

TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
MINUTES – OCTOBER 3, 2012

The regular meeting of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on October 3, 2012. Mr. McLaughlin called the meeting to order at 7:30 p.m.

Those present:

Board of Supervisors: Dan McLaughlin, Vice Chairman
 Dobby Dobson, Secretary
 Jeff Benedetto, Treasurer
 Kristin Tyler, Supervisor

Others: Terry Fedorchak, Township Manager
 Jeffrey Garton, Township Solicitor
 Mark Eisold, Township Engineer
 Kenneth Coluzzi, Chief of Police

Absent: Pete Stainthorpe, Chairman Board of Supervisors

PUBLIC COMMENT

Mr. Harold Koopersmith, 612 B Wren Song Road, stated he had invited Mr. Campbell, the liaison between the Supervisors and the School Board, to attend this meeting. Mr. Koopersmith discussed his concerns about serious financial problems facing the School District, and he stated they need to decide if they are going to deal with this as a community.

Ms. Gudrun Alexander, 256 S. Fieldstone Court stated she had previously provided information about a clean-up she would like to do with GOAL but heard nothing further from the Township. She stated GOAL needs a letter indicating that the Township gives them permission to do this work in the Township. She stated they have scheduled the work to be done on Sunday, November 4. They will provide gloves and trash bags, but they need more volunteers. She stated there are fifteen volunteers from local church groups. Mr. McLaughlin stated the Veterans' Parade is scheduled for November 4 as well. Mr. Fedorchak stated he can provide the letter being requested if he is provided the name to whom it should be sent. Mr. McLaughlin also suggested that information about this be put on the Township Website.

Ms. Rosanne Friehs, Chair of the Historic Commission, stated the Historic Commission has been opposed to the sale of the Satterthwaite House since its inception as well as the lease to Bright Farm on tillable soil on Patterson Farm. She stated the Township does not have a much-needed strategic, Master Plan for the Patterson Farm. She stated Mr. McLaughlin had indicated that there were no concerns from the residents; however, Mr. McLaughlin stated this is not what he indicated. Mr. McLaughlin stated what he said was that part of the job of the Supervisors is to weigh what they feel is the sentiment of the Township, and one of the barometers he uses is the number of people that approach him to express their point of view. Ms. Friehs stated the Historic Commission has always been opposed to the subdivision and sale of the Patterson Farm and to the Bright Farms lease. She stated tonight the Board will also hear from other residents in the area and that there is a need for a strategic Master Plan for the Patterson Farm.

Ms. Friehs asked how the Township can lease the entire acreage of the Patterson Farm to Sam Stewart and at the same time lease a part of the same acreage to Bright Farms. She asked if this is legal. Ms. Tyler stated she has reviewed the Lease with both Bright Farms and Sam Stewart, and the lease with Sam Stewart gives the Township the flexibility to adjust the amount of acreage that he can farm. Ms. Friehs asked if he is agreeable to that, and Ms. Tyler stated he signed the lease. Ms. Tyler stated the Township does have to compensate Mr. Stewart for any acreage taken back; and if the Township takes back one acre, they have to pay Mr. Stewart back \$100. Mr. Garton stated he also reviewed the lease, and there is the ability to move back and forth with the acreage with an adjustment in the rent accordingly.

Mr. Benedetto stated he is concerned about this, and he has discussed this with Mr. Stewart. Mr. Benedetto stated the problem is that Mr. Stewart bid on this and had the acreage included in his bid so giving him a \$100 for an acre does not make a lot of sense. He stated he agrees that the Township has the ability to do this; however, Mr. Stewart is trying to make a living, and he bid on that and is barely getting by. He stated for the Township to take away five to seven acres even if they are compensating him at \$100 an acre, is not right when he has crops on there that are valued at \$9,000. Mr. Fedorchak stated this is incorrect. He stated with regard to the lease, Mr. Stewart pays the Township \$110 an acre; and they specify approximately 180 acres of tillable land. Mr. Fedorchak stated there are adjustments up and down in the lease; and he specifically noted the language on the first page of the lease. He stated if the Township adds tillable land, Mr. Stewart pays an additional \$110 an acre a year; and if the Township deducts an amount, they take that off his payment. Mr. McLaughlin stated he is getting compensated by Bright Farms, and Mr. Fedorchak agreed. Mr. Fedorchak stated as was previously indicated Bright Farms will locate its greenhouse on a four acre tract, and Bright Farms wanted to move on the construction of the greenhouse prior to Mr. Stewart harvesting the corn. Mr. Stewart indicated that his price was \$9,000 for that corn, and Bright Farms paid Mr. Stewart \$9,000. Ms. Friehs asked if Mr. Stewart will be compensated every year for this since he will not be able to farm that land; and Mr. Fedorchak stated next year Mr. Stewart's lease will be \$440 less since he will not have those four acres.

Ms. Friehs asked how the Township can sell the Satterthwaite House and land that is zoned Residential to Dr. Bentz to build an equine hospital which is a commercial endeavor and would change the Farm forever. She asked if this is legal. Mr. McLaughlin stated Dr. Bentz takes the risk of any type of re-zoning. He stated they are selling it as a residential property; and if Dr. Bentz seeks to have an **equine** hospital at that location, she takes the risk that the Zoning Hearing Board, over which the Board of Supervisors has no influence, will rule in her favor. Ms. Friehs stated if Dr. Bentz had the bid that the Board of Supervisors approved, she could take that to the Zoning Hearing Board indicating she purchased the property with this in mind. Ms. Tyler stated the Board of Supervisors only approves the sale. She stated Dr. Bentz will have to go before the Zoning Hearing Board. She added that the approval of the sale by the Board of Supervisors does not bind the Zoning Hearing Board in any matter. She stated the Zoning Hearing Board could deny the relief that Dr. Bentz requests or they could approve her request. Mr. Garton stated it is a Condition of the Agreement that she would not go to Closing if she does not get the relief. Mr. Garton stated if she goes before the Zoning Hearing Board, notices of that meeting would be sent to the adjoining residents who live within 500 feet, and they can participate in those proceedings. Mr. Garton stated if she does not get the relief, there will be no sale.

Ms. Friehs asked how will the Township and Sam Stewart deal without an access road to the Farm as the road would be sold with the Satterthwaite House. Mr. Fedorchak stated the Township has been working with Mr. Stewart on developing alternatives. Ms. Friehs asked what are the alternatives; and Mr. Fedorchak stated the most likely alternative will be to use the already-existing access road that comes up to the Artists of Yardley headquarters, and they will have to expand the width of the bottom half of that access. Ms. Friehs stated she heard that Mr. Stewart indicated that this could not be used because of the turn arounds. Mr. Fedorchak stated he is in almost weekly communication with Mr. Stewart on these issues, and Mr. Stewart is very much a part of the decision-making process.

Ms. Friehs stated she feels the Township needs to have a strategic plan before they parcel off different parts of the Farm. She stated they need a Master Plan.

Ms. Elizabeth Beckelman stated she resides on Stapler Drive and she is concerned about the potential sale of the Satterthwaite Farmstead. She stated she understands that the land is supposed to be used for a very specific purpose which is agricultural and horticultural uses, active and passive recreation, and open space. She stated she is concerned with the Supervisors willingness to overlook clear violations of the Deed in this transaction and the precedent it may set for future transactions. She stated according to the Patterson Deed dated June, 30, 1998, there are several provisions one of which specifically states, “the parcels shall not exceed five acres in size and the uses shall remain as a single-family dwelling. Furthermore, no new structures shall be constructed on the parcel or parcels unless that structure is related to an approved use.” She asked the

Board why they are selling a parcel over 5.1 acres when the Deed specifically states, “the parcels shall not exceed five acres in size.” Mr. Garton stated a lot also depends on easements, etc. He stated no sale has occurred yet. He stated this was put out to bid, a bidder came forward, and it is still under discussion. No bid has been awarded.

Ms. Beckelman stated it also indicates that “the use shall remain as a single family dwelling;” and she stated the proposed bid lays out a proposal for a 10,600 square foot animal hospital, barn, garage/gatehouse, horse barn, and parking lot. Ms. Beckelman stated this is another discrepancy where the bid seems to violate a provision in the Deed dated June 30, 1998. Mr. Garton stated he will review this and report back to the Board.

Ms. Beckelman asked if there was a ballot referendum supporting the preservation of open space in Lower Makefield, and Mr. McLaughlin stated there was. She asked the Board to explain why they feel this transaction is appropriate given the passing of the Referendum and the continued investment of over \$7.2 million by the residents of Lower Makefield to maintain the Patterson Farm as open space. Mr. Fedorchak stated the Township purchased the Farm from Mr. and Mrs. Patterson for \$7.2 million, and that money was not part of either Open Space Referendum. He stated the first one was passed in 1998/99 for \$7.5 million and that came after this purchase. He stated none of the monies that went toward the purchase of the Patterson Farm came from that or the second Referendum.

Ms. Beckelman asked if there are any plans by the Township to petition Orphans Court to no longer demonstrate to keep or use the property for the intent purpose in order to sell the Satterthwaite Farmstead by law. The Board asked for further clarification of the question, and Ms. Beckelman stated that House Bill 224 requires the Township to petition Orphans Court if they can no longer demonstrate to keep or use the property for its intended use which would be agricultural, horticultural, or open space. Mr. Garton stated that House Bill has not been passed. Ms. Beckelman stated it is a provision in the 1951 Bill. Mr. Garton stated it also indicates that unless the property is encumbered by a restriction or an easement, it is not applicable. He stated she would need to read further than she has indicated.

Mr. Tom Conoscenti, 1595 Ginko Lane, stated he is across from the Patterson Farm. Mr. Conoscenti stated he wants to make the Board aware that a week ago a group of forty residents from the homes along Mirror Lake met in the Township Building as concerned residents coming together to discuss the Patterson Farm. He stated there are serious concerns by the effected residents in the area. He stated they met to discuss the issues and expectations for themselves and the Board of Supervisors. He stated they also discussed the points raised last year when the Subdivision was being considered when the Board of Supervisors proceeded despite their objections. Mr. Conoscenti stated they discussed the bid proposal process and the possibility of a conservancy district.

He stated they see that this is not an Agenda item tonight, and they understand that there are things going on “behind the scenes.” He stated they would expect that there would be a completely open and transparent process. He stated they do not want to be “Bright Farmed” at the Satterthwaite property. He stated they also want no decision or action being made that any way compromises the property or the Zoning now or in the future. He again stated they do not to be “Bright Farmed.”

Mr. McLaughlin asked Mr. Conoscenti asked what is meant by that phase, and Mr. Conoscenti stated it has come to mean in their neighborhood a swift process behind the scenes with things happening without full disclosure and not necessarily in the best interest of the Farm or the residents. Mr. McLaughlin stated he believes that they have fully discussed Bright Farms, and that the Minutes reflect this. Mr. McLaughlin stated just because they disagree, does not mean that the Board is acting inappropriately. Mr. McLaughlin stated he was put on the Board to make decisions; and while someone may disagree with their decisions, it does not mean that they are acting inappropriately. He stated he wants to serve the best interests of the Township and make the Township the best it can be. He stated he feels Bright Farms is forward looking and something they can be proud of. He stated it sacrificed four acres of farming for a different kind of farming. Mr. Conoscenti stated he is not disagreeing with the concept of a greenhouse but is concerned about the process of how it got there and consideration of the alternatives. Mr. McLaughlin stated while they might not always agree, it does not mean that they are not looking for the Township’s best interests or acting **inappropriately**. Mr. Conoscenti stated he is trying to guide the Board in those decisions and reflecting the concerns of the residents that are affected by the Farm. Mr. McLaughlin stated he has received more positive feedback than negative. Mr. Benedetto disagreed with this and stated this is a shocking statement. Mr. McLaughlin stated he could provide the e-mails he has received of people congratulating the Board on this idea.

Mr. McLaughlin stated if it does not work out, the Township is fully covered and can get the ground back. Mr. Conoscenti asked if it does not work out does this mean that all the topsoil will still be there to be farmed in five years, and Mr. **Fedorchak** stated all the topsoil is remaining on the site. Mr. Benedetto stated two weeks ago there were two mounds of topsoil that were about twenty feet high, and when he was there this evening, it was not there. Mr. Benedetto stated when he previously made a Motion that the topsoil should remain on the site, the Board indicated that this was in the contract; however, he does not see that this is in the contract that Bright Farms is required to retain the topsoil. Mr. Fedorchak stated while he will look into this, they should not assume that they have done something wrong.

Mr. Conoscenti stated the residents expect that the Board will keep the promises they made during their campaigns. He stated it was Mr. Dobson’s position during the campaign that if the property was to be subdivided, he would immediately deed restrict the property; and he does not feel that this has happened. Mr. Garton stated the property

was subdivided before Mr. Dobson ran for office. He also stated that if in fact they proceed with the sale, there are deed restrictions that will be imposed as far as the Satterthwaite property is concerned. Mr. Benedetto stated the property is only deed restricted for seventy acres of the 230 acres. Mr. Garton stated his comments were related to the subdivision of the Satterthwaite property. Mr. Benedetto stated when they build a 10,000 square foot barn on the property, he does not feel that would be deed restricted or in keeping with the intent of the Pattersons. Mr. McLaughlin stated the Board has a Conservation Easement that runs through the property, and the Easement is strategically located so that it meanders its way through the property.

Mr. McLaughlin stated he feels that barns belong on farms whether it is a new barn or a rehabilitated old barn. He stated the existing barn and the Satterthwaite House are falling down, are eyesores, are unsafe, and not in the spirit of a historical property. He stated he is in favor of having someone restore the property without using Township funds. He stated he feels they will do a better job than the Government. He stated he would prefer that the property look pristine whether it is owned by a veterinarian hospital or a private owner.

Mr. Conoscenti stated they agree that the neglect was not caused by this Board, but the Board is now in a position to make decisions that are in the best interest of the property; and this is why they are meeting and are going to take action.

Mr. Benedetto stated he is concerned that they are not just talking about restoring a house, but they are talking about building additional structures on the property which is absolutely contrary to the original Deed of 1998. He stated Dr. Bentz has on the plan an additional residence of 2,200 square feet, parking for fourteen, lighting, a 10,000 square foot barn, and another barn; and he feels this will change the very fabric of the entire intent when the sale took place. Mr. McLaughlin stated he feels this may be for the better. He stated it is the job of the Board to weigh different decisions and different peoples' points of view.

Mr. Conoscenti stated their position is that they want to make the Board aware of serious concerns by a large and growing group of residents directly effected by the Board's decision in the vicinity of the Satterthwaite property. He stated they are asking that the Board not accept the bid, and his group will be looking at options for further action.

Ms. Tyler asked Mr. Conoscenti what they propose should be done with the Satterthwaite House. Mr. Conoscenti stated he feels they should work together to restore it as a farm. Mr. McLaughlin asked what this means specifically. He stated they heard about a lot of ideas including a curatorship program but nothing materialized. He stated there were two and half years when someone could have come to the Board that they would be the curator and had the money to restore it. He stated Dr. Bentz had the only plan for this property. He asked why Mr. Conoscenti and his group do not form a 501C3 and buy the

property themselves. He stated Ms. Doan could also buy the property. He stated they should come to the Board with a concrete plan so that they can make a decision. He stated if Ms. Doan wants to buy the property and puts in a bid that is \$1 more than the existing bid, the property is hers; but the Township does not have the financial means to do what is necessary. He stated the appraisal came in that it would take \$500,000 to bring it up to Code, and \$1 million to preserve it; and the Township does not have those funds. Mr. Conoscenti stated they have heard about the estimates, and he feels there were a lot of assumptions, so they do not know what the real number is. Mr. McLaughlin stated they have an appraisal, and he does not feel they were trying to inflate it. He stated if they are going to preserve it, it should be preserved so that it is pristine. Mr. Conoscenti stated the appraisal was done by the same firm that did the appraisal on the Golf Course, and he raised this objection a year ago. Mr. Conoscenti stated there is now an organized group of residents who are meeting and getting ready for action, and they may come back with something.

Mr. Benedetto stated there was a Patterson Farm Strategic Vision from August, 2007, and he does not feel one of their **recommendations** was taken up and nothing was discussed about it. He stated to say that residents have never provided a Plan is disingenuous because there has been a plan for five years and nobody has done a thing about it on this Board or previous Boards for five years. He stated now they are discussing putting a veterinary hospital on a five acre parcel with the possibility of having a pasture so it will be greater than five acres. He stated he agrees with their phrase “Bright Farmed” because there was a meeting about the Satterthwaite parcel, and he asked Mr. Conoscenti if he was notified about that meeting; and Mr. Conoscenti stated he was not. Mr. Benedetto stated they should discuss why the Township is not notifying residents of these types of discussions until once it is approved. He stated residents are not notified until it goes to the Zoning Hearing Board, and at that point they are just “filling in the details.”

Mr. McLaughlin asked who wrote the Strategic Plan. Mr. Benedetto stated it was the Patterson Farm Stakeholders Committee. Mr. McLaughlin asked if the Historic Commission was not part of this, and Mr. Benedetto stated it included representatives from the Planning Commission, Farmland Preservation, Environmental Advisory Council, a local farmer, and Helen Heinz from the Historic Commission was on it as well. Mr. McLaughlin stated he is concerned that Helen Heinz was on the Committee yet the current Chair of the Historic Commission did not know that they already had a Master Plan. Ms. Friehs stated she did not say that there was not a Master Plan but said there was one but they did not follow through. Mr. McLaughlin noted that earlier this evening Ms. Friehs had stated that there was not a Strategic Plan, and there is one. Ms. Friehs stated there is one, but they did not follow through. Ms. Friehs stated there is not a Plan in process. She stated it is in print but it is not in process, and it is not being followed.

Ms. Friehs stated there is no plan in process to make the Farm a viable farm.
Mr. McLaughlin stated he feels the Farm is a viable farm because Mr. Stewart is farming it. Ms. Friehs stated it is not being followed as Jeff Marshall had put on his plan.
Mr. McLaughlin stated the Board is not bound by that Plan.

Ms. Donna Doan, 1584 Edgewood Road, stated she has appeared before the Board of Supervisors numerous times trying to get a Plan in motion. She stated in 1998 when the Township condemned the Patterson Farm, the farm was eligible for a Conservation Easement; and the Township could have applied for those funds in the beginning of 1999 and every year after that. She stated those funds are Federally set aside for the preservation of farmland, and when the Farm was condemned, the funds would have totaled over \$2 million. She stated at that time 233 acres would have paid \$12,000 per acre for a total of \$2,796,000. She stated she feels the Patterson Farm would not need more than this to be maintained. She stated currently the program has changed, and there are fluctuations in the amount that is paid every year, and the last she heard it was \$9,000 an acre. She stated using 214 acres which is the remaining amount of farmland after the I-95 loop took away the acreage, it would be eligible for \$1,926,000 in Conservation Easement funds.

Ms. Doan stated year after year the Township has not applied for the Conservation Easement. She stated Mr. Fedorchak advised earlier in the year that he would submit the Application in October, and she asked if it is submitted. Ms. Tyler stated she has been following very closely with Mr. Fedorchak on this Application process. She stated it is not due until January, but they are well on their way. She stated there are some ancillary documents that must be filed with the Application, and the Application will be filed. Mr. Benedetto asked the number of pages in the Application, and Ms. Doan stated it is a five page Application and is a simple form. She reviewed the questions that are on the form. Ms. Doan stated most farmers can complete it in about one half hour. She stated Mr. Stewart provided to her the information needed when he was at one of her meetings.

Ms. Doan stated she believes that the Patterson Farm Preservation Land Trust is the way they should proceed, and the Board of Supervisors should not have this responsibility. She stated it should be someone who has the mindset that is more favorable towards agricultural preservation. She stated the problem with farmland preservation as a whole is that a lot of people do not understand farming. She stated those who do not have an agricultural background do not have a realization of the damage that is being done to the farm when these types of programs are being built on the farmland. Ms. Doan stated it is 1% of the population that grows the food for the other 99% so people should care. She stated they will not see a large contingency of farmers coming to the Township meeting, and she feels a lot of people do not come to the meetings and speak in public because they feel like they are disregarded.

Ms. Doan stated the Lease that was presented to Mr. Stewart is what he signed, and she does not believe that there was any option for him to negotiate as it was a bidding process. She stated she has talked to Jeff Marshall at the Heritage Conservancy, and some months ago he sent her a copy of their Lease which is somewhat more favorable to farmers; and she believes the Township would be wise to adopt such a lease instead of taking parcels out. Ms. Doan stated Mr. Stewart lost the revenue from the acres this year, but he will also lose them for the next years. She stated he has been a businessman in this community for years and supports the families that work for him so every bit of revenue lost is of concern.

Ms. Doan stated with regard to the farmland that was taken out of production it should be noted that two acres of farmland are lost every minute, and the presence of land does not mean that it is suitable land for farming. She stated 80% of the farmland in the United States was effected by the drought, and they need to consider where the food comes from and what they can do to make sure that they safeguard the land that feeds us.

Ms. Doan stated with regard to the removal of the topsoil, it should be noted that case law has been established in New Jersey where a farmer with a greenhouse operation stripped off fourteen acres of topsoil; and a Judge ruled against him, ruling that he ruined the farmland by stripping off the topsoil and selling it. She stated there may be damages that are due at the Patterson Farm. She stated it takes five hundred years to make one inch of topsoil, and Patterson Farm has the best.

Ms. Doan stated with regard to expenses at the Farm \$800,000 in income was received and not all of it was spent in a judicious manner. She stated she had asked for the Patterson Farm Cost Studies and Receipts and those were expenses that were expended between 2005 and 2010. She stated removing the barn roof and house roof costs the Township spends \$867 a month to maintain Janney, \$230 a month to maintain the stone cottage, \$584 a month to maintain Satterthwaite, and \$966 a month for general maintenance of the Farm, and a lot of that was tree removal. Ms. Doan stated those figures for the homes included costs for utilities and oil so there was not much maintenance done.

Ms. Doan stated if there are questions about farmland preservation easements, they should invite Mr. Harvey from the Doylestown office to come and speak publicly.

Ms. Doan stated with regard to Bright Farms she does not think anyone thinks it is a bad idea, but the location is horrendous since it does not require soil and they are on the best farm soil. She asked if they could not locate it on a parking lot somewhere which would have been more appropriate, and they would not have lost two hundred year old trees and the productivity of the farm acres that they will never get back. She stated since the Bright Farms project is underway, she would like to know if there are actual Plans,

Site Surveys with contouring, documentation about influx and run-off volumes, and Site Plans that show impervious surfaces. Mr. Eisold stated the Plans were reviewed extensively. Ms. Doan asked if they will be made available to the public, and Mr. Eisold stated Plans are always available at the Township Building for public review.

Ms. Doan asked how much propane is to be stored at the Bright Farms site, and Mr. McLaughlin stated they could get this information. Ms. Doan stated she feels this is of grave concern as she knows that it is a large amount of propane, and the day care center is right there. She stated she feels this is a security issue and a hazard. She stated she has done research on propane explosions.

Ms. Doan asked about the cost to build the retention basins, and she asked if this is to be picked up by the Township. Mr. Fedorchak stated a portion of the cost will be paid by the Township. Ms. Doan asked the cost to build a retention basin, and Mr. Fedorchak stated this varies depending on the size, the nature of the outflow, etc.

Mr. Benedetto stated the wording in the Agreement states, “Parties agree that the Township shall design the detention basin at its sole cost and expense and shall do the rough grading, but the finish grading and final completion of the detention basin shall be at the sole cost and expense of the tenant.”

Ms. Doan asked who will pay the maintenance, and Mr. Fedorchak stated the Township will primarily be responsible for maintenance since it is on Township property.

Ms. Doan stated she feels for \$1,667 a month, the taxpayers are already “in the hole.” Ms. Tyler stated they are hoping that the basin being built will alleviate many of the localized water problems there, and they saw it as a benefit to be able to get someone, Bright Farms, to contribute to the project to do a Township task. Ms. Doan stated there was an alternative to the water problem but nobody asked the farmer. She stated after you do no-till farming for a while the soil from being run over numerous times with heavy equipment develops a condition called hard pan which means that the rainwater does not sink into the soil as it should. She stated if you sub-soil that ground, which means to go in with a tool that goes deep into the ground and cut into it so that the rainwater can flow into the ground, you would have alleviated the problems without having to take farmland out of production to build the retention basin. Ms. Tyler stated she understands that Mr. Patterson used to do that; however, Mr. Stewart does not employ those methods on Patterson Farm.

Ms. Doan stated she feels Bright Farms has a tremendous idea but it is a horrendous use of the Farm. She stated it should have been built somewhere that was already paved over.

Ms. Doan stated she believes that the Patterson Farm Land Trust is the way to go. She stated they can get appropriate market rate rent for all of the buildings. She stated they can repair the buildings with Conservation money. She stated they can use a 501C3 although she is disappointed that the Township never offered the Township's 501C3 that the taxpayers paid for and use that for the Patterson Farm, and she does not know why they have to get their own. Mr. McLaughlin stated the Township does not want to own the Satterthwaite House. Ms. Doan stated people unfamiliar with agriculture do not understand why you need to have a residence for a farmer on the farm. Ms. Doan stated she feels all the people who are collectively behind the preservation of the Patterson Farm will get it done and will take pleasure in restoring the Farm that they love.

Mr. Zachary Rubin, 1661 Covington Road, stated he is opposed to any parceling of the Patterson Farm. He stated he recognizes that the Board has a fiduciary responsibility to the taxpayers and that the Satterthwaite House has been a drain over the last ten years. Mr. Rubin stated Mr. McLaughlin has asked how that House could be restored without any additional taxpayer money. Mr. Rubin noted the Minutes from a meeting two years ago when the Responsible Contractor Ordinance was being amended, and the head of the Bucks County Building and Trades Council offered free of charge to build ball fields on Township land at their expense using their apprenticeships and journey people as a sign of good faith. Mr. Rubin stated if they explored going to the Trade Unions in the area, they would be more than willing to offer their services to build things at their expense and not at the taxpayers' expense. Mr. Rubin stated he feels that there is a disconnect between what is the definition of a farm and what is the definition of fields that are farmed. He stated the Township has numerous acreage of farms that are in a conservancy, but they are not farms but is farmland being farmed. He stated an example of what the Patterson Farm should be is in the City of Philadelphia which is the Fox Chase Farm. He stated for \$1 a year the City leases it to the Philadelphia School District. He stated it is an operating farm and every day school buses come to the Farm and children are exposed to an operating farm. He stated the School District pays the farmer and the farmer lives in the farmhouse. He stated there are also teachers paid by the School District who give lessons at the Farm. He stated a farm is not a place where there is an Arts Center, an equine hospital; rather it is a functioning farm with all the facilities there. Mr. Benedetto stated farm as an educational facility was mentioned in the Stakeholders Report.

Mr. Doug Woolverton, 995 Plowshare Road, stated he is a neighbor of the Patterson Farm which has a lot of history. He stated anytime that he sees only one bid, he is very leery about whether they have something that makes sense going on. He stated if there are people who are willing to step forward and look at real, viable options, he feels it would make sense for the Board to give serious consideration of delay of any acceptance of the bid.

APPROVAL OF MINUTES

Ms. Tyler moved and Mr. Dobson seconded to approve the Minutes of September 12, 2012 as written. Motion carried with Mr. Benedetto abstained.

DISCUSSION AND APPROVAL OF THREE YEAR EXTENSION FOR SPIRIT GOLF/MAKEFIELD HIGHLANDS GOLF TO THE GOLF COURSE MANAGEMENT CONTRACT

Mr. Mike Attara of Spirit Golf and Mr. Bob Doria, General Manager of Makefield Highlands Golf Course were present with Mr. Frank Draper, Golf Committee. Mr. Attara stated they have enjoyed their relationship with the Township the past three years, and enjoyed working with the Supervisors, Mr. Fedorchak, and the Golf Committee. He stated during this period of time they have had some great successes improving the services and Golf Course conditions as well as adding programs and strategies to grow the business and the game in Lower Makefield. He stated they feel they have met or exceeded many of the expectations they had three years ago, and some of them are being touted as best practices in the industry.

Mr. Attara stated they were able to make improvements to the Golf Course with capital investments to improve conditions including bunker and tee renovations, updated the restrooms in the Club House, and purchased much needed equipment. Mr. Attara stated they have provided this evening the forecast as to where they see themselves by the end of the year, and they anticipate there will be a net income of \$60,000 after Debt Service and capital investments.

Mr. McLaughlin stated they benefited from positive winter conditions, and he asked where they would be if that had not happened. Mr. Attara stated he feels they still would have ended up in a positive condition. He stated while additional revenues came in during the slower months, there are impacts on maintenance. He stated the Grounds Superintendent did a tremendous job getting the course back in shape after the winter.

Mr. Benedetto stated he has reviewed the Township Financial Statements and sees that in 2011 the revenue from the Golf Course activities was \$2.596 million, and he asked what it is expected to be for 2012; and Mr. Attara stated it is expected to be \$2.771 million. Mr. Benedetto stated in 2010 it was almost \$2.7 million so 2011 was a rough year, and Mr. Attara agreed that it was a rough year weather wise. He stated golf is driven by weather. He stated looking at 2010, 2011, and 2012 together there is an up tick for the three years; and he feels this is a positive. Mr. Benedetto stated in 2011 expenditures to operate the Course were \$2.563 million and the net profit to the Township was about \$32,699. He asked what is it expected to be for 2012. Mr. Attara stated he feels the net will be \$60,000 but they should also consider capital investment because they spent

approximately \$40,000 in capital in 2011, and for 2012 they anticipate it will be approximately \$145,000. Mr. Benedetto stated his question is if the net cash flow was \$32,700 in 2011 and this year it is projected to be close to \$80,000 this would be the profit to the Township, and Mr. Attara stated this is correct. Mr. Benedetto stated there is a notation about gross operating profit or net operating profit with a figure for 2012 of \$862,540, and he asked what this encompasses. Mr. Attara stated this is all operations minus the interest expense, debt service, and capital. Mr. Benedetto asked who is profiting if the Township is making \$70,000 and there is a net operating profit of \$862,000. Mr. McLaughlin stated the bond holders are getting their money back. Mr. Benedetto stated the debt service from the financial statements shows they are paying interest, and it is his understanding the interest payment is \$160,000. Mr. Attara stated this would be plus \$385,000. Mr. Benedetto stated his understanding of the debt service was that it was interest only until 2022. Mr. Benedetto stated this a debt of about \$8.5 million and they are not paying any principal. Mr. McLaughlin stated it indicates they paid \$385,000 under Actual.

Mr. Attara stated these numbers were provided to them by the Finance Department, and he does not create or project these numbers.

Mr. Benedetto stated his concern is that from the financial statements it looks like the income was \$30,000 in 2011 and approximately \$70,000 to \$80,000 in 2012; but it seems like the Course is fairly profitable. He stated if it is not going toward paying of the debt principal, he questions where it is going. He stated even if they say the principal debt service is \$385,000 there is still a net operating profit of \$862,000. Mr. Benedetto stated it is his understanding that they are not paying any principal.

Mr. Fedorchak stated there are two pieces to the Golf Course debt. He stated one was put together in 2002 and in that case they are paying interest only through 2022. He stated the second piece is what was just refinanced which is the 2010 debt, and that does include principal. He stated that runs to 2021. He stated there is an interest-only component for the 2002 piece and that runs \$300,000 a year from a Budgeting standpoint. He stated the second piece which involves principal runs about \$500,000 to \$600,000 a year so there is an annualized debt service payment of close to \$1 million. He stated in 2021, the 2010 debt which was just refinanced at a much lower rate and took the savings up front for the first three years, that piece drops off and all that is left then is the 2002 issue and that is when they start paying principal on that. He stated they did this for a number of reasons but from a financing standpoint it has proven to be extraordinarily advantageous financially for the Township. He stated looking at the 2002 issue, the first several years until 2022 is all variable debt. He stated when they first put together the financing of the Golf Course, they anticipated that would run about 3.75% a year, and it has been running approximately one percent and a half. He stated there has been substantial savings doing it this way.

Mr. McLaughlin stated the \$385,000 in June under Principal Debt Service is related to the 2010 Refinance Bond.

Mr. Benedetto asked which is the Refinance, and Mr. Fedorchak stated the 2010 is what they refinanced. Mr. Benedetto asked if it is called General Obligation Bond Series A of 2010 or General Obligation Note Series of 2010 as one is \$4 plus million and one is \$10.625 million. Mr. Fedorchak stated he will review this and report back.

Mr. Fedorchak stated they did not refinance the 2002 Series because of the variable aspect over the next ten to fifteen years, and now they are in a really good position.

Mr. Benedetto stated the problem is they paying interest only and do not start paying the principal until 2022. He asked how much money they have borrowed to build the Golf Course. Mr. Fedorchak stated originally they borrowed \$16.5 million. Mr. Benedetto stated this is new to him, and Mr. McLaughlin stated it is in the financials. Mr. Benedetto stated this is a lot of money, and the profit is going toward paying off the debt.

Mr. Benedetto stated the Management Fee is \$7500 a month moving into \$96,000 for the year. Mr. Attara stated there is also an incentive fee if they hit certain thresholds. Mr. Benedetto stated he knows nothing about this, and he asked for an explanation. Mr. Attara stated while he does not have it in front of him he believes they do not take any incentive before the Golf Course is profitable in the \$880,000 range. Mr. Fedorchak read from the Contract as follows: First - 5% of the earnings before interest appreciation and amortization of the Club in excess of \$900,000 but less than \$1 million, Second – 10% of the earnings before interest appreciation and amortization of the Club in excess of \$1 million. He stated there is a flat \$7,500 per month Management Fee that goes toward Spirit and it started out at \$8,500 or \$9,000 and they reduced that over the last three years. Mr. Fedorchak stated they have agreed going forward at \$7,500 with the Management Incentive Fee.

Mr. Benedetto asked what they project of their incentive that they will hit, and Mr. Attara stated they are very close to it; but as they are projecting \$862,000 they would not make it. He stated if weather continues to stay positive and expenses stay down, they may get there. Mr. Benedetto asked if they have ever hit it in the three years, and Mr. Attara stated they have not.

Mr. Dobson asked if they are budgeting for October, November, and December as they have for the last three years; and Mr. Attara stated they are pretty conservative, and this Budget was a blend of the past three years.

Mr. McLaughlin stated the ultimate plan is to provide a large, healthy dividend back to the Township once the Debt Service is relieved. He stated he feels they are well on their way to achieving that plan once the debt is paid off, and this could fund a majority of the Park & Rec operations as this was the ultimate long-term plan.

Mr. Attara stated they would like to discuss Performance Track which they provided to the Supervisors, and what they will see is that the Golf Course and the strategy the Supervisors had originally was a good strategy as they are in a wonderful market with a really good golf facility.

Mr. Doria stated they participate in the Performance Track and the Makefield Highlands Section is in the Philadelphia Section of the PGA which is Trenton to North Delaware and the Jersey Shore. He stated through August the facility has done over 34,735 rounds of Golf. He stated in September they did an additional 4,500 rounds. He stated based on the data going back to 2007, they are on pace to do 42,000 rounds which is more than the Course has ever done. Mr. Doria stated they are open more days than anyone else and are playable when other public golf courses are not after heavy rains. He stated their utilization is almost 200% better than any of the other clubs in the area. He stated the National average is 41.2%, and Makefield Highlands is at 68.5%. Mr. Doria stated 100% utilization would be using every tee time from 7 a.m. to 7 p.m. He stated in the longest day of the year, they can book 316 tee times. He stated they realize that tee times from 6 p.m. on are basically unusable, but they have had days when they have had 88% utilization; and in the industry this is basically unheard of. He stated it is a credit to the location of the Golf Course and the outreach of their marketing. Mr. Doria stated they have people coming from as far away as New York City to play.

Mr. Benedetto stated there was an article about the number of courses that recently closed, and he asked why this occurred. Mr. Doria stated the issue with Center Valley was that there were six courses within a ten mile radius of the facility, and Center Valley was the most expensive facility in that area of the Lehigh Valley. He stated their competitors were charging \$35 for a round of golf, and they were charging \$90 so they did not have a market share. He stated Island Green had an agreement in place with a pharmaceutical company to purchase the site. He stated the site was originally a brown site that was unusable for building. He stated he understands that their ten year agreement where they were getting tax abatement from the city was at the point of lapsing, and the owner saw this as a way of getting out and not having to pay taxes and there was an aggressive buyer.

Mr. Benedetto asked if golf is on the decline but added that with the rounds they are discussing at Makefield Highlands, it seems that people are coming because it is a quality course. Mr. Attara stated most of the people who were members of private facilities have decided that they will spend their money elsewhere and Makefield Highlands fits that niche. He stated they are able to provide a product that is not matched in the area from a

public golf facility. Mr. Benedetto stated he had previously heard complaints about the food, but he was recently at some events and he feels they have done an exceptional job with upgrading this. Mr. Doria stated they are lucky with the people they have on staff and have hired many professionals that have helped to bring the level up. He stated they took the comments to heart and also put out a survey last year asking what they would like to see done differently.

Mr. Draper stated a lot of credit goes to Mr. Doria and his team for putting together programs including programs for families and Junior programs. He stated they have put together a program having someone on each hole very late in the day when previously no one was ever there. He stated they have a program now where you can play three holes so that families are coming in. He stated they also have Junior Camps during the summer which are sold out months in advance.

Mr. Dobson stated he plays the Course frequently, and he feels they are doing an excellent job. He stated he also speaks to a lot of people, and he gets a lot of favorable feedback.

Mr. Attara stated Mr. Doria has done a great job, and they have an excellent team. He stated their Ladies League is recognized as one of the best in the industry, and their Junior Programs are recognized by the PGA.

Mr. McLaughlin asked if they anticipate any major personnel changes, and Mr. Attara stated he does not anticipate any next year other than one of their younger Assistant Pros who may be moving on to a new position that would step him up to a Head Professional position.

Mr. McLaughlin asked what they see for the next three years, and Mr. Attara stated they plan to continue the programming and growing the community piece. He stated this includes going beyond golf such as the food and beverage upgrades. He stated they are doing long-range planning and discussing what the facility could look like over the next ten years and what other operations they could have such as a bigger banquet facility. He stated the Course will continue to need maintenance and upgrades, and they want to make sure they have the best conditions possible.

Mr. McLaughlin asked about the challenges for the Course, and Mr. Attara stated it is a difficult Course to play, and it is important to get the customers to understand how to play the Golf Course. He stated this can effect pace of play, and they have made some changes in this regard. He stated previously there were complaints about the pace of play during the weekend, and they do not get too many of those complaints any more. He stated they have increased the spacing of the tee times to ten minutes and managing

the rangers to understand what the pace of play should be. He stated every Golf Course is pace rated; however, this Course was not until they came in, and it is now rated a four and a half hour golf course. Mr. McLaughlin stated he feels the Range is the biggest visible improvement, and the Board is looking for continual improvement.

Mr. Benedetto stated he was impressed with the facilities other than Golf, and he sees that there is revenue coming in during January and February on the food and beverage side. He asked if they hold weddings at the facility. He stated maybe they should do more advertising about the facilities. Mr. Attara stated the facility is too small to hold weddings which require a different kind of space. He stated they do have banquets, school functions, fundraisers, parties, etc. Ms. Tyler suggested that they reach out to local businesses in the month of December as a space for their holiday parties. Mr. Attara stated this year they are offering the “Jingle Mingle” which is for small companies that can come to the Golf Course for \$25 per person where there will be music with a DJ and there will be multiple groups there with reserved tables.

Mr. McLaughlin asked if the fee structure is the same as the last Contract, and Mr. Attara agreed it is.

Mr. Harold Koopersmith asked if the total debt on the Golf Course is \$16 million, and Mr. McLaughlin stated that was the cost to build the Course, and the total debt now is approximately \$12 million. Mr. Koopersmith stated he would like to know how much of the debt has a variable rate. He stated he feels they should consider refinancing any amount of debt that is variable and go to a fixed rate so that they do not expose the Township is interest rates should go up which is likely because of Federal policies. Mr. McLaughlin stated they did refinance one portion of the debt, but the other portion was not eligible for refinancing. Mr. Fedorchak stated they are very mindful of the interest rates. He stated he just discussed this with their bond advisor yesterday, and he is forecasting rates over the next year; and he anticipates we will continue to enjoy exceptionally low rates. He is not recommending that they change the variable rate piece to a fixed rate at this time. Mr. Benedetto stated the 2002 debt is a variable rate not to exceed 3 ½%. Mr. Fedorchak stated there is not a ceiling on the variable rate; but is tagged on certain indexes, and it is worked through the Delaware Valley Financing Authority.

Mr. Benedetto moved, Ms. Tyler seconded and it was unanimously carried to approve the three year extension for Spirit Golf/Makefield Highlands Golf to the Golf Course Management Contract.

Mr. Garton stated the Board was in Executive Session for fifteen minutes prior to the start of the public meeting and discussed Zoning Hearing Board matters.

DISCUSSION AND APPROVAL OF DEVELOPMENT AGREEMENT FOR THE EXPANSION OF THE WELLS FARGO BANK

Mr. Garton stated the Board approved the Final Land Development Plans, but a neighbor filed an Appeal from the Zoning Hearing Board Decision. Mr. Garton stated this Appeal was dismissed and no further Appeals were effectuated, and the project is ready to proceed.

Ms. Tyler moved, Mr. Dobson seconded and it was unanimously carried to approve the Development Agreement and sign the mylars.

APPROVAL OF GRANT OF EXTENSIONS TO FIRST BAPTIST CHURCH OF NEWTOWN/GRACE POINT PARKING LOT, DOGWOOD DRIVE, ARIA HOSPITAL

Mr. Garton noted with respect to the request for Extension for Aria Hospital, they cannot proceed with any Land Development Applications until the Zoning is resolved.

Mr. Dobson moved, Ms. Tyler seconded and it was unanimously carried to grant the following Extensions:

- First Baptist Church of Newtown/Grace Point parking lot modifications – 1/13/13
- Dogwood Drive Revised Preliminary Subdivision Plan - 1/15/13
- Aria Hospital - 12/31/12

APPROVE GRANTING CERTIFICATES OF APPROPRIATENESS

Mr. Garton stated HARB recommended approval of the Certificates of Appropriateness.

Mr. Benedetto moved, Ms. Tyler seconded and it was unanimously carried to grant the Certificate of **Appropriateness** for 669 Heacock Road, Edgewood Village Shopping Center, installation of new sign for Marvin Scott & Company Jewelers

Mr. Benedetto moved, Ms. Tyler seconded and it was unanimously carried to grant the Certificate of Appropriateness for 678 Stony Hill Road, Lower Makefield Shopping Center, installation of a new sign for Flirt Beauty.

ZONING HEARING BOARD MATTERS

With regard to the Makefield Woodside, LLC request for modification of Conditions previously attached by the Zoning Hearing Board for property at Stony Hill Road and Langhorne-Yardley Road related to the location of seating and hours of operation for Edgewood Café, it was agreed to leave the matter to the Zoning Hearing Board.

With regard to the Lance and Catherine Brierley, 1285 Belgrave Crescent, Variance request to construct a paver patio in the rear of the house which would extend five feet into the rear yard setback, it was agreed to leave the matter to the Zoning Hearing Board.

SUPERVISORS' REPORTS

Ms. Tyler stated the Seniors Craft Fair and Boutique will be held on Saturday, October 20. She stated the GOAL clean-up will take place on November 4 and additional volunteers are needed. Ms. Tyler stated the Veterans Day Parade is scheduled for November 4, and they are in need of volunteers to help run that event. She asked those interested in volunteering to contact her through the Township.

AWARD SALT BID TO INTERNATIONAL SALT COMPANY LLC

Mr. Fedorchak stated the staff recommends awarding this Bid. He stated the cost is slightly less than last year.

Mr. Dobson moved, Ms. Tyler seconded and it was unanimously carried to award the salt bid to International Salt Company LLC at \$51.20 per ton through the Bucks County Consortium.

TABLING OF CONSIDERATION OF ACCEPTING BIDS FOR LEAF COLLECTION

Mr. Fedorchak stated they are recommending that accepting bids for leaf collection be tabled at this time.

Mr. Benedetto asked how many companies participated in the leaf program last year, and Mr. Fedorchak stated there were three contractors.

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APPOINTMENTS

Ms. Tyler moved, Mr. Dobson seconded and it was unanimously carried to re-appoint Rodger Owen to the Citizens Budget Commission.

There being no further business, Ms. Tyler moved, Mr. Dobson seconded and it was unanimously carried to adjourn the meeting at 9:20 p.m.

Respectfully Submitted,



Dobby Dobson, Secretary