

West Vincent Township
Board of Supervisors Meeting

November 20, 2017

7:00 PM

Attendance: Chairman John Jacobs, Vice Chairman David Brown, Michael Schneider, Township Solicitor Joseph McGrory, Hamburg, Rubin, Mullin, Maxwell and Lupin, Bryan Kulakowsky Township Engineer, Township Manager Erica Batdorf and Township Secretary Tammy Swavely.

Chairman John Jacobs called the meeting to order at 7:02 PM.

Mr. Jacobs announced an Executive Session immediately prior to tonight's meeting to discuss real estate and personnel.

Agricultural Security Area Renewal:

The first item of business was the 7-year renewal of the Agricultural Security Area in West Vincent Township. All homeowners were notified of the hearing and there are two new parcels being added. Mr. McGrory called the hearing to order and entered exhibits into the record. Mr. McGrory asked the Board if they had any questions, they did not. Mr. McGrory asked the audience if there were any questions, there were none. Mr. McGrory closed the hearing and reconvened the regular Board meeting.

Resolution 24-2017: Mr. Schneider made the motion that West Vincent Township adopt Resolution No. 24-2017, approving the renewal of the West Vincent Township Agricultural Security Area, together with approving the addition thereto of the properties of Camp Hill Village (UPI No. 25-4-107 and the West Vincent Township parcel (UPI No. 25-6-59.1), and that the Township staff, Solicitor and Supervisors be authorized to take any and all further necessary steps in order to consummate such approval. Mr. Brown seconded the motion which carried unanimously.

Approval of Minutes:

Mr. Schneider made the motion to approve the November 6, 2017 minutes as submitted. Mr. Brown seconded the motion which carried unanimously.

Reports:

Police Report: Sergeant Russell gave the October 2017 Police Report which was acknowledged as received.

Bills List: Mr. Schneider made the motion that the Bills List dated 11/20/2017 in the total amount of \$1,174,611.51 be approved as submitted. Mr. Brown seconded the motion which carried unanimously.

Correspondence:

A letter was acknowledged as received from the Weatherstone HOA Board to Chief Swinger dated November 7, 2017 thanking the Police Department for sponsoring "Cool off with the Cops" event on August 23, 2017.

Subdivision/Land Development:

Courts at Chester Springs/Pulte: Mr. Schneider made the motion to approve Pulte's escrow reduction #1 for the Brunner Land Development Phase 2A in the total amount of \$997,664.58 and for Phase 2B site improvements in the total amount of \$348,463.06.00 as recommended by Cedarville Engineering. Mr. Kulakowsky stated that Cedarville Engineering has performed inspections and approves these releases. Mr. Brown seconded the motion which carried unanimously.

Weatherstone Daycare: Ms. Batdorf stated that Hankin approached the Township to build a Daycare facility in the Phase 1 of the subdivision. This will be across from the library. Mr. Schneider made the motion that the Board approve Resolution 26-2017 authorizing the Final Decision for the Land Development Plan for the Weatherstone Daycare. Mr. Brown seconded the motion. Sara Shick, 1201 Davis Lane asked why a resolution format was being used and Mr. McGrory stated that this lays out everything that is due and staff can use it as a guide. One document memorializes everything. The motion carried unanimously.

New Business:

PFM Presentation: Mr. Jacobs stated that for the last 2 ½ years the Board has been exploring selling the Township sewer plants. Public Financial Management has put together a very good team to help the Township analyze the systems. Those present were Advisors Scott Shearer, Ben Kapenstein, and Tom Wyatt, Esq. from Dilworth Paxson LLP, Transaction Council. Mr. Shearer stated that the goal of the Township was to look at the exiting the water and sewer business and to be able to focus on other government functions. This is not a unique thing for Townships to consider doing. The rates were taken into consideration. Many of the plants need significant improvements soon and keeping the rates affordable while keeping the system in working order was the focus. There are five plants, Ludwig's Corner, Matthews Meadows, St. Stephens Greene, Stonecroft and Weatherstone and one water plant at St. Stephens Greene. Mr. Shearer stated that the team met with interested bidders and took them on a tour. In October an offer was received from Bucks County Water/Sewer Authority. Being a municipal authority it will be treated differently than a private one. The offer was for \$4 million with a five year rate freeze, probably longer, and Stonecroft and Matthews Meadows rates will be lowered to \$255/qtr. Mr. Shearer stated that this is a very clean offer. A PUC would not offer that long of a rate freeze. Other benefits of selling to an authority include the Township will retain any cash available in the sewer/water funds and there is potential for a very short closing with no PUC approval needed. Mr. Jacobs asked for a description of the plants. Mr. Shearer stated that this is a very unique system with five different plants and one water plant. PFM did have three interested parties which he was pleased with. Mr. Jacobs opened the floor for questions. Jim Helm, 2563 Veronica Drive

asked what the price range was that the plants were valued at. Mr. Shearer stated that it was right on the number. Michael Whitehead, 1883 Kimberton Road asked what the sales commission would be for this transaction. Mr. Shearer stated that PFM has a fee that is multi-phased with an hourly rate and at closing it would be by the size and scale of the transaction. Mr. Whitehead stated that PFM would have an advantage for the Township to sell the plants. Mr. Shearer stated that PFM looked at various options including the lease or sale of the plants. He went into this sale completely unbiased. Mr. Whitehead asked if the land was for sale. Mr. McGrory stated that it was a combination of things, some would be a sale of land while others would be easements. There is a lot of land that would be covered under an easement. A provision would be on any sale of land that it would be for sanitary sewer disposal only or open space in perpetuity. Mr. Whitehead asked if the new company would be able to pump other sewage into the plants. Mr. McGrory stated that he is in the process with an unrelated issue to make it difficult for that to occur. Mr. Whitehead feels that a Township service is to provide water and sewer and does not understand the need to sell the plants. Mr. Shearer stated that if BCSWA would purchase them, it is still a government entity. Mr. Whitehead was concerned with whom the residents would complain to if they had an issue. He was told that BCSWA would need to be contacted, and if necessary could go to their monthly meeting. Mr. McGrory stated that the Municipal Authority Act protects the residents and the Township still has control of its 537 Plan. Jim Fendrick, 57 Barrington Lane asked about the land at St. Stephens Greene. Mr. McGrory stated that the open space will always remain open space. Mr. Fendrick asked about the capital fund and he was informed that St. Stephens Greene is running at a deficit. Mr. McGrory added that if the plants do not sell, rates would have to increase. Mr. Jacobs stated that approximately \$45,000/year of the general fund is put towards the St. Stephens Greene water and sewer plants. Mr. Fendrick asked if there was any plan for the money the Township would receive. Mr. Jacobs stated that the Board has not discussed it. Mr. McGrory stated that what generally happens is the Township invests in long term items such as roads and bridges. Mr. Fendrick asked if BCWSA could add more customers. Mr. McGrory stated that one plant can accommodate expansion but it would have to through the Townships 537 Plan and approved by DEP. Mr. Kulakowsky explained that the permit for each plant determine how much flow goes to it. St. Stephens Green, Matthews Meadows and Stonecroft are all maxed out and no more flow is permitted. The only plant with room is Ludwigs Corner, but the infrastructure is not built to increase the capacity. John Stoudt, 309 Sundance Drive asked about the reserve funds and he was told that they all will stay with the Township. Peter Maniscalco, 51 Barrington Lane asked if all the plants are operating at a loss and he was informed that the only one is St. Stephens Green although Matthews Meadows is close. This is because they are small and old systems. John Gault, Business Development for Aqua PA asked the Board if they are willing to accept counter offers. Mr. McGrory stated that he was told that Aqua was not interested. Mr. Gault stated that they definitely were interested. Mr. McGrory stated that he has dealt with Aqua before and they are a reputable company and were on the Townships short list. If they are interested the owner should contact Mr. McGrory immediately. Mr. Gault stated that the bid from Aqua was going to much higher than the current offer but they felt that it was below the Townships expectations so they did not submit an offer. Mr. McGrory stated that he did not know why Aqua sent a representative tonight. This may have to be put out to bid again to all three interested parties. He added that it the process with a private company will not be a quick turnaround but if the bid was doubled and the rates would be lower it is something to consider. Joe Antellocy, 21 Gregory Way stated that the Township did a good job of analysis. He asked who initially paid for the sewer plants and he was told the developers did. He disagreed about Matthews Meadows stating that it

was an asset that the HOA turned over and the proceeds should not go into the general fund. If there is a profit to be made from selling the sewer plants than the HOA will take it back and sell it. Barb Mueller, 1026 Jaine Lane stated that she has a different perspective on the selling of the plants representing the Kimberton Hunt. They are interested in the trails and the open space at Weatherstone. Weatherstone has an eased trail around the perimeter but the Hunt goes through all the open space. She discussed this with the Township Engineer and Township Manager at a meeting a few days ago. She is concerned that the new owner may put up a fence to keep the Hunt out. Mr. Shearer told her that they have not gotten to that point in the sale yet. Mrs. Mueller asked him to consider the people who are using the open space and not just the perimeter. This includes deer hunters and hikers also. Steve Tullman, 11 Kyle Drive thanked the Township for the services that are provided. He asked why the plants need \$1 million in repairs and how the new company can reduce fees yet repair them also. Mr. Shearer stated that is what BCWSA offer is, with a 5 year rate freeze. Mr. Tullman wanted to know what would happen in year 6. Mr. Shearer stated that historically BCWSA has had a 1% a year increase. Their future projections should be very similar. Brian Curry, 512 Black Horse Road stated that coming to Township meetings for a while he has seen the bills list and it is not a surprise that the cost to maintain these plants is high. There was a discussion about the book value of the plants. Ben Kapenstein explained that the cost estimates came from the original escrows that were posted when the plants were built. BCSWA looks at the overall value of the plants. Trails on the open space were discussed. Ms. Batdorf stated that the existing trails have been delineated. The Township currently hires contractors to maintain the plants. The Township mows the grass and pays the utility bills. There was a discussion about the consulting fee from PFM. Mr. Shearer stated that the flat fee for Phase 1 was \$7,500 and Phase 2 is an hourly rate. Phase 3 comes at closing. He added that it is all contingent on going to closing. Mr. Antellocy stated that he does not know how the Board is going to enter into an agreement without knowing the revenue. Mr. Shearer stated that PFM is not focused on fees, and nothing is billed until closing. Mr. Antellocy feels that the Matthew Meadows homeowners paid into the system and proceeds should go back to them. Mr. Jacobs stated that no decision has been made as to what to do with the capital reserves. The issue of selling the plants came about since the rates would have to be raised at so many of them to keep them running. Then there are the long range costs including maintaining the lagoons. Sara Shick, 1201 Davis Lane stated that she is not on public sewer, but she has regular costs maintaining her own system. She feels that the Township should not continue to help pay for the sewer plants that cannot do it themselves. Several comments were heard and questions were answered and the Board determined that they would go into an Executive Session to discuss this issue at 8:55 PM. At 9:12 PM the Board reconvened the regular meeting. Mr. Jacobs announced that the Board is not going to move forward with the sale but are going to rebid it and reposition the rates for all sewer systems and adjust the rates for next year. He added that the Board hears everyone and will continue to discuss the sale. The Board discussed the proposed budget for 2018 and determined that it may need to have a special meeting to adjust the budget for the new sewer rates. More comments were heard and Mr. Jacobs thanked them and stated that the Board values everyone's opinion.

Historic Resource Committee Presentation: Jim Helm, volunteer for the HRC stated that this group is a working group of the EAC. They have been working on a road sign as part of the development plan for the Eagle Farms Subdivision. Their task was to create a sign for the Benner Farm which was the original homestead of the area. The builder agreed to pay for this sign when he purchased the homestead. Mr. Helm presented a print of an original water color of the Benner Farm

Homestead which he and his wife donated to the Township. He also had a copy of the road sign framed for the Township. The Board thanked the committee for their efforts.

Category 4 Licensed Casino: Mr. Schneider made the motion that the Board approve Resolution 25-2017 prohibiting a Category 4 licensed casino facility in West Vincent Township. Mr. Brown seconded the motion. Mr. McGrory explained that new licenses were released for Category 4 casinos. These include slot machines and table games. The motion carried unanimously.

2018 Budget: Ms. Batdorf presented the 2018 Budget. There is no tax increase stating that the primary goal is to set a work plan for the annual Township operations and to implement policy set by the Board of Supervisors. This budget dedicates almost \$800,000 towards the Road and Bridge Improvement Program. The revenues from Transfer Taxes are expected to remain steady while the Real Estate Tax and Earned Income Tax are expected to have positive growth. Ms. Batdorf summarized other incomes and expenses for 2018. The Proposed Budget is as follows: General Fund: \$4,330,114.00, Open Space Fund: \$2,402,500.00, Liquid Fuels Fund: \$234,730.00 and Sewer Fund: \$745,931.00 for a total of all funds being \$7,713,275.00. Mr. Antellocy asked why if the Earned Income Tax has a projected increase of 2% why the Township employees would be seeing a 3% raise. He was informed that most of the employees are in a Union which calls for this percentage. John Eldridge, 1634 Hilltop Road distributed a version of a budget how he feels it should be done. George Dulchinos, 1415 Hollow Road asked about Township record filing. Ms. Batdorf stated that she is investigating companies that scan records and the part of the budget is dedicated to one portion of the Township files. Chris Peeples, 1611 Kimberton Road asked if his road name could be changed to Old Kimberton Road. Ms. Batdorf stated she will look into it. Maria Jacobs, 2351 Beaver Hill Road asked how much the employees would be contributing to their healthcare. Ms. Batdorf stated that it will remain the same at 10% for non-uniformed full time management employees. Mr. Antellocy asked what the healthcare increase rate was and he was informed 4% increase. Mr. Schneider made the motion to approve the advertisement of the 2018 Budget for public review. Mr. Brown seconded the motion which carried unanimously.

Appointment of Outside Auditor: Mr. Schneider made the motion to approve the advertisement of a notice of the Township's intent to appoint Barbacane Thornton as the appointed Township Auditor, to be considered at the Board's Organization Meeting on January 2, 2018. Mr. Brown seconded the motion which carried unanimously.

Authorize Advertisement of Reorganization Meeting: Mr. Schneider made the motion that the Township authorize the advertisement of a notice of the Organization Meeting to be held by the Township Board of Supervisors on January 2, 2018 at 7:00 p.m. Mr. Brown seconded the motion which carried unanimously.

Authorize Advertisement of Elected Auditor Meeting: Mr. Schneider made the motion that the Township authorize the advertisement of a notice of the Township Auditor's meeting to be held on January 3, 2018 at 5:00 pm. Mr. Brown seconded the motion which carried unanimously.

Appointment of Zoning Officer and Building-Code Official: Mr. Schneider made the motion to appoint Tracey Franey as the Zoning Officer and Frank Newhams as the Building Code Official for West Vincent Township. Mr. Brown seconded the motion. Ms. Shick asked why these officials keep changing from Cedarville Engineering and Mr. Jacobs stated that the Board does not have that answer. Ms. Batdorf stated that the two will be splitting time between the two of them. The motion carried unanimously.

Hollow Road Bridge Repair: Mr. Kulakowsky stated that the original contract for this bridge was to remove the existing asphalt and repair the concrete in place. When the contractor removed the concrete, it was in very poor condition and all of it needed to be removed. The steel is fine but a change order is needed to rebuild the deck. This will also extend the contract 60 days, until January 10, 2018. Mr. Schneider made the motion that the Board approve the Change Order #1 for the Hollow Road Bridge Repair as recommended by Cedarville Engineering in their letter dated November 16, 2017 in the total amount of \$69,149.20. Mr. Brown seconded the motion. The Board answered a few questions and the motion unanimously.

Fellowship Trail: Mr. Kulakowsky stated that a portion of this trail is in Upper Uwchlan Township. They are requesting that the crossing marks be upgraded to thermoplastic and a gravel surface instead of the grass which the Board has approved. Ms. Batdorf stated that the Township is coordinating this project with them and they are waiving fees and permits. Mr. Schneider made the motion that the Board approve the Change Order #2 for the Fellowship Trail as recommended by Cedarville Engineering in their letter dated November 20, 2017 in the total amount of \$2,919.50. Mr. Brown seconded the motion which carried unanimously. Mr. Kulakowsky stated that Upper Uwchlan is also requesting the ADA requirement be done for a multiuse trail. He stated that there are no standards that he can find but Upper Uwchlan is requiring a fully Penn DOT ADA compliant crossing. He has talked to many resources and the upgrade that Upper Uwchlan is requiring is ramp crossing that is 5' x 8' square. Mr. Kulakowsky had proposed warning strips and 3' concrete pads. He has been challenged by Upper Uwchlan to provide where this is approved. He has been unable to find any policy at all. Mr. Brown does not want to hold this project up. Mr. Brown made the motion to approve the change order in the total amount not to exceed \$7,000 with the condition that Mr. Kulakowsky can negotiate a better deal with Upper Uwchlan. Mr. Schneider seconded the motion which carried unanimously.

Public Comment:

Maury Kring, 2323 S. Chester Springs Road read a statement suggested that the Board take no action on the purchase of the Bryn Coed parcel from NLT until the new Board takes office in January.

Sara Shick, 1201 Davis Lane asked if any solution to the steel plates on the Davis Lane culvert were addressed as to a coating to protect horses from slipping. Ms. Batdorf will look into this.

Meeting adjourned 10:40 PM.

Respectfully Submitted,

Tammy Swavely
Township Secretary

DRAFT