

PRE MEETING BADEN BOROUGH COUNCIL OCTOBER 13, 2014

Council Vice-President Donna Michaels called the Pre-Meeting of Council to order at 7:00 p.m. in Council Chambers of the Baden Municipal Building, 149 State Street, to conduct business of general purposes.

PLEDGE OF ALLEGIANCE

PRESENT: Mr. Besong, Mr. Kotula, Mrs. Michaels, Mr. Stuban, Mr. Trzcianka, and Mrs. Villella (Not Present: Mrs. Montell)

ALSO PRESENT: Chief Christner, CEO Jim Napolitan, Mayor Gagliardi

Acknowledgement of Recordings

VISITORS

Joe Kostial – 1097 Franklin Avenue informed council (in reference to his inquiry about the 175th Anniversary Account) that he is not accusing anybody of taking any money or anything. In his opinion the summary report is incomplete and inaccurate. He is requesting an audit because of inadequate record keeping. Mr. Kostial asked if this account was included in the 2013 Borough Audit. Mrs. Michaels stated that the account was included in the audit and additionally Mrs. Villella, Ted Kotula and Mrs. Michaels herself reviewed the account and found no discrepancies. Mrs. Michaels also commented that the police are also doing their own investigation and the matter has been taken care of.

John Shelkons – 785 Athalia Street gave an update on the hearing request that he made with the PUC. The hearing date is November 13th, 1:30pm at the site (Pinney Street). Mrs. Rakovan did inform council that documents was received from the PUC regarding this matter and due to the importance of time constraints they were passed on to the solicitor for completion and response. Mr. Shelkons was questioning the comment on the solicitor's documentation that says at one point there is no proof that there is public access, but at the end it stated that there is public access. Council did not see the document in question, so it will be addressed to the solicitor at Wednesday's meeting.

DEPARTMENTAL REPORTS

BOROUGH SECRETARY

330 State Street - Mrs. Rakovan stated that the advertisement for the sale of 330 State Street was in last week's paper and the bid opening meeting will be Monday, October 20th at 1:00. She will contact council if bids are received.

Trautman Subdivision - Mrs. Rakovan stated that on Wednesday, there will be a subdivision for Council to give final approval to for Trautman property. It was already reviewed by Baden and County Planning Board.

PUBLIC WORKS

Mr. Josapak was not present.

CEO

Mr. Napolitan stated that Council has a copy of his report.

POLICE CHIEF

Borough Events - Chief Christner commented that for future borough events he would like to meet with the committee to get a better game plan of what is needed done.

Accident on Route 65 – Mr. Stuban asked about an accident on Route 65 that according to Facebook and street rumors is blaming the police. Chief Christner clarified that he has spent hours on the phone speaking with witnesses. Two officers responded to a domestic situation. One officer went off Logans Lane onto 65 North and the other officer went from Johnson Avenue onto 65 North. Both cars had lights and sirens. Cars started to move over for the officer that came off of Logans Lane. The accident took place before Johnson Avenue and was caused by a vehicle that sped up to move out of the way for the police car. Upon doing so when the vehicle went to get into the other lane it clipped another vehicle and then flipped multiple time. So in no way was the police vehicle that was coming off of Johnson Avenue the cause of the accident.

FIRE DEPARTMENT

Chief Trzcianka reported that there were 10 calls last month. Five in town and five out of town.

COMMITTEE REPORTS

Administration / Finance – Michael Stuban

Recess of Meeting - Mr. Stuban noted that during Wednesday's meeting he is going to ask to recess the meeting until a date in November so that the 2015 budget may be reviewed. Mr. Stuban commented that he is going to put all the fixed costs in the budget and then council can determine the other expenses. He commented that he is looking at a tax increase at this time so council needs to really look at the budget. Mr. Stuban also commented that the borough needs to start putting money away for projects and equipment (planning for the future).

330 State Street – Mr. Stuban stated that as of now there is no one interested in the property.

Financial – After Mr. Stuban gets the treasurer report he will have some financial motions for Wednesday's meeting.

Water Rates – Mr. Stuban stated that on Wednesday discussion and action may need to take place regarding the water rates.

Building, Properties and Grounds - Bob Besong

Library – Mr. Besong noted that nothing has been done to the library lately and that some type of wall is supposed to be put up.

Lights in the Park - Mr. Besong commented that Duquesne Light needs to replace the bulb in the Park.

Clock – Mr. Kotula commented that he will be making a motion on Wednesday to get a new clock for the community room.

Community Room Painting – Mr. Kotula commented that he will make a motion on Wednesday to get three bids to paint the community room.

Mrs. Villella commented and asked if there is a policy that tape can't be used on the walls. Mrs. Rakovan noted that we do tell people not to use tape on the walls. She further explained that when the room is rented for both days over the weekend it cannot be determined on Monday who is responsible for the tape. Mrs. Rakovan stated that when Dorothy did the janitorial service she took it upon herself to come in on weekends to check the community room and bathrooms after each rental. The current janitorial

service does not do this. Mrs. Rakovan recommended that some sort of trim be put up that would allow for things to be hung up.

Community Relations – Ted Kotula

Baden Walk - Mr. Kotula stated that he is still working on the design and plans for the walk and signs. He also commented that he would like to apply for a grant through Walmart to assist with the purchase of the signs. The Grant is not a matching grant.

Signs – Mr. Kotula stated that he is meeting with Representative Matzie on Thursday to discuss signs being put up on State Roads that direct drivers to Baden. He asked if anyone knows a location that a sign may be needed or piggyback a sign that say Baden/Ambridge or Baden/Economy to please let him know.

Facebook – Mr. Kotula stated that Facebook for Baden should be up within the month and he would like to put on Facebook that he'd like to meet the week before Council Meeting with residents who would be interested to give their input and help with the goals of the Community Relations Committee.

Library – Kim Vilella

Mrs. Vilella gave an overview of attendance to the monthly library activities. Currently the new librarian is putting together new programs. They just applied for a broadband grant to update the computer and internet connections. They signed up 38 new users and 1,188 were borrowed from the library last month.

Public Safety – Kim Vilella

175th Anniversary – Mrs. Vilella addressed Mr. Kostial's earlier comments. She stated that she met with the Mayor and Chief last week to discuss a complaint that they received. Mrs. Vilella commented that she had a review board that assembled on Wednesday (Mr. Kotula, Mrs. Michaels, and Mrs. Vilella) to review the account. There were no discrepancies. Mr. Kostial asked if Mrs. Vilella was an auditor and how is she qualified to say there were no discrepancies. Mr. Kostial stated that there were discrepancies. Mrs. Michael's informed Mr. Kostial that he had to wait until the end of the meeting for his comments. Mrs. Vilella stated that she informed all of council of the outcome of their review. She also stated the audit was given to council but they need to be approved by council before they can be released for public review. The 175th Account is included in the audit. Mrs. Vilella stated that she did speak to Mark Turnley that morning to verify that the account was included and it was. The auditor would be glad to speak with the Chief if there happen to be any questions he may have. Mrs. Vilella stated that she feels council was diligent in investigating Mr. Kostial complaint.

Mayor Gagliardi stated that there are a lot of issues going back and forth regarding this matter. He said a concern was brought to him and as the Chief Enforcement Officer he was obligated to look into the matter. Mayor Gagliardi spoke to the Chief and the next step up was to contact the Beaver County District Attorney who informed the Chief that the DA does criminal investigations and this is an audit. The DA recommended an outside audit be done. The Mayor stated that the citizen is not questioning any criminal action. The Mayor commented that for the betterment of the citizens and council as most organizations become defunct and out of style if there are any outstanding commitments in the future you put that amount in escrow. Then you have a final audit to approve or disapprove what took place within your organization and then disband. He stated that an internal audit isn't accepted because the fox is watching the chicken coup. He said we don't need a forensic audit, but recommended to get some accountant from Beaver County for \$400 or \$500 to prove yourself and residents that nothing was wrong.

Mrs. Vilella stated that she didn't know the account was going to be included in the Borough audit until she saw it last week. She stated that since the account was included in the borough audit that this should suffice.

Mr. Stuban commented that the borough should not be paying for the audit. He stated that the complaint came from Mr. Kostial. Mr. Stuban stated that the audit is

approximately \$400. Mr. Stuban addressed Mr. Kostial saying that he would pay \$200 if Mr. Kostial would pay the other \$200. This way it would not cost tax payer dollars and he could have his answers. Further discussion followed which included Mr. Stuban saying that other accounts may need to be audited where borough money was given and he gave the example of the \$500 given to Crime Watch. Mr. Stuban stated that every check and every receipt is accounted for within the 175th Account as well as every motion and transfer.

Mrs. Vilella again stated that the borough auditor would welcome any questions.

Mayor Gagliardi commented that we should all have learned a lesson from the Coach Paterno/Sandusky problems. When something is kicked to you, you better kick it up stairs to the right people. He continued to say nothing criminal is being assumed however procedures could have been tightened up. Mayor Gagliardi addressed Mr. Stuban as the Chairman of the committee and Mr. Stuban corrected the Mayor by stating that Mr. Besong was the Chairman and that he (Mr. Stuban) ran the committee. Mr. Stuban stated that he ran everything and under the Right To Know Mr. Kostial requested copies of the information that the borough office has on file and he was given all of that information. Mr. Stuban stated that during last month's meeting he told Mr. Kostial that he would answer any questions he may have.

Mayor Gagliardi read minutes from 9/19/12 Mrs. Vilella stated that Baden will have a 2013 Celebration and that Michael Stuban will be the head of the anniversary celebration. Mr. Stuban noted that he was never appointed by Council. Mayor Gagliardi also noted that Bill Angel was the treasurer for a few months prior to having family matters that he needed to attend to. Mr. Stuban commented that the money was deposited into a simple bank account. About 22 checks were written. The borough secretary was asked to deposit the money. She did not want to do it but we did it this way so that if anyone wanted to see anything it was here to be seen. Any checks written were done so by either Mr. Stuban or the secretary with two signatures (secretary and Mr. Besong's stamp signature). Mr. Stuban continued to state that all checks were written under his direction and not Mr. Besongs.

Mr. Stuban commented that when the 175th Anniversary Committee met last year (for those who volunteered to serve on it) it was determined that we (the committee) was going to wait a full year before closing out because items (books and coins) were still being sold. So no final report has been done yet because they still have to meet and determine what to do with the balance of the money. He stated that part of the original discussion was to form a historical group or give the money to charity. This meeting would have taken place in November but now this investigation is taking place.

Mayor Gagliardi stated that the \$400 for an audit should be taken out of the Anniversary Account to satisfy everyone. Mr. Stuban noted that the committee decides where the money is being spent and he will not agree to the audit because if it's a criminal investigation it should come from the police budget.

Mrs. Vilella again commented that an outside auditor did audit the books so the recommendation was satisfied. Mr. Trzcianka asked what the cost was for the audit. Mr. Stuban responded approximately \$6,500. Mr. Trzcianka stated that an additional \$400 for an audit of items that are included in the original audit is ridiculous.

Chief Christner stated that to move forward and tie up loose ends or to proceed with the investigation he is going to go back and talk to the DA to get direction.

Mr. Besong made a comment that he refused to take the chairmanship and he gave it Mr. Stuban. Mr. Besong stated that he met with the police department and now Mrs. Vilella had her meetings and is now saying everything is all settled. He stated that he is not satisfied and he is going to go with the police department and District Attorney's recommendation. Mr. Besong expressed his dismay with not being a part of the meeting when Mrs. Vilella, Mrs. Michaels and Mr. Kotula met. Mrs. Vilella stated that she called the Mayor and Chief after they met and she did not have to call Mr. Besong.

Mr. Angel spoke up explaining that an audit is nothing more than giving a piece of mind however there are general accepted accounting procedures that should be followed.

Transactions should have proper documentation. He doesn't feel an audit would hurt anything and he believes no wrong doing was done. Mr. Angel also noted that only certified public accountant may do an audit that would be legally accepted.

Mr. Kostial stated that one of his questions that he raised was that the account started with \$16,000. There was \$27,000 in expenses leaving a minus \$10,818, not a \$3,069 profit. The inventory isn't complete, there is nothing that states how many meal tickets were sold, there is nothing on the 50/50 and he is just giving his opinion on what he sees. Mr. Kostial noted that Mike (Mr. Stuban) was paid big money on a quote, not an invoice. Mr. Kostial commented that the borough requires that all bills have two signatures before being paid. Mr. Stuban stated that this was not a council run event.

Mr. Kolakowski gave his support for an outside audit noting that he too believes there was no wrong doing.

Mrs. Villella stated that she was happy to see Mr. Angel present at the meeting because it adds more value to this situation because one citizen complaints it shouldn't be a bully tactic to spend tax payers dollars. She commented that Council is here to serve many not a few. However, if there is a community concern then more insight is needed. Mrs. Villella stated that everything matches up and the numbers are all there.

Mr. Trzcianka stated his opinion against doing an outside audit.

Mr. Weber expressed his opinion about spending money because of one person's complaints.

Mr. Kotula spoke up stating that he agrees with Mr. Stuban that this (audit) is extra money spent but he felt that this should be handled in two parts. First he felt that an audit be done only because it will put the doubt out of the community even if it is redundant. Second, once the audit is done, we need to see what must be done to prevent this situation in the future events.

Mrs. Rakovan asked to make a comment that has nothing to do with the audit process. She stated that the original committee for the 175th Anniversary was a lot of work. Originally it was organized by Carol Sambol. There were many people willing to help, but when it came down to getting everything done; the one who was coming into the office making arrangements, juggling multiple things and being handed money from every direction was Michael Stuban. He would stand in the office add up the money and checks and turn it over to the secretary for deposit. Mrs. Rakovan stated the major problem was that people volunteered to be on the committee and they didn't do their job. Everything that took place for the 175th Anniversary Celebration was the product of Mr. Stuban's hard work.

Mayor Gagliardi commented that Mr. Stuban doing a fantastic job is not the issue. The issue is the people not doing their job. He gave for example a \$6,000 check written out for miscellaneous. Mrs. Villella stated that there is no miscellaneous check for \$6,000. There are invoices to back up the check. Mrs. Villella commented that the extra bills that were in the file and didn't match a check was because those bills were paid by Michael Stuban out of his own personal money.

Mr. Weber stated that he guarantees that Mr. Stuban has put at least \$6,000 of his own money into the Anniversary. Mrs. Villella agreed.

Mr. Stuban stated that he does not mind the account going to the police or the DA. Mr. Stuban did express he was not going to put up with one individual that has a vendetta against him that is costing tax payer money.

Mrs. Villella commented that the cancelled check is the receipt. Mr. Kostial asked about the journal entries. Mrs. Villella stated that the check book is the journal entry.

Mrs. Michaels commented to move on with the meeting and that a motion will be made on Wednesday to audit the account for \$500.

Mr. Trzcianka expressed being against the unnecessary expense to audit again. Mr. Kostial commented that the Fire Department should be audited too. Mr. Trzcianka commented that their books are audited every year.

Mayor Gagliardi quoted from the March 13th 2013 minutes that Mrs. Rakovan asked the Chief to supply an invoice to pay the bill for the \$50 to the Humane Society for animal control. He stated that this is a good procedure and maybe this is being questioned, accounting procedures.

Mr. Besong commented that the only reason why his name was on the checks is because she (Mrs. Rakovan) had a stamp with my name on it. He stated not to say he signed the checks when she (Mrs. Rakovan) stamped his signature. Mr. Besong then said that he had to get this out that the last meeting I attended here as president I went to the bank to deposit my check and my name was stamped upside down; that was a nice thank you for all those years I served.

Mayor Gagliardi stated that council has always approved a facsimile stamped signature.

Mr. Stuban commented that he knows it was Bob's stamped signature and he was not accusing him of anything.

Police Consolidation Meeting - Mr. Stuban stated that he will be attending a police consolidation meeting on Thursday in Ambridge.

Public Works – Dave Trzcianka

Mr. Trzcianka stated that the union was talked to as well as the employee. A procedure is currently being worked on regarding disciplinary action.

Recreation and Communications - Donna Michaels

Halloween Parade – October 25th. It will start at 10:30 am at the Baden Legion and end at the Fire Department. The WISH Van will be here for 90 minutes.

Trick-or-Treat – Thursday, October 30th from 6PM to 8PM

Leaf pickup dates – Saturday, November 8th, 22nd and December 6th

Wood Chipping – Last date for wood chipping October 23rd.

Mrs. Michaels thanked everyone for participating and helping with the Applefest.

Recycling and Waste Management – Donna Michaels

Mrs. Michaels had nothing to report.

Mayor's Report – Sam Gagliardi

SOP – Chief Christner asked if Council was going to approve the SOP on Wednesday. Mr. Stuban commented that it would be on the agenda on Wednesday.

Mayor Gagliardi commented that it was a good discussion this evening and there was no reason to get upset. He stated that nothing should be put under the table and everything should be out in the open.

President's Report – Judi Montell

Not present

OLD/NEW BUSINESS

None

ADJOURNMENT

MOTION by Mr. Stuban, second by Mr. Trzcianka carried unanimously to adjourn the meeting.

Meeting adjourned at 8:55 PM

Respectfully submitted for approval,



Elaine K. Rakovan
Borough Secretary
November 17, 2014