

**Meeting Minutes of Middletown Borough Council
November 7, 2016**

The November 7, 2016, regular meeting of the Middletown Borough Council was called to order at 6:32 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: Dawn Knull, Ian Reddinger, Damon Suglia and Ben Kapenstein. Diana McGlone arrived at 6:35 p.m. and Anne Einhorn arrived at 6:50 p.m. Absent: Robert Reid. Also present were Borough Manager Ken Klinepeter, Director of Finance and Administration Bruce Hamer, Public Works Director Greg Wilsbach, and Borough Secretary Grace Miller.

Public Comment on Agenda Items - None

Capital Projects Budget – Mr. Ken Klinepeter indicated Council had been given a list of proposed capital projects at the previous Council meeting. Mr. Klinepeter met with the Public Works Director and pared down the projects so the list now reflects the most necessary projects for 2017. One item that was missed previously was the 1989 dump truck will need replaced for a dump truck with hydraulics to enable ease of plowing. Mr. Klinepeter noted there were no changes made in the capital projects for the police. In addition, HRG will compile a 5-Year Capital Plan that will delineate additional projects.

President Kapenstein stated there are currently 9 police vehicles and the request is to replace an old cruiser, add a new cruiser and a replacement SUV for MCSAP. President Kapenstein indicated he had no problem with replacing the damaged 2012 Chevy Caprice and the 2005 Durango but expressed concern over adding yet another vehicle to the fleet. After some discussion, Council agreed to replace the damaged 2012 Chevy Caprice and the 2005 Durango and denied the request for an additional vehicle to be added to the fleet. Mr. Bruce Hamer stated that Council would need to decide whether to lease or purchase the vehicles noting that the lease includes an interest rate of 5.64%. Council agreed after some discussion that the vehicles will be purchased not leased. Mr. Klinepeter indicated that he had been approached about possibly blocking up a bay door at the police station in order to expand the evidence room. President Kapenstein noted that due to the cost may be something to look at next year. Council requested Chief of Police John Bey to check the state contract regarding the vehicles he would wish to purchase and bring that information for approval at the November 15, 2016 Council meeting.

Councilor Damon Suglia asked what the status was in regards to the purchase of a street sweeper. Mr. Klinepeter noted due to the cost this would be rolled into the 5-year Capital Plan.

Mr. Hamer informed Council that the projected balance for capital projects once the Streetscape Project is completed and a \$100,030 transfer from ICDA is made to the

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general fund is \$741,893. Mr. Hamer recommended using Liquid Fuel funds to help pay for the paving of Ann Street. Mr. Hamer stated if Council agrees that Ann Street is to be repaired, the next step would be for HRG to provide an engineering service proposal to develop a cost estimate for the project including curb and ramp improvements for ADA requirements. President Kapenstein stated Ann Street is a priority, agreed that restricted funds be used first and directed that HRG be contacted and directed to provide an engineering service proposal for the Ann Street project. Vice President Suglia concurred.

Mayor James Curry III joined the Council meeting via telephone at 7:10 p.m.

Councilor Diana McGlone asked why funds being received from Tattered Flag are allocated to the Operating Fund and not allocated to Parks. President Kapenstein stated he failed to see how park funds correlate with the brewery and asked if funds were in the budget designated for the parks. Mr. Klinepeter stated the 5-Year Capital Improvement Plan will capture parks as well as beautification. Councilor McGlone indicated that she would like to put together a community garden or look into building homes on stilts using properties purchased after the flood. Mr. Klinepeter noted that decisions were made at the time funds were received from PEMA/FEMA to reserve those areas as open space and it would need to be reviewed to see if that type of use could be implemented. Councilor Ann Einhorn asked about the possibility of a rain garden as well. Mr. Klinepeter indicated that once a decision has been made with FEMA/PEMA regarding dedication of properties as open space, you cannot rescind that.

Mr. Hamer noted that the ICDA fund has \$436,300 in funds that are restricted to economic development purposes. Councilor Ian Reddinger suggested those funds be allocated to the Elks Theater. Mr. Kapenstein indicated those fund were originally provided by state funds in the form of a grant so is unsure they can be used to match additional state funds.

LED Streetlight Project – President Kapenstein indicated that Public Works Director Greg Wilsbach is estimating the cost for this project to be in the \$200,000 range. Council needs to make a decision as to whether to borrow the funds or pay using cash on hand. Mr. Klinepeter asked if Council would want to assign the project to Public Works and include at an additional cost the extension of streetlights, sidewalk, and conduit to connect Emaus Street to the new train station. Mr. Greg Wilsbach stated the cost to replace the streetlights with LED's is \$248,000. It would be an additional \$125,000 to add the historic lights and sidewalk from the theater to the Wood Street connection and then one block east. He estimated that the project would be completed by mid-summer and pole maintenance and wire upgrades can be completed at the same time. President Kapenstein noted the cost of the total project with the additional work would be \$373,000. After some discussion, Council approved Public Works to

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complete the LED Streetlight Project in addition to the additional extension to connect Emaus Street to the new train station and decided to borrow the funds as there is no prepayment penalty on the loan.

5-Year Operating Budget – Mr. Hamer stated due to the Borough being an older community revenues do not tend to grow whereas expenses do and recommended forecasting expenses to enable potential future impacts to be identified.

Mr. Hamer informed Council that a 3-year actuarial evaluation will need to be done to determine future funds to be put in the OPEB Fund. The Concession/Lease Agreement covered prior cost deficits; however funds need to be set aside each year to cover people who work for the Borough and who will be retiring. Councilor Knull stated her understanding was the Concession/Lease Agreement was to fund OPEB. Mr. Hamer noted the agreement brought the OPEB funds up-to-date so it's currently 100% funded but monies will need to continue to be set aside for current and future retirees.

General and Electric Funds – Mr. Hamer stated he adjusted the figures from the first draft of the budget to reflect Council's direction at the previous meeting. The budget figures now reflect the hiring of one police officer and one public works employee with the Middletown Volunteer Fire Department receiving their requested donation of \$145,000. Councilor McGlone stated she would like to see the contribution increased to \$150,000. Mr. Klinepeter noted if Council is only hiring one full-time public works employee, it is requested that three part-time seasonal help be hired in order to help with curbing, weed control, sealing streets, clearing catch basins, and enabling a street sweeping schedule to be maintained. Mr. Klinepeter went on to say that Mayor Curry has requested an inventory of regulatory signage as well. Mayor Curry agreed that signage is definitely needed. President Kapenstein asked if 2 part-time helpers would be enough. Mr. Wilsbach noted that any help would be appreciated as Public Works is doing more projects in-house rather than contracting services.

President Kapenstein stated he had spoken with the engineer regarding the cost of service and rate study and the Borough would be looking at approximately \$75,000 to complete both proposals and this amount needs to be accounted for in the Electric Fund Budget.

Mr. Hamer presented the General and Electric Fund proposed budgets to Council highlighting various changes and adjustments. Vice President Suglia asked if Council had any thoughts on sprucing up Council chambers. Councilor McGlone suggested new chairs with President Kapenstein agreeing that Council Chambers needed sprucing up. Councilor Einhorn asked Vice President Suglia what he was envisioning. Vice President Suglia responded he would like a semi-circle table so you can face the citizens without having to turn your neck. After additional discussion, Mr. Klinepeter noted that the furniture alone would cost \$6,000. with the possibility of \$25,000. in

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construction costs. Mr. Hamer noted that an expenditure of that magnitude would end up being a capital expense. Vice President Suglia and President Kapenstein stated they will do some research and bring findings before Council at the next meeting.

President Kapenstein thanked Mr. Hamer for the work done in compiling the budget information and details noting that user fees will need to be reviewed. Council concurred.

Public Comment

Mr. James Wealand requested that the program for Capital Projects and Vehicle Replacement include the Fire Department noting the MVFD is looking at \$2 million to purchase an aerial truck.

President Kapenstein stated an Executive Session would be held following the conclusion of the meeting in order to discuss personnel issues.

Adjournment - **MOTION** by Ian Reddinger, second by Dawn Knull to adjourn the meeting. Motion carried unanimously and the meeting was adjourned at 8:49 p.m.

Grace Miller
Borough Secretary