

**BOROUGH COUNCIL SPECIAL MEETING
FEBRUARY 25, 2014
7:00 PM**

The February 25, 2014, Borough Council Special Meeting was conducted on Tuesday, February 25, 2014 at 7:00 P.M. The Meeting was held in Borough Council Chambers, 2nd Floor, 304 South State Street, Borough of Clark's Summit, County of Lackawanna and Commonwealth of Pennsylvania. Council members in attendance were President Gerrie Carey, Mr. Herman Johnson, Mr. Vincent Cruciani, Mr. Dominic Scott, Mr. David Jenkins, Mr. Jim Klein, Recording Secretary Virginia Kehoe, and OIC Chris Yarns. Absent from the meeting was Mr. Pat Williams, Jr. Council Matt Remus, and Jr. Council Greg Johnson.

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| 1. | WORKSESSION: | President Carey |
| 2. | PUBLIC COMMENT | President Carey |

Ian Castrogiovanni, 316 Summit Avenue went before Council. He discussed his considerable past due amount on his sewer bill, scheduled to have his water shut off. Appeal for reasonable payment plan. Virginia Kehoe stated that Mr. Castrogiovanni called the Borough office, and with a balance over \$1900, he offered \$100 a month. Considering the new charge is \$47 a month and he couldn't make a payment before the deadline, it was out of our hands. Ms. Kehoe suggests he may come and speak to Council. Mr. Castrogiovanni stated that he can make monthly payments of \$200 starting on Monday. Council went into Executive Session to discuss the issue. Council returned from Executive Session at 8:09pm. Council discussed the situation and they feel if he can live up to the obligation of \$200 a month, with the first payment by next Wednesday, this would be the deadline. If the payment is not made by then, the offer is off the table. A \$200 payment is required on the day of every Council meeting which is the the first Wednesday of each month. If a payment isn't made, not living up to obligations, Council has no choice, the agreement would be null and void. Vince Cruciani pointed out the Mr. Castrogiovanni will be paying \$153 towards the balance, \$47 for monthly bill. Vince Cruciani asked if Mr. Castrogiovanni was working. Mr. Castrogiovanni stated that he was not because he was on disability. Mr. Cruciani then asked if he would be able to clean up some debris around the house. Mr. Cruciani asked why Mr. Castrogiovanni hasn't done that. Mr. Castrogiovanni stated that there are extenuating circumstances that lead to the debris outside the home. He stated that his entire home was destroyed by someone who had broken in and burglarized it. He has been slowly bringing out debris, but J.P. Mascaro has a tendency not to take garbage. Mr. Castrogiovanni then stated that he had their supervisor come up to take the trash, his name is Mondo Rio, he works for J.P. Mascaro. Mr. Cruciani asked if Mr. Castrogiovanni if he file a police report. Mr. Castrogiovanni stated that he did attempt to; There is a report, yes but there was no investigation. He stated that J.P. Mascaro comes and doesn't pick up the trash; if there is too much out there they won't take it, leave it out front they will take it within a few weeks. Mr. Cruciani asked how the garbage accumulated as it did. Mr. Castrogiovanni stated that this has been an extensive project, over a year. He also stated that when the weather breaks, all the rubbish will be removed from the property. Mr. Cruciani also asked if it was an oversight on the \$47 a month which was not paid for the sewer; Mr. Cruciani is afraid of how it get to this point, of being \$1900. He also stated that this has been a significant amount of time that he hasn't addressed the sewer bill. Mr. Castrogiovanni state that there has been an enormous load of extenuating and nearly fatal circumstances, and he is trying to catch up. He and his wife live there. Mr. Cruciani stated that he hopes that things swing on the upside and hopes that we can work together to seek a resolution, separate from that, his late bill will have a negative effect on everyone in the community. The exterior of his house is upsetting a lot of people keep, that in mind. Mr. Cruciani continued that Council represents not just individuals but the communal interest. Mr. Castrogiovanni stated the he knows who burglarized his house. Mr. Cruciani asked if he would name the person. In response, Chris Yarns stated that the problem with Mr. Castrogiovanni report is that he gave inconsistent statements back in

the beginning and it went on and on weak case, which makes it difficult to prosecute. Mr. Cruciani stated that he will refrain and wishes him the best.

- **Police Pension – Don Williamson:** Mr. Williamson was at the meeting at the request of Council to shed light on the hiring process of a full time police officer and how much it would cost the Municipality in the form of an MMO, minimum municipal obligation. The pension fund is in good shape. Have assets and liabilities, they are close to each other, not unfunded liability. If an individual is hired, a fifth full time officer specifically, what would be the funding aspect how it would affect the Borough in the future? Mr. Williamson provided handout of breakdown of the financial information. State Aid comes out every year, qualified for 16 units of state aid. 8 for police and 8 for non-uniform. Right now, the 2014 MMO is \$72, 535 that is what they are anticipating. It went down because they lost a police officer who went into retirement and payroll affects funding. So there is a slight decline. In 2015, the Borough is going to have an increase in funding obligation like most Municipalities across the commonwealth, not because we hired a police officer. In 2008 the state stepped in and enacted Act #44 to help with funding. We were losing the Act #44 provisions in 2013. New actuarial assumptions were adopted in late 2012 and 2013. They were adopted because of the state and the government accounting standards board said we had to. It was changed because people are living longer, retiring at 55 and living until 84. Disability has become a huge problem with pension plans. We sponsor own police fire and non-uniform plans. If the Borough hires someone and they are on disability, then that goes on benefit status, that plan has to pay for their natural born life. These both need to be recognized. 2014 won't change, 2015 will be a cost and that will be happening whether a full timer is hired or not. You can increase pension contributions; can be from 5-8 percent. That helps to fund from the municipality's standpoint. Vince Cruciani asked about the percentages, is there a cap on 8%. Yes a cap on 8% but could be lower than 5%. Right now it is 3%. Is that money taxed? Yes, that helps when they retire, can do an annuity exclusion. Mayor Patty Lawler asked, payroll effects funding. Explained the funding criteria on actuarial assumptions. If funding assume is 10% payroll is \$300,000 the cost is \$30 thousand; if \$400,000 cost is \$40 thousand. Act #600 issued in 1956 governs all the benefits. Act #205 governs the funding and financing of all finance plans. Vince Cruciani discussed cost of living adjustment. If the board gets together, can afford a C.O.L.A for that year you can pass it by using criteria in our ordinance. That is the best way to do the adjustments from a funding process that gives the Borough a right to say yes or no. In our case it is the police pension board that would make that ruling. Council has to honor their recommendation. Mayor Lawler asked about the individuals hired before 2014, no state aid this year. They make Virginia Kehoe file a form that lists salaries and active members at the end of April. Done by June 30th will qualify for 2015. Not going to get 2 units for that officer for 2014. Based on individuals. Chris Yarns asked when an officer is younger do you get more units. The answer was no. DPW comes under the pension fund, anytime hire someone every active employee no uniform.
- **Civil Service Commission update – Dave Jones:** There are three members of the Civil Service Commission, Dominic Scott, Wes Dunn and David Jones. Nothing to report, stand ready. If they want to hire a full time police officer, need to go through the Civil Service Commission. Herman Johnson asked when the last test was given. About 5 years ago, started the process and then the Council decided not to proceed. Council made the decision to hire an offer for part time instead of full time. Chris Yarns stated that that was in 2010. Herman Johnson stated that he thought it be good for them to give a test to individuals and to have a list ready? Other Municipalities have a test and do charge the individual to take the test. Not a cost to the Municipalities. Every three years, the list could be updated. It could take a couple of months until an officer goes through the process. David Jones stated that you could do a few of the tests but not all of them. David Jones stated that it is up to Council if that happens. This would be only for police officers. We buy the test and pay a proctor, background searches vary. They are several hundred dollars. Vince Cruciani stated that if the Borough pays for the test, and then we got to the point where we selected a potential candidate, we could always pay for the background check. David Jones stated that the Civil Service Commission is supposed to present three candidates to Council then the Borough picks someone. Five tests are taken in stages. A lot Municipalities charge \$75 for the test. Pamphlet online that explains the tests. Dominic Scott stated you have to advertise in the paper. A veteran gets additional points in the scoring process. Herman Johnson stated that once

you get done with the 5 tests, get the top scores. Chris Yarns stated first is the written test, and then the oral test, then the list is posted. Virginia Kehoe stated that that is the order we did with the last officer. Vince Cruciani stated that if the list stays fresh for 2 years, the advertisement, how long is that good for. Advertise that the list is good for two years. Vince Cruciani stated that there is going to be a legal precedent that's going to say what the legal advertisement expiration is. Mr. Cruciani stated if the Borough wants to hire a new officer, put out the test and then if in the next 2 years, we have to hire a new full time officer, talk with Solicitor Dan Mulhern and find out what the precedent is and then take it as it comes. David Jones stated that the Civil Service Commission stands at the will of the Council. They are not experts and they would hire the experts for this. Mayor Patty Lawler asked if there ever has been an exception to what was just explained is this in the Borough Code Book. Not sure. Vince Cruciani asked what the turn-around time is for the process. Virginia Kehoe stated that it takes about 2 month process. Paid around \$500 for the proctor and we needed them twice.

- **Police chief:** Draft for Council was provided. Solicitor Dan Mulhern stated that he make some edits and tightened up some language and changed some clauses. Asked Council if there were any questions. Council then went into Executive Session to discuss Police Chief Contract. Council finished with Executive Session and continued with the meeting at 8:48pm. Gerrie Carey stated that the police contract is going to the labor lawyer and then they can vote next week.
- **Bids – financing, banking:** After our last meeting, a number of banks approached Virginia Kehoe with offers. One thing came up. There is a letter from Jim Burke, he looked at our current debt service loan and if we refinance it at a rate they can give us. Kept the same maturity date we have the potential to save \$53,000 which is a couple months' payments. Could pay it off early. Would like to bid out refinancing debt. Solicitor Dan Mulhern stated that this would have to go through DCED. Refinancing the debt service which is a \$1.5 million loan, down to 1 mill, 3 ½ percent could get it at 2.2% what is closing cost. If you have a current tax debt rate and we refinance that we should maintain the debt rate and have a more aggressive schedule to pay it off, rather than lessen the burden currently. Doesn't think we should pass it off. Virginia Kehoe stated that it enabled us to go a couple months early. We would pay it off after the 71st payment rather than going the full term. Saving interest, take that millage off the taxes earlier. Will find closing costs, to see if it is worth rebidding.
- **Ordinance 2014-01- UCC Appeal Procedure:** It was advertised and available for public review. Need to make a decision about this because Duffy's time clock is running out on March 3, 2014. They may appeal. Virginia Kehoe stated that the Borough needs to find three qualified people to be members of this appeal board. We are on a 30 day extension. We need to vote on this ordinance. Vince Cruciani asked about the appeal, what is the time frame. Solicitor Dan Mulhern stated that this board was supposed to be established as a joint board approximately ten years ago and the problem was a board was never set up. David Jenkins made the first motion to approve Ordinance 2014-01, seconded by Herman Johnson, vote was unanimous 6-0. Vince Cruciani stated that we want to be prudent about who we pick. Hard to find qualified people just in the community, can branch out. Can someone from the Planning Commission qualify? They are not employees; Herman Johnson stated we should look at that a little closer. That is where we are crossing the line, they make recommendations to Council. Gerrie Carey discussed talking to Borough Engineer Bob Naegele. Vince Cruciani and Gerrie Carey may have people to speak to about this also. Virginia Kehoe will not run an advertisement. Do need to fill this ASAP. Maybe we should run an advertisement. Could newspapers publish the need for this? Vince Cruciani stated that because we found ourselves in a timely situation, be careful who we pick, is it understood that it is a one year term. Anything in state law, it is at the pleasure of Council. If we receive a request for an appeal, we have a clock, not sure how long, possibly 60 days. With Duffy's we need to advertise the hearing for 10 days. The extension would be 60 days which would be May 3rd. This is not something that has to be done next week. Our only legal concern is having a UCC Appeal Procedure. They have to be qualified, that is our goal. Every time there is an extension that extends the liability. Herman Johnson stated that we need qualified people to set this up right. Even though this is long overdue. We are trying to jump this gun in-case someone wants to make this appeal. Vince Cruciani stated we are looking for qualified individuals to be part of the newly formed UCC, this was for the newspaper reporters at the meeting.
- **Appeal board representatives:**

- **Glenburn Pass-through:** Virginia Kehoe stated that we asked about the sewer connection along Old Lackawanna Trail. Glenburn said that it is South Abington's line our community has nothing to do with them and they couldn't give permission or not. Dave Gremelski commented that David O'Neill not interested in giving approval, run a separate line. Why does South Abington own a line in Clarks Summit? They are dedicating the line to South Abington once it leaves Glenburn. Dominic Scott asked why we would need a separate line. Vince Cruciani stated that we should say no, the line is in our Municipality which means the line is owned by the Borough if you don't like it too bad. Glenburn stated that they shouldn't have to wait for this decision. It is outside the perimeter of their agreement. They should go to South Abington then. We need to explain that to Glenburn Township.
- **Depot St project:** Bon Naegele has new drawings based on discussions to date on the plan. Cost estimates also for the plan as drawn, second cost estimate supplied at Mayor Lawler's request. Vince Cruciani stated that if we talk after the meeting there can only be 3 Council members present, or as a group in public session. He will go with the flow, whatever Council decides. Herman Johnson stated we should look at a later date stating that they are trying to get the business people involved. Don't want to say something that might hurt their feelings. Patty Lawler stated that she wanted to touch on this. Wait until the committee meets first. Want business people to buy into it so we have smooth transitions. By next Wednesday we could have a discussion.

3. REVIEW OF March 5, 2014 AGENDA

David Jenkins stated that he would like Council to think about having a vote on that they initiate a period of grace for people that are behind on their sewer bills. Suggesting that Council we forgive the penalty stage as long as they pay in full. April 15th could be the deadline. Vince Cruciani came up with July 1, 2014 as the date to pay in full, no payment plan. David Jenkins agreed with the date change stating that someone pays their bill by the third quarter bill which will be July 1st their penalty will be forgiven. It would be up to the Borough office, Jenn Basalyga-Schmidt to the delinquent residents to call the Borough for the principal amount owed. Then the Borough would need to provide in writing what the amount is. Herman Johnson suggested putting that information on the next billing statement in April. Council can vote at the Council meeting next week. Mayor Patty Lawler provided a spreadsheet for Council with information concerning the cost of a full time officer as opposed to two part time officers. Mayor Lawler asked Council to keep this information for review and consideration.

4. ADJOURN:

President Carey

David Jenkins made the first motion do adjourn the meeting, seconded by Herman Johnson, vote was unanimous 6-0.