

TOWNSHIP OF LOWER MAKEFIELD  
PLANNING COMMISSION  
MINUTES – FEBRUARY 11, 2008

The regular meeting of the Planning Commission of the Township of Lower Makefield was held in the Municipal Building on February 11, 2008. Chairman Bush called the meeting to order at 7:30 p.m.

Those present:

Planning commission:        Tony Bush, Chairman  
   Karen Friedman, Vice Chairman  
   Richard Cylinder, Secretary  
   John Pazdera, Member

Others:                            Nancy Frick, Director Zoning, Inspections, & Planning  
   John Donaghy, Township Solicitor  
   James Majewski, Township Engineer  
   Steve Santarsiero, Supervisor Liaison

Absent:                            Dean Dickson, Planning Commission Member

APPROVAL OF MINUTES

Mr. Pazdera moved, Ms Friedman seconded and it was unanimously carried to approve the Minutes of January 14, 2008 as corrected.

UPDATE ON PROPOSED SALE OF THE SANITARY SEWER SYSTEM

Mr. Terry Fedorchak, Township Manager, was present with Mr. Howard Woods, consultant for the proposed sale of the sewer system. Mr. Fedorchak stated he and Mr. Woods have gone before the Sewer Authority, Citizens Budget Committee, and Economic Development Commission. They are trying to include citizens in the process and want to get the word out about the possible sale of the sewer system.

Mr. Woods stated he is an independent consultant who was hired by the Board of Supervisors in February, 2007 to evaluate the potential sale of the sewer system. He stated he has over thirty years of experience in the water and sewer industry and has worked for utilities, the EPA, and for the New Jersey American Water Company. He established his own consulting practice in 2000.

Mr. Woods stated he reviewed the existing sewer system, including its financial condition, and determined whether or not there was any interest in the industry to acquire

the system. He then solicited proposals from interested buyers and is now evaluating those proposals to make a recommendation to the Board of Supervisors.

Mr. Woods stated the sewer system is comprised of approximately 155 miles of pipe and a number of pumping stations. Most of the facilities are underground. He stated there are 10,500 residential customers and 225 commercial customers. He stated the projected Budget for 2008 shows that revenues are slightly more than \$4 million but there is a net cash draw of approximately \$1 million negative. He stated prospective buyers look at stability in levels of expenses incurred and revenues being generated, and a graph was shown indicating that the system is stable and from year to year there are not a lot of changes. Mr. Woods stated 65% of the funds that come in from the typical customers are paid out to other entities to transport or treat the wastewater that is generated from the system. He stated this is of interest to potential buyers of the system, since this shows that there is a cost that is not internally controlled; and they will have to work with other entities to keep tabs on that cost.

Mr. Woods stated eleven entities expressed a strong interest in acquiring the system including the Pennsylvania American Water Company which is the water company for Lower Makefield, the Bucks County Water and Sewer Authority, and Aqua Pennsylvania which is an area company. He stated there was also interest expressed by a Canadian firm and an Australian firm which have interests in the United States. He noted most of the entities on the list are typical water and wastewater utilities, but also on the list was a venture capital company which partners with firms that run sewer systems and only invests the capital in the system.

Mr. Woods stated he then organized the records of the sewer system so they could expose the records of the system to the eleven firms which expressed interest. He also prepared a detailed list of instructions for the firms to follow as well as a Draft Agreement of Sale so that if someone were to bid on the system, they would be bidding to a consistent level of conditions. Mr. Woods stated in addition to contacting those eleven entities, he also advertised Nationally to see if there was any additional interest in the system other than what his firm had from their own contacts. Mr. Woods stated they asked each of the eleven bidders to formally register as a bidder with the Township and to execute a Confidentiality Agreement. For those bidders who did register, they allowed them to look at the Township documents and to inspect the system. They then required submission of a Qualification Statement to make sure that those registering actually had experience owning and operating a system similar to this.

Mr. Woods stated they ended up with seven entities that actually registered and executed the Agreement. From those seven, five submitted Qualification Statements. Mr. Woods stated with the exception of Middlesex Water Company, he had a series of follow-up questions which were posed to the bidders. They did not have any questions of Middlesex because the Qualification Statement they provided was adequate and answered

all the questions they had. Mr. Woods stated most of the other bidders were asked additional questions related to customer service issues. He stated they asked Falls Township Authority a number of questions about their ability to finance the acquisition. He stated the Falls Township system is comparable in size to Lower Makefield; and he was concerned about their financial ability to acquire the Lower Makefield system. Rather than respond to the questions, Falls Township Authority withdrew from the process.

Mr. Woods stated they had requested two different proposals from each bidder – one to simply acquire the assets of the system and the second was to acquire the assets and offer employment to the existing employees. Mr. Woods stated Middlesex Water Company gave the same dollar amount for both of those proposals. He stated Aqua Pennsylvania indicated that they would offer employment to the employees but they needed to follow their internal procedures for hiring new employees; and he has subsequently learned that they are very anxious to hire the Township employees. Mr. Woods stated Aqua also provided a proposal which was not requested which was a deferred payment plan; and instead of a lump sum due at closing, they offered to pay a greater amount of money over a period of time with distinct payments. Mr. Woods stated their base bid was \$15.4 million at closing with a one-year rate freeze which had been asked for in the instructions to the bidders. They conditioned that proposal by offering to hire the employees provided they followed their procedures. He stated the alternative bid is for \$17 million, \$7 million due at closing followed by two \$5 million payments on the second and third anniversary of the closing. In addition to the higher amount of cash, they also offered to extend the rate freeze for two years. In this alternative bid they also agreed to hire the employees.

Mr. Woods presented a slide showing how the Aqua proposal compares to other recent sales of sewer systems. He stated they looked at Pennsylvania sales over an eight year period. He stated the median price paid per customer was around \$1,100 per customer. The range around this median goes from \$0, which was a troubled sewer system which was forced out of business by the Pennsylvania DEP, to approximately \$3,500 which was a new system built by a developer and turned over to a regulated sewer entity as soon as it went into operation. He stated if they look only at 2006/2007, the median price declines and would be \$964 per customer as the industry is seen as less willing to stretch and pay more than the asset value compared to sales that occurred in the prior years. Mr. Woods stated Aqua's base bid and their Alternate Bid are a nice margin above the median price for sales that have recently occurred.

Mr. Woods stated if he compares the Aqua bid directly to the net value of the system, the system as it currently exists has a surviving net asset value of approximately \$12.5 million and Aqua has offered \$15.4 million against that \$12 million so the Township would be getting more than they invested in the system. He stated the Alternative bid,

recognizing that all funds would not come in at one time, if it were converted to present value as if it were all received at once, it would be worth about \$15.8 million which exceeds the net asset value of the system. Mr. Woods stated there is outstanding debt of \$6.1 million; and if the Township accepts the Alternative bid from Aqua, which would be three separate payments, it would result in net proceeds at closing of \$900,000 after the debt is extinguished. The Township would then get two \$5 million payments on the second and third anniversaries after closing. The net present value of this option would be approximately \$9.7 million in net proceeds.

Mr. Woods stated they are still looking into the impact on rates. He showed a chart of rate projections done by the Township if they retained ownership of the system. He stated there would be no increase in 2008, 12.5% increase in 2009, 10% increase in 2010, and for 2011 to 2013 a 4% increase each year. He stated the system currently has expenses which are consuming cash as the amount of revenue being generated now does not equal the expenses. He stated if they were to continue forward without any rate increases beyond the end of this year, the system would quickly be at a negative cash basis and would be wholly relying on the Township to support operations. Mr. Woods stated the rate schedule proposed by the Township would not only arrest that decline, but will also produce some stability in the cash balance. Mr. Woods stated they asked Aqua to provide a projection based on their \$17 million offer and they indicated that when the rate freeze is lifted, they would propose an increase of 20% to 25%, then for the next two years, there would be no rate increase, and then in 2013, they would increase it from 15% to 20%. He stated if you compare both the Township and Aqua's proposals, the Township's rate increases would go into effect sooner, but by the end of 2013, they would be almost identical with the average annual sewer bill projected to be approximately \$450 per year. Mr. Woods stated the Aqua proposal will therefore net the Township slightly more than \$9 million and the rates would be practically neutral whether the Township retains ownership or sells the system.

Mr. Woods stated they will complete their work and have a report available for the Board of Supervisors to consider at their meeting next week. He stated if the Board decides to sell the system, they will need to finalize the Agreement of Sale and obtain regulatory approvals before the sale can go forward. He stated he feels the earliest this could be accomplished would be July, although it may take longer.

Mr. Bush asked Mr. Woods if he is satisfied that he has found all potential buyers, and Mr. Woods stated he is convinced that they have. He stated the process they went through was structured and purposely contained a number of hurdles because they wanted to make sure that these were firms that were serious about going through the process. He stated they were also very serious about the Qualification Statements to insure that they had entities that had experience owning and operating similar systems and could step right in and take over the system.

Mr. Bush stated one of the slides showed that revenues were declining this year, and he asked why this is occurring if the number of customers and use remains constant. Mr. Woods stated the system is relatively static as to the number of customers since most of the development in the Township has taken place. He stated without new revenue coming in from new customers, it stabilizes the revenue. He stated costs, however, continue to increase; and some of the treatment providers have hit the Township with some very large increases over the last several years. He stated this is not out of the order for treatment charges. He stated labor, labor-related benefits, and energy costs have also increased. He stated for 2008, the Supervisors chose not to have a rate increase. He stated the starting cash balance was sufficient to allow the Township to go through another year without a rate increase; however, this could not continue past this year.

Mr. Bush asked what assumptions were made concerning treatment charges going forward, and Mr. Woods stated they relied on the Township's Budget which includes 4% increases in all operating expenses including treatment charges, except for labor-related expenses which were projected out at 10%. Mr. Woods stated he feels this Budget was conservatively low as the track record of the treatment entities which Lower Makefield works with suggest a much higher increase than 4%.

Ms. Friedman asked if it is possible that the system could be sold again in two years, and the rates projected could go much higher. Mr. Woods stated they did not impose "no future sale" in the bid. He stated they only asked that they agree to hold the rates for one year. He stated Aqua came back with one bid that met that condition as well as an alternate which held the rates for two years and delayed the payments over a period of years. He stated he feels Aqua would need to be here at least through 2013 so that they could have a chance to make back the money they spent on the system. Ms. Friedman stated this is true, unless Aqua finds someone who will buy them out. Mr. Woods stated Aqua is currently the largest U.S. based water and sewer investor-owned utility in the Country. He noted a number of other large companies are owned by foreign Countries. He stated if someone were to buy Aqua, the local entity would still be the same.

Ms. Friedman asked if the Township has any plan for investing or using any proceeds, dividends, or interest to offset any costs that might be more excessive than what the residents might be able to handle at any point in time in the near future so that the Township could help deflect some of the possible escalating costs for the residents. Mr. Fedorchak stated the Board of Supervisors has not yet developed a game plan for the proceeds; but he does feel that they will first pay off the \$6 million Bond Issue which could leave \$11 million. Mr. Fedorchak stated they have discussed setting aside a certain amount of that for a "rainy-day" fund; but he is not sure how much the Board would choose to place in such a fund. He assumes that with whatever funds are leftover, the Board would use it for certain capital improvements.

Mr. Santarsiero stated if they were to sell the system and put money aside in a “rainy-day” fund or use it for capital expenditures, ultimately it will have the effect of stabilizing peoples’ taxes so whether it goes toward a savings for people in the sewer rate or ultimately to their tax bill, they will still realize a savings. Mr. Santarsiero stated he would not advocate simply taking the money and start spending it. He stated he is not sure that they would be able to use the money to hold the sewer costs down because the company that would own it would be a private entity; but they could use it to try to keep taxes down. He stated the Board of Supervisors has not had an extensive discussion on this matter because the presentation on the sale of the sewer system has not yet come before the Board.

Ms. Friedman asked if they have found some history of what Aqua has done with rates with other systems they have purchased. Mr. Woods stated while they are still working on this they do know that Aqua purchased the Media Borough system in 2001, and they just had their first increase which was 11.9%, and their rate after the increase is about \$100 a year less than what Lower Makefield is charging now. He stated Media does have their own treatment works, but they are a similarly-sized Municipality to Lower Makefield.

Mr. Cylinder stated much of the Lower Makefield Township system is fairly new, and it was built by those who purchased houses in the Township. He stated there is a question in his mind as to who really owns the system, and paid for it to start with. He stated people who put their money down originally, or people who are buying a house today, or people who buy from Matrix if that is built, will be paying for that system, or they have paid for it, and now the Township is selling it and the Township is getting the money and not the people who should be considered the stockholders or should have been the stockholders. Mr. Cylinder stated he feels this should influence how this money is spent – whether it should be spent to benefit the whole Township or the people who will be here in the future. He stated those in the future would be benefiting from what he paid for.

Mr. Santarsiero stated with a system like this over time all of the ratepayers have contributed to the cost of the system; and like any other public asset, the Township holds it in trust for all the residents. Mr. Cylinder stated he disagrees with this. Mr. Santarsiero stated to be able to look at a particular point in time with regard to when a development was built and sewers installed and determine that people who were around at that time are the people who paid for the system may have some validity with respect to the original costs, but the operation and maintenance since then has been borne by all Township residents since then; and ultimately the Township Government, as representatives of the Township residents, has the obligation to make decisions as to how they deal with it as they do with any other asset owned by the Township. He stated he is not sure they could identify a particular sub group of residents in the Township who have a higher degree of ownership interests.

Mr. Cylinder stated he disagrees with Mr. Santarsiero and stated the people paid for it by hook up or number of feet of frontage if they hooked into a sewer back in 1966. He stated the new people are paying for it by buying a house. He stated they are not paying through taxes or real estate assessments, but are paying for sewers which are not tax deductible.

Mr. Woods stated the items that make up a sewer system such as the pipes, laterals, pump stations, etc. are considered “contributed property” in the industry as they were built by developers recognizing that the people who purchased the homes paid for this in the purchase price of the homes. He stated when it was built, it was dedicated to the Authority so it is Township property. He stated although the Township got this for free, they still end up with the obligation to maintain it. He stated sewer systems do depreciate in value, and the Township has the obligation to renew the asset as it needs repairs, since the developer is not around to help with these costs. Mr. Cylinder stated it still has a value as an asset, and he still questions whose asset it is.

Mr. Cylinder stated he would also like to address the efficiency of the system. He reviewed the history of County sewer systems over the past fifty years. He stated Lower Makefield built a sewer plant with Yardley and has built eleven pumping stations. He stated costs have gone up partly because the cost of energy is going up and you have to pump the sewage. He asked to what extent there could be a savings, whether the system is sold or not, by improving the efficiency of the system the Township has today. He asked if they went in with Falls Township, Middletown, or someone else, could they arrange it through the Bucks County Water and Sewer Authority to make a more efficient system so they could get rid of some of the inefficiencies that we have.

Mr. Fedorchak stated the Township does not have its own sewage treatment plant, and the sewage flows through various other systems ultimately to Philadelphia or Morrisville. He stated beyond that all the Township has are the pump stations and the transportation lines. Mr. Cylinder stated one of the reasons the Township has the pump stations is because it was set up on a Township and Borough basis rather than letting the sewage flow through gravity and go to the treatment plant which is downhill from where the sewage is originating. Mr. Fedorchak stated this is not correct. He stated whenever the Township can avail itself of gravity, they do so; but based on topography of a community it is unavoidable in many situations, and the only choice they had was to pump sewage from a lower area to a higher area to make grade and then get it flowing downhill again. Mr. Cylinder asked if anyone has ever investigated as to whether or not the Township could collect and transfer sewage in a more efficient manner than is done today. Mr. Fedorchak stated over the years as the community has grown, they have taken advantage of the existing sanitary sewer lines. He stated in eleven cases, they had to pump the sewage from a lower spot and pump stations were required because of the terrain.

Mr. Woods stated an average customer in Lower Makefield is paying \$323 per year and electric is only \$8.45 a year. Mr. Cylinder asked about the maintenance of the pumping stations.

Mr. Cylinder asked what would happen if the system were sold, and a large development such as Matrix comes in, who would the sewers go to. He asked if they would go to the Township and then be sold again or does it get sold to the sewer company if the system is sold. He asked what would be the Township's involvement when they approve a Land Development Plan as far as new sewage goes. Mr. Woods stated with respect to planning, the Township would still be involved; but with respect to the sewer system, there is a continuing obligation to maintain and update the Act 537 Plan. Mr. Cylinder asked if they sell the sewer system and a new development plan comes in, who do the lines belong to; and Mr. Woods stated if Aqua buys the system, they would belong to Aqua. Mr. Cylinder asked if the developer would sell them or give them to Aqua. Mr. Woods stated generally they are put in under an Extension Deposit Agreement, where the developer fronts the cash to construct the sewer, and it would become Aqua's property at the end of the construction. Mr. Cylinder asked if this would be free; and Mr. Woods stated it would be the same as when the Township was given it for free in the past. Mr. Woods noted that if the developer is dedicating the property to Aqua, Aqua never gets to earn a rate of return on that investment. He stated this business model keeps the rates as low as they can be. He stated if Aqua were to invest in the pipes themselves, they could ask the PUC to earn a rate of return on that investment.

Mr. Cylinder stated with respect to the PUC, if the Township rates go up or down and the system is owned by the Township, the Township does not go to the PUC. Mr. Cylinder asked what say the Township will have before the PUC with regard to rates if the system is not owned by the Township. Mr. Woods stated the Township can intervene and participate in the process if the utility company files a petition for a rate increase before the PUC. Mr. Cylinder stated he suspects that the Township has as much power before the PUC as the Planning Commission has before the Board of Supervisors.

Mr. Bush stated he is aware of the sale of the Middletown sewer system which went for approximately \$20 million. He asked how their system compares to Lower Makefield. Mr. Woods stated at the time that was sold, there was a much more aggressive attitude in the industry which may have helped drive the price. Mr. Bush asked if there are other area Townships which have sold their systems; and Mr. Woods stated he is also aware of Upper Dublin Township and both it and Middletown were sold to Bucks County Water and Sewer Authority. He stated he is assembling some additional data on recent sales to present to the Board of Supervisors. Mr. Bush asked if there was an explanation as to why Bucks County Water and Sewer did not pursue their interest in acquiring the Lower Makefield system, and Mr. Woods stated he did discuss this with them when the Qualification Statements were due, and they indicated that it was a business decision on their part that it was not in their best interest to make an offer given the fact that the Lower Makefield system was losing money.

Ms. Friedman asked how involved the Township is currently in taking care of the sewer system. Mr. Fedorchak stated one employee with the help of a part-time employee handles sewer billings. There are two full-time maintenance employees working six days a week on different shifts checking up on the pump stations and trouble-shooting throughout the system. If there is a breach in the force main, as there was last week, the Township would hire a company to come in and make temporary repairs. A determination would then be made as to what else needs to be done with the major work being done by outside firms. Ms. Friedman stated since the existing employees are currently overseeing the system six days a week, she questions what guarantees the Township has that the company they sell the system to will maintain it to the level the Township does now and not allow it to degrade to a point where a problem may completely erupt as opposed to being more proactive. She stated she feels the Township would be more attentive to the residents than a company that owns it which may want to deflect costs as long as possible. Ms. Friedman stated she would like to be assured that if they sell the sewer system, the Township will have the same level of care they have been receiving. Mr. Woods stated the purchaser's business model is based on making improvements to the system. He stated they are rewarded for doing improvements. He stated there is an incentive for them to find things that are wrong and correct them. He stated the way they are regulated by the PUC, they are allowed to charge rates that give them a chance to recover their expenses. He stated the way they make money for their investors is to reinvest in new sewer pipe which is an incentive for them to make repairs and improvements.

Mr. Cylinder asked if the private company would pay taxes to the Township, and Mr. Woods stated they do pay property taxes, but he does not feel this would be a lot of money as most of the sewer lines are installed in the public right-of-way; although they would pay taxes for the pumping stations; and his office is still working on this issue. Mr. Fedorchak stated it is a public utility realty tax, and there is a formula applied.

There was no public comment at this time.

Mr. Santarsiero stated this in the informational phase of the process, and this is not something the Board of Supervisors will decide to do overnight.

#### #404-B – FLORAL VALE, PHASE III – APPROVAL OF AMENDED/REVISED FINAL PLAN

Mr. Jeffrey Garton, attorney, Mr. Bob Riviezzo, and Mr. Jodi Litus, engineer, were present. Mr. Garton stated they were present two weeks ago, and they were asked to discuss some matters with the Township engineer. He stated they were to consider if there was a means to reduce the aisle width to reduce impervious surface. A Revised Plan was shown this evening showing where they are proposing to shrink the blacktop

which will result in 6,000 square feet less of impervious surface. Mr. Majewski stated in addition, some of the parking spaces will be held in reserve which will also decrease the amount of impervious surface. Mr. Riviezzo noted the location where forty-two spaces will be put in reserve assuming the Board of Supervisors agrees. Mr. Riviezzo stated the area will stay green until there is a need for this additional parking. He stated they received a letter from the Disabled Persons Advisory Board wherein the Board asked that the developer move the handicap parking spaces from the proposed location to the opposite side of the roadway closer to the building, and the developer has done this as well as providing a depressed curb as requested.

Mr. Garton stated there was a discussion about pedestrian refuge islands, but the developer has an obligation under the Agreement to have a certain number of spaces for the overall Floral Vale project; and installing the refuge islands would have resulted in the loss of ten spaces which would have required the concurrence of all of the other condominium holders which they did not feel they could obtain any time soon.

Mr. Garton stated they are still waiting for a letter from the Environmental Advisory Council as to the developer's response to the EAC letter, adding he feels they have covered most of the issues raised by the EAC. Mr. Majewski stated he did discuss this with Mr. Bray who indicated they will issue a letter shortly. Mr. Majewski stated Mr. Bray indicated that the developer had addressed most of their concerns, but there may be one or two items that they would still like to discuss. Mr. Garton stated he does not feel that there are any planning issues remaining in that letter.

Ms. Friedman noted the left hand parking area and asked if they anticipate that this will be used constantly or if this would be an overflow situation. Mr. Riviezzo stated he feels people will fill out the parking lot from the inside out. Ms. Friedman asked if they could make the area on the outskirts a pervious surface parking area since it may not have as much traffic noting it would have to segue into regular asphalt. Mr. Majewski stated this is a possibility, but they would need to have some way to get down into the stone infiltration beds beneath, and he is not sure how that might work. Mr. Garton stated they also have rain gardens which require run off from the parking lot to get to the rain gardens. Ms. Friedman asked the number of rain gardens, and Mr. Garton stated there are two on the site. Mr. Riviezzo stated what is leaving the site will be significantly less than that which would have been leaving the site under the original design.

Ms. Friedman asked if there are any existing vacancies in Floral Vale, and Mr. Garton stated Floral Vale is a condominium and they are not involved in that aspect of it. He stated most of those units are owned by owners of the condominium units. He stated the building being discussed this evening will be all rental units, and this site will constitute one condominium unit.

Mr. Cylinder noted page 2 of the 1/29/08 Environmental Advisory Council letter where the EAC suggests that the building may not be “green.” Mr. Garton stated the developer indicated that they are striving to get a gold designation from the LEED system, and you do not know what your certification will be until you finish construction. Mr. Garton stated the developer does not have an obligation under any of the Township’s Ordinances to get to the gold standard, but the planning they have done is to achieve the gold standard. He stated until you finish construction, you do not know what level you achieve.

Mr. Cylinder asked about Waivers, and Mr. Garton stated they are not requesting any Waivers this evening, and the only Variances that were issued, were issued fifteen years ago.

Mr. Bush stated had the Plans not been approved fifteen years ago, the Planning Commission would probably feel differently than they do tonight; but he does recognize that the Applicant has made substantial changes in the Plan including some within the last two weeks which will be to the Township’s overall benefit which were not required.

There was no public comment.

There was some additional discussion about comments made in the EAC letter with regard to impact to Lake Luxembourg, and Mr. Litus stated he tried to clarify in his response to them that Lake Luxembourg is a warm water fishery. Mr. Litus stated it would still be a warm water fishery if the development were not built. Mr. Litus stated they will actually discharge less volume and will be infiltrating it directly into the ground before it goes into the Lake.

Ms. Friedman moved, Mr. Pazdera seconded and it was unanimously carried to recommend to the Board of Supervisors approval of the Plans dated 3/26/90, last revised 10/2/07 subject to compliance with the Disabled Persons Advisory Board letter dated 12/10/07, compliance with the Remington Vernick letter dated 12/17/07, compliance with the Police Department letter dated 11/20/07, and compliance with the CMX letter dated 1/21/08 with the exception that as indicated tonight they will reserve 42 parking spaces, reduce the pedestrian aisles in accordance with the Plan, are not required to put in refuge islands, and have relocated handicap parking.

#### #574 – CAPSTONE TERRACE PRELIMINARY PLAN DISCUSSION

Mr. Jeffrey Garton, attorney, was present with Mr. Eric Garton, engineer, and Mr. Bob Riviezzo. Mr. Garton stated they are not present this evening to request approval as they have Plan revisions to make but would like to discuss certain topics with the Planning Commission. Since they were before the Planning Commission with

their Sketch Plan, they have had a site visit, which some of the Planning Commission members attended, and have met with the Environmental Advisory Council.

Mr. Riviezzo stated they had shown this as a Sketch Plan a year and a half ago. They propose a 180,000 square foot, three-story building on 14.4 acres. He stated as a result of the comments made at the site visit in October, they have attempted to try to preserve as much green as they possibly could including saving the tree line he noted on the Plan. He stated they are employing the use of underground basins throughout the project which have been noted as Basins A through D, and installing six rain gardens. They are also taking a basin currently used by the Township, and enhancing it dramatically. They will hold the vast majority of the water on the site either in the infiltration beds or in the basin before it leaves the site. Mr. Riviezzo stated they are going to do a LEED building on this parcel as well and are striving to get gold, recognizing that this is very hard to get. Mr. Garton stated they will also naturalize the balance of the basin, reserve parking, and reduce the parking widths to preserve additional open space.

Mr. Eric Garton stated they discussed putting parking in reserve and having the parking stalls which are farther away be 9' by 18' rather than 10' by 20'. He noted Sheet #2 of the Plan set which is the Parking Management Plan shows that the parking stalls that are shaded will be the 9' by 18' stalls, and the parking stalls that are shaded with the dot/hatch pattern are the ones that will be put in reserve. He stated depending on the use of the building, these parking stalls may be installed at a later time. Mr. Eric Garton noted the location of the reserve area which will be the exterior of the parking area, and if needed, these stalls can be constructed without much disturbance to the occupants of the building.

The location of the main entrance was shown which is across from Shady Brook Farm. Mr. Cylinder asked the location of the main entrance to the building, and Mr. Eric Garton showed the location of the main entrance as well as auxiliary entrances. Mr. Cylinder asked why the entrances to the building do not address the road. He feels they seem to be hidden. He stated the sides of the building face two roads. Mr. Garton stated he was not the architect, but the one package provided to the Planning Commission has an elevation rendering which would show what the building will look like from the street level. Mr. Cylinder stated he is questioning why they decided to orient the building the way they did as it seems it is oriented toward the side yards. Mr. Riviezzo stated this relates to their attempts to achieve LEED and the orientation of the building is such so that they can harvest light, and the longer sides need to face east/west.

Mr. Jeffrey Garton stated they would like to discuss the issue of a traffic light noting that most of the review letters have suggested that there should be a traffic light at the main access across from Shady Brook Farm. Mr. Garton stated at present there are insufficient Warrants for doing so; but if the Warrants are approved, they would be willing to install a traffic light. Ms. Friedman asked how many cars could stack up between this location

and the light at Stony Hill Road, and Mr. Majewski estimated there would be room for 100 cars.

Mr. Cylinder asked about the entrance relative to where the proposed hospital's entrance would be located; and Mr. Garton stated they do not know where the hospital has proposed their entrance, although he assumes it would be closer to 332. Mr. Donaghy agreed. Mr. Majewski stated he feels it would be a comparable distance from Stony Hill Road to the Shady Brook Farm driveway as shown on the Hospital Sketch Plan.

Mr. Bush stated he assumes the traffic study would contemplate the new building at Floral Vale as well as the proposed hospital. Mr. Garton stated it did not contemplate the hospital because the traffic study was done before the hospital became a public issue. He is not sure whether it contemplated Floral Vale, but added the Applicant is not opposed to installing the traffic light if they can meet the Warrants. Mr. Garton stated they wanted to make sure that the Planning Commission was in favor of the light if they could get PennDOT approval. A number of Planning Commission members indicated they were in favor of the light.

Mr. Jeffrey Garton stated with regard to the bikepaths and sidewalks, this becomes an issue because the bikepath is on the opposite of the street; and there is existing signage, which was noted on the Plan, that indicates they do not want people crossing the road. Ms. Friedman asked if there would be a restaurant in the area where employees may want to walk to. Ms. Frick stated they may also want to walk to Shady Brook. Mr. Majewski stated people do walk the existing bikepaths in the area during lunch. He also stated Edgewood Village will be going in sometime in the future, and it would make sense to make a convenient path for people to walk out of the office building and cross over Stony Hill Road. Mr. Garton stated when you turn left to go up Stony Hill Road toward the Village, there are guide rails and the bridge which only has two feet of shoulder on each side. Mr. Garton stated if there was a light, they would put in a crosswalk at the light.

Mr. Eric Garton noted the front of Prickett's property across Stony Hill Road, and he stated they have trees very close to the curb line so there would not be enough room to install a bikepath in front of their property without taking down some mature trees. Mr. Majewski stated if they put in a light at the entrance opposite Shady Brook, it would make sense not to put the bikepath in front of the frontage heading down to the corner of Stony Hill and Township Line. He stated the Township could get the money now; and if Edgewood Village proceeds, they could do something at that time. Mr. Jeffrey Garton stated he assumes that the Planning Commission would be in favor of Fee-In-Lieu along their property, and if they put in the traffic light, they would install a crosswalk.

Mr. Jeffrey Garton stated they have proposed reducing the parking lot stall widths and have put parking in reserve, and they wanted to make sure that this was acceptable to the Planning Commission. Mr. Garton stated they have found that the office buildings do not use enough parking to justify the 1 for 250 ratio and so it makes sense to put some

parking in reserve. There were no objections expressed by the Planning Commission. Mr. Eric Garton stated some of the spaces which are closer to the building will be marked for hybrid cars which is part of the LEED Certification.

Mr. Jeffrey Garton stated they will be requesting three Waivers. The first is the requirement to have the 10' wide planting islands. Mr. Eric Garton showed an aerial of the site as it exists today. He stated their proposal is not to have the 10' wide planting strip in between all the parking rows. He stated there are certain areas where this will be provided but others where they are proposing not to have this so that they can shrink the footprint and protect trees. He also noted other areas where they have installed rain gardens in the islands at the ends. Six rain gardens are proposed throughout the site. Mr. Garton stated their proposal will allow more sheet flow to get to the rain gardens. The plants they will have will be wet and dry tolerant as the seasons would permit. He stated it is also easier to plow snow if they do not have as many islands, and there is also more room for fire equipment to maneuver. Ms. Friedman asked if their proposal results in any safety issues for pedestrians walking to their cars. Mr. Majewski stated the initial intent of the islands was to get some green area in the parking lot; however, the trade-off is this also results in a larger parking lot. Mr. Garton stated this is part of the new low-impact elements, and they are doing the rain gardens as opposed to berming it up which results in better water quality. Mr. Majewski stated he is not aware of any safety issues in parking lots in the Township that have done it the way the Applicant has proposed. This Waiver was acceptable to the Planning Commission.

Mr. Jeffrey Garton stated the other Wavier they are requesting has to do with the fact that there are areas where they need to be closer than 20' to the building which are the loading areas. Mr. Riviezzo noted these locations on the Plan. Mr. Eric Garton stated in areas where they are proposing parking, they are providing the 20' between the edge of the parking stall and the building. Ms. Friedman asked if they anticipate anyone parking in the loading areas for extended periods of time; and Mr. Garton stated he does not feel this would be a problem. He stated this area would only be for loading, and there are not a lot of parking stalls in the area and it should not be a high volume area. Mr. Cylinder asked if they should have parking spaces on the other side of the loading dock, and Mr. Eric Garton stated the only time there would be a large truck would be if someone were moving in or out of the facility which would occur during off-peak hours. He stated normally loading would only involve van deliveries. Mr. Majewski stated possibly these could be spots they hold in reserve. Ms. Friedman stated they could also reverse the island, and put them in on there other side and shield them from the loading zone. Mr. Garton agreed to do this.

Mr. Jeffrey Garton stated the final Waiver is for grading within 5' of the property line, and there are two areas where this occurs – one along the I-95 right-of-way as opposed to a property line, and to the extent they are putting parking in reserve, they would not be within the 5'; and also along the frontage of Stony Hill Road to make their improvements along Stony Hill Road, where they would have to do grading within 5'. He stated they are not encroaching on the Prickett side of the Plan or on the side of Stony Hill Road that goes up toward the bridge. Mr. Eric Garton stated he feels the purpose of this requirement was to protect adjacent property owners; and in this case, it is two roadways. This was acceptable to the Planning Commission

Mr. Garton stated they will make the revisions to the Plan and come back to the Planning Commission.

Mr. Pazdera stated his concern is that some of the access aisles are coming in at acute angles; and Mr. Eric Garton stated this was brought up previously, and they are going to look into this further.

Ms. Friedman stated when the road systems for Stony Hill were put in, the land was elevated artificially, and Mr. Eric Garton stated when I-95 was installed in the 1960's, Stony Hill Road was elevated to go over I-95. Mr. Riviezzo stated it was elevated 15 feet. Ms. Friedman stated she is concerned that they are proposing a three-story building which will be going in 15' higher on ground level so that it will be higher than any other structure in the entire quadrant of the Township. Mr. Eric Garton stated when the elevation was done, they elevated the old roadbed. Their site is at natural grade.

Mr. Santarsiero stated he feels the Board of Supervisors will be most concerned with the traffic. He stated with regard to the sidewalk, they could consider a sidewalk connecting their rear driveway to Stony Hill Road since he does not feel people will walk all the way out to the front. Mr. Riviezzo stated at the corner, you are not permitted to cross the road, and Mr. Santarsiero stated they may be able to change that in the future. Mr. Riviezzo agreed to look into this.

There being no further business, Mr. Pazdera moved, Mr. Cylinder seconded and it was unanimously carried to adjourn the meeting at 9:35 p.m.

Respectfully Submitted,

Richard Cylinder, Secretary

