

East Stroudsburg Borough, December 15, 2015

A regular meeting of the East Stroudsburg Borough Council was held at the Municipal Building on Tuesday, December 15, 2015. The following members were in attendance: Peter Begley, Edward Flory, Roger DeLarco, William Reese (arrived 9:00 p.m.), Richard Smith, and Sonia Wolbert. Also attending were: Mayor Armand M. Martinelli (arrived at 8:55 p.m.); Solicitor John C. Prevoznik, Manager James S. Phillips; Director of Public Works Steven DeSalva; and Engineering Representative Samuel D'Alessandro of RKR Hess, a Division of UTRS.

Call to Order/Pledge of Allegiance – President DeLarco

Council President Roger DeLarco called the meeting to order at 7:30 p.m. The Pledge of Allegiance was led by Samuel D'Alessandro.

Moment of Silence

A moment of silence and reflection was observed by all in attendance.

SARPD Report for November 2015 – Lt. Paul Gasper

Lt. Gasper asked if there were any questions on the monthly report, and said that the Department has received overwhelming support as a result of the recent tragic shooting incident at Walmart. Mr. Phillips said a Walmart employee had stopped at the Borough Office to express appreciation for the police response to the incident. Mr. Begley expressed his thanks to Lt. Gasper for the police efforts.

Report on Responses to Request for Proposal (RFP) received for Loan financing for Capital Improvements through Concord Public Finance

Christopher Gibbons of Concord Public Finance was present to review the results of the RFP for loan financing. He said five proposals were received from two banks, and the proposals though few in number were very competitive. The best proposal is from ESSA Bank & Trust, with a 2.45% rate for 10 years, a variable rate would be in effect for the last 10 years capped at 4.85%. Mr. Gibbons reminded that the proposed borrowing was for three purposes:

- Financing Water Fund improvements
- Financing General Fund improvements; and
- Refinancing the 2006 loan outstanding with First Niagara Bank.

Mr. Gibbons said he is pleased to report that the actual proposal figures result in less annual debt service costs to the Borough, compared to the preliminary figures he had presented to Council in November.

Mr. Begley asked if the anticipated rate increase by the "Fed" would impact our costs? Mr. Gibbons said the banks presumably took that into account, but our rates are guaranteed in the proposal. Mr. Prevoznik asked what are the next steps, if Council approves proceeding with the loan? Mr. Gibbons said Council must approve submitting the LGUDA (Local Government Unit Debt Act) application to PA DCED, there will be final negotiations with the bank on the loan documents, then the settlement on the loan would be scheduled for January 15, 2016. The Borough has full flexibility to draw down the loan funds as needed for up to three years.

Public Hearing on Proposed Ordinance No. 1309, An Ordinance of the Council of the Borough of East Stroudsburg Authorizing and Directing Issuance of a General Obligation Note of this Borough, in the Maximum Principal Amount of \$7,232,270, Pursuant to the Local Government Unit Debt Act, as Amended, etc.

Mrs. Wolbert made a motion, seconded by Mr. Flory, to open a public hearing on the proposed ordinance; the motion carried unanimously. Mr. Phillips said the proposed ordinance will authorize the loan to be taken out by the Borough from ESSA Bank & Trust for capital improvements, as discussed by Mr. Gibbons. Mr. Phillips said notice of the proposed ordinance was advertised in the *Pocono Record* on December 10, 2015, in compliance with the special requirements under the Local Government Unit Debt Act. Mr. Phillips introduced the following exhibits on this matter:

- Exhibit B-1, copy of the proposed Ordinance 1309.
- Exhibit B-2, a certificate of notice in the *Pocono Record* (since the actual proof of publication was not yet available).
- Exhibit B-3, the sign-in sheet for the public hearing.

Mr. Phillips read the title of the Ordinance which summarizes its content. Mr. Prevoznik reviewed the provisions of the Ordinance and noted that the form of loan document is included in the proposed Ordinance.

Mr. DeLarco asked for any questions on the Ordinance from Council, or from the audience; and there were none. Mr. Flory then made a motion, seconded by Mr. Begley, to accept the Exhibits into the record and close the public hearing; the motion carried unanimously.

Public Hearing on Proposed Ordinance No. 1310, An Ordinance Amending the East Stroudsburg Code, Chapter 154 Thereof Entitled Water, Revising Quarterly Base Water Rates, Usage Allowances, and Consumption Usage Fees for Metered Water Service

Mr. Flory made a motion, seconded by Mr. Begley, to open a public hearing on the proposed ordinance; the motion carried unanimously. Mr. Phillips said the proposed ordinance will authorize an amendment to the Water Code to increase base water rates and reduce the usage allowance for the minimum charge per equivalent billing unit. An increase is needed to pay for an increase in debt service costs as a result of incurring the loan for capital improvements to the water system. Mr. Phillips said notice of the proposed ordinance was advertised in the *Pocono Record* on December 8, 2015 in compliance with regular advertising requirements under the Borough Code. Mr. Phillips introduced the following exhibits on this matter:

- Exhibit B-1, copy of the proposed Ordinance 1310.
- Exhibit B-2, copy of proof of publication in the *Pocono Record*.
- Exhibit B-3, copy of notice to the County Law Library with an attested copy of the proposed ordinance.
- Exhibit B-4, copy of notice to the *Pocono Record* with an attested copy of the proposed ordinance.
- Exhibit B-5, the sign-in sheet for the public hearing.

Mr. DeLarco asked for any questions on the Ordinance from Council, or from the audience. Mr. Flory asked if this ordinance would authorize a general increase in water rates? Mr. Phillips said yes, for the base water minimum charge and for the usage amounts over the minimum allowance. The Borough anticipates needing a 15% increase in water revenues to pay for additional debt service costs in 2016.

Mr. Prevoznik asked that the Exhibits be entered into the record. Mrs. Wolbert made a motion, seconded by Mr. Flory, to accept the Exhibits into the record and close the public hearing; the motion carried unanimously.

Public Hearing on Proposed 2016 Year Borough Budget and Proposed Ordinance No. 1308, An Ordinance of the Borough of East Stroudsburg, County of Monroe, Commonwealth of Pennsylvania, Fixing the Real Estate Tax Rate for the Year 2016

Mrs. Wolbert made a motion, seconded by Mr. Flory, to open a public hearing on the proposed ordinance; the motion carried unanimously. Mr. Phillips said the proposed ordinance will authorize fixing the real estate tax levy for the 2016 year.

Mr. Phillips said notice of the proposed ordinance was advertised in the *Pocono Record* on December 4, 2015 in compliance with regular advertising requirements under the Borough Code. Mr. Phillips said notice of the availability of the proposed Budget for inspection was also made in the *Pocono Record* on Dec. 2, 2015. Mr. Phillips introduced the following exhibits on this matter:

- Exhibit B-1, copy of the proposed Ordinance 1308.
- Exhibit B-2, copy of proof of publication in the *Pocono Record*.
- Exhibit B-3, copy of notice to the County Law Library with an attested copy of the proposed ordinance.
- Exhibit B-4, copy of notice to the *Pocono Record* with an attested copy of the proposed ordinance.
- Exhibit B-5, the sign-in sheet for the public hearing.

Mr. DeLarco noted the list of capital improvements that are proposed to be funded by the loan financing that is included in the 2016 Budget; and then asked for any questions on the Ordinance from Council, or from the audience.

Maury Molin of 9 Park Street said it is important for Council to be able to justify the tax rate increase. Mr. Phillips said 0.4 mills of the increase is in the Debt Service Fund for the new debt service costs to be incurred from the loan financing; 1.1 mills of the increase is in the General Fund. Mr. Phillips said a homeowner whose property is assessed at \$25,000 would see a \$37.50 increase in their municipal taxes for the 2016 year. Mr. Begley said he cannot support the millage increase, even though he does want to see the Willow Street improvements done.

Mr. Prevoznik asked that the Exhibits be entered into the record. Mr. Begley made a motion, seconded by Mr. Flory, to accept the Exhibits into the record and close the public hearing; the motion carried unanimously.

Public Hearing on Proposed Ordinance No. 1304 Amending the Code of the Borough of East Stroudsburg, Chapter 150 Thereof Entitled Vehicles and Traffic; Revising Parking Restrictions on Exchange Street and Sopher Street

Mr. Flory made a motion, seconded by Mr. Begley, to open a public hearing on the proposed ordinance; the motion carried unanimously. Mr. Phillips said the proposed ordinance will revise overnight parking restrictions on Sopher Street, as previously discussed by Council; and prohibit parking on a stretch of Exchange Street on the west side from East Broad St. to Secor Avenue.

Mr. Phillips said notice of the proposed ordinance was advertised in the *Pocono Record* on December 5, 2015 in compliance with regular advertising requirements under the Borough Code. Mr. Phillips introduced the following exhibits on this matter:

- Exhibit B-1, copy of the proposed Ordinance 1304.
- Exhibit B-2, copy of proof of publication in the *Pocono Record*.
- Exhibit B-3, copy of notice to the County Law Library with an attested copy of the proposed ordinance.
- Exhibit B-4, copy of notice to the *Pocono Record* with an attested copy of the proposed ordinance.
- Exhibit B-5, the sign-in sheet for the public hearing.

Mr. DeLarco asked for any questions on the Ordinance from Council, or from the audience. Mr. Begley noted that he is generally not in favor of restricting parking, but he is glad the Borough is able to address the concerns of Mrs. DeNora regarding overnight parking on Sopher Street.

Mr. Prevoznik asked that the Exhibits be entered into the record. Mr. Flory made a motion, seconded by Mr. Begley, to accept the Exhibits into the record and close the public hearing; the motion carried unanimously.

Public Hearing on Proposed Ordinance No. 1307, An Ordinance of the Borough of East Stroudsburg, County of Monroe, Commonwealth of Pennsylvania, Approving An Intergovernmental Cooperation Agreement Between the Borough of East Stroudsburg and the County of Monroe, For Administration of the FY 2015 CDBG Program

Mr. Begley made a motion, seconded by Mr. Flory, to open a public hearing on the proposed ordinance; the motion carried unanimously. Mr. Phillips said the proposed ordinance will approve an Intergovernmental Cooperation Agreement between the Borough and Monroe County for administration of the 2015 CDBG funds. This is necessitated by PA DCED requiring that Counties administer the Community Development Block Grant (CDBG) monies for entitlement municipalities under 10,000 population; the Borough's official population is 9,840. Mr. Phillips said notice of the proposed ordinance was advertised in the *Pocono Record* on December 8, 2015 in compliance with regular advertising requirements under the Borough Code. Mr. Phillips introduced the following exhibits on this matter:

- Exhibit B-1, copy of the proposed Ordinance 1304.
- Exhibit B-2, copy of proof of publication in the *Pocono Record*.

- Exhibit B-3, copy of notice to the County Law Library with an attested copy of the proposed ordinance.
- Exhibit B-4, copy of notice to the *Pocono Record* with an attested copy of the proposed ordinance.
- Exhibit B-5, the sign-in sheet for the public hearing.

Mr. DeLarco asked for any questions on the Ordinance from Council, or from the audience. Mr. Prevoznik noted that the agreement incorporates language recommended by DCED; and asked that the Exhibits be entered into the record. Mr. Flory made a motion, seconded by Mr. Begley, to accept the Exhibits into the record and close the public hearing; the motion carried unanimously.

Public Comments – Other Agenda Items

None.

Ordinance No. 1304 Amending the Code of the Borough of East Stroudsburg, Chapter 150 Thereof Entitled Vehicles and Traffic; Revising Parking Restrictions on Exchange Street and Sopher Street

Mr. Flory made a motion, seconded by Mrs. Wolbert, to adopt proposed Ordinance No. 1304 as advertised; the motion carried unanimously.

Ordinance No. 1307, An Ordinance of the Borough of East Stroudsburg, County of Monroe, Commonwealth of Pennsylvania, Approving An Intergovernmental Cooperation Agreement Between the Borough of East Stroudsburg and the County of Monroe, For Administration of the FY 2015 CDBG Program

Mr. Begley made a motion, seconded by Mrs. Wolbert, to adopt proposed Ordinance No. 1307 as advertised; the motion carried unanimously.

Ordinance No. 1308, An Ordinance of the Borough of East Stroudsburg, County of Monroe, Commonwealth of Pennsylvania, Fixing the Real Estate Tax Rate for the Year 2016

Mr. Phillips said again that the proposed ordinance would establish the 2016 year millage rate at 2.7 mills for debt service and 20.3 mills for general purposes. Mr. Begley noted that new taxes and fees coming from the federal and state governments make it difficult to raise the Borough taxes. Mr. DeLarco noted that the Budget includes funding for a list of major capital improvements that is part of the reason for the millage increase. After discussion, Mr. Flory made a motion, seconded by Mrs. Wolbert, to adopt proposed Ordinance No. 1308 as advertised; the motion carried by a vote of 3-2, with Mr. Begley and Mr. Smith voting no.

Resolution No. 39-2015 Approving 2016 Year Budget Appropriations for All Funds

Mr. Phillips said the total proposed expenditures (net appropriations) under the 2016 Budget is \$8,887,482 for Operating purposes and \$4,477,498 for capital purposes; for a grand total of \$13,365,980. Mrs. Wolbert made a motion, seconded by Mr. Flory, to adopt proposed Resolution No. 39-2015 approving the 2016 Budget appropriations as advertised; the motion carried unanimously.

Ordinance No. 1309, An Ordinance of the Council of the Borough of East Stroudsburg Authorizing and Directing Issuance of a General Obligation Note of this Borough, in the Maximum Principal Amount of \$7,232,270, Pursuant to the Local Government Unit Debt Act, as Amended, etc.

Mrs. Wolbert made a motion, seconded by Mr. Flory, to adopt proposed Ordinance No. 1309 as advertised, approving the proposed loan financing with ESSA Bank & Trust. The motion carried unanimously.

Ordinance No. 1310, An Ordinance Amending the East Stroudsburg Code, Chapter 154 Thereof Entitled Water, Revising Quarterly Base Water Rates, Usage Allowances, and Consumption Usage Fees for Metered Water Service

Mrs. Wolbert made a motion, seconded by Mr. Begley, to adopt proposed Ordinance No. 1310 as advertised, approving the proposed water rate increase. The motion carried unanimously.

Action on Bid Proposals received 9/24/15 for Municipal Building Entry Security Renovations

Mr. Phillips said Council had received bids on 9/24/15 for the proposed entry security renovations for the Municipal Building. The low bid was from Bognet, Inc. in the amount of \$72,998; with an additional cost of \$6,140 in the Alternate Bid if the Borough wants to go with two security windows instead of only one. Mr. DeLarco said he feels we should install the second window. After discussion, Mrs. Wolbert made a motion, seconded by Mr. Begley, to accept the proposal from and award the contract to Bognet, Inc. in the total amount of \$79,138 for the security renovations, subject to posting of required insurance and bonds and execution of contracts as required. The motion carried unanimously.

Authorize Ordering New Fire Pumper Truck for Acme Hose Co. No. 1

Mr. Flory said he thought Council already authorized ordering the new Pumper Truck? Mr. Phillip said Council had authorized ordering the new Pumper, but the quotation from Pierce Manufacturing lists several options. Mr. Phillips said we can take the option for a \$10,729 discount if paying for the truck chassis early, but he also recommends that we indicate the option for requiring furnishing of a performance bond at an additional cost of \$1,834. After discussion, Mr. Flory made a motion, seconded by Mr. Begley, to authorization placement of the order for the new Fire Pumper Truck from Pierce Manufacturing through Glick Fire Equipment Company, Inc. based on Co-Stars pricing in the total amount of \$669,828 as recommended; the motion carried unanimously.

Establish and Authorize Advertising Council Meeting Schedule for 2016 Year

After discussion, Council decided to maintain the same schedule for meetings for the 2016 year: Regular meetings on the 1st and 3rd Tuesdays of each month at 7:30 p.m., except for the months of June, July, and August when only the 1st Tuesday meeting will be held. Committee (Work Session) meetings to be held on the last Thursday of each month, with the exception of November and December due to holidays. Mr. Flory made a motion, seconded by Mr. Begley, to authorize advertising the 2016 year meeting schedule as listed; the motion carried unanimously.

Proposed Ordinance Authorizing Appointment of CPA to perform annual Audit in compliance with the Borough Code – authorize advertising

Mr. Prevoznik noted that the Borough Code provides that Council should appoint a CPA to perform the annual audit pursuant to an ordinance approved for that purpose. It is not clear if the Borough ever did adopt an ordinance, although we have had CPA do the audit for years. Mr. Begley made a motion, seconded by Mrs. Wolbert, to authorize advertising a proposed ordinance providing for the appointment of a CPA to perform the annual audit in lieu of elected auditors; the motion carried unanimously.

Report on RFP for Audit Services for 2015 Year

Mr. Phillips noted that we had not received any responses to the RFP for audit services up until yesterday, and we had issued an addendum to the RFP clarifying provisions regarding the audit format and Single Audit Act requirements. Mr. Begley made a motion, seconded by Mrs. Wolbert, to authorize and ratify extending the date for submittal of responses to the RFP for audit services until Dec. 23, 2015 as recommended; the motion carried unanimously.

Authorize withdrawal of application for loan funding through US Department of Agriculture Rural Development Program for Middle Dam Rehabilitation Project

Mr. Phillips said Council should formally notify USDA that it is no longer pursuing the Rural Development loan financing, since the Borough how has approved the loan financing through ESSA Bank & Trust. Mr. Prevoznik noted that the ESSA rate is actually lower, at least

for the first 10 years of the loan. Mr. Begley made a motion, seconded by Mrs. Wolbert, to authorize notification to USDA of withdrawal of the Borough loan application; the motion carried unanimously.

Authorize advertising of special meeting to be held Dec. 29, 2015 and annual Reorganization Meeting to be held Monday, January 4, 2016

Mr. Begley made a motion, seconded by Mrs. Wolbert, to authorize advertising of a special meeting to conduct general business on Tuesday, Dec. 29, 2015 at 12:00 p.m. noon; and a Reorganization meeting/regular meeting of Council to be held Monday, January 4, 2016 at 7:30 p.m. The motion carried unanimously.

Public Comments – New Business

Ken Sandri of 239 East Broad Street expressed concern for how the new definition of “family” may be affecting the R-1 zoning district, by allowing “transient” housing. Mr. Sandri said he understands that the definition of family is expanded these days, but he doesn’t want the allowance of more than two unrelated persons in a residence to allow degradation of his neighborhood – which will lower property values. Mr. Prevoznik said the “transient housing” issue is currently in litigation in the courts, and suggested that Mr. Sandri might want to check on the status of those cases.

Correspondence:

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

- i. Borough of Stroudsburg – SROSRC 2016 Year Budget approved
- ii. Borough of Stroudsburg – SARPD 2016 Year Budget approved
- iii. Stroud Township – SARPD 2016 Year Budget Approved
- iv. FEMA – Flood Insurance Report and Flood Insurance Rate Map for Borough as revised by Letter of Map Revision (LOMR). Mr. Phillips asked Mr. D’Alessandro if he had reviewed his copy of the new flood zone maps. Mr. D’Alessandro said it appears the maps incorporate changes in the areas anticipated as a result of the levee certification work done by his firm for the Borough.

Reports

Mr. DeSalva said the Operation & Maintenance (O&M) Manual for the Sewage Treatment Plant has been completed and is available in a large binder for review. Mr. DeSalva also reported that leaf collections have been completed, and there was another waterline break on Lions Street last night.

Mr. DeLarco asked Mr. DeSalva to prepare a report on the capital projects included in the loan financing. Mr. Flory said Council has not determined finally yet whether all the proposed projects on the capital loan list will be undertaken.

Mr. D’Alessandro said a meeting will be held Dec. 17th on the O&M Manual for the Water Filtration Plant; and he has submitted a report to Mr. Phillips tonight on the Disinfection By-Products monitoring and analysis.

Mr. Reese noted that the Terra Greens Golf Course has been able to remain open due to the warm weather, and the golf staff was able to install various improvements at the course this year, particularly for the Foot Golf.

Mr. Flory thanked Mr. DeSalva for following up on the pothole on North Green Street; and wished all happy holidays.

Mayor Martinelli asked Council to adopt a Resolution/Proclamation recognizing the East Stroudsburg University National Champions Women Field Hockey Team. Mr. Flory made a motion, seconded by Mr. Begley, to adopt such Resolution for presentation at a future meeting.

Mr. Begley noted that a King St. resident approached him about the repayment agreement terms that the Borough is requiring for delinquent water/sewer and garbage charges. Mr. Begley noted that today is the anniversary of the adoption of the Bill of Rights. Finally, Mr. Begley said he has learned a lot while serving on Council and thanked the other Council members for their help and said he is grateful for the opportunity to have served the Borough. Mr. DeLarco thanked Mr. Begley for his four years service on Council, and also thanked Mr. Smith for his two years service on Council.

Mr. Smith said it has been a “nice journey” and wished Council members well in their future efforts for the Borough.

List of Bills Payable – December 15, 2015

Mr. Flory made a motion, seconded by Mr. Begley, to ratify expenditures and payroll made through December 15, 2015 and approve the List of Bills Payable as submitted; the motion carried unanimously.

Executive Session for Discussion of Real Estate and/or Litigation Matters

Mr. Begley made a motion, seconded by Mr. Flory, to adjourn into executive session at 9:20 p.m.; the motion carried unanimously.

At 10:10 p.m. Council members reassembled in the meeting room, and Mr. Flory made a motion, seconded by Mr. Begley, to reconvene the public meeting; the motion carried unanimously. Mr. Prevoznik said the executive session was held to discuss a potential litigation matter; and no decisions were made.

Request for Letter of Support from Suburban EMS

Mr. Phillips said Suburban EMS has requested that the Borough provide a letter of support for Suburban, which is pursuing designation by Pocono Township as their primary EMS provider in a joint venture with Pocono Medical Center. Mr. Phillips distributed a copy of the letter he had drafted. Council discussed whether the Borough should provide a letter, or not get involved in the designation matter by Pocono Township at all. Mr. Begley said he thought the Borough should submit a letter. After discussion, Council took no action on the request.

Adjournment

With no further business, Mrs. Wolbert made a motion, seconded by Mr. Begley, to adjourn the meeting at 10:15 p.m.; the motion carried unanimously.

James S. Phillips, Secretary