

CITY COUNCIL
Sunbury PA 17801
November 24, 2014
6:15 pm

A regularly scheduled meeting of the Council of the City of Sunbury was called to order with the Honorable David L. Persing, Mayor, presiding. There was a quorum with the following in attendance:

David L. Persing, Mayor
John K. Shipman, Director of Accounts & Finance ****by telephone
Richard L. Reichner, Director of Public Safety
Dale L. Henry, Director of Public Works
James R. Eister, Director of Parks, Recreation and Public Buildings

Other City officials in attendance:

Kevin Troup, City Treasurer
Brad Hare, Chief of Police
Brianna Apfelbaum Kula, City Solicitor
Michael Bordner, Public Works Supervisor
Michael Rhoads, Zoning Officer
Terry Specht, City Clerk

There were seventeen (17) visitors present.

AUDIENCE COMMENT ON AGENDA ITEMS

Mayor Persing asked for comments on agenda items and there were none.

SUNOCO LEASE

Mr. Michael Kula explained the new SUNOCO lease will be an addendum to the prior lease agreement with the City. The payment will start with an additional \$10,206 annually with a 3% increase each year with the current lease remaining as it was. The additional lease amount will not begin until a Certificate of Occupancy is issued. They will be leasing an additional 11,093 sq. ft. Mr. Kula asked them to include an environmental clause holding the City harmless if there would ever be a spill on the leased land and SUNOCO agreed to that. He also said SUNOCO and Burger King are working on an easement so their customers can cross the shared driving area. The City has a right of first refusal to purchase the land owned by SUNOCO if they decide to close the store/gas station. Councilman Eister explained SUNOCO officials have signed the lease. Councilman Eister moved to enter into an agreement with SUNOCO for the additional parcel of land as discussed. Second – Reichner. Unanimous vote.

REDEVELOPMENT AUTHORITY

Mayor Persing explained it was a busy month and the following properties have been acquired: 245 Chestnut St., 314 S. 3rd St., 216-218 Spruce St., 113 Chestnut St., 218 N. Front St., 822 S. River Ave. and 149 Church St. 3 closings have been held and 2 are pending. There will be an auction in January which will include 149 Church St., 216-218 Spruce St., 113 Chestnut St., 218 N. Front St., 822 S. River Ave., 416 N. 2nd St. and 144 South St. There are 5 properties in eminent domain. The Redevelopment Authority board has been very active.

SRI UPDATE

Ms. Meghan Beck said there is a lot going on in the city for the holidays. The Frozen event at the ice skating rink is Saturday, Santa will be coming to the park with a parade on November 28th, Late Night Shoppers is Dec. 4th and New Year's Eve preparations are on-going. Mayor Persing also thanked everyone that helped put Christmas decorations up – it was cold!

1ST READING 2015 BUDGET

Councilman Shipman reported the budget started out with approximately \$400,000 shortfall. The effects of Obamacare on employee health insurance has shown a large increase in the premium and the large increase in the police pension payment. He has met with each department and has looked at every line item to be sure there is no fat left in the budget. Right now the budget shortfall is \$365,000. He is presenting the budget tonight with a 2 mil property tax increase. 2 mils increase will cost the average homeowner approximately \$25 to \$30 a year in additional taxes. Some will be higher if the assessed value of their property is higher. This can change before the final budget in December. The requests for additional staff hires in 2015 have been eliminated, the police cruiser is out of the budget and the most difficult part is laying off 2 police officers. Including their salary, benefits and pensions, the amount for the 2 officers is approximately \$232,000 for 2015. It is not a decision council has taken lightly but there has to be a vote on a balanced budget tonight, unlike the state and federal government who can run deficits. There will be 30 days to work on the budget before its final passage in December. The total budget numbers are \$4,327,000 of revenue and \$4,326,999.42 in expenses. Councilman Shipman moved to accept the budget as presented on a first reading. Mayor Persing asked when the final vote will be and Councilman Shipman said it can be as late as December 29th if necessary. There are several more budget meetings scheduled and Councilman Shipman will continue to work with individual council members to increase revenue or reduce expenses. He also said he would like to receive comments in regard to the budget and they should call the city clerk's office and leave comments and he will read every one of them. Second – Henry. Unanimous vote.

1ST READING TAX LEVY ORDINANCE

Councilman Shipman moved to pass the tax levy ordinance showing a 2 mil increase in property taxes from 23 mils to 25 mils as the only change from 2014. Second – Henry. Unanimous vote.

HIRE ATTORNEY FOR ZONING HEARING BOARD

Councilman Reichner moved to pass a Resolution (see attached) to hire Attorney James Bathgate from the Wiest et al law firm to represent the zoning hearing board. He explained that at a training session he learned the city solicitor is prohibited from representing the zoning hearing board. Mr. Bathgate has represented the city on other matters. He will charge the same as Mr. Apfelbaum which is \$150/hour. Second- Henry. Unanimous vote.

FREE PARKING

Mayor Persing moved to allow free parking on all metered streets from November 28th to January 5, 2015. Second – Eister. Unanimous vote.

RESOLUTION/PUBLIC NUISANCE

Ms. Apfelbaum Kula said the Redevelopment Authority is recommending 2 properties to be declared public nuisances. Councilman Eister moved to act as the Board of Health and pass the Resolution (see attached) to name 601 Edison Ave. and 321 Chestnut St. as public nuisance properties. Second – Reichner. Unanimous vote.

APPOINTMENT TO CIVIL SERVICE BOARD

Mayor Persing moved to fill the vacancy on the civil service board by appointing Robert “Toby” Lytle to the board. Second – Eister. Unanimous vote.

APPROVAL TO PAY INVOICES

Councilman Shipman moved to pay the invoices on the vouchers payable report totaling \$103,560.28 from the general fund and \$470.78 from the liquid fuels fund. Second – Henry. Unanimous vote.

AUDIENCE COMMENT

Ms. Jan Dockey: What does HARB stands for – it is Historic Architectural Review Board. This board reviews any plans for properties in the historic district that would want to make cosmetic upgrades to the properties to be sure the historic integrity of the property is preserved. Ms. Dockey asked if the city is paying for the improvements and Mayor Persing said no, the owner is asking for the city's ok to do the work.

Ms. Regina Russell: Will Mr. Bathgate receive a job description and when can it be viewed by the public? Mayor Persing said no he will go to the meetings and give legal advice as needed. She said so no one on council has a job description and Mr. Bathgate won't either. Mayor Persing said the solicitor does not have a job description.

Mr. Gordon Lamb: Are the city crime figures increasing or decreasing? Mayor Persing said he has not looked recently – does he mean in the last week or month? Mr. Lamb said the last period. Councilman Reichner said they are below what they were in 2013 and it was in the paper last week. Mr. Lamb said it seems to him that crime is increasing in the city. He also asked how much the parks and recreation budget was decreased. Mr. Troup said about \$35,000-\$40,000. Councilman Eister said the total budget is about \$585,000 for his department. Mr. Lamb said the Park & Recreation budget is \$600,000 but 2 police officers are being cut from the police force. Councilman Eister told him he is willing to sit down and discuss the budget with Mr. Lamb. Parks & Recreation is more than park and recreation. Mr. Lamb said he thinks the city's priorities are wrong.

Ms. Carol Mazzeo: Is it possible to get a copy of the budget that was just passed? Mayor Persing said the budget as passed will be available in the city clerk's office.

Mr. Justin Strawser (The Daily Item): What 2 officers will be laid off. Mayor Persing explained it would be the last 2 hired which are Officers Heckman and Zerbe. Mr. Strawser asked if the layoffs would be effective January 1st and Mayor Persing said yes, if the budget doesn't change before then. Mr. Strawser asked what the chances of the budget changing over the next month would be and Mayor Persing answered he thinks there is a good chance.

Ms. Cora Campbell: Is there a plan to increase revenue to pay for the police pension she has been reading about in the newspaper. Mayor Persing answered the police pension has nothing to do with the budget and like most other municipalities in PA the pension is not fully funded. The state tells the City what contribution they have to make annually to the pension plans. He thinks that soon the state will say there can be new types of pensions for municipal police plans. Ms. Campbell said the property owners will probably have their taxes raised and will there be another raise in taxes to help pay for the pension? Mayor Persing answered no that is not the way it works. It is already built into the budget. She asked if the city is not almost at the point where taxes can't be raised any further. Mayor Persing said we are close to that. Ms. Campbell said it should not always be on the property owner. Mayor Persing said it has been a long time since taxes in the city were increased. Councilman Shipman said the police pension did effect the budget in the amount of \$63,000 and it is part of the shortfall.

Ms. Jennifer Wakeman (WKOK): What is the tax increase worth? Councilman Troup said \$115,000.

Regina Russell, Community Activist: The Daily Item reported there were grants that were denied and council is asking Rep. Culver's office to find out why. Councilman Eister said that was for the Chestnut St. project and the traffic light grant. Rep. Culver's office is checking on it. Councilman Henry said a meeting has been requested with the grantors and Rep. Culver's office and city officials to find out why the grants were not awarded. Ms. Russell asked if they are state grants and Councilman Henry said yes.

Mr. Gordon Lamb: Asked about the newspaper article that said it would be \$1.5 million to finance the retirements in the future. Mayor Persing said most everyone's pension in PA is in trouble and the state's pensions will break them. Mr. Lamb asked why such a huge increase in pensions. Councilman Shipman answered the police pension is in better shape than a lot of them. The pension board has worked with the financial advisor to generate a higher than average return and have been successful in the last few years. The pension has grown in the last few years. Part of the problem is that through the contract there are benefits that have an effect on the pension. There are issues being worked on. Mr. Lamb said there are police retiring on double their normal salary as a retirement

payment how is that justified. Mayor Persing that is different than the pension. He said what was in the paper is not correct.

Councilman Reichner said there was a severe fire in Sunbury today and he wanted to thank Chief Hare, Officer Slack, Code Officer Mike Rhoads and the fire department. They saved every house around the one that burned. The fire was unbelievable and through their hard work no other property was damaged except for some melted siding.

DISCUSSION

Owner Occupied Property/Health Issues – The Redevelopment Authority has been aggressive but there are properties that do not get on their list. The house on Edison Ave. that has been in the newspaper lately is one example. Mayor Persing asked if anyone lives near a home that has been vacant for a while to contact the code office or the mayor's office so the code office is aware of it.

ANNOUNCEMENTS

Budget meetings will be held on Dec 8th at 5 pm and Dec. 15th at 6 pm

The Santa parade is Nov. 28th at 6:30 pm

There being no further business the meeting was adjourned at 6:55 pm.

Respectfully submitted,

Terry Specht
City Clerk