

BOROUGH OF HATBORO
COUNCIL MEETING
MONDAY, FEBRUARY 22nd, 2016

PRESENT

President Tompkins, Vice President Rich, Councilpersons Forgeng, Harbaugh, Hegele & Palmer, Mayor Hawkes; Borough Manager Zollers, Assistant Secretary Hegele, Chief Gardner, Fire Marshal Myers, Solicitor Kearney, Engineer Dougherty & Treasurer Kalnajs.

ABSENT

Councilman Zygmunt was absent.

CALL TO ORDER

President Tompkins called the meeting to order at 7:02 P.M.

INVOCATION – Mayor Hawkes gave the invocation for the meeting.

PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was led by Chief Gardner.

MEETING NOTES – President Tompkins announced that staff is taping this meeting. Assistant Secretary Hegele announced that she was notified that a resident would be taping the meeting. He stated that there are two opportunities on the agenda for the public to address Council. The first privilege of the floor is for voting agenda items only.

PRIVILEGE OF THE FLOOR – Ed Henry, Bonair Avenue questioned what would happen if a waiver was not received for Station Park Village. President Tompkins said the waiver was received today.

MAYOR'S REPORT – Mayor Hawkes stated that in the paper today a Wendy Hawkes was sentenced to 13 years in jail, he wanted to let everyone know he has a daughter named Wendy, the one in the paper today was not his daughter.

PRESIDENT'S REPORT - President Tompkins stated he attended a meeting with representatives of Station Park and Septa, it was interesting meeting and a lot was discussed.

TREASURER'S REPORT – Treasurer Kalnajs gave the Treasurer's Report for the month of January 2016. He noted a balance of \$1,995,036.76. Interest earned for the month totaled \$177.55 on all accounts.

SOLICITOR'S REPORT – Solicitor Keurney stated the parking ordinance update has been advertised and will be on the March agenda for consideration.

ENGINEER'S REPORT – Engineer Dougherty stated he had no report this evening. He stated he has another meeting that he needs to attend so he may have to leave early if the Borough meeting goes later.

MANAGER'S REPORT – Manager Zollers reported the Hometown Streets Project has begun, tree removal is underway. He announced that after 6 long years, the fire house addition finally received a clear Use & Occupancy.

DEPARTMENT SUPERVISORS' REPORT

CHIEF OF POLICE REPORT – Chief Gardner reported on a recent phone scam where someone claims to be the IRS and calls homes telling people they owe money. He stated he received one at his house. He stated the IRS never calls, all correspondence is in writing.

TAX COLLECTIONS REPORT – The Tax Collection Report was submitted to Council in advance of tonight's meeting, and that copies of the report were available.

PUBLIC WORKS REPORT – The Public Works Report was submitted to Council in advance of tonight's meeting, and that copies of the report were available on the sign in table. Manager Zollers stated he had nothing further to report.

FIRE MARSHAL REPORT – The Fire Marshal Report was submitted to Council in advance of tonight's meeting, and that copies of the report were available on the sign in table. Fire Marshal Myers had nothing further to report.

VOTING ITEMS

Acknowledgement of Reports – Councilman Harbaugh motioned to acknowledge the receipt of the tax collections, public works, fire marshal, treasurer's reports, UMHJSA minutes, motion seconded by Councilman Forgeng, all ayes. Motion carried 6-0.

Approval of Warrant List, Payment of Bills, Manual Checks and Transfers – Councilman Palmer motioned to approve the warrant list, payment of bills, manual checks and transfers for the month of February 2016, motion seconded by Councilman Harbaugh all ayes. Motion carried 6-0.

APPROVAL OF MINUTES

January 25th, 2016 Council Meeting Minutes – Councilman Harbaugh motioned to approve the January 25th, 2016 Council meeting minutes, motion seconded by Councilman Hegele. Vice President Rich abstained, all ayes. Motion carried 5-0.

February 8th, 2016 Committee Meeting Minutes – Vice President Rich motioned to approve the February 8th, 2016 Committee meeting minutes, motion seconded by Councilman Forgeng, all ayes. Motion carried 6-0.

MONTGOMERY COUNTY PLANNING COMMISSION MONTCO 2040

FIRE COMPANY EXPENDITURE LIST – Councilman Palmer motioned to approve the Enterprise Fire Company Expenditure List for January 2016 in the amount of \$17,992.46, motion seconded by Councilman Harbaugh, all ayes. Motion carried 6-0.

FIRE COMPANY CAPITAL EXPENDITURE LIST – Councilman Palmer motioned to approve the Enterprise Fire Company Capital Expenditure List for January 2016 in the amount of \$7200.00, motion seconded by Councilman Hegele all ayes. Motion carried 6-0.

ENTERPRISE FIRE COMPANY PROJECT CHANGE ORDERS #1 -5

Councilman Harbaugh motioned to approve the following change orders/amounts:

1. Gordon Baver – Painting - \$1658.27
2. Fisher Mechanical – Floor Drain - \$460.00
3. Fisher Mechanical – Drain Lines - \$640.00
4. Fisher Mechanical – Expansion Tank - \$420.00
5. Gordon Baver – ADA Signage - \$525.09

Motion seconded by Councilman Palmer, all ayes. Motion carried 6-0.

POLICE SUV PURCHASE – Councilman Palmer motioned to approve police car purchase for \$32,794.00 plus up fitting costs, motion seconded by Councilman Hegele, all ayes. Motion carried 6-0.

TRASH TRUCK CHASSIS/SNOW PLOW PURCHASE – Vice President Rich motioned to approve the purchase of trash truck chassis and snow plow, motion seconded by Councilman Hegele, all ayes. Motion carried 6-0.

VEHICLE FINANCING– Councilman Harbaugh motioned to approve financing for the police car and Public Works trash truck through TD Bank, motion seconded by Vice President Rich, all ayes. Motion carried 6-0.

STATION PARK VILLAGE LAND DEVELOPMENT APPROVAL RESOLUTION – Vice President Rich motioned to table this matter until March, motion seconded by Councilman Forgeng, all ayes. Motion carried 6-0.

POLICE RECORDS DISPOSAL RESOLUTION #2016-06 – Councilman Harbaugh motioned to approve Resolution #2016-06, motion seconded by Councilman Hegele, all ayes. Motion carried 6-0.

MORELAND AVENUE PEDESTRIAN CROSSING BIDS – Vice President Rich motioned to award bids to Ettore Ventresca in the amount of \$106,992.50, motion seconded by Councilman Harbaugh, all ayes. Motion carried 6-0.

SALE OF POLICE GYM EQUIPMENT – Councilman Harbaugh motioned to authorize sale of gym equipment on municibid, motion seconded by Councilman Hegele, all ayes. Motion carried 6-0.

POLICE STATION – ASBESTOS REMEDIATION – Councilman Palmer motioned to authorize staff to execute contract for asbestos remediation work for a cost not to exceed \$22,400.00, motion seconded by Councilman Hegele, all ayes. Motion carried 6-0.

FACILITIES PROJECT – REQUEST TO ADVERTISE BIDS – Councilman Palmer motioned to authorize staff to prepare request for bids for the Facilities Projects, motion seconded by Councilman Hegele, all ayes. Motion carried 6-0.

EVENT REQUESTS - Councilman Palmer motioned to approve Tom Murt Disability Walk, summer Fun Festival, Crooked Billet/Pennypack Day at Pool, Hatboro Storm Swim Meets/Fundraisers & Skeleton Skurry as per dates provided and discussed at the Committee meeting, motion seconded by Vice President Rich, all ayes. Motion carried 6-0.

EVENT FEE WAIVER REQUESTS – Vice President Rich motioned to waive the oar use fees for Enterprise Fire Company Summer Festival in Miller Meadow, motion seconded by Councilman Harbaugh, all ayes. Motion carried 6-0.

SPECIAL UPDATES – There were no special updates from Borough Council.

OLD BUSINESS – There was no old business to come before Council.

NEW BUSINESS

FIRE HOUSE PROJECT – DRAIN PROJECT – Manager Zollers explained work that needed to be done, he stated a drain box was installed but it goes nowhere and the fire house addition floods. This will be change order not to exceed \$24,500.00 and will done by Gordon Bayer. Councilman Harbaugh motioned to approve Gordon Bayer to install drain for the Fire House Project, not to exceed a cost of \$24,500.00, motion seconded by Councilman Palmer, all ayes. Motion carried 6-0.

PRIVILEGE OF THE FLOOR

Ron Battis, W. Moreland Avenue stated there was things on the agenda that were not on committee agenda. He questioned the vehicle financing, stated the Borough has never borrowed money for a vehicle purchase. He asked when there would be a capital budget meeting. President Tompkins stated the financing has been discussed at several meetings since December. The Borough has financed before and cited examples of prior leases/financing. He stated lease payments are paid from sinking fund not capital funds.

He asked about the event requests, he stated the last item was to waive fees but there was no mention of other events and fee waivers. President Tompkins stated because the other items did not require or the event sponsor was not asking for a waiver of fees.

He asked if there were dates for YMCA swim meets and if we would be charging the YMCA to use the pool. Manager Zollers stated the YMCA does not have dates yet and in the past they have allowed our pool members to use their pool when meets were occurring.

Lee Phillips, Wood Street asked if the contractor doing the crossing work by the pool are local. Engineer Dougherty stated they are local from Warrington Pa. She asked how many bids were received and if the company has done work in the Borough before. Engineer Dougherty stated 4 bids were received and yes they have worked in the Borough before.

Melinda Goodwin, Rorer Avenue, President of the Hatboro Residents Association stated she was here tonight to discuss non-profit groups from Hatboro who are impacted by the vendor fee charged for events. She stated the \$125.00 per event fee per week for the Farmer's Market is impacting their ability to raise money for Hatboro.

President Tompkins read the following statement:

Council is in receipt of your request to “**modify the existing code to make local non-profit organizations EXEMPT from paying vendor or solicitor fees due to the various contributions each organization makes to the community**”. I am responding as a single member of council and you should feel free to bring this matter before all of council if you would like to continue, however I wanted to make sure you are aware of some facts that we had previously communicated to the Residents' Association through their president when this issue came up in relation to the farmers market.

In general, these fees are not organization based but activity based. They are charged to anyone engaged in peddling (engaging in any transient retail business within the Borough for the sale of goods, wares, or merchandise or soliciting, canvassing, or taking of orders). Activities that are specifically exempt are: *A. Farmers selling only their own produce. B. Persons selling goods, wares, and merchandise donated by the owner thereof, the proceeds of which are to be applied to any charitable or philanthropic purpose. C. Any manufacturer or producer selling only his own bread and bakery products, meat and meat products, or milk and milk products. D. Real estate, insurance, or securities brokers, or employees thereof.* Additionally, any borough based business that currently files a business privilege tax return would already have a non transient license. Your organizations should consider that the solicitors permit is really designed to account for the fair share payment of a business privilege tax equivalent by business from outside of the borough that come into Hatboro to compete with our local businesses.

As previously explained to the Hatboro Residents Association on more than one occasion with regards to changing the code, I think the ramifications of that are serious. In approximately 1990, when the commonwealth allowed the imposition of an earned income tax by local municipalities, it prohibited changes to existing adopter's business tax structure. Hatboro, along with most local municipalities, did adopt this tax. The legal opinion on this can be briefly summarized as not allowing us to change any aspects of these taxes without invalidating them entirely. We would be forced to give up the approximately \$135,000 in annual revenue if we were to do this. This would likely result in a significant change in either our level of municipal service or a rise in real estate taxes. To make up this revenue in real estate taxes would require an approximately 5.6% increase in the real estate tax rate. As we are already in the current budget year and unable to amend the current year's real estate tax rate, were we to consider it this year, we would have to make \$135,000 in cuts to services to the borough. I personally do not see this as beneficial to anyone except a few transient vendors and certainly anyone living or working in Hatboro.

Council stated it was their understanding that the HRA is passing the cost of the permit to their vendors. There was a lengthy discussion concerning past practice with the fees. The fees must be collected. President Tompkins stated that the first year the Borough worked with the HRA to see what the event was about. President Tompkins stated the farmers market is not a full-fledged farmers market and does not meet all the requirements of same, therefore the fee has to be paid to those non farmers market type vendors.

Karen Schubick stated the Hatboro Baptist Church holds a Strawberry Festival and all the money raised goes back to the Community. Manager Zollers stated a church bake sale where the money goes to the Church is exempt, the Festival is not.

One of the issues is food vendors come to the different festivals & farmers market, they compete with the restaurants in the Borough who pay the Business tax.

President Tompkins stated again, the Borough is bound by state law, it is very clear. President Tompkins polled Council and no one on Council was in favor of eliminating the BPT and raising taxes to cover the lost revenue.

Danielle Harting, Upper Moreland Township. Stated the HRA tried to get restaurants to participate but the Health Department is charging them more. She stated she feels businesses in Hatboro should stay open longer to get all the people that come to the Farmer's market.

Bill Gottshall, E. Moreland Avenue asked when this went into effect. President Tompkins responded 1990. He asked why some towns are different. President Tompkins stated each municipality has their own set of rules/laws. Councilman Harbaugh stated some have gross receipts tax. BPT is very favorable for businesses in Hatboro.

President Tompkins stated if the Borough has to rescind the BPT then the residents can expect a 6% increase in taxes to cover the lost BPT revenue.

Ron Battis, W. Moreland Avenue stated if there are 40 vendors at 125.00 per month if his math is right then that is 3.00 per vendor per night. He stated he has been there it is not a farmers market, but a craft show.

Sinead Hess, N. Penn Street asked about the status of line painting on N. Penn Street. Manager Zollers stated when the weather permits. She asked about the parking dimensions for driveways. Chief Gardner stated the Borough engineer will look and calculate. Manager Zollers stated they will put hash marks with spray paint as a trial period.

Bruce Hart, Earl Lane asked about the status of the clock. Manager Zollers stated that the clock works, additional work is needed with the weights and shaft. He stated Winship's is working on the issue.

Karen Shubick, Fulmor Avenue asked if the Borough could change the spelling of her street for GPS and maps. Chief Gardner stated there is a clearing house to change this, he will put a request in.

Ron Battis, W. Moreland Avenue stated the lines on Penn Street are a great idea. He stated the Borough should look to expand this further out, people will keep looking for free parking.

Melinda Goodwin, HRA asked if the Fire Company pays for the use of Miller Meadow for the carnival. President Tompkins stated the park use fee is waived. He stated the carnival is one operator with their own concessions. In addition there is a section in the Ordinance covering carnivals and circus events.

Mayor Hawkes thanked the HRA for the farmers market and bringing people to town.

ADJOURNMENT

The February 22nd, 2016 meeting of Borough Council was adjourned at 8:30 PM.

Respectfully submitted,

Alfred "Fred" Zollers
Borough Secretary

Transcribed by Assistant Borough Secretary Diane Hegele