

**KULPMONT BOROUGH
SPECIAL MEETING
FEBRUARY 4, 2014**

Opening Prayer by Councilperson Nicholas Bozza
The Pledge of Allegiance to the Flag by the body present,
Kulpmont Borough Council held a Special Meeting
Tuesday, February 4, 2014 at 7:00 p.m.

Roll call was taken and the following members were present: Nicholas Bozza, Clarence Deitrick, Stephanie Niglio, Philip Scicchitano, Bruno R. Varano and Stephen Motyka.

ABSENT: Mayor Novakoski and Councilman Joseph Winhofer

APPOINTED POSITIONS: Borough Solicitor William C. Cole

PRESENT: Russ Moroz Code Officer, Rhonda Wilk Borough Secretary and Police Officer Patrick McAndrew.

OTHERS PRESENT: Dave Krebs, Steve Matzura, Robert Michalkovich, Frank Bergonia, Richard Clayberger, Bill Maher, Mike Kaleta, Jr. , Jane Ortona, Christian Perles, Sondra Krebs, Ronda Pollack, Joe Pancerella, Bernie Nestico, Ed Stefanovich, Bob Pochakilo and Victor Nestico.

Council President Bruno R. Varano states that basically this is going to be a fact finding meeting and states that he cannot guarantee that there will be a vote taken today or not, and asks that everyone try to be civil to one another and tolerate each other.

Mr. Varano states that he knows that everyone is in a hyper state right now and asks everyone to please be calm.

Mr. Varano asks that anyone having something to say please step up to the microphone and state your name address and a brief synopsis as to why you are here.

Jane Ortona from 1113 Poplar Street and states that she is here because of the house next door to her has been fined many times and right now it is empty. Jane Ortona states that they had many problems with leaks, the landlord that has the home next door was empty and her daughter had been out in the yard with the dog and heard water running and she went and looked next door and a pipe broke and nobody lived in the house so she called her.

Ms. Ortona said she did not know what to do so she called the code officer and he got in touch with whoever is leasing the house next door and they were able to turn the water off, they were in there for five minutes and left, she has had damage and mold and it ruined the basement.

Ms. Ortona states that someone was in to look at her basement and this man thinks that on the opposite side that the sewer pipe is broken also. She states that they were wondering why they were getting these smells in their property.

Ms. Ortona states that the water is turned off there now, but the porches are falling off and the code enforcement officer has fined them many times and she states that she does not know what to do and does not even know who owns the property.

Mr. Varano suggests that she get in touch with the code officer.

Ms. Ortona states that he has contact with them and she states that she knows that he had fined them and people cannot live in it, they have the water turned off and states that this is going on since the summer.

Mr. Varano states that Russ Moroz will take care of that.

Mr. Varano asks if anyone else would like to speak.

No one spoke. Mr. Varano asks again if possibly anyone from the landlord association would like to speak.

No one came to the microphone, one person in the audience spoke out that they were waiting for a vote.

Mr. Varano states that they are not here tonight to vote, he states that they are looking for suggestions and states that if you guys do not have any more suggestions as far as a happy medium we are going to move on.

Mr. Varano states we may take a vote tonight or we may wait until next Tuesday and just digest this tonight and come up with something next week.

Mr. Varano states that however council wants to do it and states that if someone wants to make a motion and if not we will have to wait until next Tuesday.

MOTION- Mr. Scicchitano makes the motion and was seconded by Mr. Bozza to change the fees to be \$100.00 for the first property and \$60.00 for additional properties.

On a question Mr. Motyka states that the problem he sees is that this all stems from a couple bad apples in the apple cart and this treats them all of the same and it does not get to the bottom or the root of this as where a couple bad landlords and they are ruining it on the good landlords.

Mr. Deitrick states that he understands what he is saying but states that then what we should do then is increase the fines on the bad apples and not punish the good landlords.

Mr. Motyka states that he has a suggestion we could vote on the motion and then we could read through what I have put together.

Mr. Varano states that what you could do is make a subsidiary motion and then we would vote on the subsidiary motion first, if you wait until a motion passes then there is no sense in making a motion.

Mr. Motyka states that he would like to go over what he put together and states that he will read the core root of it all and states it is as follows; Landlord registration fee \$120.00 per property in the first year of registration, \$100.00 registration fee per property in the second year providing that there were no violations found in the first year at the landlord owned property and an \$80.00 registration fee thereafter as long as there were no violations found at a property. If a violation is found the fee would go back to \$120.00 for the following year and decrease annually as forth mentioned.

Mr. Motyka states that holds the bad landlords accountable.

Mr. Varano asks if he is putting that in form of subsidiary motion. Mr. Motyka states that he is.

SUBSIDIARY MOTION- Mr. Motyka makes the motion and was seconded by Mrs. Niglio for the landlord registration fee to start off at \$120.00 per property in the first year of registration, \$100.00 the second year per property providing no violations were found in the first year at a landlord owned property and an \$80.00 annual registration thereafter as long as there were no violations found at the property. If a violation is found, the fee would go back to \$120.00 for the following year and decrease annually as forth mentioned.

Mr. Coles states that council will have to vote on the subsidiary motion first.

Mr. Varano calls for a Roll Call Vote on the Subsidiary Motion.

ROLL CALL VOTE-

BOZZA (no), DEITRICK (no), MOTYKA (yes), NIGLIO (yes), SCICCHITANO (no), VARANO (yes), WINHOFER (absent)
3 YEAS, 3 NAYS

Mr. Varano states that we need a majority vote to pass it.

Mr. Varano states that now we will call for a Roll Call Vote on the motion made by Mr. Scicchitano and seconded by Mr. Bozza.

ROLL CALL VOTE-

BOZZA (yes), DEITRICK (yes), MOTYKA (no), NIGLIO (no), SCICCHITANO (yes), VARANO (no), WINHOFER (absent)
3 YEAS, 3 NAYS

Mr. Varano asks if there are any other suggestions.

Mr. Scicchitano questions on if this can be re-voted on next Tuesday. Mr. Varano states that it can absolutely as long as there is a motion made there has to be a majority of members present to pass a vote.

Mr. Varano states that he spoke with a landlord yesterday and he had a suggestion of a minimum of \$250.00 registration and then \$25.00 per unit after that and states that he told him he did not think that was high enough until he ran the numbers and it is not a bad idea.

Mr. Scicchitano asks how it works out for someone that has two properties.

Mr. Varano said that it doesn't, for someone that has one property or two properties but for somebody that has ten, fifteen or twenty properties well then.

Mr. Varano states that it is going to be tough to come to a happy medium here.

Mr. Deitrick states that something will happen with a full board.

Mr. Varano states absolutely because you are going to have a majority and worse case scenario we will have a three/four vote and it will be over finally one way or the other.

Mr. Maher asks if Mr. Varano is making a motion on that.

Mr. Cole states that whatever council decides and states that any motion put on the floor has to be duly seconded and have the majority of the votes.

Mr. Varano states that he has six or seven suggestions and that is why he thought to possibly digest some of this and come up with something for next week.

Mr. Motyka states that does not seem fair to all of the landlords.

Mr. Maher states that there is nothing fair to them.

Mr. Motyka states that you can't speak for all of the landlords.

Mr. Maher states that compared to what Shamokin charges, Mount Carmel charges and everyone in the area charges that is not being put on the table and states what is fair is \$25.00.

Ronda Pollack states that you have not researched enough to provide the actual fee you need that are associated with the landlords.

Mr. Varano replied to Ms. Pollack asking her if she realizes how many fees are associated with the landlords and states it is not just the fees when you come up here and talk to Russ, it is administration fees and compliance fees.

Mr. Ed Stefanovich asks what amount does that come out to and states because that is what it should be.

Mr. Varano states that it comes out to be a lot and that is why that motion was to raise that fee up to \$120.00.

Mr. Stefanovich states that when you add that up that is what that number should be.

Ms. Pollack questions if there was enough study for enough months to determine a specific amount of time that was given on landlord issues vs. things that were in the borough, was it 3 months or was it a year.

Mr. Varano replied there is Russ, ask him how much time he spends he will tell you he spends 80% of his time on rental units.

Mr. Varano states that registration does not only count for when you are signing your tenants up, registration counts for administration for this whole ordinance and compliance.

Mr. Maher states that is not true.

Mr. Varano states it is true.

Ms. Pollack states that every property does not take the same amount of time; you will have ones that are impeccable when you walk through and are in good condition and it will take 10 or 15 minutes to go through and do all of the checks that are on there.

Ms. Pollack states that if you have somebody that has a substandard property and these are the ones that people talk about that have all of the repetitive returns it may take 45 minutes and three or four times and that may be eight hours vs. 15 minutes and questions if it is logged the inspection 15 minutes, 45 minutes and how many times he had gone back.

She states that it is not the same.

Mr. Varano asks Ms. Pollack to please come to the microphone and state her name and address.

Ms. Ronda Pollack states that she has properties in Kulpmont, Mount Carmel and Shamokin.

Mr. Varano asks if she lives in Kulpmont.

Ms. Pollack states that she does, 1453 Scott Street and states that is her secondary address.

Mr. Varano states that the definition of where your home address is where you hang your hat at night and asks Mr. Cole if that is correct. Mr. Cole agrees.

Ms. Pollack states that it is about 6 months of the year and states that she also resides in Bucks County and states that she has a primary and a secondary and has been a landlord since about 1998.

Mr. Varano asks Ms. Pollack if she votes in Kulpmont.

Ms. Pollack states that she does not and states she does pay taxes and she contributes to the community, she does credit checks and background checks, she states that she is concerned about the people that come into this neighborhood. She states that she grew up in Mount Carmel and she is not a stranger to this area and states that it was Mayberry at one time and the people that are coming in here from out of the area there are safety issues, there is retention issues, fees and fear she states you can continue.

Mr. Varano questions if she had heard Ms. Ortona address this body before with her concerns or weren't you here yet.

Ms. Pollack states that months back when this was initiated she states that she would have been very active and states that it wasn't until somebody got a list and started to contact the landlords to make them aware of what was going on.

Ms. Pollack states her primary address is 125 miles away and she did not hear about what was going on until she was contacted and states that usually when you have your meetings you are not going to see a group of people like this, you may have two or three but this is not an issue that is going to affect one or two people, you have 272 units approximately and in those units you probably have two to four people, ok do the math.

Mr. Varano questions if Ms. Pollack has an agent since she did state that she lives 125 miles away.

Ms. Pollack states that she does and states that she owns and operates her properties and has people that work for her and agent which is Charles Barns and George Moyer and also has family in the area.

Mr. Varano questions if she has an agent listed on record. She states that she does and Russ Moroz could tell him that and what her properties are like and states that they are impeccable.

Mr. Varano states that you said you did not receive.....Ms. Pollack interjects and states about the landlord fees, increase per home, that there was meetings that were going to go

on pertaining to that and states that had she been notified back then..... Mr. Varano states that council did not call these meetings the landlords called these meetings, the landlord association.

Ms. Pollack states we are not an association and are not registered as association we are just a bunch of people that have a common interest but we don't pay.

Mr. Varano states AKA landlord association.

Ms. Pollack states that it is not AKA, because we are not registered and there is no fee associated with it the only bond we have with each other is that we invested our hard earned money into real estate not that we have any affiliation other than we are concerned about the money we spend just like you have a job, we have a job.

Mr. Varano asks Ms. Pollack if she has anything else to say that has not been said in the last four or five months.

Ms. Pollack states that she realizes that there are other issues such as the new building that is coming up and that is an important thing.

Mr. Varano states that we are not addressing that today; we had this meeting to address landlords.

Ms. Pollack states that she understand that and that you want this over with but you need to evaluate everything before you come up with a determined amount that justifies.

Mr. Motyka states that he would like to address an earlier comment today stating that he did not do his research and states that he had spent hours on the computer checking on one hundred different web sites all over this country and states maybe you think Mount Carmel and Shamokin's registration is out of line with Kulpmont's, that is the way it could be.

Ms. Pollack states that she had suggested a workshop for all of us to share all of the information we have and questions if he was able to share that information with them.

Mr. Maher questions if the sewer rates in Kulpmont roughly the same as Mount Carmel or Shamokin the answer is yes, within \$10.00.

Mr. Varano states ours are cheaper.

Mr. Maher states within ten dollars they are the same and this is a whole different ball game. Ms. Pollack states that we just had a 4.5 mill increase in taxes.

Ms. Pollack states rather that the 1.5 that was needed for the new building which was shared with me by your treasurer when I was in the office.

Mr. Varano states that 1.5 was for general purposes and had nothing to do with the building.

Ms. Pollack states that he also referred to her as a scum sucking landlord and states that she took highly offense to that also, very unprofessional and out of character and states that she cannot say nothing else.

Mr. Varano states that he apologizes for that, he didn't know anything about that.

Mr. Ed Stefanovich states that he lives in Den-Mar Gardens and owns a couple of rentals here in Kulpmont and is not a resident at the time and states that he just wants to say if there is a fee to be set then there should be hard facts of why the fee is set to a certain number and states that bringing it down to \$60.00 rather than \$120.00 is kind of just like reaching and pulling a number out of a hat because there is still not a reason why it should be \$60.00. He states that its like we are going to try and work with you guys its \$60.00 because it seems like a good number and is less than \$120.00.

Mr. Stefanovich states that if \$60.00 was the number it should be based on administration and registration fees and could show us why it was \$60.00 he states that he would not have a problem to pay it, you guys are not telling us why it should be a certain amount. He states that you are just saying we are going to work with you and here its \$60.00.

Mr. Stefanovich states that actually the year after year is not a bad idea based on tears but it should be started at a fair rate, not being punished first and start out lower and then go up if you have fines or violations. He states everyone should start out at a fair rate and then go from there.

Mr. Stefanovich states that he is sure Russ can tell you it is not all of the landlords that have problems or violations it is a select few.

Mr. Varano states that he and council know that and that they know exactly what he is saying.

Mr. Stefanovich states that he just feels that the number should be set at what it actually should be and not based on trying to get more money out of the landlord business, it should be fair and that is fair based on the registration fees and what it takes to run that portion of code enforcement. He states that he just cannot agree until he is shown this is what it should be and this is why it should be that and if it is \$60.00 and you have something to show it should be \$60.00 then fine.

Mr. Varano states that under section nine of the ordinance it states fees for the administration of this ordinance shall be determined by resolution from time to time by Borough Council.

Mr. Stefanovich states that possibly it should say more, its public knowledge as to how you generate that fee.

Mr. Maher states that if it is in black and white it would be a lot easier for people to digest.

Mr. Varano states that it cannot get any clearer than that.

Mr. Maher said not something as vague as you said it.

Mr. Varano asks Russ how much time he spends.

Mr. Maher interjects, not Russ's opinion, not your hands in the air because you are angry.

Mr. Varano states that he is not angry, he's the guy that's doing the job, who would know better than him.

Mr. Maher questions Mr. Varano on who is running the town Russ or him.

Mr. Varano replied he does not do his job, how could he tell him how many hours he spends on rental units.

Mr. Maher states that it all should be in black and white Bruno and if it is not shame on you.

Mr. Varano states that if he states that he spends 80% of his time on that then he has to believe that.

Mr. Maher states then show it he has to have a log, you have nothing to show and justify the fee.

Mrs. Niglio states that it is logged, his time is logged.

Mr. Deitrick states if we are going to go that way it is going to be closer to the \$120.00 than the \$60.00.

Mr. Maher states then show them it.

Mr. Varano states that he has a log and states that you cannot fit into an hour or two a week what he does.

Mrs. Niglio asks Mr. Cole if she could show some pictures to the landlords, there are people that call and complain and these properties are rentals, no pictures were shown.

Mr. Steve Matzura of 716 Pine Street came forward to the microphone.

Mr. Matzura questions Mr. Moroz if he could show Mrs. Niglio the pictures of a property on Spruce Street he showed him that is not a landlord property and is privately owned.

Mr. Matzura states that it is obvious that the borough did not research everything before they made the motion to make it \$120.00. He states that he asked everybody here where the fee came from and nobody could give an answer.

Mr. Matzura states that he submitted a Right to Know request and the answer he got was that we don't have the answer; nobody knows what the number should be.

Mr. Matzura states the number must be what it takes to regulate that ordinance in your hand.

Mr. Matzura states that he spends 80% of his time on landlord issues, then take out what is provided for every other citizen in this town. He states that your taxes pay for fire protection, police protection, the other ordinance codes in this town such as your porch is falling off, your grass is too high it does not matter if you are a landlord or the owner of this property you can't charge the landlords for those fees that everybody else gets as part of their taxes and that is a big part of Russ's time, but that is not part of that fee.

Mr. Matzura states that he supplied some people with the actual law in Pennsylvania that states that you can charge a fee for whatever it is but you need to supply the people that are paying the fee with services equal to the fee, you cannot charge more.

Mr. Matzura states that what you need to do is find out what that number is and right now nobody knows what that number is, it might be \$10.00 or it might be \$200.00 but he states before you enforce a fee, you must determine what the fee is.

Mr. Matzura states that he has said this to everybody in here and nobody knows and the fact that you cannot determine a number tells me you don't know what the fee is, some say \$60.00 some say \$100.00, nobody knows what the fee is.

Mr. Varano states that his log sheets will tell you how many hours Steve.

Mr. Matzura said they do not and that he has seen his log sheets.

Mr. Matzura states that the hours that he devotes, most of it is community codes, grass and garbage violations and it does not matter if he owns the property or I own the property or a tenant lives in a property that is part of the Borough Code and not part of that ordinance.

Mr. Varano states that it is part of that ordinance Steve.

Mr. Matzura states that it is but so does everybody else have to follow those codes.

Mr. Varano states that this one in particular.

Mr. Maher states that is a code for the borough Bruno, nobody is allowed to have 12" grass.

Mr. Varano questions if anybody read this besides Mr. Matzura.

Mr. Varano states establishing a residential rental housing license registration and inspection program and it has in about high grass, garbage, who is and who is not responsible.

Mr. Matzura states that the fee should be to do what it takes to do what you just read.

Mr. Varano states that takes a lot more than \$25.00.

Mr. Matzura states that is your opinion however there is no documentation to show that.

Mr. Varano states that the ordinance does not state that we need any documentation.

Mr. Matzura states the law does.

Mr. Varano states that we had it tested in court.

Mr. Matzura states that you had something totally different in court.

Mr. Varano states that it was about the fees.

Mr. Matzura states that he knows that and knew what was happening then and choose to not get involved then, but this is something totally different.

Mr. Matzura states that now its absurd \$120.00 per unit per year, there are guys that are going to give you \$10,000.00 in a few years they may as well give you one of their properties.

Mr. Matzura states that he said he was not going to speak; it is obvious that you need more time to figure this out.

Mr. Stefanovich suggests talking to neighboring communities and seeing how they came up with their fees and why.

Mr. Varano asks how many rental units does Mount Carmel have compared to Kulpmont and states you are comparing apples to oranges.

Mr. Matzura states it has nothing to do with the amount of rentals it has to do with what it takes to enforce the fee for the landlords.

Mr. Varano states that it costs us more per property than it would for them because they have more rental properties.

Mr. Matzura states that is what we have to figure out.

Mr. Maher asks if here he has less, there should be less work to cover.

Mr. Varano states that because we have less properties does not mean we have less violations.

Mr. Maher asks how many violations are there.

Mr. Varano replied lots. Mr. Maher asks how many lots is not a number.

Mr. Varano replies to him that he has our logs and I think that is astronomical for a community our size and 80% of them are from rental units, I am not saying any one of you I am just saying from rental units.

Mr. Matzura states that they are also to borough code and you cannot apply them specifically to landlords.

Mr. Varano states that you can apply them if they come under this ordinance and asks

Mr. Cole if he is correct.

Mr. Cole replied enforcing the ordinance.

Sondra Krebs states that she has two properties here that are not even rented yet and she states that she is seriously considering selling the properties and just getting the hell out of here because this is ridiculous and she asks why the borough does not go after the people that are causing the problems.

Mr. Varano asks what are you saying, Mr. Varano states that we don't do this we don't do that and asks what do you think we are doing.

Ms. Krebs asks if they are being fined.

Mr. Varano replies yes. Ms. Krebs recommends to then up the fine.

Mr. Varano states that you cannot base a budget on fines.

Mr. Varano asks if anyone else has anything to say if not we are moving on.

Ms. Krebs states yea, revoke the right to be a landlord in your community.

Ms. Krebs asks what it would be like here if people didn't have these rentals.

Mr. Varano replied for Ms. Krebs to calm down and stated that she does not even have the floor at this time. She replied that she will calm down.

Mr. Varano states that we are moving on.

Mr. Varano states we will go onto announcements.

Mr. Deitrick wishes all a Happy Valentines Day.

Mr. Varano asks for all to give council a week to look at all of this and states that at this time council will be going into executive session.

The Borough Solicitor William C. Cole states that the borough met in executive session for approximately thirty minutes to discuss possible litigation, contractual and personnel matters.

Mr. Motyka states that he just wanted to mention that on the 19th is a DCNR grant workshop from 9 AM until 12:00 in Nanticoke and states that the Mayor would like to go and if he cannot go along because of work he asks if anyone else would like to go.

Mr. Deitrick states that if the Mayor will be driving he will go along.

Mr. Motyka states that this is that 80/20 grant that we could maybe apply for a quarter million, big money to do the ramp field.

Mr. Varano states that they were going to give us \$50,000.00 for five years or something like that.

Mr. Deitrick states \$200,000.00 to start and then maybe \$50,000.00 for five years in a row but we could not get the property then.

Mr. Motyka states that he has some ideas and in the meantime he will take the Arial shots and draw up his ideas on a bridge, curb and walking track all of the way around. He states that it's worth a shot.

MOTION- Mr. Deitrick makes the motion and was seconded by Mr. Bozza to approve Rhonda Wilk to proceed to become a notary not to exceed a cost of \$200.00 for costs, supplies and registration fees.

VOICE VOTE –

Unanimous

THE MEETING WAS ADJOURNED AT THE CALL OF THE CHAIR

RHONDA WILK
BOROUGH SECRETARY

DATE OF APPROVAL