

**Borough of Northumberland**  
**175 Orange Street, Northumberland, PA 17857**  
**Northumberland Borough Council**  
**Reorganization Meeting**  
**January 3, 2012**

**Call to Order**

Mayor Zboray called the council meeting to order at 7:00 p.m.

**Swearing in of Council Members**

Mayor Leonard Zboray conducted the swearing in of the newly elected council members.

The Pledge of Allegiance was recited and Mayor Leonard Zboray offered an Invocation.

**Roll Call**

Council members present were Gregory Carl, Adam Klock, Jonathan Rees, Ty Sees, James Troup, and Frank Wetzel. Council member Stephen Reed was present via telephone. Others present were Mayor Zboray; Ryan Tira, Borough Solicitor; Timothy Fink, Police Chief; Thomas Slodysko, Street Supervisor; Paul Ruane, Code Enforcement Officer; and Janice Bowman, Borough Secretary.

**Nomination and Election of Council President**

Mr. Klock nominated James Troup for President. Mr. Rees nominated Gregory Carl for President. Roll call: Mr. Klock, Mr. Reed, Mr. Sees, Mr. Wetzel, and Mr. Carl voted for Mr. Troup; Mr. Rees voted for Mr. Carl; Mr. Troup abstained. Mr. Troup was named President.

**Nomination and Election of Council Vice President**

Mr. Klock nominated Greg Carl as Vice President. Mr. Troup nominated Adam Klock. Roll call: Mr. Reed, Mr. Sees and Mr. Troup voted for Mr. Klock; Mr. Rees and Mr. Wetzel voted for Mr. Carl; Mr. Carl and Mr. Klock abstained. Mr. Tira advised that since the position is not a paid position, they may vote. Mr. Klock and Mr. Carl both voted for Mr. Carl. Mr. Carl was named Vice President.

Mr. Troup assumed the chair.

**Nomination and Election of President Pro Tem**

Mr. Wetzel moved to appoint Stephen Reed as President Pro Tem. No other nominations were made. Council voted unanimously to appoint Mr. Reed as President Pro Tem.

## **Public Comment**

The 10 members of the public introduced themselves. No comments were offered.

## **New Business**

1. Upon motion by Mr. Carl, seconded by Mr. Klock, council voted unanimously to reappoint the following Borough employees: Janice Bowman, Borough Secretary; Thomas Slodysko, Street Department Supervisor; Ann August, Borough Clerk; Mary Sue Buss, Health Officer; Jane Ressler, Borough Clerk; Ann Roll, Code Enforcement Officer; Paul Ruane, Code Enforcement Officer; and Ryan Tira, Solicitor.
2. Council discussed the meeting schedule. Upon motion by Mr. Wetzel, seconded by Mr. Rees, council voted unanimously to approve the following meeting dates:  
Council Meetings: February 7, March 6, April 3, May 1, June 5 and 26, July 17, August 7, September 4, October 2, November 5, December 4 and 18  
Work Sessions: January 17, February 21, March 20, April 17, May 15, August 21, September 18, October 16, November 20  
The meetings will be held at 175 Orange Street.
3. Mr. Troup tabled the Committee Appointments until January 17, 2012.
4. Upon motion by Mr. Wetzel, seconded by Mr. Rees, council voted unanimously to approve payment of the bills. Bills to be paid from the General Fund total \$30,498.36 and bills to be paid from the Liberty Splashland account total \$1,088.67.
5. Upon motion by Mr. Klock, seconded by Mr. Wetzel, council voted unanimously to approve payment of the regular budgeted bills due before February 10, 2012.
6. Northumberland Sewer Authority  
Mr. Klock reported that there was an injunction hearing today based on a law suit that he filed. Mr. Klock explained that the suit was to identify the fact that there was a meeting held by three members of the NSA, Jim Orner, Don Troxell, and Jack Fasold, at an unadvertised location and time to transfer all the Northumberland Sewer Authority assets to the new North-Point Sewer Authority. Judge Sacavage ruled in favor and filed a preliminary injunction which froze the assets and retains them with the NSA. Another injunction hearing is scheduled for January 13 at 11 a.m. in Courtroom 1. Mr. Klock requested that the council discuss the issue in Executive Session.

Mr. Troup asked how the group was able to transfer the assets to North-Point when the council had voted at the last council meeting to have the assets transferred to the Borough. Mr. Tira responded that he had not been at the hearing; however, that may be one of the reasons for the preliminary injunction. He advised that the discussion should be in Executive Session since it relates to legal claims.

Mr. Klock moved that the council meeting be adjourned for an Executive Session to discuss the Northumberland Sewer Authority issues. He added that the meeting would be reconvened. Mr. Wetzel seconded the motion. The council voted unanimously to approve the motion.

### **Executive Session**

The Executive Session began at 7:20 p.m. Mr. Troup reconvened the meeting at 9:00 p.m. He announced that in addition to litigation issues, personnel issues were discussed.

Mr. Klock made a motion for the Borough Council to intervene in a law suit that he filed against the Northumberland Sewer Authority and board members Jack Fasold, Don Troxell, and Jim Orner. Mr. Wetzel seconded the motion. Mr. Reed, Mr. Rees, Mr. Sees, Mr. Troup, Mr. Wetzel voted aye; Mr. Carl voted nay; and Mr. Klock abstained. Motion carried 5-1-1.

Mr. Klock moved to retain the legal services of Joel Wiest at a rate of \$75 per hour to represent the Borough in the litigation against the Northumberland Sewer Authority. Motion carried 6-1 with Mr. Carl casting the dissenting vote.

### **New Business**

1. Mayor Zboray requested permission for the Riverview Cemetery Board to conduct their reorganizational meeting in the hallway at the Community Center. He added that they must conduct one public meeting per year. The Borough Secretary stated that the Northumberland Alumni has also requested permission to use the building hold their monthly meetings. Discussion ensued. Mr. Wetzel moved to permit both organizations to use the 2<sup>nd</sup> Street Community Center for their meetings. Mr. Klock seconded the motion. Motion passed unanimously.
2. Upon motion by Mr. Wetzel, seconded by Mr. Rees council voted 4-0-3 to approve the council meeting minutes of December 6 and December 20, 2011.
3. Mr. Troup asked if the budget could be opened. Mr. Tira responded that council has until the 15<sup>th</sup> to reopen the budget. He explained that council may change redirect amounts from line item to another without opening the budget, but must reopen the budget if the total is to be changed. He advised that if the council wishes to change the budget, the motion must include the proposed changes.

Mr. Troup noted that the budget increased by 10%. Mr. Rees replied that he voted against the budget because he was not in favor of increasing the street millage. Mr. Troup agreed, adding that a lot of people asked him how the borough can take money for streets and give it away. The Borough Secretary noted that about the same amount of money was spent on streets this year as what was spent other years. Mr. Troup replied that the grant would have been additional and more could have been done, but wasn't and now the taxes are being raised.

Mr. Sees asked how much Liquid Fuels money is spent on streets. The Borough Secretary replied that approximately \$80,000 is received each year. Mr. Sees asked if any of this money is spent on salaries. The Borough Secretary said that it is permissible to spend Liquid Fuels money on salaries, but the Borough has not. Liquid Fuels funds

may be spent on paving and handicapped curbing. Mr. Rees stated that the council has budgeted 2.5 mils of expense for the past four or five years which is approximately \$67,000. For 2012 the millage was increased at the request of the Street Committee. Mr. Rees explained that the 2.7 percent increase reflects an additional two mils for streets and .7 mils for the increase in other costs, such as insurances, salaries, and fuel costs. Mr. Troup asked if the Borough pays 100% of the health care costs. Mr. Rees responded that the Borough pays for 100% of the health insurance for the police, but the other employees contribute toward their health insurance. Mr. Sees asked if the police voted to take a pay freeze for 2012. Mr. Rees said that the police contract includes a 3% increase for 2012.

Mr. Troup asked about the land lease for the cell tower. The lease is \$1,500 per month for the first year with increases each of the following years. Mr. Klock stated that he had presented a petition to the Borough Council last year with over 500 Borough and Point Township residents' signatures to set up a trust fund for the Pineknott Park baseball field. The Borough Secretary noted that the petition included signatures of people who live in other communities. Mr. Klock said that he would still like to revisit the concept of establishing the trust fund for the baseball field from the proceeds of the lease for the cell tower and once that is established and the ballfield is self-sufficient, to set up trust fund for other recreational activities. The Borough Secretary said that she had contacted the bank and was informed that in order to set up a trust fund, a large sum of money is required; a trust fund cannot be set by depositing \$1,500 per month.

Mayor Zboray said the he spoke at the Kiwanis Club's meeting last week and learned that there is a Pineknott Days Foundation at the Northumberland National Bank. Scott Heintzelman is in charge of the fund. Mayor Zboray said that anyone may donate to the fund. He was told to announce that there is money in that foundation and it may be used for what is being talked about.

Mr. Klock stated that he spoke with Scott Heintzelman and was not told that there was a minimum required to establish a trust fund. He was told that the Borough could contribute to it regularly with the stipulation that the money not be touched until it reaches a point where the interest earned on the trust fund would help the ballfield sustain itself.

Mr. Sees asked what could be funded by the Pineknott Days fund. Mayor Zboray said that Kiwanis set it up and it would be available for anything, including recreation. Mayor Zboray also noted that the Savidge Trust is another source of funding for Borough projects. Mr. Sees asked if when the Borough applies for a grant if it is the Borough Council who decides how the funds are used. The Borough Secretary explained that the applications to the foundations include a description and purpose of the project, anticipated costs, etc. In addition to the Savidge Trust, the Borough has obtained funding from other sources such as the Joseph J. Anselmo Sr. Community Trust, the Sunbury-Northumberland Trust, and the Degenstein Foundation. Mayor Zboray said that 501-C-3 status is required by some trusts. He also said that anyone may contribute to the Pineknott Days fund which will be used to help the Borough.

Mr. Rees noted that the Borough currently has outstanding debts. He feels that the money for the cell tower lease should be used to lower the debt before it is invested. Mr. Klock replied that if the Borough doesn't start saving for the future, there will never be a self-sustaining ballfield or a self-sustaining pool. The Borough Secretary noted that the ballfield's finances for this year aren't complete because all the information from the concession stand has not been provided to the office. She feels that the ballfield cost the Borough very little this year. The two employees were PHEAA employees so a portion of their salaries was reimbursed.

Mr. Klock asked if the pool cost more. Mr. Carl responded that the pool costs the Borough 0.8 of 1% of the budget. Mr. Troup asked how much was made this year at the pool. He was told that the final numbers are not available because the funding from Point Township had not been received and the Degenstein funding toward the payroll was received recently.

Mayor Zboray noted that people from Sunbury and Point Township play at Pineknoller Park. He said that the Borough gets no money from the people from Sunbury. He questioned if Point Township provided money toward the ballfield and was told that they do not. He feels that the Borough should ask these municipalities to contribute toward the field. Mayor Zboray said that he drove down to the Acorn field and saw Borough employees mowing the grass. He said that when he was involved with Little League, the Little League people mowed the grass at the field. He said that volunteers like former Mayor Wetzel and himself used to mow the grass at Pineknoller Park. He feels that the people who run the organizations should get volunteers to work at the fields.

Mr. Klock said that the Borough did not want to give any one individual the ability to run Pineknoller Park whereas volunteers run the Acorn field. Mr. Carl responded that Bryan Luden has been in charge of Pineknoller Park. The Borough Secretary added that because Mr. Luden has been busy with his business, he has not had time to bring everything in to the office so she does not know how much money was made at the concession stand.

Mayor Zboray said that he feels that the Recreation Committee, or whatever committee is in charge of the parks, should go to these people who use the fields and ask them to volunteer to do things at the fields. Mr. Troup noted that the coin-operated timer was installed to cut down on the electric costs. Mr. Troup said that as a new council, they should get back in touch with the people and work with them.

Someone asked how the council could budget for the pool or the park if they don't have any numbers. Mr. Carl responded that he only asks for project money. He does not ask for money for regular expenses such as electricity or water, etc.

Mr. Rees said that at the end of the year, the actual amount spent for the ballfield was close to the budgeted amount. Mr. Luden had requested that the same amount be budgeted for this year, \$8,000. Mr. Rees added that \$9,000 was budgeted for the pool.

Mr. Troup stated that he agrees with Mr. Klock's suggestion. He feels that the Borough had a windfall with the money from the cell tower lease. He said that this was money the Borough never had before and to stick it in the budget to pay bills with is not the way to go. This was free money that the council should use to work for the Borough and thinks that this is where Mr. Klock was going with this. The Borough Secretary noted that the ballfield has gotten to the point where it is close to paying for itself. PHEAA workers are employed at the field to run the concession stand. Mr. Troup said that the money could go into a fund that could be used for a new playground or a new skatepark. The Borough Secretary noted that more than \$100,000 was raised for the 2<sup>nd</sup> Street Playground and no "Borough money" was used. The playground was funded by donations and grants. Mr. Carl suggested that the council could designate the cell tower lease income for those projects every year. He said that would be the same thing as a trust; that the money would be going to those projects.

Mr. Rees stated that the Borough is contractually obligated to provide the healthcare to the police union and the Teamsters. If the cost of the health care goes up, the Borough must pay for it. He said that if the cell tower money is put in a trust fund, then it would be necessary to raise taxes, essentially for a trust fund. Mr. Klock said that a significant amount of money was set up for a bowl slide and that now we are increasing taxes to pay for a bowl slide because we've taken money out of the streets for the pool. Mr. Carl said that if he hadn't gone to the county for the money for the bowl slide, the funding would have never come to the Borough. Mr. Klock said that however we got it, we got it. The money is there. He said the council could spend it for streets and drop the taxes or spend it for the bowl slide and keep the higher increase in taxes for streets which is 74% of the tax increase. Mr. Rees explained that for 2012, the council could reduce the street tax to where it had been in prior years, to 2.5 mils. This would provide \$67,000 for street work. He noted that the bowl slide did not affect the number of streets that were paved last year. He said that the council still budgeted \$67,000 last year with the block grant funding. Mr. Sees stated that the grant money had nothing to do with the bowl slide and that if Mr. Rees was going to tell him that it did, Bill Seigel is a liar.

Mr. Carl explained that he went to the county and the county figured out how to get this money to our town so that we could free up our own money for the slide. He said that if he hadn't gone to the commissioners, the \$40,000 would never have come to the town.

Mr. Sees said that the bowl slide wouldn't have gotten as far as it got because the money would have been used for streets. Mr. Carl disagreed, saying that no one at the table would have gone to the county to ask for money. Mr. Klock asked if Mr. Carl, as president, wouldn't have represented the Borough to gain the money for the streets.

The Borough Secretary stated that she has applied for CDBG money to obtain funding to install handicapped restrooms in the gym. The Borough was awarded \$51,000 funding shortly after the building was purchased, but because the Borough wasn't ready to do the renovations within the time frame that the money had to be spent, the money was used for other projects in the county. Since then, the director of the Planning Commission has

changed. Grant applications for the handicapped restrooms were submitted several times in the past few years, but were not funded. The county receives around \$200,000 in block grant money each year and the smaller municipalities in the county apply for funding. Since the block grant funding is based on low to moderate income guidelines many of the projects funded are located in other areas of the county. When Mr. Carl asked for money for the bowl slide, the county could not find a way to give money for the bowl slide until they came up with a way to provide block grant money that had not been used by other municipalities within the allotted time. The county officials said that they could give the Borough the CDBG funds for the streets which would allow the Borough to use the money that would have been spent for the streets for the bowl slide. Mr. Klock stated that there was never a stipulation that the Borough had to use the freed-up money for the bowl slide instead of the streets. The Borough Secretary agreed. Mr. Wetzel asked what the new council members want. Mr. Klock said that he would like to see the money spent on streets and cut the taxes. Mr. Rees said that the taxes for streets could be reduced to the same amount that has been budgeted in the past five years. The money for the bowl slide would have no bearing on that.

Mr. Sees asked how much money is budgeted for the pool. Mr. Rees said that \$9,000 is budgeted for the pool and \$8,000 is budgeted for Pineknoller Park. Mr. Carl said that the money budgeted for the pool is for routine maintenance. Mr. Troup agreed that the pool needs maintenance and it needs upkeep. He feels that if there is excess in the pool account, he recommends that it should come back for the streets and drop the street millage.

Mr. Sees asked if there was a specific project that the council was looking at for the significant increase in the street millage. Mr. Reed said that the streets are deteriorating to the point where it is hard to keep up so the committee requested the additional millage.

Mr. Sees asked how much of the Liquid Fuels fund is used for the streets. He was told that most of it is. He asked if equipment was purchased with Liquid Fuels fund. He thought that some Liquid Fuels money was spent toward the mini excavator. The Borough Secretary noted that equipment had been purchased with Liquid Fuels funds in the past, but she did not think the mini excavator had been. [Note: The mini excavator was purchased with general fund money] She said that the Liquid Fuels fund has purchased salt. It may be used for equipment and for payroll. However, the Borough has not used it for payroll. The Liquid Fuels fund is mostly used for the bigger ticket items such as paving, storm drains, and handicapped curbing.

Mayor Zboray informed the council that he called PennDOT about the condition of Route 11 south in the Borough. PennDOT came to look at the road within 15 minutes and said that they will repair it once the weather permits.

Mr. Klock moved to transfer \$30,000 of the \$40,000 for the bowl slide back from the Liberty Pool account to the General Fund and to drop the millage increase by \$30,000. Mr. Carl asked what the council would do when the bill from the engineer is received. Mr. Klock responded that the Borough needs to raise money for the bowl slide through

donations like it was said would be done in the first place. Mr. Carl said that that is what he did; he went to the county seeking funds and they directed the money “our way”. Mr. Carl added that he did what he said he was going to do.

Mr. Rees said that the council could drop the street millage without having to transfer any money from the pool account. He said that the Borough would still spend the same amount on the streets that was spent before. Mr. Klock said that fewer streets would be paved. Mr. Rees responded that not less than in previous years, just less than what was requested for this year. He also said that a lot of people request more in the budget, they don't always get it. Mr. Klock said that the Borough is not keeping up with repairs that are needed to the streets. Mr. Carl said that the reality is that a quarter of a million dollars needs to be spent on streets to keep up with the repairs. Mr. Wetzel asked how much the \$30,000 would pave. Mr. Rees responded about the money would repair about a block. Someone else stated half a block. Mayor Zboray asked if the Street Committee has made a final list of the streets to be repaired. Mr. Reed stated that the committee did come out with a list and that Tom Slodysko is calculating the cost to decide how much can be done. It was estimated that with the Liquid Fuels money, approximately \$200,000 is currently budgeted for 2012. Council discussed some of the streets to be paved. Mr. Klock's motion is to transfer \$30,000 back into the general Fund from the Liberty Pool fund and to drop the millage increase by the \$30,000. Mr. Sees seconded the motion. Mr. Rees said that he personally can't vote for the motion because the commissioners said that the reason they were giving the Borough the money is so the Borough could free up money to install the bowl slide. Mr. Rees said that he feels that this would be going back on their word. Mr. Klock said that he spoke to a commissioner today who said that appropriating money in that fashion for sources other than what the grant was intended for is unethical and will be addressed. So, at the county level, they did what they probably shouldn't have done. Mr. Carl stated that the county spoke to the state about it and the state was fine about it. Mr. Carl said that Bill Seigel came to a Borough Council Meeting and explained the process to everyone. The Borough Secretary added that Mr. Seigel showed the representative from DCED the street project and also took her to the pool to show her the project that the money was really wanted for. Mr. Sees said her name is Beverly Hutzel. He added that he was lied to then. Roll call vote: Mr. Klock, Mr. Reed, Mr. Sees, and Mr. Troup voted yes; Mr. Wetzel, Mr. Carl and Mr. Rees voted no. Motion carried 4-3.

Mr. Rees asked if the street millage could be reduced even more. Mr. Klock said that by bringing the \$30,000 back to the general fund, the street millage would be reduced by that amount. Mr. Rees suggested that the millage could be lowered more. He moved to modify the budget by reducing the street millage to 2.5 mils and changing the street expenses to 95% of the 2.5 mils plus the \$30,000 that is being transferred from the pool account. The total amount for the expense line item for street repairs would be \$97,134. The amount saved from the tax collector commission would be added to the contingency line item of the budget. It was explained that the committee budgets 95% of the millage because the taxes aren't collected at 100%. Mr. Tira advised that the motion should be to revise the budget and to authorize the Borough Secretary to file the property paperwork with DCED for the revised budget. A new

ordinance will also be required. Mr. Rees so moved. Mr. Wetzel seconded the motion. Council voted 6-1 to approve the motion. Mr. Carl cast the dissenting vote.

Mr. Reed asked that Mr. Slodysko email him the estimates for the street repairs.

Mr. Troup asked what the TV Franchise is. It was explained that it is the money that the Borough receives per the agreement that the Borough has with Service Electric. Mr. Tira has left a message for the manager at Service Electric to contact him regarding the new contract.

Mr. Rees stated that if the new millage rates are approved, the tax increase for 2012 would be .7 mills which is a 3.3% increase. Mr. Rees added that this is impressive, given the expenses that have gone up this year. The total millage is 29.

Mr. Troup asked if any new employees would be put into this budget. He was told that no new employees were budgeted for.

Mr. Sees asked if the Borough Secretary shopped around for health insurance. She stated that she did not, adding that she was not asked to do so.

### **Emergency Service Board**

Mr. Troup announced that the Hookies had their company meeting and appointed Brian Ginck as their representative to the Emergency Services Board.

Two vacancies exist on the Emergency Services Board for members at large to be appointed by the Borough Council. Mr. Libby volunteered to serve. Upon motion by Mr. Klock, seconded by Mr. Rees, council appointed Carl Libby to the Emergency Services Board to the five year term. Council voted unanimously to approve the appointment. The meetings are the first Monday of the month at 6:30.

Mr. Brian Ginck informed the council that the Fire Chief has resigned and a new chief has not been appointed because the Board did not meet this week since it was a holiday. He would like to see the group meet this month so they can appoint a chief. It was explained when they decide on a date, he should contact the Borough Secretary who will advertise the meeting.

The council meeting was adjourned at 9:58 for an Executive Session to discuss personnel issues and legal negotiations. It was announced that no action would be taken and the meeting would not be reconvened.

Respectfully submitted,

Janice R. Bowman  
Borough Secretary