

Jermyn Borough

Council Minutes

November 2, 2017

The Jermyn Borough Council held a council meeting on November 2, 2017 at 7:00 p.m. at the Jermyn Community Center, 440 Jefferson Avenue, Jermyn, PA in the Council Chambers.

On roll call present were: Robert Parks, John Mark, Dan Markey, Kevin Napoli, Joseph Smith and JoAnne Wilson. Also present were Mayor Smallacombe and Bob Chase. Absent were: Frank Kulick, Atty. Moran, KBA, Ray Rood and Evan Samuelsen.

Mr. Smith asked everyone to remain standing for a moment of silence for our former Police Chief Daniel Zellers.

MINUTES: A motion was made by Mr. Napoli and seconded by Mr. Parks to accept the October 19, 2017; all in favor, motion carried.

Insurance Renewal: Jeff Kyle from DGK Insurance was present at the meeting. He gave council an outline for the upcoming year. Mr. Kyle also listed a couple coverages council may want to consider. On the property coverage, the building and contents coverage are location specific. In order to have coverage for any particular structure it has to be location listed and identified by the structure. Mr. Kyle said he tries to do each year is make sure nothing has been added, especially down at the park since last year. All the values were increased, building costs inflation factor that the carrier uses is 4%. All the building and contents coverages are replacement costs. Mr. Kyle said he recommends to all municipalities, if something happens the easiest thing to do is to call us and we can discuss and decide how it can be addressed, rather than making assumptions. He suggested someone from council and our road crew can go through the list of equipment to make sure everything is on there. Mr. Smith said for the purpose of the audience here, we have a wood chipper and the limit on that is \$9,400, that is what the insurance co. is saying this piece of equipment is worth. Mr. Kyle said no that is what we are going to charge you for, that is the limit on it. If it were to be totaled and let's say that it is only worth \$7,000, which is what we are going to be paid. If it were to be worth \$12,000 and all you are going to get is the limit, that's why we have to make sure we have our values correct, it is the way the coverage form works.

The operations liability covers the Borough, all employees and any elected or appointed officials or acting in a capacity on behalf of the Borough and it does cover volunteers for example, the historical committee or park and recreation people who come and help clean up the park. If they injure a 3rd party or cause damage while volunteering to help, they are afforded protection under our policy. If they are injured they cannot go to workman's comp.

Mr. Kyle asked if they wanted to talk about the fire companies involving the Borough. Mr. Rood was not present at the meeting. Mr. Kyle said it actually is more beneficial for the fire co. to leave the coverage physical damage and liability by themselves. He provided an outline stating the premium difference. The advantage to the fire co. is that they get some specialized coverages that are only available under their policy to the fire and Ems services. Example, right now Artisan liability coverage is on ours, Crystal took theirs off. If the Borough wants to pay the auto liability part, then it's on the fire co policies, we can bill the Borough for that part of the premium. Right now, we are paying for Artisan liability; there are two vehicles on there. We can save \$200 by putting it on their policy and we can be billed for that part of the premium. Mr. Markey said we got all figures last year to include the fire co. we voted to go ahead and put the physical damage on our backs as well, the fire co.'s came in and said we didn't want you to do this and we never authorized you to do this. Mr. Markey said there must have been a miscommunication we thought there would be a substantial cost savings; they said no we are changing it back. Artisan changed it back to the way it was before, they had the physical damage and we had the liability. Crystal fire co went and took everything back and now they are complaining they want us to handle the liability. Mr. Markey told Ray he has to get in touch with Mr. Kyle. We aren't getting into this again unless we have permission from the fire co. Mr. Kyle said we can work anyway. For the Borough's sake if we are going to pay the premium it's beneficial to put it on their policy and we can just bill you for it. Mr. Markey said they went and took it off, Artisan was smart enough to keep theirs on and Crystal took theirs off. Mr. Markey said if he recalls correctly it was without a vote from the body. Mr. Kyle said he will not make any changes unless the Borough and Fire co.'s say so.

Mr. Mark asked if it's better for the Artisan's to have it on their own? Mr. Kyle said yes. Mr. Smith said and they would be getting better benefits. Mr. Kyle said yes because they would be getting broader coverage that they can't get under a municipality. Mr. Chase asked if you can pay someone else's policy. Mr. Kyle said yes. Mr. Smith asked if the Borough did pick up the Artisan and Crystals policies, they can be billed separately. Mr. Kyle said yes. Mr. Mark asked if it would be possible for Mr. Kyle to come and meet with people from council and from each of the fire co. to discuss this. Mr. Kyle said yes. Mr. Mark said so each company is aware. Mr. Markey said we can change it at any time. Mr. Chase said if we are making any changes to our policy, he has to bring it up at the fire co. meeting. Mr. Chase said if somebody is paying insurance for your vehicle they can say well we don't want you to drive the firetruck. Mr. Mark said it has happened before when people that had DUI's, they weren't allowed to drive. Mr. Markey said people with DUI's shouldn't be allowed to drive a firetruck. Mr. Chase said he is saying in house we are going to stop that but to have someone else come in and say none of you are driving until you do something with this guy, we are a private entity. Mr. Kyle said since they have you under their liability policy, they can do that anyway because it would affect their overall premium.

Mr. Markey said on page 14 this is what our policy looks like right now, Crystal fire co. is not on our policy at all. If artisans go to a meeting and say, this will be more beneficial for the Borough and the fire co to put it on our policy and have them pay for it then after

they vote on it and we can vote on it. If both parties agree we can make the change. As of right now, we were approached by the fire chief, he didn't ask us to put the liability back on, he asked us to increase our contribution to the fire co. because they took the liability off, they did that to themselves. That wasn't going back to the way it was. They went back to the way it was and also took the liability back; we never told them to do that. They just went and did it. Mr. Mark said it may have been a misunderstanding. Mr. Smith said this is an in house issue that has to be addressed in house. This will have further discussion; we talked a lot about this last year in our Finance meeting. We will take what you said under advisement and there is some work we have to do within our Borough.

Mr. Smith said anyone that is actively involved in the Borough would need the criminal background check? Mr. Kyle said any function that is associated with the Borough, whether they are doing it as an employee or helping with the Borough. Mr. Kyle said that any businesses or organizations that are using our facilities, we should be securing proof of liability insurance and they name the Borough as additional insured. Any of the leagues, scouts, churches. They have to have liability coverage and name the Borough as additionally insured. Also any contractor we hire to work for the Borough. Also anyone we are renting the facilities to use. Mr. Mark asked about the use for the gym. Mr. Kyle said if its people in the community that's what it's all about, if we allow organized leagues to use the gym. Mr. Markey said Lakeland Youth Basketball; they have their own insurance they have to name us as additional insured. Mr. Mark said what about renting the gym for a fee and play basketball. Mr. Kyle that's what we carry our insurance for. We aren't going to pose it upon the community, it is strictly organizations and businesses coming to use our facilities, they have to have liability insurance and we want to be sure it's set up if something happens.

Mayor Smallacombe asked about the aircraft and drone section. Mr. Kyle said under any commercial liability policy there is an exclusion for aircraft. On the commercial liability policy, a drone is considered an aircraft. He has some municipalities who have drones, we have to go out and secure specialized coverage for that, liability coverage. Mr. Kyle thanked council for continued service.

Pension:Mr. Smith said he was not at the last meeting and it was brought up in executive session. Mr. Napoli said it still needs to be discussed, especially during the finance meeting.

Paper Streets:Mr. Mark said the Borough owns the paper streets, shouldn't we just keep it as Jermyn Borough. Mr. Napoli said we can't do that with the easements. They are trying to decide what to do. Mayor said the Borough can keep them or split it. Mr. Napoli said our solicitor said he was looking into it.

MS4 Permit Ordinance:Mr. Markey said we are waiting for the solicitor for that.

Sewer Maps:Sewer Maps were given to DPW.

Water Issue: Mr. Markey said Tony Grizzanti from KBA is going to go over and look. Mr. Smith asked about Robert Hunt's property. Mr. Markey said he has not heard of any complaints.

Public Comment: *Donna Stackel* said she is here on behalf of the Christmas Concert and Mrs. Mcmyne. Every Sunday night we have an issue of getting into the back door, which happened this Sunday night. She asked if they can have a key from Sunday night until the end of the concert and be returned to the council, we would appreciate it very much because we have an issue every Sunday night and its getting a little tiresome. We would like to know if we can possibly have a key and return it safely. Mr. Smith said the only problem he sees with that is once you grant that request to one organization how many other organizations are going to make the same request and that presents a serious problem for the Borough because once again we are giving out keys, as trustworthy as you are, people in the past people have made their own keys and we had no idea who had keys. Donna Stackel said that is not going to happen. Mr. Napoli asked what time they are there on Sunday Night. They are there at 6pm every Sunday. Mrs. Wilson said they start coming at 5:45pm. Mr. Napoli said he will ask the police to unlock the door at 5:30 and they can contact them when they are done to lock up. He will talk to the police department.

Lou Demarco— Said he has couple questions with the reassessment we are pushing hard for. Is this a mechanism to raise taxes for services we cannot afford now? What is the main purpose, for the Borough of our size to be pushing for it, what's the main reason? What is the motive behind this reassessment? Mr. Markey said the reassessment itself, as far as the council, we approved on a 5-2 vote a few months ago to pass a resolution for the reassessment to send to the County. Lou Demarco asked why because it's unconstitutional or we need more money to run the Borough, we sold the garage, what's the cost to build a new one, what is going to happen to the old siren. Mr. Markey said to be in fair council isn't questioning the purchase of the globe store. Mr. Markey said this isn't the venue to bring this up if you want to talk to specific council members who are pushing for this. Mayor said when Commissioner Cummings was here, that question was asked and Mr. Kulick's answer was for fairness.

Lou Demarco asked what happens to the siren in 5 years, is the money from the sale of the garage going to be set aside to address that concern at that time. Mr. Markey said the finance committee has to meet. Lou asked what the cost is to build the garage and where are we building it. Mr. Markey said the preliminary costs are going to be right around \$150,000. We are building on land we already own. Lou asked where? Mr. Markey said right next to the Borough building. Lou asked if it was allowed based on zoning. Mr. Mark said it was not allowed the last time they were going to build here. Mr. Chase asked in what aspect? He went through the book and couldn't find anything. Mr. Mark said because of the parking. Mr. Chase said it doesn't take away from the parking spots. Mr. Parks said it is going to be on the grass. Mr. Napoli said it is going to add spots. Mr. Mark said the last time this was brought up and this was many years ago there were issues. Mayor said there weren't enough parking spaces even when they put the salt shed here, there was supposed to be 32 parking spaces and that was not

enough. It was based on the floor space. Mr. Mark said that salt shed, when you go look in the minutes he was the person that made the motion for that, that salt shed was supposed to be in the far back left corner and Joe when they came here to do it, Joe Esagro said to put it there because it took up a lot of space. Mr. Markey said if and when the new building goes in there is going to be parking spaces created in addition on the side and in the back of salt shed, the DPW won't be storing equipment anymore. Mr. Chase said your saying you didn't build it because it was taking away parking spaces. Mr. Mark said they wanted to put a garage here before they had the Crystal building, they wanted to take the gym and turn it into a garage and then they talked about putting a free standing building and both would take away from parking, it was an issue and we couldn't do it because of the parking, especially if you wanted to develop a 2nd floor here, there wasn't enough parking. Whatever our rules are for what you need for parking we would not meet them ourselves as a Borough. Mr. Chase you can't go back and make a preexisting building add parking spaces. Mr. Chase said its adding parking spaces. Mayor said it's not going to add. The plan that is set up for the building now is for 32 parking spaces, which includes behind the salt shed, it's already in the plan. Mr. Chase asked if it includes the patch of grass. Mr. Mark said he believes it includes that. Mr. Chase said this building is already accounted for, for its square footage you can't go back and change it. Mr. Smith said there is a lot of preliminary work that has to be done yet, it's a vision. Lou said we are planning on spending \$150,000 on something; we are pushing for reassessment, \$150,000 that is 20% of the operating budget, \$18,000 a year for 10 years. Mr. Markey asked where does the 10 years come from. Mr. Markey said we intend on borrowing from the USDA, for DPW buildings, they give out loans up to 40 years, not saying we would want to do it for 40 years. Lou asked if we can afford this building without pushing us into a taxation, it seems ironic you are pushing so hard for reassessment and we are building a new building. We have a creek project coming up, the siren. If that guy in 5 years says take the siren down, what do we do. Mr. Mark said he voted against the motion, with reassessment you cannot raise any taxes, whatever Jermyn's tax base is now, that is what it will be after reassessment, our millage rates will go down and that's where the benefit comes into the Borough because we are at the top of millage.

Mr. Mark said if reassessment goes through our millage will come down but the assessed value goes through the roof. What happens is, is that you are not allowed to raise taxes for 5 years. Mr. Smith said his personal opinion; he doesn't think anyone really knows what is going to happen with this whole thing. In the area of fairness that Mr. Kulick spoke about, what are our property values now? Mr. Smith said we do not know exactly where money is coming from right now for next year's budget; we have initially started off as the Finance Committee just getting a meeting together and right now each chairperson is working on developing their own budget. Our next meeting we are going to bring those budgets to one another to discuss them and that is where a lot of the debates take place and until we see everyone coming in with their wish lists we do not know what we are looking at right now. We also know that every year that he has been on council, the costs have always gone up and they are probably going to go up again. Mr. Smith said the job that the finance committee has is a pretty big job and he thinks last year as we worked on the budget after many hours of discussion he would

always hope that it was in the best interest of the Jermyn residents. Mr. Markey and Mrs. Wilson are also on the Finance Committee and we have to continue to operate that way. Mr. Smith told Lou he cannot give him a concrete answer on what next year may look at, 5 years and 10 years and he presented an interesting case about the siren. We do have 5 years grace period with the siren, which may have to be dealt with in the future. There are a number of things that you addressed that I cannot give you a direct answer to and council cannot give a direct answer to. There are some members of council who are against the reassessment, some that are for it and some that want to see where it goes and what happens. Mr. Smith said he does not want to see our property taxes go way up, even if your assessments go up and we get extra money, he does not think council will want to raise the taxes. Everything that has been done so far it has been done with making Jermyn better. Mr. Napoli said as a member who voted for sending that resolution, he wanted fairness and has no intentions of using that to raise taxes for the residents of Jermyn. Mr. Napoli said we managed to do roadways and other good things for the town as well as lowering taxes, our job here and we have proven that we are going to do what we can without trying to raise taxes and second about the fire siren, he plans on within 1 year is meeting with Mr. Chase, Mr. Rood and Mr. Allen on seeing what can be done and can be extended. We are going to try and have a plan on what needs and could be done with the fire siren. Mr. Chase said we are already working on it.

Mr. Mark said with today's technology everyone has beepers and everything else, do we need a siren? Mr. Napoli said we do need a siren for public safety in case of a natural disaster. It is not necessary for the fire departments. Mrs. Wilson said it is emergency management. Lou said it seems like we are faced with a lot of unknown, the flood project, building a building and the uncertainty of increases across the board with insurance, payroll, fuel etc. Mr. Mark said our income that we bring in is it drastically under than what our expenses are. Mr. Smith said at one time it was which we brought up a number of times but not now it is not. Lou asked with these new ordinances are we seeing an increase in revenue. Council said yes.

Mr. Markey said because of the new development our assessed value has gone up 9% since 2000, our budget expenditures has gone up by 45%. You are in a Borough where you have 30-35% of the population paying into the local income tax. He does not know how that is across the board with other Borough's in the County but he is thinking it is probably a little low. It is nothing against the retired citizens. We are trying to do a lot with a little and as long as we can and as far as we can we will go to do that. Eventually there will have to be some tax increases or some shared services to cut down on expenses. It is public knowledge what our workers make. We do not have Jessup money; we don't have Dickson City money. There are several monies put aside for entitlement communities like Scranton and Dunmore for the grants. Then there are non-entitlement communities like Jermyn and Mayfield, they have to go and fight after the left over money. 80% goes to entitlements communities and 20% gets spread out between the 17 Borough's and 20 townships. Mr. Markey said it is backwards.

Basil Kleha said Lou is a great resident in town; we are all great people in this town. This town is 1 square mile, we are landlocked. There is no money in this town. It's how you run the town with no money. Anyone that runs on council in this town, he always said to himself he gives them credit. He said he would not want to be sitting up there. Mr. Kleha said he gives them all credit, they devote their time, they don't get paid, the Mayor gets a salary and it always went back to the Borough. Mr. Kleha said he was at the reassessment meeting in Dickson City the other night. He gives Commissioner Cummings a lot of credit for what she is doing, coming out and explaining to people what she is doing. He said he learned a lot about her, she is a smart and caring woman. They said at that meeting that night they are salaried employees and they do not get extra money for coming out, the solicitor and CFO. Her colleagues will not come out, she comes out to the meetings and they gave her the Ok to come out on her own and they tailed her. Her colleagues wanted to pay \$10,000 of tax payer's money to pay solicitors to come out and do what the solicitor and CFO are doing. Mr. Kleha said we have to put pressure on Senator Blake and as far as this creek that is Federal.

Mr. Smith thanked everyone for the discussion.

New Business: Mrs. Wilson provided council with a tax collection committee minutes and treasurer's report.

November 11, 2017 at 11AM the Veterans Day Ceremony will start. Our speaker this year is Mr. Stachura. There will be a light lunch after at the Episcopal Church. We will need Bridge St. closed from 10:30am to 12:30pm. Usually the fire police are there helping out the police.

A motion was made by Mr. Markey and seconded by Mr. Napoli to close Bridge St. on November 11, 2017 from 10:30 am to 12:30pm for the Veterans Day Ceremony. All in favor; motion carried.

Mr. Markey said the John Deere service rep. was here this week for the backhoe, we had problems with it and he had to rip out the wiring harness. He recommends to sell it before it costs us even more down the road, this wiring harness goes and it's going to cost \$5,000-\$6,000 to repair. Mr. Markey said he will bring this up in the Finance meeting too and suggested the possibility of leasing a backhoe rather than purchasing one so we aren't stuck with old equipment. Mr. Mark said it was bought through a grant; it was bought in Syracuse NY and was several years old when we bought it brand new, it was never sold. Mr. Markey said we can look into possible grant funding too. Mr. Mark said we may be able to get a grant to replace it and then sell it.

Mayor wants to remind everyone that the alternate parking ordinance is in effect. It is ready to be put into effect if we get any snow.

Mayor wants to send condolences out to our former Police Chief Daniel Zeller's family.

The Historical Society had their open house; it was a very nice event. Mayor said they had a lot of new people come in.

Sunday November 12 at 7pm at the Borough Building they will be planning the 150th anniversary celebration of our town to those who would like to attend. The sesquicentennial is only two years away now.

A motion was made by Mr. Napoli and seconded by Mr. Parks to adjourn the meeting at 8:46 pm. All in favor; motion carried.