

**BOROUGH OF WEST READING  
BOROUGH COUNCIL MEETING**

**October 8, 2022 – 9:00 a.m.**

West Reading Borough Council held a Budget Workshop and Council Meeting at Borough Hall on Saturday, October 8, 2022 with the following persons present: Council President Ryan Lineaweaver; Council Vice President Philip Wert; Council Pro-Tem Christopher Lincoln (via zoom); Council Members Jennifer Bressler, Patrick Kaag, Denise Drobnick, and Zachary Shaver; Mayor Samantha Kaag; Public Works Director Kerry Grassley (via Zoom); Treasurer Jeanette Rentschler; Assistant Treasurer Helen Moyer; Borough Manager Dean Murray; and Borough Secretary Cynthia Madeira.

**VISITORS:** None

1. **CALL TO ORDER:** Council President Ryan Lineaweaver called the meeting to order at 9:04 a.m., which was followed by the Pledge of Allegiance and Roll Call.
2. **PUBLIC COMMENT:** There were no public comments.
3. **PUBLIC WORKS BUDGET:**

Mr. Murray noted that due to grant funding of the leaf picker all sale proceeds would need to be returned to the Department of Environmental Protection (DEP). However, the equipment may be donated to another municipality at no cost to either municipality. The Borough of Wyomissing has been contacted and is currently considering this offer.

The following updates to the Public Works budget were noted by Mrs. Rentschler:

**Public Works Expenses**

- **01-430-175 On Call Pay** – A new GL Code was created to identify on call pay of \$75 per day for two employees each weekend day per the Union contract and \$15,600 has been budgeted for 2023.
- **01-430-320 Communication Expense** – A new GL Code was created to identify monthly cell phone, land line and alarm expenses. The amount budgeted for 2023 was \$4,200.
- **01-430-375 Computer Equipment Maintenance and Repair** – A new GL Code was created to identify computer equipment, software, and subscription purchases. The amount budgeted for 2023 was \$10,500 to provide the mechanic a device and software to track all borough vehicle maintenance.
- **30-430-000 Highways Capital Expenditure** – Mr. Murray shared findings of the underground tunnel research between the elementary school and Franklin Manor. It was confirmed that the tunnel still exists and contains electrical and plumbing lines that would prohibit filling the tunnel. The concrete lid on the tunnel is roughly two-feet thick and should sustain a two-inch mil and overlay of Grape Street.

Mrs. Rentschler noted that per state guidelines liquid fuel funds may not be used towards in-house handicapped ramp projects. Mr. Murray noted that funds could be used towards road repairs. Mr. Wert recommended revisiting buying the street lights from Met-Ed to save on monthly expenses. It was recommended that the Environmental Advisory Council review the list of street lights that are being assessed monthly fees by Met-Ed to ensure that Penn and Fifth Avenue streetlights have been removed.

Mr. Wert noted neighbor abuse of the bulk collection regulations and inquired as to the potential savings in removing this service. The option to offer a paid tag system will be reviewed. Ms.

Drobnick recommended considering a reduction to the number of days per week that trash is collected to reduce expenses.

#### 4. **WATER SEWER AND SANITATION BUDGET:**

##### **Sanitation**

Mrs. Rentschler reviewed the 2023 Sanitation budget noting the following:

- **09-279-099 Sanitation Fund Balance** – Mrs. Rentschler noted that the fund balance began the year with \$138 and is ending the year with \$149,411. The projected 2023-year end fund balance of \$238,820 includes a \$10 per quarter reduced rate of \$90 per unit. It was noted that landfill disposal fees are roughly \$46,000 below budget now that the hauler is following collection guidelines. The Sanitation Fund transfers funds to the General Fund to cover administrative expenses, it was thought that these funds could also fund alley repairs. The hauler will be requested to project variations to the 2024 service expenses. Mrs. Rentschler noted that if the rate remained at \$100 per quarter per unit the fund balance should be roughly \$300,000 at the end of 2023. It was thought that a \$10 reduction per quarter would go unnoticed, however, funding alley improvements would be appreciated. Mrs. Rentschler entered a \$150,000 transfer to the General Fund for alley repairs, which would leave a 2023-year end fund balance of \$140,000.
- **09-354-500 Recycling Grant** – The amount budgeted for 2023 was \$207,000 for a grant being pursued by Mr. Grassley. The projected 2024 recycling grant revenues were \$119,000.
- **09-400-300 General Expenses** – An additional \$1,670 was included in the 2023 budgeted amount of \$5,170 to replace the fold and seal machine to process utility bills. The total cost of \$5,000 would be divided between water, sewer and sanitation line items.
- **09-400-336 Vehicle Replacements** – Mr. Grassley shared the following vehicle replacement plans for the year 2024:
  - Truck #23 is a 30-year-old 20-ton Mack dump truck that would be replaced through a recycling grant which would require a 30% match of funding of the estimated \$170,000 purchase price.
  - Truck #52 is a 20-year-old 2.5-ton dump truck that is estimated cost \$120,000 to replace. Mr. Murray noted the intent to retain truck #52 as a backup.
  - Truck #31 is a 10-ton dump truck that is estimated to cost \$135,000 to replace.

Grant awards should be announced in April of 2023 that would allow use of the funds within two-years from the date of the award.

- **09-400-740 Major Equipment Purchase (new GL Code)** – Mr. Murray highly recommended pursuing the purchase of a front-end loader with a 10% recycling grant match. The amount budgeted for 2023 was \$207,000, the total cost would be divided between water, sewer and sanitation line items.

##### **Water**

Mrs. Rentschler shared the projected 2022-year end fund balance of \$1,021,022 and noted that an increase in rates has not been included in the projected 2023-year end fund balance. Mr. Murray noted that Western Berks Water Authority should be providing the 2023 rates next week. It was noted that 2022 rates were increased 7%. Mr. Murray indicated that the rates are increasing due to a

reduction in demand and required maintenance upgrades. Mr. Grassley noted that the borough's loss percentage has decreased over the last few years.

Mrs. Rentschler reported that the year end fund balance is elevated now that funds are not being transferred to the Special Reserve Fund. The amount transferred in from Special Reserve was \$134,488 and from Capital Reserve from bond savings was \$180,113, which increased the Water Fund Balance by more than \$300,000. Mr. Lincoln requested clarification on transfers to or from the Special Reserve Funds, Mrs. Rentschler indicated that transfers to or from the Special Reserve Fund should only occur through the General Fund, not Water, Sewer, or Sanitation Funds.

It was noted that water rates have not been raised since the year 2020, and increases to the rates do not generally provide a large revenue increase. An example in raising commercial rates by 3% would generate roughly \$42,000, 5% would generate roughly \$71,000. Raising residential rates 5% would generate roughly \$21,000. It was decided to wait for rate increase information from Western Berks Water Authority prior to deciding on water rate increases.

- **06-400-210 Materials and Supplies** – Mrs. Rentschler reported that the year-end estimate of \$1,950 exceeds the budgeted \$1,100 due to increases to postage rates. The amount budgeted for 2023 was \$2,000.
- **06-400-336 Vehicle Replacements** – Mr. Grassley noted plans to replace truck #18 in 2023 that includes a lift gate and hoist estimated to cost \$90,000 that would be split between the water and sewer line items. This is the daily use vehicle that has been costing a considerable amount to maintain.
- **06-400-366 Water Purchase** – The amount budgeted for 2023 was projected to increase 5% totaling \$743,085.
- **06-400-501 Merchant Account Fees** – The amount budgeted for 2023 was \$4,000 to track credit card processing fees for utility payments.
- **06-400-740 Major Equipment Purchases** – The amount budgeted for 2023 was \$27,025 to fund the second of three annual payments of \$5,000 for the mini excavator that is divided between water and sewer, and the front-end loader grant match of \$11,500.
- **06-481-800 Capital Water Project** – Mr. Murray reported plans to apply for a grant to offset the expenses associated with replacing a water line on Spruce Street from South Fifth to South Sixth Avenue. The amount budgeted for 2023 was \$300,000.
- **06-492-010 Transfer to General Fund** – Mrs. Rentschler noted plans to transfer the same amount of funds from the Water Fund to the General Fund next year to cover administrative expenses totaling \$579,600.

#### **Sewer**

- **08-279-099 Sewer Fund Balance** – Mrs. Rentschler noted that the Sewer Fund balance is not doing as well as the Water Fund due to revenues being down and waiting for receipt of sewer grant funds for the Linden Lane project.
- **08-400-330 Grease Trap Inspections** – The year end estimate of \$5,400 exceeds the budgeted \$4,700. These inspections will be performed in-house next year, therefore, \$0 have been budgeted for 2023.
- **08-400-361 Electricity – Sewer Pumps** – A 5% increase totaling \$4,500 has been budgeted for next year that is based on increased electricity rates.

- **08-400-364 Sewer Use Charges** – An 8% increase totaling \$853,200 has been budgeted for next year. Mr. Murray is awaiting the final word on rate increases from the Joint Municipal Authority.
- **08-400-370 System Maintenance and Repairs** – The year end estimate of \$51,000 is below the budgeted \$68,000 due in part to the number of in-house repairs that were completed following the sewer line televising reports. The amount budgeted for 2023 was \$68,000.
- **08-481-800 Capital Sewer Project** – Mr. Murray noted that only televising of sewer lines is planned next year for a portion of Penn Avenue and the north side of the Borough. This would complete the cycle of videoing all Borough sewer lines. Mr. Lincoln asked if televising should continue on an annual basis or would there be a pause. Mr. Murray indicated there could be a pause but it is beneficial to monitor and make repairs in-house including slip lining projects to prevent leaks.
- **08-492-001 Transfer to General Fund** – Mrs. Rentschler noted plans to transfer the same amount of funds from the Sewer Fund to the General Fund next year to cover administrative expenses totaling \$579,600.

5. **BOROUGH MANAGER'S REPORT:**

- a. **Recreation Director** – Mr. Murray requested consideration to appoint Michael Esterly to the position of Recreation Director.

Motion to appoint Michael Esterly to the position of Recreation Director. **Moved** Mr. Kaag and seconded by Mr. Shaver. **Motion carried 7-0.**

- b. **Technology Grant** – Mr. Murray requested consideration to allow the Council President to execute an Upgrade Technology & Use of Force Training grant application.

Motion to authorize the Council President to execute an Upgrade Technology & Use of Force Training grant application. **Moved** by Mrs. Bressler and seconded by Mr. Wert. **Motion carried 7-0.**

6. **PUBLIC COMMENT:** There were no public comments.

Mr. Wert requested a status update on the PILOT agreement with Reading Hospital. Mr. Lineaweaver indicated that hospital representatives requested a twenty to thirty percent reduction. Following discussions surrounding the need to reduce services, an agreement was reached without an increase for 2023 and the remaining two years to include consumer price index (CPI) increases.

7. **ADJOURNMENT:** Motion to adjourn the meeting at 10:56 a.m. **Moved** by Ms. Drobnick and seconded by Mr. Kaag. **Motion carried 7-0.**

Respectfully submitted,

Cynthia Madeira  
Borough Secretary