

Tredyffrin Township

Minutes – December 15, 2008

The second regular meeting of the Board of Supervisors of Tredyffrin Township for the month of December was held on the above date at the Township Building. Board members present included Warren Kampf, Chairman; Robert Lamina, Vice Chairman (by telephone); Bill DeHaven, Mark DiFeliciano, John DiBuonaventuro, Judy DiFilippo, and Paul Olson. Also in attendance were Mimi Gleason, Township Manager; Stephen F. Norcini, Director of Public Works; David Brill, Finance Director; Stephen Burgo, Township Engineer; Superintendent Andrew Chambers; Thomas Hogan, Solicitor; Lt. Anthony Giaimo; and Jolene Buffman, Recording Secretary.

Call to Order

Mr. Kampf called the meeting to order at 7:30 p.m.

Minutes

Motion was made by Mr. Olson, seconded by Mrs. DiFilippo, and passed unanimously to approve the minutes of the regular meeting held December 1, 2008.

Announcements

The Board of Supervisors will hold a public hearing at the second meeting in January 2009 to consider amendments to the Stormwater Ordinance.

The Board of Supervisors will hold a public hearing at the second meeting in January 2009 to consider adoption of a new Comprehensive Plan.

Presentation of Check from Staples Dream Park Challenge for Mill Road Park

Tami Schofield, Chairman of the Park & Recreation Board, presented a check to the Township for \$5,000 for the Staples Dream Park Challenge. In conjunction with Staples and the Philadelphia Eagles, this contest was opened to 15 parks in the Philadelphia area, and Tredyffrin's Mill Road Park came in third place. Mrs. Schofield congratulated Hilliary Mallory, Park and Recreation Coordinator, for her efforts in getting votes for Mill Road Park.

Miscellaneous - Approve 2009 Final Budget

Mr. Kampf made a motion to adopt the Preliminary Budget that was approved by the Board on November 17, 2008 as the 2009 Final Budget. Mr. Olson seconded the motion.

Mr. Kampf said the budget is \$19,300,000 in General Fund expenditures. There is no increase over last year's General Fund and this draft budget is 3% less than last year's budget. It includes a 2.4% tax increase which is approximately \$11 per household. It involves \$15 million

in cuts and deferrals and also involves a salary and longevity pay freeze for all non-contract employees. Mr. Kampf said he spoke with a number of employees affected by the freeze, and the sentiment was he did not come to the defense of these employees. He said the employees who serve the Board and the Township do a wonderful job, and he apologized for not having stated it the last time the issue was addressed.

Mr. Kampf discussed the transfer tax trend from 2005 to 2007, what we receive from large transfer taxes, which is anything over \$20,000 in receipts. In 2005, we received \$975,000; in 2006, we received \$3 million, and in 2007 we received \$1.9 million. We have received no transfer tax revenue in 2008 above \$20,000. We had budgeted \$2.75 million for transfer taxes which are less than \$20,000 for 2008.

Mr. Kampf said there are 120 employees in the Township, 50 police, 50 staff, and 20 public works. Additional annual expenses for the Township over the last five years include an additional contribution to the fire companies of \$100,000 per year; \$85,000 to maintain Wilson Farm Park, and \$350,000 put away in a fund for unfunded health care liability. These are difficult expenses to take away. He said the Local Services Tax of \$52 for people who work in the Township brings in \$1.9 million.

Mr. Kampf said we have a structural deficit of \$2.5 million. The \$11 million in the bank today is largely from transfer taxes. We use money everywhere from that bank account to fund the difference from our other revenues, but it gets replenished every year, except for this year, so we have to draw down reserves. We will have \$8 million left in reserves in 2009, \$4.5 million at the end of 2010, and \$1 million at the end of 2011. In 2012, we will have to take out a loan of \$3.5 million just to operate. Mr. Kampf said when revenue falls, something has to give. We could lay off 35-40 employees, sell Wilson Farm Park, or raise taxes 50%. These are drastic measures, but they don't have to be done tonight.

Jerry Henige said he was concerned about the structural deficit and the 2009 tax increase. It has the potential for undermining our stability. He suggested documenting all costs associated with all projects, and encouraged suspending non-essential projects, such as Westover Park. He was opposed to suspending salaries of employees, and to find out what other government agencies' salaries are. He said in the current situation, the only responsible thing to do is raise taxes.

Jay Halsey spoke about the dedicated police and support staff. He finds it objectionable to look at freezing the salaries of the police and employees who support emergency services. There are many other areas and avenues to reduce our budget. Mr. Kampf said the budget doesn't include freezing police officer's pay; they are covered by a bargaining unit. Dave Tollifson seconded Mr. Halsey's comments, and objected to freezes on positions.

Bob O'Leary thanked Mr. Kampf for his educational presentation, as well as Ms. Gleason, for her first budget presentation, which showed the Township's tax increases compared to County and School District taxes over the last ten years. The Board has very prudently managed their accounts, money, and tax levels over the course of the last ten year. Nobody wants to have taxes increased, but we want our services to continue. He said he has spent a lot of

time with staff volunteering with the Township, and one of the most important things is to value your employees. It is not the way to go to impose many burdens on them in the same year. He feels many of the employees are underpaid for the services they perform.

Mike Broadhurst commended the work done on the budget but said there needs to be more done. The Township needs to undertake a study to know what our future looks like. He agreed with freezing salaries, and disagreed with raising taxes.

Mark Werther said there are conflicts and contradictions in the Township. He would like to see a zero based budget. Shirley Young was concerned the Township would lose our good bond rating, and was against spending for Westover Park. Linda Leighbody read a letter from Sam Becker of the Municipal Authority who was against a citizen advisory board. E. J. Richter said we need to look a little deeper to find a way to trim the budget. She was against a citizen advisory board and said this should be handled by the Supervisors. Jack Marchiano said a tax increase is difficult to justify. Michael McTiernan wondered if the economic climate changed, would it bring taxes down. Ray Clark said the preliminary budget reflects the sharing of pain, but we need to keep spending levels down so we don't go further into debt.

Mr. DiBuonaventuro made a motion to defer building Westover Park out of the 2009 budget. Mrs. DiFilippo seconded the motion. Mrs. DiFilippo asked if the intersection work was completed. Ms. Gleason said the work is half-way completed, and staff is close to getting the required permits. Mrs. DiFilippo suggested completing the intersection design process and defer the construction of the park.

Mr. DiBuonaventuro amended his motion to include completing the intersection design and requesting the required permits from PennDot. Mr. DiFelicianantonio and Mr. DeHaven agreed we should continue with the design of the intersection.

Mr. Kampf rephrased the motion to read "Motion to remove from the 2009 budget the design money for the park itself, the capital money for building the park, and the capital money for constructing the intersection".

Mr. Lamina asked if this would void the grant. Ms. Gleason said the State grant expires at the end of 2009 and we will ask for an extension, or for support to withdraw and reapply. The County funding source will still be available to apply for.

At the end of discussion the motion carried.

Mrs. DiFilippo made a motion to amend the 2009 Budget by reversing the salary related freezes for all non-union employees for pay raises and longevity. Mr. DeHaven seconded the motion.

Mr. Olson said freezing salaries does not appear unreasonable in light of these economic times. Mrs. DiFilippo said there had been discussions with staff about benefit packages and with this change, if we restore their pay increase comes a request that Staff work with the Board to restructure the compensation packages for all employees.

Several residents spoke against raising employees' salaries. Mr. Lamina asked Mrs. DiFilippo if she supported moving from a Cost of Living increase in 2010 to a pay-for-performance system and she agreed.

At the end of discussion, a roll call vote was taken:

	<u>Vote:</u>
Mr. DiFelicianantonio	Yes
Mr. DiBuonaventuro	Yes
Mr. Lamina	No
Mr. Kampf	No
Mrs. DiFilippo	Yes
Mr. Olson	No
Mr. DeHaven	Yes

Motion passed by a vote of 4-3.

Mr. DeHaven made a motion to reduce the Police budget by \$60,000 but direct the Superintendent to find those dollars and cut them. Mr. Olson seconded the motion.

Mr. DiBuonaventuro said the Superintendent said this was doable, and this will maintain the officer head count at 50.

At the end of discussion, a roll call vote was taken:

	<u>Vote:</u>
Mr. DiFelicianantonio	Yes
Mr. DiBuonaventuro	Yes
Mr. Lamina	Yes
Mr. Kampf	Yes
Mrs. DiFilippo	Yes
Mr. Olson	Yes
Mr. DeHaven	Yes

Motion passed unanimously.

Mr. DeHaven made a motion to put the 2.4% tax increase, which is \$11 per household, toward reducing the structural deficit. Mrs. DiFilippo seconded the motion, and it passed unanimously.

Mr. DiFelicianantonio asked about restoring \$25,000 from the Library to the budget. Joe Sherwood, Library Director, said it wouldn't be fair to put it back, with what the other departments are doing.

Mrs. DiFilippo made a motion to amend the budget and commit to finding \$100,000 savings during the 2009 calendar year. Mr. DeHaven seconded the motion.

There was a discussion about having Ms. Gleason provide regular updates, either monthly or quarterly, showing where the money was coming from. Ms. Gleason said she would commit to finding the reduction throughout the year.

Mr. Lamina left the call at 9:45 p.m.

Mrs. DiFilippo amended her motion to commit to a reduction of \$100,000 in savings from salaries, benefits, and compensation package. Mr. Olson seconded the motion. Mr. Lamina returned to the call. Motion passed unanimously.

Mr. Kampf made a motion to instruct the Manager to find \$100,000 in cuts without affecting the line items in the current draft. Mr. Olson seconded the motion and it passed unanimously.

Mr. DiBuonaventuro made a motion to have a 0% tax increase this year. There was no second to the motion.

Mr. Kampf called for a roll call vote for his original motion for the Final Budget, as amended:

	<u>Vote:</u>
Mr. DeHaven	Yes
Mr. Olson	Yes
Mrs. DiFilippo	Yes
Mr. Kampf	Yes
Mr. Lamina	Yes
Mr. DiBuonaventuro	No
Mr. DiFelicianantonio	Yes

Motion carried to adopt the 2009 Budget, as amended.

Mr. Lamina left the call at 10:00 pm.

Miscellaneous - Supervisor Liaison Reports

Mr. Olson said the Library should be fully functional by December 31st. Joe Sherwood, Library Director, said attendance is not back to the preconstruction numbers yet, but it is continuing to increase.

Mr. DiBuonaventuro said the 501(c)(3) Park and Recreation Foundation will have their initial meeting in early January.

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Mr. DiBuonaventuro said some 500 residents have signed up for the citizen's notification system he mentioned at the last meeting. The website is www.checo.alertpa.org.

Mr. Kampf said the Board met in Executive Session before the meeting to discuss legal matters.

Mr. Kampf said he is the Board Liaison to the EAC, and a resolution was requested by the committee to ensure the Township will review the draft zoning ordinance, to protect stream quality. Motion was made by Mrs. DiFilippo to ensure the Township's participation in the review of the draft Zoning Ordinance and Subdivision and Land Development Ordinance amendments to protect stream quality by creating a Riparian Buffer Conservation District in Tredyffrin Township. Mr. Olson seconded the motion and it passed unanimously.

Miscellaneous - Adopt revised fee resolution for 2009

Ms. Gleason said these are just procedural changes to implement the fees which were contained in the budget, and include land development, zoning hearings, permits and camp fees.

Motion was made by Mr. Olson, seconded by Mrs. DiFilippo, and passed unanimously to adopt the revised fee resolution for 2009.

Miscellaneous - Award contract for supply of Light Emitting Diode (LED) street lights, Public Works Project #8-08

Mr. Norcini said bids were received on December 9, 2008, and the lowest qualified bidder was Infrasource Telecommunication Service, LLC, with a bid of \$39,989.16.

Motion was made by Mrs. DiFilippo, seconded by Mr. Olson, and passed unanimously to provide an "Intent to Award" to Infrasource Telecommunication Service, LLC in the contract amount of \$39,989.16.

Miscellaneous - Adopt a resolution for Act 537 Planning for the Erdman Center, Penn Medical at Valley Forge, 1001 Chesterbrook Boulevard

Mr. Norcini said the Pennsylvania Facilities Act requires a township to adopt an Act 537 resolution for any new development to provide adequate sewage services. A Plan Revision for a new development is requested for Penn Medicine at Valley Forge.

Motion was made by Mrs. DiFilippo, seconded by Mr. DiFelicianantonio, and passed unanimously to adopt a resolution for Act 537 Planning for the Erdman Center, Penn Medical at Valley Forge, 1001 Chesterbrook Boulevard.

Miscellaneous - Award contract for Wilson Road Pumping Station Retaining Wall, Public Works Project #9-08

Mr. Norcini said 15 sealed bids were received and read allowed on December 11, 2008. The lowest qualified bidder was JMC Contractors, in the amount of \$39,400.00.

Motion was made by Mr. Olson, seconded by Mrs. DiFilippo, and passed unanimously to provide an "Intent to Award" Public Works Project #9-08, to JMC Contractors in the amount of \$39,400.00.

Miscellaneous - Receive bids for Pugh & Old Eagle School Road Stormwater Improvements, Engineering Project #1-09

Mr. Burgo said PennDot cut and capped a Township storm sewer pipe on Pugh Road several years ago that connected into the drainage system on Old Eagle School Road. Since that time, the water has had no place to go, and the system continuously fills up and overflows onto adjacent properties causing significant amounts of erosion and property damage. The Engineering Department was instructed by the Board to develop and implement a solution to solve this problem.

Motion was made by Mrs. DiFilippo, seconded by Mr. Olson, and passed unanimously to receive bids for Pugh & Old Eagle School Road Stormwater Improvements, Engineering Project #1-09.

Miscellaneous - Accept stormwater easements for four properties on Pugh Road, Old Eagle School Road, and Wallace Drive

Mr. Burgo said the Engineering Department has proposed a project to reconnect the existing storm sewer system on Pugh Road to the drainage system on Old Eagle School Road. The proposed new storm sewer will run down the rear of the following properties: 691 Pugh Road, 824 and 814 Old Eagle School Road, and 604 Wallace Drive. Residents of these properties have signed the required easements.

Motion was made by Mrs. DiFilippo, seconded by Mr. Olson, and passed unanimously to accept storm water easements for four properties on Pugh Road, Old Eagle School Road, and Wallace Drive.

Miscellaneous - Appoint Open Records Officer and Deputy

Ms. Gleason said a new State law requires by January 1st, the Board appoint an Open Records Officer, who is responsible for receiving each open records request. The Solicitor suggested appointing a Deputy for open records requests for police information. Staff recommends Ms. Gleason be appointed Open Records Officer and Lt. Giaimo be appointed the Deputy.

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Motion was made by Mr. Olson, seconded by Mrs. DiFilippo, and passed unanimously to appoint the Township Manager as the Open Records Officer and the Police Lieutenant as the Deputy Open Records Officer.

Financial Report

Mr. Brill presented the Financial Report for November 2008:

Financial Performance Year-to-Date versus Budget

	<u>YTD vs. Budget – Fav (Unf)</u>				<u>Yr. Forecast</u>
	<u>Revenue</u>	<u>Expenses</u>	<u>Total</u>	<u>Concerns</u>	
General Fund	(303,305)	525,495	222,190	Real Estate Market	\$150K fav to budget \$1.9M operating deficit
Sewer Utility Fund	(163,266)	481,802	318,536	None	\$350K to \$450K Favorable to budget
Valley Creek Trunk Sewer Fund	7,141	49,903	57,044	None	On budget
Township Wide Expenses		1,033,800		None	\$750K to \$850K Favorable to budget

Cash & Investment Position - Reserves and cash flow remain healthy.

	<u>Balance \$M</u>	
	<u>Current</u>	<u>Prior</u>
Unrestricted	12.4	16.6
Restricted	45.3	45.6

Debt Position – Current with debt payments and covenants.

Police Report

Supt. Chambers said there is a slight increase in daytime residential burglaries in the Township. The latest one occurred on Pugh Road. He said residents should keep an extra watch on their neighbors' properties. Supt. Chambers reminded residents not to rake leaves into the street because it is a violation and safety hazard.

Fire Companies Reports

Jim Curran presented November's report for the Paoli Fire Company. There were 13 fire calls and 39 EMS calls, as well as 5 false alarm calls in Tredyffrin. Membership returns received to date total \$144,815, or a 40% response from residents.

Eamon Brazunas presented Berwyn's report for November. There were 26 fire calls for the month. Berwyn EMS members completed a new ALS and BLS PA Department of Health Protocol Roll-out to keep up-to-date on the requirements set for by the department.

Public Works

Mr. Norcini highlighted some of the activities from the Public Works report, and said the 30-hour storm last week brought us 3" of rain. He said the Township survived very well.

Engineering Report

Mr. Burgo said the Croton Road Culvert Replacement Project construction to remove and upgrade the stream culvert has begun. The replacement of the retaining wall for the Old State Road Drainage Improvement Project was completed, and construction inspection and oversight is ongoing.

Subdivisions - Approve Subdivision-Lot Consolidation for Paoli Fire Company: Proposal to consolidate two parcels into one at 69 Darby Road in the Town Center District

Mr. Burgo said the fire company owns the parcel at 69 Darby Road and an additional lot which is unimproved. The Planning Commission approved the plan for this lot consolidation. They are still currently going through the Planning Commission for land development.

Motion was made by Mrs. DiFilippo and seconded by Mr. Olson to approve the Subdivision-Lot Consolidation for Paoli Fire Company: Proposal to consolidate two parcels into one at 69 Darby Road in the Town Center District. Mr. DiBuonaventuro recused himself, and the motion passed.

Escrows

Motion was made by Mrs. DiFilippo, seconded by Mr. Olson, and passed unanimously to release \$43,373.36 from Sovereign Bank to Eadeh Enterprises, covering site improvements at 901 Lancaster Avenue; balance remaining \$25,600.14.

Motion was made by Mr. Olson, seconded by Mrs. DiFilippo, and passed unanimously to release \$186,834.72 from Wachovia Bank to Bentley By Design Associates, LP, covering site improvements at the Bodine Road Subdivision; balance remaining \$50,359.83.

Motion was made by Mrs. DiFilippo, seconded by Mr. Olson, and passed unanimously to release \$114,766.00 from US Bank National Association to Carnuntum Associates, LP, covering site improvements at the Devon Square Shopping Center; balance remaining \$107,029.04.

New Matters – Board

Mrs. DiFilippo thanked staff for their work on the budget and fellow Board members for their efforts and cooperation in managing to find the right things to do as we move forward. She looks forward to working with everyone next year.

New Matters – Citizens

None

Meeting was adjourned at 10:30 p.m.

Respectfully submitted,
Jolene E. Buffman, Recording Secretary