

East Stroudsburg Borough, December 3, 2013

A regular meeting of the East Stroudsburg Borough Council was held at the Municipal Building on Tuesday, December 3, 2013. The following members were in attendance: Peter Begley, Roger DeLarco, Ed Flory, William Reese, Don Repsher, and Sonia Wolbert. Also attending were: Manager James S. Phillips; Solicitor John C. Prevoznik, Engineering Representative Samuel D'Alessandro of R.K.R. Hess Associates, Inc., and Codes Official Marvin Walton.

Call to Order/Pledge of Allegiance – President DeLarco

President DeLarco called the meeting to order at 7:30 p.m. The pledge of Allegiance was led by Susan Randall.

Minutes of November 19, 2013 Regular Council Meeting and November 26, 2013 Special Council Meeting

Mr. Reese made a motion, seconded by Mrs. Wolbert, to approve the minutes of the regular Council meeting held November 19, 2013 as submitted; the motion carried unanimously. Mrs. Wolbert made a motion, seconded by Mr. Begley, to approve the minutes of the special Council meeting held November 26, 2013 as submitted; the motion carried unanimously.

Mr. Phillips apologized that there was actually an error in the Nov. 19th minutes under Reports concerning the Ridgeway Street waterline and sewerline replacement projects – the motions approved by Council were for granting of the time extensions on the two contracts, not for approving payment requests as indicated. Mrs. Wolbert made a motion, seconded by Mr. Repsher, to amend approval of the Nov. 19, 2013 minutes as corrected; motion carried unanimously.

Public Comments - Agenda Items

None.

Proposed Timber Sale Proposal with Northeast Timber Services – Thinning Sale of Spruce Stands on Borough Reservoir property

Mr. Phillips said our Forester, Rod Jones of Northeast Timber Services, has submitted his proposal to handle bids for a thinning sale of Spruce timber from the Borough's reservoir property at a commission of 20% of the sale proceeds. He has one contractor interested in the pulpwood and hopes to get more. After discussion, Mr. Reese made a motion, seconded by Mr. Flory, to approve the proposal with Northeast Timber Services and to authorize advertisement of bids for removal/sale of the Spruce timber as recommended; the motion carried unanimously.

Executive Session

Mrs. Wolbert made a motion, seconded by Mr. Begley, to adjourn into executive session at 7: 42 p.m.; the motion carried unanimously.

At 8:12 p.m. Council members reassembled in the meeting room and Mr. Begley made a motion, seconded by Mr. Flory, to reconvene the public meeting; the motion carried unanimously. Mr. Prevoznik said the executive session was held to discuss real estate and litigation matters.

Action on Proposed 2014 Budget for Stroud Area Regional Police Department

Mr. Phillips reviewed the proposed Regional Police Budget for 2014 which totals \$7,434,981. The total municipal contributions will actually decrease for 2014, and the East Stroudsburg portion of the budget based on the allocation formula is \$2,090,921. After discussion, Mr. Repsher made a motion, seconded by Mr. Begley, to approve the proposed SARPD Budget for 2014 as submitted; the motion carried unanimously.

Public Hearing on Proposed 2014 Borough Budget for All Funds and Proposed Ordinance No. 1283 Fixing the Real Estate Tax Millage Rate for 2014 Year

Mr. Repsher made a motion, seconded by Mr. Begley, to open a public hearing on the Borough Budget for All Funds for 2014; the motion carried unanimously.

Mr. Flory asked where do we stand with transfers from the Sewer Fund to the General Fund? Mr. Prevoznik referred to the Borough Code provisions for sewer rates which specify what may be included in such rates, the Borough Code provisions for water rates are silent on the issue. Mr. Reese asked if this means there is a “cap” on sewer rates? Mr. Prevoznik said there is not a cap per se, but the issue with sewer or water rates could be over what can be included in rates if the Engineer has to certify the rates. Mrs. Wolbert asked when would rates have to be certified? Mr. Prevoznik said when the Borough is borrowing funds for water or sewer purposes.

Mr. Reese said Council wants to fill vacant positions, which is increasing the budget; he feels we need to do a one mill real estate tax increase. Mr. Reese said he supports recreation, but maybe we have to take a look at cutting the budget for the swimming pool which loses money every year.

Mrs. Wolbert distributed copies of her analysis of year-ending fund balance figures, which shows that the actual year-ending fund balance has consistently been more than estimated with the budget.

Mr. DeLarco noted that the Golf Course had consistently lost money since the Borough took over its operation; and stated he would be in favor of cutting funding to the Golf Course instead of increasing taxes. Mr. DeLarco also said he supports transfers from the water and sewer utilities to the General Fund, because then all utility users are paying a portion of the budget, not just taxpayers.

Mayor Martinelli asked why does our Auditor, Anthony Ardito, warn us every year that our Fund Balances are decreasing, if that is not the case?

Mrs. Wolbert said the Manager is conservative in preparing the budget and does a good job managing the budget. The proposed Budget he submitted to Council is based on maintaining the current millage rate, and she feels the Budget should be adopted as submitted. Mr. DeLarco agreed and said the Borough taxpayers need the money more than the Borough does.

Mr. Martinelli said the “train is coming down the track”, decreasing revenues and increasing expenses, and Council needs to take action before the train gets here – a budget shortfall.

Mr. Reese said in order to continue to provide the services we need, we need to fund the budget while we can. Mr. Reese said he is just concerned about what will happen in future years, and noted that a one mill increase in taxes would cost him \$32.50 for example, which most people would not complain about.

Mr. Begley said he does not want to cut funding for the swimming pool or the golf course, but if we have to make budget cuts, then maybe recreation must be the place to cut. He said he “sure would like not to have to increase taxes”.

Mr. Flory noted that millage rates may have been increased over the last five years; but that is because other revenue sources have declined.

Mr. Reese said he doesn’t want the Borough to be like the School District which had for years not increased taxes but then had to make large increases over several years. in order to maintain services.

Mr. Phillips said we are fortunate this year – the Police Budget is not up, health insurance has not increased, and we have no increase in pension obligations. He said his

concern is that is not likely to happen next year again, and we could be looking at increases next year in all those areas. The proposed General Fund Budget still has expenses exceeding revenues by over a million dollars, with part of that difference made up from fund balance.

Mayor Martinelli noted that the Police Budget will definitely be going up next year; the only reason it isn't this year is because of staffing being down.

Mr. DeLarco asked for any other comments on the proposed Budget? Mrs. Wolbert then made a motion, seconded by Mr. Begley, to adjourn the public hearing; the motion carried unanimously.

Proposed Ordinance No. 1283 Fixing the Real Estate Tax Millage Rate for 2014 Year

Mrs. Wolbert made a motion, seconded by Mr. Begley, to adopt proposed Ordinance No. 1283 Fixing the Real Estate Tax Millage Rate for 2014 Year at 19.2 mills for general purposes, and 2.3 mills for Debt Service, as advertised. The motion ended in a vote of 3-3, with Mr. Repsher, Mr. Flory, and Mr. Reese voting no.

Mayor Martinelli asked how long he has to act on this tie vote? Mr. Prevoznik said he is not sure, and would have to check the Borough Code.

Mayor Martinelli said he is inclined to go with a budget that includes a one-mill tax increase, for the reasons discussed previously. However, he also noted that Mr. Reese will not be able to attend the December 17th meeting, so if he vetos this budget, when will Council be able to meet to come up with a Budget? Mr. Martinelli asked if a Budget must be adopted by December 31st? Mr. Phillips replied yes; and a revised budget must be made available for public inspection for ten days prior to adoption. Mayor Martinelli said he does not want to "play ping pong" with the Budget; and stated he therefore must reluctantly vote "yes" for this Budget as advertised – for the good of the Borough. The motion to approve the Budget Ordinance then passed by a vote of 4-3.

Resolution No. 33-2013 Approving 2014 Year Budget Appropriations for All Funds

Mrs. Wolbert made a motion, seconded by Mr. Begley, to adopt proposed Resolution No. 33-2013 approving 2014 Year Budget Appropriations, as submitted. The motion carried unanimously.

Proposed Ordinance No. 1282 Amending the East Stroudsburg Code, Chapter 134 Thereof Entitled Solid Waste, Revising the annual Solid Waste Fee

Mr. Phillips reviewed the proposed ordinance he had distributed to authorize an increase in the annual solid waste fee charged to residents, to offset the cost increase in the garbage contract for next year. Mrs. Wolbert made a motion, seconded by Mr. Begley, to authorize advertising the proposed Ordinance, Amending the East Stroudsburg Code, Chapter 134 Thereof Entitled Solid Waste, Revising the annual Solid Waste Fee; as submitted. The motion carried unanimously.

Resolution No. 34- 2013 Supporting Request by Eastburg Community Alliance (ECA) for designation as a Keystone Community with the PA Department of Community & Economic Development (DCED)

Mr. Phillips said ECA wants to apply for "exit funding" having completed the five years of funding from DCED under the Main Street Program. ECA is also looking for a commitment from the Borough to continue funding ECA at a minimum of \$10,000 per year. Mr. Begley asked if the Keystone Community designation includes expansion of the service area of ECA, to include not just the downtown? Mrs. Randall indicated that is the case. Mr. Begley made a motion, seconded by Mr. Flory, to adopt proposed Resolution No. 34-2013 supporting the ECA request, as submitted; the motion carried unanimously.

Schedules for Recycling – 2013 Christmas Tree Pickups and 2014 Yard Waste Collection

Mr. Reese made a motion, seconded by Mr. Begley, to approve distribution of the recycling schedules for Christmas Tree pickups and 2014 Yard Waste Collections as submitted; the motion carried unanimously.

Free Parking Downtown for Christmas Season

Susan Randall, Downtown Manager for Eastburg Community Alliance, said she is in favor of Council granting “free parking” privileges downtown prior to Christmas as has been done in the past – and also for ECA’s “Winterfest on Dec. 14th. After discussion, Mr. Begley made a motion to grant free parking downtown on Saturday Dec. 14th and Monday-Tuesday Dec. 23rd and 24th. Mr. Reese seconded the motion, but also suggested to include Saturday Dec. 21st; Mr. Begley agreed to the amending of his motion, which then carried unanimously.

Authorize Bids for Sewer Cleaning Services – Oak Street sewerline

Mr. Phillips said we had a sewer blockage on Milford Road last week, and Maintenance Foreman Mark Hoke is concerned that we need to clean the main interceptor sewer all the way down to Oak Street to remove grease buildup. Mr. Begley made a motion, seconded by Mr. Reese, to authorize preparation of specifications and advertising for bid proposals for sewer cleaning services as recommended; the motion carried unanimously.

Resolution No. 35-2013 – Approving Operation and Maintenance Plan for East Stroudsburg Flood Protection Project

Mr. Phillips said FEMA (Federal Emergency Management Agency) requires that we have an approved Operation and Maintenance Plan for the East Stroudsburg Flood Protection Project, as part of the levee certification work being done now by R.K.R. Hess Associates, Inc.; fortunately, the PA DEP (Department of Environmental Protection) Bureau of Waterways Engineering has prepared the O & M Manual for the Stroudsburg/East Stroudsburg Flood Protection Project, which we have a copy of. Mr. Flory made a motion, seconded by Mrs. Wolbert, to adopt proposed Resolution No. 35-2013 approving the O & M Manual as submitted; the motion carried unanimously.

Public Comments – New Business

None.

Correspondence:

Mr. Phillips reported receipt of the following items of correspondence:

- i. Kirk, Summa & Co., LLP – Audit Report for 2012 Year for Twin Boroughs Recycling Program.
- ii. PA Department of Environmental Protection (DEP) – Air Quality Permit No. 45-00001 issued to East Stroudsburg University.
- iii. PA Department of Environmental Protection (DEP) – Air Quality Permit No. 45-00021 issued to Pocono Medical Center.
- iv. PA Department of Environmental Protection (DEP) – Inspection Report from 11/14 -15, 2013 for East Stroudsburg Water Filtration Plant.
- v. PA Department of Environmental Protection (DEP) – Notice to Negozi Enterprises Inc. for diesel fuel contamination at 730 Milford Road property.
- vi. Buff-Nauman, LLC – Request for Time Extension for consideration of proposed Minor Subdivision of 10.5 acre tract off Franklin Hill Road, R-1 District. Mr. Begley made a motion, seconded by Mr. Flory, to adopt grant the time extension as requested through February 10, 2014; the motion carried unanimously.

Reports

Mr. D'Alessandro reviewed his written Engineer's Report previously submitted to Council. Mr. D'Alessandro said the Ridgeway Street Waterline work is now complete except for the final paving which will occur in the Spring; his office has recommended approval of Payment Request No. 4. Mr. Begley made a motion, seconded by Mr. Flory, to conditionally approve Pay Request #4 to Locust Ridge Contractors in the amount of \$26,918.55, subject to review of insurance certificates; the motion carried unanimously.

Mr. D'Alessandro said his office also recommends approval of Payment Request #3 for the Sewerline work. Mr. Begley made a motion, seconded by Mr. Flory, to conditionally approve Pay Request #3 to Locust Ridge Contractors in the amount of \$66,265.20, subject to review of insurance certificates; the motion carried unanimously. Mr. D'Alessandro said PennDOT considers the temporary paving work done on Ridgeway Street to be unacceptable for over the winter months, so his office has sent a letter to the contractor directing that pavement repairs be completed this week.

Mrs. Wolbert said that the Stroud Region Open Space and Recreation Commission has limited funds left to finish the year, and Mr. Phillips volunteered to hold a check from SROSRC to the Borough for reimbursement of payroll until expected grant funds are received by SROSRC. Mr. Reese made a motion, seconded by Mr. Flory, to confirm holding of the check in payment to the Borough as recommended; the motion carried unanimously.

Mr. Reese reported that several lights are out in the downtown area – 3 on Crystal St.; also possibly one in the N. Kistler St. parking lot. Mr. Reese asked Bryan Zukawski, Golf Superintendent, for a report since he was in attendance. Mr. Zukawski said today was the last day of operation for the season, and we did pickup five new members in the Fall membership campaign.

Mr. Phillips noted that the next Twin Boroughs Recycling Committee meeting will be next Wednesday Dec. 11th at 1 p.m.

Mr. Prevoznik said he notarized two "statements of residence" for newly elected Council members.

Mr. DeLarco noted that the ECA Winterfest event will be held Saturday afternoon Dec. 14, 2013 culminating with the Christmas Tree lighting at Miller Park in the early evening.

List of Bills Payable – December 3, 2013

Mr. Repsher made a motion, seconded by Mr. Begley, to approve the List of Bills Payable and payroll and expenditures made through December 3, 2013 as submitted; the motion carried unanimously.

Adjournment

With no further business, Mr. Reese made a motion, seconded by Mr. Repsher to adjourn the meeting at 9:26 p.m.; the motion carried unanimously.

James S. Phillips, Secretary