

**Watson town Borough
Council Meeting
October 6, 2014**

OPENING: The October 6, 2014 Watson town Borough Council Meeting was called to order by President Miller at 7:30 PM. The meeting was held in Council Chambers. Pastor James Ritter gave the opening prayer and the Pledge to the American Flag.

MEMBERS PRESENT: President Harriet Miller, Vice President Ralph Young, Jack Marshall, Janet Rump, Dan Folk, Harry Hefty, Solicitor Ryan Tira, Mayor Dave Hontz, Borough Manager Edie Moser, Acting Police Chief Richard Faux and Secretary/Treasurer Brendi Brooke.

OTHERS PRESENT: Mary Phillips, Thomas Raup, Judy Marshall, Aaron Salvatori, Angela Salvatori, JA Babay, Todd Moyer, Becky Hontz, Buzz Reynolds, Liz Folk, Vera Young, David Plotts, Ken Hollenbach, Kevin Mertz, Viola Ranck, William West, Amy Pitou, Terry Kirchner, Virginia Wirth, Dane Hanford, Dave Powell, Bob Frey and Barb Pick.

APPROVAL OF MINUTES: Harry Hefty made a motion, seconded by Janet Rump to approve the minutes from the September 2, 2014 Council Meeting and the minutes from the September 29, 2014 Committee Meeting. A roll call vote was taken as follows:

Rump	- yes	Miller	- yes
Hefty	- yes	Folk	- yes
Marshall	- yes	Young	- yes

All in favor. Motion carried

BILLS & TRANSFERS: Jack Marshall made a motion, seconded by Dan Folk to approve the bills and transfers for September 2014 in the amount of \$320,442.49. A roll call vote was taken as follows:

Hefty	- yes	Folk	- yes
Marshall	- yes	Young	- yes
Miller	- yes	Rump	- yes

All in favor. Motion carried.

ROCKY WEST: Rocky West said at the November 4th meeting Harry Hefty said Council would possibly look into shifting some income from the electric to real estate taxes. Rocky said he feels it's a good idea; "the largest

property in town, the Borough gets the least amount of money from". President Miller said "it's something we are definitely going to look at when we do the budget". He also asked about "the local debt tax" being collected to pay for the Elm/Ash Street Project. Edie said the Borough is no longer collecting the debt service, it is paid. Lastly Rocky suggested better prioritizing of jobs since the Borough is shorthanded. President Miller thanked him for his comments.

**BUZZ
REYNOLDS:**

Buzz Reynolds started by saying a fine job was done by the crew at the park and the railroad bank. He spoke of being in business in Watsontown for 45 years on October 20, 2014. He hopes to continue in business for another 5 years, making it to 50 years at Buzz's Pizza & Subs, which depends on overhead and mainly the cost of electric. He spoke of the "early" days then onto the "demand meter" installation at a new location. In July 2013 he received an electric bill of \$1,683.70; surprisingly, half of his appliances are gas. A year ago he said he started his crusade regarding his electric bill and the demand meter. He asked if there was anyone present from Watson Inn, Mansion House, Ciro's or D & D; no one answered. He said the Borough brought in its electrical engineer for Buzz's benefit to try and figure out what's going on. He said Jim Harvilla looked him in the face and said "I don't believe this". Jim tried to explain the demand meter and how it works; Edie was included in the conference. Buzz said Edie may not have heard everything but he thinks she heard most of the conversation. Buzz said just as Council is tired of hearing about electric, he is tired of hearing "we are working on it" and "we hear you Buzz", etc. He said he has heard the Legion, Short Stop and the elementary school are getting off the Borough's electric; he has heard maybe some homes in that area as well. He asked how the Borough is going to recover the lost revenue. He reverted back to the last thing Jim Harvilla said "Council sets the rates and they can do whatever they want". So again he asked what does Council intend to do about the lost revenue of the businesses at the north end of town and possibly the loss of his business if he is forced to close because he sees nothing good coming from those losses. Buzz said it was in his opinion that "sooner or later you are going to have to stop the financial beast that was created inside this Borough and make cuts like the rest of us taxpayers"; "what say you all". He ended with "thank you". President Miller thanked Buzz; it was followed by a round of applause.

**HARRY
HEFTY:**

The Borough's chair of the Electric Committee spoke to Buzz's questions. In the current budget, the residents as a whole finance the town. The Legion and the Short Stop discovered they are in Delaware Township and they legally don't have to participate in the Borough's electric so the residents of Watsontown will make up the difference in that lost revenue. The school is part of the Borough and obligated to buy electricity from Watsontown, which was set up by the state legislature. Harry said he has

known the ration for a long time. He agrees it has been easy to adjust the electric rate based on what was needed; it is not debated and not a property tax that you're going to see. He said people have said to him "hey I like paying my taxes in 12 payments; I don't want 1". Harry said "remember if you shift the tax, you'll get one bill to owe the town in the spring, basically property tax, now you get 12 payments – your electric bill. He said 30% of every dollar goes to revenue to run the Borough; there are people that don't want Council to raise taxes, they don't care about electricity. He spoke further about the affect the shift to taxes and the reassessment of properties will have. Harry said he does believe over the years "we" are going to have to shift off of electricity; it's very simple – what's the will of Council to increase millage to relieve the electric. He said 1 mill of property tax = approx. \$25,000.00.

**TODD MOYER
& JA BABAY –
LIBRARY:**

Todd Moyer and JA Babay spoke on behalf of the Montgomery House Library. She said the library is fiscally solvent and staying within their budget. They have great people working with them and for them and are meeting the state standards. She said though the library still has books, audio and videos, they are shifting to meet the needs of the community and community services. She handed out information and spoke regarding the "Every Child Ready to Read" and "Courting Seniors" programs. They are stretching out to meet long term needs for families and the community. The library and the schools are working closely together. She spoke further about additional programs currently being offered by the library. President Miller thanked JA for her enthusiasm and the crowd followed with a round of applause.

**FUTURE OF
PPL MONTOUR
PRESERVE
MEETING:**

Edie said she received an email from Bob Stoudt regarding a public meeting being held on Thursday, October 9th at 7:00 pm at the DeLong Memorial Hall. The meeting is to discuss the future of the PPL Montour Preserve and other PPL-owned lands in Montour and Columbia counties.

**6th ANNUAL
KINGDOM
KIDZ
BANQUET:**

Edie said she received information regarding the 6th annual "Welcome Home, Kingdom Kidz banquet on October 25th at 6 pm. The banquet will be held at the Saint Joseph's Center on Cemetery Road in Milton. The cost is \$10 per ticket.

**SANTA HOUSE
& DEER PEN:**

Edie said she received a request from WABA to put Santa's House and the deer pen in the park. The deer are being delivered from Lake Tobias on Wednesday, November 26th; they will be here until Friday, January 2nd. they also asked the Borough crew to help again this year with feeding and watering the deer. Santa will be coming to town on Friday December 5th. These events will be put in the newsletter.

BOARD OF DIRECTORS - AMP-OHIO:

The Mayor received correspondence from the city of Napoleon, Ohio; they are on the board of directors of AMP. They are requesting our support in an effort to retain their membership on the board of directors with AMP. There were questions concerning the letter and our representation at AMP. Solicitor Tira said Jim Harvilla has been our contact with AMP-Ohio. The Mayor gave the letter to Solicitor Tira to follow up with Jim Harvilla.

COMMUNITY RELATIONS BOARD MEETING:

The Mayor said he was in receipt of a letter from the U.S. Department of Justice – Federal Bureau of Prisons inviting him to a community relations board meeting to be held on October 23rd at the training grounds in Lewisburg. He said if he's available, he will probably take part in it.

The Mayor said he was in receipt of the Civil Service Commission minutes.

INDUSTRIAL APPRAISAL:

The Mayor said at the last meeting he requested information regarding Industrial Appraisal and had no idea what he was getting into; it was a 140 page document. He understood it was also given to each member of Council. He asked members of the Insurance Committee if they had seen this document prior to receiving their packets. Janet Rump said she was told Gloria Buhl had it and was reviewing it for pricing. The Mayor said when the appraisal was initially asked for, it was not for every piece of paper, nut, bolt, table, chair and building. He said the specific consider back in November was that the Borough did not have an evaluation for the electrical system. He referenced page 68 of the appraisal; after reading over the page he said he's not sure Industrial Appraisers were given the proper instruction or knew that the Borough of Watsonstown is in the electric distribution business. President Miller and Edie agreed they knew. The Mayor asked if the specific list of electrical items from the minutes of the February 24, 2014 meeting were included in the appraisal; he didn't see them. President Miller asked the Mayor to be specific to which the Mayor read a list. The Mayor said the Borough Manager's report in April stated Edie spoke with Industrial Appraisers several times concerning the electric portion of the appraisal. The Mayor asked if we received an answer or update on it. Edie said there is confusion; she has emails from Jim Harvilla; she spoke with the Electric Committee; there was concern whether \$10 million was too much and what the value should be. Jim Harvilla told Edie that he wasn't sure of a need for \$10 million because if the entire system is destroyed, most likely the entire town would be destroyed. Edie said the appraisers do not get into the infra-structure unless specifically asked; the appraisal represents the accounting/cost only but she didn't realize it. The infrastructure cannot be included as insurable equipment items is what Industrial Appraisal told her. She said the Electric and/or Insurance Committee needs to meet to decide the amount it is insured for, it is currently insured for \$1.5 million, which Edie said is

not enough. Jack Marshall agreed that if the entire system were destroyed it would be a catastrophic event and the whole town would be destroyed if all the transformers and poles are knocked down; it comes down to how much you want to insure it for. The Mayor said we make our money off the Borough electric system but it's not worth insuring. Jack said it's worth insuring but how much do you want to insure it for? Edie said it is insured for \$1.5 million; she said this appraisal was the original done by Paul Kreckel and added to it, then updated. The appraisers spent a couple days, maybe a week in Watstown; when it was first done, Edie had to get all the deeds to all the properties from the courthouse. That information was not looked at this time; they just updated them. She said every year she sends them a list of things the Borough sells or buys. Edie agreed that \$1.5 million is not enough but she needs guidance; she thinks she needs to talk to the gentlemen again. The Mayor read over an entire list of electric equipment worth \$9.8 million, as prepared by the former public works supervisor. The appraisers were given the information to evaluate because Gloria Buhl says we're underinsured. The Mayor asked if the goal was to have our electric system appraised then why did we bother with these people if they don't appraise electric systems. President Miller gave Edie permission to get more information; Gloria Buhl was contacted and she didn't feel it necessary to insure the system for \$10 million but we need to discuss increasing the insurance. The Mayor said he saw there was a bill regarding the appraisal yet no one knew anything about the appraisal and it's the way we make our money; he confirmed this was for insurance purposes. The Mayor said he's amazed at everything that's included in this document yet the electrical list is not included. He encouraged Council to review the entire appraisal; he also offered the notes he's taken regarding the appraisal; Dan Folk said he'd like a copy.

**LATSHA,
McKENNA &
DAVIS**

The Mayor asked why the borough paid bills to Latsha, McKenna & Davis; one for \$88 and \$268 for a reply to the auditor's letter. The Mayor said he would like to see the letter from the auditor that warranted a response from Latsha, McKenna & Davis. Though he asked for copies of the correspondence, he received copies of the invoices. There was further conversation regarding the matter.

**STREET
SWEEPER
REPAIRS:**

Janet Rump asked if the street sweeper has been fixed. Edie said it works but not 100%; we have a list of parts that have been discontinued but Jack had mentioned a place in Williamsport to check with. The Mayor said the elevator in the street sweeper does not pick the dirt up and put it in the bin therefore just pushing dust and dirt around. Edie said the repairs are a winter job; Janet wanted to confirm it will be ready for spring.

**PROTECTION
of PERSONS &**

The Mayor said he, Ralph and Dan reviewed the list from last July and went around town and located a couple more things in the line of safety.

PROPERTY: He said per Dan, some things have already been addressed. He further explained his report and the areas around town that in his opinion need attention, including removal of a dead tree at 807 Ash Street, replacement of guard rail cables on the ground on Railroad Street from 1st to 4th Streets and a foundation for the memorial stone at the Robert E. Brown Memorial Park.

INTRODUCTION of DAN BAUMWELL: The Mayor introduced the newest member of the Watsontown Police Department, part-time officer Dan Baumwell. Dan addressed the crowd after a round of applause.

POLICE DEPARTMENT - EXITING POLICIES: The Mayor said he's been working with Acting Chief of Police Faux since the retirement of Mr. Derr in an attempt to locate and organize materials and property of the police department that has been re-located or missing since Mr. Derr's exit from the department. They are proceeding to get those things in place. He also stated earlier that these policies will be in place whenever someone exits the department.

ETTINGER'S: The Mayor said he met with Lynn Broschart of Ettinger's and she has not been able to complete the design work for the greenery at the cemetery.

REVIEW OF APPLICATIONS: The Mayor said he met twice with the Civil Service Commission and took part in the review of the eligibility of the candidate's applications. He also stated that Acting Chief Faux is moving forward with securing another part-time officer. He said the crew in the police department has been extremely busy but they are picking up the slack.

PART-TIME OFFICERS: Acting Chief of Police Faux stated with the addition of Officer Baumwell, the department now has three part-time officers and he is in the process of getting the fourth part-time officer certified and will be able to start in the very near future.

POLICE APPLICATIONS: Acting Chief of Police Faux said the Civil Service met and approved eight applications and one is pending a correction.

POLICE RESPONSE TIME - ASSISTANCE IN DELAWARE TOWNSHIP: Harry Hefty asked what the response time is for our police department versus the state police response time. Acting Chief of Police Faux said there are so many variables that it's virtually impossible to make an accurate response to Harry's question. He said they do capture response time from dispatch to on scene; he can provide a report on that for Harry. He further explained possible variables that affect town and state police response times. Faux confirmed that Watsontown has covered Delaware Township for the state police many times and assisting PSP is included on the monthly police report. He said more detailed information is available; he confirmed on the request of the state police, the Watsontown Police Department does cover Delaware Township on a call by call basis.

POLICE DEPARTMENT: written

FIRE & AMBULANCE: none

EMERGENCY MANAGEMENT: none

CODE ENFORCEMENT: written

BOROUGH SOLICITOR: none

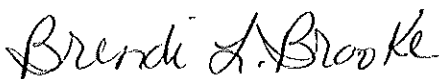
BOROUGH MANAGER: written

BOROUGH SECRETARY: Brendi Brooke spoke regarding the Warrior Run CROP Walk on Sunday, October 12, 2014. She encouraged the audience to get involved with this event to benefit hunger in our community and around the world.

ELECTRIC – LATE CHARGES: The Mayor said in light of hearing Buzz Reynolds speak regarding his electric, he has reviewed his electric bills and noticed he was given a credit on his latest bill. After research, he found he paid his bill late in August so he included the late charge with his payment but was credited the late charge on his September bill for that late charge of \$15.06. He wrote a check to the Borough and submitted it tonight because he doesn't want the appearance of impropriety, a gift from the Borough. Edie spoke of the possibility of the PPA (purchase power adjustment), but after review and much discussion, it turned out to be the late fee. The Mayor said his concern is if it's a computer glitch and the Borough is refunding \$15.06 to everyone who paid their bill late; he doesn't want to over burden Mr. Reynolds. Edie said she would have Lisa check it in the morning and send the Mayor a receipt.

ADJOURNMENT: There being no further business to come before Council, a motion was made by Ralph Young, seconded by Janet Rump to adjourn at 8:33 pm.

Respectfully submitted,



Brendi L. Brooke
Secretary/Treasurer