emergency generator was on the list due to housing residents at the MCSO in an emergency as well as being a backup to Borough Hall. Cameras are being requested for certain areas so sensors can be eliminated in the roadway. Councilor Reid stated that the highway shed is in disrepair. Mr. Klinepeter noted there is an EIP Phase IV Capital Improvements Study with HRG, which will show other Capital Improvements that will need completed.

**Meeting Minutes of Middletown Borough Council
November 3, 2016**

Mr. Greg Wilsbach indicated items on this list would be the minimum required in 2017, and other items will be looked at within the 5-year Capital Improvement Plan. A lot of equipment that was used previously is no longer available as it belonged to the water/sewer system. Mr. Wilsbach touched on a couple of items on the list noting the street sweeper needs replaced and is looking at a dual vacuum sweeper to purchase as well as a bobcat UTV which is a multiuse vehicle that will be able to spray weeds and water flowers downtown as well as having a snow blower attachment. Mr. Wilsbach also noted vehicles will need replaced and would like to have a vehicle replacement plan instituted. Mr. Wilsbach noted that maps need to be catalogued and indexed and the large printer/scanner for maps no longer works, and the card reader unit at the Woody Waste facility needs replaced so usage can be monitored. Mr. Wilsbach stated he is requesting Ann Street be repaired starting at the bridge and continuing down the street. Mr. Hamer stated if Council determines Ann Street needs to be repaired, HRG will need to provide estimates for the job. Mr. Wilsbach noted ADA ramps will need to be put in at the Borough Hall parking lot and paving would also be required.

Mr. Klinepeter noted the LED Streetlighting Project is not on the list. There is the possibility of having Borough staff replace lights to save money but that would cause the project to take longer to be completed. Mr. Kapenstein indicated Council needs to decide whether funding is being borrowed or cash on hand be used to fund this project. Mr. Wilsbach noted that staff would also like to put in historic lights and sidewalks down Emaus Street from the Elks Theater to Wood Street.

Mr. Klinepeter noted the Electric Substation Relocation Upgrade Project was also not on the list. Mr. Wilsbach noted the Spruce Street stations could be upgraded to be able to handle the load of the town so that the Mill Road load could be transferred if flooding occurred again. Vice-President Damon Suglia asked if this would be noisy and how it would impact the basketball court. Mr. Wilsbach noted it would impact the basketball court due to spacing requirements and fire rating, and the newer transformers would not be as loud as what is out there now. Councilor McGlone asked if the infrastructure for Woodland Hills would be included on the 5-year Capital Plan. Mr. Wilsbach indicated an extra circuit would need to be added to handle the extra capacity. Mr. Klinepeter stated a line would need to be run to Woodland Hills as well as installing a transformer. Councilor Reid noted that the Borough may be looking at a cost of \$1 million for this project. Council requested the cost of the infrastructure to Woodland Hills be added into the 5-year Capital Improvements Plan.

Mr. Ken Whitebread asked to have the cost to install preemptive lighting for the fire, police departments and EMS be added into the plan with the traffic light upgrade noting that the equipment would be \$900 per vehicle. Mr. Wilsbach asked if the Borough

**Meeting Minutes of Middletown Borough Council
November 3, 2016**

installs the equipment for the lights, would the fire department and EMS be paying for the vehicle upgrades. Mr. Whitebread indicated the Borough, fire and police departments and EMS could have a budget item for this upgrade. Mr. Wilsbach noted he would get costs that include a battery backup.

Mr. Hamer informed Council that the proposed capital costs could be funded by various capital funds that are available. Mr. Hamer recommended capital projects be segregated into its own fund rather than be included in the Operating Fund and any capital type purchase for the Police Department be paid for through the Police Sinking Fund.

Police Chief John Bey indicated the video cameras need to be replaced as they are obsolete and would like to incorporate these into the camera system that is being upgraded. This system would allow the officers to wirelessly upload information onto the server. Mayor Curry asked if the body cameras would be compatible. Chief Bey stated all the cameras will be compatible within the system. Chief Bey noted there are some building improvements that need to be made not only for security reasons but also for reducing utility fees. Chief Bey requested two additional vehicles be purchased. Mr. Hamer stated the vehicles are on a 3-year lease which are defacto sales agreements with an interest rate of 5.64%. President Kapenstein indicated Council needs to discuss purchasing rather than leasing vehicles.

Tax Rates and User Fees – President Kapenstein asked how Council would like to set parameters for tax and electric rates. President Kapenstein expressed that he does not want to raise taxes or electric rates. President Kapenstein noted that the budget currently shows a deficit and would need additional revenue to meet those costs. President Kapenstein indicated there will be funds received from the loan given to Tattered Flag in 2017 which will help cover the deficit of \$335,100.

Personnel Matters – President Kapenstein noted 4 new positions are included in the budget with 2 being for police and 2 for public works. Mr. Hamer indicated the expense for one officer would be in excess of \$100,000 including wages and benefits and a public works position would be in the 90's. President Kapenstein stated that healthcare expenses went up 51% this year and other options will be looked at for the following year. President Kapenstein recommended hiring one officer and one public works person. Mayor Curry indicated there is a problem getting shifts covered on the police side. Councilor Reddinger agreed with hiring one officer and one for public works. Councilor Einhorn stated she would prefer not to raise electric rates and recommended looking at fees to help cover costs. After some discussion, Mr. Wilsbach indicated if only 1 public works position would be covered, then it would be helpful to allocate funds for seasonal workers. After some discussion, Council directed that the budget reflect

**Meeting Minutes of Middletown Borough Council
November 3, 2016**

lawn care service to be contracted out and one police officer and one public works person be hired.

Councilor Diana McGlone left the meeting at 8:55 p.m.

Budget Requests from Council and Mayor – President Kapenstein asked Council if there is anything that needs to be added to the Operating budget. President Kapenstein indicated Council Chambers needs upgraded. After some discussion, Council decided new furniture would be in order for Council Chambers.

Mr. Hamer indicated he would adjust the budget to reflect Council's directives and would have a revised budget for the meeting on November 7th.

Adjournment - **MOTION** by Ian Reddinger, second by Dawn Knull to adjourn the meeting. Motion carried unanimously and the meeting was adjourned at 9:30 p.m.

Grace Miller
Borough Secretary