

TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
SPECIAL BUDGET WORK SESSION
MINUTES – NOVEMBER 9, 2011

A Special Budget Work Session of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on November 9, 2011. The meeting was called to order at 5:30 p.m.

Those present:

Board of Supervisors: Greg Caiola, Chairman
 Pete Stainthorpe, Vice Chairman
 Dan McLaughlin, Treasurer (joined meeting in progress)
 Matt Maloney, Supervisor (joined meeting in progress)
 Dobby Dobson, Supervisor Elect
 Jeff Benedetto, Supervisor Elect

Others: Terry Fedorchak, Township Manager
 Kenneth Coluzzi, Chief of Police
 Hank Hoffmeister, Public Works Director
 Donna Reardon, Public Works Department

Absent: Ron Smith, Board of Supervisors Secretary

Mr. Fedorchak stated the summary page provides a snapshot of the General Fund. He stated this evening they will concentrate on the General Fund and at future meetings they will discuss other funds.

Mr. Fedorchak stated they had a good year financially in 2011. He stated all **revenue** line items came in solid with the exception of the deed transfer tax. He stated they had budgeted slightly more than \$1 million for 2011, and he is hoping to get to \$800,000 by the end of the year. Currently the Township has \$622,000 posted. Mr. Fedorchak stated he understands a large property in the Township which is for sale should close by the end of the year, and this could take the Township above \$800,000. Mr. Fedorchak stated for 2012 he has put in \$1,045,000 for deed transfer tax which is the number they have used for the past three years; and the Board should consider if this is the number they want to Budget for next year.

Mr. Fedorchak stated all other fees (permits, leaf collection, franchise fees) have come in higher than originally anticipated, and he is hopeful that this will continue to be the trend.

Mr. Fedorchak stated additional funds were also received from the State for the pensions. He stated the State Auditor General reported that this was due to enhanced revenue efforts. Mr. Fedorchak stated typically they receive \$350,000 to \$375,000, and this is the number which he put in for next year as well.

Mr. Fedorchak stated they have a beginning fund balance of \$1.123 million, and they had projected \$867,000. He stated they had done somewhat better than they anticipate at 2010 year end.

Mr. McLaughlin joined the meeting at this time.

Mr. Fedorchak stated he hopes to end up in 2011 approximately \$600,000 more than they anticipated when they did the Budget projections a year ago. He stated this will give the Township a good start for 2012.

Mr. Joe Menard, Citizens Budget Committee, asked about the Local Services Tax and whether this is still an untapped resource as it seems the number is low; and as people learn about it, the number could double. Mr. McLaughlin asked how they estimated this number, and Mr. Fedorchak stated this was difficult from the beginning as there was no way for the Township to legally access the information from the State Department of Revenue. He stated if they had an earned income tax, they could get this information. He stated the original number was \$180,000, and they did not achieve that the first year. He stated this year they seem to be exceeding that and possibly next year they will see another increase. Mr. McLaughlin stated the development in Edgewood Village should enhance this, and Mr. Fedorchak agreed.

Mr. McLaughlin asked if there is a penalty for non payment of the local services tax, and Mr. Fedorchak stated while there is, he does not know what the follow up is by Berkheimer. Chief Coluzzi stated the remedy is through District Court. Mr. McLaughlin stated he feels they should follow up with Berkheimer since at this point he feels they should start penalizing since 2012 will be the third year.

Mr. Menard stated he is not sure whether Berkheimer sends people out to check, and possibly they should discuss with them how to be proactive in knowing that they have identified everyone who should be paying. Mr. McLaughlin asked if they are satisfied with Berkheimer; and Mr. Menard stated there is only one other operator, and he feels they are doing a good job although the Township may want to discuss with them how to be more proactive.

Mr. Menard stated self-employed people are not subject to this tax. Mr. Benedetto read from the Ordinance regarding the local services tax that may indicate that self-employed persons should be paying this tax. Mr. Menard agreed to look into this. Mr. Benedetto stated \$12,000 is the threshold for being required to pay this tax.

Mr. McLaughlin asked about the Police overtime reimbursement and asked if they increased this. Chief Coluzzi stated the Board approved \$55 per hour up from \$45 per hour. Chief Coluzzi stated \$55 is the average for Police Officers. Mr. McLaughlin stated he would like to see it go up by the percentage increase approved each year. Chief Coluzzi stated this is the amount they charge when they provide Police services that are not part of public services. He stated they bill this, and the parties using the service reimburse the Township.

Mr. Fedorchak noted under Rent and Royalties the Township has two communication towers located on its properties one at Woodside Road and one behind the Township Municipal Building. He stated the Township entered into Lease Agreements a number of years ago with SBA and Nextel, and the Township receives money from a land lease and gets a monthly fee from every co-locator. He stated over the years this has been a valuable resource which currently equals \$268,000. He stated they are also required to pay the additional taxes incurred by putting up the towers. He stated the land fee is set, and the rest is a percentage of something. Mr. McLaughlin asked if this has ever been audited, and Mr. Fedorchak stated it has not. He stated the staff currently does not have the time to do this. Mr. Menard stated the Citizens Budget Commission would be willing to look into this.

Mr. Fedorchak stated they put in some additional money in Fees since they are anticipating that Regency will start moving forward. He stated they are supposed to come in with approximately twenty to twenty-five Permits this year and forty to forty-five in 2012.

Mr. Dobson asked about payment of Fee-In-Lieu, and Mr. Fedorchak stated there are two thresholds – one is when they get to 101 units, the Township will receive approximately \$400,000 with a total of \$1.3 million to be paid in three installments. Mr. Fedorchak stated it also indicates that within eighteen months after the first Certificate of Occupancy is issued, the Township will receive the money. He stated if they can get the first one issued this year, the Township will be guaranteed getting the first \$400,000 in 2013.

There was some discussion regarding the “bridge” money. Mr. Stainthorpe stated the money will be coming to the Township although the other Parties do have input on what should be done with the money.

Mr. Fedorchak stated with regard to real estate, for the last three years the Township’s total assessed value has actually decreased from \$519 million down to currently \$518 million due to the Toll Bros. project. He stated prior to Toll Bros. taking ownership that land was all under Act 319. He stated the assessed value increased for that land by at least \$500,000. Mr. Benedetto stated Page 4 shows the assessed value at \$514 million, and Mr. Fedorchak stated he got the current number of \$518 million two days ago.

Mr. Maloney joined the meeting at this time.

Mr. Benedetto asked how many houses per year have applied for a re-assessment, and Mr. Fedorchak agreed to get this information. Mr. Dobson stated the County average was 550 per year but over the last three years they have done over 10,000. Mr. Menard asked if they could break this out by classification as he feels the larger real estate complexes in the Commercial part of the Township will be coming in for Appeals. Mr. Fedorchak stated the 777 building did this and was successful in reducing their assessment by \$400,000. He stated currently there are no other major commercial properties queued up for a re-assessment; but this could change in the next six months. Mr. Menard stated he feels they should ask for a re-visit of any Commercial re-assessment in two years since if the Township does not ask for this, it will not be done.

Mr. Fedorchak stated the average assessment in the Township is \$41,753 which equals a tax bill of \$631.

Mr. Harold Koopersmith asked about the deferred maintenance and how much there is left in the reserve fund. Mr. Fedorchak stated they will discuss this at the next Budget meeting when they discuss the long-range capital program including road resurfacing, equipment, etc. With regard to the reserve fund, Mr. Fedorchak stated there is \$600,000 in the Special Projects fund and \$600,000 in Capital Reserve. He stated he feels it would be best to discuss this at a future meeting.

Mr. Koopersmith asked if there is a State requirement that the Township maintain a certain balance, and Mr. Fedorchak stated the Auditors have suggested that it would be good to maintain a reserve of between 5% and 8% of total expenses, and this is referred to as Safe Harbor.

PUBLIC WORKS BUDGET

Mr. Hoffmeister provided information for the years 2008 through 2011 related to fuel usage, basins, recycling, leaf collection, and an inventory of major equipment in the Township for Public Works. He stated this does not include Police vehicles or sewer. He stated this is an overview of the expenses incurred by Public Works to maintain the Township.

Mr. Hoffmeister stated Ms. Reardon has broken out fuel – gas and diesel and how the gallons have been allocated.

Mr. Hoffmeister stated one of the biggest expenses has been maintaining detention basins. He noted Page 2 and stated there has been a decrease in these costs since 2009 because of employees and increasing the number of basins which are going natural. He stated this has been met with mixed emotions.

Mr. Hoffmeister noted the recycling costs which is the wood recycling in the back yard, and the costs have gone up. He stated they tried to offset the cost of recycling by selling mulch and also charging the contractors who come in. He stated once they started charging \$100 per month for the users, they went from eighty-four contractors down to twenty. He stated while there is a decrease in the level of people using the yard, and there has been a decrease in the revenue, to a certain extent the operational costs have been reduced by virtue of selling the mulch.

Mr. Hoffmeister stated there are three seasons in Lower Makefield – winter, spring/summer, and leaf. Mr. Hoffmeister stated this is the first time in four years that they have spread leaves on Patterson Farm because over the years, the leaves that were put on the Farm were actually drawing nutrients out of the soil. He stated spreading the leaves on Patterson Farm does cost the Township some money. He stated the leaves that were spread were in a degenerative state so they were not drawing nutrients, but actually adding nutrients and loosening the soil. Mr. Hoffmeister stated he has made arrangements with Victory Gardens for hauling leaves which will cost less than would be charged by Waste Management and several other recyclers.

Mr. Fedorchak stated in addition to being able to sell mulch, the consequence of restructuring the recycling program and the consequence of reducing the number of detention basins that are being mowed has resulted in needing fewer employees, and Mr. Hoffmeister agreed. He stated they are down to two part time employees when three years ago they had six to seven part time employees.

Mr. Hoffmeister stated when they haul mulch across the street for second grinding for the residents, it is being done by the vendors and does not involve Township vehicles or Township personnel which would add to the cost. He stated part of the Agreement made with Victory Gardens is that they would haul 1,300 to 1,500 yards of single-ground mulch across the street to sit for two to three months to which they would add leaves to help the decomposition, and in April they take the tub grinder over and it is double ground which results in about 1,700 to 1,800 yards of mulch for the residents. He stated they have reduced vehicle and labor costs for the recycling program.

Mr. McLaughlin asked what they will do with the mulch piles when they have the new ball fields. Mr. Hoffmeister stated a few years ago he and Ms. Reardon made a presentation to the Board of Supervisors about this. He stated if they lose that location as a storage area, there is not enough property currently at the Patterson Farm. He stated they could extend the area at Patterson Farm. He stated they could also expand the area behind the Township Building, but this would involve tree removal, land grading, and fencing. He stated they would not have to do a lot of land grading at the Patterson Farm, but they would have to do fencing. He stated the other option is that the Township could

make an arrangement with a recycler to use the Patterson Farm in an expanded area for which the Township would receive some kind of rental and still guarantee the residents a certain amount of double-ground mulch.

Mr. Fedorchak stated construction of the base ball fields will probably not begin until late summer of next year.

Mr. Hoffmeister stated if the Satterthwaite parcel is sold, this will reduce the access into the site, and the driveway will have to be re-done to accommodate the vehicles.

Mr. Hoffmeister discussed what is required by the State in the area where they currently store the leaves.

One gentleman asked how many residents take advantage of the free mulch, and it was noted many people make use of it.

Mr. McLaughlin asked about additional costs for leaf and other yard waste disposal once the area where the base ball fields is no longer available and the Satterthwaite parcel is sold. Mr. Hoffmeister stated it would then be up to the individual homeowners and their hauler, and the residents would have to put the material in brown bags which would probably result in an additional cost. Ms. Reardon stated in other Townships from November 15 to December 15 their trash hauler picks up the yard debris.

Mr. Hoffmeister stated Waste Management had contacted him about taking the leaves at a cost of \$6 a yard which would have cost the Township approximately \$150,000.

Ms. Reardon stated last year they had about 25,000 cubic yards of leaves.

Mr. Fedorchak asked if they could use a portion of the Samost tract south of the water tower between the tree lines as a staging area, and Mr. Hoffmeister stated this is a possibility.

Mr. McLaughlin stated he is concerned that the costs are not in the 2012 Budget.

Mr. Fedorchak stated he feels they should look at this and start to come up with several options.

Mr. Hoffmeister stated Ms. Reardon has put together an inventory of the fleet vehicles including the estimated year of replacement. Mr. Hoffmeister stated they have an excellent mechanical staff that has kept the fleet going, but they are going to need to replace vehicles if they are going to try to continue service to the residents. He stated there are issues with the age of the vehicles since they are not making the parts for them anymore, and the parts have to be fabricated or special ordered which adds cost. He stated the quality of the parts is also impacting the life of the vehicles since there is now

only foreign steel. Mr. Hoffmeister stated they are considering replacing Vehicle 313 at a cost of approximately \$160,000. He stated they have a four-year old vehicle which already has rust on it because of the inferior steel.

Mr. Menard stated someone from the Citizens Budget Committee is going to meet with Public Works representatives and discuss a fifteen to twenty-five year Capital Plan.

Mr. Hoffmeister stated they have sold a number of used vehicles in the last few years including Police cars, trucks, etc.

Mr. McLaughlin noted the information from Mr. Fedorchak includes a schedule of Capital purchases including trucks; and Mr. Fedorchak stated under Liquid Fuels Mr. Hoffmeister is proposing to purchase one large truck. Mr. Fedorchak stated they put \$85,000 in two different years. They will purchase the truck in 2012 at a cost of \$170,000. Mr. Hoffmeister stated the latest price they received was approximately \$165,000, and Ms. Reardon stated this includes the plow and spreader. Mr. McLaughlin asked if it would be possible to purchase a used vehicle instead; but Mr. Caiola stated purchasing a used vehicle would mean they would have to replace it sooner, and Mr. Hoffmeister agreed. Mr. Hoffmeister stated most of the large equipment they buy is on the State Contract so there is a reduction in pricing. He feels if they went out on the market and purchased this vehicle, it would probably cost \$220,000 to \$230,000.

Mr. Benedetto asked how the recent snow impacted the Budget, and Mr. Hoffmeister stated they had people in service beginning 12:30 p.m. on Saturday. Initially they only salted the hills and the intersections, but as conditions worsened, they had to plow and they worked until 11:30 p.m. Saturday night. He stated he had people come in on Sunday because of the power outages to maintain the generators for at least four major traffic signals. He stated the costs of the storm were added to the Budget which was already over because of the storms earlier in the year.

Mr. Hoffmeister stated they have approximately 350 tons of salt, and they typically order 400 tons of salt in December to get started. He stated he hopes the Board will agree to allow them to order this even though it will add to the 2011 salt expenses. Mr. Fedorchak stated this would be approximately \$5,000 to \$6,000 for the salt as it costs \$52.77 per ton. Mr. Fedorchak stated he does not feel overtime would be more than \$10,000.

There was a question regarding snow and ice control on page three and the difference between snow removal and personnel services, and Mr. Hoffmeister stated personnel services is for Township employees who go out. Ms. Reardon stated Snow Removal 305 is the contractors.

Mr. Dobson stated Mr. Hoffmeister indicated he wanted to purchase more salt in December, and he asked if this was included in the Budget; and Mr. Fedorchak stated it was not.

Mr. Fedorchak stated the 350 tons they have would not carry them through a large storm if they get a storm of any size in December. Ms. Reardon stated last year they used 2,900 tons and they re-stock when it gets down to about 350 tons. The igloo holds 1,100 tons. Mr. Hoffmeister stated they buy what is needed to get them through two typical storms which is 4" to 6" over a two-day period. He stated typically they do the hills and intersections before they go back and do the flat areas.

Mr. Hoffmeister stated it has been suggested that he reduce the Budget for Materials from \$40,000 to \$30,000; and he asked that the Board look at the cost of fuel/asphalt and what they would be restricted from doing next year such as curb and inlet boxes.

Mr. Hoffmeister stated Building Maintenance includes maintaining the Township Building, the garage, and the other buildings attached to the Municipal Complex. He stated it does not include Sanitary Sewer pump stations or Park & Rec structures. He stated they feel that they have kept this at a reasonable amount. He stated the utility expenses are uncontrollable. Mr. Hoffmeister noted Repairs and Maintenance (374) in the amount of \$6,000. Ms. Reardon stated this is heating and air conditioning, and maintenance of the buildings, outside repairs, plumbing, and electrical, and any materials that are needed to be purchased for the building. She stated inspection fees, cleaning supplies, and carpet cleaning come out of this for the Township Building and the Streets Department area. Mr. McLaughlin asked if this includes Satterthwaite House, and Ms. Reardon stated it does not.

Mr. Fedorchak stated it seems as if they are reducing costs in the recycling area. Mr. Hoffmeister stated this is weather dependent. He stated in 2010 they had severe wind storms, and they had to do additional grinding. He stated although 2011 has not been quite as bad, they did have Hurricane Irene. He stated he does not intend to grind anything until after the first of the year. He stated he feels there will be a reduction in the overall operation. Mr. Hoffmeister stated they also do not have the number of contractors putting material in the Township yard that they had in the past because they did not want to pay the \$100 fee or they did not have insurance. He stated the overall volume of work has reduced over the last few years, and they adjusted this accordingly.

Mr. Fedorchak stated the volume of leaves is increasing, and Mr. Hoffmeister agreed and stated they feel they will have 28,000 to 29,000 yards; and as the area matures, it will result in more leaves. Mr. Fedorchak stated they are looking to get a new leaf machine. Mr. Hoffmeister noted State funds have dried up. He stated the last machine they bought was in 2009 for \$48,000; but the Township only paid 10%. He stated these machines are running in the \$55,000 to \$60,000 range, and the Township will have to pay the entire

bill. He stated the machine they want to replace is from 1992. Mr. Hoffmeister stated there are seven total machines. Mr. Fedorchak asked what other major pieces of equipment go into supporting this operation. Ms. Reardon stated they need the truck as well to haul the leaf machine and for snow plowing.

Mr. McLaughlin asked what would happen if they took one of the machines off line, and Mr. Hoffmeister stated it could add possibly one week to a week and a half depending on the number of contractors they want to use. He stated the Board approved two contractors with two machines each for this year. He stated in the past, they have had three contractors with one to two machines. He stated if they were to take away the 25 yard leaf machine, it could add one and a half weeks to the entire project.

Mr. Fedorchak asked throughout the course of the leaf pick-up season, how often are all seven leaf machines out collecting; and Mr. Hoffmeister estimated this to be 25% to 30% of the time based on mechanical problems.

Ms. Reardon stated it used to take one week to do Yardley Hunt, but now it takes three weeks.

Mr. McLaughlin asked when they are finished with leaf collection, and Mr. Hoffmeister stated they attempt to finish by Christmas.

Mr. McLaughlin stated eventually he feels they are going to have to make a hard decision on the leaf program. He asked about the status of the tub grinder, and Mr. Hoffmeister stated they anticipate replacing the tub grinder in 2017 at a cost of \$1 million.

Mr. McLaughlin stated he is concerned about adding assets of this amount if they are not going to be able to proceed with the program going forward. He stated he recognizes that when this was previously discussed, the community was adamant about continuing with the leaf program, but in five years when they have to purchase an \$800,000 tub grinder, the opinion may be different. He stated it may make sense to trade a week of service for a new piece of equipment.

Mr. Menard stated Ms. Reardon previously indicated that approximately 20% to 30% of the time all the equipment is on the road, and he asked if this is because there is down time due to the age of the equipment. He asked what it would do if they changed the mix in terms of the age of the equipment. He suggested they look out six years and see how they should run the leaf program, possibly replacing the vehicles a little more frequently so that there is less down time mechanically. Mr. Hoffmeister stated the trucks are used throughout the year. Ms. Reardon stated the Township has seven trucks, but one is not able to be used and one is in need of repair. Mr. Menard stated if there is a vehicle down, then there is also a machine down. He stated he feels they need to look more in depth with this and consider what they can do.

Mr. Fedorchak stated they need to get enough crew members to properly staff the leaf program, and Mr. Hoffmeister has done a fantastic job over the years in going to temp services, but they do not always guarantee a specific number every day. He stated they also have full-time Township employees to operate the trucks, and there may not be seven employees available every day. Mr. Hoffmeister stated this is when they have to call in the part-time employees.

Mr. Fedorchak stated for a number of reasons they are also not running all seven vacuum machines every day; and Ms. Reardon stated last year the majority of the time, they did have seven machines out. She stated each truck has a Township employee driving, and there are three temps per truck who they have to transport to the sites. Mr. Fedorchak asked how many of the seven are typically in the shop, and Mr. Hoffmeister stated typically one. He stated typically they can put no less than five vehicles out each day.

Mr. McLaughlin asked how many outside contractors they have, and Mr. Hoffmeister stated there are two firms. Mr. McLaughlin asked if they man the trucks, and Ms. Reardon stated they do not. She stated they vacuum and rake the leaves.

Ms. Reardon stated if they have to replace a hose because of damage done from twigs, etc., the machine could be down two to three days; and it typically costs \$1,000 for a hose.

Mr. McLaughlin asked if they have ever considered locking in a contractor for four to five years and asking them to provide the equipment. Mr. Menard stated they would have to consider the manpower utilization in Public Works. Mr. Hoffmeister stated there are nine regular employees out on the road. Mr. Menard stated if they contract out this fall function, he questions what would be done with the full-time employees during this time of year. Mr. Hoffmeister stated they have work that they cannot do until spring because they are devoting man hours to the leaf season. Mr. McLaughlin stated possibly they could contract out with a firm five to ten years, and they could have them purchase the equipment needed. Mr. Menard stated they still need to consider the effective utilization of the Park & Rec crew.

Mr. Benedetto stated currently the leaf collection fee is \$50 per property, and he asked how much this is in total; and Mr. Fedorchak stated it is about \$440,000. Mr. Maloney stated they have had to make purchases over the years. Mr. Fedorchak stated the leaf collection fee goes into General Fund. Mr. Maloney stated the leaf collection program costs more than the \$50 per household being charged. He stated the last projection they did was that the cost would go to \$80 to \$90 per household. Mr. McLaughlin stated while they discussed this program a number of years ago and the residents were still in favor of it, with the costs going up they may have to charge \$100 per household, and people may then be more interested in having the trash haulers take the leaves.

Basin maintenance was discussed, and Mr. Fedorchak stated this expense had been going down, but seems to have leveled off. Mr. Hoffmeister stated after the first of the year, he will revisit this. He stated they are reducing the expenses for Township personnel by outsourcing this service. Mr. Fedorchak stated they also have to reduce the number of basins they are mowing which does sometimes create problems for some residents.

Mr. Stainthorpe stated when they choose a basin to go natural, they should have the EAC make up mailing to go out to everyone in the neighborhood describing the program and indicating what the residents should expect and describing the benefits. He stated they should be proactive in educating the residents. Ms. Reardon stated she feels the EAC has done this in the past. Mr. Stainthorpe stated he wants to make sure this is done before the program starts so they are proactive and not reactive to people coming in to complain. Mr. Maloney stated he feels this approach was only on the pilot program and not every time, and Mr. Stainthorpe has indicated that they should do this every time.

Mr. McLaughlin stated other than a few complaints, he feels the program has been successful. Mr. Fedorchak stated the staff does intercept a number of complaints, and they are going out and discussing their concerns with the residents. Mr. Stainthorpe stated he feels they should be proactive and go out to the development ahead of time and not after they complain.

Mr. Hoffmeister stated he feels getting the EAC more involved would be very good and this is what they had done initially. He stated because of costs, they have had to reduce the amount of cuttings as well as the amount that is cut each time. Ms. Reardon stated there are complaints in the beginning of the year that the crews are not out quick enough.

There was discussion about a recent situation where there was a complaint, and the Township changed their policy; and Mr. Maloney stated he is concerned that they are allowing complaints to dictate policy.

Mr. Stainthorpe stated if they let the basins go natural, after a few years, it is attractive; and it is just the initial period that is difficult. Mr. Hoffmeister stated they can let it go natural or have the EAC go in and plant natural materials.

Mr. Caiola stated when they make the initial contact with the residents, it would be a good idea to provide pictures of existing basins where it has been successful; and Ms. Reardon noted the basin in Big Oak Woods off of Big Oak Road.

Mr. Hoffmeister noted again the Materials item which would depend on how much they want the in-house staff to be able to replace curb boxes, do paving, etc. He stated he feels \$40,000 is a reasonable amount given the cost of materials such as asphalt and fuel. He reviewed the cost to do certain paving projects.

Mr. Benedetto asked why the figure was low in 2010, and Mr. Hoffmeister stated because of the impact of weather there was a cumulative impact from 2010 and 2011. He reviewed problems with potholes and streets which were unraveling. Mr. Caiola noted the number of calls the Supervisors receive from residents about potholes. Mr. Hoffmeister also noted the number of storm inlet boxes that needed repairs. He stated many of the Subdivisions are now twenty to twenty-five years old, and these need repairs including grates, inlet boxes, curb boxes, etc. He stated this impacts materials costs.

Mr. Hoffmeister also noted tire expenses. He stated they had to replace two tires on a loader this year at \$1,100 per tire; and he feels the proposed tire expense of \$7,000 is reasonable. He stated this does not include any Police vehicles.

Mr. Menard asked if the Public Works mechanics take care of the Police vehicles, and Mr. Hoffmeister stated they do.

Mr. Fedorchak provided a handout on the roads in Lower Bucks County. He stated the Courier Times had indicated that there were only 92 miles of Township roads, but today there are actually 137 miles. He stated they are in line with other communities in Lower Makefield, and the Courier Times did print a correction.

Mr. Hoffmeister stated there are thirteen full time and two part-time employees in Public Works which includes himself and Ms. Reardon.

Chief Coluzzi asked what amount they are using for gas, and Ms. Reardon stated she used \$3.10 a gallon because the average they were using for gas this year was \$2.86; and she took it to \$3.10 because costs have been climbing the last few deliveries. Mr. Hoffmeister stated they used \$3.10 for gas, and they increased diesel up a little.

Mr. Menard asked if separate pumps are used for the Police Dept. versus the Streets Department, and Mr. Hoffmeister stated they are not. Mr. Hoffmeister noted under State regulations, the gas island has to be inspected by operators; and including himself, the Township has six Class A/Class B operators who are required to inspect the island. He stated this is done on a weekly or semi-weekly basis, and a report is then made to the State DEP.

Ms. Reardon stated seven different Departments use the gas pumps, and they need a key. She stated it records the fuel usage by key, and the key is assigned to a vehicle. She stated they do the Rescue Squad, Fire Department, and Yardley Borough. Mr. Menard asked if they charge a surcharge to Yardley Borough, and Ms. Reardon stated they do not. She stated she does a report each month, and each Department gets a report on the fuel they have used. She stated the charges are based on the last fuel delivery.

Mr. Menard recommended that they consider for anyone using the fuel pumps that are outside the Township such as Yardley Borough, they should be charged a surcharge since the Township is providing the pumps, inspections, and storage of the gas. A number of Board members agreed. Mr. Menard stated he will continue to suggest a surcharge to anyone using Township services who are outside of the Township.

Ms. Reardon stated they do charge an administrative charge when they make signs for people who are outside of the Township.

POLICE DEPARTMENT BUDGET

Chief Coluzzi stated they are projected to come in under Budget this year despite a number of unforeseen problems that arose including crime patterns and the arsonist. He reviewed how they were able to identify the arsonist and noted the charges that have been filed. He stated the arson incidents caused the Department to have extra patrols which was costly. He stated they also had a number of power outages and emergency management operations being opened.

Chief Coluzzi stated one of the big issues last year was Police overtime, and they proposed \$205,000 for Police overtime, and they were asked by the Supervisors to cut this by \$15,000 which they did. He stated they are projected to be at \$265,000 in overtime; however, this is not the true bottom line as it does not take into account the reimbursable overtime that was previously discussed. He stated they estimate that they should come in at about \$75,000 to \$80,000 in reimbursable overtime so they should come in line with what the Supervisors had asked for last year.

Mr. McLaughlin asked for an explanation of reimbursable overtime, and Chief Coluzzi stated these are the private concerns that use Police services. He stated the Police Department is also involved in a number of drug operations over the year for the District Attorney and Attorney General's office; and these are reimbursable by the County and the State.

Chief Coluzzi stated the Budget is expected to be about \$240,000 more than last year's Budget because of the Contract and the 2.75% pay raise. He stated this takes into consideration the personnel services including the Administrative staff, School crossing guards, and overtime since this goes up with the pay increase. Chief Coluzzi stated with regard to overtime, they are asking for the same amount they had originally requested last year which was \$205,000. He stated they took the \$190,000 which the Supervisors asked for last year and added the pay raises into that figure so it would be the same amount of hours, but a different rate of pay.

Mr. Stainthorpe asked if they anticipate any major purchases, and Chief Coluzzi stated they do not anticipate any major purchases. He stated usually they replace the Police vehicles that are well over 100,000 miles; and while this year they needed to replace four vehicles, after discussion with Mr. Fedorchak, they reduced this to three to keep the Capital Budget down. Mr. Fedorchak stated this is in Capital Reserve. Chief Coluzzi stated they have seven marked patrol vehicles, three canine vehicles, and 5 Detective vehicles. He stated they also have second line vehicles; and when a vehicle is no longer in good enough mechanical condition to run 24/7 in the first line of operation, they keep that vehicle as they need extra vehicles for special events and to increase Police visibility especially during holiday times where they are in shopping centers, banks, etc. He stated they have five second line vehicles.

Chief Coluzzi stated they have thirty-eight Police Officers and this includes himself, the Captain, and the Lieutenant. They do not know of any retirements for 2012.

Mr. Dobson asked about the uniforms, and asked if this is per the Contract, and Chief Coluzzi stated 95% of the category Uniforms and Equipment is Contracted.

Mr. Dobson asked for an example of Minor Equipment, and Chief Coluzzi stated this would include radar signs that tell the speed, medical supplies, software, and defibrillators which are in every vehicle. Chief Coluzzi stated in the Education and Training Section there is a lot of training, and seven of the Police Officers are trained to the level of EMTs, and they have equipment in their vehicles.

Mr. Benedetto asked about the DARE program, and asked if this occurs in the fall of every year. Chief Coluzzi stated the DARE program is taught to Fifth Graders and at the Middle School. He stated they have graduation twice a year; and they split the Schools up in Lower Makefield with half graduating in January, and the other half in May. He stated the State previously funded a large portion of this program; but when the State stopped all funding, the Township decided to continue to fund it on its own.

There was discussion about increased costs for mobile communications, and Chief Coluzzi stated there is a Federal mandate, and this may actually cost more than indicated. He stated the County 911 system will go to the 700 megahertz system because the FCC is allowing all private business to use the 500 megahertz system so they are moving Public Safety off this and putting them on 700 megahertz system which results in a significant amount of money to replace the radio systems in the Police cars and the mobile radios.

Mr. Menard asked if they get any of the 911 fees collected by the County. He noted in all phone bills, there is a surcharge. Chief Coluzzi stated this all goes to the County to upgrade the County radio systems. Mr. Menard stated the Citizens Budget Commission is going to discuss this at their next meeting since he feels the County is getting sufficient dollars that the upgrade being discussed should be covered by the 911 fees, and it should not be an additional cost to the Municipalities.

Mr. McLaughlin asked if the Township is obligated to provide the DARE program. Chief Coluzzi stated it is not a mandated program, and they could pull out at any time. Mr. McLaughlin stated he does not feel this is a Township responsibility and it should be a School District responsibility. Mr. Stainthorpe stated they have had this discussion before, and he asked what the \$7,000 pays for. Chief Coluzzi stated the \$7,000 pays for incidentals to run the program such as supplies, etc.

Mr. McLaughlin stated he understands that Officer Pell is 100% dedicated to this program; and Chief Coluzzi stated this is not completely true; but during the School year he is in School a couple hours each day, and the other times he is on bike patrol and does community policing.

Mr. Maloney stated the Chief has also advised that it is effective from a Police perspective, to have a Police presence in the School; and Chief Coluzzi stated he feels the networking between the Police Officers and the students, the intelligence that comes back, and the relationships that are formed, you cannot put a dollar amount on. Chief Coluzzi stated the School District does help with costs, and they do want to keep the program in the School. He stated if Lower Makefield does not do it in their Schools, Falls Township would come in and have a Falls Township Police presence in the Schools.

Mr. McLaughlin stated he feels they are offering the program too early, and he does not feel it is effective in Fifth Grade. Mr. Stainthorpe stated the purpose is to reach the children early. Mr. McLaughlin stated they still had someone indicate that 70% of all High School students try drugs. He questions what the State saw when they decided it was not worth it.

Chief Coluzzi stated the DARE program and public relations with the Police has been there for years, and because the State no longer had additional money they decided not to fund it.

Mr. McLaughlin stated he feels it is still something the School should take up. He stated he does not feel the Township is in the business of education. Mr. Caiola stated it is all one community.

Mr. Stainthorpe stated his adult children went through this program; and while the effectiveness of the program has been questioned over the years, as a parent he feels getting the children at the 5th Grade level is good since you are able to plant the seed that drugs are a bad idea. He stated between the Police, the community, and the parents he feels for \$7,000 it is worth it. Mr. Caiola stated the best responses he has ever received as an elected official were when he attended DARE graduations because it is important to the parents that the Board show up as elected officials to support their children as part of this program. Mr. Maloney stated Chief Coluzzi has also indicated that he feels it is important for him to have the Police in the Schools.

Chief Coluzzi stated a lot of the relationships that were formed between the Police and some of the children in fifth grade followed through their High School years, and they have provided a lot of information to the Detectives as to crimes which have occurred.

Mr. Benedetto asked about the Ready Notify Program and stated the number of residents who have signed up is very low. He asked about the \$800 budgeted for this, and Chief Coluzzi stated it is to advertise and there is a slight cost getting voice messages out that are not County-designated emergencies. Chief Coluzzi stated the last time he looked there were only 700 residents signed up.

Mr. Benedetto noted Page 30 and asked about the Miscellaneous Expense of \$15,677 and he asked if they could take that number and break it down into the budgeted items. Mr. Fedorchak agreed he could do this.

There was further discussion on the costs of the DARE program, and Mr. Stainthorpe stated this year they spent \$186; and while he assumes there will be more expenses, in 2010 they only spent \$3,700. He suggested they cut the Budget for DARE to \$5,000, but still continue the Program.

Mr. McLaughlin asked if they could move the program to the first year of Middle School. Chief Coluzzi stated the Officers do have to be Certified by the State in order to go into the Schools to teach it, and this is what the Schools indicated should be the age when it is taught. He stated they work with the School Board and the State through the Certification.

Mr. Benedetto stated six month ago there was a demonstration with the armor, and he asked if this was an additional purchase. Chief Coluzzi stated they Department promoted it for the company because they thought it was worthwhile. He stated this is a light-weight, effective tactical shield, and the Department did buy one.

November 9, 2011

Board of Supervisors – page 17 of 17

There was discussion about electrical expenses, and Mr. Fedorchak stated they received a \$230,000 Grant from the State which was part of the Conservation Works Program; and this was targeted for energy-efficiency projects. He stated there were two components with the first being to retrofit twenty-three of the traffic signals to LED, and the savings were even more than anticipated going from \$2,400 a month for all traffic signals down to \$600 a month.

Mr. Harold Koopersmith stated coming up with creative ways to fund the Township is going to be essential.

Mr. Fedorchak asked to be contacted if anyone has the need for more information on any item, and he will provide detailed journals or special reports.

Mr. McLaughlin stated he likes the format that has been provided, and would like to see this going forward in the quarterly report.

The meeting was adjourned at 8:05 p.m.

Respectfully Submitted,

Greg Caiola, Chairman

