

A special meeting of the Borough Council of the Borough of Sinking Spring was opened on Monday, December 11, 2006 at 7:00 p.m., at the Sinking Spring Borough Hall, by President Lawrence S. Schmidt. After the Pledge to the Flag, Regina M. Shade called the roll reflecting the following Council Members present:

Lawrence S. Schmidt
James Zerr
Dennis Leiby (absent)
Bruce Light
Stewart Wenrich
George Butkus
Barbara Kutz (absent)

Other officials present were: Clarence Noecker, Mayor; Michael Hart, Public Works Director; Regina Shade, Borough Secretary/ Treasurer who recorded the minutes of the proceedings.

UNFINISHED BUSINESS:

Mr. Fitzpatrick stated we have the maintenance agreement for Wagner Farms Phase IV. They posted cash security in the amount of \$22,107.00. This is Grande. It is for eighteen (18) months. They must maintain the improvements for that period of time. The engineers have reviewed it and they are in agreement. Mr. Butkus made a motion to accept the agreement as stated above; seconded by Mr. Wenrich; AYES – 5, NAYS – 0, ABSENT - 2; motion carried.

Mr. Butkus would like to be removed from the Library committee has he has a prior commitment the evening they meet. Mr. Schmidt will be taken care of it.

BUDGET:

Mr. Schmidt turned the floor over to Mr. Wenrich, Chairman of Administration and Finance. Mr. Wenrich turned the floor over to Mrs. Shade.

The first budget that was reviewed was the Sewer Budget. There were no changes to the budget. This was the same budget that was reviewed at the prior meeting. We end up with a net income of \$58,800.00. Mr. Butkus questioned if this reflected any income from the potential litigation. Mrs. Shade stated no. Mr. Zerr made a motion to accept the 2007 Sewer Budget as is; seconded by Mr. Butkus. Mr. Schmidt asked for a roll call vote. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

The next budget is the fire. This reflects the slight increase in the Fire Budget. The new millage will be .00065. The income reflecting the increase should be \$128,476.38. There were some adjustments to the budget. It did not affect the bottom line however we moved some of the categories. Mrs. Shade explained what accounts were moved and why. We should be looking at a net income of \$1,001.57. Mr. Schmidt asked Mr. Zerr if he was happy. Mr. Zerr was. He again thanked everyone for their dedication. Mr. Butkus commended Mr. Zerr for his work on it as the original draft was much more “painful” then this one. Mr. Light made a motion to accept the fire

BUDGET(cont'd):

company budget; seconded by Mr. Wenrich. Mr. Schmidt called for a roll call vote. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

The next budget was for the General Fund. The income has not changed. This is the amount that was originally presented at prior meetings. The income showed was \$1,909,310.00. Mr. Schmidt questioned if anyone wanted to discuss any categories on the income portion. Hearing none, we moved onto the expense portion.

Under the administration portion of the budget we did add \$20,000.00 to finish our codification process that began last year but hadn't been worked on at all this year. We would like to finish it up. This is probably actually more than what we need but we wanted to make sure there was enough there in case we run into difficulties.

Under the police section, we went back to the original amount for the police pension plan. The amount is \$62,265.00. We had been taken back to the \$48,000.00 with the idea that the police would be contributing the 5% like the ordinance required. Since Council voted not to have them contribute the Borough will be picking up the entire cost.

On page three (3) under salaries for the street workers that reflects quite an increase. The reason that number is being used is we have not had any formal negotiations and once again, Mrs. Shade stated she wanted to err on the side of caution once again. It is not \$175,000.00. On the following page, it shows a capital outlay project for either Vester or Ashley. This past year we sent out letters to the residents that needed to repair their curbing and driveways in preparation of repairs to both Ashley and Miller. However, we did not apply for any Community Development money that we were going to use in redoing Vester Place. When Mrs. Shade and Mr. Michael Hart, called Mr. Peter Eisenbrown of Ludgate Engineering, his recommendation was to put Ashley and Miller on hold as Vester Place is in far worse condition. If we ever had a big accident, i.e. train derailment, Vester would not be able to withstand the heavy traffic that might go along with this type thing. They feel we should do Vester. We can apply for CDBG money next year and use it on Park Avenue or Clematis. Mr. Eisenbrown figured the cost of the project to be about \$200,000.00. In April, 2007, we should have roughly \$126,000.00 in our Liquid Fuel account that could be used toward that project as well. However instead of totally depleting the Liquid Fuel Account, she took \$75,000 out of there and the rest out of the General Fund. Once again, she felt to account for the worst case scenario she would take the bulk out of the General Fund. Mr. Hart questioned Mr. Schmidt if he could begin working on specs for Vester. If we could get this bid by February, we could get the contractors while they are in need of work. We did not get a chance to send out letters to the residents on Vester that need to make the repairs. We can send out letters requesting they repair their curbing or we can fix it for them and bill them for our cost. It could be a timing problem. Mr. Fitzpatrick believes we must offer them the option of doing the work themselves before the Borough would step in. Mr. Schmidt questioned how long in advance we must tell them. Mr. Fitzpatrick was not sure; he would need to check into it. A discussion ensued as to when the street work can be done. Mr. Coldren feels that they should have six (6) months to make the repairs. Mr. Fitzpatrick stated no, not that long. It just is "after notice." Mrs. Shade stated Mr. Hart is concerned about plowing on Vester if we should get a good snowfall.

BUDGET(cont'd):

Mr. Butkus wondered if we could go after the poor patching. Mr. Wenrich stated that Vester was not in that bad of shape till they started digging around. Mr. Light spoke with Mr. Hart and he was looking to have the project begin at the end of March or beginning of April. A discussion ensued as to when to bid the project. Mr. Zerr questioned if we could send out the notices now sort of put the residents "on notice" that this will be happening early next year. Mr. Hart and Mr. Eisenbrown will be looking at the properties some time the following week. The Mayor didn't want to see the residents get notices that say this has to be done in a few weeks. Mr. Fitzpatrick stated we have nothing to say on this, the State mandates how long we must give them. Mr. Schmidt stated that they probably won't begin the project till the end of March due to the weather. Mr. Butkus questioned how we are addressing the sidewalks as some people have questioned if we even have the right to tell people they must fix their sidewalks. Mr. Fitzpatrick stated we have the right to have them keep their sidewalks in a safe condition. A discussion ensued as to what we make them fix. If it is just spalled, they don't need to worry about them.

Mrs. Shade stated everything else is the same with the exception of longevity. In case, the street workers ask for longevity and get longevity, she put the amount (no account number at this time) in the fringe benefits portion. Mrs. Shade stated that the police receive \$70.00 per year however they can only start collecting it after they have been here for three (3) years. \$2,940.00 would be what the non uniformed employees would receive. That is the number that is in the budget for 2007.

Mrs. Shade stated once again that she is conservative on the income and extravagant on the expenses. The General Fund budget reflects a net loss of \$53,919.63. She also reminded Council that they will be going into 2007 with about \$400,000 in cash which is why she feels a tax increase is not needed. Mr. Butkus asked if we should set some money aside to be used on specific projects. Mrs. Shade stated you can not earmark money for something specific. Mr. Wenrich feels we are probably going to come out "to the good." Mr. Light stated for 2007 we do not need a tax increase; however this does not mean that there will not be a tax increase in 2008. Mr. Butkus questioned if the salaries were based on the 3.3% COLA plus a monetary reward or was this based on the 4.5% increase. Mrs. Shade stated it is based on the overall 4.5% increase based like the police. Mr. Zerr is very comfortable on this budget. The Mayor wanted to make sure the police were okay with the pension. Mr. Fitzpatrick stated this was based on the projected police salaries and he feels that we should be okay. The Mayor stated we need to use our part time police officers more. Mr. Light agrees. Mr. Butkus stated it wasn't solely the Chief's fault. He had several part time officers leave. A discussion ensued on to part time police officers and how they work.

Mr. Wenrich made a motion to accept the General Fund budget as presented above; seconded by Mr. Zerr. Mr. Schmidt called for a roll call vote. AYES – 5, NAYS – 0, ABSENT – 2; motion carried.

Mr. Butkus would like us to post the budgets on the website as it lays open for the ten (10) days. Mr. Butkus would like to see the salaries also posted. Mrs. Shade asked if he wants to see it individually. Mr. Fitzpatrick stated no names. A discussion ensued as to how we will show the street department's salaries as the contract has not been completed.

BUDGET(cont'd):

Mr. Zerr wanted to clarify that the fire budget does show a tax increase. Mr. Fitzpatrick stated that was true and that is the only increase for any budgets for this year. Mr. Schmidt stated that is correct.

Mr. Harting questioned if the tax increase is for a need or for a wish list. Mr. Schmidt asked Mr. Zerr if he would like to address the question. Mr. Harting wanted to know if we don't need the tax increase next year will we bring it back down. Mr. Fitzpatrick stated it is an annual tax and if we don't need it, we could certainly bring it back down. Council will make the determination if the tax is needed or not. A discussion ensued as to the fire equipment and what needs to be done. Mr. Zerr said that on the fire company wish list we cut out about \$10,000 to \$15,000. Mr. Zerr explained what the trucks need, i.e. tires, etc. Mr. Fitzpatrick stated that it averages out to one (1) call a day they are responding to. That is a lot of calls Mr. Fitzpatrick stated. Mr. Schmidt stated we need to have a functional fire company not a glamorous fire company. Mr. Harting questioned where we stood in regards to the merging of fire companies. Mr. Zerr stated they have not met yet. The first meeting will be on Wednesday, December 13, 2006. He does not know all the legal issues at this point. Mr. Harting stated we have the only ladder truck on the west end of the County. He feels we are giving a "Cadillac" and they are giving a "Chevy". Mr. Fitzpatrick stated that is the way in any merger, it is never an equal merger. We must maintain our equipment in top shape. You can't plan on a merger. Mr. Zerr stated we are three (3) to five (5) years away from any merger if at all.

The next item that was discussed was the trash. Mrs. Elaine Farag, Mr. Ken Harting, and Mr. Marvin Coldren addressed Council on their concerns. Mrs. Farag was in agreement with the way trash is being billed. She is a tenant in the apartment next to the Borough Hall. She stated people come and go from the other apartments and she knows that they do not pay for trash so billing the landlords is the way it should be done. She stated that her landlord just upped her rent by twenty dollars to cover the cost. Mr. Harting was concerned if the amount being billed was going to change as he has tenants and he needs to know. Mr. Schmidt stated that the basic rates will remain the same with the exception of apartments that house more than two (2) units. If an apartment has two units they will be billed the \$400 commercial rate; however if they have more than two (2) units it will be another \$100 per unit. An example was given if an apartment has three (3) units they will be billed \$500.00. Mr. Harting did not feel it was fair that he needed to pay his \$400 by March. Mrs. Shade explained that he does not live at the property so for only trash purposes we are considering apartments commercial. Mr. Coldren was concerned about the single person paying \$200 for trash and not putting out the six (6) bags. A long discussion ensued again over this issue. Mr. Wenrich asked Mrs. Shade to explain about the "adopt a neighbor" program that we could establish if there is interest. Mrs. Shade explained that if people are willing to pay extra for a neighbor, we will apply the extra money to their designated neighbor. We are currently in the process of working out the details. Mr. Coldren is looking for some numbers so he can come up with a fairer way to bill trash. Mr. Wenrich stated we have been doing this for years and this seems to be the best way. It was again stated that if someone is over 65 and covered by PACE, they can come in for a partial exoneration. It was again stated that only one (1) person came in for that. Mrs. Shade explained why Mr. Harting's tenant could not be exonerated. Her name is not on the bill, Mr. Harting's name is. Another long

BUDGET(cont'd):

discussion ensued with the same questions, and answers that have been discussed in the past. Mr. Butkus will be forming an ad hoc committee for the trash contract for next year. He will get Mr. Coldren some figures that he wants also.

Mrs. Farag has concerns about the speed at which PENNDOT comes down Penn Avenue after a snowstorm. A brief discussion ensued; however it appears we really have no control over this.

Mr. Fitzpatrick will run an ad for an ordinance increasing the fire tax from a half mil to .00065. In addition, he will create a resolution changing the trash (in this respect only): a multi dwelling apartment (more than two (2) units) from the original \$400 to the \$400 plus an additional \$100 per unit. The two (2) unit apartments will remain at \$400. They will be considered commercial properties for trash purposes only. The general tax will remain the same.

Mr. Butkus turned over the key to the Borough garage.

ADJOURNMENT:

Mr. Zerr made a motion to adjourn at 8:40 p.m.

Respectfully submitted,

Regina M. Shade
Borough Secretary/Treasurer