

Meeting Minutes of Middletown Borough Council
January 17, 2017

The January 17, 2017, regular meeting of the Middletown Borough Council was called to order at 7:05 p.m. in Council Chambers at 60 W. Emaus Street, Middletown, Pennsylvania by Council President Benjamin Kapenstein.

After the Pledge of Allegiance, the following Council members answered roll call: Anne Einhorn, Dawn Knull, Diana McGlone, Damon Suglia, Robert Reid, Ian Reddinger and Benjamin Kapenstein. Also present were Mayor James H. Curry III via telephone, Director of Finance and Administration Bruce Hamer, Public Works Director Greg Wilsbach, Solicitor Adam Santucci, and Borough Secretary Grace Miller.

Public Comment

Bob Houser (37 Brown St) – Mr. Bob Houser expressed his appreciation to the electrical department in replacing streetlights.

Mike Bowman (109 W Emaus St) – Mr. Mike Bowman asked when work will commence on the new electric substation. President Ben Kapenstein indicated that would be addressed later in the meeting. Mr. Bowman informed Council that hypodermic needles and trash are being deposited at the overpass.

Approval of Meeting Minutes – **MOTION** by Robert Reid, second by Ian Reddinger to approve the January 3, 2017 meeting minutes as presented. Motion carried by a vote of 6 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 January 12, 2017, for the period January 1, 2017 through January 12, 2017, to ratify approval of such bills already paid and to authorize the appropriate officials to take required actions to make said payments. Motion carried by a vote of 6 to 0.

Approve Payment from Fund 28 – Middletown Volunteer Fire Department– Mr. Bruce Hamer noted the accounts payable list shows a payment of \$26,475 for the first quarter contribution from the General Fund to the Middletown Volunteer Fire Department. The total contribution to the Fire Department for 2017 was set at \$150,000 of which \$44,100 was designated to come from Fund 28, the Fire Operations Fund, which are funds left from when the Borough had a fire tax with those monies eligible for use of fire operations. Mr. Hamer asked approval for a partial first quarter payment from Fund 28 to the Middletown Volunteer Fire Department in the amount of \$11,025 with funds to be used for operational use only. **MOTION** by Robert Reid, second by Dawn Knull to approve the first quarter partial payment of \$11,025. from Fire Tax Fund 28 to the Middletown Volunteer Fire Department for the use of fire department operations only. Motion carried by a vote of 6 to 0.

**Meeting Minutes of Middletown Borough Council
January 17, 2017**

Middletown Improvement and Reinvestment Loan Program– Councilor Diana McGlone made a presentation to Council proposing the establishment of a low interest loan program for property owners encouraging home improvements in order to meet codes which in turn would improve property values. Councilor McGlone suggested establishing a fund using \$100,000 from the Tattered Flag payments along with \$10,000 to \$50,000 from the Capital Fund as a rolling fund source whereby loan repayment monies replenish the fund. Councilor McGlone suggested this fund be governed by an Economic Development Committee of 5 members consisting of 1 or 2 Council members and 2 or 3 general residents. Councilor McGlone suggested loan approval be based on property taxes must be paid and amount of loan be based on credit score so if your credit score was 525 the maximum amount of the loan would be \$2,000. and a credit score greater than 676 could be offered a maximum loan of \$10,000. with an interest rate of 1% and a 7-year repayment timeframe to home owners and an interest rate of 2% with a 5-year repayment timeframe to property owners with rental properties. Councilor Dawn Knull asked how many loans someone could have at one time. Councilor McGlone recommended one loan until complete payment on the loan has been made and then someone could apply for a new loan. President Kapenstein asked if Councilor McGlone was envisioning responsibilities for the Codes Department. Councilor McGlone indicated that could be decided later and suggested the Committee approve and pay a licensed contractor in good standing with the Better Business Bureau directly. Councilor McGlone noted that she will be submitting a proposal to make loans advantageous to both property owners and businesses. President Kapenstein questioned how much staff time would need to be utilized to run this program. Councilor McGlone indicated the Finance Department and Secretary would be minimally impacted. Councilor McGlone asked Council to think about funding options, makeup of the committee, setting forth rules and regulations, applications, as well as changes that will need to be made to the Ordinance. Mr. Bruce Hamer asked about the use of \$436,000 of ICDA revitalization program monies. Mr. Adam Santucci indicated he had a call in to DCED asking if the monies could be used.

President Ben Kapenstein stated there was no action taken at the Executive Session held at the previous meeting.

Approval of ICDA Bills – **MOTION** by Dawn Knull, second by Ian Reddinger to approve payment of bills as shown on the ICDA Accounts Payable List dated January 12, 2017, for the period January 1, 2017 through January 12, 2017, to ratify approval of such bills already paid and to authorize the appropriate officials to take required actions to make said payments. Motion carried by a vote of 6 to 0.

Klahr Property Purchase – Property Owners of 29 S. Union Street, Scott Grenoble and Dennis Kreider, were in attendance representing themselves as well as Dave Kinter of Roberto's Pizza to propose purchasing the 22 foot area of ground running the length of the rear of their buildings for the cash contribution of \$5,000. as well as assuming the cost of

**Meeting Minutes of Middletown Borough Council
January 17, 2017**

grading, paving and maintaining the area. Councilor Robert Reid noted the area in question is to be used to provide a walkway area from the Borough's parking lot to downtown businesses. Mr. Kreider noted that they would be willing to commit to maintaining a walkway with access from Union Street to the Borough lot. Mr. Kreider indicated they wish to have additional parking for tenants and would be willing to have the parking lot open to the public after the Edward Jones business closes. Councilor Reddinger asked what the cost is to pave the area and address the other issues. Mr. Kreider estimated it would cost \$9,000 to pave and \$10,000 to \$15,000 with excavation. President Kapenstein requested a proposal be made in writing with a map of the area being discussed included. Councilor Knull indicated previously when this proposal was presented to the ICDA, the property owners were proposing to move the air conditioning units down from the roof. Mr. Kreider agreed they are looking to move the units and fence them in due to maintenance issues. Councilor Reddinger stated he has had numerous calls about the property and Council needs to either fix the property or give it to a private entity to maintain. Solicitor Santucci indicated if the property was purchased and access given for parking, Council's goal would be achieved. President Kapenstein reiterated that a formal proposal should be submitted with a public walkway included in the plans.

Reports – Mr. Bruce Hamer noted the Borough Manager outlined in the Manager's report items that the Manager has worked on during the month. Mr. Hamer indicated the Finance report outlines that the audit is to be completed and filed with DCED by April 1st. Authority audits were completed and distributed to Council. Mr. Hamer stated staff is working through the investment audits and Agenda Item 16 requesting approval of custodian services for pension and OPEB funds needs to be tabled.

Mr. Greg Wilsbach, Public Works Director, noted that Agenda Items 8, 9, 10 and 11 were approved in the 2017 Capital Budget for purchase. President Kapenstein indicated there may be issues with the logistics of moving funds in order to purchase these items and asked if the purchase of the dump truck could be extended until the next meeting. Mr. Wilsbach noted that payment is not made until delivery and an additional 2 weeks would not be an issue. Councilor Suglia asked if the items were approved for purchase in the budget, why weren't funds moved and why does Council have to approve them again. Mr. Hamer noted that during the budget process he explained there were funds that needed to be looked at to determine if they can be transferred or closed out. Mr. Hamer recommended Council look more seriously at available funds to be used towards Capital Projects determined through the 5-year Capital Improvement Plan to be presented by HRG. Mr. Hamer noted that although Council approved the Budget due to the size of the purchases he recommends specific Council approval as there is no formal purchasing policy in place. Mr. Hamer suggested a policy be implemented where approval from the Manager and then Council be made above a certain threshold. Councilor Suglia noted he liked the idea of a threshold amount. Councilor Knull asked if bids were received for these

**Meeting Minutes of Middletown Borough Council
January 17, 2017**

items. Mr. Hamer noted these items are being purchased under the Costars contract so there were no bidding requirements. Mr. Wilsbach stated the OCE can no longer be used and it is needed for mapping so Borough maps can be scanned and reorganized.

Councilor Reid asked where staff is with the lunch room. Mr. Wilsbach noted that heat is installed and walls are complete and are currently working on painting and installing a drop ceiling and lights. Councilor Reid asked about installing small heaters and noted the door is rusted and can't be used. Mr. Wilsbach noted the engineers will be addressing these issues in the Capital Improvement Plan. Councilor Suglia suggested moving Council Chambers down to the area currently used by EMA and renovating that area. Mr. Wilsbach noted that renovations are costly but this could be open for discussion when engineers come in for the Capital Improvement Plan. Councilor Reid suggested utilizing the area between Park and Mill Street for parking.

Councilor Knull expressed her appreciation to Public Works for removing the Hoffer Park decorations. Council Knull asked about ice issues in the downtown brick bump outs. Mr. Wilsbach noted the intersection was a solid sheet of ice and asked if the Borough or the businesses downtown are in charge of clearing the area. Mr. Wilsbach indicated that Public Works had been working on the Klahr's entrance providing a gateway to downtown needs to ensure safety and parking. President Kapenstein requested Mr. Wilsbach bring plans to the next meeting.

Councilor Reid asked Tom Foreman of Emergency Management what was happening in April. Mr. Foreman noted that TMI is holding their 2-year drill in April. PEMA will be there as well and indicated the Borough would not be graded this year and that he would notify Council when County will be coming in March.

Mayor Curry entered the meeting at 8 p.m.

Approve Transfer from Electric Fund to General Fund – Mr. Hamer indicated the 2016 budget provided for a transfer from the Electric Fund to the General Fund and recommendation is made for such transfer in the amount of \$1,350,000. President Kapenstein noted that if the transfer is not made the General Fund will be short and the Electric Fund over budget. Mr. Hamer stated the books for 2016 remain open so this transfer can be accrued to the appropriate year. Mr. Hamer noted the transfer was not made in 2015 and due to the books being closed recommended the 2015 transfer not be made. **MOTION** by Ian Reddinger, second by Diana McGlone to authorize the transfer of \$1,350,000 from the Electric Fund to the General Fund. Motion carried by a vote of 6 to 0.

Approval to Purchase 2017 Bobcat UTV – **MOTION** by Ian Reddinger, second by Diana McGlone to authorize the purchase a 2017 Bobcat with snow accessories under Costars Contract No. 440011363 as per the quotes from Bobcat dated January 5, 2017 in the

Meeting Minutes of Middletown Borough Council
January 17, 2017

amount of \$25,092.42 and \$5,064.72 for a total of \$30,158.14. Motion carried by a vote of 6 to 0.

Approval to Purchase 2017 Bobcat 24-inch Hi-Flow Planer – **MOTION** by Robert Reid, second by Anne Einhorn to authorize the purchase of a 2017 Bobcat Planer under Costars Contract No. 4400011419 in the amount of \$15,666.60 as per the quote from Bobcat dated January 5, 2017. Motion carried by a vote of 6 to 0.

Approval to Purchase 2018 International Dump Truck – President Kapenstein tabled the item until transfer of funds can be made.

Approval to Redirect \$9,000 from the Capital Budget – Mr. Hamer asked Mr. Wilsbach if a new HVAC unit will be needed. Mr. Wilsbach noted that there was a heater issue which was fixed in December costing \$4,000 in repairs vs. the \$9,000 to replace the heater which was put in the 2017 Capital Budget. Mr. Wilsbach requested approval to redirect that \$9,000 from the Capital Budget to replace the OCE printer which was also in the budget. **MOTION** by Ian Reddinger, second by Dawn Knull to approve the redirection of \$9,000 in the Capital Budget from HVAC repairs for the purchase of an OCE printer. Motion carried by a vote of 6 to 0.

Approve Resolution No. 2017-1 Overhead Banners – Mr. Hamer noted that it is an annual requirement for the Borough to adopt a resolution stating when banners will be placed above state owned streets. The proposed resolution lists the dates and times banners will be placed on Ann and Union Streets and upon approval will then be sent to PennDOT for approval. **MOTION** by Dawn Knull, second by Robert Reid to adopt Resolution No. 2017-1 and send to the Pennsylvania Department of Transportation as required by state regulations. Motion carried by a vote of 6 to 0.

Approve Advertisement for Planning Commission Vacancy – President Kapenstein noted that due to Rodney Horton's resignation from the Planning Commission there is currently a vacancy on the Board and requested approval to advertise for the vacancy on the Planning Commission in order to solicit interested residents in serving. **MOTION** by Anne Einhorn, second by Robert Reid to approve the advertising for the Planning Commission vacancy. Motion carried by a vote of 6 to 0.

Adopt Ordinance 1335 Parking Amendment – President Kapenstein noted this is the parking amendment which was approved for advertisement at the last meeting and appropriate advertising has been done. **MOTION** by Robert Reid, second by Dawn Knull to adopt Ordinance 1335 amending Chapter 252 of the Borough Ordinance. Motion carried by a vote of 6 to 0.

**Meeting Minutes of Middletown Borough Council
January 17, 2017**

Ordinance 1336 Medical Marijuana – Solicitor Adam Santucci recommended tabling this issue until after the scheduled public hearing on February 7, 2017. President Kapenstein noted this item would be tabled until the next meeting.

Approve Resolution No. 2017-2 Revision to Non-Union Employee Benefits Policy – Mr. Hamer explained this Resolution revises the Non-Union Employee Benefits Policy by restating Resolution 2016-18 and amends paragraph 4 of the same allowing non-uniform employees the ability to request the Borough accelerate payment of the maximum remaining funding if their medical expenses are in excess of the funds currently available in the employee's HSA. Mr. Hamer indicated the Borough currently contributes bi-weekly to the HSA and this resolution would allow the accelerated payment of that contribution upon the employee presenting documentation the deductible has been met for the current year. **MOTION** by Robert Reid, second by Anne Einhorn to adopt Resolution No. 2017-2 revising non-union employee benefits policy. Motion carried by a vote of 6 to 0.

Giant Foods Liquor License Transfer Request – Mr. Hamer stated a letter was received from Giant Foods indicating they would like to transfer a liquor license to their facility located at 450 E. Main Street in Middletown. Mr. Hamer indicated that in accordance with municipal code, a public hearing will need to be held regarding this issue and Council would need to approve by resolution the inter-municipal transfer of the liquor license. Mr. Hamer noted that a legal representative from Giant would be present at the hearing regarding the intent of transfer of such license. President Kapenstein requested staff schedule a public hearing.

Mayor Curry introduced Interim Police Chief George Mouchette. Chief Mouchette stated he moved to Middletown 2 years ago from New York City after his retirement of 20 years of service with the New York Police Department. Chief Mouchette noted during his tenure in the New York Police Department he was involved in narcotics, criminal investigations, internal and community affairs and noted his first week in the Department was challenging and thanked the officers who stepped up and helped him out. Mayor Curry indicated Chief Mouchette has completed the MOPEC, physical, firearm training, physical and drug testing process.

Public Comment

Mike Bowman (109 W. Emaus Street) – Mr. Mike Bowman stated a decision needs to be made on the Mill Street substation. Mr. Bowman indicated the motion made for the partial payment to the volunteer fire department was incorrect as it stated it was for the 1st quarter payment when it should have been stated as the quarterly payment. Mr. Bowman noted he would like to be notified whether or not he is a member of the Police Pension Fund. President Kapenstein indicated that was being worked on in conjunction with the transition of pensions.

Meeting Minutes of Middletown Borough Council
January 17, 2017

Councilor Diana McGlone requested an update on the police regionalization meeting that was held. President Kapenstein indicated a high level meeting was held with Lower Swatara and Swatara Township who appear to be open to discussing contractual services or regionalization. The next step would be to meet to discuss numbers. Solicitor Santucci stated the next step should be to schedule a public meeting now it is known that there are interested parties so the public can be engaged and it can be explained what a joint workforce would look like. We also will need to discuss administration of regional or contractual models. Councilor McGlone asked why others in Council were not invited to the meeting. President Kapenstein, Councilor Reddinger and Mayor Curry noted it had been announced in emails and at executive session.

Mr. Hamer noted that when budget discussions were held, Ann Street was put in the Capital Budget with no official amount known as to cost. If Council is interested in repaving Ann Street, Council needs to engage an engineer. Solicitor Santucci interrupted to state Council should not take any actions as he wants to discuss the matter in executive session. Mr. Hamer noted there will be engineering fees for the project and the scope of the project will define a budgetary cost estimate. President Kapenstein stated it was approved in the budget and Council needs to move forward to get bidding in place.

Executive Session - President Kapenstein indicated the meeting would recess to Executive Session to discuss personnel, real estate and potential legal litigation matters. Meeting recessed at 8:55 p.m. Council reconvened at 9:40 p.m.

MOTION by Ian Reddinger, second by Damon Suglia to promote Officer Gary Rux to Detective effective immediately. Motion carried by a vote of 6 to 0.

Adjournment – **MOTION** by Ian Reddinger, second by Dawn Knull to adjourn the meeting. Motion carried unanimously and the meeting was adjourned at 9:41 p.m.



Grace Miller
Borough Secretary