

The regular meeting of the Borough Council of the Borough of Sinking Spring was called to order on Thursday, September 2, 2010 at 7:00 p.m. at the Sinking Spring Borough Hall by President Stewart Wenrich. After the Pledge to the Flag, Regina Shade called the roll reflecting the following Council Members present:

Stewart Wenrich
Edward Oswald
George Butkus
Elizabeth Sloan
Dennis Leiby
James Pachulo
Denise Stine

Other officials present were: Mayor Francis Butkus, Keith Mooney, Borough Solicitor, Robert Ludgate, Sr., Ludgate Engineering, David Schlott, Jr., ARRO Consulting, Michael Hart, Public Works Director, Police Chief, James Oxenreider, and Regina Shade who recorded the minutes of the proceeding.

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

APPROVAL OF MINUTES:

Mr. Oswald made a motion to approve the minutes from the 7/28/10 and 8/5/10 meeting; seconded by Mrs. Stine. AYES – 7, NAYS – 0; motion carried.

VISITORS:

Ms. Marianne Egolf was the first visitor on the agenda. Ms. Egolf was there on behalf of F.M. Brown's. They are applying for a rail assistance grant. They will be presenting in Harrisburg on September 15, 2010. They recently found out that they need to show support from the Borough for this project. The project is actually a six (6) car, 1,000 foot rail siding behind their James Street facility. The line would come in from the area closest to Rt. 724 and then back in the whole length of their building. They have an older facility on Woodrow Avenue and Columbia and a newer facility on James Street. Presently they only have a three (3) car unloading facility at the old mill on Woodrow Avenue and they would like to get a six (6) rail car, 1,000 foot track behind their James Street building. The reason is because they can't get enough grain into their facility in order to support their James Street facility. The more that they grow the more of a problem they have. They are taking the grain in at the Woodrow Avenue facility and trucking it down about 48,000 pounds at a time from there down to James Street which is very inefficient for them. This is the reason they are looking for the grant for the rail siding. Mr. Wenrich inquired if she knew where they would be putting the switch off the main line. She had a drawing which she gave to Council. Ms. Sloan questioned about the other depot where they are bringing stuff in at night that we just approved. This will not affect that. Mr. Wenrich said there will be no impact on traffic flow. Mr. Ludgate said it is an actual improvement because there will be fewer trucks from Woodrow over to James Street. Ms. Egolf said the Woodrow Avenue site does block Woodrow and Columbia. So the more railcars that they can divert down to the James Street facility the better off the crossings

VISITORS (cont'd):

will be. Mr. Wenrich said this is an improvement. Mr. Leiby questioned if they will need to get any variances or go through zoning or anything like that. We have a lot of idiotic rules here in town, Mr. Leiby said. Mr. Ludgate said he is responsible for the rules. Mr. Leiby said the Mr. Ludgate is an idiot too. Mr. Ludgate said he looked at the sketch and he didn't see any problems however they will eventually have to file a land development plan because there is a bit of a roof addition and there will be some drainage that comes from the siding. It will be very routine and he sees no problem with zoning. Mr. Butkus made a motion to authorize our staff to execute a letter of support so long as it doesn't lock us in inappropriately pending review; seconded by Ms. Sloan. AYES – 7, NAYS – 7; motion carried. She thanked Council and Mrs. Shade gave her the letters of support.

The next person on the agenda was Mr. Vaughn Zimmerman of VIST. Mr. Zimmerman introduced Mr. Frank Galvin who handles group insurance. They were elected back in June. They handle our health care. Mr. Zimmerman stated that he and Mrs. Shade went over the renewals two (2) or three (3) weeks ago and came to some conclusions. Mr. Zimmerman wanted to revisit those conclusions. Mr. Galvin looks at the carrier side; he knows that market very well. Mr. Zimmerman explained exactly what VIST as a broker does. We are currently using the Human Resource portion of VIST to help with the handbook. These are free services. The health insurance renewal involves two (2) carriers; Health America for the non union employees and Capital Blue Cross for the police. The Health America plan is an HSA \$1,250. It is a PPO 1250 (x) 2. The renewal initially came in at just about an increase of 18% almost 19%. This is our first renewal with Health America. What Health America does along with many other carriers if you look clean they will discount that rate but at the end of the first year what amounts to a 3% to 5% discount, they will take it away no matter how well you run. Most people don't know to ask for that. Indeed they did take that away from the Borough however they contacted them and asked for rate relief which they gave us which amounted to 4% off the 19% they were charging us. He is proposing to move to the next HSA plan which is called a 2500 (x) 1 plan. The basic major difference is the deductible for a single person will go from \$1,250 to \$2,500. The family deductible remains the same. However the Borough has no single people currently on the health plan so for what amounts to about a 16% move taking the renewal to -2% is clearly the way to go. To Mr. Zimmerman this is a "no brainer" just because of that. In this day and age to you see a renewal flat to negative. This is about ¾ of your group. This is the major part of the plan. It also has an out of pocket maximum of \$4,000 for a family versus \$6,000 on our current plan. You are limiting your exposure there. A little minor difference once the deductible is met you will have a co-pay of \$15/\$25 office visit co-pay however probably very few people are maxing that deductible out. The four (4) tier drug card is still the same. This to him is a no brainer since the rate is a -2% you must take advantage of that. One (1) of the possibilities is that Mr. Mooney and Mr. Zimmerman are trying to set up a time to sit down with the police and see if they would like to come on to this plan since it is open enrollment. The problem is most of the carriers go over a 10% increase in a plan they have the right to re-rate the group. He received an e-mail that said they won't re-rate the Borough so that possibility is now out there. Capital Blue Cross is the police and it is a similar type plan. It is an HSA \$1200 single and \$2400 family deductible. It has an office visit of \$20; (inaudible) is \$75 and the drug card is 10/30/50. This one came in at an 18% increase. We are dealing with a union situation. So, if you are looking at an option the logical one would be with a deductible of \$2,000/\$4,000 with some office visits that are slightly different would knock the increase down to 2%. If this change would occur it would need

VISITORS (cont'd):

to be placed in front of the police. If you ask Capital for a re-rate they usually tell you to pound sand. They just don't do things like that. One of the other things is that there are some benefit changes that Capital Blue Cross is making to all plans. They don't care if you like it or not; they don't care if you are a union or not, they are doing it. There will be less therapy visits; a limit on the durable medical equipment and that again is something Mr. Zimmerman feels he and Mr. Mooney will need to address. If we are going to stick with these carriers, these decisions need to be made rather quickly. If you are going to make a change so the employees can receive ID cards in time it needs to get to the carrier by the 13th or 14th of the month. If Council would like to look at other companies that is something that could be done "off anniversary", Mr. Zimmerman said. All you are doing when you pick your benefits is protecting your rates for a year. He doesn't mean you can't move away from that carrier during that time frame. The other major carrier in the area is Highmark. For the uniformed that would make sense because it is part of the "Blues" network and it is as good as it gets. Highmark turned down the non uniformed because over 50% of the group is with another carrier. They won't quote it unless they get everybody. Highmark's rate is significantly different. It wouldn't make sense, because Highmark will be exploding the premium. There are medically underwritten carriers that are going to ask medical questions in the application process. A quote can be run however the price is not finalized until the medical forms are returned from every subscriber. The Blues and Highmark are just the opposite. Highmark is 100% however Capital does actually look at a prescription drug database. They don't ask medical questions. They know they are buying problems and therefore their rates are typically 30, 40% higher than the medically underwritten carriers. The Geisinger is an upcoming carrier in this part of the State. They are in the central part of the State and an absolute powerhouse but down here they have about 20,000 subscribers in this part of the State. They don't have the discounts with the hospitals or the provider groups as of yet. In this part of the State they are struggling with claims. With that information VIST is taking a wait and see attitude at this point. They don't have Hershey Hospital. They also don't have Pottstown Memorial Medical Center so if an employee lives down that way and needed a hospital that could be trouble. A big issue in addition, is that there are a lot of families on the Borough's plan. They have limited access to CHOP. So, you are not likely to do business at CHOP (Children's Hospital). Montgomery County's network is very weak. He explained how it works. He feels we need to let them see how they develop. He believes with this new health care reform we will see carriers "retrenching" a bit. They are powerhouses in the north central part of the State but they certainly are not here, Mr. Zimmerman said. Another carrier that may make sense is Aetna Insurance. They ran a quote on them. Aetna is medically underwritten so there will be medical questions asked in the process. They have the second largest network to the Blues. There was some bad blood with Berks County and them a few years ago to which Mr. Wenrich was well aware of. They didn't have a contract with Reading Hospital. Reading Hospital is a couple of years old. So all the doctors group that is owned by the hospital do participate with Aetna but there are some delay with other practices because of the bad blood. They have not gone on line with them because of that, Mr. Zimmerman said. Five (5) county Philadelphia area, they are an absolute powerhouse. They ran a quote with a similar plan to what we have now however it has co-pays after the deductible has been met where we don't currently have that on the plan we have with Health America. The quote came in a 10% to 50% rate up. They throw you a rate; they do the medical forms and then they give you the rate. If we go right down the middle at the 30% their rates are about 4 or 5% lower than our current Health America rates. We can go through that process but he would want to make sure we had the providers. There is point of service plans

VISITORS (cont'd):

so that means you will have to have a primary care doctor where both our Health America and Blue Cross are PPO's and don't require that. Intercounty is half owned by Highmark and half owned by Blue Cross. They have a great network but again they are medically underwritten. They focus again on the five (5) county Philadelphia areas. Mr. Zimmerman does not think we will find them medically competitive after the medical underwriting process. There is also a self funded trust for municipalities in this area. He could place us with them however they ask you for a three (3) year commitment so you will be with them for that time. Then it is not community rated; you are going to be experienced rated on your claims and that can work for you or against you. He does not know anything about the medical information of the employees; it is private. That carrier is Capital. But again it is medically underwritten and does need a three (3) year commitment. He explained how the claims will be paid but we might have to pay them after that point. Mr. Zimmerman said this is how complicated this process can be. When he looked at this before the quotes even came in, these are the things they begin looking at. He just doesn't think any of those options are so strong that we should be considering them now. He feels if Council wants to look at Aetna or the Trust for either next year or off anniversary they can do that. However he feels Council should be making the Health American and Capital decision now. One (1) other note on the Capital side of business; they have ended their relationship with Delta Dental. So, plan designs are similar but they need to place the Borough employees with Delta Dental. They did look into the dental insurance with Capital however the dental insurance is much richer with Delta. Capital's dental network is weak. He called some of the dentist that the non uniformed employees use and they do not participate with the Capital Dental Plan. Mr. Zimmerman said Mrs. Shade is in the process of collecting those forms already and the employees both uniformed and non uniformed will be with Delta. That makes good sense to have your dental with a dental specialist as opposed with a health carrier. Suppose you decide to move the health carrier but you are happy with the dental, now you would have to move both. We won't have that problem anymore. Renewals effective after September 23rd will have to comply and since we are October 1st we will need to enact the new health care reform measures. They would be happy to go over those issues at another point if Council so chooses. Mr. Zimmerman and Mr. Mooney will be setting a time to sit down with the police to review the changes. This meeting needs to happen sooner rather than later. Mr. Oswald appreciates what information they brought forward and the time they sunk into this. He believes the Health America plan is the way we should go. Mr. Oswald made a motion to move ahead with the Health America plan for the non uniformed for the year 2011 which includes the higher deductible for the single person; seconded by Mrs. Stine. Ms. Sloan said that they came aboard in late May or June and it is now September she was wondering if that ninety (90) day timeframe was too tight. She says it appears we bump into this every year. She feels this isn't the best way to do it for municipalities because you don't get your best plan that way. Mr. Zimmerman agreed with her analysis. He went on to say that they are not in receipt of the renewal until sixty (60) days before. Mr. Zimmerman said when they get the information which is about the (60) days out; they get the information from the current carriers they begin looking at other options. He explained what might be able to be done next year if the time allows. He said they have great buying power in their office; most other people wouldn't have known to ask for that additional 5%. Ms. Sloan disagrees. She believes most people in the business would know that. She questioned how many carriers they actually looked at. Mr. Zimmerman said we attempted to get a quote from Highmark; they turned us down because of the participation requirement. He does have a quote from Aetna. He is guessing at the final data

VISITORS (cont'd):

because medical applications will need to be supplied. Mr. Zimmerman also stated the medical applications are usually never completed correctly the way they want to see them the first time so then they must be resubmitted. Mr. Wenrich said they have Aetna and he said they are terrible. Mr. Leiby said he has them and he has no trouble with them at all; he doesn't understand. Mr. Leiby said the co-pay is just \$15.00 you make it sound like the co-pay is like a couple hundred bucks. Mr. Wenrich said it all depends on your plan. Mr. Wenrich said when you go in for surgery they pick up 80%, guess who picks up the other 20%. So, if you go in for a \$50,000 operation you need to have 20%. Mr. Wenrich said he understands what Ms. Sloan is saying but prior we had Chet Perfetto come in with figures now we have VIST who presented us with figures, we all voted on this so now to delay this...Ms. Sloan said she is not saying to delay this. Mr. Wenrich said this should have been settled at the workshop meeting. Mr. Wenrich addressed Council strongly that Council should have worked together at the workshop meeting instead of arguing and talking through the entire workshop, we could have had this straighten out. He said that we will not delay this that evening. Mr. Leiby said we didn't have this information. He asked Mr. Wenrich what the hell he was talking about. This is the first time we were even approached about this Mr. Leiby said. Mr. Wenrich gaveled Mr. Leiby down. Mr. Leiby went on to say they didn't know if they approached Aetna or Gesinger that's why we asked the question. Mr. Wenrich said that's why you have a broker, Mr. Wenrich said. Mr. Leiby said that's why it's there. Ms. Sloan asked if she could continue with a few more questions. Mr. Wenrich said a few but he wants to move on. Ms. Sloan said we are trying to save money. She questioned if he took the parameters of the plan we currently have and try to match other plans. Mr. Zimmerman said he did to that. He is trying to compare apples to apples. That is virtually impossible though because each carrier has different (inaudible). Mr. Zimmerman said the Aetna numbers is similar but has a higher deductible and after the deductible is met the hospital and doctor's co-pays are higher. This plan would cost your subscribers more in the long run. Ms. Sloan said Capital Blue Cross or Highmark is the carrier of last resort in PA she said. Mr. Zimmerman said by carrier of last resort what did she mean. He went on to say that they can't medically underwrite. That means their claims are higher which means that will get passed onto the consumer and they will pay higher premiums. Ms. Sloan asked if on the dental side they looked at MetLife and Signa because she knows they are competitive. Mr. Zimmerman said the two (2) best dental networks are MetLife and Delta. They do work with both and that is something they can look into for next year. Typically MetLife is a bit pricier than Delta. Ms. Sloan thanked them. Mr. Butkus asked the numbers that were listed was that monthly, yearly what. Mr. Zimmerman said that was your monthly premium, for single, family, parent/child, and husband/wife rates. Mr. Galvin said we have a very rich program for both sides (police and non uniformed). Both carriers we have currently in place have great coverage as far as providers in the region which is what you really want to have. This is crucial. Ms. Sloan said but the other's prices are competitive. Mr. Galvin said they are if people are healthy. When you start going in with the demographics then it can be a problem. He said that PA is the second oldest state in the Country. The older you get the more health issues can arise like blood pressure, cholesterol; heart issues those types of things. You can start off great but as issues arise they start tacking on, and tacking on. The rate you see upfront is not necessarily the rate you are going to get. Also at renewal time if the medically underwritten groups are not being upfront they will take this under consideration at renewal time. He believes Health America is offering a great deal and we should take it. Ms. Sloan said realistically we should look at this every year to which Mr. Zimmerman said they do look at it every year. Mr. Wenrich said a -2.1% increase, you can't ask for anything more. Mr. Zimmerman

VISITORS (cont'd):

said he hasn't seen anything like that come through office in a while. Mr. Wenrich said that is why we brought you on; you are looking out for our best interest. Mr. Zimmerman said don't hold me to the -2.1% next year though. Ms. Sloan said you got to shop it. Mr. Wenrich said heading into a financially tight year hearing where we can save 2.1% on our health care costs from last year is a no brainer. Mr. Zimmerman said you can always reduce it but you are going to have to take higher deductibles and then your people are going to scream. Mrs. Shade stated we have a motion and a second on the floor. This is going with Health America Option 1 with Delta Dental. AYES – 7, NAYS – 0; motion carried. Mr. Mooney feels it is a safe bet that the police will not want to change as the deductible is going to go up. He feels Council should authorize the renewal of their current health care plan with the rates that were given in the event they can't negotiate anything else. Mr. Pachuillo made that motion; seconded by Ms. Sloan. AYES – 7, NAYS – 0; motion carried.

Mr. Wenrich stated Mr. Steve Bensinger was there to address Council. He asked to address Council now as he must go to the Spring Township meeting that night as well. Mr. Bensinger stated he was from Stackhouse and Bensinger and he was there with an annexation subdivision plan. It is the former Savage property on Rt. 724. It is a 1.4 acre piece in the back. In the back there is still a building remaining. That building or that property is going to be annexed onto the property that is owned by CHB Sports which is the Berks Lane's property. He is going to use that building for storage of vehicles and equipment. They went to the Planning Commission and they agreed to waive the review of the plan. There is a signature block that someone will need to sign and he was hoping to get them signed and take them over to Spring Township for their approval. Mr. Butkus questioned if by annexing this plan there would be no change to the current building as is. Mr. Bensinger said no. The stormwater is being handled by the CVS Land Development Plan as part of their land development plan. The building is going to remain. They are going to build a driveway that connects the parking lot behind the bowling alley to this facility. There will be no access off Iroquois Avenue. Ms. Sloan asked if it was going to be all blacktop. It will be a lot more grass. All they are going to add is a 20' driveway. Ms. Sloan was questioning if the CVS plans were going to have more grass to which Mr. Bensinger said he was not involved with the CVS plans but he believes so. Ms. Sloan asked Mr. Ludgate if he had any problems with this to which he said no. Mr. Leiby said what part of Savage was in Sinking Spring; he thought it was in Spring Township. Mr. Ludgate said the extreme northeast corner barely touches the Borough. Nothing happens over there. This is in the back. Mr. Wenrich asked Mr. Ludgate if he is recommending that we sign off on it to which Mr. Ludgate said yes. Mrs. Stine made the motion to approve the waiver of the subdivision and land development process for the plan; seconded by Mr. Pachuillo. AYES – 7, NAYS – 0; motion carried. Mr. Wenrich turned the meeting over to Mr. Oswald while he signed the plans.

Mrs. Westbrook and Mrs. Shoff of the Library were next on the agenda to address Council. Mrs. Westbrook stated she was the Director of the Library and Mrs. Shoff is the Children's Coordinator for the Library. They wanted to update Council. They are doing very well. In 2010 so far this year they have had almost 30,000 people through their doors. The circulation is 66,219 for the first eight (8) months of the year. They have had 87 programs with attendance of 1,389 people. They have had 3,813 computer sessions. This means every resource in the Library is being used. They only have four (4) computers in the Library for public access. It is doing very well with the support of the Borough. Mrs. Shoff addressed Council on the successful summer reading program

VISITORS (cont'd):

which has now ended. They did from infants to teens. 170 books were read. The library was decorated in a theme – *Make a Splash at Your Library*. Prizes were displayed on a fishnet behind the circulation desk. They wrote their name on a paper fish when they turned in their first ticket which was placed on the wall. The wall was called the “ocean.” The Library utilizes The Heritage Park Train Station each summer. They do crafts, snacks, stories, and outdoor games. The Library had 17 programs for children which include infant, preschool, and elementary age children story times. They also had two entertainers which performed at the Station. A total of 494 people were in attendance of these programs. At the conclusion of the summer reading the Library awarded prizes to ever summer reader that participated. Our Library is a great asset to our community. The Children’s programs are well received by the parents as well as the children. She thanked Council. Mrs. Westbrook thanked Council for their support and encouraged them to visit the Library to see what they can do for them. Mr. Wenrich retook the President’s chair. (Typing exactly what was said as it is confusing) Ms. Sloan stated she had some numbers to read into the record as President of the Library Board. The proposed 2010 Library budget um in 2009 or so far year to date, the total income is \$146,377.00 and the total outflow; total disbursements year to date what they project for 2010 is \$144,665.00. So there is about a \$1,500 to \$2,000 difference that is, it is just good to have those numbers. She will see that Mrs. Shade gets a copy of this. She will see that the Borough Council members get them too. She thanked Council.

COMMUNICATIONS:

There were no communications.

APPROVAL OF BILLS:

Mr. Oswald made a motion to pay the bills; seconded by Mrs. Stine. AYES – 7, NAYS – 0; motion carried.

WESTERN BERKS FIRE DEPARTMENT:

Mr. Jeffrey Weidner stated Council received a copy of their report for August, 2010. For the month of August they responded to a total of 51 incidents. Ten (10) of them were in the Borough. Two (2) of them however resulted in a pretty significant fire loss. On August 10th was Hair on the Avenue fire. He wanted to commend the people that were at that fire for containing it and not letting the fire go beyond what it did. They also did an exceptional job in the salvage and overhaul to prevent damage to the first floor where Hair on the Avenue is. He just spoke to Mr. Meas and he again extended his thanks to the department. He also said he would like to do a fundraising event for the department where all proceeds (all the appointments he has on one particular day) will be turned over to the Western Berks Fire Department. That event will probably be Tuesday, October 5th. That is Fire Prevention Week. They will be working with him to have some fire department reps along with a piece of apparatus at their location that day. The other fire was on August 26th. It was a Thursday evening around 11:30 in the 4200 block of Penn Avenue. That was a second floor fire which started on the second floor porch and it extended into the second floor kitchen. Again, they did an outstanding job fighting the fire. It was confined to the porch and the kitchen pretty

WESTERN BERKS FIRE DEPARTMENT (cont'd):

much. The one on Hair on the Avenue was electrical the other one was careless smoking. August 3rd was the one (1) year anniversary of the Western Berks Fire Department. He feels they have made a lot of progress and he hopes it continues. Mr. Pachulo spoke with Mr. Weidner and he feels there will be no fire tax increase for 2011. Mr. Wenrich thanked them for their dedication.

MILLER ENVIRONMENTAL:

Mr. Peter Juzyk gave the report for August, 2010. The total monthly flow was 14.233 million gallons. The average daily flow was 459,000 gallons; the minimum daily flow was 415,000; and the maximum daily flow was 500,000 gallons. The total rainfall was 1.30 inches. The contribution by the municipalities was: Sinking Spring – 61.5%, Lower Heidelberg – 31.7%, and South Heidelberg – 6.8%. They spent a lot of time at the plant. They received 41 PA One Calls throughout the month. They completed 31 work orders. They placed the new clarifier in service early in the month. They began to drain Clarifier 2. RAS Pump 4 for clarifier 3 lost prime between 8/8/10 and 8/9/10. Sludge blanket rose to surface and over the weirs into the chlorine contact tank. The chlorine analyzer also was fouled. Plant personnel cleaned the units and equipment and prevented permit exceptions from occurring. Training and startup of the gas monitoring equipment at the headworks building was conducted on August 16, 2010. Security First personnel began installation of a fire protection system in main control building on 8/30/10. The July DMR had two (2) fecal coliform bacteria permit exceptions. They had a problem with the chlorine analyzer during the last week of July. Between 8/17 and 8/20 sludge was removed from reed beds 1 through 6. It was completed without any problem. The gates to those units are wooden gates and they need to be replaced. Mr. Juzyk remembered during the design phase there was some discussion on replacing them with concrete. He did get quotes. The quotes for that are in neighborhood of \$6,500.00. Last year the six (6) beds opposite them were replaced at a cost of roughly \$1,000.00. Mr. Juzyk said the wood gates will probably have to be replaced every time the reed beds are cleaned out. Each gate is approximately eight (8) foot wide and one (1) foot in depth and about three and half (3 1/2) feet tall. It would be re-enforced concrete. Mr. Schlott explained how they would work. Ms. Sloan stated maybe we could replace only four (4) instead of six (6). Mr. Butkus said if you do one (1) side you might as well do them all. Mayor Butkus said it would be cheaper to do it all in one (1) shot. Ms. Sloan agreed. Mr. Butkus made a motion to do the replacement with concrete not to exceed \$7,000 but going with the lowest qualifying bid after review by the engineer and attorney; seconded by Mr. Oswald. AYES – 7, NAYS – 0; motion carried. The effluent sampler has not been functioning since sometime in March. Twice he shipped it back to the manufacturer. Mr. Juzyk thought that the thermal board might need to be replaced and so the thermal board was replaced. The unit is back in service. It was purchased in 2008 however the warranty was only for one (1) year. Ms. Sloan questioned what type of guarantee we have on the new board to which Mr. Juzyk said one (1) year. Ms. Sloan would like to see this in writing. Mr. Oswald said at the meeting on the amendment which creates additional costs due to the expansion, we talked about taking the lawn care back in house. Mr. Al Kreider currently does the lawn mowing. Mr. Oswald questioned if his department was ready to take that over. Mr. Hart said yes. October is the end of mowing season. Mr. Juzyk stated that Mr. Kreider stated there was no written agreement. However it was his understanding that it would be his responsibility to do the mowing for the rest of the summer. Mr. Oswald stated the cost is currently at \$4,654.00. Mr. Oswald stated on the form there it appears he

MILLER ENVIRONMENTAL (cont'd):

should mow three (3) more times. Mr. Juzyk said it will depend on how the grass grows. It has been growing slower this year due to the lack of rain. Mr. Leiby questioned if he bales any of it. Mr. Juzyk said he didn't know if he mulches or bales. Mr. Leiby says we pay him to mow because he wants the hay. Mr. Butkus said the section he is referring to is along the fence and inside the fence. It does not get high enough to get baled. The large sectioned are farmed. Mr. Leiby asked if we are getting the rent from him these days. Mrs. Shade said the rent is a \$1.00. This was done this way so they didn't have to mow or maintain outside the fence, Mr. Butkus said. Mr. Schlott said we are talking about two (2) different things. Mr. Leiby understood that. Mr. Garber farms the land and Mr. Kreider mows it, Mr. Schlott said. Mr. Juzyk asked if we want to stay with Mr. Kreider for the rest of the season. Mr. Oswald said if Mr. Hart's department is ready to go that will save us money. This will save at least \$5,000 next year. Mr. Mooney sent a letter today based on the meeting we had basically telling them to terminate the grass cutting with Mr. Kreider. Mr. Mooney said it sent it to both Mr. Schlott and Mr. Hart and he got them back saying their mailboxes were full. Miller subcontracts the lawn mowing out to Mr. Kreider. He received an e-mail back from Mr. Poyner stating they are working on the amendment and will get it over to us as soon as possible. Ms. Sloan feels it make sense to finish out with Kreider as he is only going to cut it two (2) or three (3) more times. The little bit we are going to save is it really worth it. She feels it looks like we are just jerking Kreider along. People go season to season. Mr. Butkus asked if Miller is going to be reimbursing us or is it that we aren't going to be paying the additional into the maintenance. Mr. Mooney said you will establish the maintenance fund and then you will get a reimbursement or bill for what you didn't use or for what you went over. Mr. Butkus said are we just not paying Miller or are we going to run it through and then get it back from Miller. Mr. Mooney said we are running it through Miller and then back out because that is not one (1) of the contract sections. We did not address this issue. A brief discussion ensued. Mr. Butkus said we can transfer it over. Mr. Pachulo feels along with Mrs. Stine we should cut our own grass. Mr. Oswald agreed. We could save \$2,000 this year and more next year. Mr. Butkus questioned since we are a man down are we creating more of a problem. Mr. Oswald said Mr. Hart brought it up. Mr. Hart stated it is not that big of area; it won't take up that great amount of time. Mr. Oswald made a motion to terminate the contract with Mr. Kreider for the property at the sewer plant effective immediately and turning it over to Mr. Hart and his department; seconded by Mrs. Stine. AYES – 7, NAYS – 0; motion carried. Miller will notify Mr. Kreider. The next item was the letter from McDonald's. It was written by Mr. Robert Hughes. Mr. Juzyk stated they sample that properly four (4) times a year. Four (4) of those times we are sampling for fats, oils and grease in addition the second and fourth quarter there are some additional items that we also monitor; solids, BOD, ammonia, phosphorus. During the second quarter he exceeded the local limit for BOD. The limit is 900; he is at 1,020 which are just slightly above that. He drafted the correspondence in response to that violation. Mr. Oswald assumes he is arguing with our methods of sampling, is that not correct? He cited Exeter Township and they do several over a period of time. They put a monitoring device on however it is there cost to do that. Mr. Juzyk stated last year wherever possible they did attempt to do composite sampling. In many of the cases the composite samples were actually worse than the grab samples. He explained how it works. He explained that the sampling becomes concentrated. With a grab sample they will announce they are there for the sample and ask them to run water although at McDonald's they usually have significant business so they have enough flow. With a high BOD, if they were dumping soda or washing out their milkshake or ice cream machine that could be enough to bump them up over the limit. Mr. Butkus asked if there are certain sampling items you must do

MILLER ENVIRONMENTAL (cont'd):

as a grab sample. Mr. Juzyk said that was correct. Fats, oil, and grease must be a grab sample as well as phosphorous. Mr. Schlott said based on the review of Mr. Hughes letter, is that he states they clean their grease traps out on a regular basis. That is great on the parameters for fats, oil and grease; having a clean grease trap will not affect your BOD, Mr. Schlott explained. His violation was for going over the allowable limit which is 900. There is over \$500 in fees there associated with a surcharge because if you are over 300 in BOD you must pay a surcharge. If it is a \$700 fine he is paying \$500 in a surcharge for a strong waste and a \$150 fine for not being in compliance with the Ordinance. Mr. Pachuillo questioned if this was a one (1) time issue or is this a continuing problem. Mr. Butkus said it was an ongoing issue with many businesses especially restaurants. Mr. Butkus feels it is a lack of willingness to understand. He continued that they want us to tell them if they do "xyz" you will pass and we will guarantee that you will pass. The problem is, he doesn't care how good your staff is and how much you educate the guy at the top, something, every now and then, goes down the drain that shouldn't or there is only so much stuff you can get off before you clean it. The only other way he knows of dealing with this is a few people are looking at organic loading and they also buy the organic equivalent. Several restaurants we had a sit down with them last year and only four (4) of them showed up. Two (2) of them were just happy to be there; one (1) was angry who hadn't even opened yet, and the last one (1) he wasn't even sure they knew what was going on to be blunt. Mr. Schlott said anyone that was upset was unhappy because they would be paying fines, penalties, and surcharges. They also wanted to know what they could do so this wouldn't happen; what chemical could they use; tell me what I have to do so I can be in compliance. Mr. Wenrich stated now he wants a composite sample. He asked Mr. Juzyk if perhaps the next two (2) times we do a composite sample for him. Mr. Wenrich asked if that was possible to which the answer was yes. Mr. Wenrich stated let's just try it. Mr. Schlott said we can do that the next time they are checking for BOD which will probably be the fourth quarter but the third quarter will probably be fats, oil and grease testing. That has to be a grab sample. Mr. Butkus said that is the one they usually pass with no problem because they clean their grease traps. Ms. Sloan thought that was a good solution. We can try to meet them half way. Ms. Sloan feels that perhaps a small education piece should also be done. Mr. Juzyk said Brad Smith of ARRO along with himself have met twice with them at the facility. They want to do everything they need to do to meet the limits. They are not trying to be combative in any way. Depending on the employees and the number of employees this information might not be making its way down the list. The manager can only be there during certain hours. They will be sampling during the daytime. The other thing we can do is during the open house we can have a brief explanation of the testing and what they are for, Mr. Butkus said. This is mandated correct; this isn't some screwy law we have here in Sinking Spring, Mr. Leiby asked. Mr. Mooney said no, we have BOD limits that are placed on us so the only way we can meet our BOD limits is to mandate that the users meet their BOD limits. Mr. Pachuillo stated the letter is asking for a waiver of surcharges. Mr. Butkus cautioned against that because we have not done this in the past. Mr. Wenrich said why don't we table his request until the time where the two (2); Mr. Butkus said that would be the fourth quarter of this year and the second quarter of next year. We are talking a couple hundred dollars. Mr. Wenrich is not saying we should let them off the hook but we shall see. See if we could hit some type of happy medium. Ms. Sloan said meeting them half way why don't we put half the fines on hold and collect the other half. Mr. Schlott stated previous Councils when this was established put into place a waiver for the first time they were over their limits. Mr. Schlott stated this facility has received the waiver of the fines already. The surcharges are the waste that has gone down the pipe and is being

MILLER ENVIRONMENTAL (cont'd):

treated at the plant. The plant is designed to handle roughly 250 milligrams per liter of BOD. According to this he is putting down 1,000. He is essentially putting down four (4) times the limit. Mr. Wenrich's recommendation is to table this till we can research it. It is showing him we are doing our due diligence and if it comes back. Mr. Oswald said he isn't getting out of this. Just because we are tabling this doesn't mean he doesn't have to pay for it. If it comes back and he has more issues he will be paying this bill and the next one as well, Mr. Oswald stated. We are not letting him totally off the hook we are just tabling this till we have more investigative work completed. Mr. Butkus feels they should pay and if they can knock it down for next time, good for them. We had to take it out. Mr. Leiby asked if this was a big problem at the plant. Mr. Schlott said it affects your capacity. He asked if we feel it is all commercial. Mr. Schlott feels it is the commercial businesses that have an effect on that. Residences don't typically put down high BOD. Mrs. Stine feels he should pay; it is the nature of his business. Ms. Sloan feels we should meet him half way on the sampling; they need the education piece as well but to delay him from paying she feels is just opening a can of worms. Mr. Pachuiolo made a motion for him to pay the current bill and that we will meet him half way with the sampling in the fourth quarter of this year and the second quarter of next year; seconded by Mr. Butkus. AYES – 5, NAYS – 2 (Mr. Oswald and Mr. Wenrich); motion carried. Mr. Leiby asked when the grab samples are done to you get them to sign something; are they present when you do the grab. Mr. Juzyk said typically no. Mr. Leiby asked if that would make it better if they knew what was going on and watching it happen. Mr. Juzyk said there is a chain of custody form for the samples. It includes the time and date when we sample, Mr. Juzyk stated. He can certainly draft a new one. Mr. Wenrich asked how the Wonderful Chinese Restaurant was doing to which Mr. Juzyk had no idea. He said we still don't have the signed permit however he did issue another letter and told them it needs to be signed and gave them a deadline. They received it because he sent it certified mail. Mr. Leiby questioned when we were going to turn the water off. Mr. Wenrich gaveled the Council and stated too many conversations were going on at the same time. Mr. Schlott said there is only one (1) water connection going into that strip mall. In order to turn the water off to that one (1) business you would need to turn the water off to all those businesses. Mr. Pachuiolo asked how many meters are there to which the answer was only one (1). Mr. Leiby feels the owner is responsible for the sewer. Mr. Mooney said the issue is they are complying with the program. Mr. Juzyk samples and if they are over they pay; they just didn't sign the form. Mr. Mooney feels they just don't understand the process. Mr. Mooney said if we take them to court it could be a problem because they are complying. Mr. Butkus said we don't have the right. Mr. Mooney said it is only a problem if they don't consent but they are consenting. They allow the sample to be taken. Mr. Wenrich said every other business needs to go through the application process and here we set. He isn't sure we are setting precedence; Ms. Sloan said we are. Mr. Mooney totally understands but he is hard pressed to go into a D.J. and say fine them cause they haven't put an application for a permit in but they are complying with all the rules and regulations of our sewer ordinance. Mr. Wenrich stated, but one (1), not having the permit in. Ms. Sloan said what about an order from the D.J. Mr. Mooney said it doesn't work that way. Mr. Butkus said can we declare it signed by default since they are complying. Mr. Mooney said Mr. Juzyk sent them a letter again. Mr. Juzyk just sent them the last page this time; where they are to sign with a sticky showing them where to sign. Their permit is coming up in about a year. Mr. Butkus asked where we stand with Dunkin Donuts and the vent caps. Mr. Juzyk said he issued correspondence to them but he has not had the chance to get back out there and check on it. Mr.

MILLER ENVIRONMENTAL (cont'd):

Butkus made a motion to have Mr. Juzyk give them a notice allowing them seven (7) days to fix it regardless of what the business is; seconded by Mrs. Stine. AYES – 7, NAYS – 0; motion carried. Mr. Leiby asked who's responsibility is it for the vents. After a discussion, Mr. Pachuillo along with Mr. Leiby said the whole trap is the owner's responsibility. A discussion ensued as to who should maintain the lines and the vents.

SEWER ENGINEER – DAVID SCHLOTT, JR, ARRO CONSULTING:

Mr. Schlott stated both contractors have completed a majority of the punch list items for the respective contracts. The project is substantially complete as of now. Most of the items have been completed and we are down to administrative items. They are some loose ends and they have asked for a 31 day time extension which ARRO is recommending. Mr. Oswald made a motion to grant them the 31 day time extension; seconded by Mr. Butkus. AYES – 7, NAYS – 0; motion carried. At this time there are no applications for payment. Mr. Schlott explained about the change orders. The Terrace of Sinking Spring's planning modules were approved at the workshop meeting. Once they are signed they can be returned to the applicant for submission to DEP for their review and approval. Mr. Butkus asked if we need approval for them to which Mr. Schlott said that was approved by resolution at the workshop meeting. The onsite sanitary sewer installation for Spring Market has been completed. The only outstanding item was the vacuum testing of the manholes and that has been successfully completed. The sewer is essentially completed out there. It is good to go on site. There is an existing line (manhole 106 to 105) at the Queen Street intersection that will be abandoned and they would like it physically removed from the system because it is no longer needed. That work will be done sometime in September. Ms. Sloan questions who checks on this. She asked Mr. Hart and he said yes.

REVITALIZATION PROJECT:

Mr. Ludgate said some progress is being made on Spring Markets and it should be opened this fall. The traffic engineer is progressing with the traffic impact study. This is partially funded by the County and part by JDH. The nonprofit corporation was formed by the Revitalization Committee and they have received four (4) contributions to date adding up to over \$1,500.00. They have an application for funds into the Alcon Foundation. It has been accepted but they do not know if they will be receiving any funding or not. The most important thing, the LUPTAP Study, which was required by DCED which is part of this process, is almost complete. We are at the point where it is in draft form. Ms. Sloan and Mr. Pachuillo received a copy of this as they requested. He is hoping to get feedback from them. At this time we do not have a Council rep on this Board as Mr. Schmidt and Mr. Zerr no longer sit on Council. He asked for Council to attend the meeting. He announced there will be a LUPTAP meeting on Tuesday, September 14, 2010 at 8:30 in the morning. The agenda for that meeting is to review the draft report and hopefully authorizing it to be submitted to DCED. We will then be moving on toward finalizing that process. Mr. Wenrich asked if anyone is available to come to that meeting. Ms. Sloan said she is available. Mr. Ludgate thanked Ms. Sloan; he was happy to have an active Councilmember.

UNFINISHED BUSINESS:

The flu clinic will be held October 13, 2010 from 11:00 a.m. till 2:00 p.m. at the Borough Hall providing the availability of the vaccine.

Bulk trash day will be October 13, 2010 as well. Mr. Butkus explained what can be placed out. No florescent bulbs. The County website has some locales listed where some of the products can be taken. They also have some dates for oil based paint disposal.

The next item was Mass Mutual Life Insurance appointments. Ms. Sloan asked Mrs. Shade if she heard anything. Mrs. Shade stated she has not to which Ms. Sloan said she was on vacation that week. Mr. Butkus asked if this was the free insurance for our residents to which the answer was yes. Ms. Sloan stated that she had gotten together with Mrs. Shade and there was some confusion on who should take the appointments and how it should be done. Ms. Sloan said the lady that runs this is on vacation however she feels we won't have enough time to get this up and running for September 13th. Ms. Sloan spoke to Mrs. Shade and the Borough Hall is available on Monday, October 11th, Columbus Day. She also has the nursing staff set up to come for blood samples. They need a total number of people and Ms. Sloan will follow up with Mrs. Shade on this. Mrs. Stine does not feel the Borough employee office staff should be making appointments for this. This is just her opinion she just feels it is not in their place. Ms. Sloan stated that is how they did it in Allentown and they issued 55 free policies. Ms. Sloan feels she doesn't know how else you would do it. Mrs. Stine doesn't know either but she doesn't feel that it should be done by the Borough staff. Mr. Wenrich asked if Mass Mutual doesn't have a person these people could call to set up the appointments. They could handle the appointments. They could call in here and we could give them this person's name and number. Ms. Sloan said what Mass Mutual does is they set up all the nurses; they issue all the policies; they provide the website information; they will do the press releases but because they do this nationwide they really kind of defer this to the local area on how to set up the appointments. She can ask them what other kind of options they have but she is not sure there is any more they can do since all the scheduling for the Borough Hall is run through Mrs. Shade. Mr. Wenrich said yes, the scheduling for the Borough Hall but not to make individual appointments that is not really the staff's assignment but that is just his feeling too. Mr. Oswald feels it is a good thing but he said these people come to the window all the time and have to face our office staff and this is an income based item, he is not sure it is a good thing. Mr. Oswald feels that Mass Mutual's people should be doing this. Mr. Butkus asked if our people are collecting that information. It was his understanding that the staff would be making appointments. Mr. Oswald stated yes, but you still have to meet certain requirements. Mr. Butkus thought that determination was made by Mass Mutual. Ms. Sloan stated it is made by them. Mr. Wenrich said if a person comes in and makes an appointment and they think fine I got this when do they do that review? Ms. Sloan stated when they call up; there are three (3) questions. Mr. Wenrich stated find out if there is a way around not having our staff directly involved with this. She said alright. Mr. Wenrich said it is Council's decision if you want the staff to be tied up with that so be it. If not so be it too. Mr. Leiby said it is a possible benefit to someone in the community. He has never been that poor but if you are he imagines this is a benefit. Ms. Sloan said it is a benefit to the children. We are supposed to be community minded, Mr. Leiby said. Mr. Butkus said if it is just scheduling the appointments for that day he is okay with that. Mr. Mooney said in preparation for the one (1) day event, your staff is setting up the appointments leading up to the day to which Mr. Butkus said he understands that. Ms. Sloan said they project out of 3,000 people we will get about 25 to 30 calls. Mr. Oswald.

UNFINISHED BUSINESS (cont'd):

questioned if this is up on our website already to which Mrs. Shade said no. Mr. Oswald said unless he sees Mass Mutual employees down here it is a no for him. Mr. Gary Cirulli said his tax dollars are going to be going to pay our secretaries to do work for a private business. He asked if this is what this is about. Mr. Mooney said we might have some Borough residents that may qualify for free health insurance. Ms. Sloan stated it was life insurance. But someone must set up the appointments to see if they qualify for the life insurance. Mr. Cirulli questioned why the Borough secretaries are doing that? Mr. Mooney said if Council doesn't want to take advantage of the program and you don't want to assist them then they probably won't come and nobody in the Borough will get the free life insurance. Mr. Cirulli said their business people can't set it up with people in the Borough? Mr. Mooney said they are doing it as a community service; they don't have employees that work at the Borough office; people would need to come in all the time till the drive actually happens. So, it doesn't pay Mass Mutual to do that. They are doing some community outreach to make this happen. Mr. Mooney said it is either you want to take advantage of the program and assist them or you don't want to take advantage of it. They are not forcing you to make free life insurance available to our residents. Mr. Cirulli understood that but the problem is these secretaries are busy enough doing Borough business should they stop doing Borough business to set up these appointments. Mr. Mooney said that maybe the Borough doesn't want to take advantage of the opportunity. Mr. Cirulli said they are paid by the residents to do a job for the Borough, all of the Borough, not for a few. He understands what Mr. Mooney is saying about this but this is for a small group of people and this isn't the Borough's secretary's duties; they weren't hired for that. Mr. Mooney explained that at times you will go after a grant, the grant might just benefit a portion of the Borough but you still go after it, this is how he views this item as well. He feels there is no difference. Mr. Oswald asks if there is anything preventing these people from going to Mass Mutual.com and doing it on their website. Ms. Sloan said no you do it at the location. Mr. Pachulo said if it is as simple as telling the person you come at this time he has no problem with that. He doesn't want any questions, or those types of things. Ms. Sloan said she will see if there is any more of a screening process and if she could do that process. Mr. Leiby thought we voted on this last month to which Ms. Sloan said yes. Ms. Sloan said she will have an answer to them by next week.

The next item was the Lower Heidelberg/South Heidelberg sewer payments. Mr. Mooney stated Lower Heidelberg has not paid anything however communications now with their solicitor and engineer it appears the check got put in the mail today for \$90,000 plus dollars. Mr. Schlott said he believes this amount is the outstanding amount for 2009 with the reconciliation as well as the first quarter of 2010. That is his understanding. Mr. Oswald and Mr. Butkus stated we are into the third quarter of 2010. Ms. Sloan questioned how much it costs to file a legal suit against them. Mr. Mooney said whatever the time it takes for him to put the complaint together. He will need to get with Mr. Schlott. Ms. Sloan asked for an estimate to which Mr. Mooney said \$500 to file the complaint plus whatever Mr. Schlott's time is. Mr. Butkus said he knows the answer but he was going to ask it anyway. Is there any way we can plug the line? The answer was no. This is the same road we always travel. Mr. Mooney said we would need DEP's approval to shut them off. Mr. Wenrich said they say this kind of stuff all the time. Ms. Sloan made a motion to authorize Mr. Mooney to file a complaint at a cost of not to exceed \$1,000 without contacting Council to secure payment from Lower Heidelberg; seconded by Mr. Pachulo. AYES – 7, NAYS – 0; motion carried. Mr. Mooney said he assumes if a check comes in on Friday or Tuesday he is not to move

UNFINISHED BUSINESS (cont'd):

ahead with legal proceedings to which Council said correct. Ms Sloan added that if they don't pay the entire amount she feels we need to go after them for what wasn't paid as well. Mr. Leiby yelled due it now so it makes the paper. South Heidelberg has asked for a little bit of relief because about three (3) months ago because they thought there was an issue with the meter. It turned out not to be the meter; it was a backup Mr. Mooney said. Mr. Schlott said it was a backup between their meter and their connection to Lower Heidelberg. Mr. Wenrich said we have been all through this. Mr. Mooney sent them a letter but there was no response to their initial response so we don't know where we stand. When their letter went out to them, they paid a partial payment which they felt reflected a credit that they were asking for. Mr. Mooney stated we rejected that. Mrs. Shade stated they did not pay \$11,300.00. Ms. Sloan wanted a certified letter to go out to them stating we want payment for this amount within 14 business days. She believes this is responsible. A discussion ensued and they will give them 10 business days. Someone said they might not have a meeting to act upon that to which Ms. Sloan said that is their problem. Ms. Sloan made a motion to authorize Mr. Mooney to send a letter to South Heidelberg requesting immediate payment of the \$11,300.00 they owe for 1st quarter charges and we will accept receipt within ten (10) business days and thanking them for their cooperation in this matter so we do not have to pursue legal proceedings; seconded by Mr. Pachuillo. AYES – 7, NAYS – 0; motion carried.

NEW BUSINESS:

The first two (2) items on the agenda were the MMO for the non uniformed employees which totaled \$41,566.00 and for the police the amount is \$78,503.00. Mrs. Shade said this is the Municipal Minimal Obligation for 2011. Mr. Pachuillo said are these the numbers that should be placed into the budget for next year to which Mrs. Shade said, yes. Mr. Leiby asked why we can't change these numbers. Mr. Mooney stated the State sent you the Minimum Municipal Obligation. Mr. Leiby asked if that was "Fast Eddie". Mr. Mooney said no this is the audit of the pension plan which occurs every other year. Mr. Mooney said once the audit occurs your rates are set for the two (2) year cycle. Mr. Butkus said if we hypothetically decide to adjust the pension there would be a lapse until it would take effect. Mr. Mooney said yes. Mrs. Shade explains how it works. Mr. Leiby said so the State decides what a municipality is going to pay their employees for their pension. Mr. Mooney said the State decides what your obligation is to fund your pension plan to make sure your pension plan is totally funded in any given year because you have the obligation to make sure your plan is fully funded and not in the hole. Mr. Leiby said that was "bull". Mr. Pachuillo stated every governmental body does that. Mr. Leiby said under fund it then. Mr. Mooney said if someone goes to collect on it and there is no money in the plan what do they do? Mr. Leiby said what everybody else is doing these days. Mr. Butkus made a motion to accept both of the MMO's; seconded by Mr. Oswald. AYES – 6, NAYS – 1 (Mr. Leiby); motion carried. Mrs. Shade stated we do get money from the State based on the number of employees we have. We received two (2) units for each police officer and one (1) unit for each non uniformed employee. It should be able to cover the total amount of the pensions. Mr. Leiby said they will pay you enough to cover that total \$41,566.00. Mrs. Shade stated it is also for the police which is \$78,503.00. Mrs. Shade stated the police pension is calculated on their base salary plus overtime. The non uniformed is just on their hourly rate times forty (40) hours. She went on to say that when these plans were first started the money we received from the State should have covered both pension plans. However since the police pension includes the overtime the entire monies we get from the State

NEW BUSINESS:

only cover the police pension and the non uniformed employees get nothing from the State even though again, part of this money is to cover the non uniformed employees. The reason for this is because we are mandated to cover the police pension first. Then any money that would be left over can go towards the non uniformed. We haven't had any remaining money so we must use General Fund monies to pay the remaining amounts owed to the police and non uniformed pension plans. Mr. Butkus said it was this Board whether it is now or thirty (30) years ago set up the pension plans. Mr. Mooney said your biggest problem is the investment market right now. You were getting returns and not needing to pay for the pensions but now with the market the way it is you have to kick in the remaining money owed. Mr. Butkus said yes but it is still based on the contract that we have not what the State says.

The next item was the PA American Water contract. Mr. Mooney requested this item be tabled as there is a provision in the new contract that would allow PA American to bill the Borough when water is shut off to someone's property. When the water is turned off we would need to pay them the estimated amount of water they would have used. Mr. Mooney will do some investigating and see what he can find if this is true. It was tabled till next month. Mr. Leiby questioned if we turned the fire hydrants over to the water company. The answer was yes. Mr. Leiby said we have a budgeted amount of \$16,000 in there what was that for? Mr. Hart said that was for our rental. Mr. Leiby said, they will own them but we must rent them to which Mr. Hart and Mr. Wenrich said, yes.

On the agenda next was trash collection for 2011. Mr. Butkus said was this for accepting the additional add on year for the contract. Mr. Butkus said he wasn't a lawyer but he would recommend taking the additional year. He would like to take both years consecutively. Ms. Sloan said they are doing a good job. There are two (2) one (1) year contracts. Mr. Mooney stated you can't exercise both options at the same time because (inaudible). Mr. Mooney stated the second year option is available for next year. Mr. Butkus made the motion to accept the one (1) year extension for 2011; seconded by Ms. Sloan. AYES – 7, NAYS – 0; motion carried. Mr. Mooney stated Mrs. Shade wanted to make Council aware there is a chance that the price may go up some due to the fact there are more residences now then there were when the contract was originally created. There is an escalator clause in there. Mrs. Shade recommended to the budget committee that they might want to look at the rates because last year we came in short. Mr. Butkus stated do we have an accurate account since we thought we had an accurate account including Brookfield when we went out to bid last time. Mrs. Shade stated some of these houses that we considered just a house are actually a multi unit dwelling; so instead of one unit putting out six (6) bags there is actually two (2) units putting out twelve (12) bags. Mr. Mooney said even if they go up we should be billing each unit. Mrs. Shade stated we have only been finding these out. We have started setting up files for homes and the businesses and trying to find out how many units each building contains. This is based on censuses information. Mr. Mooney said if the escalator is going up we need to find these units and start billing them to which Mr. Butkus said right. (Everyone started talking, hard to hear). Mrs. Shade invited and encouraged everyone to come and see what the office staff has created as far as files for each property in the Borough. She explained what is in the files.

POLICE CHIEF – JAMES OXENREIDER:

Chief Oxenreider had a request for a handicap parking space at 662 Vester Place. She provided a letter and it is legitimate. It will be at the ally on the right side. Mr. Butkus made a motion to grant the handicap parking space; seconded by Ms. Sloan. AYES – 7, NAYS – 0; motion carried.

Chief Oxenreider stated the PIRMA letter is recommendations for the police department. He did call and spoke to Mr. Baynard and he said that they are “awareness’s”. Mayor Butkus said essentially it is a “wish list”. It does not affect our policy or our rate or anything like that. They are not mandates. The police had 164 calls for service for August. They issued 53 traffic violations/citations, 26 warning notices, and 6 parking tickets.

MAYOR FRANCIS BUTKUS:

The Mayor stated Officer Travis Fritz has completed his two (2) years of service satisfactorily and he is due an hourly raise to \$26.06. Officer Dennis Moyer has now completed his two (2) year probationary time and he should also go to \$26.06 an hour. Mr. Butkus made a motion to award the raises to the officers; seconded by Mr. Pachulo. Chief Oxenreider stated it also was a change in class certification as well. Mr. Butkus amended his motion to include the change of class to first class in addition to the raise; seconded by Mr. Pachulo. AYES – 7, NAYS – 0; motion carried.

BOROUGH ENGINEER – ROBERT LUDGATE, SR.:

Mr. Ludgate said we are doing a regional study of the Rt. 422 west region in conjunction with the Downtown Mitigation Plan. The study deals with the “what ifs”. They have about 50% of the draft report complete. If Council would like to see a copy just let him know and he could have it e-mailed to them. He would welcome any feedback. Sunoco is planning to expand on Columbia Avenue and they are meeting that evening with Spring Township’s Planning Commission. Mr. Eisenbrown of Ludgate is concerned about some truck traffic and some stormwater impact. They have told them that the Borough requires a land development plan for review by the Planning Commission and Council. He feels they will do that. Mr. Leiby inquired what they want to do in the Borough. Mr. Ludgate stated they wanted to build a driveway onto Columbia and there will be some piping. Mr. Ludgate said they might need a zoning variance to build what they want to build.

COUNCILMAN - DENNIS LEIBY:

Mr. Leiby asked Mrs. Shade if she could find out the assessed value of the property at the corner of Woodrow and Penn. Mrs. Shade said she sent the information to Mr. Leiby via e-mail. The amount is \$425,000.00. Mr. Leiby said the franchise fees if we get them are \$21,000.00 and this if for Comcast. He questioned if there was any other way we could collect money from the other satellite providers. Mr. Mooney stated there is Federal legislation that will not allow you to get money from a satellite provider. Mr. Oswald stated if we could get Verizon to put FIOS in that would be franchise fees. Mr. Leiby said we have all things plumbing license and junk yard fees but there is no way we can say to Direct TV if you want to operate in the Borough you need to get a

COUNCILMAN - DENNIS LEIBY (cont'd):

license. Mr. Mooney said there is Federal legislation and he knows that Comcast is not happy with it but no. Mr. Oswald said fiber optics would be the only other way to get more in franchise fees. Mr. Mooney said you are not the first person to ask this question that is why he knows the answers so fast.

COUNCILWOMAN - ELIZABETH SLOAN:

Ms. Sloan has some information regarding the library that she will see Mrs. Shade receives and she can place it in Council's box.

COUNCILMAN - JAMES PACHUILO:

Mr. Pachuillo stated the week prior an ad hoc committee was formed for budget purposes. They are going to take the burden off Mrs. Shade as he feels it is Council's responsibility. She will supply them with the information they need. The committee consists of Mr. Pachuillo, Mrs. Stine, and Mr. Leiby. They will be meeting the following week. They will update Council at the workshop meetings along with their findings and other information. Mr. Pachuillo would like to see what it costs the Borough to run. They are trying to find a way to get a capital improvement fund through all of this. Mr. Pachuillo feels that we are not constantly going after the Sewer Fund for money and then having to pay them back. Mr. Pachuillo has done some checking on the internet regarding public vs. private running of the sewer plant. He has been looking at some articles and he is finding a lot of good information. He explained about the PPP, Public, Private, Partnership. We own the plant but we have Miller run it. He asked Council if he could continue studying that and bring his findings back to Council-the pros and cons. Mr. Wenrich said it isn't costing the Borough anything so why not. Mr. Wenrich stated if Mr. Pachuillo is willing to use his time that way that is fine with him. He said there are some other people that are interested in this as well and they would help also. If it would ever come to this point of course he would need Council's approval to send it out for bid. He would like to start looking at the feasibility of this. Mr. Leiby said we could put it back in house again. Mr. Butkus cautioned if you would sell the plant it is a one (1) time ticket item and you can't sell it again. Once you blow through that money it won't be there to sell again. A discussion ensued as to how much they could raise the rates if it is privately owned. Mr. Pachuillo said there are pros and cons for both sides. Mr. Mooney said you might want to pull some of the articles on the Coatesville System. They sold to PA American Water.

COUNCILMAN – EDWARD OSWALD:

Mr. Oswald stated former Councilman Bruce Light is not doing very well. He has an infection in his leg. It is beginning to take over his body. He has decided to have his leg amputated. He is quite sick and frail and there is concern he might not make it through the operation. He is asking for Council and the community to keep Bruce and his family in their thoughts and prayers. Mr. Oswald said Mrs. Shade will be one (1) of the first to know and she will keep everyone abreast of his condition.

Mr. Oswald stated at the last meeting it was discussed about a Borough in Westmoreland County that was doing changes to revitalize their tax base. Mr. Oswald stated we looked at their

COUNCILMAN – EDWARD OSWALD (cont'd):

millage and it is at 22.5 mils. This is a far cry from our 3.19 mils. They did drop their millage by .25. Mr. Oswald was quite shocked by this so he tried to contact them but no one answered the phone. It appears it is a one (1) person Borough. He read the article but we can't compare our 3.19 mils to their millage of 22.5 mils. There is more to this story. Mr. Oswald said millage is millage, correct to which Mr. Leiby said no it ain't. Mr. Leiby said it was a great article. Mr. Mooney said a mil is a mil is a mil across the board. A mil is based on \$1,000 of the assessed value of a home. It is what the property assessment total in your municipality. Mr. Leiby said there is no difference between the City of Reading and the Borough of Sinking Spring. Mr. Mooney said a \$100,000 dollar home in the City and a \$100,000 home in Sinking Spring all pay a mil which is an equivalent unit. The unit that changes is the value of the house. Ms. Sloan understood. Mr. Oswald said that is why we brought this up. Mr. Mooney said a \$100,000 home in that municipality would cost the homeowner \$2,250.00 in taxes. In the Borough it would be 319.00, Mr. Pachuillo said.

BOROUGH ENGINEER – ROBERT LUDGATE, SR.

Mr. Ludgate stated we needed to have the Subdivision and Zoning Ordinances signed. Mr. Wenrich had them and he will sign them. We needed the signal contract for High Contractors also. Mrs. Shade stated that was in Mr. Wenrich's pile as well. Mr. Brutto on Keller Avenue as applied for release of funds. They recommend that the funds be released however they also recommend that the Borough transfer a portion of those funds to its own account to reimburse for fees paid and for future inspections for collection of stormwater. Mr. Brutto has \$6,500 in the escrow account and they are suggesting that \$5,473.00 be released and the remaining be held by the Borough in their General Fund. Ms. Sloan would like to keep a little more than that. Mr. Mooney said you can't because you have Ordinances that set the amount on what you are going to keep for future inspections. He is only responsible for consultant fees as well. You can't just keep some extra because you would like to, said Mr. Mooney. Mr. Pachuillo made the motion to return \$5,473.00 to Mr. Brutto and keep the remaining in the General Fund to cover consultant's costs and for future stormwater inspections; seconded by Mr. Oswald. AYES – 7, NAYS – 0; motion carried. The Signal Control Company people that supply the poles for the Queen Street installation have requested the release of the money they gave us to hold. Mrs. Shade stated she already had returned their check. Mr. Mooney received an award from the Chamber of Commerce. Everyone clapped. He was recognized by the Chamber as a "Rising Star".

COUNCILMAN – GEORGE BUTKUS:

Mr. Butkus asked where we were in the Saldo and Zoning amendment. Mr. Mooney said our Planning Commission has reviewed it and they have no problem with it. We have not received anything from the County Planning Commission as of yet, however their thirty (30) days are not up as of yet. We are still on track for November adoption.

PUBLIC COMMENT:

Mr. Gary Cirulli stated he was glad that Council is working on the millage and the tax increase for next year. He is hearing rumors throughout the Borough that an individual is going around saying that during his four (4) year term here he is going to be eliminating one (1) person in

PUBLIC COMMENT (cont'd):

each department every year. I don't know what that basically means but to him it means this person feels he needs to axe a person to save money for the budget. If that is the case it is bull, in his eyes. He said this was addressed to Mayor Butkus. The Mayor knew that is who he was referring to. Mr. Leiby said if you can't give a name it is hearsay. He continued to yell give a name. Mr. Cirulli said it is not hearsay as it is going around the Borough. It is going around throughout the Borough and if that true it is bull. Mr. Cirulli said if that is your intent as Mayor to get rid of people that are working here that is a shame. Mr. Cirulli asked Mrs. Shade how many people we have working here in the office; do we have six (6)? She said no, we have six (6) people total. We have three (3) including herself in the office and three (3) including Mr. Hart on the road crew. Mr. Cirulli asked how many people in the police department? Mrs. Shade stated seven (7); six (6) full time officers including the Chief and one (1) secretary along with she believed three (3) or (4) part time officers. Mr. Cirulli asked the Mayor if it was true, did he make that comment. Mayor Butkus said "I absolutely did not make that, I don't know where these rumors are coming from. I absolutely, positively did not make that up. Someone is making it up but it did not come from me." He continued, "I have no intent and when you say it is going around ya better back it up. He is tired of these erroneous things". Mr. Leiby said that "you are cutting into my drinking time man." Mr. Oswald said, "That is too bad." Mr. Leiby said, "This is just hearsay if you can't give us a name." Mr. Wenrich banged the gavel as everyone started talking at once. Mr. Oswald said, "In a discussion with you Liz, actually you did say we needed to save money and one (1) of them was you specifically said uh, was Barley Snyder. And I was looking at the budget and we are way under budget for what Regina..." Ms. Sloan said, "That is not what I said at all." Mr. Oswald said, "Yeah that is what you said." Ms. Sloan said, "Well then maybe you need a hearing aid." Mr. Leiby said "I noticed that." Loud discussion ensued. Mr. Wenrich banged the gavel. Mr. Wenrich stated he could see how things got out of hand at the workshop. The "he said/you said/we said"; then it starts one (1) conversation, three (3) conversations, and five (5) conversations. He continued, "We are all grown adults. We have been elected by our constituents to use our better judgment for the betterment of this Borough. I have made this request in the past, please conduct yourself properly. It is one (1) thing to voice an opinion but there is a way to do it. I am asking us all to reflect back upon that. The public is entitled to make their public comment, right or wrong. It is still a free Country and if someone has something to voice they should be able to come here and voice it. It is up to us though to conduct ourselves in a more professional manner. I was totally embarrassed by what came out of that workshop. You cannot even hear the minutes on the tape because of all the arguing. You could not begin to follow who was saying what or tracking what. I apologize I was not here. But I had a personal issue I had to address. But as long as I sit here, we will conduct ourselves accordingly or I will gavel you down or I will dismiss the meeting for being unproductive." Ms. Sloan said "We can't act on rumors". Mr. Leiby stated "The public shouldn't call people liars either." Mr. Leiby stated "In all his years on Council he never heard people shouted around you're a liar, you're a liar." Mr. Leiby continued, "I have my moments twenty (20) times a night but I don't call a person a liar. I might disagree with them or not side with them, but I don't call 'em a liar." Mr. Wenrich said the public is entitled to their opinion; he also said "It is up to us to conduct ourselves properly right, wrong, or indifferent." He continued, "I know when I first came on Council, a fellow Councilperson said something very derogatory about me, and then ran out the door." He said we need to take a step back. He said he never wants to be associated with the circus that happened there the prior week. That is what it sounded like.

TREASURER REPORT:General Account

Opening Balance – July 31, 2010		\$166,676.03
PLGIT		9,103.62
Invest	Recreation	49,565.02
	General	354,510.64
Deposits as of August 31, 2010		168,706.37
Checks Written		85,381.49
Payroll		76,188.58
PENNVEST Auto Debit		2,576.47
To Be Paid		<u>29,083.31</u>
Balance as of August 31, 2010		\$555,331.83

Sewer Account

Opening Balance – July 31, 2010		\$ 40,856.04
PLGIT		61,325.03
Invest		421,984.92
Deposits as of August 31, 2010		196,208.28
Checks Written		143,368.27
To Be Paid		<u>20,942.91</u>
Balance as of August 31, 2010		\$556,063.09

Mr. Butkus made a motion to approve the Treasurer's Report; seconded by Mr. Oswald.
 AYES – 7, NAYS – 0; motion carried.

ADJOURNMENT:

Mr. Butkus made a motion to adjourn the meeting at 9:45 p.m.

Respectfully submitted,

Regina M. Shade
 Borough Secretary/Treasurer