

East Stroudsburg Borough, November 17, 2009

A regular meeting of the East Stroudsburg Borough Council was held at the Municipal Building on Tuesday November 17, 2009. The following members were in attendance: Victor Brozusky; Roger DeLarco; Ed Henning; William Reese; Donald Repsher and Sonia Wolbert. Also attending were: Mayor Armand M. Martinelli; Manager James S. Phillips; Solicitor David J. Williamson of Scanlon Lewis & Williamson; Engineering Representative Samuel D'Alessandro of R.K.R. Hess Associates Inc.; ESU Student Ambassador Ashley Puderbach; Chief John Baujan of the Stroud Area Regional Police Department; press representatives from the Pocono Record, and TV 13; and several residents in the audience.

Call To Order/Pledge of Allegiance

Mr. DeLarco called the meeting to order at 7:30 pm. Molly Led the Pledge of Allegiance.

Minutes of November 3, 2009 Regular Council Meeting

Mr. Henning made a motion, seconded by Mr. Repsher to approve the minutes of the regular Council meeting held November 3, 2009 as submitted. The motion carried unanimously.

Stroud Area Regional Police Department Report

Chief John Baujan of the Stroud Area Regional Police Department was present to review the proposed 2010 SARPd Police Budget. The Chief reviewed the recent history of the annual increases in the police budget and noted that this year's budget was particularly impacted by the increase in the required funding (Minimum Municipal Obligation, or MMO) for the police pension plan which was severely effected negatively by investment losses from the 2008 stock market crash. The 2010 MMO increased to over \$800,000, from roughly \$300,000 required in 2009. Chief Baujan noted that the Regional Police Department has been based on the concept of the owner municipalities being partners in the regional effort. This year after the initial budget draft was prepared, a committee of representatives from the three (3) municipalities met to come up with a recommendation to the Police Commission on the amount of funding increase that the municipalities were able to bear. The outcome of that Committee was a recommendation to place a cap on the increase in funding to the Department with an approximate amount of \$250,000, which roughly equals an increase of 1 mill of real estate taxes for each municipality to fund the budget. Now the problem became the fact with that limitation on the amount of increase in the police budget, the budget that has been proposed would require the layoff of two (2) police officers and one (1) clerical position within the Department.

Chief Baujan said since the Police Commission meeting last week when the budget was tentatively approved by the Police Commission, there has been effort's undertaken to support retaining of the police officer positions. A date has been set for a meeting with the Police Officers Union concerning possible contract changes to alleviate financial problems for the Department. Also a meeting was held with representatives of the Chamber of Commerce today towards setting up a meeting with our local legislators, to be scheduled in December, to discuss possible additional funding for the Department through the legislation. Chief Baujan commented that the problem with the pension funding issue is that it is not going to go away – in fact the pension plan will require even additional funding in the year 2011.

Mr. DeLarco said the Pension Plan MMO was increasing from approximately \$284,000 in 2009 to \$800,000 in 2010? Chief Baujan said a new law passed by the Legislature this fall has permitted municipalities to implement several "smoothing" techniques related to the required contribution to the Pension Plan for this year (2009).

The Chief noted that the other major increase in the police budget this year was the increase in health insurance costs.

Mr. DeLarco noted to the rest of Council that East Stroudsburg Borough had representation on the Budget Committee which consisted of Manager James Phillips, Barbara Quarantello from Stroudsburg Borough and Daryl Eppley from Stroud Township. Mr. DeLarco noted that even with the proposed reduced SARPD budget, East Stroudsburg Borough share of that budget will be just over \$1.9 million.

Mr. Reese asked if the County Commissioners have been approached for funding assistance?

SARPD Police Detective Harry Miller noted that several years ago the Police Department had surplus funds in its budget and the Police Commission chose at that time to not increase member contributions, and now of course those funds are not available. Det. Miller said legislation is needed to address this issue – perhaps the proposed 1% optional sales tax which would dedicate funds to municipalities. Det. Miller said the Department needs all of its manpower now. Just last night an officer was hurt on duty. Also Det. Miller said he hopes that the officer's benefits will not be "attacked"; Police staffing is and should be a quality-of-life issue.

Brian Brill, Chapter Leader for the Stroudsburg Chapter of the Guardian Angels, said he agrees with Det. Miller and his concerns. Mr. Brill said when they talk to residents, residents always indicate that they want more police services not less.

Chief Baujan noted that the Federal Justice Department had grants available earlier in the year to retain or recall laid off officers; however at that point it was not anticipated that layoffs were going to occur and he did not submit a grant for that program. Det. Harry Miller stated that the proposed Court Liaison Officer position for the Department should help reduce police officer overtime (especially court time) and this will help save funds.

Proposed Application for Funding for Home Rehabilitation Projects Under the National Affordable Housing Act

Mr. Phillips said the Borough has been operating a Home Rehabilitation Program as part of the Community Development Block Grant (CDBG) Program for over twenty (20) years. This program provides grants to owner occupied residences within the Borough to bring their dwelling to code compliance and improve the housing stock of the Borough. Borough Council has typically allocated from \$40 - \$60,000 per year for this program from its CDBG allocation. However, in recent years the average cost of improvements per dwelling has increased due to many factors including new requirements for lead paint abatement. But the amount of funding available from the CDBG program only enables 2 to 4 houses per year to be rehabbed. Currently the Borough has a waiting list of eligible residents who have applied for funding but have to wait until funding becomes available.

Council has authorized the Borough's Community Development Consultant, Mullin & Lonergan Associates Inc., to prepare an application for the Borough for additional funding for the Home Rehab Program under the HOME Program administered by the Pennsylvania Department of Community & Economic Development (DCED). The Borough plans to apply for up to \$500,000 in home rehab funds to be able to renovate additional owner occupied residences within the Borough. The Redevelopment Authority of Monroe County would administer this program for the Borough similar to the CDBG Program. The application is for up to \$500,000 in funds with \$10,000 budgeted for audit and administrative purposes.

Mr. DeLarco asked for comments from Council members on the application and there were none. Mr. DeLarco asked for comments from the audience and there were none.

Resolution No. 46-2009 Authorizing Filing of Application to PA DCED for HOMES Program Funding

Mr. Brozusky made a motion, seconded by Mrs. Wolbert to adopt proposed Resolution No. 46-2009 authorizing filing of the HOME application to DCED as discussed. The motion carried unanimously.

Ordinance No. 1227 Establishing a 15 mph Speed Limit on Crystal Street

Mr. Phillips said as discussed at a previous Council Committee meeting, we discovered that there was no speed limit on the “books” for Crystal Street and Council wanted to eliminate that omission. Mr. Henning made a motion, seconded by Mr. Reese to adopt proposed Ordinance No. 1227 Amending of the East Stroudsburg Code, Establishing a Speed Limit of 15 mph on the entire length of Crystal St. from Analomink St. to Bridge St. The motion carried unanimously.

Ordinance No. 1228 Approving Intergovernmental Cooperation Agreement Establishing Ownership Rights and Obligations for Water Interconnections between Lines Owned by East Stroudsburg Borough & the Brodhead Creek Regional Authority

Mr. Phillips said the proposed agreement between the Borough and the BCRA establishes responsibilities for present and future maintenance of the interconnections between the Borough & Authority water systems. Under the agreement, the Authority will be paying for maintenance upgrades to the interconnection line over the Veterans Bridge. After those repairs are completed the Borough & Authority will share all future maintenance costs. For the Stokes Avenue interconnection the Borough & Authority will share the cost for upgrading this interconnection so that it can be used if needed. The Authority is responsible for the maintenance of the Eagle Valley Corners interconnection since they are currently using that interconnection to purchase water in bulk from the Borough. Mrs. Wolbert made a motion, seconded by Mr. Repsher to adopt proposed Ordinance No. 1228 approving the agreement between the Borough & the BCRA as submitted. The motion carried unanimously.

Resolution No. 47-2009 Adopting Red Flag Rule Policy for Water/Sewer System

Mr. Phillips explained that the Federal Trade Commission had adopted regulations requiring that operators of utility systems implement measures to prevent identity fraud. This FTC regulation requires that utilities adopt a “red flag rule” policy for their water/sewer utilities system. Mr. Phillips said we have prepared a draft of such a plan from sample information provided from the Pennsylvania Rural Water Association (PRWA) and the Brodhead Creek Regional Authority.

After discussion Mr. Henning made a motion, seconded by Mr. Reese to adopt proposed Resolution No. 47-2009 adopting a Red Flag Rule policy for the Borough water/sewer systems. The motion carried unanimously.

Resolution No. 48-2009 Approving an Updated List of Medical Providers for Workers Compensation Insurance

Mr. Phillips said employers such as the Borough are permitted to designate a list of medical providers that employees must utilize initially after being injured on the job. The Borough has had such a list but needs to update it which we have done so by adding two new chiropractors and a physician’s office for general medicine. Council members have received a copy of the list of providers. Mr. Reese made a motion, seconded by Mr. Repsher to adopt proposed Resolution No. 48-2009 approving the list of designated Medical Providers as submitted. The motion carried unanimously.

Resolution No. 49-2009 Request for Approval of Joinder Deed for Property at 124 Prospect Street

Mr. Williamson reviewed the proposed joinder deed submitted by Mr. & Mrs. Mulvey for two (2) tax parcels they own at 124 Prospect St. that they are proposing to join into one joinder deed, in accordance with the Councils recently adopted policy concerning such joinder deeds. Mrs. Wolbert made a motion, seconded by Mr. Repsher to adopt proposed Resolution No. 49-2009 approving the proposed joinder deed as submitted. The motion carried unanimously.

Report and Possible Action on Bids Received 11/17/09 for Reconstruction of Curbs on Burson St. and Lackawanna Avenue

Mr. Phillips said Council had agreed to pay for replacement of the deteriorated curbs along portions of these two streets fronting on the DEIN Properties LLC property. The Borough advertized for bids and five (5) bids were opened today for the proposed work. A bid tabulation follows:

Bidder	<u>Item 1</u> 375 ft. curbs	<u>Item 2</u> 32 sq. vd. pavement replace	<u>Total</u> <u>Bid</u>
C&D Contractors & Sons, Inc., Stbg., PA \$500 ck	\$42.00 \$15,750.00	\$120.00 \$3,840.00	\$19,590.00
Harry Depue, Inc. Bangor, PA 10% BB	\$35.85 \$13,443.74	\$257.20 \$8,230.40	\$21,674.15
Moeller Construction E. Stbg, PA \$500 cash	\$40.00 \$15,000.00	\$69.00 \$2,208.00	\$17,208.00
S&K Construction Co., Inc., Tobyhanna, PA \$500 ck	\$32.80 \$12,300.00	\$67.81 \$2,169.92	\$14,469.92
A.J. Trunzo, Inc. Bath, PA \$500 BB	\$30.00 \$11,250.00	\$50.00 \$1,600.00	\$12,850.00*

*apparent low bidder

Mr. Phillips noted that the low bidder, AJ Trunzo, Inc. has worked on the concrete floors at the new Borough Fire Station off Chestnut St. Mr. Henning made a motion, seconded by Mr. Reese to accept the proposal from and award the contract to A.J. Trunzo Inc. for reconstruction of curbs on a portion of Burson St. and Lackawanna Ave., as recommended. The motion carried unanimously.

Manager's Proposed Five Year Capital Improvement Program & 2010 Year Borough Budget

Mr. Phillips reviewed the proposed Five Year Capital Improvement Program for the years 2010-2014 which outlines the major additions, replacements/upgrades, to Borough properties buildings, facilities, vehicles, equipment and other assets. For purposes of the capital improvement plan, a capital item or project has a useful life of 2 years or more and an acquisition or development cost of at least \$10,000. Mr. Phillips noted that the total five (5) year plan outlines total possible capital expenditures of \$17,534,000. The Capital Plan for 2010 year when adopted by Council, becomes the capital budget portion of the 2010 year annual budget. Total capital items proposed for 2010 is \$7,350,000 however, this includes several large projects that the Borough has underway, including the new Fire Station construction project (estimated cost \$1,414,000 in 2010), East Stroudsburg Dam rehabilitation project (\$4,702,000 in 2010), and completion of the PennVest funded waterline replacement project on Analomink St.

(\$150,000 in 2010). Also the Borough hopes to complete the Levee Loop Trail bump out at Dansbury Park (\$120,000 in 2010) and the site remediation work at the former IBW property (\$50,000 in 2010). Mr. Phillips noted that the anticipated source of funding for each project is also identified in the Five Year Capital Plan.

Next, Mr. Phillips highlighted the proposed 2010 Year Borough Budget including the six (6) funds maintained by the Borough: General, Water & Sewer, Capital Improvements, Highway Aid, & Golf Course. Mr. Phillips said one good item of news effecting the 2010 year budget is the fact that the new bid proposals recently opened for garbage collection & disposal services have resulted in only an approximate \$6,000 increase in the total annual cost for the garbage collection & disposal under the new Waste Management contract. Therefore, Mr. Phillips said we should be able to maintain the same garbage user fee for 2010 year as has been in effect for the 2009 year. Mr. Phillips said however, that the Borough is facing a significant increase in cost due to the debt service costs on the loan taken out with ESSA Bank & Trust for construction of the new fire station. Total interest & principal payments will increase by an approximate \$150,000 over total incurred in 2009. Also, the Borough's share of the Stroud Area Regional Police Department budget will increase from \$1,832,660 to \$1,906,200, or an increase of \$73,540. This is based on the proposed budget for the SARPD which was discussed earlier by Chief Baujan. Mr. Phillips said that he is recommending to Council that a 4.0 mill real estate tax increase be implemented for 2010. Mr. Phillips noted that the increase would not have had to have been as great perhaps if Council had increased the millage by a small amount in previous years. Mr. Phillips said the total of the proposed 2010 year operating budget is \$7,858,900 in net appropriations; and with the proposed capital budget of \$7.235 million, the total proposed Borough budget for all funds for 2010 is \$15,093,900. Mr. Phillips noted that Council had scheduled two (2) budget work session meetings next week to go over the proposed budget in detail.

Public Comments – New Business

Henry Pyatt, Eastburg Community Alliance (ECA) Executive Director, asked Council to permit the Fire Department to escort Santa Claus to the Christmas Tree Lighting on Friday evening December 4, 2009. Council members indicated that they had no problem with the Fire Department doing this as usual as long as someone from the Fire Company was available to do so.

Correspondence

Mr. Phillips reported receipt of two (2) items of correspondence:

1. A letter from Smithfield Township concerning the proposed adoption of an official map for the Township. The letter from the Township indicates that the Borough owns property in Smithfield near the East Stroudsburg Borough Water Filtration Plant that the Township is showing as open space on their new proposed official map.
2. A letter from PennDOT stating that the thirty (30) day test period has been completed for the new traffic signal installed at Prospect and Normal Streets intersection.

Reports

Mayor Martinelli asked if leaf pickups were completed in the "flats" area, because last week there was an issue with the high school football game with cars parking on the streets since a lot of the leaves were still out. Maintenance Foreman Mark Hoke who was present said that the crews were picking up leaves today in that area.

Mr. Repsher gave Mr. Phillips a letter that he had received from Patricia Smith, a resident from Stones Throw concerning sidewalks that were removed at the corner of Burson St. and Lackawanna Ave. Mr. Repsher asked about the status of the brush complaint that Ms. Giannolla had complained about at a previous meeting? Mr. Repsher also noted that PennDOT still has not fixed the hole in the street in front of 521 North Courtland St. Mr. DeLarco asked Mr. Phillips to send a copy of the letter sent to

PennDOT to Representative Scavello. Mr. Repsher also asked Mr. Phillips to check with Codes Officer John Blick concerning property at 453 North Courtland St. where the yard is overgrown with vegetation.

Mr. Brozusky said the Cavaliers Boosters Club is planning on decorating yards along Elizabeth St. for the football game this Friday night and said he hopes that they will also encourage people to clean up their decorations after the event is over.

Mr. D'Alessandro reviewed his written engineer's report previously submitted to Council. Mr. D'Alessandro noted that the contractor was proceeding with work on the PennVest funded waterline improvements and has submitted requests for payments for three (3) of the waterline projects as follows: -Contract #2 (Elm St. waterline loop) \$16,301.37, -Contract #3 (Lenox Ave., waterline replacement) \$26,423.10, -Contract #4 (Prospect St. waterline replacement) \$104,519.27. Mr. Reese made a motion, seconded by Mr. Henning to approve payments on these three (3) contracts as recommended. The motion passed by a 5 to 1 vote with Mr. Brozusky voting no.

Mr. Reese commented that since the fire at Dansbury Depot Restaurant it is very dark around the burned building because there is no electricity or lights on the building.

Mr. Henning said he had a long conversation with resident Jean Eden about the large new home that was constructed near the end of East Broad St., as she had questioned the Borough zoning setback requirements there. Mr. Henning asked Henry Pyatt if any funding was available to assist the owner of the Dansbury Depot in recovering from the severe fire damage? Mr. Pyatt said the "Anchor Building" program still has some funds available from the PA DCED. Mr. Henning asked Mr. Phillips if paving of the streets within the Normal St. Housing Authority project area would be completed this year? Mr. Phillips said no.

Mr. Williamson said he had a conversation with Tony Konn of ESSA Bank & Trust concerning the fact that the Borough does not need to drawdown all the funds under the \$2.23 million loan approved by ESSA by the end of this year as originally anticipated. Mr. Williamson said we will need to check with the Loan Counsel, Robert Moore, on this borrowing concerning whether terms of the loan agreement would have to be changed to change the drawdown schedule.

Mr. Phillips reported that Smithfield Township Sewer Authority conducted a successful test this time on its new sewer force main coming up East Brown St. connecting into the Borough sanitary sewer system. However, there is still an issue with the sewerage pumps that serve the University Ridge Development, because they were unable to pump from the University Ridge pump station into the new force main when the Sewer Authority pump station was turned on. The sewage pumps and/or check valves at University Ridge are going to have to be checked and/or replaced. Mr. Phillips said we have received official word that the Borough's PennVest Loan Application for the East Stroudsburg Dam Rehabilitation Project was not approved; although this was not unexpected. The Borough will have to reapply once we obtain our required permit from Pennsylvania Department of Environmental Protection (DEP). Mr. Phillips said the printed copies of the new Borough Newsletter were received from Hometown Press and will be in the mail this week. Mr. Phillips also said he had received a complaint from the owner of Johnny O's Bar and Restaurant on Route 447 in Smithfield Township, concerning the Borough gazebo that was moved to Gregory's Pond from Miller's Park several years ago. Apparently the gazebo is becoming an "attractive nuisance" at that location as there is a lot of litter being left around the gazebo.

List of Bills

Mr. Reese made a motion, seconded by Mr. Henning to approve the list of bills payable and to ratify expenditures and payroll made through November 17, 2009 as submitted. The motion carried unanimously.

Executive Session

At 9:23 pm Mrs. Wolbert made a motion, seconded by Mr. Brozusky to adjourn into executive session. The motion carried unanimously.

At 9:43 pm Council members reassembled in the meeting room and Mr. Reese made a motion, seconded by Mr. Repsher to reconvene the public meeting. The motion carried unanimously. Mr. Williamson said the executive session had been held to discuss a personnel matter, several real estate matters and a litigation matter.

Proposed Easement Agreement with UGI Central Gas Corporation for New Gas Line Across Terra Greens Property

Mr. Reese made a motion, seconded by Mr. Repsher to authorize the Solicitor to send a letter to UGI Gas Co. concerning the gas line easement request. The motion carried unanimously.

Lease Agreement with East Stroudsburg University Center for Research & Economic Development for Business Accelerator Building

Mr. Brozusky made a motion, seconded by Mrs. Repsher to direct the Solicitor to notify ESU CFRED that since an executed lease agreement has not been received that the lease of the building from the Borough will be on a month to month basis with a sixty (60) day termination notice requirement. The motion carried unanimously.

Adjournment

With no further business Mr. Brozusky made a motion, seconded by Mrs. Wolbert to adjourn the meeting at 9:45 pm. The motion carried unanimously.

James S. Phillips, Secretary