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COUNCIL FOR THE BOROUGH OF DUNMORE

HELD:

Monday, January 9th, 2017

TIME:

7:00 P.M.

LOCATION:

DUNMORE COMMUNITY CENTER  
1414 Monroe Avenue  
Dunmore, Pennsylvania

C O U N C I L M E M B E R S :

MICHAEL MCHALE, President

MICHAEL DEMPSEY, Vice President

TIMOTHY BURKE

CAROL SCRIMALLI

THOMAS HALLINAN

VINCE AMICO

SAL VERRASTRO

THOMAS P. CUMMINGS, Esquire, Solicitor

MARIA McCOOL, RPR  
OFFICIAL COURT REPORTER

1 (Pledge of Allegiance.)

2

3 ATTY. CUMMINGS: Mrs. Scrimalli.

4 MS. SCRIMALLI: Present.

5 ATTY. CUMMINGS: Mr. Burke.

6 MR. BURKE: Present.

7 ATTY. CUMMINGS: Mr. Verrastro.

8 MR. VERRASTRO: Present.

9 ATTY. CUMMINGS: Mr. Amico.

10 MR. AMICO: Present.

11 ATTY. CUMMINGS: Mr. Hallinan.

12 MR. HALLINAN: Present.

13 ATTY. CUMMINGS: Mr. Dempsey.

14 MR. DEMPSEY: Present.

15 ATTY. CUMMINGS: Mr. McHale.

16 MR. MCHALE: Here.

17 ATTY. CUMMINGS: Item number three

18 is public comment on agenda items.

19 MR. MCHALE: Anybody like to comment

20 on any agenda items tonight?

21 (No response.)

22 MR. MCHALE: Seeing none.

23 ATTY. CUMMINGS: Item number four is

24 a motion to approve the minutes.

25 MR. BURKE: I'll make that motion.

1 MR. VERRASTRO: I'll second it.

2 MR. MCHALE: I have a motion and a  
3 second. On the question.

4 (No response.)

5 MR. MCHALE: All those in favor  
6 signify by saying aye.

7 ALL MEMBERS: Aye.

8 MR. MCHALE: Opposed?

9 (No response.)

10 MR. MCHALE: The ayes have it and so  
11 moved.

12 ATTY. CUMMINGS: Item number five is  
13 a motion to approve and pay the open bills.

14 MR. MCHALE: I'll look for a motion.

15 MS. SCRIMALLI: I'll make that  
16 motion.

17 MR. DEMPSEY: I'll second it.

18 MR. MCHALE: I have a motion and  
19 second. On the question.

20 (No response.)

21 MR. MCHALE: All those in favor  
22 signify by saying aye.

23 ALL MEMBERS: Aye.

24 MR. MCHALE: Opposed?

25 (No response.)

1 MR. MCHALE: The ayes have it and so  
2 moved.

3 ATTY. CUMMINGS: Item number six is  
4 a motion add Daiqwon Buckley to the part time  
5 police department roster pending successful  
6 completion of graduation of the Lackawanna  
7 College Act 120 Program Municipal Police  
8 Academy Training.

9 MR. DEMPSEY: I'll make that motion.

10 MR. BURKE: Second.

11 MR. MCHALE: I have a motion and a  
12 second. On the question.

13 (No response.)

14 MR. MCHALE: All those in favor  
15 signify by saying aye.

16 ALL MEMBERS: Aye.

17 MR. MCHALE: Opposed?

18 (No response.)

19 MR. MCHALE: The ayes have it and so  
20 moved. Tom, one second. Six is usually  
21 personnel. Do we have any other personnel  
22 matters to address tonight?

23 (No response.)

24 MR. MCHALE: Seeing none.

25 ATTY. CUMMINGS: Item number seven

1 is public comment on non agenda items.

2 MR. MCHALE: Anybody like to address  
3 Council tonight? Please come forward and state  
4 your name for the record.

5 MR. MCGRAW: Jim McGraw, Delaware  
6 Street, Dunmore. Last month I brought up  
7 questions to the body here to find out  
8 information on the impact fee on the drilling  
9 that's done by the gas company and the residue  
10 that came from many of the drillings up there  
11 up in the Dunmore dump.

12 And the trucks coming into Dunmore  
13 use Dunmore roads and probably Reeves Street  
14 and maybe the dump road that's disabled now  
15 that they have blocked off. And there's one  
16 article is here, almost a billion dollars  
17 collected into that fund. And the money goes  
18 out not only the drilling areas but to many  
19 counties in the state.

20 And it's very loosely written law  
21 that they have that it spreads out over where  
22 some of the counties were spending it on  
23 playgrounds, spending it for picnics, and  
24 circuses, just about everything under the sun  
25 and not really used for infrastructure impact

1           when they ruined the road. Maybe there is  
2           water hazards, air hazards, all of these  
3           complaints should fall under this law.

4                       And DePasquale our Auditor General,  
5           he came in and he investigated a lot of the  
6           bookwork on these municipalities. And about  
7           one-fourth of it, maybe over 200 million  
8           dollars has been spent in his opinion  
9           incorrectly, not up to snuff.

10                      But it's so loosely written that,  
11           you know, it's a broad brush. And right now  
12           with us having a problem on the dump road that  
13           I don't know how much it's going to cost you to  
14           fix it, and the damage done on Reeves Street,  
15           if the money's out there and they're using it  
16           other than impact, then I think we should be  
17           open to receive some of that money if we  
18           investigate it and get ahold of Kevin Haggerty  
19           and maybe Senator Blake and find out if we're  
20           not getting any why aren't we.

21                      It would be worth investigating  
22           because the money is already collected. I  
23           don't expect the state to pass any severance  
24           tax on the natural gas. So I think this money  
25           is available and we should look into it. And

1           the other project that I think we should look  
2           into is the O'Neill Highway crosswalk. You  
3           know, that's my favorite.

4                        I checked with Kevin Haggerty. And  
5           when they were drawing up plans for this road,  
6           there should be some crosswalks I believe at  
7           the Dunmore Corners, maybe at Apple Street,  
8           Harper Street, and down on Green Ridge and  
9           Potter that are put in of a permanent material  
10          that they are not two lines across the roadway.

11                      They can more or less put heat to  
12          them and they apply right to the surface. And  
13          I believe they call them permanent. So out  
14          here we have, what, a multimillion dollar  
15          gymnasium. And you go out on Green Ridge  
16          Street, and it's very hard to see the  
17          crosswalks.

18                      We have two lines. And it's a state  
19          roadway. And the state should put in proper  
20          crosswalks. There's been three people I  
21          believe killed in Scranton. There's been two  
22          kids hit over at the high school with cars.  
23          You know, it's not a hidden thing. There's a  
24          lot of careless drivers.

25                      And if you don't have proper signs,

1 I think the state should have signs for each  
2 one. If they could have a deer crossing sign  
3 for deer, they certainly should have it for  
4 pedestrians and children. That's all I have to  
5 say.

6 And they also have the off ramps and  
7 they lead to nothing. You know, the federal,  
8 the funding on a lot of the ramp over at Rite  
9 Aid is a disgrace. They have been working  
10 there since May. And it's still impassable.  
11 And across the street it's dug up. I know you  
12 have problems on construction. But it doesn't  
13 appear to me that anybody is seeing that, you  
14 know, they move along and get it done because  
15 the top of my street they have been digging  
16 enough for three months.

17 And they are digging up on the  
18 crosswalk, kids are walking down further and  
19 it's actually a hazard to the children. So I  
20 think somebody from the Council or committee  
21 should work with PennDOT and get the people up  
22 to snuff what's going on, what the projected  
23 time of completion is.

24 And in the meantime, have the  
25 sidewalks cleared at 4:00, not every month.

1 And that's all I have to say. Good luck.

2 Mr. Hallinan, do you have an answer on that?

3 MR. HALLINAN: Yeah, well, I was  
4 going to say that the project isn't finished.  
5 So and when it will be completed, you're right,  
6 they will put in -- they're not permanent. But  
7 they are -- it's thermal plastic. They call  
8 them California blocks.

9 They will last about four, five  
10 years. And that's what we want in there. And  
11 I'm not sure when they scope the project  
12 they'll be put back in when the project is  
13 completed. And I'm sure what the problem is up  
14 there I don't know. But I'm sure it's tied in  
15 with all the utilities and all the work they  
16 have to work with them.

17 And I'm with you. I wish this  
18 project was done last year. I'm sure it's  
19 still ongoing. And I hate to see another year  
20 go by.

21 MR. MCGRAW: It's projected to be  
22 completed around May or June if, you know, the  
23 projection comes through. In the meantime,  
24 there is certain things that we as a borough  
25 should be looking out for, especially the

1 children and the pedestrians because there's  
2 people that don't have cars and they walk over  
3 to Rite Aid. So thank you for your time.  
4 Thank you. Here I'll give you this.

5 MR. HALLINAN: Thank you.

6 MR. DEMPSEY: Thank you.

7 MR. MCHALE: Mr. Hetman, I  
8 apologize.

9 MR. HETMAN: I always yield to any  
10 citizens that wish to speak. It's not a  
11 problem. Anytime. I'm just a guest here.  
12 It's their meeting and your meeting. So with  
13 that said, good evening, ladies and gentlemen,  
14 Gerard Hetman from Lackawanna County's  
15 Community Relations Department.

16 As we head into the new year and  
17 it's our second year now with the current  
18 administration, we plan on offering the same  
19 range of programs, activities, and events that  
20 we brought to you over the last five years.

21 At the moment we only have one thing  
22 coming up and this is actually tomorrow night.  
23 And it's a new program. I'll just read you the  
24 first few lines from our release about it. The  
25 Lackawanna County Land Bank will host a

1 community outreach presentation on Tuesday,  
2 January 10th, 6 p.m., in the Community Room at  
3 the Good Will of North Gerald T. Langan  
4 apartments, 1539 North Main Avenue, Scranton,  
5 also known as the former North Scranton Jr.  
6 High School if your dad went there as mine did.

7 The presentation will outline  
8 Lackawanna County Land Bank's history, mission,  
9 and discuss blight in neighborhoods. The  
10 presentation is free and open to the public and  
11 will be followed by an opportunity for  
12 attendees to ask questions about the land bank.

13 Of course, the land bank has been in  
14 the news over quite a bit over the last two  
15 years. It's a program that lots of folks,  
16 commissioners and many of the people who work  
17 in our offices and apartments are excited about  
18 it. And we plan to see it hopefully make a  
19 great impact in our communities over the next  
20 several years.

21 So this is a free opportunity open  
22 to the public any officials from Council or the  
23 Borough or any interested citizens you want to  
24 come out and learn more about it, please join  
25 us. That's all we have for now. If anything

1 else comes up, I'll let you know as the year  
2 progresses. Thank you.

3 MR. DEMPSEY: Thanks, Gerard.

4 MR. HALLINAN: Thanks, Gerard.

5 MR. MCHALE: Thanks. Anybody else  
6 like to address Council tonight?

7 MR. HOGAN: Bob Hogan, Hill Street,  
8 Dunmore. I have one question. How's the  
9 planning for the storm water management being  
10 developed? Who's taking care of it and when is  
11 it going to come into being?

12 MR. MCHALE: The storm water  
13 management, there is a plan done by the Sewer  
14 Authority years ago. It included Dunmore. Now  
15 you're talking about storm management that may  
16 come down the line in the future that we don't  
17 know really what the rules are going to be.

18 Dunmore is a little more  
19 advantageous in the storm water area that we  
20 don't have a lot of issues stand-alone storm  
21 water issues outside of the combined sewer  
22 system. The combine system was sold to  
23 Pennsylvania American Water as you know.

24 So any issues that are there are now  
25 borne by them. But on an ongoing basis, we as

1 a borough used to handle all storm water  
2 issues. So anything outside of the combined  
3 system will come back on us. And the falsehood  
4 that's out there that it didn't cost -- the  
5 Scranton Times I think had it in the paper  
6 today the storm water didn't cost us -- or the  
7 maintenance of storm water didn't cost us  
8 anything because the Scranton Sewer Authority  
9 did is totally false.

10 Because if the Sewer Authority is  
11 maintaining it, who's paying for it? Dunmore  
12 and Scranton taxpayers through our rates. So  
13 does it shift back to us? We don't think it's  
14 a big impact in Dunmore. We're looking into  
15 that and possibly hiring a consultant to study  
16 that more.

17 But there is a study done by the  
18 Scranton Sewer Authority already that  
19 Mr. Cummings I know is reviewing. And we're  
20 going to continue to look at different phases.  
21 I think at the last meeting -- and forgive me,  
22 Mr. Hogan, I don't know if you were here or  
23 not. We did acquire a new street sweeper that  
24 allows us to clean basins, storm water basins,  
25 our basins.

1                   Again, ours, they always were ours  
2                   because the Sewer Authority helped us out. So  
3                   brand new street sweeper is with us. We have  
4                   the best DPW Department in the world who used  
5                   to maintain all the storm water systems and the  
6                   basins even.

7                   And they will again if, in fact,  
8                   they need to we can call on them and  
9                   Pennsylvania American Water has offered their  
10                  help as well. Obviously the combined sewer  
11                  system is their issue. But if we do have  
12                  issues, we have a friend in them as well.

13                 MR. HOGAN: In other words, it's not  
14                 mandated the separation should occur between  
15                 sanitary and storm.

16                 MR. MCHALE: That's Pennsylvania  
17                 American Water's issue. That's not our issue.

18                 MR. HOGAN: If it does occur, who  
19                 then will be responsible for the storm water?

20                 MR. MCHALE: Pennsylvania American  
21                 Water.

22                 MR. HOGAN: Thank you.

23                 MR. MCHALE: Anybody else like to  
24                 address Council tonight?

25                 MS. NARO: I'm so sorry I was late.

1 I had a funeral. I apologize.

2 MR. MCHALE: No, please.

3 MS. NARO: I'm just catching the  
4 end. Melanie Naro, I'm sorry, I thought  
5 everybody knows me by now -- 305 East Drinker  
6 Street. The concern I have, Mike, is something  
7 similar to this gentleman about now that the  
8 sewer system has been purchased, what is  
9 Dunmore going to do with the 16 million dollars  
10 hopefully you're going to receive and the whole  
11 issue of the storm water not being part of that  
12 agreement -- the system itself.

13 A lot of it has been separated from  
14 what I thought and, Burkie, you may know a  
15 little bit better about that. I thought that  
16 was part of the upgrade over the years. So it  
17 is a concern because it was an editorial in  
18 today's newspaper for those of who you who read  
19 it.

20 And I think it's really important  
21 because this is an opportunity if that happens  
22 that we are going to be responsible for the  
23 storm water for Dunmore to take a lead in doing  
24 something environmentally new about rain  
25 gardens, about, you know, there's all

1           these -- they do it out in California. They  
2           have very few rainfalls, but when they do,  
3           people have them at the end of your gutters you  
4           put a barrel. It collects the -- and you could  
5           use the water in your garden, to water your  
6           grass, and things like that.

7                         So I really implore the seven of you  
8           to really think out of the box. And this is a  
9           great opportunity for Dunmore to do something  
10          environmentally sound with what's going on. My  
11          concern -- and I'm sorry again, of, you know,  
12          what's happening, like, do we have to be part  
13          of what Scranton is doing?

14                        MR. MCHALE: No. We don't want to  
15          be actually. I'm not being wise.

16                        MS. NARO: Thank you. That was  
17          going to be my next comment.

18                        MR. MCHALE: I'm not -- I'm being  
19          serious. Their issues are much greater than  
20          ours as you know.

21                        MS. NARO: Right. But one of my  
22          concerns is too every time we have a huge  
23          downfall, you know, rainfall since I was a kid  
24          and even though there's been upgrades,  
25          upgrades, with the sewer system and the storm

1 water, Blakely Street is always a mess when you  
2 have a bad rain storm.

3 And Cindy Morgan's parents' house  
4 was destroyed by the runoff of the water this  
5 past year. So is Dunmore going to be  
6 responsible for stuff like that in the future  
7 if the water is not controlled? I really do  
8 have a concern.

9 MR. MCHALE: I a million percent  
10 agree with you. As a matter of fact, the areas  
11 that you are pointing out are part of the  
12 combined sewer system that they bought. So I'm  
13 not saying that we're pushing the issue off on  
14 them. But it was a major issue that's going to  
15 cost major dollars. That's -- if, in fact, is  
16 done correctly.

17 And it's -- as you know, it's an  
18 antiquated system. In a lot of cases it's a  
19 hundred years old. But again, the combined  
20 system itself is --

21 MS. NARO: Their problem.

22 MR. MCHALE: Problem, I hate to say  
23 that. But it's now with them. The separated  
24 system -- already separated system to  
25 Mr. Hogan's point is our issue.

1 MS. NARO: How much of Dunmore is  
2 separated?

3 ATTY. CUMMINGS: We took title to  
4 one storm water retention pond connected to a  
5 storm swale in Swinick. Our DPW garage is an  
6 area that is monitored because of the salt.  
7 But the bulk of the combined -- the bulk of the  
8 storm water collection systems throughout the  
9 Borough, you know, be a tank underneath the  
10 parking lot or storm water detention pond say  
11 at St. Joseph's, that they eventually go into  
12 the combined storm system.

13 So it's separated at the site for  
14 storage purposes but then is introduced into  
15 the combined system. And the title of the  
16 combined system reads everything affixed  
17 thereto. So under that reading, a fair  
18 interpretation is we're only responsible I  
19 think for five or six items within the Borough  
20 currently.

21 The caveat is, you know, we  
22 discussed at prior meetings that the federal  
23 regulations will continue to unfold as they did  
24 with the Chesapeake regarding the CSOs. It may  
25 be extremely expensive and a lot of it is

1 environmentally good because now people are  
2 finally thinking of separate storm water. I  
3 know in a conversation with Mr. Barrett over  
4 the weekend we reviewed about 10 years of plans  
5 of the Scranton Sewer Authority and Dunmore  
6 have reviewed for rain gardens, not using  
7 impervious surface, you know. Anymore the  
8 trend now is to pave some but then gravel the  
9 --

10 MS. NARO: And put grass also and  
11 make sure you have flowers and things like that  
12 which Dunmoreans love to just -- when I want to  
13 do something, let me just pave because it's  
14 cheaper. It's easier. I don't have to take  
15 care of it. But it hurts the environment.

16 I was going to suggest someone that  
17 you may want to talk to and she wrote grants in  
18 the past is Joyce Hatala whom you know. And  
19 she's excellent in the environment. But that  
20 is an expertise of hers, rain gardens and  
21 things of that nature.

22 She's very busy because of her work.  
23 But I implore the seven of you -- you're not  
24 going to get 16 million dollars handed to you  
25 again. Be very cautious what you do with it.

1 MR. BURKE: Melanie, personally, I  
2 would like to see it go into escrow because I  
3 do believe there's going to be big costs and it  
4 will be taxed on the ratepayer. The water  
5 problems, Mr. Morgan's, I don't think the Sewer  
6 Authority will take care of that at all.

7 I think that will be us the  
8 taxpayers that will take care of that. One of  
9 the things porous driveways we should implement  
10 that into our zoning where any new projects --  
11 we have a new one coming up on Meade Street if  
12 everything now be put porous, that will help  
13 naturally the flow of the water go back into  
14 the ground.

15 Rain barrels, I already have one. I  
16 had them for years. We will all be taxed on  
17 this eventually because the storm water will  
18 have to be treated because of salt -- naturally  
19 there's going to be salt on the road. Who will  
20 pay for that? Maybe if we put that money in  
21 escrow, we can ease the burden on the taxpayer,  
22 the rate payer for that storm water fee which  
23 is coming. There's no doubt about that.

24 MS. NARO: Live off the interest.  
25 If you put 16 million dollars in the bank, you

1 will still get a lot of interest.

2 MR. BURKE: And if we do our own  
3 work, Melanie, you buy an excavator, you're  
4 talking about hundreds of thousands of dollars  
5 for just one excavator to do this work. Bodies  
6 of water like Mr. Hogan, he sees it coming  
7 down. You're close to Drinker Street. And you  
8 see it. Anybody that lives in Dunmore sees it,  
9 the problems Mr. Rutkowski{sic} has up there on  
10 Drinker Street there.

11 Sewer Authority did a project maybe  
12 12, 13, 14 years ago. Didn't work. He still  
13 gets flooded. That will still happen until  
14 Dunmore does something about it. I don't  
15 believe the Sewer Authority will get involved.  
16 They said they're not to get involved with the  
17 storm water. That is us now. So that 16  
18 million will go like that, believe me. And it  
19 still won't solve all the problems. That's my  
20 opinion. We can try to implement laws with our  
21 zoning. And even building has to be porous  
22 driveways.

23 MS. NARO: Even sidewalks. People  
24 pave their sidewalks, mind blowing to me. And,  
25 you know, they don't put grass out in front at

1 the curb. And they just pave right to the  
2 street.

3 MR. BURKE: I have two rain barrels,  
4 one in the back of my house --

5 MS. NARO: Maybe you should give the  
6 lesson for the Borough. You should do a little  
7 greeting, have a little meeting about how to do  
8 with the rain barrel. I mean, those are the  
9 things that we really as a community have to be  
10 thinking.

11 MR. BURKE: I think people with rain  
12 barrels will be equated into the bill, people  
13 with rain barrels will be charged cheaper on --  
14 like I said, this is going to have to be  
15 treated. This might be going -- this water  
16 from our storm water might eventually -- well,  
17 it will be going somewhere and eventually be  
18 treated. Most likely it will be going to  
19 American Water that bought the Sewer Authority  
20 because who else is closer to us. So there is  
21 bills coming on this.

22 MR. HOGAN: May I make a comment on  
23 the rain barrels?

24 MR. MCHALE: I'll let you go back up  
25 to the -- Mr. Hogan, if you would. We're on

1 the record. I apologize for making you go up.

2 MR. HOGAN: I understand that. On  
3 the rain barrels -- Bernard McGurl through the  
4 Lackawanna River Corridor Association, he  
5 offers a program for that. Rain gardens are  
6 offered through Lackawanna County through the  
7 extension services. As far as pervious  
8 sidewalks. Pittsburgh already implemented that  
9 many years ago.

10 And when you addressed Oregon,  
11 that's 15 years old. And all they did was they  
12 paid -- they went out -- it's not Portland. I  
13 forget the township it was in in Oregon. They  
14 gave an incentive to the homeowners to  
15 disconnect downspouts to go either into a rain  
16 garden or a rain barrel. And it was borne by  
17 the municipality in which they resided. So  
18 there are initiatives that can be taken by the  
19 Borough itself should they so desire.

20 MR. MCHALE: Thank you, Mr. Hogan.  
21 You actually took one -- one out of my mouth.  
22 I was going to say Mr. McGurl as well. Real  
23 quick, it might be a good opportunity to bring  
24 a couple misconceptions that have been out  
25 there to put a little fact to some of the stuff



1 authority -- when you sell any type of  
2 business, there is a cashout, used to call it a  
3 capital adjustment where I'm going to tell you  
4 that the outstanding payables are a million  
5 dollars.

6 And if they come in at 2 million  
7 dollars, well, cash has got to be trued-up one  
8 way or the other. That's part of that. So in  
9 total if nothing -- any of those escrows  
10 balances were touched, our allocation would  
11 come out to \$21,732,000 and change.

12 The big misconception -- and I  
13 wanted to explain this even though I didn't get  
14 the question because -- in case one of the guys  
15 who kills me specifically in the paper in  
16 comments just to be clear, this deal was 195  
17 million dollars.

18 And Mr. Cummings will tell you, I  
19 shook my head many, many times prior to myself  
20 becoming Chairman for the last year. 195  
21 million was negotiated by Loop Capital. It's a  
22 Chicago based firm. I believe the guy was the  
23 Mayor of Cleveland. Was a very, very well  
24 known company firm. And they, you know, when  
25 we initially thought that this was going to be

1           sold, it was going to be sold for a couple  
2 million dollars literally. So when they came  
3 in with 195, obviously everybody thinks the  
4 world.

5                         In this 195 -- and I've never seen  
6 anything like this. And I'll tell you from my  
7 heart, 195 million included \$38,340,626 in  
8 cash. Okay? So take that net. Obviously if  
9 I'm buying something 195, you're getting cash.  
10 So really it's whatever it is, 160 just for  
11 argument sake.

12                         Which in it of itself is kind of  
13 dumb saying 195 million. Where they got the 38  
14 million dollars -- and Tom will attest, I asked  
15 especially when I became Chairman for them to  
16 prove where that number came from. I have  
17 balance sheets from the authority dating back  
18 to when I got on and up until today up until I  
19 should say two weeks ago, didn't come close to  
20 that number.

21                         So when everybody says we lost 12  
22 million dollars, I'm not quite sure where they  
23 got the 38. And I said it doesn't matter. Why  
24 they say that is because the difference would  
25 have to be made up in the sales price.

1                   That's their explanation. Yes, from  
2                   the time the 195 was agreed to, cash had to be  
3                   spent whether it be on project, you know, day  
4                   to day items, inevitably costs that were  
5                   associated with the transaction. There is  
6                   significant costs there. And it's in the  
7                   millions.

8                   So the difference between what the  
9                   96 and 24 that we were supposed to get that was  
10                  in the papers was adjusted. Now this 38  
11                  million again, the numbers I have show 35  
12                  million, 32 million, when I got on when I  
13                  became Chairman, 31 million, 30 million.

14                  So it's a 5, 6, 7 million dollar  
15                  difference in this placeholder that this guy  
16                  got. And it's obviously from somewhere. It's  
17                  into the pennies. But he couldn't figure out  
18                  why. He said it really didn't matter again  
19                  because it was adjusted at the end in the cash  
20                  price.

21                  Now, some of the comments that were  
22                  there that, well, if that cash was used for a  
23                  capital expenditure it remains on the balance  
24                  sheet as well -- not to bore you again -- but  
25                  remains on the balance sheet. Hundred percent

1 right. That wasn't in the agreement though.  
2 So if the cash was used for something and  
3 stayed on the balance sheet it was 195 less the  
4 cash balance. So I made the argument and Tom  
5 made the argument that just stop spending  
6 money.

7 Well, we have Chesapeake mandates  
8 that we're borne to -- had to pay. And a lot  
9 of those that the 38 million that he's talking  
10 about were funds that we borrowed to pay for  
11 these improvements. So it's a misconception  
12 and reasonably so that people are questioning  
13 why it came a different number.

14 It came a different number because  
15 the guy who negotiated had 195 and he put a  
16 placeholder in there that it was false. I  
17 don't want to say false. That's a bad word --  
18 that was high. You know, I'm an accountant. I  
19 got to prove things out. I couldn't prove it  
20 out.

21 It was off 7 million dollars there.  
22 And then the costs associated with the running  
23 the business and the costs associated with  
24 closing this transaction were significant.  
25 That's where the 12 million dollar difference

1           came. I felt I needed to at least address that  
2           because again, with my background I continually  
3           get questioned on how I didn't say something.  
4           And Tom will tell you and Mr. Hogan will tell  
5           you, we hardly ever get anybody at the Sewer  
6           Authority meetings and I do a lot of the  
7           talking. So just to clarify some of that.

8                     The thought process and my thought  
9           process not speaking for the seven members  
10          sitting here. We had a preliminary discussion  
11          on what to do with this money. And quite  
12          honestly it's a good thing we don't have an  
13          idea what to do with it.

14                    Yes, do we want to put it away for a  
15          rainy day, live off the interest, pave some  
16          roads off the interest. We don't know if the  
17          landfill will be around forever. That revenue  
18          we can't count on. The increase that possibly  
19          could come from a storm tax. That's the  
20          Scranton Times verbiage. But you never know.  
21          We can mitigate those costs with this revenue.

22                    We're in an enviable position that  
23          we don't have to pay off pensions, pay off  
24          debt. Our debt is in the 2, 3 percent. It's  
25          not in the 7, 8 percent. Our pensions are 80,

1           85 percent funded. They are in pretty good  
2           shape. We've invested in our infrastructure,  
3           in our fire department, in our DPW, in our  
4           police all have new cars and buildings. And  
5           we're very, very proud of that, not raising  
6           taxes on that as well.

7                         And when we hear that the landfill  
8           money did do that, yes, we gave that back. We  
9           took criticism for doing that too. But all of  
10          that extra money went back to the taxpayers as  
11          well. We're not going to -- well, I should say  
12          I'm not going to vote for using this money  
13          anywhere really other than the interest right  
14          now unless it mitigates an increase in the  
15          taxes and/or an increase in the rates that  
16          the -- that if we were with the Sewer Authority  
17          that our rate payers in Dunmore would have  
18          paid.

19                        So that's where I think it should go  
20          to. There's been speculation on this board 10  
21          different reasons on how to use that. And I  
22          think all of us really want to just use it for  
23          the best to keep our taxes low, keep our town  
24          safe, keep our property values up, maybe invest  
25          a little bit in our parks.

1                   But we've done that outside of this  
2 money. We're going to continue to do so. So I  
3 think that's it. But I did want to get across  
4 the whole 195 compared to this 38 million that  
5 was out there and that difference was  
6 undefined. And really is made -- the  
7 difference is made up of running the business  
8 for the year and doing a ton of capital  
9 improvements and the inevitable cost of doing a  
10 major transaction as it was.

11                   I'm not saying I supported it. This  
12 board has said it many, many times that we  
13 didn't know really -- we knew that it was going  
14 to happen. But we tried to hang on and get as  
15 much as we can for Dunmore. And in that regard  
16 that man right there has done an unbelievable  
17 amount of hours to achieve at least what we  
18 did.

19                   Do we think that Pennsylvania  
20 American is going to be a good partner, yes, we  
21 do. The agreement calls for keeping the rates  
22 intact. We think it will be much lower than if  
23 they were under the Sewer Authority's own  
24 running as we did. At least that's what every  
25 study by national companies have told us.

1                   And too, the employees were all  
2 rehired by Pennsylvania American Water too. So  
3 again, are we happy that we have this money?  
4 We're looking at it as, you know, it's a rainy  
5 day fund right now. And we're going to use it  
6 to the best to keep our rates and our taxpayers  
7 rates low because we know that we have to  
8 govern from an overburdened taxpayer  
9 perspective.

10                   So with that, I didn't shut off --  
11 but does anybody else want to address Council  
12 before we close?

13                   (No response.)

14                   MR. MCHALE: Seeing none, sorry for  
15 the long dissertation, guys. Public officials,  
16 Tom. Do you have anything tonight?

17                   ATTY. CUMMINGS: No, sir.

18                   MR. MCHALE: Is Mr. Judge back  
19 there?

20                   MR. JUDGE: No.

21                   MR. MCHALE: Mr. Kearney.

22                   MR. KEARNEY: No.

23                   MR. MCHALE: Chief DeNaples?

24                   CHIEF DENAPLES: Two items tonight.  
25 One, we're doing another smoke detector

1 installation with the American Red Cross on  
2 Monday, January 16th. That's Martin Luther  
3 King day. So this time we're concentrating  
4 from South Apple Street all the way up to East  
5 Drinker Street and 380, depending on how many  
6 volunteers we get to help with that.

7 So the American Red Cross recruits  
8 volunteers. We have it posted on our Facebook  
9 page. We have some fliers set out near the  
10 agendas for the Council meeting tonight. And  
11 anybody that's interested we'll do a meeting  
12 point at St. Mary's Church at 325 Chestnut  
13 Street at 9 a.m., on the 16th.

14 So if anybody knows anybody that  
15 would be interested, we do like a briefing with  
16 the American Red Cross. And there's no set  
17 amount of smoke detectors. So if your house  
18 needs five smoke detectors, we install five  
19 smoke detectors and do a little fire safety  
20 talk with the residents and move onto the next  
21 residence.

22 So it's a really good program.  
23 Without the American Red Cross we would never  
24 be able to do this. The last time we did an  
25 install, in eight hours we had almost 400 smoke

1 detectors installed. So we hope to do another  
2 one later on in the year. Like I said, anybody  
3 is welcome to help out that is interested.

4 One other thing, firefighter Chris  
5 Cichocki just applied for a grant that comes  
6 out every year through the Pennsylvania  
7 American Water Company. It's a nonmatching  
8 grant so the Borough if we were awarded it,  
9 wouldn't have to put anything in.

10 So we applied for two items with  
11 that grant. One is an injection system for  
12 detergent for our gear washer. It actually  
13 injects the proper amount of detergent to wash  
14 our gear which is something that's been quite  
15 needed for quite a while. It was something  
16 that wasn't purchased that we needed to spend  
17 money. And the grant came along and it was a  
18 good thing.

19 And the other thing is a software  
20 system to upgrade our patient care reports for  
21 any ambulance assists for the new standards for  
22 the Department of Health. So those were the  
23 two things we're looking at using the monies  
24 for if we're awarded that grant which will  
25 probably be awarded sometime at the end of

1 February. That's all I have for tonight.

2 MR. MCHALE: Thank you, Chief.

3 Mr. Amico, do you want to lead us off?

4 MR. AMICO: Yeah, two things. First  
5 of all, Gary Duncan reached out and said he  
6 couldn't make tonight's meeting. It's his  
7 daughter's birthday. And he just wants to  
8 remind everybody that his meeting the  
9 Neighborhood Watch meeting will be next Monday  
10 at 7:00 in this room.

11 And the second thing is for Mr.  
12 McGraw as for the impact fee question that you  
13 had, Mr. Ruggiero did look into that last week  
14 or at the end of last meeting and this is the  
15 information that he provided to us. It said  
16 impact fees are paid out solely based on the  
17 number of wellheads in the county.

18 The only wellheads that we have in  
19 Lackawanna County are in Benton. I guess an  
20 example, Susquehanna County has quite a few  
21 wellheads. That's why they received millions  
22 of dollars and Lackawanna County we don't  
23 receive anything.

24 So regardless of the impact on our  
25 roads, our monies that we think we should get

1 based on things that are deposited here, we're  
2 not eligible for any impact fee money. So I  
3 just wanted to let you know that. Mr. Ruggiero  
4 again reached out to us at the end of -- after  
5 the last meeting and gave us that information.  
6 So that's all I have tonight, Mike. Thank you.

7 MR. MCHALE: Mr. Hallinan.

8 MR. HALLINAN: I just have one  
9 thing. Me and Mr. Ruggiero again were talking.  
10 And we wanted to come up with some kind of,  
11 like, just as we brought up -- and that would  
12 be the perfect example like to notify our  
13 citizens through a text or somehow. It was  
14 funny that Jermyn did it like a month later.

15 But we were talking about somehow  
16 some kind of system almost like our call system  
17 for the school district or something where we  
18 can hit certain areas and say, hey, listen.  
19 Don't be afraid. There's going to be firemen  
20 in that area putting in smoke alarms so you  
21 have this alert and you know what's going on.

22 Or, you know, a road is shut down or  
23 we have a water main break or something on that  
24 effect. So we're looking into that. And that  
25 is a perfect example and other things. That's

1 all I have, Mr. McHale. Thank you.

2 MR. MCHALE: Attorney Dempsey.

3 MR. DEMPSEY: I don't have anything  
4 tonight, Mike. Thank you.

5 MR. MCHALE: Mr. Verrastro.

6 MR. VERRASTRO: I have nothing.

7 Thank you.

8 MR. MCHALE: Mr. Burke.

9 MR. BURKE: Nothing.

10 MR. MCHALE: Mrs. Scrimalli.

11 MS. SCRIMALLI: I just wanted to  
12 ask, Didge, are we pretty much set for tomorrow  
13 in case it gets a little sloppy in the morning?

14 MR. JUDGE: Yeah, we're ready to go.

15 MS. SCRIMALLI: And I just wanted to  
16 thank Mr. Cummings and our Chairman. Thank you  
17 for all of your hard work on the sale of the  
18 Sewer Authority. You put many extra hours in.  
19 So we appreciate that very much. And that's  
20 all I have tonight. Thank you.

21 MR. MCHALE: I think I probably said  
22 enough. So I'll look for a motion to adjourn.

23 MR. DEMPSEY: I'll make that motion.

24 MR. MCHALE: I have a motion. Do I  
25 have a second?

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MR. HALLINAN: Second.

MR. MCHALE: All those in favor?

ALL MEMBERS: Aye.

C E R T I F I C A T E

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4 evidence are contained fully and accurately in the  
5 notes taken by me of the above-cause and that this copy  
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