

**MINUTES
HAZLETON CITY COUNCIL
REGULAR MEETING
WEDNESDAY, MARCH 13, 2019**

Call to Order: Council met in regular session on Wednesday, March 13, 2019 in Council Chambers. The meeting was called to order at 6:00 pm.

Silent Meditation and Pledge of Allegiance: A silent moment was taken followed by the Pledge of Allegiance.

Roll Call: Barletta-present; Colombo-present; Mope-present; Perry-present; Gavio-absent.

Minutes of Previous Meetings: The minutes of the February 27, 2019 Regular Meeting were approved unanimously.

Presentations/Proclamations/Communications: - None

Bid Opening: None

Courtesy of the Floor (ON AGENDA ITEMS ONLY): Mark Rabo, 1st Street, Hazleton, spoke of Resolution 2019-18- A Resolution Approving the Maintenance Services Agreement between the City of Hazleton and Pennsylvania Department of Transportation. Rabo asked what services does the maintenance agreement include. He also spoke of Resolution 2019-19- Appointment to the Planning Commission- Robert Fiume. He asked if there were applications submitted for this position. Rabo also asked if this candidate is a relation to a City government employee or official. Mayor Cusat said it is "public comment". Rabo stated, "I guess I have to find that out".

Old Business:

ORDINANCES

None

RESOLUTIONS

None

New Business:

ORDINANCES

None

RESOLUTIONS

Resolution 2019-18

A Resolution Approving the Maintenance Services Agreement between the City of Hazleton and the Pennsylvania Department of Transportation

Presented by Mope. Seconded by Perry.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-absent.

RESOLUTION PASSES 4-0

Resolution 2019-19

Appointment to the Planning Commission-Robert Fiume

Presented by Perry. Seconded by Colombo.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-absent.

On the Question:

Mope asked if anyone can answer if Mr. Fiume is a relative of a city official. Mayor Cusat stated Mr. Fiume is not a relative or is he a City employee.

RESOLUTION PASSES 4-0

Comments from the Audience: Dee Deakos, 43 West Mine Street, Hazleton, spoke of the City street lighting replacement project. Deakos stated there is \$200,000 allowed to buy 800 fixtures. Deakos said, originally, there was \$250,000 requested, but the City only received \$200,000. She said, a few years back, there was a CDBG grant for \$75,000 to provide labor. She said she does not know what happened to the \$75,000. Deakos said for those three years there could have been 800 lights included. She said Mayor Cusat made a comment at the last city council meeting that he replaced some LED lights without savings. Deakos said looking at Smart Watt's presentation they are not "putting in" 357 lights. She stated the lights are already energy efficient, otherwise, they would be replacing the lights. Deakos said

Commonwealth also made a presentation in 2018. Deakos compared both presentations and stated Commonwealth was going to replace 1,760 lights versus 1,403 by Smart Watt. She said Commonwealth's bid was \$147,549 less than Smart Watt's, and getting 300 more lights. Deakos said "it is very interesting" that their bid is a lot less. She stated there was one projecting a savings. Deakos said Commonwealth conducted a study of all lights within the City. She said Commonwealth stated, in their study, which City lights would be replaced and what lights they would be replaced with. Deakos stated Smart Watt's presentation did not include any SPECTS. She said Smart Watt is giving the City higher savings. Deakos said she does not know where the number came from. She said she researched various fixture prices. She said their estimates were "pretty much the same" on the wattage. Deakos said they were only saving 43%. She said for the higher power lights that the City would get "less lumens. Deakos said Smart Watt's presentation did not "let the City know" what it would be replaced with.

Deakos said the City has waited three years to proceed with this project. She said every month the City has waited, the City has lost \$2,000. Deakos stated the City would have made this money if the 800 lights were replaced. She said the City needs to replace the lights using their employees. She said the City could not proceed with the second grant because the project was not done. Deakos said the City does not have enough information from Smart Watt. She stated Commonwealth did a "very nice" analysis. She said an RFP is not good for four years.

Mark Rabo, 1st Street, Hazleton, said Mr. Fiume is a relation to Mayor Cusat. He asked how a school board member can attend meetings when he needs to part of the Planning Commission. Rabo stated, by law, the Planning Commission, is to meet once a month. He also stated Mr. Fiume is Executive Director of Luzerne County Transportation (COLTS). He said this may impact the transit authority and also the grants between the City and state. He asked why the Planning Commission has not had regular monthly meetings. He said they need to update the City's comprehensive plan. Rabo said three years ago, city council passed a resolution updating the City's comprehensive plan. He said the City has changed tremendously since 1992. He said this can also get more grants for the City, i.e.- streets and blighted property. He said there is a planning grant that can be utilized for the city comprehensive plan for the Planning Commission. He said this is "sorely" needed. He suggested city council remind them of this.

Debbie Chunko, 202 West Thirwell Ave., Hazleton, is a City school bus driver. She is attending this meeting regarding the ordinance, being enforced, for school buses being parked on City streets. Chunko said she has several concerns. She said she parks her bus on Cedar Street, between Thirwell & Kiefer Avenues. She said she does not infringe on anyone's parking spot, or bother anyone. She said several bus drivers have confirmed they do not park in any residents parking spot. She said she has respect for other residents. She said her boss, Joe DiSabella, Rohrer Regional Manager, has told employees to "always" have respect. Chunko stated in New York City, bus drivers are permitted to park their buses on the streets. Chunko said New York City has designated signs as to where you can and cannot park. Chunko said she does not understand for a large city as New York City with their flow of traffic that the City of Hazleton would allow bus drivers to park their buses on City streets. She stated the City of McAdoo and Hazle Township do not have an ordinance to this effect. She said she loves her job, and does not make a lot of money. She said she needs to travel four times a day. She said this can be a financial burden to employees. Chunko stated their job is only 9 months out of the year. She said they also do trips within the district. She said she needs to park on the street, and was afraid of getting fined. Chunko said there are other buses, coming from outside school districts that are unaware of this ordinance. She said she has done school bus trips to New York, New Jersey and Philadelphia and has never had to worry about getting fined by an ordinance.

Chunko asked city council to reconsider and work with the ordinance to allow school buses to park on City streets. She asked if there can be a timeframe to allow the buses to park on streets. She stated the schools has been working with bus drivers in the evening.

Joe DiSabella, 437 Rock Glen Road, Sugarloaf, Rohrer Regional Manager, stated it is not just an inconvenience for bus drivers, but the school district has multiple activities that are conducted during the

day. He said his company can provide better service for them when they can park on City streets. He said Rohrer participates with the Emergency Management Team. DiSabella said it is good when the bus drivers can “get in and go”. DiSabella said “he thought” the ordinance referred to tractor trailers. He said there was never a problem parking buses on City streets, in the past. He said the school buses will not be parked, on City streets, in the summertime, and is willing to work with the City to make it convenient for everyone.

Mitch Tombs, 769 Keystone Industrial Park Road, Throop, Pa, Smart Watt Representative, said he is speaking, again, to “go over everything” on the street lighting project. He stated the City ran an RFP for soliciting contractors for a guaranteed energy savings project back in 2013. Tombs said the reason the City ran this is the only way the City could get the project done. He said this was through guaranteed energy savings. He said the City did not have capital funds to pay for this, and with a grant that was not available at this time, there was not enough money to pay for the project. He stated the City saw this option as to upgrade street lighting, save money and energy for the City, and do this for the “long-term”. He said as part of the RFP Smart Watt responded. Tombs said they were one of many contractors that responded. He said there was a required mandatory pre-proposal meeting that was attended by employees of Smart Watt, along with other contractors. Tombs stated Smart Watt responded to the RFP and was selected, by the City, to move forward with an investment grade audit and final project for the City to vote on. He said Smart Watt was selected, by the City of Hazleton, and a resolution was passed to work with Smart Watt for designing and delivering a final project to the City.

Mope stated the resolution required an audit by Smart Watt. Mope said there were other audits done, by contractors, under this RFP.

Perry stated Smart Watt was chosen, by the City, for the project. Perry asked Atty. Logsdon if a RFP can be re-open. Atty. Logsdon said there can be another RFP for the project. Perry stated city council does not want to “defeat” the way the process works. Atty. Logsdon said if there is a guaranteed energy savings project done, under this statute, then an RFP needs to be done. Mope stated there were a few proposals under this RFP. She said C Energy “came in” and they selected them. Mope said city council then gave them the ability to “move forward” into doing this audit for the City. Mope said this was the only thing city council voted for them to do. Atty. Logsdon said he needs to review these items that were sent to him by Mope.

Perry asked if everyone performed an audit. Tombs stated Smart Watt was selected, by the City, to perform the street lighting project, by resolution in 2014. He said the mayor signed an IGA agreement. He said nothing in the original resolution stated the City would do the project, but selected Smart Watt, as part of the GESA RFP, to put together an IGA, and come back with a final project.

Mope said, in 2018, Independence Lighting Company provided an RFP. Tombs stated the difference is this is a GESA project versus utilizing a grant fund and doing it under a capital project. He said this is a guaranteed energy project under PA State law. He said it was “run” through an RFP with Smart Watt being selected. Tombs said this project was started in 2015. He stated Smart Watt “started and stopped” under the direction of the City. He said Smart Watt has been a partner with the City “every step of the way”. Tombs said there were many times Smart Watt could have walked away. He said, normally, there would be a fee to design the project.

Mope asked if Smart Watt is charging for an estimate. Tombs stated it would be for the audit completed. Mope stated the other companies did not charge the City, in the past. He said considering the City of Hazleton’s financial situation, it was decided that Smart Watt opt out of charging a fee over the last 4-5 years.

Tombs said currently Smart Watt has delivered a final project and a brand new audit completed in 2019. Tombs said the pricing is also up-to-date. He said savings is up-to-date based on the current PA street

lighting tariff with PP&L. He said this is guaranteed by Smart Watt. He said the \$76,000 is guaranteed by Smart Watt to the City for the project. He said the savings will pay for the cost of the job year over year.

Mope asked if it includes the \$200,000 LSA grant that was incorporated into the cost of the project. Tombs stated the guarantee is separate. He said it is only on the savings by doing the upgrade. He said the grant would help “pay down the cost” of financing the job.

Perry said because the City waited, the City is not able to do more and the scope is much larger than it was previously. Tombs stated some of the benefits waiting is the cost of LED lights have “come down”, more savings, and Smart Watt could incorporate a full-scope. He said, originally, Smart Watt looked at the lighting that was used on utility poles that the utilities own. He said the City pays a higher cost for this on their utility bills. Tombs said all street lighting was “pulled-in”. Tombs stated it includes City-owned street lighting poles. He said this increased the scope by 200-300 fixtures and provided additional savings. He said it was kept at the original investment request for ten years.

Tombs said there is a discrepancy on what the City is being billed by PP&L. He said there is a difference in fixtures. He said Smart Watt has mapped and taken inventory of lights within the City. Tombs said Smart Watt has identified 150 fixtures that, currently, “are not there”, and do not exist. He said the City has been paying PP&L for this. He said PP&L plans to verify this information. Tombs said this would be substantial savings for the City. He said utilizing the grant funds, the City has upgraded 250 lights to LED over the last three years. The fixtures chosen and installed are not optimal output for fixtures. The upgrades have not been reported to the utility. He said no energy or cost savings has been gained because of this. Mope stated this would have “fell” on the previous city administrator.

Tombs said it would take another 16 years to finish the street lighting installation. He said if these are not reported to the utility, there would be zero savings. If they are reported to the utilities, there would be minimal savings based on the fixtures that are being installed. Mope asked why it would take 16 years for completion. Tombs stated this is based on how many the City has done over the last three years. Mope said the City replaced the lights when they burnt out. She said when city council passed the resolution for the LSA grant, the “impression” was given that the LSA grant was being done with the City workers doing the street light installation. She said this was a contribution on their part. Mope said there was \$75,000, put aside, in Community Development, for labor. She stated the original resolution had a “schedule worked out” for the grant with half of the City being done. She said the City would then apply for another LSA grant the following year. She said city council was not notified that the grant would “go in for” RFP’s. Mope said C Energy presented the best options that the City could take. She stated there was one company that had a lower bid. She said city council did not know why they made their decision. She said they were hired to give their opinion. Mope stated Smart Watt is here, under good will, trying to save the City money. Mope asked if Smart Watt has a subcontractor doing the installation. Tombs stated this was bid out and has a subcontractor, currently, lined up to do the installation. Tombs said the information was shared with the City, along with the SPECT sheets, on who Smart Watt would use. Mope stated city council never received this information. Tombs said there was an audit performed and shared with City administration. He said this was “gone over” with the City engineer, City administrator and other members of the City that Smart Watt is working with. He said they have been involved “every step of the way” including the final design.

Perry stated “no one” are engineers on city council. He said city council needs to rely on contractors and the engineers to make the decision. He said the City is trying to save money and trying to make money in the end. Perry said it is a matter on how the City wants to finance this project. He said Smart Watt is guaranteeing this project.

Tombs said Smart Watt was “brought on” to do a turnkey project that can save the City money, upgrade street lights, and the savings is guaranteed and pays for the cost of the job. Tombs said Smart Watt was able to widen the scope, in 2019, allowing the City to get more done. He said Smart Watt was asked to re-use the current fixtures as part of this project.

Mope asked with the additional savings if this would be a ten year project. Tombs said the savings is included with Smart Watt's guarantee. He said these are energy savings. He said there can be additional savings with not buying fixtures and installing them with their workers. Mope asked who would get the savings for the ten year project. Tombs said the City is currently paying PP&L for an old lighting system. He said Smart Watt designed a project that would save the City \$76,000 a year. He said instead of paying PP&L this extra money, the money would be to pay to finance the job. He said Smart Watt is not financing the job they are just "building" the job. Mope asked if the finance company would get the savings. Tombs said the City would pay back the finance project.

Brian Donald, Smart Watt representative, said the savings guaranteed, to the City, will cover the cost of the financing. He said any additional savings would go to the City. He said there are no shared savings. Mope asked how Smart Watt is getting paid. Tombs said Smart Watt gets paid for constructing the project. He said any savings in the future, beyond the term, the City would benefit. He said it is all being done through guaranteed savings.

Perry asked when the City would "take over" and replacing the street lights. Tombs said the City currently owns the assets. He said Smart Watt has a one-year workmanship warranty. There is a ten-year warranty with the manufacturer. Tombs said Smart Watt would provide inventory stock, to the City, in case a light would fail. Tombs said LED fixtures normally lasts over 100,000 hours/20 year period with an L-70 rating. He said if a light would fail, the City would have their local electrician replace the light with inventory stock. Mope stated the City would have their electrician install the lights as a secondary installer. Tombs agreed. Mope asked if there can be an expected outage at one time. Tombs said no. He said there are average failures, and the City will be covered with the warranty.

Donald stated by GESA law, Smart Watt is required to do a few things. He said Smart Watt guarantees the savings contractually, and by law. He said if Smart Watt "screws up", they are required by law to pay the City.

Grace Cuozzo, 948 James Street, Hazleton, asked if there is a copy of this contract with Smart Watt. Atty. Logsdon said there is no executed copy of a contract with Smart Watt. Cuozzo stated, in 2013, city council approved only an audit to be performed. She said based on 2015 when city council approved the LSA grant, the contract required the agreement to be submitted. Cuozzo said C Energy had made a recommendation. She said city council submitted, in 2015, an application to the State of PA. She said she read the application and there was no contract even "eluded to". She said before anything is done further, the City can end up with problems if they falsify information to the state. She suggested RFP'ing the whole project. She said in 2015 & 2016 there were more lights put in at the playgrounds. She suggested city council research this. She said the original resolution needs to be reviewed. Cuozzo said the contract needs to be looked at.

Perry thanked Smart Watt representatives for coming to the meeting.

Anthony R. Stanziola, 2 Saw Mill Road, Foster Township, PA, said as a public service he started a group called Motorists Defense League. He stated one aspect is dealing with parking meters. He said parking meters have been on municipal landscapes since 1935, and nationally, and in the City of Hazleton since 1938. Stanziola found a "loophole", in 1969, where a mechanical device is known as a vehicle is exempt from a municipal tax claim. He said the City's ordinance, in 1969, concerning parking meters became obsolete. He said he knows this is a controversial issue, but he plans to pursue this. He said there is an "urban legend" where you can go to a dealer and purchase a vehicle. He said then this becomes a resident's private property. Stanziola stated starting in 1919, all vehicles became federal property. He said if you owned a vehicle as private property then the certificate was given to you as a certificate of origin. He said the National Motor Vehicle Theft Act needs to be reviewed as to why the federal government got involved in 1919. Stanziola said there was a recall of certificates of title, issued by the Commonwealth, between 1905 & 1918, and were invalidated and reissued under federal regulations. He

said the “loophole” stems on the VIN plate. He said a VIN plate is put on an unregistered vehicle at the factory. He said this started in 1954. He said we are paying the state to issue a number the vehicle does not need. He stated the City ordinance, regarding parking meters, and to hold certain curb space for “ransom” is a taxing power. He said when a parking enforcement officer issues a ticket, this is called a parking fee or a tax. He said the vehicles tax number now is publically displayed. He said he has a You Tube channel. Stanziola stated one case from Oklahoma, in 1935. He said this case involved claiming a vehicle was private property.

Stanziola asked if the City has an inventory list of how many meters are on the streets. He asked if there are parking meters that are, currently, collecting revenue and are not “on the books”. He said the parking meters do not have numbers. He said they have PANGO numbers. He said the meters are not numerically identified. He said he went to the City garage a few months ago and saw City workers watching TV. He said ACT 202 of 1903 began with permanent registration at the county level at the prothonotary’s office. He said when it was centralized in 1905, each county was to get its share of the revenue (\$5.00). He said he had an issue with a parking meter. He could not see through it because the lens was cloudy. He said the meter had a certification sticker which expired. He said the City knows how much money is collected through fines. Stanziola said he knows the City needs the parking meter revenue to survive. He is going to start challenging the City’s parking meters.

Comments from Mayor:

Comments from Council: Perry thanked everyone for coming to the meeting. He is stated the school busing issue is a problem. He said residents are complaining the buses are blocking their parking spaces. He would like city council to work out something with Rohrer Bus Company.

Colombo thanked Junior Council members and all for coming to the city council meeting. He thanked all the residents for their comments. He also said city council will keep working on the school busing issue.

Mope thanked Smart Watt and residents for coming to the meeting. She said there will be a WORK SESSION to “iron out” the school busing issue. She said city council needs to talk with the City solicitor to see where the City stands. She wished everyone a Happy St. Patrick’s Day.

Barletta wished Anthony Colombo, city council member, a Happy Birthday.

Comments from Junior Council: None.

Adjournment: Barletta motioned to adjourn the meeting. Meeting adjourned