

The regular meeting of the Borough Council of the Borough of Sinking Spring was called to order on Wednesday October 7, 2009 at 7:02 p.m., at the Sinking Spring Borough Hall by Vice President Bruce Light. After the Pledge to the Flag, Regina Shade called the roll reflecting the following Council Members present:

Stewart Wenrich (absent)
Bruce Light
Barbara Kutz
Lawrence Schmidt
George Butkus
James Zerr (absent)
Elizabeth Sloan

Other officials present were: Mayor Clarence Noecker, Charles Fitzpatrick, Borough Solicitor, Robert Ludgate, Sr., Ludgate Engineering, Michael Hart, Public Works Director, David Schlott, ARRO Consulting, James Oxenreider, Police Chief, and Regina Shade, Secretary/Treasurer, who recorded the minutes of the proceeding.

Mr. Light requested a moment of silence for our armed services, police and fire departments.

APPROVAL OF MINUTES:

Mr. Schmidt made a motion to approve the minutes from the September 3, 2009 and September 23, 2009 meetings; seconded by Mr. Butkus. AYES – 5, NAYS – 0, ABSENT - 2 (Mr. Wenrich, Mr. Zerr)

VISITORS:

There were no visitors

COMMUNICATIONS:

There were no communications.

APPROVAL OF BILLS:

Ms. Sloan made a motion to pay the bills; seconded by Mr. Schmidt. AYES -5, NAYS – 0, ABSENT - 2; motion carried.

WESTERN BERKS FIRE DEPARTMENT:

Mr. Gregory Deiterich apologized and stated Mrs. Shade will be receiving the fire reports however they are extremely busy with calls at this time. Things are going well. He believes the disillusionment is just about done for the Relief Association. Their target date is the end of the year. They plan to have a fire commissioner ready to go for January 1, 2010. Ms. Sloan asked if he could go over the number of calls however Mr. Deitrich again stated the report has not been

WESTERN BERKS FIRE DEPARTMENT (cont'd):

completed. He went over that they are extremely busy and all calls are being answered.

MILLER ENVIRONMENTAL:

Mr. Peter Juzyk gave the report for September, 2009. They began emptying sludge from the primary digester on 9/21/09 in preparation for the contractor. The trailer jet unit was delivered to Jet Vac, Inc. All the parts have arrived and they are scheduled to start working on that next week. He is hopeful this will be delivered back to us in the not too distant future. They have completed replacing wood gates on reed beds 9-14. A repair was made on the hand wheel on oxidation ditch #1 weir gate. A temporary bypass starter was installed on raw sewage pump #1. They have completely recovered from the plant upset that he reported on last month. There were no permit violations at any time. They received a result that he felt was almost impossible. They notified DEP of effluent CBOD result that was greater than 123 for 9/7 and 9/8/09 sample is 4mg/l. He spoke to someone at DEP who instructed Mr. Juzyk to attach an explanation to the DMR but do not list this as a permit violation. He went on to explain about this. A brief discussion ensued. One (1) of the two (2) waste sludge pumps had a failed seal. Mr. Juzyk obtained a quote of \$3,680.00 to repair that. It is a vital piece of equipment. Mr. Butkus made a motion to authorize them to move ahead with this repair at a cost not to exceed \$3,700; seconded by Ms. Sloan. AYES – 5, NAYS – 0, ABSENT – 2; motion carried. In addition, Miller received a letter from the EPWPCOA that the Sinking Spring staff is to receive an award for the current year. They had been nominated for collection system operation and maintenance award. An invitation was given to all elected officials from Miller to attend the award ceremony to be held at Victor Emmanuel's on November 20, 2009. There is limited seating and to please let Mrs. Shade know as soon as possible if you would care to attend. The total monthly flow was 16,060,000 gallons. The average daily flow was 535,000 gallons. The total rainfall was 4.01. The contribution by municipality was Sinking Spring – 57.5%, Lower Heidelberg – 31.9%, and South Heidelberg – 10.6%. The influent loading data year to date was in their report. It appears everything is keeping a steady average. Ms. Sloan stated she saw a letter from McDonalds. She went on to say we have a grab sample and McDonalds would like us to address this issue. Ms. Sloan questioned if this was the most up to date way we could collect it. Mr. Butkus said all the steps that McDonalds has outlined will only address certain things that are tested for. The grease trap won't catch dissolved solids. He continued to explain how the testing works. Ms. Sloan was just wondering if there was anything more we could do. Mr. Butkus stated we are revisiting our testing procedures. At this time those numbers stand Mr. Butkus said. Mr. Juzyk said it was a composite sample. Mr. Schlott explained how the testing works in detail. The awards dinner begins at 12:15.

COMMITTEES:**BOROUGH ENGINEER – ROBERT LUDGATE, SR.:**

Mr. Ludgate had nothing.

PUBLIC WORKS DIRECTOR:

Mr. Hart stated he had prices for the Mt. Home Road connection. He contacted three (3) contractors. This would be to hook up the Carpet Warehouse and the old consignment shop. One (1) quote came from E. Kuser in the amount of \$24,024.00. The second quote is from Precision Construction in the amount of \$17,759.00. The last quote is from RF Excavating, Inc. in the amount of \$9,300.00. Mr. Schmidt asked if they are all reputable companies to which Mr. Hart said yes. Mr. Butkus questioned if they all were aware of the scope of the work to which Mr. Hart stated yes. He said the one (1) is a lot cheaper because he is located right across the street. It is not that difficult for him to become mobile. Ms. Sloan questioned that to which Mr. Butkus said that mobilization on these smaller jobs is always expensive. They are just bids. Ms. Sloan questioned if we require bonds on these types of jobs. Mr. Fitzpatrick said we can, but we didn't put on specifications because we were hoping to keep it under \$10,000.00. We can require they post a performance bond. But it is a small amount they might have trouble getting it. Mr. Butkus questioned if we have a problem being there is such a broad range of bids. Mr. Fitzpatrick stated no. Ms. Sloan questioned if we don't ask them for a bond could we hold \$1,000 back or something. Mr. Butkus said the biggest thing would be to have Mr. Hart out there inspecting while they are doing their thing. Mr. Schmidt agreed. The next question was how long will we give them to pay for the debt? Mr. Schmidt asked if there was a "normal" time for liens like this. Mr. Fitzpatrick said no there was really no normal for things like this. He went on to say that when you file a lien against the property you don't have to revive it until five (5) years go by. Ms. Sloan said give him three (3) years. Mr. Hart said this is just materials and installation; it does not including the tapping fee which is \$5,000.00 (\$2,500 per property). This would get added to this. Ms. Sloan said then we should go the full five (5) years. If he doesn't have the money, he doesn't have the money. In the mean time if he sells the parcel, we will get the money ahead of time. Mr. Fitzpatrick questioned if we want to charge interest. Mr. Schmidt asked if there is a fee for doing this. Mr. Fitzpatrick stated yes however it is not terribly expensive, under \$100. Mr. Schmidt feels we should charge interest. Mr. Fitzpatrick asked how much to which Mr. Schmidt said give him a break, 2.5%. Mr. Fitzpatrick questioned if we want to have him to amortize the loan; payments every month; or do we want to have him make one (1) payment of both principal and interest and one (1) payment of just interest. Ms. Sloan would like quarterly payments; she also would like him to be able to make principal payments anytime without penalty. Mr. Fitzpatrick said we can do that. Mr. Butkus made a motion to authorize the connection of the two (2) Mt. Home Road properties through the lowest bidder assuming nothing crops up while Mr. Fitzpatrick is working on the agreement with them and then we shall lien the two (2) properties for the total amount including tapping fees and permit fees at 2.5% interest over five (5) years, payment quarterly; the property owner can pay early with no penalty however at the end of the five (5) years the remainder of the unpaid balance must be paid off; seconded by Mrs. Kutz. Mr. Butkus amended the motion above to include we shall pay for the materials upfront; seconded by Mrs. Kutz. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

The next item was that the electrical supply bids; they have come through. It is very difficult to try and figure out where we stand with them at the present time. They did give charts and information which Mr. Hart handed out to Council. The group is telling us it is a good time to buy. They recommend moving forward with this. It is a two (2) year contract and it will be with Dominion Retail. We shall still receive a bill from PPL. The electric supply will be paid to Dominion however we will be paying a line charge to PPL for the carrying of the electric supply. It

PUBLIC WORKS DIRECTOR (cont'd):

still will be cheaper than what PPL would be charging us. A brief discussion ensued. Mr. Butkus questioned how much PPL would be charging for the use of their line to which the answer was no one currently knew that amount. Mr. Schmidt asked where Dominion was located at. It is in Richmond, Virginia. They are not a utility company. Ms. Sloan stated that she had spoken to PPL and they need a response from one (1) more company and they are ready to lock into their price. She suggested we might want to go with this company but it might be worth our while to see what the new rate is going to be for the next three (3) years as it might be competitive for the next block of time. Mr. Hart stated again, that we are locked into this for two (2) years to which Ms. Sloan said she knew that. But again she said that PPL does not have their new rates and she believes they are going for three (3) or five (5) years because electric is going up. If they lock in at good rates we could take advantage of them. They said they should have the new rates by December 1st. It might be worth the phone call to get those rates. Mr. Schmidt said we took this so we are locked into this for two (2) years so it doesn't matter what their rates are. She understood that but the next time PPL might be more competitive. Mr. Butkus said we will go out to bid again when that period of times comes around. Mr. Hart agreed. Mr. Hart said most of the municipalities have jumped on board with this; at least the ones he spoke with. Mr. Butkus asked Mr. Hart what he needed from Council to which Mr. Hart said nothing. We signed up for this and he was authorized to speak on the part of the Borough. This starts January 1, 2010. A brief discussion ensued to what the price might be. Mr. Schmidt said you shall see a drastic increase in your personal electric as well beginning in 2010 with PPL. Mr. Hart said between 30% and 40% increase.

SEWER ENGINEER – DAVID SCHLOTT, JR.:

Mr. Schlott said the wastewater treatment plant is moving along. He explained what has been completed so far. There is an application for payment from Wickersham, who is the general contractor in the amount of \$232,893.00. This reflects work completed as of September 25, 2009. ARRO recommends the payment. Mr. Butkus made a motion to pay \$232,893.00 to Wickersham Construction; seconded by Mrs. Kutz. Mr. Light asked for a roll call vote. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

Mr. Fitzpatrick stated just that day he received a copy of the easement for sewer over the private lot at Brookfield Manor. It has to be assigned to us but it has not been prepared as of yet. Then a bill of sale will need to be generated.

Mr. Schlott said the developer of the South Hull Street Apartments had come to their office to discuss alternatives to the sewer laterals. Currently four (4) individual sewer laterals were proposed. It is ARRO's intention to bring that up at the next Sewer Committee meeting to see if the alternatives would be acceptable. That would be tying into the existing main on Hull Street. The next meeting will be the following day.

SEWER AND SANITATION – GEORGE BUTKUS:

Mr. Butkus stated he received the capital improvements list from Mr. Juzyk that week so they can begin doing their share of the budget. Bulk clean up is Wednesday, October 14, 2009, he stated. He explained what items could and could not be placed out for pick up.

MAYOR NOECKER:

Mayor Noecker said Trick or Treat night will be October 31st. The times are 6:00 p.m. to 9:00 p.m. The curfew will be Monday through Friday till 9:00 and the weekends will be midnight.

Officer Fritz has passed his probationary period. He goes to Officer Second class which is a \$1.29 more per hour. Mr. Schmidt made a motion to approve Officer Fritz's raise amount; seconded by Ms. Sloan. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

The Mayor will be out of town from October 15th to the 18th.

RECREATION – BARBARA KUTZ:

Mrs. Kutz had nothing to report at this time.

LIBRARY – ELIZABETH SLOAN:

Ms. Sloan questioned if we got any numbers from Mr. Muir. Mrs. Shade stated the bill has been paid.

PUBLIC SAFETY – LAWRENCE SCHMIDT:

Mr. Schmidt said we will need to make a decision the early part of November at the latest on whether we want to join with the other municipalities on the Western Berks Ambulance contribution. He knows there are a lot of pros and cons about it; however we will need to discuss it.

POLICE CHIEF – JAMES OXENREIDER:

Chief Oxenreider stated we had 133 calls, 25 traffic citations were issued, 2 parking tickets and 10 warning notices.

SOLICITOR – CHARLES FITZPATRICK:

Mr. Fitzpatrick stated at the workshop meeting a proposal Ordinance was placed on the table for consideration. He circulated an e-mail around today with some thoughts on it. He just had a real chance to look at it. There are principally three (3) changes that will need to be made. One (1) is civil service employees will need to be exempt out if this is enacted. In addition, a definition of what a family member is would need to be addressed. There are some issues with incompatible offices, we must be clear here because Council would be going beyond the provisions of the Borough Code. The Borough Code only makes certain offices incompatible. This proposed Ordinance would make them not be eligible for any positions. Mr. Butkus said this is "employed office". This would not affect the Planning Commission or boards like that. Mr. Schmidt feels he needed more time to study exactly what they want and what they are looking to do. Mr. Fitzpatrick stated he has not been authorized to advertise or anything at this point. Mr. Butkus said he handed this out in conjunction with an executive session the prior month. Mr. Butkus continued the need

SOLICITOR – CHARLES FITZPATRICK (cont'd):

stemmed from personal actions taken in an executive session. He really didn't want to go into it at that point. He went on to say that the new Ordinance would require Council to do evaluations on all employees. These evaluations will be considered for raises and changes in compensation. Mr. Schmidt stated you are only talking about non uniformed employees. Mr. Butkus said that was correct because the uniformed are already getting evaluations. Mr. Schmidt stated they are in a contract and their wages are set in there so the evaluations really mean nothing, since their wages are set in the contract. He then questioned Mr. Butkus is that was correct. Mr. Butkus said yes but they are evaluated to which Mr. Schmidt agreed. Mr. Butkus said it would bar any sitting member of Council, the Mayor, or their families from applying for paid positions with the Borough. This does not mean any elected position. This is strictly employment issues. Anyone hired prior to the election of their family member will be grandfathered. This is for the future. This would also eliminate the option of a Councilman creating a position and then applying for the position within 180 days of them leaving Council. Mr. Butkus said it will need to be amended to not include the civil service people. This is not to be taken as an attack on anyone, Mr. Butkus said. We need to have a means to evaluate our staff especially if we are going to have to answer questions later when they are terminated. Mr. Fitzpatrick stated existing employees can remain in their positions as this is proposed. Mr. Butkus said this would only be for future applicants. Mr. Oswald asked Mr. Fitzpatrick if there will be a public hearing on this Ordinance. Mr. Fitzpatrick said this was handed out by Mr. Butkus at the last meeting and is currently under review. If Council is going to consider this, they would have to authorize him to advertise for enactment at a future meeting. At that future meeting, it can be discussed and enacted or voted down. So, Mr. Fitzpatrick stated it would be open for discussion. Mr. Oswald said he fails to see why we need such an Ordinance when two (2) family members serving, one on Council and another as Mayor, could do more damage than Regina, the Borough Secretary or Mr. Zerr (Matthew) sitting here since they have no voting power at all. Mr. Oswald said he never remembers hearing or reading anything that Larry or Jim voted on relative to their family members, except the budget and they are allowed to vote on the budgets under the Borough Code. He then asked Mr. Butkus to explain this. Mr. Butkus drafted this from several other Ordinances he got from around the State; several residents, more than he would like to admit to, but many residents have concerns about this. This does not reflect any of our current employees, Mr. Butkus stated. This is not saying anything detrimental about any of our employees. The fact in this day and age there could be the appearance of improprieties in future actions. This stops that. This also requires that Council has an objective means of justifying giving raises and then has the paper trail to fall back on in the case of termination of an employee. Mr. Oswald questioned if we are treating our non uniformed employees differently than our uniformed employees. Aren't you treating them differently because they don't have a contract? Mr. Butkus said the uniformed our currently being evaluated. Mr. Oswald stated it appears you are treating the non uniformed differently. Mr. Butkus stated typically the non uniformed employees are awarded the same benefits the police are given in their contract. They have no contract. Mr. Schmidt said that is not true. They don't get the same benefits. Mr. Butkus questioned what are they? Mr. Schmidt said pay raises. Mrs. Kutz said they get the same. Mrs. Shade asked if she could speak. Mrs. Shade said they are different. She said according to the police contract the police get 10% of their salary including overtime put into their pension. However the non uniformed get 10% of their salary not including overtime placed into their pension plan. The non uniformed do not get the same personal days as the police. The police get their birthday off as a paid holiday the non

SOLICITOR – CHARLES FITZPATRICK (cont'd):

uniformed do not. She asked the Chief and the Chief said they do get it off as a holiday. She asked Matt Zerr to which he said he does not get his birthday off. Mr. Butkus said correct me if I am wrong but the pensions are all laid out by the State. Mrs. Shade stated no. The pension plans were created by Council. The State has nothing to do with this. Mr. Butkus said he sat in that room where when it came to the budget it was stated these amounts were all set up by the State. Mrs. Shade said Mr. Butkus was referring to the MMO. This is the Minimum Municipal Obligation Bond that the Borough must calculate for the State and submit to them. This information is based on last year's salary plus percentages the State calculates. This must be completed by me and submitted. That is what Council votes on and this amount is placed into the budget for the upcoming year. This is what we must pay towards their pension; both uniformed and non uniformed. Mrs. Shade fills the police out based on their base salary plus overtime; the non uniformed is on just the base salary and no overtime. Mr. Butkus is quite certain this is laid out by the State. Mrs. Shade said no that is part of their contract. The State has nothing to do with it. The MMO is required by the State. Mrs. Shade apologized if she misled him. Mr. Speece feels the Borough needs the best people. If it is a brother, sister, father or whatever why would you want to keep people from running? The audience clapped. Mr. Butkus stated this does not bar anyone from running for elected office. The proposed Ordinance would not allow any family member to be hired for employment. Mr. Speece said that still is not fair. If someone has the qualifications why should that person not be allowed to apply? He continued because they are related to someone; that just doesn't make any sense. You would turn away a perfectly good candidate because someone they are related to is on Council? He again said, that makes no sense at all. He continued he wants the best person for the job; he doesn't care who he is related to. Mr. Oswald would like to see samples of this impropriety. He doesn't feel there are any. He thinks it is somebody has a beef with someone and this is their way of handling it. Mr. Speece agrees totally. Mr. Butkus stated he could give one (1) example of where a Council person created a position and that would be former Councilman Stine. He created a position of carpenter, determined he was the most qualified for that position, and then hired himself. Mr. Dennis Leiby said that was true. Then later he created himself the position of Public Works Director and voted himself the job. Mr. Oswald said Council hired him. Mr. Butkus said this does not apply to any of the current employees; however he does not want this to reflect badly on this employee, however and he apologized in advance, there was a member of this family who is currently still an employee. She was hired while this family member was on this Board. Mr. Oswald said Council approved his hiring. Mr. Oswald said whose fault is it...that guys or Councils. Council voted for it. Mr. Butkus said the question is, are we sure we got the most qualified person? Ms. White asked if Council wanted her to resign. Mr. Butkus said no. He was not asking for that. She had done an incredible job. His point is that these occurrences have happened in the past. He told Ms. White that he has stood up for her in the past. This is not reflecting badly on any of the staff. Two (2) months ago we fired an employee who was here over a year. The fact is that we have no evaluations on any of the non uniformed staff. Mr. Oswald questioned if the police will be getting a 3 1/2% increase no matter what their evaluations are. Chief Oxenreider said they negotiated that item. A skilled police officer requires a different skill set just like other jobs require other skills, Mr. Butkus said. Mr. Fitzpatrick stated that the State Ethics law does prohibit a Councilperson voting on any matter either to hire himself or a relative. It is prohibited and he feels we have been attentive to not doing such things. In all those situations those members have not voted on the issue. He can't think of any situations in the case of Larry Schmidt, Jim Zerr and John Stine. John Stine did not vote. Mayor Noecker said the same thing was done

SOLICITOR – CHARLES FITZPATRICK (cont'd):

when the Lascombs and Meglathertys were here also. Mr. Fitzpatrick stated that was true also. Mr. Light said we just received this and it should be reviewed before any rash decisions are made. This should be well thought out. Mr. Light agrees with Mr. Speece. We should have the best candidate in the job. He would like to table this for now. At a later meeting we can decide to advertise. Mrs. Kutz stated she had been on Council for four (4) years and we have been working on these performance evaluations. Nobody knows who does what. Nobody knows who should get pats on the back. This is how the real world is. Mrs. Kutz wants to know why we must put this off. She thinks it is getting out of hand. Mr. Light questioned why didn't you make this an issue at the beginning of the year? Mr. Light said here we sit two (2) months to the end of the year. How is this going to be done? The budget needs to be adopted. Let's do it at the beginning of the year. A brief discussion ensued. Ms. Sloan said that Mr. Fitzpatrick should put in about the civil service and Council should give some thought to what family members should be included in the Ordinance. Mrs. Kutz said it is written up about in our audits every year that we don't do evaluations. Mr. Light is not against the evaluations. He had them done at his place of employment. Mrs. Shade questioned if we go forward with the evaluations who would do the evaluations? Mrs. Kutz stated this was discussed before. Mrs. Kutz said she was to evaluate the girls in the office and Mike was to evaluate the street department. The Chief would do Bonnie. She then asked who would do us. Mr. Butkus said the appropriate committees. The Admin would evaluate Mrs. Shade, and the Street Committee would evaluate Mike. Mrs. Shade questioned if we do the evaluations and then we are evaluated, then it goes before all of Council would we be asked to go into the executive session for the review. Mr. Butkus said yes. Mr. Schmidt said when he was working as a supervisor he had to do two (2) reviews a year. One (1) was a midterm evaluation which had nothing to do with monies. This was to do a better job. At the second evaluation was the money evaluation. He thinks that is what is missing here. He believes we should evaluate the people; let the people know what they are thinking and that does not mean Council. This is the department heads. Then do an evaluation for money. He thinks we should do two (2). However he thinks this should be instituted January 1st. Mrs. Kutz said we approved this. Mr. Schmidt does not feel we can get this all done by the end of the year. Mrs. Kutz again said the auditors have written us up because we haven't done this. Mr. Light said he never remembers the auditors bringing this up. Mr. Butkus said in the Ordinance it does not say how the evaluations are to be done it just says they will be done. Mr. Butkus said a resolution would need to be adopted on whatever methodology they would choose to use. Ms. Sloan feels a non-nepotism Ordinance should be on the books. Mr. Schmidt differs with her opinion. The State does not allow you to vote on anything regarding yourself or family members. The State does not allow you to vote for your own family, Mr. Butkus said. Mr. Schmidt said that is correct; that is nepotism. Ms. Sloan doesn't think it would hurt to have it on the books for the future. Mr. Butkus thinks we should have Mr. Fitzpatrick submit the civil service information in and that Council should submit their ideas on what constitutes family. He can then e-mail it to Council for their thoughts. Mr. Butkus said again this is no reflection on our current staff; he feels they are doing an excellent job. He is responding to questions from the people we represent, Mr. Butkus said. Mr. Schmidt said certain things must remain quiet and people are going to talk no matter what you do. Mr. Butkus said he understands that too. This goes with the territory. Mr. Butkus said coming in cold and not having a history of any of the staff, it makes it a bit hard. Mr. Schmidt stated again he has no problem with evaluations. He feels evaluations are important. Ms. Sloan said we could have handled that situation sooner if we had them. Mr. Schmidt said that situation regarding that person; we were bound not to talk about it. Mr. Butkus said in the course of

SOLICITOR – CHARLES FITZPATRICK (cont'd):

the year some of these issues could have been picked up. It could have been a reference point. Mr. Schmidt stated he gentlemanly disagreed with Mr. Butkus. There were other issues that were involved with that situation to which Mr. Butkus agreed. Mr. Schmidt said it was time to move on.

UNFINISHED BUSINESS:

Flu Clinic has been cancelled due to lack of vaccine.

The Borough Holiday Open House is Wednesday, December 2, 2009 from 7:00 p.m. till 9:00 p.m. Santa Claus will arrive by fire truck.

The next item on the agenda was the deductible for the health insurance for the non uniformed employees. Mrs. Shade stated ever since she has been employed here the Borough has had Capital Blue Cross as their insurance carrier. The policy always ran from October 1st through September 30th. The deductible period somehow over the years had changed and it ran from January 1st through December 31st. A few years ago, the Council at that time was faced with a large increase in our rates. Well, Mr. Chester Perfetto was our broker, and talked to that Council about HSA Accounts. These are health savings accounts. These accounts were established at that time for each employee both non uniformed as well as police. Council at that time was able to lower the cost of the health insurance by increasing the amount of the deductible. It was still cheaper that year and for the following years for the Borough to pay the deductibles into the HSA accounts and the higher deductible insurance until this year. This year the Borough was looking at an increase of 31% or roughly \$50,000.00. She became aware of the increase around the 2nd week of August. When Mrs. Shade was made aware of this, it was decided that perhaps Mr. Perfetto should shop around and get us better insurance. He did find us better insurance with Health America. This plan has no co-pay and is saving the Borough \$40,000.00 if the police went along with this we would have saved another \$9,000.00. The police did not have to go along with the change due to the fact that their contract states a specific plan. Mr. David Keller along with Mr. Perfetto spoke to the police and inquired if they would like to be part of this new plan. The police declined. It took several weeks to get this meeting to happen due to scheduling issues as well as vacations. After the police declined the Borough non uniformed employees filled out applications not only for themselves but for their families as well. They were submitted to Health America for the final review. We were accepted in late August. Mrs. Shade brought it to Council at the September Council meeting. It was agreed upon to have the non uniform change their insurance and the police would keep the Capital Blue Cross. When Mrs. Shade spoke to Mr. Perfetto she inquired about how the deductible would run. Mr. Perfetto was looking into exactly when the deductible would start; however he couldn't get an answer. On September 29th, Mrs. Shade received a phone call from Mr. Perfetto and Jessica in his office. The deductible would begin on October 1st. They would not begin their deductible on January 1st like Capital Blue Cross. Mrs. Shade at that point put out an e-mail inquiring if Council would be in agreement to pay the deductible into these employee's accounts on September 30th instead of the December 31st date. It was decided this should come before Council for a vote in front of the public. Mrs. Shade was looking for an answer if we could pay this deductible at this time. She said this money was already in the budget for this year. The only thing she was requesting was that this money be paid in advance of the December due date do to the fact that some of these employee's had already met their deductible and to ask

UNFINISHED BUSINESS (cont'd):

them to pay a deductible again as the Borough switched their coverage could be a financial burden. Once again, she said she only was asking for the change of the date the deductible is paid, nothing else. Mr. Butkus questioned if the deductible will run from 10/1 to 9/30. She said yes. He continued this does not mean that beginning 1/1 a new deductible will start to which Mrs. Shade said no. Ms. Sloan stated there is two (2) payments of \$10,000.00 one (1) due now and another at the end of March. A brief discussion ensued. The answer was correct. Ms. Sloan asked Mr. Fitzpatrick if this needs to be voted on at a public meeting to which he said yes. Mr. Butkus stated he is not concerned about this deductible however he is concerned about future deductibles. He continued this paying of the deductible is at Council's discretion from year to year. Mr. Butkus said if budgetary issues arise Council could chose not to pay part of the deductible or perhaps all of the deductible. He asked Mr. Fitzpatrick if that is legal. Mr. Fitzpatrick stated you have no obligation legally to pay that deductible only historical. Ms. Sloan said we should sit down with our employees early in the year and tell them what they may have to contribute so they aren't blind sided with this. Perhaps Mr. Perfetto could come in and educate Council on how these things work. Mrs. Shade stated that he did make packets for each of the Council people. Ms. Sloan said this problem is not going away. Mr. Butkus made a motion to pay the deductible to the affected staff that is covered by the new health insurance plan for this year with everything else to be reviewed later; seconded by Ms. Sloan. Ms. Sloan asked for a roll call vote. AYES – 4, NAYS – 0, ABSENT – 1, ABSTAIN – 1 (Mr. Schmidt); motion carried.

The next item was the twelve (12) hour shift for the police. They were on a ninety (90) day trial basis and that time is now up Mr. Light stated. Chief Oxenreider agreed. Chief Oxenreider stated he hadn't sat down with the Mayor to review this so he was not aware of what his feelings were. The Chief feels the twelve (12) hour shift is working. They have more manpower out on the street. The overtime has been cut down compared to the ten (10) hour shift. In addition, the men aren't off for periods of time which gives them access to exactly what is going on out there. The men love it. Mr. Butkus questioned what they are doing. He explained how the schedule works. It is an eighty (80) hour week. The Mayor stated it appears the twelve (12) hour shift is working. However, he would like the Chief to work an eight (8) hour shift and would be in the office five (5) days a week. He feels the Chief should be in the office every day. Chief Oxenreider stated the reason he was doing the twelve (12) hour shift was because Officer Schweyer was out do to an injury. The Chief said it was fortunate he was able to slip into that spot because a lot of overtime was not needed. The Chief stated in November he is back to the eight (8) hour days. Mrs. Kutz made a motion to keep the twelve (12) hour shifts; seconded by Mr. Butkus. Mr. Butkus wanted to hear from the chair of the Safety Committee on this. Mr. Schmidt stated he has not heard any complaints about the twelve (12) hour shifts. It is working out well. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

The next item was the revised zoning map discussion. Mr. Ludgate said we had done that at a prior meeting so nothing really needs to be done at this point in time. Ms. Sloan had a question. She was wondering if Elizabeth was going to be one (1) way or two (2) way. Mr. Ludgate stated this was not a street map this was the zoning map. He explained this is a map that states what type of business can go into a certain area. This is the map that we were discussing, Mr. Ludgate said. Ms. Sloan went on to say she thought that the direction on one of those roads was changing. The

UNFINISHED BUSINESS (cont'd):

Mayor was unaware we were looking at that. Mr. Ludgate said, he too knew nothing about this, but perhaps some other board or committee was looking at changing the directions. But again, he was looking at the zoning map nothing else. They would like to have a final draft of the new zoning info in the Planning Commission's hands by the November meeting.

NEW BUSINESS:

The first item was the scheduling of budget workshops. Mrs. Shade gave a few available dates. The meetings will be in the evenings. Ms. Sloan is not available on a Tuesday or Thursday evening. It was established that the first budget meeting will be Monday, October 26th at 7:00 p.m. at the Borough Hall. Ms. Sloan had a protocol question for Mr. Fitzpatrick. She stated that she and Mr. Light and Ms. Sloan are on the admin committee along with Mr. Zerr. Mr. Zerr has not been showing up so Ms. Sloan was wondering if another member could be appointed in his place. She went on to say that if she and Mr. Light don't agree there is no one there to break the tie. She continued there has been several communications with Mr. Wenrich however nothing has been done. Mr. Fitzpatrick said until the President of Council appoints another member; it will remain those three (3) people. Mr. Light said she brought this up at the prior meeting as well.

The next was set meeting times and dates for 2010. Mr. Butkus wanted to know if we want to wait till the new Council members are elected and let them weigh in on when meetings will be held. Council agreed.

Mrs. Kutz questioned since Ms. Klee's departure were we going to replace her. She wanted to know if we must formally state we are not going to replace her. Mrs. Shade said at this time with the budget as it is, she figured we will try to run without this person. She said she wished Ms. Bohn, and Ms. White were there as she would like to thank them for stepping up and helping to do the work of this person. Mrs. Kutz again asked if this position is done. Mrs. Shade said for the rest of the year we are going to try to do the work of this person; however she can't say this position will never be needed to be filled. Mrs. Kutz questioned if we need to do anything formally. Mr. Fitzpatrick said we didn't need to do anything formally if we aren't hiring. Mr. Butkus questioned if Council decided to hire then Council would need to do something to which Mr. Fitzpatrick said yes.

PUBLIC COMMENT:

Mr. Ken Harting questioned if something is tabled and it is not brought up at the next meeting that is breaking Robert's Rules. Mr. Harting missed some meetings but he brings this up because he saw that South Heidelberg brought up about a millage change due to the ambulance. This was a tabled issue has anything been discussed on this. Mr. Schmidt said he was going to the meetings. He said there are pros and cons to this. Spring Township has voted to go along with this. They put on the table that they must be represented on an Advisory Board. South Heidelberg did the same exact thing. They are requesting \$30 from each household in the Borough. If we don't go agree to that it could be \$55 to \$60. Mr. Schmidt stated the average age of Borough residents would be in the 55 to 60 age group. It would probably look good to us as a whole to go with this due to the age of our residents; however the argument against that is that we are taking away the citizen's

PUBLIC COMMENT (cont'd):

rights whether you want to join the ambulance or not. It is a hard decision. It is a thing that will need to be decided on within the next month. He has mixed emotions about this himself. Mr. Harting stated he needed to know this as he has tenants living in the Borough. A brief discussion ensued as to how much it might cost. It would go on the fire tax. He does not know how his fellow Councilpeople will decide. Mr. Leiby said he thought this was decided on years ago. Mr. Butkus told him that was just for that year. Mr. Leiby thought it was a dead issue. Mr. Schmidt said it was brought up again. Mr. Ken Walters stated that it cost him \$50 and now it will cost him \$120. Mrs. Shade said no; it would cost him \$30. It would actually save him \$20.00. Mr. Harting said he has two (2) units so how is that fair. Mrs. Shade stated if it is a millage it will be on the assessed value of the property. She said if you have one (1) building and you get one fire tax bill you would get one \$30.00 tax bill for the ambulance. Mr. Fitzpatrick stated if you have a twenty (20) unit apartment building it wouldn't change the amount of the taxation if this is a millage increase. It is based on the assessed value of your property. A brief discussion ensued. Mr. Francis Butkus questioned how the homes at the old pool property will be billed. Mr. Fitzpatrick asked Mr. Butkus how they are assessed. The billing will be based on the assessed value of the property. He asked if they are assessed individually or as a whole. Mrs. Schmidt, tax collector, said they are being billed as a whole currently. It would be based on a higher assessment.

Mr. Leiby said there was something in the Merchandiser about Tax Increment taxing or something. He was wondering what that was all about. He said he comes to the Council meetings and never heard anything about this. Mr. Light said that was the TIF. Mr. Schmidt said this was talked about on several occasions. It is Tax Increment Funding. Mr. Schmidt explained what it is and how it works. This was explained again. Mr. Leiby questioned if this was like West Reading where you can raise the taxes on Penn Avenue. Mr. Fitzpatrick said no. Mr. Schmidt said this has nothing to do with that. It is only in the TIF area. Mr. Leiby said was there a vote on this; he missed it. Mr. Fitzpatrick said there was no vote taken. He continued they can come in and tax our tax money. Mr. Fitzpatrick again said no vote was taken. Mr. Fitzpatrick stated there will be a hearing to make a determination whether anything is going to be done. It is a public hearing. No action has been taken. Mr. Leiby said, "he just said the taxes are split between three (3) people." Mr. Butkus said currently there are three (3) bodies' taxes for the same geographical location – the Borough, the County, and the School District. Out of those three (3) taxing bodies is what is being discussed. Mr. Fitzpatrick again stated this Council had taken no action on this. Mr. Jim Adams stated earlier that evening at Meet the Candidate Night, Mr. Francis Butkus spoke about Cabela's. Cabela's was developed with TIF money. It would be the Berks County Redevelopment Authority that borrows the money. Mr. Harting said that Council never spoke of it that night. Mr. Light said this had been talked about several times. Mr. Fitzpatrick said the Borough did not do the advertising. The Berks County Redevelopment Authority did so. Mr. Harting again said Council didn't speak of this. Mr. Light said we talked about this a few times. He said we even had talked about this the month prior.

TREASURER'S REPORT:**General Account**

Opening Balance – September 30, 2009		\$426,275.88
PLGIT		9,077.96
Invest	Recreation	49,516.70
	General Invest	4,3679.09
	To Be Paid	(43,731.75)
	Total Acct Funds	\$445,508.88

Sewer Account

Opening Balance – September 30, 2009		\$247,462.43
PLGIT		61,143.20
Invest	Sewer Revenue	321,344.76
	To Be Paid	(6,473.70)
	Total Acct Funds	\$623,476.69

Mr. Butkus made a motion to accept the Treasurer's Report; seconded by Mrs. Kutz
 AYES – 5, NAYS – 0, ABSENT - 2; motion carried.

ADJOURNMENT:

Mr. Schmidt made a motion to adjourn the meeting at 9:02 p.m.

Respectfully submitted,

Regina M. Shade
 Borough Secretary/Treasurer