

MINUTES FOR REGULAR MEETING OF NESQUEHONING BOROUGH COUNCIL

Wednesday, November 19, 2008 at 7:00p.m., Borough Office
114 W. Catawissa Street, Nesquehoning, PA 18240

ROLL CALL: COUNCILMEN DiMICELI, HAWK, SNISCAK JR., STROMELO;
COUNCILWOMAN WALCK; PRESIDENT DeMARCO; SOLICITOR
YURCHAK; & CHIEF SMITH

President DeMarco called the meeting to order at 7:02 p.m.

MINUTES: Approve the minutes from the Regular Meeting held on October 22, 2008.
Councilman Sniscak, Jr. moved and Councilman DiMiceli seconded to approve the minutes from the Regular Meeting held on October 22, 2008. All voted yes. Motion passed.

POLICE REPORT

Chief Smith gave the Police Report for the month of October as follows:

\$972.65 fine money received from Magistrate Kosciolk; \$88.96 received in Carbon County Collections; \$19.16 received in DUI reimbursements, \$0.00 received in parking tickets; \$315.00 received in moving permits; \$120.00 received in accident reports; \$ 59.50 received in restitution; 354 total complaints received; 39 citations (9 non-traffic & 30 traffic); 7 criminal arrests and; 9 traffic accidents (5 reportable & 4 non-reportable); 14 court appearances and the mileage total was 3,979 (723 – 2008 Crown Vic; 1,602 – 2008 Chevy Impala; 1,537 - 2003 Crown Vic; 117 - 2005 Expedition).

HOUSING & CODE ENFORCEMENT OFFICER'S REPORT

(Copy of Officer Blisard and Chief Smith's reports were placed in the communications folder.)

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to accept the Police and the Housing & Code Enforcement Officer's Reports. All voted yes. Motion passed.

HEARING OF VISITORS

Tim Moran, the corporate liaison from Municipal Energy Managers, he introduced Chris Gibbons, who was with Concord Public Finance and Bob Kearns, who was with Municipal Energy Managers.

Mr. Moran – They want to thank Council for allowing them the time again. They wanted to retouch the issue of the Street Lighting Project, which was presented back in September. They did have the opportunity to correspond with Solicitor Yurchak and provide the information that he had questioned in regards to the contract. Based on his conversations, those issues had been resolved to Solicitor Yurchak liking. From that point in time, statistically, the finances could be addressed by Mr. Gibbons. Municipal Energy Managers side of it was all cut and dry as it was before. The numbers stay to what Concord Public Finance presented.

Mr. Gibbons – They work as partners with Municipal Energy Managers in obtaining the financing for municipal street light projects as well as other municipal projects throughout the Commonwealth. The idea was if they could freeze 2/3 of their electric cost in 2008 dollars, any time they would have an increase of electric charge in the future, they would only pay 1/3 of that increase. Over time that would be a significant dollar savings. Given the current market conditions in bank financing, they could save the Borough approximately \$429,000 over a twenty year term, if the municipality would buy the street lights.

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President DeMarco stated that when they had the meeting before, this would be the final go through to see if anybody had any questions and if they would go on to the next step. President DeMarco stated that he reserved the right for Councilman Jacobs to ask any questions and they would respect his say in the matter.

Solicitor Yurchak stated that he had given all of the Council Members a memo on his questions and the answers that he had received. He stated that they have answered all of his questions. Councilman DiMiceli asked Solicitor Yurchak on his opinion and his concerns. Solicitor Yurchak stated that his concerns have been answered. President DeMarco asked Solicitor Yurchak if they were referring to the contract. Solicitor Yurchak replied "yes". He stated that he had not seen an updated one that they had talked about on the phone.

Mr. Kearns – The next step in the process would be to have Concord secure the fixed/variable pricing for the product. This is a performance guarantee product, where the contract would have to be adjusted one way or the other based on the final numbers that come back from the banks. With that, they will make some modifications to the contract whereas they make reference to an item which relates to the performance contract. It is a performance contract; what they were basically doing was addressing all of the things that they were talking about on a performance project.

President DeMarco asked what if their company goes belly up, who would take care of it. He stated that he knows that the bond was still there and how it was the Borough's responsibility to pay it. He stated how there were big corporations falling by the wayside. President DeMarco stated that they (the Borough) could not afford it if Municipal Energy Managers goes belly up. He stated that they would be stuck with lights that they could not take care of or afford. President DeMarco stated that they were voted in by the people and they have to watch what they were doing. He stated that if Municipal Energy Managers goes belly up so would the rest of the town.

Mr. Kearns – There was a construction phase where they were doing improvements so that they could move to the lower rate, which was one phase. The second part of the project was once they get to lower rate, which was the maintenance contract. The Borough still had the power of the paycheck. The Borough pays on a month to month basis according to the contract, which was a market value to what maintenance would cost. The second thing that the Borough has was a cost savings reimbursement account, meaning the savings and improvements that were had were in a restricted account. As the Borough proceeds through those transactions, they were the Borough's funds not Municipal Energy Manager's funds.

Mr. Kearns – They have the same concerns about municipalities. They have had more issues where municipalities have gone into debt restructuring and problem solving. Concord has done a presentation for a municipality regarding a street light transaction which had to be put on hold because as they did the financial review, they were in dire straights of the financing. Concord had come to their aid to restructure some of their existing stuff that they had to forgo the street light transaction.

President DeMarco stated that Concord was coming to them and the Borough could be in dire straights. He stated that they were not, but they did not want them to force feed them the bond and tell them that they could handle it.

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Mr. Kearns stated that the Borough has a long term lease with PPL for the last 20 years and the Borough was no closer to owning them then they were 20 years ago. Mr. Moran stated that they were just restructuring what the Borough budgets anyway. Mr. Kearns stated that the Borough will be paying half of what they were paying now. Mr. Gibbons stated that they were trying to say how to freeze things so that there would not be as much of an impact with the rate increases.

Councilman DiMiceli stated that they were only projecting a 3% increase every year. He stated how that did not mean how that was all it was going to be. Mr. Kearns stated that they could be greater and if it was greater, the Borough's savings were greater. Mr. Moran stated that the 3% was extremely conservative. Councilman DiMiceli asked if they could guarantee that it would not go up more than 3%.

Mr. Kearns – If they would freeze things that day, there would be no rate increases, the funds that the Borough pays on the existing payments that they had been paying PPL; under the restructure it would still be enough to satisfy the debt, pay the maintenance and pay PPL. The Borough would not run out of money. The Borough would pay the debt off and in 20 years own the lights and will be paying half of what they were paying now. It was not practical to assume that PPL rates on energy or on distribution of that energy was not going to change.

Councilman DiMiceli stated how they were factoring in a 3% increase each year. Mr. Kearns stated how on the conservative basis what a 3% increase would do if they had to impact both rates. Councilman DiMiceli stated that if it would go up 7% . . . Mr. Moran stated that the Borough would save even more. Mr. Kearns stated that they have no control over what PPL passes as a rate.

Councilman DiMiceli stated that if Municipal Energy Managers would go out of business, the Borough would have to find someone to administer the project for them. Mr. Moran – Upon completion of construction, it would be a fused, bonded system, so there would no longer be a need for a high voltage lineman. Any certified electrician in the area can work on the street lights for equal to or less than what their maintenance was. PPL would no longer be needed; the high voltage lineman requirement would no longer be needed to work on the street lights.

Councilman DiMiceli asked who would be out the money if an uninsured motorist would take out a pole. Bob Kearns stated that they go out and order the part and put the light back up. He stated that it goes back on the pole in accordance to the way it was. He stated that if there was no insurance money, they would have to wait for the cost savings to build up to pay them. Bob Kearns stated that if there was no cost savings out of the whole contract, they would have to wait 21 years to see that money. He stated how the Borough would never go over the cap payment, which was the principle of how the contract was put together. He stated how they have a safety net and the only thing that will go up was the PPL bill. Councilman DiMiceli stated about them taking the money out of the Borough's cost savings to replace the pole that the uninsured motorist took down. Bob Kearns stated how it was billed out of the Borough's cost savings but it would not be over the cap payment. Councilman DiMiceli stated how that would mean that they would have less in the account.

Mr. Kearns – There were two different accounts. If they would look at column 8, that savings was avoided cost savings. That savings had nothing to do with what was in the account. That savings was the Borough's money part of the performance contract, which was what they had talked about with the 3% differential between the two rates.

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Councilman DiMiceli stated that they would have \$50,000 in the cost savings fund, which would have been applied to the maintenance on the lights. He stated about an uninsured motorist who takes a telephone pole or two down. He stated how Municipal Energy Managers would have to call PPL to come out to do the work and they were going to bill for the service. Councilman DiMiceli stated that they were going to be paid out of whatever fund it was, which was partly the Borough's money. He stated how that would draw down on the Borough's money. He stated how they may be the ones left holding the bag for a \$15,000 PPL bill when somebody takes down two poles. Mr. Moran stated that the pole remains the property of the utility.

Mr. Kearns – Under the contract, the Borough pays a cap payment. In the beginning of the year, the Borough gets X amount of credit. In the Borough's case, they were putting \$72,000 into that account up front. If their maintenance, PPL bills and the bank, do not total the \$72,000, they total \$70,000, the \$2,000 goes into that account. They were not charging the Borough more; they were letting those savings accrue in an account, which was the Borough's. Let's say the pole gets knocked down and it would cost \$5,000. They can only get paid \$2,000 because it would take them over the cap payment. They would have to wait another year for another \$2,000 to show up and another year after that for \$1,000. They would not have to come back and ask Council to approve a capital improvement for a hit-and-run accident that was the Borough's bill. The Borough does not have any assets on the poles that were going to do what they were talking about. All of the Borough poles have multiple lines on them. The only thing that the Borough would be paying for would be the armature. All of those examples were addressed in the contract. The Borough will not go over the cap payment. Their obligation that they were asking them to approve was a cap payment structure. With that cap payment structure, they have maintenance obligations and regular maintenance. The Borough will have banking obligations and PPL obligations. If the Borough would go over the cap payment, it will be coming out of their hide; they would pay the Borough. It was qualified that when the Borough saves again, they would get it back.

Councilman DiMiceli stated how it would cost them. Mr. Kearns stated that what the Borough was approving was a cap payment. He stated that it was not going to cost the Borough anything; it was just funneling in and out. Mr. Kearns stated that it was a guaranteed program. He stated that if he would tell them that they would be paying \$5,000 a year for ten years, after those ten years, they would have only paid them the \$5,000 times the ten years. He stated how the Borough would never go over what it was that they were asking the Borough to approve as the cap payment. Councilman Hawk stated that if he would tell them that they were going to pay \$12,000 a year for three years for something, but they were only going to charge them \$10,000 a year. He stated that right off the bat, they would be saving \$6,000. He stated how they could pay \$10,000 the first year; only pay \$9,000 the second year but the third year it would cost \$11,000. He stated how it would still be the same amount, \$30,000.

Mr. Kearns stated how they have never had a municipality who did not save more than what they had forecasted. He stated that if they extend the contract, the cap extends as well. Councilman Hawk stated how the cap was already providing a savings over what they were projecting what PPL would be charging the Borough. He stated that if it would come out to \$10,000; \$8,000; and \$8,000, the \$4,000 would be the Borough's, but it could not be more than the \$30,000 because that was the cap payment. Councilman DiMiceli stated that if they would go out of business . . . Mr. Kearns stated how they should be more worried about what PPL was telling them with what was happening with the utilities. He stated that they do not use bonding; they use cash collateral against the bonding requirement. He stated that they did not have the insurance and that they were one of the ones who did not get knocked out when those categories went through.

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President DeMarco stated that they had to understand the concerns the Borough had. He stated that they did not want to be hard on them but they wanted them to understand their concerns on the whole thing. Mr. Kearns stated how he would rather have quality exchange to exhaust some of the subjects. He stated how he wanted them to be able to say how they structured something that they were satisfied with, which was what they were paying PPL. He stated that the Borough was writing a check to PPL anyway; PPL was paying for this whole thing.

Solicitor Yurchak asked if they would be doing capital improvements to the system. Mr. Kearns stated that there would be group revamping activities and photo controls. He stated that they have been very successful with other municipalities with getting T-21 grants, which would be Borough funds. He stated that the capital improvements were tracked; they were GASB 34 compliant; they give a GIS on a web platform, which let them see the assets and what the exchanges were. Solicitor Yurchak asked what the useful life of those improvements were. Mr. Kearns stated that the armature and the hard fixtures, which were not removable or replaceable, were a 40 year asset as determined by the PUC. He stated that the light bulb, the photo cell, and ballast were covered under the regular maintenance.

Gene Rutch stated how it amazed him that somebody could predict 20 years from now. He stated that if they were going to save the Borough in 20 years. . . He stated that they talk a good game, but the bottom line was, if they were so good, why PPL couldn't do the same thing. Mr. Moran stated that they did not have a service department. Mr. Rutch stated that they do and asked if they were bigger than PPL. Mr. Moran stated how that was what they do. Bob Kearns stated how they were talking about two different things. Mr. Rutch stated how street lights were going to be a thing of the past. He stated how they want the Borough to commit 20 years on what basis. Mr. Moran stated how he would have to understand the contract before he could spit out what he was saying. He stated that the contract was 20 years; there was group revamping every year of those 20 years; and they receive a fixed, flat maintenance. He stated that their charge annually was \$13,500 for all of the street lights. He stated that they were saving, guaranteed savings, of \$429,000 less than what the Borough would have paid PPL at an extremely conservative rate increase. Mr. Moran stated how the rate increases were going to be far beyond what they were projecting. He stated that they were estimating 3% whereas it was projected to be 35% for next year alone. He stated how the rate caps come off in October 2009, where there would not be anybody regulating the utility anymore. Mr. Moran stated how they structure the maintenance so that it does not change; structure the debt so that it does not change; locking in 70% of the municipality's current \$70,000 bill.

Mr. Rutch stated that the maintenance was not going to change over the next 20 years. Mr. Moran stated "no". Tom Mermon asked if they had ever gone to Lehighton or Weatherly to see how they would accept their program. Mr. Kearns stated how Weatherly had contacted them several times to take over maintenance. He stated that under emergency services, they have gone in to provide services with their trucks under a courtesy extender. Bob Kearns stated how they have helped Lehighton and St. Clair. Mr. Moran stated how Nesquehoning does not make their own electricity. Mr. Rutch stated that maybe they could.

Councilman DiMiceli stated how that was something that they could look at to see. He stated how they were possibly going to be signing a 20 year contract. He stated how they might be able to look at what their options and cost were to buy bulk electricity from PPL like Weatherly does.

Councilman DiMiceli stated about what it would cost to run a department similar to Weatherly's. He stated that when he worked up there, there were two full time employees in the electric department.

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Councilman DiMiceli stated how they were buying bulk power. He stated how it would probably cost several thousand to get into it but if they would spread that out over a 20 year period. He stated how they might end up saving a lot more money. He stated how they would be handling everything themselves. Mr. Kearns – Those municipalities own all of their own poles and all of their own lines of distribution. They have attachment rights with the communications. They take a central switch area, which they own, and distribute the electricity that they buy whole sale. It would cost the Borough millions upon millions of dollars to buy the distribution system that was located within the Borough. The improvements that they would need to isolate and balance the system has not been successful anywhere. It was such a complex issue.

Councilman Hawk stated how the two biggest variables were that it was based on projected PPL increases. Mr. Kearns stated how the savings to actually pay off debt and have the operational savings from differentials in cost payments were already started. He stated that they have enough to pay what it was they were intending to do and still put money in their pocket from the existing bill. Councilman Hawk stated that unless PPL's rates would go down. Mr. Kearns stated how a 3% was a safe assumption. He stated that even if they would just say .5%, the savings would still be greater than what they had borrowed. Councilman Hawk stated about the assumption for the financing. He stated that they would not know what that would be until they get the quotes from the banks.

Mr. Kearns stated how that was one of the reasons for them attending the meeting that night. He stated about getting approval for Concord to solicit quotes. He stated that they would be able to see where they would be at with the financial standing. Mr. Kearns stated how there was no cost to the municipality to get the quotes. He stated how that was the next step to see where the real numbers come in at.

Councilman DiMiceli stated about Solicitor Yurchak getting whatever paperwork he needed to get. Mr. Moran asked, just on the paperwork to Solicitor Yurchak, if they wanted to wait until the final numbers come in or did they want another draft contract. Councilman DiMiceli stated that he wanted another draft contract so Solicitor Yurchak had time to review it. Mr. Moran stated how the only thing that would not be included would be the final numbers

Councilman Hawk moved and Councilman DiMiceli seconded to authorize Concord to solicit proposals for them at no cost to the Borough.

Mr. Rutch stated about the PPL rates and what those gentlemen were promising to save the Borough. He stated that they should think about what loans the Borough could get and do their own. He stated how it was not a personal thing with those guys because they were not standing there for the last 15 minutes to be nice guys. Mr. Rutch stated that they were in business and that was why they were there. He stated that they were not doing him a favor or the Borough a favor; they were there to sell them something. Mr. Rutch stated how it was the same thing that they could do as a Borough. Solicitor Yurchak stated how they were not committing to anything; they were just going to get some numbers for the Borough.

All voted yes. Motion passed.

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Richard Stromelo stated how he was there concerning turning North School Street, between Mill and Elm Street, a one-way street. He asked why they would change that since it has been a two way street for the past 50 years. Mr. Stromelo stated that if they did have to change it to a one-way street, it was fine, but why did they have to switch the parking from the west side to the east side. He stated how there was no curbing on the east side. Mr. Stromelo stated how his vehicles were parked on his property and his tenants vehicles were parked on his property. He stated that if they switch it to the east side, there would be no room for parking. President DeMarco stated that when the Street Committee met, they did discuss it and discovered how that was not a good solution. He stated that it would cause a problem if they made that a one-way street and with the parking. Councilman DiMiceli stated how they could omit that block from the ordinance. President DeMarco stated that they would omit that block from the ordinance.

Councilman DiMiceli moved and Councilwoman Walck seconded to amend the ordinances to omit that block, Mill Street to Elm Street, from the one-way streets and the prohibited parking ordinances. All voted yes. Motion passed.

- **Frank Jacobs – Resignation**
- **Richard L. Zabroski – Letter of interest to fill any vacancy on Borough Council**
- **Salvatore A. Digiglio – Letter of interest, Council vacancy**

Councilman DiMiceli stated that he would like to regretfully accept the resignation of Councilman Frank Jacobs. He stated that he wanted to thank him for all of the years that he had given to the Borough. President DeMarco stated that it was 29 years. Frank Jacobs stated that it was 28 years, 10 months and 14 days. President DeMarco stated how he was going to be moving on to bigger and better things.

Councilman DiMiceli moved and Councilman Stromelo seconded to accept the resignation of Councilman Frank Jacobs. All voted yes. Motion passed.

President DeMarco stated to Frank Jacobs that they all wish him well and they wanted to thank him for everything that he did for them. He stated that since Frank Jacobs was involved with the new police station, he was still going to help out. Councilwoman Walck stated that she agreed to allow him to finish helping with the project that he started.

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to nominate Richard Zabroski to fill the vacant seat of Frank Jacobs until the next municipal election.

Councilwoman Walck asked if they should advertise the position because it was all of a sudden. Councilman DiMiceli stated that they were at a time of the year with budgets and the electric thing for the streets. He stated how there were too many things going on to waste time. He stated that they had a qualified gentleman, who submitted his name. Councilman Stromelo stated how they had another name that was submitted.

Councilman Stromelo moved and Councilwoman Walck seconded to nominate Salvatore Digiglio to fill the vacant seat of Frank Jacobs until the next municipal election.

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President DeMarco called for a roll-call vote.

Councilman DiMiceli	-	Richard Zabroski
Councilman Hawk	-	Richard Zabroski
Councilman Sniscak, Jr.	-	Richard Zabroski
Councilman Stromelo	-	Salvatore Digiglio
Councilwoman Walck	-	Salvatore Digiglio
President DeMarco	-	Richard Zabroski

Richard Zabroski would be the Council Member to fill the seat until the next municipal election. Solicitor Yurchak stated that he would have to be sworn in by the Mayor, District Judge or a Magistrate. Councilman DiMiceli asked if he would be taking the same positions that Mr. Jacobs had. President DeMarco told Councilman Zabroski that he would be taking those positions and if there were any questions or problems, he should just let him know.

PLANNING COMMISSION REPORT

- **Approve the subdivision plans for the Stemetzki property and the Planning Commission Minutes on the Stemetzki property.**

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to approve the Planning Commission Minutes and the Subdivision Plans for the Stemetzki property based on the recommendations of the Planning Commission. All voted yes. Motion passed.

- **Reimburse Kovatch for the BOCA subdivision - \$3,354.00**

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to reimburse Kovatch Corporation for the BOCA Holding Subdivision in the amount of \$3,354.00. All voted yes. Motion passed.

CIVIL SERVICE COMMISSION

- **Applicants to serve on the Civil Service Commission:**

Sue Ellen Heckman
Robert J. Marouchoc
Richard L. Zabroski

Richard Zabroski withdrew his letter of interest for the Civil Service Commission.

Councilman DiMiceli moved and Councilwoman Walck seconded to appoint Sue Heckman and Robert Marouchoc to the Civil Service Commission.

Councilman Hawk stated that he had received a letter of interest from Tracey Evans. Secretary/Treasurer Ahner stated that she withdrew her letter.

All voted yes. Motion passed.

PANTHER CREEK ADVISORY REPORT

No report.

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ENGINEER'S REPORT

- 10.29.08 Carbon Engineering – St. Francis of Assisi Church
- 11.04.08 Carbon Engineering – Street/Road Improvements
- 11.14.08 Carbon Engineering – St. Francis of Assisi Church – Zoning Permit

Councilman DiMiceli asked what the next step was in the procedure. Secretary/Treasurer Ahner stated that they have to request a hearing from the Zoning Hearing Board. Solicitor Yurchak stated how the application was denied and they have to appeal it to the Zoning Hearing Board. Councilman DiMiceli stated as the Borough, it was his understanding that there may be a need for an encroachment on Borough property. He asked if it would be appropriate for them to make a decision now on whether they were going to agree with it or would they deal with that after the Zoning Hearing. Solicitor Yurchak stated how at that point, they would be premature until they would make their application to the Zoning Hearing Board. Councilman DiMiceli asked if they have to give permission for them to encroach or if zoning can approve it without their permission. Solicitor Yurchak stated that if it was encroaching on their land, then yes they would have to give permission. He stated that they can base their approval on the Council giving their permission for the encroachment.

SOLICITOR'S REPORT

- Letter from Robert T. Yurchak to PA Dept. of Environmental Protection – Panther Creek
- Letter from Robert T. Yurchak to PA Dept. of Environmental Protection – Surface Mining
- 11.10.08 DEP – Service Request, Panther Creek Partners, dirt & debris
- **Ordinance to be adopted concerning One Way Streets**
- **Ordinance to be adopted concerning Prohibited Parking**

Councilman Stromelo moved and Councilman DiMiceli seconded to adopt the One-Way Streets Ordinance and the Prohibited Parking Ordinance. All voted yes. Motion passed.

- Municipal Energy Managers (MEM) – Street Lighting Acquisition Project
- Letter to Robert Stempa concerning his property adjacent to PV field and Railroad tracks
- **Approval for fees for an appraiser towards a tax appeal**

Solicitor Yurchak stated how it was in regards to the Kovatch appeal. He stated that he had reported it at the last School Board Meeting how there was a potential for a substantial decrease in property value. He stated how there will probably have to be an appraiser sought somewhere along the line by the taxing bodies. President DeMarco stated how Solicitor Yurchak suggested that the Panther Valley School District and the Nesquehoning Borough should work together on the tax appeal for Kovatch property. Solicitor Yurchak stated how they had just received notice that they had filed the appeal. President DeMarco stated that he would like the School Board to go along with the Nesquehoning Borough; however, knowing that the Panther Valley School District will realize more money than the Nesquehoning Borough; they were not asking to go 50-50. Solicitor Yurchak stated how there were three bodies, the County, the School and the Borough. President DeMarco stated how it would be split three ways. Councilman DiMiceli asked about the number of properties. President DeMarco stated how there were several properties involved. Frank Jacobs stated that there were 13 properties. President DeMarco stated how they would also have a say on who would be an appraiser.

Councilman DiMiceli asked Solicitor Yurchak if he had sent the bill out for the truck roll-over at the base of Rt. 93. Solicitor Yurchak stated that he had sent it to the insurance company and had also sent it to the attorney.

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Councilman DiMiceli stated how it had been several months. He stated that he did not know if they wanted to wait until next meeting or give Solicitor Yurchak the authority to do whatever actions were needed to get reimbursed.

Councilman DiMiceli moved and Councilman Hawk seconded to give Solicitor Yurchak the authority to pursue the funds under the Extraordinary Expense Ordinance from the roll-over at the bottom of the Broad Mountain. All voted yes. Motion passed.

Councilman DiMiceli stated about the Ordinance Solicitor Yurchak gave them regarding the false alarms. He stated that they were reviewing it and the Fire Chiefs were going to make suggestions. He stated that at some point they might sit down with Carl Faust.

➤ Ordinance to be adopted concerning the Police Pension Plan

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to adopt the Restatement of the Police Pension Plan, to bring it into current compliance with the statutes. All voted yes. Motion passed.

Solicitor Yurchak stated about a draft for the revised Solicitation Ordinance for them to review.

Solicitor Yurchak stated that he did have some input from Ron Tirpak regarding the wind generation and the specifications. He stated about Council reviewing it and getting back to him.

Councilman DiMiceli asked about the Contractor's Ordinance. Solicitor Yurchak stated that it had not been signed by Governor Rendell yet. He stated that it will be effective July 1st. He stated that it will supersede the Borough Ordinance.

Councilman Sniscak, Jr. moved and President DeMarco seconded to accept the Solicitor's Report. All voted yes. Motion passed.

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NESQUEHONING SAVINGS BANK TREASURER'S REPORT

GENERAL FUND

Balance 09.30.08 379,978.50
Receipts 88,650.82
Expenditures 257,429.55
Balance 10.31.08 211,199.77

GENERAL SEWER CONSTRUCTION FUND

Balance 09.30.08 8,725.53
Receipts 10.72
Expenditures .00
Balance 10.31.08 8,736.25

SPORTS COMPLEX FUND

Balance 09.30.08 81.95
Receipts .10
Expenditures .00
Balance 10.31.08 82.05

SANITATION ESCROW

Balance 06.30.08 1,240.63
Receipts 8,711.37
Expenditures .00
Balance 09.30.08 9,952.00

DEBT SERVICE

Balance 09.30.08 1,125.19
Receipts 1.38
Expenditures .00
Balance 10.31.08 1,126.57

FIRE TRUCK FUND

Balance 09.30.08 17,659.68
Receipts 42,410.39
Expenditures .00
Balance 10.31.08 60,070.07

CAPITAL PROJECT

Balance 09.30.08 51,304.10
Receipts 10,216.31
Expenditures .00
Balance 10.31.08 61,520.41

SANITATION FUND

Balance 09.30.08 129,372.81
Receipts 90,540.43
Sewer 29,951.55
Expenditures 68,378.94
Balance 10.31.08 121,582.75

HIGHWAY FUND

Balance 09.30.08 83,006.23
Receipts 102.00
Expenditures .00
Balance 10.31.08 83,108.23

PLANNING FUND

Balance 06.30.08 9,712.12
Receipts 22.28
Expenditures 1,294.74
Balance 09.30.08 8,439.66

GENERAL SEWER FUND

Balance 09.30.08 92,677.56
Receipts 44,972.50
Expenditures 29,879.48
Balance 10.31.08 107,770.58

SEWER OPERATING & MAINTENANCE

Balance 09.30.08 24,560.23
Receipts 25,147.63
Expenditures 44,345.16
Balance 10.31.08 5,362.70

POLICE PENSION FUND

Balance 09.30.08 407,331.19
Receipts 52,234.25
Expenditures 9,093.92
Acct Depreciation 49,994.72
Balance 10.31.08 400,476.80

FEMA FUND

Balance 09.30.08 3,024.57
Receipts 3.72
Expenditures .00
Balance 10.31.08 3,028.29

ACQUISITION & RENOVATION

Balance 09.30.08 195,729.02
Receipts 240.53
Expenditures .00
Balance 10.31.08 195,969.55

MINUTES FOR REGULAR MEETING OF NESQUEHONING BOROUGH COUNCIL

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CD REPORT

FUND	CURRENT VALUE 10.31.08	INTEREST 10.31.08	OPENING DATE	CURRENT RATE	RENEWAL DATE	BANK
PLANNING	\$ 14,692.90	\$ 38.03	5-08-05	4.05 %	8-15-09	NSB
GEN. SEWER	\$ 360,783.38	\$ 933.83	5-08-05	4.05 %	8-15-09	NSB
GEN. SEWER	\$ 11,188.11	\$ 34.06	2-28-08	3.60 %	11-29-08	NSB
DEBT SERVICE	\$ 12,995.72	\$ 33.64	5-08-05	4.05 %	8-15-09	NSB
DEBT SERVICE	\$ 99,172.08	\$ 318.12	6-02-05	3.92 %	6-02-10	NSB

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to approve the Treasurer’s Report and the CD Report. All voted yes. Motion passed.

EMERGENCY MANAGEMENT REPORT

No report.

MAYOR’S REPORT

No report.

TAX COLLECTOR’S REPORT

01 September – 31 October 2008

Occupation	\$ 816.60
Real Estate	6,814.25
Per Capita	<u>566.40</u>
Total	\$8,197.25

EXEMPTION:

TO APPROVE: John Arner Deceased

Councilman DiMiceli moved and Councilman Hawk seconded to accept the Tax Collector’s Report and approve the one exoneration. All voted yes. Motion passed.

COMMUNICATIONS:

1. 10.15.08 Mauch Chunk Trust – Agent for Borough Police Pension
2. 10.23.08 DCED – Natural Gas Drilling and Local Governments: Planning for Change
3. 10.24.08 PSAB – Borough Officials Training & Update
4. 10.27.08 Quill – Letter of introduction – new President
5. 10.28.08 NEPA – Newsletter
6. 10.29.08 DGK – Insurance Financial Services

MINUTES FOR REGULAR MEETING OF NESQUEHONING BOROUGH COUNCIL

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7. 10.29.08 Penn State – Natural Gas Summit in December
8. 10.29.08 DCED – COSTARS – Local Procurement
9. 10.29.08 Philip Valenti – Update: Bailout Fraud Exposed
10. 10.30.08 PSAB – Update
11. 10.31.08 PSAB – WEBINARS (Seminars)

12. 10.31.08 CC Emergency Services – Snow Removal Call –Out

Secretary/Treasurer Ahner stated that the Carbon County Communications Center was looking for a contact list for Emergency Snow Removal. Councilman Stromelo stated that President DeMarco would have to be first on the list because he was not going to be around for the next couple of weekends. President DeMarco stated that it would be him, Michael and then Mark.

13. 10.31.08 Nesquehoning Savings Bank – Combining with Jim Thorpe National Bank
14. 10.31.08 Teamster Local #773 – New Shop Stewart
15. 11.05.08 Laputka, Bayless, Ecker & Cohn – Claim Petition – Digilio
16. 11.06.08 PSAB – Training Update – Rental Property Inspection Program
17. 11.07.08 PSAB – In honor of Service Award
18. 11.07.08 PSAB – Training Update – Road Salt
19. 11.07.08 PSAB – Natural Gas Drilling & Local Governments
20. 11.10.08 CC Economic Development – News Update
21. 11.10.08 Auditor General – Compliance audit reports for Borough Pension Plans
22. 11.10.08 Reading & Northern Railroad – A reminder – plowing snow
23. 11.13.08 PSATS – COSTARS Training
24. 11.13.08 PSAB – Training Update
25. 11.14.08 Penn Valley Chemical – Janitorial Supply Company
26. 11.14.08 E.F.McGill Associates – Purchasers of water and wastewater systems
27. 11.17.08 Labor & Industry – Worker’s Compensation Hearing
28. 11.17.08 CC Office of Planning & Development – CDBG Pre-application Process

29. 11.17.08 Kirk, Summa & Co – Confirmation of understanding of services for 2008

Councilman Sniscak, Jr. moved and Councilman Hawk seconded to approve the confirmation of understanding of services for 2008 with Kirk, Summa & Company not to exceed \$6,500 for the audit. All voted yes. Motion passed.

30. 11.19.08 Nesquehoning School Apartments – Tenth Anniversary Celebration

Councilman Stromelo moved and Councilman Sniscak, Jr. seconded to approve all communications and place them on file. All voted yes. Motion passed.

BILLS TO BE RATIFIED, EXPENDITURES AND RECEIPTS

Councilman DiMiceli moved and President DeMarco seconded to deposit all receipts, approve all bills to be ratified and pay all other bills including the expenditures of the Home Program.

President DeMarco asked how much money they have left under the Home Program. Secretary/Treasurer Ahner stated that they have enough for one more to finish the program.

All voted yes. Motion passed.

MINUTES FOR REGULAR MEETING OF NESQUEHONING BOROUGH COUNCIL

Wednesday, November 19, 2008 at 7:00p.m., Borough Office

COMMITTEE REPORTS

1. STREETS

**MARK STROMELO, CHAIRMAN; DON DeMARCO, CO-CHAIRMAN;
MICHAEL SNISCAK, JR**

➤ 11.10.08 KME Fire Apparatus – Quote, F500 Ford Dump Truck

Councilman Stromelo moved and Councilman Sniscak, Jr. seconded to approve the repairs to the F550 Ford Dump Truck as per the quote, \$1,550. All voted yes. Motion passed.

Councilman Stromelo stated how they had taken care of a couple of storm drains and they were pretty much ready for the winter season.

Councilman DiMiceli asked about a foreman for the streets department. President DeMarco stated that they would discuss that when they got to the budget.

2. SEWER

DAVID HAWK, CHAIRMAN; FRANK DiMICELI

Councilman Hawk moved and Councilman DiMiceli seconded to adopt the 2009 Sewer Budget, expenses at \$868,163.67; revenue at \$839,498.97 with \$28,664.70 from reserves to balance. All voted yes. Motion passed.

Comminutor Bids opened on November 14, 2008 at 2:00 p.m.

- Bognet Inc. 56,554.00
- Pioneer 88,000.00
- Eastern Environmental 56,400.00
- Johnston Construction 63,340.00
- PSI Pumping 64,900.00
- Linde Corporation 62,206.00
- Descco Design & Construction 58,266.00
- Lisbon Buildings & Infrastructures 65,400.00
- Derstine Company 64,000.00
- Wexcon Inc. 74,500.00
- Pikeland Construction 63,160.00

Secretary/Treasurer Ahner stated that the bids were checked by Engineer Ron Tirpak and the lowest bidder Eastern Environmental was okay.

Councilman Hawk moved and Councilman DiMiceli seconded to award the bid for the Comminutor to Eastern Environmental in the amount of \$56,400.00. All voted yes. Motion passed.

Councilman Hawk stated that David Digilio had left him a note in regards to the back-up generator. He stated that he was having problems and that he was going to have someone come in and look at it. Councilman Hawk stated how there was a blower motor that he was going to have to purchase a new one. He stated how Mr. Digilio told him that some were a lower cost but would require some modifications. He stated that he had told Mr. Digilio to get a replacement motor.

MINUTES FOR REGULAR MEETING OF NESQUEHONING BOROUGH COUNCIL

Wednesday, November 19, 2008 at 7:00p.m., Borough Office

3. BUILDINGS

ROSE WALCK, CO-CHAIRMAN; DON DeMARCO

Councilwoman Walck stated that they were working on the plans for the new Police Station. Councilman DiMiceli asked if the suggestions that some of the Council Members made was included into the plans. President DeMarco stated that it was including the interrogation room. He stated that there were some minor changes but they might be able to get it out for bid in December.

4. POLICE

MICHAEL SNISCAK, JR, CHAIRMAN; FRANK DiMICELI, CO-CHAIRMAN; DAVID HAWK

Councilman Sniscak, Jr. stated that the training of the new officer was going along great and that he should work out really well.

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to place an unfounded complaint into Chief Smith's personnel file.

Councilman DiMiceli gave a brief description of the complaint.

All voted yes. Motion passed

Councilman DiMiceli moved and Councilwoman Walck seconded to allow the full-time officers to carry their vacation and personal time over until 2009. All voted yes. Motion passed.

5. SANITATION

MARK STROMELO, CHAIRMAN; DAVID HAWK, CO-CHAIRMAN; FRANK DiMICELI

➤ 11.17.08 Borys Zacharzuk – Request for a refund for September

Councilman Stromelo stated that this was the same gentleman that they were having the issue with the construction materials out for the garbage collection. He stated how there were other issues and he would suggest that they would let Solicitor Yurchak take care of it.

➤ 11.18.08 CES – Increase in tipping fee

Councilman Stromelo stated that the tipping fee will be increasing by \$1.50 per ton. He stated that they did approve the rate increase of \$2.00 per month at the last meeting. He stated that they will still have the discount.

6. RECREATION

DAVID HAWK, CHAIRMAN; MARK STROMELO, CO-CHAIRMAN; DON DeMARCO

Councilman Stromelo stated that they had not met for a couple of months because of everybody's schedule. He stated that the Christmas party will be held on December 15th and the cut-off for registration was November 23rd. Councilman Stromelo stated that they could call the Recreation Center at 669-9121 and leave a message on the answering machine. He stated that they will have to leave the age of the child.

7. BUDGET

DAVID HAWK, CHAIRMAN; DON DeMARCO

➤ Approval for the preliminary budget for 2009

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Councilman Hawk stated that the proposed budget was for \$1,242,878.71. He stated that it was a balanced budget. He stated that it did include a 1.5 mill increase in taxes with 1.4 mills going into the general and .1 mills going into the Fire Truck Fund. Councilman DiMiceli stated about getting on a rotation with purchasing new police cars. He asked if the funds were in the budget for a new police car. Councilman Hawk stated how there was \$9,171.59, which was what they figured would be 1/3 of the purchase price. He stated how that was if they could not get a grant. Councilman Hawk stated that they had tried to put the full amount in for a police car but they had to make some cuts. President DeMarco stated how there were several things that were cut in the budget. Councilman DiMiceli stated that he would like Chief Smith and Secretary/Treasurer Ahner to start on the paperwork for a grant for a new police car for next year.

Councilman Hawk stated that they had figured salaries based on the contracts. He stated that they have the money in there to cover the police department the way they were now. He stated how they had to drop any extra that they had in there to cover an additional officer. Councilman Hawk stated that they did continue to include a budgeted figure somewhat above the existing salaries with the possibility having a supervisor hired. He stated that if they would hire a supervisor, they would be paid out of all of the departments. Councilman DiMiceli asked if that was something that they should be moving on now. President DeMarco stated how there were other places that the money was going to come out to pay for them because they will be in charge of everything. He stated that when the time comes, they have to draw up a job description and a contract. Councilman DiMiceli stated that he thought how, when the time comes, it should be all of Council. President DeMarco stated that it will be Council as a whole and they will be meeting in an Executive Session. Solicitor Yurchak stated that drawing up a job description was not part of personnel. He stated that when they were doing interviews or going over applications that would be considered personnel.

Councilman Hawk stated that the General Fund Budget looks a bit different that year because the auditor and DCED were making Municipalities remove things and keeping them separate. He stated how everyone had separate sheets on the Sports Complex Fund, which would be the entire Recreation Fund Budget and the Fire Truck Fund, which was the entire Fire Protection Budget. He stated how each fund has its own budget now. Councilman Hawk stated that it was a pretty sparse budget because they had to reduce some of the income expectations based on the way things were going this year. President DeMarco stated that they cannot do next year what they did that year. Councilman Hawk stated that he did feel that it was very realistic. President DeMarco stated that they were going to look into the workers comp insurance.

Councilman Hawk moved and Councilman DiMiceli seconded to tentatively adopt the 2009 budget with a 1.5 mill increase.

Mickey Angst stated that he would encourage a no vote. He stated that everybody around the state was tightening their belts and not raising taxes. Mr. Mermon stated that they should think zero increase. Mr. McArdle stated that he did not know how they could the way the economy was now. He stated that it was better with smaller increases than have a drastic increase. Mr. Rutch asked if they had a tax increase last year. Secretary/Treasurer Ahner stated that it went up 1.4 mills last year.

All voted yes. Motion passed.

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8. PURCHASING ROSE WALCK, CHAIRWOMAN; FRANK Di MICELI

No report.

**9. FIRE/AMBULANCE FRANK DiMICELI, CHAIRMAN; DAVID HAWK, CO CHAIRMAN;
PUBLIC SAFETY MICHAEL SNISCAK, JR**

➤ Lake Hauto Fire Protection

Councilman DiMiceli stated how everyone received a letter regarding the lowering of the water levels again that year. He stated how it was going to put a burden on the Fire Companies if there was a fire up there.

Councilman DiMiceli stated that he approved a \$170.00 expense for the testing of the equipment for the meters, which was in the budget.

JR. RECREATION COMMISSION

No report.

NEW BUSINESS

Frank Jacobs stated that at the Lions Club Meeting, they had talked about purchasing additional Crime Watch Signs for the Borough. He asked if Council had a problem with placing more signs around town. Councilman DiMiceli stated that they could also use some additional Drug Free School Zone signs. President DeMarco stated that they should have Larry Fox order them and then the street crew would put them up. Mr. Jacobs stated about the surcharge for the sanitation. Solicitor Yurchak stated how he and Secretary/Treasurer Ahner were working on it. Councilman DiMiceli stated that they should purchase some additional Drug Free School Zone signs. He stated that they need to post more in the Borough. He stated that they cannot enforce, when it comes to a sentencing. President DeMarco stated that they would have to look at the cost of the signs. Secretary/Treasurer Ahner stated about having somebody donate the signs. Councilman DiMiceli stated that if he had the sizes, he might be able to get the donations.

OLD BUSINESS

No old business.

ADJOURNMENT

Councilman DiMiceli moved and Councilman Sniscak, Jr. seconded to adjourn the meeting. All voted yes. Meeting adjourned at 8:55 p.m.

RoniSue Ahner

RoniSue Ahner
Secretary-Treasurer