

November 10, 2014

The November 14th meeting of Denver Borough Council was called to order at 7:00 p.m. with the following Councilmember's present: Cohick, Gensemer, Flory, South, Stover, Daub, and Mayor Redcay. The invocation was given by Mayor Redcay, which was followed by the Pledge of Allegiance to the Flag.

Citizen's Concerns

Gary Read inquired about the item in the October 27th Meeting Minutes regarding the \$4,500.00 lump sum Longevity Award for the Borough Manager and inquired where did this come from and why was it awarded. Councilman Daub reported that Borough Council met in an Executive Session during the last Borough Council meeting to review the current salary for that position as well as the salary levels for this position in other relative municipalities and it became apparent to Borough Council that the Borough Manager is not being paid the way he should be paid. As a result of that discussion, Borough Council reconvened into Regular Session and passed a motion to give the Borough Manager a bonus instead of a retroactive payment as others got and also agreed to review the salary and wage levels of the non-union employees in 2015. Discussion followed.

Donald Wenger inquired about the trees in the Denver Memorial Park and the different dates that were scheduled for them to be taking down and the fact that they have not yet been removed. Mr. Wenger was informed that the contractor who will be removing the trees broke his leg on his last project and is behind schedule. Borough Manager Michael Hession informed Mr. Wenger that the contract for the tree removal in the Park began on October 27th and is required to be completed by December 19th. Discussion followed.

Mr. Wenger inquired why Borough Council turned down Brian Shober's request for funding towards the Boy Scout Cabin Project. Mr. Wenger was informed instead of a monetary donation to the project, the Borough will be waiving various fees and will be providing in-kind work for the project.

Mr. Wenger reported the other day a police officer was by the railroad track, the train was coming, there were kids sitting on the train tracks, the kid had his head phones on, and the conductor was yelling at the kid, but the officer did not do anything. Mr. Wenger wanted to know why the police officer did not tell the kid to get off the railroad tracks. Discussion followed.

Meeting Minutes

Councilman Gensemer made a motion, seconded by Councilman Stover, to approve the October 13, 2014 and October 27, 2014 meeting minutes. Motion carried unanimously 6 to 0.

Borough Council President

Councilman Daub reported the Public Works Department is doing a nice job with leaf removal.

Mayor

Mayor Redcay reported that he attended the following meetings: the Police Advisory Board meeting on October 23rd; a New Year's Eve Program Committee meeting at the Courtyard Café on November 4th; and the Cocalico High School's National Honor Society's Induction of New Members Ceremony on November 5th. Mayor Redcay also reported that he officiated a wedding on November 8th and today, along with the Mayor of Elizabethtown, presented

Certificates to the Veterans at the Denver Nursing Home. Mayor Redcay gave an update regarding the New Year's Eve Block Party that is being planned. Mr. Hession reported that he received an email today stating that due to time constraints, the committee will not be able to pull off planning the event this year and instead, decided to begin planning for New Year's Eve 2015.

Borough Manager

Mr. Hession reported that the Borough received an application to the Zoning Hearing Board for the former Weave property at 119 North 3rd Street and the parking lot across the street. The Zoning Hearing Board will meet on Wednesday November 26th at 7:00 for the hearing. Tomorrow night the applicant will be at the Planning Commission meeting to discuss his application and he will be attending the Borough Council meeting on November 24th. Mr. Hession reported that the applicant plans to convert the property into 19 total apartments, nine (9) two-bedroom apartments; 10, one (1) bedroom apartments; and approximately 7,000 square feet reserved for office space. Discussion followed.

Borough Council Committee Reports

Councilman Cohick reported that he contacted Ephrata Borough to obtain information regarding their magazine recycling dumpster. The contractor, CSR, picks up the contents and the Borough gets a percentage for recycling. CSR makes money and donates it to the Ronald McDonald House. He also contacted CSR to inquire about the possibility of Denver Borough getting a magazine dumpster to benefit the Ronald McDonald House and when he receives the details, he will share them with Borough Council.

Councilman Gensemer reported that during the Regional Elected Officials meeting, East Cocalico Township said they were going to get a payoff for the North Reading Road property and wanted to know if they followed through on that item. Mr. Hession responded that the Borough has not received anything as of this time. He will follow up with the Township Manager to check the status of this issue.

Councilman Daub reported that the Borough received a grant of approximately \$227,000.00 to be used to replace the existing streetlights with LED lights and, as a result of receiving this grant, Borough Council can relook at the proposed budget and eliminate the proposed tax increase for 2015. Councilman Daub also thanked Mr. Hession for his work on the grant.

Borough Council Comments

There were no Borough Council comments.

Discussion Items

Borough Council discussed the 2015 Draft Denver Borough Budget. Mr. Hession reported that with receiving the \$227,405.00 grant from PennDOT this will enable the Borough to reduce the amount of money that needs to be borrowed to replace the street lights, which reduces the amount of money to pay back in debt service. This will now enable the Borough to complete the 2015 General Fund Budget without a tax increase and keep the millage rate at 3.00 mills. Borough Council also received a proposal from a consultant for the non-union personnel salary and wage study and the cost of this study has been included in the 2015 Draft Budget. Mr. Hession reported that the Water Fund and Sewer Fund each will include the proposed 5% rate increase in 2015. Water rates will increase from \$5.00 to \$5.25 per 1,000 gallons, with a minimum quarterly bill of 3,000 gallons, and, sewer rates will increase from \$10.00 to \$10.50 per 1,000 gallons, with a minimum quarterly bill of 3,000 gallons. Discussion followed

concerning water usage and water billing totals in the Borough. In 2010, the Borough billed for 78 million gallons of water and in 2014, the Borough billed for 70 million gallons of water. Discussion followed regarding water usage in the Borough. Mr. Hession reported that funding to purchase a new Trac Vac was added to General, Water, and Sewer Fund Capital Budgets. Mr. Hession stated that unless Borough Council has any additional changes, the Proposed 2015 Budget will be posted on the Borough's website tomorrow. Councilman Gensemer made a motion, seconded by Councilman South, to approve the advertisement of Proposed 2015 Draft Denver Borough Budget. Motion carried unanimously 6 to 0. Borough Council thanked Mr. Hession for all the hard work he put into preparing the proposed budget.

Borough Council discussed the proposed Denver Water System Audit. Mr. Hession reported this is something the Borough is looking to do internally using staff from the Public Works Department and a tool from the American Water Works Association. The audit will include a review of the Borough's water system to determine any areas where water may be lost as well as a review of the current billing process including meters and the billing software. The Borough is seeing the consumption dropping off, but is not seeing the water produced dropping off at the same ratio. Mr. Hession stated it would be good to review and look internally to see if there is something the Borough is missing on both the supply side to make sure there are not any leaks in the system and as well as looking at the billing side. Discussion followed.

Borough Council discussed the draft Articles of Agreement for the Cocalico Regional Police. Councilman Gensemer reported that there has not been a Policy Advisory Board meeting since the last Borough Council meeting. Mr. Ralph Vedder from Adamstown Borough attended the meeting and asked Borough Council if Denver Borough thinks there should be a better way or different way of handling some of the items including the unfunded pension liability, and if so, Mr. Vedder asked Borough Council to provide some suggestions concerning a better way. Discussion followed. Councilman Daub stated that he attended the last Regional Elected Officials Meeting and concerning the unfunded liability he personally thinks Denver Borough has a responsibility to that if the Borough partners and all four (4) municipalities have the responsibility to step up and take their piece of the action. He also stated that he is not prepared with a suggestion on how to do it differently. Discussion followed regarding the unfunded liability, the Post-Retirement Health Benefit Actuarial Study proposed by Adamstown Borough, and Denver Borough's willingness to participate in funding for an Actuarial Study. Borough Council indicated that they would consider the Actuarial Study, however, they would like additional information concerning the scope and cost of the Study. Discussion followed.

Action Items

Councilman Gensemer made a motion, seconded by Councilman Flory, to approve the October, 2014 Treasurer's Report. Motion carried unanimously 6 to 0.

Councilman Cohick made a motion, seconded by Councilman South, to adopt Resolution No. 795 – Fixing Wages and Compensation for Certain Borough Appointed Officers and Employees, Effective Retroactive to January 1, 2014. Motion carried unanimously 6 to 0.

Councilman Flory made a motion, seconded by Councilman South, to adopt Resolution No. 796 – A Resolution Appointing the Certified Public Accounting Firm of Weinhold, Nickel, and Company as the Independent Auditor for Denver Borough for 2015 to Audit the Borough's 2014 Financial Records. Motion carried unanimously 6 to 0.

Councilman South made a motion, seconded by Councilman Flory, to authorize the President of Borough Council to execute the Borough's 2015 Minimum Municipal Obligation (MMO) Worksheet. Motion carried unanimously 6 to 0.

Councilman Stover made a motion, seconded by Councilman South, to reject all Bids received for the North 4th Street Playground Redevelopment Project. Motion carried unanimously 6 to 0.

Unfinished Business

Councilman Gensemer inquired if Brian Shober was notified of Borough Council's decision regarding the Boy Scout Cabin Project. Mr. Hession reported that he spoke with Mr. Shober on the phone regarding Borough Council's decision.

Mayor Redcay reported that there are some comments posted on some social media sites about dissatisfaction with Borough Council's decision concerning cutting down the trees in the Denver Memorial Park. Mayor Redcay stated that he commented back to the concerns explaining the reasons for the decisions that were made and invited people to attend the Borough Council meeting to share their concerns. Discussion followed.

Adjournment

Councilman Flory made a motion, seconded by Councilman Stover, to adjourn the meeting at 8:05 p.m. Motion carried unanimously 6 to 0.

Michael Hession
Borough Manager/Secretary

Action Items:

- Motion to approve the October 13, 2014 and October 27, 2014 meeting minutes. Motion carried unanimously 6 to 0.
- Motion to approve the advertisement of the Proposed 2015 Draft Denver Borough Budget. Motion carried unanimously 6 to 0.
- Motion to approve the October, 2014 Treasurer's Report. Motion carried unanimously
- Motion to adopt Resolution No. 795 – Fixing Wages and Compensation for Certain Borough Appointed Officers and Employees, Effective Retroactive to January 1, 2014. Motion carried unanimously 6 to 0.
- Motion to adopt Resolution No. 796 – A Resolution Appointing the Certified Public Accounting Firm of Weinhold, Nickel, and Company as the Independent Auditor for Denver Borough for 2015 to Audit the Borough's 2014 Financial Records. Motion carried unanimously 6 to 0.
- Motion to authorize the President of Borough Council to execute the Borough's 2015 Minimum Municipal Obligation (MMO) Worksheet. Motion carried unanimously 6 to 0.
- Motion to reject all Bids received for the North 4th Street Playground Redevelopment Project. Motion carried unanimously 6 to 0.
- Motion to adjourn the meeting at 8:05 p.m. Motion carried unanimously 6 to 0.