

August 11, 2016
7:00 PM

The regular meeting of the Monroe Township Board of Supervisors was called to order by Chairman Kehoe. The Pledge of Allegiance was said by all.

ATTENDANCE

Phil Kehoe, Chairman

Michael Pykosh, Solicitor

Gregory Rogalski, Zoning Officer

Carl Kuhl, Supervisor

Mark Bruening, Engineer

Catalina Araiza, Manager

Karen Lowery, Secretary/Treasurer

Mr. Kehoe announced that an executive session was held regarding personnel matters.

SPEAKERS FROM THE AUDIENCE

Suzanne Sunday, 1284 High Street, updated the Board on the progress of the Asset Management program and volunteers. She stated that there have been 329 volunteer hour logged. They are identifying and measuring laterals. They Valley section is complete and they are working on the Northern area then moving to White Rock. There will also be more field trips once the weather cooperates. Once that is done they will start working on the pump stations.

Mr. Kuhl asked if additional funds will be needed to complete this project. Ms. Sunday said there will be some additional work to locate or figure out some items. She is currently making a list of items. Mr. Kuhl suggested giving the written list to Mr. Bruening to review and provide a rough estimate of the additional costs. Mr. Kehoe agreed to have Mr. Bruening look at Ms. Sunday's list.

Darlene Lynch, 284 Stumpstown Road, stated it has been 2 years since her neighbor installed an in ground pool with no permit or inspections. Why is this taking so long to correct. Mr. Pykosh spoke with Ms. Lynch earlier in the day and told her the matter will be at a Cumberland County court on Monday. Mr. Kehoe said this is a matter of pending litigation and won't be discussed at a public meeting. Ms. Lynch said there are other issues and questioned vector control and tires. Mr. Kehoe suggested Mr. Pykosh and Mr. Rogalski discuss the other issues Ms. Lynch mentioned and then follow up with her.

APPROVAL OF MINUTES

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors, it was duly RESOLVED to approve the minutes of the July 14, 2016, regular meeting with minor editorial changes.

ROADMASTER REPORT

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to approve the Roadmaster's report.

ZONING OFFICER'S REPORT

Mr. Rogalski reviewed his report dated August 2, 2016 and mentioned that he also met with the new Allenberry owners. It sounds like they will be moving forward with developing the property with approvals previously obtained and keep the resort area in the same type of use. The closing on the property is forth coming.

Mr. Kuhl asked if information for UGI project could be provided to include in the newsletter. Mr. Rogalski will do that. Mr. Kuhl also questioned if UGI is aware of the proposed improvements that will be done at that intersection. Mr. Rogalski will make contact with them.

Mr. Bruening asked if there will be inspections with the installation of the UGI lines. Mr. Rogalski said that UGI has provided a bond and paid an inspection fee deposit.

On the motion of Mr. Kehoe, and seconded by Mr. Kuhl, and by unanimous vote of the Supervisors it was duly RESOLVED to approve the Zoning Officer's report.

Cass Gibson, 133 Ryegate Road, mentioned that the Allenberry development is already an approved plan. Can input be put into the development process? Mr. Rogalski said the plan has been approved by Conditional Use, preliminary subdivision and a Phase 1 Final. There may be some areas that need to be reviewed or updated with the amount of time that has passed since approval. Mr. Gibson mentioned that this was to be a 55+ development and would like to know if the township can go back to change this. Mr. Rogalski said the township doesn't regulate the type of development and feels that is may be opened up to all. Mr. Kuhl added that there has been significant growth with Trindle Station and Sinclair Park.

ENGINEER'S REPORT

Mr. Kehoe asked that the report be kept to strategic items.

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to approve the Engineer's report.

PRESENTATION

Chris Hoffert of PNC, Paul Lundeen of Rhodes & Sinon and Zach Willard of PFM were all present for the presentation. Handouts were provided.

Mr. Hoffert said that the bonds are the subject of refinancing. Interest rates are low and the savings looks good. He added that PFM is an individual financial advisor and structures financing like this.

Mr. Willard said there are 4 bonds/notes to evaluate for refinancing options, which equal over 10 million dollars. PFM will look at bond options along with bank loan options and then be able to offer scenarios to make the best possible decision based on interest rates, fees, and terms. The 2010 and 2011 bonds are bank qualified, which means it is under \$10,000,000 and can qualify for better interest rates. Cash contributions can also be factored into either option. The refinancing process can start whenever the Board is comfortable. There is a sample timeline in the handout, which shows the fastest pace this can move.

Mr. Kuhl stated that we have had several skilled volunteers look at the numbers in regards to using some of the cash to pay off bonds, but would suggest that PFM provide a backup analysis of the numbers to make sure it makes sense.

Mr. Willard said option 1 would look at the bond issues, up to \$10,000,000, to refinance as much as we can. Option 2 would be refinance the 2010 and 2011 bonds, but not refinance the 2011 and 2013 bank loans just yet. This would give time to review upcoming projects and determine if we would want to contribute any cash.

Mr. Hoffert said the Township's credit rating has increased to AA-, so bond insurance is not needed. And the township provides a general obligation pledge to secure the debt service.

Mr. Kehoe said there is \$15,000,000 in debt and approximately \$4,000,000 per year operating budget for the township. This is too much and the goal is to reduce the debt. He asked Mr. Lundeen if he has worked with PFM before. Mr. Lundeen said he has worked with PFM since 1970 and they have a great reputation.

Mr. Lundeen explained that and underwriter, such as Mr. Hoffert has an obligation to be fair with the Township and whomever the bond is purchased from. A financial advisor, such as PFM, is responsible only to the Township. Mr. Hoffert added that the fees tend to be less from a financial advisor. Mr. Willard added that PFM charges a flat fee and it would be approximately \$15,000 to \$20,000 for this type of project.

Mr. Kuhl would welcome a second set of eyes to review the numbers and use the cash the most effective way in a refinance. Mr. Kehoe agreed with Mr. Kuhl. The Municipal Authority has done a lot of work on the financials and a second review would be beneficial with such a major financial decision.

Mr. Eckerd added that the Authority feels there is sufficient cash flow in the Northern and Southern districts to be able to pay off the 2010 bond and get it out of the way. Mr. Willard said if they move forward with applying cash the question will be where to apply it to get the biggest bang for your buck.

On the motion of Mr. Kehoe, and seconded by Mr. Kuhl, and by unanimous vote of the Supervisors it was duly RESOLVED to review the service agreement, provided everything is satisfactory, then retain PFM to undertake the refinancing all or a portion of the debt.

Mr. Willard review the fastest possible timeline available. Mr. Lundeen added that the timeline works without the available cash analysis. Mr. Willard said PFM can start to review the cash analysis for the September meeting.

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to have PFM begin reviewing the cash analysis for the September meeting.

UNFINISHED BUSINESS

REVIEW SEWER ACTION PLAN

Mr. Pykosh stated that he has filed suit against 2 property owners not keeping up with their payment plans. One suit has been filed to proceed with a foreclosure sale of personal property. One delinquent account has filed bankruptcy and he filed a proof of claim in the bankruptcy for the lien and also grinder pump repairs. Mr. Pykosh added that there may be one customer that we will be moving forward with the water shut off process.

SMTMA PLANT UPGRADE

Mr. Bruening reviewed the most current bill and feels it is okay to pay. Mr. Kehoe added that the report shows there is still \$236,000 remaining for us to pay. Mr. Kuhl added there is potential for it to be more.

Mr. Kehoe is under the impression that SMTMA is going to sue the general contractor. Based on Monroe's connection to this project would we have to share a portion of the cost of this? Mr. Pykosh said he would have to review this. Mr. Bruening stated that he believes the surety company would be the pursuing this claim.

Mr. Kehoe mentioned that there was a list of projects and additional costs provided. Mr. Kuhl suggested that the South Middleton Board of Supervisors should be more involved with contract and negotiations being made by the SMTMA. Mr. Bruening stated that they are an operating authority.

BURNING POLICY AMENDMENTS

Mr. Pykosh stated that the Fire Company has reviewed the policy and some new language has been added.

Mr. Kehoe asked if the Fire Company can act on our behalf to enforce the policy. Mr. Pykosh said the Fire Marshal or designee can provide enforcement. Mr. Kehoe mentioned that penalties are listed, but would like to know if this also includes the fire company extinguishing the fire and being able to bill the party for their time. Mr. Pykosh said it is included in that section.

Mr. Rogalski mentioned that there had been issues in the Conservation Zone and it had been controlled by not allowing burning and attaching a map to the previous ordinance. He suggested the Conservation Zone no burning information and map be added to this ordinance.

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to add the Conservation Zone language and map to the proposed ordinance.

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to accept the amended Burning Ordinance with the changes that were discussed.

Mr. Pykosh will proceed with advertising the proposed Ordinance.

334 OLD STONE HOUSE ROAD

This item is to be removed from the agenda.

NEW BUSINESS

ACCEPT KENT KERSTETTER'S RETIREMENT

Mr. Kehoe stated that after 43 years of employment Kent Kerstetter has crossed the finish line and retired on August 5, 2016. A nice lunch was held for Mr. Kerstetter and he was presented with a Monroe Proud Award and a gift card to Texas Roadhouse.

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to accept Kent Kerstetter's retirement.

RESOLUTION 2016-14

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to adopt Resolution 2016-14, acknowledging Austin Freeman's Eagle Scout Project of installing horseshoe pits and a bulletin board at the community garden area.

RECOMMENDATION TO PAY OFF BOND AND RATE REDUCTION

Mr. Kehoe suggested tabling these items as PFM would provide a higher level of analysis as part of the refinancing review.

Mr. Kuhl strongly supports these recommendations made by the Municipal Authority. He believes they are accurate and will be considered once we get a third party review.

On the motion of Mr. Kehoe, and seconded by Mr. Kuhl, and by unanimous vote of the Supervisors it was duly RESOLVED to table the recommendations made by the Municipal Authority to pay off the 2010 GO Bond and consider a rate reduction, as the PFM analysis is conducted.

Bill Beck asked if any other financial advisors have been looked at, there may be another company that charges less. Mr. Kehoe stated that based on the overwhelming feedback received about PFM there hadn't been any thought of looking at another company. Mr. Kuhl said they would be willing to look if he would like to suggest someone. Randy Jackson added that Dillsburg Authority has used PFM numerous times and hasn't found another company close to their fees.

Mr. Beck added that he is skeptical a 3rd party will find any discrepancies. The annual audit was just done and there were no problems. Mr. Kuhl added that the unknown is how much cash reserves to hold going forward. Mr. Beck stated that the big unknown is the Capital Projects.

RECOMMENDATION FOR SEWER METERED PROPERTIES

Mr. Kehoe stated that there is a recommendation by the Authority Board to charge the trailer park in Trindle Road and the Churchtown of God a single EDU rate versus the metered rate.

Mr. Kuhl said this puts all sewer customers on the same footing. There are other trailers and churches that pay the same rate.

Ms. Sunday stated that the meter rates doesn't pay down debt.

Mr. Kehoe stated that there is language to allow the Township to set up individual agreements with entities and the township reserves the right to set that billing. Not having the debt worked into the metered rates is something to be looked at during the analysis. He suggested starting to update or modernize the language in the Ordinance for January. And also reach out to the trailer park owner to discuss updating the situation.

Ms. Sunday stated that there was discussion at the Authority meetings that indicated we can't just raise rates from \$86 per quarter to \$235 per quarter in one fell swoop. They would like to work at stepped increases.

In response to Mr. Kuhl's statement about lowering sewer rates in the township Mr. Kehoe stated, just to be very clear, that there is not a rate reduction planned, it is just being discussed at this time.

Mr. Kehoe asked Ms. Araiza to contact the property owner. Ms. Araiza asked Ms. Sunday if a transitional plan was discussed. Ms. Sunday said that details weren't discussed, but it was agreed a transitional plan would be needed because it is too much for someone to absorb all at once.

Mr. Kuhl added that rates are set at the end of the year and we don't want to hit anyone with a large increase.

The Board agreed to table this matter until the next meeting when we have a full Board. In the meantime, we could start looking at the process with items that were mentioned earlier.

CENTRAL PA ANIMAL ALLIANCE REQUEST

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to approve the Central Pa Animal Alliance's request to use township roads for a 5 mile race on October 9th, with the following contingencies (a) provide liability insurance naming the township as an additional insured; (b) provide a crossing guard or monitor at high traffic intersections, remembering that cars have the right-of-way; and (c) limit marking or painting the roads, if marking must be done use a water based paint.

SOUTH MIDDLETON TOWNSHIP FIRE POLICE REQUEST

On the motion of Mr. Kehoe, and seconded by Mr. Kuhl, and by unanimous vote of the Supervisors it was duly RESOLVED to approve South Middleton Township's request to authorize Monroe Township's special fire police to assist with the Cumberland County Volunteer Firefighters Association Convention parade on September 10, 2016.

PEACE PROMISE REQUEST

On the motion of Mr. Kehoe, and seconded by Mr. Kuhl, and by unanimous vote of the Supervisors it was duly RESOLVED to approve Peace Promises request to use township roads as part of a 25 mile race on October 1st, with the following contingencies (a) provide liability insurance naming the township as an additional insured; (b) provide a crossing guard or monitor at high traffic intersections, remembering that cars have the right-of-way; (c) limit marking or painting the roads, if marking must be done use a water based paint; and (d) clarify this approval is for Township roads only, PennDot and private developers must be contacted for use of their roadways.

BILLS

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe, and by unanimous vote of the Supervisors it was duly RESOLVED to approve the bills as prepared.

STAFF COMMENTS:

Mr. Kuhl said the Planning Commission has received plans for a subdivision on Clouser Road. A petition was received from concerned neighbors regarding the site distance for the driveways due to hills and trees on that road. A decision may need to be made regarding cutting trees or widening the road.

Mr. Bruening suggested holding off on approving the updated SALDO. The Township may want to look into adding language to the Ordinance to mandate widening of roads. Developers already dedicate additional right-of-way to the township, but are not required to widen the road. Another option is to allow the developer to pay a fee in lieu of widening.

Mr. Bruening said the engineer has marked the driveways on Clouser, so he will look at these to see what needs to be done to meet the sight distance or the lots may need to be reconfigured.

Mr. Pykosh said that if changes to the SALDO would be worthwhile, the SALDO has not been approved and could be sent back to the Planning Commission for input.

On the motion of Mr. Kuhl, and seconded by Mr. Kehoe and by unanimous vote of the Supervisors it was duly RESOLVED to have the Planning Commission review the possible changes to the SALDO.

Mr. Kuhl said that PP&L is still in the works. The current solicitation ordinance states that a picture must be provided, he would like to tighten this up to say photo identification. Mr. Pykosh said it is interpretation and the office staff and require photo id when someone requests a soliciting permit.

Mr. Kehoe stated that the Municipal Authorities recommendations are good things. The Supervisors have a responsibility to continue vetting the process and move it to the next level of review.

ADJOURN

The meeting was adjourned at 8:50 PM.

Respectfully submitted,

Karen M. Lowery,
Secretary/Treasurer