

MINUTES
HAZLETON CITY COUNCIL
REGULAR MEETING
WEDNESDAY, JULY 11, 2018

Call to Order: Council met in regular session on Wednesday, July 11, 2018 in Council Chambers. The meeting was called to order at 6:00 pm.

Silent Meditation and Pledge of Allegiance: A silent moment was taken followed by the Pledge of Allegiance.

Roll Call: Barletta-present; Colombo-present; Mope-present; Perry-present; Gavio-present

Minutes of Previous Meetings: The minutes of the June 5, 2018 Special Meeting & June 13, 2018-Regular Meeting were approved unanimously.

Presentations/Proclamations/Communications: None

Bid Opening: –

1. Beech Street Tennis Court Repairs – **NO BIDS RECEIVED**

2. Green Street Excavation Project –

1. Environmental Restoration, Inc., Courtdale, PA. Bid- \$97,463. Bid bond included.

2. Franzosa Trucking, Inc., Hazle Township, PA. Bid- \$52,370. Bid bond included.

3. Street Lighting Replacement- Phase I

1. Wyoming Electric & Signal, Inc., Wyoming, PA. Bid- \$291,542. Bid Bond included. It was stated it is for the purchase and installation of lights.

2. Commonwealth Energy Group, LLC, Dunmore, PA. Bid- \$256,182.

Atty. Logsdon stated this is an alternative bid package. It is a model chosen to enable the city to complete the project, street lighting replacement- Phase 1, with 100% product funding, off balance sheet, with no check written to the project, and roughly 4% interest charge over the course of paying for the project through energy savings.

All bids were read by Atty. Sean Logsdon.

Barletta asked how many lights it includes in the city.

Tom Deangelo, representative for Barry Isett & Associates, said he does not have a “full” count of how many lights will be replaced. He said there are quite a few on the list. Mope asked if council can receive the price of each light and installation charge. Deangelo said it was “bidded out” as a lump-sum bid. He said the contract is broken down into a unit-price for each of the four types of light fixtures. Mope asked if these are for LED lights. Deangelo said yes.

Courtesy of the Floor (ON AGENDA ITEMS ONLY): Grace Cuzzo, 948 James Street, Hazleton, spoke of Resolution 2018-60- Authorization to Execute a Lease Purchase Agreement for Four Dump/Plow Trucks, One Street Sweeper and One Backhoe for City of Hazleton DPW Department. She asked what the interest rate is, on the loan, for the new vehicles for the city. Dan Lynch, city administrator, stated it is 3.918%- fixed rate. Cuzzo stated the city is looking into purchasing new computers. She suggested creating a capital purchase budget, instead of “piece-mealing” a plan. Cuzzo asked how long the prices, for the vehicles through Costars, is effective. Gavio stated if this resolution is not approved, there will be a 6% increase, of the cost of the vehicles, with new tariffs implemented. Lynch said the vendors stated the prices are effective until July 13, 2018. Lynch stated the purchases are being funded strictly out of the liquid fuels allocations the city receives each year. Cuzzo said the city could seek state approval to use funding for snow removal. She said this purchase needs to be “thought-out” and is putting the city in a “shaky position”. Cuzzo asked if the quoted prices, for the vehicles, are from CoStars. Lynch said yes. Cuzzo stated the contract for the prices are usually effective for one year. Lynch said if there are cost increases to the vendors, the cost to the city may go up. Cuzzo asked when the tariffs go into effect. Colombo said it will be effective at the time of purchase.

Mark Rabo, 1st Street, Hazleton, spoke of Ordinance 2018-24- An Ordinance of the City of Hazleton to Require Permits for Yard Sales, to Regulate the Number of Yard Sales Permissible, to Establish a Time of Removal of Yard Sale Signs, and to Provide Penalties for Violations Thereof. Rabo asked if this pertains to three yard sales. Gavio said yes; first three are free. Gavio said if there are more than three yard sales within a year, then a permit is required. He also spoke of Ordinance 2018-23- An Ordinance Establishing a Permit Program for the Moving of Household Goods in Bulk in the City. He asked if this refers to how many times residents are moving in or moving out of the city. Gavio stated it mentions residents moving in and out of the city. Mope stated military personnel or college students moving needs to be taken into consideration. Mope said the code department needs to use their discretion on some matters. She said code will need to have training classes for this. Gavio stated the ordinance is tailored toward the abusers. Rabo spoke of the purchasing of computers and new vehicles. He said when the city is making a bulk purchase, he suggested purchasing all equipment from one vendor. He said this would reduce the cost.

David Fatula, 105 Mark Road, Hazleton, asked about the city increasing the EIT tax. He asked about the financial ramifications of lowering the pension portion of the EIT, under ACT 205, from .85 to .65. Fatula asked what this would mean for incomes and on the plan itself. Lynch stated it goes to .65, but the last three years of the plan, it goes to 0.1. He said more money would be in the general fund when allocated to this account, then returned to the ACT 205

fund. Fatula asked if this is all in the plan. Lynch said yes. Gerald Cross, PEL, stated this will “free-up” money if the city would need it. He stated the ACT 205 account, currently, has a surplus.

Joseph Lawrence Stanavage, 216 West Birch Street, Hazleton, thanked everyone for the recent 4th of July fireworks celebration.

Old Business:

ORDINANCES

Ordinance 2018-22 An Ordinance of City of Hazleton, Luzerne County, Commonwealth of Pennsylvania, Electing To Withdraw the Pension Plan of the Hazleton Transit Authority from the Pennsylvania Municipal Retirement System Pursuant to Article IV of the Pennsylvania Retirement Law (**2nd READING**)

Presented by Barletta. Seconded by Mope.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

ORDINANCE PASSES ON 2nd READING

Ordinance 2018-22 An Ordinance of City of Hazleton, Luzerne County, Commonwealth of Pennsylvania, Electing To Withdraw the Pension Plan of the Hazleton Transit Authority from the Pennsylvania Municipal Retirement System Pursuant to Article IV of the Pennsylvania Retirement Law (**3rd READING**)

Presented by Gavio. Seconded by Perry.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

ORDINANCE PASSES UNANIMOUSLY

RESOLUTIONS

None

New Business:

ORDINANCES

Ordinance 2018-23 An Ordinance Establishing a Permit Program For The Moving of Household Goods in Bulk in the City (**1st READING**)

Presented by Barletta. Seconded by Colombo.

On the Question:

Barletta stated the penalty is \$300.00. Perry said he researched some other cities moving of household goods ordinance. He said they must be between 15- 20 items. Perry said some cities fees are between \$300.00 & \$600.00. Barletta said this seems to be high. She said some fines, in the city, range from \$50.00 - \$300.00. Atty. Sean Logsdon said if it is filed under a local ordinance, he said it depends on what it will cost the city to enforce and for reimbursement. Barletta asked who will be enforcing this ordinance. Atty. Logsdon stated the code department or police department. Mope also stated the fire department would be included. Mayor Cusat said the fire department is “code”. Mope said a few years ago, the price was much higher. She said the city has a problem with residents moving in the middle of the night. She said there should be some considerations made in certain situations. Perry said the city realtors and U-Haul need to be informed if this ordinance passes. He said it is for tax purposes and accountability. Mayor Cusat said some cities have this “mixed in” with their rental registrations. Barletta asked if the form is ready for the moving permit. Mayor Cusat said there was a form created three years ago. Perry said the city of Whitehall maintains the purpose of the moving permit is for school systems, census, and for emergency responders. He stated the cities have an application for residents moving to and from, and if residents are renting. Perry said it will not be easy to enforce and will take time. Mope said it is getting residents acclimated. Mayor Cusat said the borough of Freeland and Beaver Meadows currently has a moving permit ordinance. Perry said it can be used as a learning tool for residents. Mope stated the new residents are not aware of the city’s laws. Perry said it is the city’s responsibility to let them know the law. Mayor Cusat said the city’s realtors will also inform them. He said it will be sent out with the rental registrations in 2019.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

ORDINANCE PASSES ON 1st READING

Ordinance 2018-24 An Ordinance of the City of Hazleton to Require Permits for Yard Sales, to Regulate the Number of Yard Sales Permissible, to Establish a Time of Removal of Yard Sale Signs, and to Provide Penalties for Violations Thereof (**1st READING**)

Presented by Gavio. Seconded by Perry.

On the Question:

Barletta asked how the city will be aware of how many yard sales a resident conducted. Mayor Cusat stated the resident will call city hall with every yard sale address, time and date. He said

all the information will be logged and documented. Mope said it is hard to keep track of three yard sales. She said residents may report the first, but may not report the second and third. Mayor Cusat said the city is trying to “get a handle” on daily yard sales. He said it limits a resident to a 48-hour time period. He stated after three yard sales, the resident will be sent a violation. Gavio said yard sales have become a business. Perry asked Mayor Cusat if the resident will be sent a paper permit when they call into city hall. Mayor Cusat said the information will be documented. Barletta asked how the procedure will be done correctly when a resident calls on the weekend. Mayor Cusat said when the GIS system is up to total capacity, residents will be able to access this through their telephone’s. The police department will be able to access the information through their tablets. Mayor Cusat said all the details will be in one cloud system. He said all departments will then communicate through this system. Mope stated she expects a little “leeway” in the beginning. She said there is a problem with residents blocking driveways. She suggested handing the resident a copy of the ordinance to be aware and abide by this ordinance.

Roll Call: Barletta- yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

ORDINANCE PASSES ON 1st READING

RESOLUTIONS

Resolution 2018-55 Resolution Designating Funds

Presented by Gavio. Seconded by Barletta.

On the Question:

Mope said it is listed as a bridge. She asked if the money would be coming out of the general fund until the grant money is received. Joe Zeller, Community Development Director, said the city is the grantee. Zeller said the money is being taken out of one of the economic development loan funds. Zeller said if the city did not have the ability to take money out of this fund, the city would have to obtain a line of credit. Zeller said the state releases the funds, and will be paid back immediately. Mope said it will be reimbursed by the office of the budget.

Roll Call: Barletta- yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

RESOLUTION PASSES UNANIMOUSLY

Resolution 2018-56 Awarding Contract for Altmiller Park Lighting

Presented by Perry. Seconded by Colombo.

Roll Call: Barletta- yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

RESOLUTION PASSES UNANIMOUSLY

Resolution 2018-57 A Resolution Requesting a Multimodal Transportation Fund Grant for the Wyoming Street Corridor- Pedestrian Accessibility and Safety Improvement Project

Presented by Mope. Seconded by Gavio.

Roll Call: Barletta- yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

RESOLUTION PASSES UNANIMOUSLY

Resolution 2018-58 A Resolution Requesting a Multimodal Transportation Fund Grant for the Alter Street Phase I Streetscape Project

Presented by Perry. Seconded by Gavio.

Roll Call: Barletta- yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes

RESOLUTION PASSES UNANIMOUSLY

Resolution 2018-59 Purchase of four DPW/plow trucks, one Street Sweeper and One Backhoe for City of Hazleton DPW Department Via State Costars Contract

Presented by Gavio. Seconded by Colombo.

On the Question:

Barletta said she is in favor in purchasing any equipment or training for all city departments, to help improve the city. She said she only received, an e-mail, stating the new vehicles being purchased, but no specifications. Barletta said council was told the trucks being bought were 2 Ford 450's and now was told it is 2 Ford F550's. She asked why there is no communication and why council is not informed of everything. Donald Leshko, Hazleton Fire Chief, stated the two F550 trucks are identical to the trucks used at the Highway Department. He said the new trucks are equipped with plows. He said there will be three identical F550 trucks. Mope asked if this is the medium-sized truck. Leshko said it is the smaller version. Leshko said they are 4-wheel drive, stainless-steel body, and gas- powered driven motors. Leshko said with the combined purchasing, all trucks are being purchased through Lancaster Body Company. Leshko said the two (2), 2018 freightliner trucks being purchased are identical twins the city purchased in

2017. He said they come with plows. Leshko said the only change is a V-box spreader so the box does not have to be put in the air. He said the box can be removed, and the truck will be able to haul snow. He said they are 4-wheel drive with a Cummins motor. Barletta asked the year of the Elgin Street Sweeper being purchased. Leshko said it is a 2018 Elgin Street Sweeper. He said the previous rental will go towards a discount on the sweeper, and is the same sweeper currently being used by the DPW. Leshko said the 2018 Case 4x4 Super N Backhoe, from Medico Industries, will have a side-dump bucket for snow removal.

Barletta said council never received this information. She said there needs to be communication and transparency. She said it cannot keep “going on like this”. Gavio said any council member question should be answered by administration. He said outsourcing, with city equipment broken, can cost up to \$104.00/hr. He stated he discussed financing with the Pennsylvania Economy League and state representatives. Gavio said, in the long run, the purchase will be beneficial.

Mope said the city purchased two new vehicles (large freightliner and medium truck), in 2017, with LSA grants. She stated these are obtained each year for the street department. She said the city garage was going to be “disassembled” due to the condition. Mope said there was a lot done to save the garage. She said there was a previous LSA grant to refurbish the city garage, with liquid fuels funding, and this was paid off. She said with this purchase, the city will be in debt for seven years. She said approximately \$114,691.95 will be coming out of the liquid fuels fund budget each year. She asked how the city garage had previous permit money. Mope said council does not get the complete “story”. She stated the street department needs new equipment. Mope said the city, previously, did not have money for salt or gravel. She said this should have been discussed, with council, in March. She said there is no communication. Mope said council needs a “working relationship” with administration.

Perry said the city’s current equipment is bad. Perry said the current equipment, in the winter, will not be able to work correctly. He said the deal is “unbelievable” with a \$79,000 discount with Medico for the backhoe. Barletta asked about the condition of the backhoe. Mope said the backhoe is working, repaired, and may go to the fire department. Mope said the backhoe purchase can be held off before obtaining a grant to lower cost. Leshko said the fire department clears their own snow at the fire stations. He said the new backhoe will be used for clearing snow at the stations. He said there have been many LSA grants “put in” for equipment, vehicles, loaders, and dump trucks and were never denied. Mope said she “begged” departments to apply for LSA grants. Leshko said council becomes the “host” of LSA grants. He stated when reviewing LSA grants, they are then being ranked and scored. Leshko said there is a \$100.00 fee to apply for any LSA grant. Mope said she has advised all departments to apply, early in the year, for any grants.

Gavio said with the antiquated equipment, he said there is a safety issue with the current equipment. Perry stated the insurance will be increased. Leshko said everyone needs to work together to better the city departments equipment. Perry said the current tariffs will be increased if this resolution is not approved. Lynch said this process started in March, 2018. He said administration will be changing the purchasing process. He also said administration has all the information needed to provide to council on any purchase. He said all CoStars products are

percentage discounts. Lynch stated this is all core equipment with life expectancy beyond seven years. He said grants can be “looked at”, but the city must maintain the core equipment.

Mope said this important information needs to be provided to council in a timely manner. She said this money is the “people’s money”. Mope said there needs to be a discussion with information provided to council.

Mayor Cusat stated the city has applied for equipment, in the last two years, for \$380,000, with this rejected. He said the city has applied for new vehicles and equipment in the past. Mayor Cusat said with the liquid fuel surplus so low, there was \$238,000 spent in a lump, two years ago, with \$105,000 at 1.7% financing for three years. He stated the purchasing of all new vehicles are year 2019, not 2018. Mope asked how many vehicles he wanted to purchase in the past. Mayor Cusat said four.

Barletta asked if the resolution needs to be amended to change the vehicles from 2018 to 2019.

Zeller stated in addition to the annual entitlement received from CDBG, the Community Development Department has administered 25-30 grants. He stated there are quite a few, current, active grants. Mope stated the lease purchases, in the past, were done through CoStars for detective vehicles for the police department. She said council needs to be aware of what city department needs equipment the most. She said without a capital budget, council does not know.

Gavio asked Atty. Logsdon if there needs to be an amendment to update resolution to year 2019 vehicles being purchased. Atty. Logsdon said yes. Gavio made a motion to amend.

Colombo asked Mayor Cusat if the outdated equipment can be used for scrap or can be sent to auction. Mayor Cusat said some equipment will be “grave yarded” because the parts cannot be obtained.

Motion to Amend:

Presented by Gavio. Seconded by Perry.

Roll Call: Barletta- yes; Colombo-yes; Mope-yes; Perry- yes; Gavio-yes

MOTION TO AMEND PASSES UNANIMOUSLY

Roll Call (AS AMENDED):

Roll Call: Barletta- no; Colombo-yes; Mope-no; Perry-yes; Gavio-yes

RESOLUTION PASSES 3-2, AS AMENDED

Resolution 2018-60 Authorization to Execute a Lease Purchase Agreement for Four Dump/Plow Trucks, One Street Sweeper and One Backhoe for City of Hazleton DPW Department

Presented by Gavio. Seconded by Perry.

Roll Call: Barletta- no; Colombo-yes; Mope-no; Perry- yes; Gavio-yes

RESOLUTION PASSES 3-2

Resolution 2018-61 Approving the raising of Liquid Fuels line item 035-430-5470 in the 2018 budget

Presented by Gavio. Seconded by Perry.

Roll Call: Barletta- no; Colombo-yes; Mope-no; Perry- yes; Gavio-yes

RESOLUTION PASSES 3-2

Comments from the Audience: Grace Cuzzo, 948 James Street, Hazleton, asked if the interest on the loan purchase could be paid out of the liquid fuels account or from the general fund. Lynch said it is considered a purchase payment and is through CoStars. He said in his previous position, there were state audits done every year and this issue did not arise. He said he is not sure. Cuzzo said in previous years, the interest has been paid out of the general fund account. Cuzzo stated it is considered a loan.

Joseph Stanavage, 216 West Birch Street, Hazleton, said he has lived in Hazleton for 69 years. He asked if residents can turn yard sales into a business. Stanavage said he has seen this done in other cities. He said he pays 6% sales tax and \$200.00 for his business license, and turns it in to the government. He asked who will determine a yard sale item from a Dollar Store item. He said some residents may not pay their taxes. He said the city or the state will not receive their due resident taxes. He said there needs to be something to prevent a resident from conducting a profitable yard sale business.

Atty. Sean Logsdon said the purpose of this ordinance is to prevent any type of selling of goods and turning it into a business. He stated residents are capped at five yard sales. Stanavage asked if anyone is checking into business owners paying their 6% sales tax. Atty. Logsdon said the food truck vendors ordinance is currently being worked on.

Dee Deakos, 43 West Mine Street, Hazleton, spoke of the city purchasing new equipment. She suggested the city look into purchasing used surplus equipment for parts. She stated the city administrator should be providing information for all city departments.

Mope said the city could not get parts because the vendors were not being paid. She said it has improved with PEL being in place.

Mark Rabo, 1st Street, Hazleton, condemned the general assembly passing the recent fireworks law. He said they did not get information from first responders. He said it caused “grief” to the fire and police departments. Rabo said it also affected the adjacent property owners in damages. He said the third class city code allows municipalities to “tighten-up” regulations. Rabo said it is in the best interest, for the city, with a new ordinance regulating fireworks. He said the fire chief stated many other municipalities are reviewing new regulations. Rabo said the city of Harrisburg is looking to leave ACT 47 with their EIT and local service taxes being increased. He said the mayor of Harrisburg stated, “it is not really a plan; it does not provide for the city’s recovery. It is a document that leads to a slow, painful death, of the city of Harrisburg, almost like a state-assisted suicide”. The mayor of Harrisburg stated “ if the lowest T-levels, EIT, or commuter tax levels are not allowed, property taxes would be increased 100%”. Rabo said it is easy to get into ACT 47, but it is hard to get out. He said there will be a joint public hearing, in September, 2018, to update the ACT 47 plan for uniformity. He suggested lobbying state legislators to allow municipalities, in ACT 47, to keep their tax levels without going down to the EIT cap rate.

Wilve Veras, 55 West Juniper Street, Hazleton, spoke of the moving household goods ordinance fee of \$300.00. Mope said it is a fine. She stated if the \$10.00 initial fee is not paid, then the resident will be charged \$300.00. Veras asked if this is for residents moving out of the city. Mope stated it is for both- moving in and moving out of the city. Veras asked how this ordinance will be enforced. Perry stated

it will take time and residents need to be educated.

Gavio said the city is one of the few that do not have a permit procedure. Mope said the \$300.00 charge can be reviewed for the initial fine. Veras said he knows the city DPW employees are currently having a hard time with their current equipment. He also said there needs to be more communication between administration and council. He said there is a time-frame before the snow storms.

David Sosar, 338 West 2nd Street, Hazleton, spoke to the city administrator. He said there is a lack of communication. He said if there is no information received within 24-hours, there is a problem. He said with the previous administration, there has not been new vehicles purchased for the city departments. He said there should have been a “wish-list” for each department. He said not all vehicles will last for their expected life. Sosar also asked with the EIT tax increase if the city will meet the projected shortfall. Lynch stated the current cash flow projections are very “tight”. He said they are not projecting a shortfall. Sosar asked with the increase in tax money if this will be surplus money. Lynch said there will not be a surplus. Lynch said the cash flow projections takes into account holding accounts payable. Mayor Cusat stated the projections are \$140,000 in cash at the end of 2018, and withholding \$320,000 in bills. Sosar said the city will end up in a shortfall of over \$200,000. Mayor Cusat said at the beginning of 2018, there was \$200,000 with withholding bills. Sosar said the city cannot get a loan with the current condition of the city. Mayor Cusat said the city will need to get a tax anticipation note. Lynch said the current EIT tax is not considered in the current cash flow. Sosar asked if the residents are going

to have an increase in property taxes in 2019. Lynch said the city needs to close a structural deficit from the 2017 and 2018 pension fund budget. Lynch said the pension fund budget had a structural deficit, in 2018, of \$1,300,000. Lynch stated he anticipates a property tax increase in 2019. Sosar said with this, the property assessments will go down. He said this will destroy the population. Sosar said many residents live paycheck-to-paycheck.

Lynch stated he will send council a manifest of all vehicles.

Comments from Mayor: None.

Comments from Council: Perry congratulated Mayor Cusat in arranging the recent 4th of July celebration. He also thanked the police and fire departments for all their work in the city.

Colombo thanked the fire department in the recent fire on Carleton Avenue. He said each department is “the best of the best.”

Mope also thanked the fire department at the recent Carleton Avenue fire. She said also thanked the police department in a recent incident on Alter Street. She said there were recent firework provisions made by the state. She stated it is unacceptable for a person to throw a firework at another individual or policeman. She thanked all for the 4th of July fireworks. She thanked all for attending the meeting.

Gavio complimented the 4th of July fireworks celebration.

Barletta said she is in complete support in purchasing equipment for the city. She also complimented the 4th of July fireworks.

Adjournment: Gavio motioned to adjourn the meeting. Meeting adjourned