

**BOROUGH OF FOUNTAIN HILL  
COUNCIL MEETING MINUTES**

**April 3, 2017  
7:00 P.M.**

Council members present were: Mr. Rapp, Ms. Jordan, Mr. Trotter Jr., Mr. Trabel, Mr. Blatt, Ms. Halleman, Ms. Gifford, and Mayor Rosado. Also in attendance were Anthony Branco, Mr. Peter Lehr, Esq., Police Chief Ed Bachert, Albert Rohrbach, Bethany Sebesta, Jason Quarry, and Mr. Joseph Patanella VP Operations for St. Lukes, and guests.

Council President Rapp called for the pledge to the flag.

Council President Rapp indicated the next item on the agenda was the approval of minutes:

1. Minutes of February 15, 2017 the Work Session Meeting:

	Motion	2nd	Yes	No	Abstain	Absent
Philip Trabel			X			
Carolee Gifford			X			
Hellen Halleman			X			
Annamarie Jordon	X		X			
Norman Blatt					X	
Doug Trotter		X	X			
Larry Rapp			X			
Mayor Jose Rosado						

2. Minutes of the March 6, 2017 Regular Meeting:

	Motion	2nd	Yes	No	Abstain	Absent
Philip Trabel			X			
Carolee Gifford			X			
Hellen Halleman			X			
Annamarie Jordon	X		X			
Norman Blatt			X			
Doug Trotter		X	X			
Larry Rapp			X			
Mayor Jose Rosado						

Council President Rapp opened up the floor for public comments on agenda items:

Ms. Emma Daptula of 834 Tomblor Street asked Council about a rumor concerning St. Luke's constructing a new helipad. Council President Rapp and Mr. Branco stated they knew nothing of said construction. Ms. Daptula then asked Council how they would be handling the parking situation during the construction of the new Public Works Garage and if temporary permit parking is possible. Council President Rapp stated that these are public streets and cannot be made permit parking now. Ms. Gifford asked how long the construction was anticipated to last and if it would be possible to speak with St. Luke's regarding their employees parking on Tomblor and Ostrum streets. Council President Rapp directed Mr. Branco to speak with both St. Luke's and the contractors to discuss parking.

Mr. Ed Stech of 1320 Stanley Ave. stated that there is an issue, Borough wide, of trash and littering. Mr. Stech suggested to Council to have those individuals responsible for the littering to clean up the trash on Saturday or Sunday mornings. Mayor Rosado stated that the City of Bethlehem hosts a South Side clean-up using Lehigh University students and it may be possible to extend that program to the Borough. Ms. Gifford agreed to seek volunteers and establish an ad hoc committee consisting of herself and the Mayor. Ms. Gifford also suggested that we put a notice on the website asking for volunteers.

#### MAYOR'S REPORT:

Mayor Rosado read the Police Department's monthly report on incidents and reviewed any significant increases or decreases. Mayor Rosado then read the District Magistrate's report and monthly tickets and reports collections from the Police Department.

Mayor Rosado read highlights from the Chief's report including that there are several ongoing drug investigations; there are new license plate scanners installed in all of the police vehicles; and all officers are recertified in use of force and Taser training.

#### EXECUTIVE ADMINISTRATOR'S REPORT:

Mr. Branco informed Council and visitors of the following;

1. Mr. Branco informed Council that the Borough received \$5,311.00 through the Department of Environmental Protection Act 101 Recycling Grant.
2. Mr. Branco asked Council for a motion to waive the \$1,000.00 escrow fee for Mr. Christopher Bennick of 1410 Carmen St. due to the fact that the Borough would be reconstructing Jeter Ave. shortly after Mr. Bennick's sewage hookup. Ms. Gifford made the motion, Mr. Trabel seconded the motion, and it was approved unanimously.

Council President Rapp moved onto New Business:

Mr. Blatt asked Council if they knew that the eye doctor's office on the corner of Delaware Ave. and N. Bergen St. had moved, and if so did they obtain a moving permit. Mr. Rohrbach stated that the same doctor would be opening his own practice in the same building so a moving permit was not required. Mr. Blatt then asked if the patient parking restrictions would be remaining on N. Bergen St. Mr. Branco stated he did not, but would follow up.

Mr. Branco informed Council that he has received only three responses from residents responding to his notice about renewing handicap parking spaces. He will be sending out a second notice and will be removing any that do not renew.

Ms. Halleman inquired on when the Fountain Hill Little League’s opening day was and if Council had been invited. No schedule from the Little League was received.

Ms. Gifford reminded all present about the website photo contest and directed interested parties to submit their photos on the website using the Contact Form.

Council President Rapp proceeded to Resolutions:

**RESOLUTION 2017-23**

**APPROVING THE SUBMISSION OF APPLICATIONS TO LEHIGH COUNTY FOR 2017 CDBG FUNDING**

**BE IT RESOLVED**, that the Council of the Borough of Fountain Hill does hereby authorize Anthony Branco, Executive Administrator, to act as the official to prepare and submit the 2017 Community Development Block Grant Application to the County of Lehigh for funding for the reconstruction projects of Jeter Avenue from limits of 2017 reconstruction project 475 feet east, and Dodson St. from Spiegel St. 700 feet north.

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Duly Adopted by Borough Council at a meeting held on the 3rd day of April, 2017.

	Motion	2nd	Yes	No	Abstain	Absent
Philip Trabel			X			
Carolee Gifford			X			
Norman Blatt	X		X			
Annamarie Jordon		X	X			
Larry Rapp			X			
Doug Trotter			X			
Helen Halleman			X			
Mayor Jose Rosado						

Council President Rapp proceed to Ordinances:

**Second Reading**

ORDINANCE NO. 835

AN ORDINANCE INCREASING THE INDEBTEDNESS OF BOROUGH OF FOUNTAIN HILL, LEHIGH COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$1,500,000 FOR THE CONSTURCTION AND RENOVATION OF A PUBLIC WORKS BUILDING; FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, the Borough of Fountain Hill (the “Borough”) is a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”) and is a Local Government Unit, as defined in the Local Government Unit Debt Act, Act No. 185 of the 1972 General Assembly of the Commonwealth, approved July 12, 1972, as reenacted by Act No. 177 of 1996, as amended (the “Act”); and

WHEREAS, it is necessary that the indebtedness of the Borough be increased for the following purpose: to construct and renovate the public works building; and

WHEREAS, the Borough has received preliminary realistic cost estimates from professional consultants indicating the sum of One Million and 500,000 Dollars (\$1,500,000.00) will be needed to complete the aforementioned purchase; and

WHEREAS, the proposed increase of debt, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Borough debt incurring power, pursuant to constitutional and statutory authority to be exceeded; and

WHEREAS, the Borough Council has determined that such Note will be issued and designated generally as “Borough of Fountain Hill, Lehigh County, Commonwealth of Pennsylvania, General Obligation Note, Series of 2017” (the Note); and

WHEREAS, the Note shall be issued in the aggregate principal amount of One Million and 500,000 Dollars (\$1,500,000.00); and

WHEREAS, the Borough Council will convey the Note to the holder, Lafayette Ambassador Bank, to be conditioned upon, among other things, the receipt of approval from the Department of Community and Economic Development of the Commonwealth (the “Department”) relating to the incurring of the indebtedness to be evidenced by the Note.

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the Borough of Fountain Hill, Lehigh County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. That the aggregate principal amount of the Note of the Borough, proposed to be issued is One Million and 500,000 Dollars (\$1,500,000.00), same to be issued for the foregoing purposes and same to be incurred as nonelectoral debt.

SECTION 2. The period of useful life of the improvements for which this obligation is to be issued is estimated to be in excess of 20 years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note, in fully registered form, in the sum of One Million and 500,000 Dollars (\$1,500,000.00) dated and bearing interest from the earliest date of possible issue of said Note under the statutory time requirements as set forth in the Act, at the rate of interest of Two and Eight Hundredth Sixtieth Percent (2.860%) per annum (computed on the basis of a 360-day year), payable on the unpaid balance of said Note on such dates as set forth in the Debt Service Schedule, attached hereto as Schedule "1", during the term of said Note, which Note shall mature in installments on the anniversary date of said Note as set forth in the Repayment Schedule, attached hereto as Schedule "2" and incorporated herein.

The Borough reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payments dates thereof, without notice or penalty.

The principal and interest of said Note shall be payable at the office of the Sinking Fund Depository selected for the Note as hereinafter provided.

SECTION 4. The said Note is hereby declared to be a general obligation of the Borough of Fountain Hill, Lehigh County, Pennsylvania. The Borough hereby covenants that it shall include the amount of debt service on the Note for each fiscal year in which such sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service; and shall duly and punctually pay or cause to be paid the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power to the Borough is hereby irrevocably pledged.

The amounts which the Borough hereby covenants to pay in each of the following fiscal years on the basis of an interest rate of Two and Eight Hundredth Sixtieth Percent (2.860%) are as set forth in the Debt Service Schedule, attached hereto as Schedule "1".

SECTION 5. The form of said Note shall be substantially as set forth in Exhibit "A", attached hereto and incorporated herein.

SECTION 6. The said Note shall be executed in the name and under the corporate seal of the Borough by the President of the Council and Mayor of the Borough and attested to by the Executive Secretary. The President of the Council is hereby authorized and directed to deliver said Note to the holder, and receive payment therefor on behalf of the Borough. The President of the Council and Executive Secretary of the Borough are authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act and to take other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 7. Lafayette Ambassador Bank is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "Sinking Fund 2017 General Obligation Note" for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The President of the Council shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, as and when said payments are due, without further action by the Borough, withdraw available monies in the Sinking Fund and apply said monies to payment of principal and interest on the obligation.

SECTION 8. The President of the Council and Executive Secretary of the Borough are hereby authorized to contract with a Bank or lending institution for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. In compliance with Section 8161 of the Act, the Members of the Borough Council have determined that a private sale by negotiation rather than public sale is in the best financial interest of the Borough. Therefore, the general obligation Note in the amount of One Million and 500,000 Dollars (\$1,500,000.00), herein authorized to be issued and sold is hereby awarded and sold to Lafayette Ambassador Bank in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the delivery thereof to Lafayette Ambassador Bank and is substantially in the form set forth in this Ordinance as Exhibit "A"; and further

provided that the proceedings have been approved by the Department if such approval is required under the provisions of the Act.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the *Bethlehem Press*, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

SECTION 12. The provisions of this Ordinance shall become effective on the fifth (5<sup>th</sup>) day following enactment.

DULY ORDAINED AND ENACTED, by Borough Council having a quorum in lawful session duly assembled this 3<sup>rd</sup> day of April, 2017.

GENERAL OBLIGATION NOTE FORM

UNITED STATES OF AMERICA  
COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF LEHIGH  
BOROUGH OF FOUNTAIN HILL  
2017 GENERAL OBLIGATION NOTE

**\$ 1,500,000.00**

**Dated: April 3, 2017**

KNOW ALL MEN BY THESE PRESENTS, that the Borough of Fountain Hill, Lehigh County, Commonwealth of Pennsylvania (“Borough”), a local government unit existing by and under the laws of said Commonwealth, for value received, hereby acknowledges itself indebted and promises to pay to the purchaser, or registered assigns, the sum of One Million Dollars (\$1,500,000.00) or, if less, the aggregate principal amount outstanding, in installments pursuant to Exhibit “A” attached hereto with initial interest on the unpaid principal balance at the initial rate of 2.860% per annum to be reset on April \_\_, 2027 at a floating rate equal to 65% of the *Wall Street Journal* Prime Rate or a fixed rate agreed upon by the Borough and payee, which shall in no event be less than 3.250% or greater than 5.500%, payable beginning on \_\_\_\_\_ 1, 2017, together with interest on overdue principal, and to the extent permitted by law, on overdue

interest, at the rate of 7.760% per annum (calculated by adding 5.00 percentage points per annum), as may be reset, (computed on the basis of 360 days to the year comprised of twelve (12) thirty (30) day months), with the option in the local government unit to anticipate any installment of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice of penalty.

The principal amount of the Note shall be advanced to the Borough in installments upon request by the Borough, from time to time, on any date from the date hereof until April \_\_\_\_, 2027. Both principal and interest are payable in such coin or currency as at the respective dates of payment thereof shall be legal tender for the payment of public and private debts, at the office of Lafayette Ambassador Bank.

It is hereby recited that this Note is authorized to be issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28<sup>th</sup> day of April, 1978, being Act 52 of the 1978 Session.

It is hereby certified that all acts, conditions, and things required to be or be done, happen, and be performed precedent to and in the issuance of this Note or in the creation of the debt of which it is evidence, have been done, happened and been performed in regular and due form and manner as required by law; and that this Note, together with all other indebtedness of the said local government unit is not in excess of any constitutional or statutory limitation and for the propel budgeting, appropriation, and the prompt and full payment of all the obligations of this Note the entire full faith, credit and taxing power of said local government unit are hereby irrevocably pledged.

It is hereby further certified that the said local government unit has effectively covenanted to include the amount of the debt service on this Note in each fiscal year for which such sums are due, in its budget for that year, to appropriate such amounts to the payment of such debt service, and to periodically pay or cause to paid the principal and interest thereon at the dates and places and in the manner stated herein, according to the true intent and meaning hereof.

If the date for payment of the principal of, premium, if any, or interest in this Note shall be Saturday or Sunday, legal holiday or a day on which banking institutions in the municipality where the principal office of the Fiscal Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have been the same force and effect as if made on the normal date of payment.

The proceedings with respect to the issuance this Note have been duly approved by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, and all other acts have been duly taken and conditions have been fulfilled which are requisite in connection with the issuance of this Note, and in the creation of the debt of which this is evidence. The debt represented by this Note, together with all other debt of the Borough, as defined in the Act, is not in excess of any constitutional or statutory limitation. The Borough has covenanted in the Ordinance to include in each annual budget of the Borough amounts sufficient to pay debt service on the Note when due, to make annual appropriations of such amounts and to pay said debt service in full when due.

The full faith, credit and taxing power of the Borough are hereby irrevocably pledged for the prompt and full payment of the interest on and principal of this Note and the fulfillment of the covenants of the Ordinance.

The Borough in the Ordinance has elected under and for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), to designate the Note as "Qualified Tax Exempt Obligation" as such term is defined in Section 265(b)(3)(B) of the Code.

The Borough has also covenanted in the Ordinance to make no investment of the proceeds of the Note, or money treated the same as such proceeds under applicable law, which would make the Note "arbitrage bond" under the Code, or any rule or regulation thereunder, and that it will not take any action or omit to any action which would cause the Note to become obligations the interest on which is not excludable from gross income for federal income tax purposes.

Every payment made on any indebtedness evidenced by this Note shall be applied first to interest computed to the effective date of payment and then to principal.

IN WITNESS WHEREOF, the Borough of Fountain Hill, Lehigh County, Pennsylvania, has caused this Note to be properly executed by the proper officers of the local government unit and its corporate seal to be hereto affixed, attested to by the Secretary as of the 3<sup>rd</sup> day of April 2017.

	Motion	2nd	Yes	No	Abstain	Absent
Philip Trabel			X			
Carolee Gifford			X			
Norman Blatt			X			
Annamarie Jordon	X		X			
Larry Rapp			X			
Doug Trotter		X	X			
Helen Halleman			X			
Mayor Jose Rosado						

Council President Rapp proceeded to Old Business:

Ms. Halleman questioned whether a pool staff had been hired for the 2017 season. Mr. Branco stated they he did not have any applicants, but Mr. Trabel would be giving a report.

PRESIDENTS REPORT: N/R

Council President Rapp proceeded to the Solicitor’s Report: N/R

Council President Rapp proceeded to Committee Reports:

- Finance Committee:  
Mr. Trotter reviewed the bills paid in each Fund, and made a motion for the approval of the bills. The motion was seconded by Ms. Gifford and was approved unanimously.
- Public Works Committee:  
Ms. Jordan presented the March Public Works report and commended Mr. Quarry and the Public Works Department on their outstanding job during last month’s snow storm.
- Police Committee: N/R
- House & Ordinance Committee:
  - Draft Marijuana Ordinance – Mr. Blatt stated that this Ordinance should be reviewed by the members of Council and that it would be discussed during the next Council session.
- Fire Committee: Ms. Gifford read the March fire report.

- Recreation Committee: Mr. Trabel informed Council that the candidate that applied for the Pool Manager's position has declined the job and that Mr. Branco would be meeting with the YMCA. Mr. Trabel stated that Ms. Jane Lindemuth had contacted him regarding running a snack stand at the park for the summer.
- Personnel Committee: N/R
- Health & Sanitation Committee: Ms. Halleman read the March Sewer and Sanitation report.

Council President Rapp asked if there were any reports from any Special or Select Committees. None reported.

Council President Rapp opened the meeting up to any public comments:

Ms. Aranka Haven of 846 Tombler St. asked Council if it would be possible to make the Real Estate tax bills payable in three installments, like Lehigh County offers. Mr. Blatt stated that he believes the Ordinance does not allow it.

Mr. Fred Capuano of 27 Warren St. asked Council how much the Public Works Garage was costing. Mr. Capuano stated that Council could have purchased the building across the street and renovated for less money and that that building would have moved the Borough into a new century.

Ms. Joann Reed of 833 N. Clewell St. asked Mr. Patanella about the use of their helicopter. Mr. Patanella stated that there was no truth to the rumor about St. Luke's constructing a new helipad, but that St. Luke's would use the parking lot at the nursing school in an emergency situation wherein their operational helipad is not functioning properly.

Ms. Gifford made the motion to adjourn to Executive Session to discuss personnel matters at 7:51 PM.

Council President Rapp asked for a motion to reconvene at 8:16 PM. Ms. Gifford made the motion, Mr. Trabel seconded the motion, and it was approved unanimously.

Mr. Lehr stated that during Executive Session, a discussion regarding employment was made and no decision was reached. Mr. Lehr asked for a motion from Council to accept the resignation of Mr. Christopher D'Amico or authorize Mr. Branco to terminate Mr. D'Amico. Ms. Jordan made the motion, Ms. Gifford seconded the motion, and it was approved unanimously.

Ms. Gifford made the motion to adjourn at 8:17 PM. Mr. Trotter seconded the motion and it was approved unanimously.

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Respectfully Submitted,

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Bethany Sebesta, Assistant to the Executive Administrator

**BOROUGH OF FOUNTAIN HILL  
LEHIGH COUNTY, PENNSYLVANIA**

By: \_\_\_\_\_  
Lawrence E. Rapp, President of Council

**ATTEST:**

By: \_\_\_\_\_  
Anthony Branco, Executive Administrator