

TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
MINUTES – JULY 21, 2010

The regular meeting of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on July 21, 2010. Chairman Smith called the meeting to order at 7:33 p.m. Mr. Maloney called the roll.

Those present:

Board of Supervisors: Ron Smith, Chairman
 Greg Caiola, Vice Chairman
 Matt Maloney, Secretary
 Dan McLaughlin, Treasurer
 Pete Stainthorpe, Supervisor

Others: Terry Fedorchak, Township Manager
 Vincent J. Magyar, Jr., Township Solicitor
 James Majewski, Township Engineer
 Kenneth Coluzzi, Chief of Police

PUBLIC COMMENT

There was no public comment at this time.

Mr. Smith stated the Board met in executive session for the first time since the last Board of Supervisors Meeting. The Board discussed real estate litigation and employment matters.

APPROVAL OF MINUTES

Mr. Caiola moved, Mr. Stainthorpe seconded, and it was unanimously carried to approve the Minutes of June 16, 2010 as written.

CONSIDERATION OF LEASE AGREEMENT BETWEEN THE ARTISTS OF
YARDLEY AND LOWER MAKEFIELD TOWNSHIP FOR THE JANNEY BROWN
FARMHOUSE LOCATED ON THE PATTERSON FARM

Robert Greenberg stated he is a resident of the Township since 1984. He is the Solicitor for AOY, the Artists of Yardley, and his position is solely a volunteer status. Mr. Greenberg asked Mr. Fedorchak if was going to make some comments before he spoke to the issue.

Mr. Fedorchak stated that he does not anticipate that the system will fail. He does not think that is a possibility.

Ms. Doan asked if there is a way of disposing of hazardous chemicals or detrimental materials in the septic system, such as paint thinner, solvent, brush cleaners, casting materials, clay. Mr. Greenberg stated as solicitor for AOY, he can assure the Board and the public that they would never permit such a practice to take place. It would be illegal, inappropriate, irresponsible, and they will not let it happen. Ms. Doan asked if all those materials are taken off site. Mr. Greenberg stated he is not sure what Ms. Doan means when she says, "all those materials." He stated that water and oil paints are being used, but they are being handled in a socially responsible way. Mr. Greenberg stated most of the paints are walking out of the building on a piece of paper by the artist that has created them. He stated nothing is going to be disposed of in the water system, sewer system or in the garbage that requires proper environmental disposal. If a product or substance needed disposal of that sort, AOY would make sure that happened appropriately. Mr. Greenberg stated that he believes the Lease includes standard language of compliance of laws, regulations, environmental concerns, and AOY is signing off on that.

Ms. Doan asked in regards to the farmer that is paying rent to use the land, is there any assurance that the students will not be doing any crop damage walking through the fields. She stated to be mindful that there are herbicides, perhaps some pesticides that are in use. Ms. Doan asked if there is any kind of rule in writing the students will stay off the farmland itself.

Mr. Smith asked Ms. Doan to list all her concerns rather than go back and forth. Ms. Doan stated that if Sam decides not to farm, she has a farmer who lives nearby, and he is able to travel with his machinery to the farm to farm it. She asked if Satterthwaite is sold and if AOY is in the farmhouse, how will the Township find another farmer to farm the land. It is very difficult for farmers to move machinery. There is restrictions on moving large machinery on the roadways. The farm is landlocked now with housing developments. Ms. Doan asked if there is a future for farming at the Patterson Farm. She would like to be reassured that the Board will carry out the final wishes of the Pattersons and preserve the farmland for farming.

Mr. Fedorchak stated the Township broached the subject of renting the building with Mr. Stewart, and there are no anticipated problems there. The possible sale of Satterthwaite was also discussed with Mr. Stewart, and there are no problems anticipated if that were to happen.

Mr. Smith asked in the event that a farmer has his machinery off premises, would that cause a problem with AOY in what they are doing in their effort. Mr. Fedorchak stated there is no anticipated conflict with that group and the existing farming operation.

Ms. Doan stated the conflict would be with the farmer who would need to live on site in order to keep the farm viable. Mr. Smith asked if the farmer is living on site now.

Ms. Doan stated the farmer is not living on site, but in the event there is a problem with Sam where he cannot continue or does not want to continue, we need to be able to keep this farm farmed. There would need to be an ad in Lancaster Farm to obtain a farming tenant who would move on site.

Mr. Maloney stated the Township would have that problem no matter what and should the Township leave the house open until Sam is no longer around to offer the house. Ms. Doan stated a residential tenant on a year-to-year Lease would provide income that would fix Satterthwaite and some of the buildings, and it would give the Township the option to make sure the Pattersons' last wishes are carried out, and it remains a farm. Ms. Doan stated the current way seems to her to be pushing the farmers aside to make it a cultural space.

Mr. Smith asked what Ms. Doan's suggestion would be. Ms. Doan stated this farm has been farm use for the last 327 years, and there is no reason it cannot remain viable. At the last meeting, money was the issue as to why Satterthwaite had to be sold, and yet the Township has not done anything to fill the residential homes that would provide income to do the repairs on the property. She stated there are a lot of options.

Mr. Smith stated this has to do with the Lease. Ms. Doan asked if there was any effort made to obtain a tenant who would also give services. She asked why it was not opened up to the public. A Lease for services is fine. She asked why everyone was not allowed to bid. Mr. Smith stated there was consideration to one of those things. There was an idea brought up a year or two ago about ARC coming on the premises. After the vetting was done, the public thought it was a bad idea to consider that idea, and the Township did not follow through with it. Mr. Smith stated in response to Ms. Doan's question, the answer is no. The Board felt it was a good idea for the premises.

Ms. Doan stated she does not have a problem with AOY if they are going to be respectful to the property. She has seen kids in the field. She asked that people stay off the lawn and use the driveway. Ms. Doan said AOY could work, but farmers need to be given consideration, too. She stated farmers need barns and outbuilding for storage. The Township can lease out the house; although, it would not be a good option. A better option would be to use a residential tenant who would pay rent and would not overburden the septic system. She asked the Board to think forward to the future.

Mr. Smith asked Mr. Fedorchak if the nonresident farmer, Sam Stewart, has raised concerns. Mr. Fedorchak stated no. Ms. Doan asked is that because Sam has not come up and voiced an opinion. She stated a farm is a dangerous place at times with heavy machinery. It is not a place for kids to be playing around. There is a safety and liability issue. Ms. Doan asked if AOY has liability insurance. She asked the Board to think of

all options. She wants to make sure the farm is used to the best advantage of the community. There are options for earning income at the farm. A windmill could be put up. There was windpower before. There are many options to make this farm profitable. She stated all rent money that is derived should go into a specific fund for the Patterson Farm and maintenance.

Mr. Smith asked her opinion on a horse veterinarian. Ms. Doan stated a commercial use would not be her first choice. She stated the Satterthwaite home could be saved. She is restoring a 1880s Victorian house, and she believes the repair estimate the Board received for Satterthwaite is high. An option would be to use technical school students to repair the house to get rent coming in. She stated it is a waste to let it sit empty. To sell Satterthwaite off is this Board admitting they do not want to commit to the work it takes to have a stewardship of a farm.

Mr. Greenberg stated AOY is 120 members strong, and they are looking to their friends and their husbands to help the group to make it a better property. He stated the Board has done a wonderful job in leveraging its resources.

Ms. Virginia Torbert, 1700 Yardley-Newtown Road, stated she attended the first Open House of AOY. It was a marvelous affair. She was pleasantly surprised by the number of people and what an organized event it was and the great job they did with the house. Ms. Torbert stated her concern is parking. It can be dangerous with events and people parking for traffic safety and the integrity of the property. Mr. Fedorchak asked if her concerns were for major events or just in particular. Ms. Torbert stated she does not know how many they have. She said simple things like signs, just the basics.

Mr. Smith stated this is an easy issue. The Police Chief and Captain Roche can provide answers to that. Mr. Smith stated he has not gone there during the day, but he has not seen kids running through the corn fields or cars knocking down corn or soybeans. He stated the problem Ms. Torbert raised is a legitimate problem that is resolvable. Ms. Torbert stated she does not want to see it paved over, perhaps gravel.

Ms. Torbert stated Ms. Doan raises a valid point with the children in that they are having summer camp now, but farms are dangerous. There is a pesticide issue and groundhog holes, but she thinks AOY should be aware that kids cannot climb on machinery because it is a working farm.

Ms. Torbert stated she would like to see one of the talented members of AOY make the Township a new sign. Mr. Smith stated we are going to get one.

Ms. Helen Heinz, 1355 Edgewood Road, Historical Commission, stated the Commission is disappointed in a couple of ways. They expected to be more involved with the Lease arrangement. They have concerns regarding the electrical work going in on the house

and insurance. She stated a \$1250 security deposit seems light. The Commission would like to see a sunset clause in the Lease. She stated it might be a good fit, but it is a commercial venture in an old, historic house which is intrinsically not a good thing to do. Dr. Heinz stated previously the outbuildings were painted for free by Scout groups and others by using the Township supplies; therefore, she does not see it as a great expense the Township is saving by doing it with AOY rather than teenage boys. She stated the Township is giving it away to AOY when two other groups requested use of this farm and they were denied. Ms. Heinz would have expected a more open and fair bidding process.

Motion carried unanimously.

Mr. Smith stated the Board wished AOY good luck. He stated it will be a win/win not just for AOY but also the Township of Lower Makefield, and he thanked them for that.

FINANCE

Mr. McLaughlin moved, Mr. Stainthorpe seconded, and it was unanimously carried to approve the June and July warrant lists, the June 2010 payroll as attached to the Minutes.

CONSIDERATION TO REFINANCE THE 2003 BONDS - \$5,590,000

Mr. L. Gordon Walker and Mr. Zach Williard were present. Mr. Walker stated Mr. Williard had run the numbers and worked on the issue we did in March. Mr. Smith asked if Mr. Walker had good news, and Mr. Walker stated he did. Mr. Walker stated on March 3, we refunded the '01 and '05 bonds and generated substantial savings for the Township. He stated the market is still good. In the interest of time, he will skip over Page 1 unless the Board has questions. He referred the Board to Page 2 of the Preliminary Refunding Analysis (2003 Bonds) report. On April 23rd all of the communities got upgraded or recalibrated by Moody's, and the Township's rating was upgraded from a AA2 to an AA1. He stated there are three categories in the AA category: AA1, AA2, and AA3; 1 being the best. The Township is now at the highest rating within the AA rating. The next step upward were the Township to get an upgrade would be AAA. The county was a AA1, for point of reference. They were raised to AAA.

Mr. Walker stated if the Township wants to go ahead with the refinancing, we need to get the rating reaffirmed. The rating should not change, but they have the right to change it up or down if they see reason to do so.

Mr. Smith asked Mr. Walker what does the rating mean and how does it serve Lower Makefield Township in dollars and cents. Mr. Walker stated since the meltdown of Wall Street, the ratings have become extremely important. They used to rely on bond

insurance, and they were AAA, but now most bond insurers are financially in trouble. Therefore, all the investors are focused on the underlying rating, and particularly advantageous is to have a AA as opposed to an A. AAA's are far and few between. The Township is among the elite, and the increase the Township received will probably reduce the interest rate marginally to .05. Mr. Walker stated he is not a bidder on Wall Street.

Mr. Maloney stated most of the belief on the part of actual fixed-income traders is that ratings do not mean a whole lot. They mean a lot to people who hold the securities, but traders will pay and trade these securities based on what they know the underlying fundamentals to be, not necessarily what a rating agency purports them to be. He stated since it was a recalibration anyway, have we really seen a change in the interest rates that public entities are paying. Mr. Walker believes the market is giving the Township a benefit for a better rating.

Mr. Walker stated the '03 issue, from an Internal Revenue Service regulation standpoint, we could have not closed this issue until 90 days prior to the call date, which is 12/1; so we could not have done this in March. We cannot close on this earlier than 9/1. He stated that under the schedule he has in mind, if the Township wants to move forward, we would get the rating in August, we would sell the bonds in September, and we would then close in October. Mr. Walker noted on Page 3 of the report that this is not a big deal. It is 5,590,000. The rates are from 3.35 to 4.45. He stated the debt service is in the right-hand column. He referred the Board on Page 5 to the figure of 5,835,000 subject to what the bidders bid; 5,835 to accomplish this.

Mr. Walker stated he was advised by the staff to show three different options of where the Township would realize the savings. There are other options, and he can state what those results would be. Mr. Walker noted the first option is on Page 6 which is to realize no savings this year but to put all of the savings in 2011 and 2012. He stated "savings" means reduction in debt service as compared to what the Township has now. That is shown on Column 8 on a dollar basis, not present value. He stated that if the Township takes that option, it would save \$138,000 in 2011 and \$143,000 in 2012, and more or less break even in the other years.

Mr. Smith asked if that was what the Township did in the last ones, and Mr. Walker agreed.

Mr. Walker stated the second option on Page 7 was to break even in 2010, '11, and '12 and have the Township realize the savings in 2013 and '14 of \$146,000 and \$144,000 respectively, for a total savings of \$289,000. He stated after expenses, the present value of that, because it is occurring in the later years, is 20,000 less or \$269,000.

Mr. Walker stated the third and last option on Page 8 would be to realize the savings every year from 2010 through and including 2018. That savings would be in Column 8, and that savings in this market right now would be \$300,000, about 30-some thousand a year, and the present value means what is it in today's dollars because it is occurring over time.

Mr. Walker stated the Township could defer the decision for a month. If the Township wants to do this, when they go to Moody's in August for the rating, we do not have to tell them exactly where the Township would realize the savings. The Township could make the decision where the savings would fall at the August meeting, or the Board could do it tonight, because we are not selling the bonds until September.

Mr. Walker stated that the Township needs to state tonight if they are interested in taking advantage of the low interest rates that prevail in the marketplace, do another significant savings which the Township was unable to do legally back in March.

Mr. Stainthorpe asked is the next step to have a resolution at the August meeting and vote on it then. Mr. Walker stated when we sell the bonds in September, it would be done by ordinance. He believes a directive to the working group to move forward would be appropriate. Mr. Stainthorpe stated that to save money does not take a lot of thought or debate. Mr. Walker agreed.

Mr. Stainthorpe moved, Mr. Maloney seconded to instruct the working group to move forward to refinance.

Mr. Smith asked if there were further comments by the Board. Mr. Maloney stated he would encourage the Board to take the savings over an even spread of years. It avoids the jump up in expenses on the side, avoids the surprises from a financial management standpoint, and avoids us shaking the piggybank too hard right now when things are too bad only to get hit later on with higher expenses later. He noted the Township took the cash out in the first two years last time, and he would encourage the Board not to do the same thing this time.

Mr. McLaughlin asked Mr. Walker how much were savings with the first refinancing we did, to Mr. Maloney's point. Mr. Walker stated the total was a little over \$1 million. Mr. Maloney stated not including the golf course. Mr. Fedorchak stated the figure is \$244,000 in 2011 excluding the golf course number. The golf course number is \$128,000. In 2012 we save \$238,000 in general debt service and \$132,000 golf course fund.

Mr. McLaughlin stated to Mr. Maloney's point, we are building a little bit of a cliff for ourselves. Savings up front are always great for Board members in the year they sit there. He stated the option on Page 7 is interesting because it pushes it out, and it is a

good compromise that pushes it out to years 2013 and 2014. Mr. McLaughlin agrees that Mr. Maloney makes a good point that even savings over the course of time is something to consider.

Mr. Walker stated one thing that argues in favor of taking the savings over time, as Mr. McLaughlin suggested, is this is a short issue; therefore, the savings each year are fairly significant. This is eight-and-a-half years. If this was a 25-year issue and we spread the savings out over 25 years, it would not amount to much per year. Mr. Walker stated that in this instance, it is so short, it does come up with fairly significant dollars every year.

Mr. Maloney stated that it is still coming out of the same pockets. Most people live in this town a very long time, and whatever that time period is does not quite matter because sooner or later, it is coming out of everyone's pocket.

Mr. Brian McCloskey, Finance Director, stated we did take the savings over three years upfront, 2010, 2011, and 2012, and that is why we asked Mr. Walker to show us, for the very reason Mr. McLaughlin and Mr. Maloney pointed out, namely, that hurdle we are going to have in a couple of years, to show us a scenario where we could take the savings in 2013 and 2014. That hurdle would be minimized in year three and four. Then in year five, there would be a little bigger of a step to take up.

Mr. Caiola stated he wants the next Board, whether he is here or not, to be in a good position. He thinks it is important. He stated the stability of the Township's financial situation means that you spread it out. We know the next couple of years we are going to have money to help with those two budgets. Mr. Caiola stated if we set ourselves up for the two years following those and if anything comes due in between now and 2012 that comes through, that may set the Township up for 2015 and 2016. He stated he does not know that, but he thinks it is important to look ahead, that we are forward-thinking enough to realize that we are going to living here. He wants whoever is sitting on the Board to be in a better financial situation. Mr. Caiola stated the first option is off the table. The second and third he believes are both very sound, both good amounts of money. He stated to Mr. McCloskey that he prefers if he had a sense the Township would be in a situation in a few years where we might be able to benefit again following the years 2013 and 2014, he would be inclined to go with the recommendation on Page 7. Otherwise, he would support it over ten years so every time you budget, you would know there is \$35,000 in the black to a degree that you can count on year in and year out. As the market changes, it might be more. Mr. Caiola stated either of those two he would support. It is good long term.

Mr. Maloney stated that we only get the savings right now because the interest rate market is more advantageous than it was when the bonds were initially issued. Therefore, to assume in three years we are going to be able to capture savings again, makes an assumption on interest rates. Mr. Caiola hopes we are not in that position

financially in the country. Mr. Maloney stated that is the point. To the extent interest rates are low is usually an indicator everything else is really bad. Mr. Maloney hopes that we cannot refinance for this kind of savings in three years because there will be an indicator that the Fed has been able to raise interest rates and growth has returned.

Mr. Smith asked what Mr. McCloskey's recommendation is. Mr. McCloskey stated he would lean towards the recommendation on Page 7 where the Township would take savings in 2013 and 2014. He stated he agrees with everything Mr. Maloney said. As a budgeting professional, you want to see it streamlined so it is easier and you know what your savings are.

Mr. McCloskey stated the reason that the staff recommended the savings in 2010, 2011, and 2012 back in the spring is because we had negative items on the way such as the pension. That pension payment will be made in a couple of months and again next year. He stated that if the market has stabilized in 2012, the MMO pension obligation will come down, and we will see some relief in the budget there. Mr. McCloskey stated we are trying to balance things as best we can.

Mr. Maloney stated the point is to prompt conversation. He believes Mr. McCloskey's points are well taken. The issue is there will always be bad times. We will have bad times again in another five or ten years even if things get better; so we cannot plan around every one of those recessions. He stated as level as we can keep the expenses in this town, the better off we are going to be.

Mr. Smith stated he tends to agree with gentlemen who have chosen choice B. It would be the best way to go, not that any other choices are bad ones either.

Mr. Harold Koopersmith, 612-B Wren Song Road, stated he recommends the Board take this deal as expeditiously as possible. He asked Mr. Walker if it makes any sense to refinance the March 3rd deal into one big deal at the lower interest rate because it is three-quarters of a point lower today than it was in March. He stated nobody knows where this will all wind up; so it is in the Township's interest to do it, because if this economy turns, interest rates will soar, and the Township will look good to all the doubters that you refinanced at what will be close to the low. Mr. Koopersmith stated the Township will be saving money, and it will come out a win/win for the Township. He recommends the Township take this deal and move forward as soon as it can.

Mr. Walker stated the March 3rd deal has a noncall feature of five years like every bond issue. He stated if the Township were to try to refinance it, because you would be reinvesting the proceeds during that five-year period at interest rates next to nothing, you will lose hundreds of thousands or millions if the Township were to do it. Mr. Walker stated we cannot do the March 3rd deal and save any money. We would lose a lot of money. He recommends the Township focus on this.

Ms. Helen Bosley, 546 Palmer Farm Drive, stated she is delighted to hear about the ratings improvement. She asked what was the overall history in terms of the Township's rating. Mr. Walker stated it is AA2. Ms. Bosley asked if the Township was ever higher than AA2. Mr. Walker stated he believed we have never been higher than we are now. He started working for Lower Makefield in 1988 or '89, and we might have been in the A category. He stated his memory is not that good.

Mr. Fedorchak stated it was raised from AA2 from AA3 about seven years ago as part of a refinancing, and we were interviewed with Moody's, and we supplied them with our financial information. At that time Moody's rerated the Township. Mr. Walker stated back in those days we did not worry too much about the Township rating. We simply went out and put an item in the bond issue which would secure a AAA rating from Fidgek, Ambak, MBIA, and everybody loved AAA. He stated those firms are now junk bond status and barely breathing; so now the ratings are very important. Fifteen or twenty years ago, ratings were not all that important. Mr. Maloney stated that is why there wasn't much attention in the Moody's model which is why they have to recalibrate the last couple months.

Ms. Bosley stated she wants to compliment the Board of Supervisors in terms of their financial acumen with holding the line on taxes and holding the line on expenses. She stated that goes into some of these adjustments. Mr. Maloney stated it actually did not. It was just a recalibration of Moody's model.

Ms. Bosley stated it would be helpful if there would be some visuals that the folks in the audience might be able to look at when these presentations are made. She noted sometimes Power Points are what happens with the professionals who present before the Board. Mr. Smith stated the Board has been doing a lot of Power Point presentations in the last few years, and this is one that may have slipped through the cracks; therefore, we did not have a Power Point. He noted it is a good idea, and the Board will try to follow through with it. Ms. Bosley stated it does not happen that often.

Ms. Bosley stated there was reference made to bond counsel, and she asked who is bond counsel and how is that process determined. Mr. Walker stated the Township solicitor's firm has a different person that also acts in the role of bond counsel. Ms. Bosley asked if that is a different role than they were originally hired for. She asked if bond counsel is separate from the solicitor's work and would that contract be separate and separately bid.

Mr. Maloney stated he believes it has been Lower Makefield's practice to use its general counsel as its bond counsel. Mr. Stainthorpe stated historically it is not, and perhaps there should be a discussion because there may be some savings to be had. Mr. Walker recollected one of the issues was Bob Moore from Medi, Evans and Woodside in Harrisburg. He did a number of them. He cannot recollect who performed that service

back in the 80's. Mr. Stainthorpe stated he does not mean to demean the work, but it is pretty routine. Mr. Walker stated the reason we had a separate firm back years ago before your current solicitor is that the solicitor at the time did not do bond counsel work. He had to go out and find somebody else. Mr. Stainthorpe stated it might be a valuable exercise to at least look and perhaps there is some savings to be had there.

Mr. Joe Menard, 917 Putnam Drive, Lower Makefield stated there is a fourth option. He apologized to Mr. McCloskey for not having a chance to discuss this. He said philosophically he agrees with Mr. McCloskey and Mr. Maloney in terms of spreading it out. He would like the Board to consider since '10, '11, and '12 are the old issues to take this refinance out through over '13 through '18 so we are not doubling up on the ones previously done. Mr. Maloney stated that is a very good idea and asked Mr. Walker to include that in the next presentation. Mr. Walker stated in the next day or two, he can give the staff the numbers. Mr. Maloney stated it would be something else for the Board to consider to include that.

Motion carried unanimously to instruct the working group to move forward to refinance the 2003 bonds.

FINANCE DIRECTOR'S SECOND QUARTER REPORT

Mr. Smith stated as a result of the request over the last couple of years by one of the members of the audience, the Board is trying to have a monthly, certainly a quarterly report.

Mr. Brian McCloskey, Finance Director, was present with Mr. Joe Menard, Citizens Budget Commission. Mr. McCloskey stated the Board received through e-mail the second quarter Finance Director's report, which is something that has been done for a couple of years now. The report is also posted on the website for any resident who would like to download and look at the same information that he provided to Mr. Fedorchak and the Board.

Mr. McCloskey stated he is happy to say the report is very uneventful. It measures the report card of the Township's finances in his estimation at the midyear or 50 percent mark. He stated it is trending where he expected and where we had hoped it to be. We are at or near 50 percent of revenues and expenses in most of the major funds and accounts. There are a few items that are up or down a little bit, but for the most part, he is pleased where we are. He is optimistic that barring any blizzards in September or October, we can be right at our budgeted numbers at the end of the calendar/fiscal year.

Mr. McCloskey stated on the Governmental side, the tax revenues are coming in as expected, and we are 95 percent of the tax revenue coming in. The transfer tax, which has been lagging for several years, is close to 50 percent as of June 30th. He stated

everything else is trending where we would expect, a little higher in some of the building permits and a little lower in some of the other items.

Mr. McCloskey stated to the point that Mr. Walker talked about and the Board touched on, our interest income is almost nonexistent; however, the lost revenue is offset and then some by our gain in the saving on interest expenses. It is a benefit for the Township in our budget. Our saved expenses have far and away exceeded our lost revenue on the interest earning side. He stated that he is happy about that, and he personally hopes interest rates stay low for the next nine to twelve months. We can talk next year about the other bond issue that is out there that we have our eye on, but that is on the enterprise fund side. He stated all and all, he is happy with where things are.

Mr. McCloskey stated on the business side, the pool, golf, and sewer fund has nothing eventful to mention there. Pool memberships are down slightly, but we have had our first year of guest booklet passes being sold in bulk at a discount. Our sales are up on that end and down in membership; so it is almost a wash. We are where we expected to be there.

Mr. McCloskey stated that concerning the golf course, we are keeping our eyes and fingers crossed for some rain. The numbers have been fairly good for the first half of the year. June is just about on target for our revenue budget, and there was some savings on the expense side; so the course has been doing a little better than years past. Now we just need some rain.

Mr. McLaughlin stated that in his report to the Board, Mr. McCloskey said that despite the early winter storm, Mr. McCloskey expected the budget on the expense side to be in line. Mr. McCloskey agreed. Mr. McLaughlin stated in his mind, he has \$100,000 as what the overage was caused by the storms with plowing and overtime. He asked what has the Township done to get that back to neutral.

Mr. McCloskey stated in the second quarter we did not have any storms and there was a lot less overtime. That has cut into the savings on that side. He stated, as the Board knows, there has been a belt-tightening across all departments, and everyone has cut back in that regard. So we are trending just under the 50 percent mark in expenditures.

Mr. Maloney stated that he spent a lot of time last quarter and he will again on the year to year. He stated that the overall budget of revenues are roughly flat year to year '09 to '10. Mr. McCloskey agreed. Mr. McLaughlin stated the fourth to last page there is Revenue Analysis that gives year to year. Mr. McCloskey stated to answer Mr. Maloney's question, revenues are fairly flat. Mr. Maloney stated revenues are budgeted flat, and we are showing year to year down about \$750,000 in revenue. He asked what is the commentary in terms of why we think we are still on target then.

Mr. McCloskey stated the biggest reason for the change from fiscal '09 to fiscal '10 is the returns of the pension funds. There is about a \$700,000 swing. He stated that is all of the change from last year to this year. We had \$400,000 in gains at June 30, 2009, and we have about \$200,000 in losses in June 2010 most of which came in May. Mr. McCloskey noted in the report that the Dow Jones lost 8 percent in May, and our investments are not immune to those market conditions. Mr. Maloney asked if we include our pension returns, and Mr. McCloskey stated we do.

Mr. Maloney asked on the expense side, how was our budgeted expense year to year. Mr. McCloskey stated we are up \$600,000 in June 2010 versus June 2009. That can be pointed to one area. Because of the 4th of July holiday, the accounts payable check run, vacation, he had his staff cut the Township's fire contribution check and ambulance check before June 30. In this year, those contributions, which are over \$400,000, are in the second quarter. Last year, they were in the third quarter because they were cut after July 1st. It is merely a timing difference. Mr. McLaughlin stated the 10.7 would really be 10.3. Mr. McCloskey agreed and stated the 10.3 would be 9.9 or something like that.

Mr. McCloskey stated all in all, he is pleased with where it is. The golfers are back, and we just need some water on the course.

REPORT FROM THE CITIZENS BUDGET COMMITTEE

Mr. Joseph Menard, Citizens Budget Committee, stated regarding the expenditures, of the items they did go over with Mr. McCloskey, as the Township goes into the budget season, the fact that expenditures are a little under budget, they want to be mindful of the money spent for the emergency snow. They want to take a closer look at the liquid fuels fund to see if some of those costs that were charged there can come back to the Township with the belt-tightening so they can bring those expenses back in the Township budget through other savings that are, hopefully, going to continue to trend in that direction. He stated that would leave that money back open for streets and roads.

Mr. Menard stated one of the other things they are going to be doing regarding the golf club, which is trending in the right direction, they met with the golf committee, and they are going to be working on detailing for them the municipal service charge. They hope to plan something for the 2011 budget. They will work with the golf committee in August in a more detailed understanding of the calculation.

Mr. Menard also stated they will be working with Mr. McCloskey in August in preparation for the budget, a longer 5 to 10 year capital improvement forward look. He stated one of the concerns is that we do need to take a look at the capital improvement funds across all of the entities and ensure that they have proper long-term funding to plan for the future. They want to see a 5 to 10 year capital improvement plan and how to fund those improvements. Mr. Menard stated it is simple source and use, where is the money

going to come from, what are the expenditures, and is there any funding needed to fill the gap.

Mr. Menard stated there is an issue on the sewer. When you look at the sewer going back four or five years and where we are today and the policies that have been put in place by the Board and the Administration for the capital improvement fund and the sewer, if you look at those numbers going out a little bit, there has been a deferment in the rate increase for the sewer. Mr. Menard stated they are recommending that the Board implement the rate increase and adopt it in October so that the rate increase can be in effect for the full year of 2011.

Mr. Smith asked if there was going to be a recommendation for an increase, and Mr. Menard stated yes. Mr. McCloskey stated two years ago, the Sewer Authority, after the proposed sale of the system was turned down, the Sewer Authority made a recommendation to have a staggered rate increase. The purpose of the rate increase was two fold: One to support operations, and more importantly, two was to start creating within the sewer fund its own capital reserve. Mr. McCloskey stated the reason for that is the next time there is a canal interceptor project, the Township will not have to borrow several million dollars and incur a lot of debt service next year.

Mr. McCloskey stated in 2009, the sewer rate increase was put in the first step, and we created the capitol reserve, which has a half million dollars in it. The Sewer Authority would like to see it within the \$2 to \$3 million range. He stated because the sewer fund was doing okay in 2009, they recommended holding off the second rate increase until a later date so they could continue building the capital reserve within the sewer fund.

Mr. McCloskey stated he will be meeting with the Sewer Authority tomorrow night, but the Budget Committee has made the recommendation that the continued creation of the capital reserve within the sewer fund should be a priority. They want to see that which was adopted in the 2009 budget carried forward.

CONSIDERATION OF RESOLUTION No. 2210 AUTHORIZING TOWNSHIP TO SUBMIT AN H2O PENNSYLVANIA GRANT APPLICATION AND AUTHORIZING TERRY FEDORCHAK TO EXECUTE ALL DOCUMENTS RELATING TO THAT GRANT

State Representative Steve Santarsiero was present with Ms. Rose Winchell, Chief of Staff. Representative Santarsiero was present to give an explanation of the H2O grant and the importance it will play with the development with Edgewood Village. He stated by way of background, Edgewood Village has been a priority of the Township for some time. Back in 2006, the Township made it a priority and pushed it forward as quickly as it could and fast-tracked the zoning changes that needed to be made to get that development going. Unfortunately, with the economic downturn experienced in the last few years and the severe impacts to the financial markets in particular, the pace of the

development got sidetracked. He stated that we are now at a point, though, where the primary owner and developer, Cam Troilo, is moving forward.

Representative Santarsiero stated one of the big issues of getting this done -- and, hopefully, it will spur that kind of growth the Township's envisions in Edgewood Village and ultimately bring in a new town center for Lower Makefield, an added vibrancy for the town and, hopefully, jobs, as well -- is to get the area connected to public sewer and water. To the extent we can do this through a state grant, obviously, it is better for everyone involved and will make it happen more quickly, and, hopefully, bring those jobs in, bring that development in and revenue that will be realized by the Township, as well.

Representative Santarsiero stated he has worked with Mr. Fedorchak on an application for an H2O grant, and that money would essentially cover the bulk of the cost. The total project is approximately \$2.1 million. The H2O grant to the state is approximately \$1.2 million. There needs to be a local match, and the local match would come about from approximately \$300,000, hopefully, in a federal grant. That is something else that is being pursued. He stated he does not know whether that will come through or not, but he hopes it will. There is about \$500,000 that Mr. Troilo has already spent on the project that can count toward the local match. There is also something on the order of 35 to \$40,000 the Township has expended in engineering fees that also would count toward that local match. He noted if you add that up, it is about \$2.1 million.

Representative Santarsiero stated they have already submitted the application. What we need to complete it is the Resolution that is before the Board. Once that is done and once you pass it, then he will supplement the application and send it Harrisburg. Hopefully, we will have some positive result. He noted the timeframe for this is a decision would be made by the Commonwealth Financing Authority sometime in late November.

Representative Santarsiero stated that by no means is this a "slam dunk." There are approximately \$2 billion in projects that are out there that are competing for essentially \$170 million in funds that are available. It is not clear whether we will succeed in getting this money for the Township, but it is certainly worth the effort, because if we can do that, it will certainly accelerate movement on the Edgewood Village project. It will, hopefully, get the Township to that point where we have a new town center, and we have a vibrant area for the Township that brings revenue in as well as creates new jobs for our area.

Representative Santarsiero respectfully requested the Board pass the Resolution.

Mr. Stainthorpe moved, Mr. Caiola seconded to approve Resolution Number 2210.

Mr. Maloney thanked Representative Santarsiero's office for the coordination and effort put forth in making sure this goes forward. He stated obviously nothing is a given at this

point, but it is an important step forward. Mr. Maloney stated the Board has acknowledged that a lot of these things we cannot do as a Township without support, but this is the type of support we are hoping to have so the infrastructure can get built.

Mr. Caiola asked when the awards will be given. Representative Santarsiero said late November. Mr. Caiola asked if there was anything the Township needs to provide between now and November. Representative Santarsiero said he does not think so. They are going to continue to work with the Governor's office to see where this application gets scored. They look at a number of difference issues, and they score the application. That will give a better idea of where we stand. It is always possible that we could get less than the 1.2, but we will have to see how that goes. He stated any information they receive, he will certainly pass along. To the extent there is any additional information that he might require of the Town to help the application along, he will let the Township know.

Mr. Smith stated the Board appreciates the efforts of Representative Santarsiero's office.

Mr. McLaughlin stated that one of the residents in the audience, Mr. Miller, has expressed a desire to have help assistance tapping into the public sewer. He asked would this project scope be to help people in a similar situation, or is it commercial to the commercial benefit of that development. Representative Santarsiero stated ultimately it is a benefit to the residents, as well, because it runs the sewer and water through the area. In terms of the cost in connecting to the sewer and water, there are a number of ways that could be done, but to the extent that this money were to come through, you could look at it as an offset to an expense that the Township might otherwise have to put out. Therefore, it would be up to the Board to consider whether they wanted to help the residents connect into that system. Representative Santarsiero stated we have to first see whether or not this is going to come through and whether we get to that point.

Mr. Smith noted Representative Santarsiero said it was not a "slam dunk," but where do we stand. Representative Santarsiero stated we are going to continue to work with the Governor's office. He has already spoken to the Governor's Legislative secretary. He plans to meet with the Governor's Chief of Staff, and he is going to do everything he can to push this forward. He stated he did not want the Board to get the impression that this was going to be an easy path to the money given the large number of applications that are out there and the relatively small amount of money that is available for the program.

Ms. Helen Bosley noted that Cam Troilo's contribution to that project is approximately 25 percent. She asked if that is normal in developments that the private developer is only contributing 25 percent. She is trying to understand how the taxpayers, the US government, or the Township are providing 75 percent of the financing for the infrastructure, and Cam Troilo happens to be getting free money on it.

Mr. Fedorchak stated when it comes to federal and state grants, local match requirements vary, but most typically they are in the 20 to 25 percent total project cost range. Ms. Bosley asked for clarification with the match numbers. Mr. Fedorchak stated typically the state or federal government will give you somewhere in the neighborhood of 75 to 80 percent in the form of grant money towards the total project cost, and then there is a local match. More often than not, the local match comes from the government. Mr. Fedorchak stated in this particular case, the way it is crafted, it is coming from the private sector.

Representative Santarsiero stated beyond that, part of the basis of Ms. Bosley's question or the premise from which she is proceeding is that all of this benefit is going to go to the developer when, in fact, while there is no question he will receive a benefit, ultimately the residents in the area will receive a benefit, the Township will receive a benefit by virtue of economic development that will occur in Edgewood Village. He stated from his perspective this is money that would be well used. He stated again he is not certain the Township will get the full \$1.2 million, but that is certainly what we are asking for because that is what we think will be required to finish this project.

Ms. Bosley commented in terms of the likelihood of doing the project, if you ran the numbers and you said there is 2 billion in requests in for a fund which is thought to be 170 million, that is about 9 percent will get funded. Representative Santarsiero stated it is 1.2 million that we are asking from the state out of that \$170 million fund, not 2, which is the total cost of the project. He stated that he cannot characterize every application in that \$2 billion that is out there. He stated many of them may be projects that are very low on the totem pole in terms of the scoring that the state does. As a consequence, this one could have a lot more merit than those, and that is something that we hope for. He stated time will tell how that bears out, but the reason he cited those statistics is so that the Board is aware this is not a slam dunk, and it is something that we will have to continue to fight hard for to try to get.

Ms. Bosley stated that as a taxpayer, she has a problem with us having a higher score than perhaps some other economic development areas within the state. She is happy people are fighting for it. She noted to Representative Santarsiero that the Township's 2.1 million is part of the 2 billion. She acknowledged that it would equate to approximately 1 percent of the 170 million if we were successful.

Representative Santarsiero stated in regards to Ms. Bosley's previous comment, he thinks economic development in his district and, in particular, for this project, because it is so important, is absolutely critical. He is not going to judge other parts of the state, other projects. He stated he is sure they have their own merit, but as far as he is concerned, he is going to fight hard for the people of his district, and that is what we are doing here. Mr. Smith stated he appreciates that.

Mr. Stainthorpe confirmed with Mr. Fedorchak that if Mr. Troilo has plans in for review, providing sewer service would be part of those plans, and Mr. Fedorchak agreed. Mr. Stainthorpe asked if this would be over and above what Mr. Troilo has already committed to do, and Mr. Fedorchak stated that is correct.

Mr. McLaughlin asked: So the viability of the project does not hinge on whether we obtain the grant or not or the project obtains the 1.2 million. Mr. Stainthorpe asked Representative Santarsiero to explain how this helps us overall since Mr. Troilo is responsible for what he is developing anyway. Representative Santarsiero stated there are a lot of different phases to the Edgewood Village project, and to be able to develop it to its full potential so the entire area is developed, this is what needs to be done. The entire area needs to be connected to the water and sewer.

Mr. Stainthorpe asked if this will help the Township go over and above what Mr. Troilo is doing. Representative Santarsiero said yes and stated it may well help him expand what some of Mr. Troilo's ideas are or other developers, like Chris Messick, who had been involved in the past, to realize what they were trying to do. He stated getting that done in one piece makes more sense.

Mr. Ernest Cimino, 1666 Edgewood Road, asked based on one of the Township Supervisor's meetings last month where Mr. Miller presented a history of water and sewer efforts within Edgewood Village, he stated that there had been an application filed to the state either in 2008 or 2009, which was subsequently turned out. He stated he would like someone to comment on did that application ever get filed, was it turned down, and how does this application that is being considered tonight, how does it stand.

Mr. Stainthorpe stated his recollection is that application was made to PENNVEST, and there was a meeting held here. Mr. Fedorchak agreed. Mr. Stainthorpe stated he believes with PENNVEST it is money that is directed to more rural areas and less affluent areas, and we were not able to take advantage of that because we are not that rural and we are considered an affluent community. Mr. Stainthorpe's understanding is that this is a totally different program, judged on a totally different basis. Mr. Fedorchak agreed.

Motion carried unanimously.

**CONSIDERATION TO AUTHORIZE GRANT AGREEMENT WITH THE
DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION FOR THE BLACK
ROCK ROAD BIKEPATH AND PEDESTRIAN WALKWAY PROJECT**

Mr. Fedorchak stated back on June 28th, the Delaware Joint Toll Bridge Commission announced that the Township would receive a grant in the amount of \$170,877 towards the construction of a pedestrian trail on Black Rock Road. The scheduled work entails an approximately 6 foot bituminous trail situated on the south side of Black Rock running

from Westover tying into the canal and the towpath and then extending from the canal eastward to Glen Drive. Mr. Fedorchak stated the \$170,000 and change should cover the construction costs for this project. The Township over the last couple of years has already designed the project and has also acquired all the environmental clearances. Therefore, in order to advance this project, the Board needs to authorize the execution of a Resolution which will allow the Township to sign the contract documents with the Delaware River Joint Toll Bridge Commission.

Mr. Caiola moved, Mr. Maloney seconded to authorize the execution of the grant agreement with the Delaware River Joint Toll Bridge Commission for the Black Rock Road bikepath and pedestrian walkway project.

Mr. Smith asked Mr. Fedorchak to confirm that this money was budgeted for 2010, and Mr. Fedorchak agreed. Mr. Smith stated this project was going to be underway in 2010, and Mr. Fedorchak agreed. Mr. Smith stated Mr. Miller and others refer to this project as shovel ready. Mr. Fedorchak agreed and stated that is one of the major reasons why we ultimately received this grant because all the engineering design had been completed, and we had all the environmental clearances. Therefore, when the Township went before the Commission, we went before them with a project that we could start on immediately.

Mr. Smith asked if Mr. Fedorchak heard from the residents with respect to this matter. Mr. Fedorchak confirmed the Township received a number of e-mails. They are very much in support, and they are very happy to hear that we are able to advance this. He stated this was a major concern, and a number of residents have appeared before the Board very concerned about children or anyone traveling up and down Black Rock Road trying to access the canal and how dangerous that stretch of roadway is.

Mr. Caiola asked if part of the grant agreement will pay for no skateboarding signs, and Mr. Fedorchak stated there will be the proper signage, whatever PennDot requires.

Mr. McLaughlin asked if the road needs to be closed at all. Mr. Fedorchak did not believe so because the project is on the south side. He deferred that question to Mr. Majewski. Mr. Majewski stated the road should not need to be closed. There may be some minor lane closures with flagmen, but that would be the extent of it.

Mr. McLaughlin ask how long will it take to complete, start to finish. Mr. Majewski stated it is about a two-month project, and it would take two months to get started. Mr. McLaughlin stated there was a lot of frustration when the bridge was redone, if that is the right project, but there was a frustration with Black Rock residents in or around that area. Mr. Smith stated it caused a domino effect onto West Ferry. There is still an issue with West Ferry, but it has been alleviated since Black Rock Road has been reopened.

Mr. Fedorchak stated there were a couple of things that happened there. First, there was the requirement in order to reconstruct the bridge that that road be shut down entirely.

This will not be the case in the construction of this pedestrian trail. The second problem that PennDot ran into was the weather. They tried to get the paving done in late December. The temperatures dropped, and they ended up two-and-a-half months behind schedule on that, and that understandably aggravated everybody in that section.

Mr. Maloney stated in contrast this is a project the residents in that area have been asking for, and it is definitely needed, because one of the impetuses for making sure this project went forward in the first place was to allow a safe passage from one side of the canal to the other, which this will finally do. He believes it is a no-brainer. Mr. Maloney stated with regards to the Toll Bridge Commission, this is a public entity that is going to spend grant money on something in the area, and we may as well make sure it is in our town. We would benefit from it. It is a great opportunity. Mr. Maloney thanked the staff for their work because it was something the Board knew they could not do on their own since they could not presently justify the expenditure, and the money is going to flow to us anyway. We have a great opportunity to capitalize.

Ms. Bosley asked if the Lanbergers been advised of this, and is this along the lines of what they were fighting for for the last year with respect to the bikepath. Mr. Smith stated he has spoken with Fran, he believes, through e-mail, and based upon his recollection, she was thrilled to hear that we are going to get the money. Mr. Fedorchak stated they also saw Chris at the AOY, and Mr. Smith agreed.

Motion carried unanimously.

Mr. Fedorchak stated in this requirement that the project be completed by December 31st of this year; so we have to move quickly to get this done. They are meeting tomorrow, and as Mr. Majewski pointed out, the Township will start advertising it immediately having bid openings within 30 days. He stated it may require the Board to have a quick special meeting to award the contracts; so he wanted to alert the Board to that.

ZONING HEARING BOARD MATTERS

With regard to the Lawrence Borda, 508 Heritage Oak Drive, Variance request to permit construction of a sunroom resulting in encroachment into the rear yard setback and greater than permitted impervious surface; also construction of a garage with master suite extension resulting in greater than permitted impervious surface, it was agreed the Township would participate.

With regard to the Mark Szul, 825 Hudson Drive, Variance request to remove existing patio and seat wall and construction of a paver patio resulting in greater than permitted impervious surface, it was agreed to leave the matter to the Zoning Hearing Board.

With regard to the Edward and Donna Bucci, 2 Edgewood Road, Variance request to permit construction of a patio resulting in greater than permitted impervious surface and encroachment into special setback of Yardley-Morrisville Road; also construction of a detached garage resulting in greater than permitted impervious surface; encroachment into special setbacks of Makefield Road and greater than permitted height, it was agreed the Township would participate.

With regard to the Cameron and Olga Troilo Variance request to permit construction of two temporary 60' x 96' free-standing, double-sided signs at the intersection of Stony Hill and Yardley-Langhorne Road which will exceed the permitted height and number of signs, it was agreed to leave the matter to the Zoning Hearing Board.

Ms. Virginia Torbert, Citizens Traffic Commission, asked how far back will the sign at Stony Hill and Yardley-Langhorne Road. Mr. Caiola stated that is under the purview of the Zoning Hearing Board.

DISCUSSION ON 2010 DEER MANAGEMENT PROGRAM

Mr. Dave Kimble, Big Oak Whitetail Management Association (BOWMA), was present. Mr. Smith asked Mr. Fedorchak to report on deer management. Mr. Fedorchak stated the Township discussed a 2010 program with representatives of BOWMA, and they are here tonight if the Board wishes to continue the dialogue with them. It would be your staff's recommendation to once again engage BOWMA and have them hunt as part of a public hunt program certain Township properties. He stated he wanted to have a conversation with the Board regarding that and identify those properties.

Mr. McLaughlin asked when the hunt would happen. Mr. Fedorchak stated the hunt would begin somewhere around September 18th or 19th, around that time and run September, October, November, and December. Mr. McLaughlin asked when did last year's paid-for hunt occur. Mr. Fedorchak stated they bated in late January and started mid-February through March. That was the sharpshoot program.

Mr. Smith asked if this was for the calendar year 2010, or would it overlap 2011. Mr. Fedorchak stated for the most part, it will be late 2010. He would defer to the gentleman from BOWMA to see if it carried into January.

Mr. McLaughlin stated he could be incorrect but the sense of the Board was they wanted to support money invested already next year in 2011, but the Board also wanted to give BOWMA a chance to see what they could do but also not conflict with the concept that BOWMA might interfere or spook the deer and result in negative results in the wintertime.

Mr. Fedorchak stated there have been conversations with staff, representatives from BOWMA, and White Buffalo. There was a meeting last week to decide what the best course of action would be and how BOWMA can approach the public in such a way as not to have any adverse impact to a potential sharpshoot down the road.

Mr. Smith stated last week, most of the Board was on the road tour with the Parks and Recreation Department, and they had the opportunity to see firsthand during the dusk hours what the situation is out in most of the Township. He stated he has received e-mails periodically telling the Board they do not see any deer to the other extreme of seeing deer come back, and they are bigger than they ever were. Mr. Smith stated last week on the tour, there were plenty of deer in the north end of the Township, and he is sure it is in other parts of the Township.

Mr. Kimble from BOWMA stated to put the Board's mind at ease as far as the sharpshooters are concerned, he has had a collaborative meeting with White Buffalo, with Mr. Heilferty, and Mr. Fedorchak to work out a program for certain properties where they think they will have minimal impact with their operation, if the Board decides to go that way, but it would also have some success with his operation; so with the collaborative effort, it is a win/win on everybody's side including the Township's. Mr. Kimble stated in the north end, they have taken some time and observed quite a few deer on that area. They have also contacted one private landowner, and they are midstream with negotiations there. There are certain properties in that end of the Township that need to be hunted and some of them are not suitable for sharpshooting.

Mr. Kimble stated in his meeting with White Buffalo, they particularly identified ten or eleven properties from the Township maps in which they would not be interested in sharpshooting because of the simple fact it does not permit it with the space requirements for them to maintain their safety.

Mr. Smith asked Mr. Kimble if it would permit him to go in with his group. Mr. Kimble responded yes because his group has to work in a smaller safety zone. White Buffalo has to maintain 150 yard safety zone. His group can operate in a 50 yard safety zone or less if they have landowner permission.

Mr. Smith asked for an overview of the sites. Mr. Kimble stated the first property on the list is 5 Mile Woods which would be one collaborated with White Buffalo because that was one of their prime targets they had in mind. They have worked out an agreement to hunt that from September 18th through October 2nd and then from October 30th to November 6th. If White Buffalo decided to go in later, they would have plenty of time for the deer to be back into a normal routine for the year, and it would not impact their program. He stated he would like to have Snipes Tree Farm again because there is a lot of activity there, and he has already done some preliminary work on that site with Mr. Fedorchak's permission. Mr. Kimble stated they would hunt Snipes Tree Farm on school

holidays, weekends and afternoons one hour after the school closes. He originally talked about afternoons and weekends, but to be effective on that property, he needs to have a little more leeway. When Mr. Kimble spoke to Mr. Fedorchak, the Township did not want them to be in there during school hours; so if they can get in after school closes in the last half of the evening, it would probably be effective.

Mr. Maloney asked for a definition of “when school closes.” Mr. Kimble stated after school around 4:00 or 4:30, not knowing what the school activities are or how late they run. Mr. Fedorchak stated they need to consult the school calendar and work around that first because there are a lot of later night school activities. He does not know how often they do occur, but they do occur on a regular basis. Mr. Fedorchak stated the Township is quite comfortable with the weekend hunt, and they would take a look at that.

Mr. Kimble stated other sites are as follows: the Municipal property behind the Township building as they did last year; the Fatyol tract; the Ellen tract would be a collaborative effort with White Buffalo, September 18, October 2, and October 30 to November 6; the LMT property adjacent to Taylorsville Road and I-95 by the Park and Ride, both sides of 95; Buck Creek, and Patterson Farm.

Mr. Maloney asked where along Buck Creek. Mr. Fedorchak stated it is close to the intersection of Knoll Drive and Pine Lane. Mr. Maloney asked if it is on the north side of Buck Creek, and Mr. Fedorchak agreed.

Mr. Kimble stated other sites are the LMT property owned adjacent to the Grey Nun Academy, and he would like to have some assistance with the homeowner’s association open space that is in that area; the Golf Course, Makefield Highlands; the Brentwood tract; and Schuyler tract; Willard tracts. He stated he has negotiations with Mr. Fedorchak regarding a collaborative effort to access Grey Nun because that is a definite area that needs attention. Mr. Kimble stated he has had preliminary discussions with Mr. Minehart but nothing is finalized yet.

Mr. Stainthorpe stated that he should keep moving forward working with Mr. Fedorchak to finalize these. He has received a number of e-mails stating it is good to have some relief from the deer, but now they are back and in their gardens. We all realize this is something we have to do continuously going forward; so he welcomes Mr. Kimble’s help. Mr. Stainthorpe thinks the perfect thing is to continue working with Mr. Fedorchak to address safety issues and timing and move forward.

Mr. Smith stated the Board should have a target date to complete this by the next meeting or by Labor Day. Mr. Fedorchak recommends the Board approves the public hunt on the sites that Dave has identified.

Mr. Stainthorpe moved, Mr. McLaughlin seconded to approve to move forward with the public hunt on the sites identified by Mr. Kimble.

Mr. Kimble stated he would ask for that because he needs to do more work and start addressing how many men to put on each of property and introduce them to people who surround the area, if need be, get the background checks done and proceed forward.

Mr. Maloney stated that resident notifications in the surrounding areas is the biggest reason to approve it tonight so it can move forward. Mr. Fedorchak stated last time between the public hunt and the sharpshoot, the Township sent out 1100 letters to surrounding property owners. He anticipates the Township will have to send out a similar number, perhaps more, in order to get the word out well in advance. He stated the first step will be sending out letters to all the residents. The second step is post each and every site with placards that identify to residents that the Township is hunting and the time frame.

Mr. Smith stated the liaison from Pennsbury School District was here earlier, and he asked if Mr. Fedorchak to reach out to the liaison so they are on board and are aware of everything that is going on especially regarding the properties. Mr. Fedorchak stated he would contact the liaison.

Mr. McLaughlin stated one of the benefits of the last hunt was the donation of the meat. He asked if there was any plan for the meat, whether they keep it for themselves or donate it to a charitable donation. Mr. Kimble stated the first deer has to be donated by the hunters and probably more than one will be donated by some individual because they cannot use that much for themselves. He stated his men have been expressly told this is a management program, and some people are not cut out for those types of programs.

Mr. McLaughlin apologized for asking the question because it is unfair, but could Mr. Kimble approximate what the yield would be, best case and worse case. He stated 96 was a bad case last time. Mr. Kimble stated he cannot give a solid answer not knowing how many deer are in the Township. If he had to venture a guess and that is all it would be, and he would not like to be held to that guess, he would predict somewhere in the vicinity of hopefully 200 based on having access to the properties. Mr. McLaughlin stated he would not hold him to that guess.

Mr. Smith stated he did not have access last year, and he is not holding Mr. Kimble to any numbers, but Mr. Kimble is more optimistic this year because the ground rules have changed a little bit. Mr. Kimble acknowledged the ground rules have changed, and as he said in the past, White Buffalo and BOWMA agree that access is the key to success in any of these programs.

Mr. Smith thanked Mr. Kimble.

Ms. Virginia Torbert stated the Patterson Farm was mentioned as a site, and she asked if AOY is aware of this hunt. Mr. Smith stated they will be because they will receive notifications. Ms. Torbert asked for a list of the properties again. Mr. Smith renamed the properties. She stated that Quarry Hill and Afton schools have activities on the weekends, and she wanted to caution the Board regarding that.

Mr. Maloney stated that Mr. Fedorchak spearheaded a coordination effort last year and he will continue to do it again which involves excessive notification and probably over notification. He stated per Mr. Smith's point, Mr. Fedorchak will reach out to the School Board, and any coordination that is necessary will take place.

Motion carried unanimously.

ZONING, INSPECTIONS & PLANNING

PRESENTATION OF INFORMAL SKETCH PLAN BY TOLL BROTHERS FOR RESIDENTIAL PORTION OF OCTAGON CENTER/MATRIX

Edward Murphy, Esquire, and Mr. Greg Lagreca, Vice President of Toll Brothers, was present. Mr. Murphy stated that Friday before the Memorial Day weekend, Matrix completed its sale to Toll Brothers of two of the three previously designated residential sections of the Octagon Center project, and he is sure that Mr. Fedorchak and his staff appreciated the transfer tax bump that resulted from that transaction.

Mr. Smith stated so the public is aware, he asked Mr. Fedorchak what was the amount of transfer tax from one owner to another owner. Mr. Fedorchak stated \$120,000. Mr. Smith asked Mr. Fedorchak how much transfer tax has been paid for the year not including the \$120,000. Mr. Fedorchak stated roughly \$600,000. Mr. Murphy stated the school district picked up a similar amount as the Township. Mr. Smith asked if the school district is having problems. Mr. Murphy stated he does not know, but he thinks it was well appreciated. He stated the transaction was completed in late May and most recently Mr. Lagreca, Vice President of Toll Brothers, for the foreseeable future will be the face of Toll here in the Township. Mr. Murphy stated three weeks ago, they made a presentation to the Planning Commission similar to what they will present tonight to make them aware of the transfer and also highlighted for them some changes to the previously approved final plans for Matrix that Toll wants to incorporate into their plans.

Mr. Murphy stated in terms of the time frame they expect, after tonight the detailed engineering drawings that will incorporate the revisions they will talk about tonight will be prepared. Their expectation is to make a formal amended final plans submission to the Township by Labor Day. Their hope and expectation is to have the amended plans approved by the Board, and they are recommended for approval by the Planning Commission in the fall. Toll's expectation is to start construction this year so Toll can

have some transfers of home, hopefully, in the spring or early summer next year; so, hopefully, additional transfer tax, building permit fees, etc., can start to be generated.

Mr. Smith stated they will look forward to that. He asked if there has been any interest in the project. Mr. Murphy stated there has been a significant amount of interest. In fact, the Planning Commission meeting three weeks ago was dominated by people in the

audience that were asking questions about how they could get more information about what will be offered for sale. Toll now has a website devoted to this project called Regency At Yardley dot com so people can access that website to get a preview of what is going to offered here at both locations.

Mr. Murphy stated these are still all age qualified homes; so he emphasizes that the terms and conditions of the stipulation that this Board hammered out with stakeholders and Matrix will be abided by. They are not changing any of the unit type or unit mix for the single family section and the carriage home section, which is the townhome sections. They are the two sections that were purchased by Toll. Mr. Murphy stated they will continue to follow through on the stipulation and agreement and the other applicable regulations.

Mr. Murphy stated what was presented to the Planning Commission and what they will show tonight are some highlighted proposed changes to the plans they would like incorporate in which the Board will get an opportunity in the fall to take a more official vote on. He stated Mr. Lagreca will run through for the benefit of the Board and audience the changes to the plans. He stated the Board has seen the plans as part of the submission, and Mr. Smith acknowledged same. Mr. Murphy stated what is highlighted on the screen and on the easel in the colored sections are the areas that they are proposing to modify. Everything that is black and white is identical to the Matrix approved plans. They will focus on the changes to the plans, and Mr. Lagreca will summarize what the changes are.

Mr. Lagreca stated as Mr. Murphy mentioned, the communities both single and carriages remain active adult, and they still comply with the settlement agreement as well as all zoning and SALDO issues. They do not intend through this amended final plan to seek any waivers or variances. It is just a realignment of what already existed in the plan. Mr. Lagreca stated some improvements to the plan are circulation improvements as well as performance issues in the plan itself in terms of retaining wall, stormwater pipe, things of that nature. He reiterated if it is black and white, it is remaining exactly as was drawn and approved in the final plan. The colorized areas are those areas they hope to have some modifications to.

Mr. Lagreca stated in the singles, one of the most notable changes is a gated entrance coming off Oxford both in the main entrance off of Tall Pines Road as well as the upper

entrance by Lot 123. These are lot numbers Toll Brother assigned. The right turn in and the right turn out will remain. Toll does not intend on changing that layout at all. The road will be private and have gated entrances at both locations. He stated this will also hold for the carriages, as well. Mr. Lagreca stated the amenities are still planned. The clubhouse will be the focal point of the community, indoor/outdoor pool, bocce courts and tennis courts. The parking will be consistent with the zoning requirement of number of spaces per dwelling units. He stated the original version of the plan has a straight run

of Tall Pines Road running from the entrance of Oxford Valley all the way to the back of the community. Toll Brothers thought that was too linear, and it was not taking advantage of the better lot views in the community. Additionally, with changing some of the layout, it allowed Toll to do four-way entrances or four-way intersections within the community to help calm some of traffic. Mr. Lagreca stated the straight linear road can tend to be quite a drag strip; so the idea of putting a little curve into it slows it down and improves the view as you go through.

Mr. Lagreca stated the limit of clearing as you see along the bottom of the plan is the same limit of clearing that was on the original plan. There is no intention of moving beyond the approved limit of clearing space. He stated another change is there used to be a connector road between the upper entrance and the lower entrance. Toll felt it was circuitous in terms of what it ended up doing within the community itself. He noted if you see dotted white lines underneath the plan, those are the footprints of the original plan. Those were the original roads and then the new layout of the roads that they are contemplating.

Mr. Lagreca stated some of the other minor changes are there used to be an island lot that was surrounded. To the left of Lot 190, you can see a road that was dotted, and there was one lot in the center of that. They removed that. He stated the other big change is the removal of the connector road from the singles down to the condo section. And the condos are accessed off Big Oak Road. Toll Brothers did not purchase the condo section. Water and sewer comes up through that line. He stated during the Planning Commission meeting, some discussion was held regarding emergency access, and one of the ideas that Toll has for that road or path is to convert that not just into a walking path but into a path that an emergency vehicle could access. To the extent something happened on Oxford Valley Road and someone needed to get into the community, they could go through what would eventually be the condo section as was originally planned, either have breakaway ballards or something that the emergency services could get through, a chain, so they could break through and come in. So they would continue to have access in addition to the two locations seen on the plans.

Mr. Lagreca stated another aspect Toll was looking into and the Township engineer, Mr. Majewski, brought up is the amount of cars that could potentially queue up at the entrance. In one particular entrance is approximately space for nine cars to queue in; so

the backing out or queuing out onto Oxford Valley Road is something that Toll wants to make sure does not occur. He stated it is something Mr. Majewski and his team will take a look out to make sure that Toll is compliant.

Mr. Lagreca stated dirt balance, there was a benchmark adjustment to the community. A “benchmark adjustment” basically means that they look at the grading of the original plan and adjusted the grading, meaning they did not change the grades, per se. They changed the benchmark on how the community sits. They raised it slightly, and by doing so, it allowed Toll to remove an enormous amount of storm pipe that ran between all the

buildings. You then end up getting more opportunities for infiltration as opposed to more conveyance of stormwater along pipe. He stated that was a major change. In addition to that change, raising the benchmark allowed Toll to get rid of many retaining walls and reduce the amount of fill that has to be brought into the community. Mr. Lagreca stated that reduces the amount of truck trips from within the Township or wherever bring in material to fill the community itself. The raising of the benchmark was no small feat.

Mr. Lagreca stated from the singles standpoint, that is by and large the major changes. From a retaining wall standpoint, there used to be a retaining wall keeping up Tall Pines Road when it was lower and closer to the preserved area. He stated by moving it up, Toll was able to get rid of the majority of that retaining wall, and the particular lots he pointed out will be walk-out lots. He stated the result of all these changes, Toll has to go through the process of investigating all the stormwater and impervious changes. He stated clearly Toll has added some lots, but it is still within zoning and still within the stipulated settlement. In removing walls, they still have to go through the process of plusing and minusing how many changes in overall to make certain that their stormwater systems are able to handle all the runoff.

Mr. Murphy stated that one other change that was important to Hank Hoffmeister that they discussed after the purchase of the property was all the grade changes and the benchmark adjustments that Mr. Lagreca mentioned enables the property now to be sewerred without the need for a pumping station. The earlier plan contemplated that. Mr. Hoffmeister was nervous about having too many units having to depend on a pumping station or individual grinder pumps. This opportunity eliminates all of that. He stated that is a positive thing long term for future maintenance.

Mr. Maloney stated he had some questions of Mr. Murphy. There was some mention of addition of lots, but it seemed like overall the reconfigurations were a net of zero. He stated that he thought they were removing six from the lot south of Tall Pines Road and adding six, five and one, of carriages and townhomes. He asked if he is missing the math. Mr. Lagreca stated it is probably how he wrote it, and he apologized for that. The math adds up to about 20 additional units from the previous plan when you start to get into plusing and minusing of singles and carriages. The combination of the two as you

see them right now is about 376. Mr. Lagreca stated they clearly still have to go through the process of making sure they are compliant with all of their stormwater to the extent there are issues with that. From an impervious standpoint, lot count would be the first thing to change. Mr. Murphy stated it would have allowed 400 as the max that would have been permitted.

Mr. Maloney stated he is sure the lawyers will keep track of whether or not we are within the rules, and Mr. Murphy agreed. Mr. Maloney stated he is trying to understand when you did that, not in terms of impervious surface, because there are a lot of rules around that, have they actually added to the overall square footage of buildings, or are the

buildings now smaller by dimension to allow for those additional 20 lots to be constructed. Mr. Lagreca stated the footprint of the buildings that you see here are the footprint of the buildings that were from the original plan. If they are in black and white, if you went to the previous approved plan, Lot 109 is exactly as you see right there. Mr. Maloney asked if they added these additional 20 lots or 19 lots by moving things around to create spaces and sliding another lot in there, and Mr. Lagreca stated that is correct.

Mr. Maloney stated the other question he has is about the recreation area. He asked is the adjustment to the clubhouse and rec areas to fit the needs of the community but within the zoning requirements. He asked does that mean it got bigger but less than what it was allowed to. Mr. Lagreca stated it actually got smaller. The original footprint contemplated 600 house members, singles, condos, and the townhomes. Toll only purchased two of those sections. Those people will all be members of this community. Members of the condominiums will not be members of this community. He stated the required space of the amenities is 350 square feet per dwelling unit or roughly just over three acres, and that is what they have in this complex. The original clubhouse that was designed from the plan that they purchased was a single floor, 24,000 foot clubhouse. The clubhouse that they just finished the designing of is 10,000 feet plus an additional 1500 foot indoor pool. Mr. Lagreca stated it is around 11,500 feet to what will end up being close to 376 houses. So the question in terms of footprint and sizes, the clubhouse is related to how many people could potentially use it.

Mr. Maloney stated that Toll has made the rec area smaller by virtue of cutting out that third piece of the development that Toll will not longer provide services for, and that will probably free up some space to add the number of units, as well. Mr. Lagreca agreed. Mr. Maloney stated that overall the footprint of the rec area has shrunk by half. Mr. Lagreca stated it has shrunk by half. He stated additionally one of the other things Toll wants to do to reduce the footprint, as well, is to take advantage of the grades. The grades drop off in that particular area; so instead of filled area with a single floor clubhouse, this will be a two-story clubhouse. He stated as you pull in, it will look at a single story house, but as the grade drops away behind you, the second story, which is really a walkout condition, will take advantage of the grade.

Mr. Maloney stated in regards to what the settlement agreement made reference to, which he is assuming it was an age-restricted community, that original contemplated rec area would have been only for the benefit of the age-restricted community in the original settlement agreement which has now restricted the size of that group. It was never contemplated being a public rec facility. Mr. Lagreca agreed. Mr. Maloney stated the implication there is that we have not taken something from being more accessible to the public. We have just made it less accessible to that other community that is yet to be developed. Mr. Lagreca agreed. Mr. Maloney stated in that regard there is some presumption that some rec community would need to be built in that third piece. He assumes the original settlement agreement just had this one. He stated if that is owned by a separate developer and built for a separate purpose, it will need to have a rec area. Mr. Lagreca agreed.

Mr. Lagreca stated there is a handout for the carriage changes. The same color chart holds true as previously. It remains active adult, and it continues with all the other performance criteria in terms of zoning and SALDO and the settlement agreement. He stated there will be 180 townhomes or carriage homes. The footprint does not change. Toll has privatized the two entrances coming off Big Oak Road. Mr. Lagreca stated the changes to the plan and what was shown in front of the Planning Commission is merely the bottom left-hand corner. There was a single-loaded road below Lot 97 that used to be called East Street. It was inefficient, and they made minor adjustments to it. He stated they broke buildings apart. As opposed to five-unit buildings, they have four-unit buildings. There was no change in lot count from the previous plan.

Mr. Lagreca stated most notably in this particular carriage section is the privatization of the community. The entrance on Central Street, that will be a homeowner-only entrance; so there is no provisions made for visitors. He stated the left entrance coming in off West Street South has provisions made for both residential and nonresidential visitors, keeping in mind that amount of cars that could be queued up in there and keep them off Big Oak Road. Mr. Lagreca stated that is the major change on the carriages.

Mr. Smith asked Mr. Majewski if there were any insurmountable impediments brought up by the Planning Commission, or were they okay with the changes. Mr. Majewski stated they were okay with the changes. The one concern that was mentioned was emergency access on Big Oak Road, and he believes they have addressed that.

Mr. Maloney asked Mr. Majewski was only the Planning Commission group to review this, or was there any conversation with Environmental or Traffic. Mr. Murphy stated these changes will be incorporated into an engineered, final plan. The Planning Commission members were comfortable with those changes and endorsed them with a couple of provisos and will address them as they move forward.

Mr. Murphy stated Toll is anxious to get started, and he sent Mr. Fedorchak a note last week seeking permission to install a sales trailer along Oxford Valley Road to get the marketing of the project started. Mr. Murphy stated they have been hearing comment in the community that even though Toll has purchased it, they are not in a hurry to build anything. He stated that is not true. Toll is anxious to seek the approvals they need and commence construction of the project as soon as they physically and legally are able to do so. They are ready to start this fall. Mr. Murphy stated that expectation is the single family section would be marketed first. The townhomes probably would not be marketed first. Mr. Lagreca said Toll would hold off on the carriages for several years.

Mr. Smith asked Mr. Lagreca the approximate price for the single home. Mr. Lagreca stated with the different sizes, options and placement, prices will start in the low fours.

Mr. Maloney asked if there was a plan to go forward for approval with the whole plan even if it will not be marketed. Mr. Lagreca stated their intention is to put all of the plan changes into effect and submit that in its entirety. Mr. Maloney stated there is a time restriction between final approval and putting shovels in the ground. Is it Toll's plan to build the carriage homes even if they are not marketed for several years or hold off on construction. Mr. Lagreca stated from a construction standpoint, first and foremost will be the improvements along Big Oak and Oxford Valley Road. In terms of groundbreaking, there is structural fill on the carriage side that has to be brought to the single family home side in order for the site to balance. He stated there will be construction activity on the carriage side. In terms of building the homes, they do not intend on prebuilding carriage homes prior to marketing.

Mr. Smith asked if Matrix still owns the third piece of the property, and Mr. Lagreca agreed.

Mr. Zachary Rubin, 1661 Covington Road, stated according to the court agreement, PennDot would determine if a traffic light was warranted at Tall Pines Road and Oxford Valley Road. He asked if there will be a traffic light there. Mr. Lagreca stated the plans indicate a traffic light at that intersection. Mr. Majewski believes that permit has been approved by PennDot.

Mr. Harold Koopersmith asked what the status is of the CVS opening. Mr. Stainthorpe stated he believes opening a bank is simpler than opening a retail store. Mr. Koopersmith stated he made a request two months ago for Matrix to fix the road on Heacock Road heading towards the Township Building on the right. He asked respectfully for a commitment to fix the road when the project is finished.

Ms. Virginia Torbert, Citizens Traffic Commission, asked if this will be incorporated into a final plan, and Mr. Smith stated yes. Ms. Torbert asked if they will get a copy of the final plan. Mr. Smith stated they would welcome the input of the Citizens Traffic

Commission. Ms. Torbert asked if any other commissions would receive a plan, and Mr. Smith said yes.

Ms. Torbert asked about the 90-day time frame. Mr. Maloney stated there is no change to the policy regarding how they approach applications. Mr. Maloney stated with the construction project this big, just like Frankford Hospital, there will be reports and reviews aplenty. Ms. Torbert asked if the EAC will have adequate time to review this, and Mr. Maloney stated yes along with the Traffic Commission.

Mr. Murphy stated he does not know whether that is accurate because he does not know if the stipulation provides for all those reviews, whether some of those boards and commissions existed when this plan was approved. He stated there may be. He does not know. Mr. Maloney stated there is a difference between the Board of Supervisors asking a group to review it and provide their input as opposed to whether or not there is a formal review. Mr. Murphy stated he has no control over who gets the plans once they are submitted, and Mr. Maloney agreed.

Ms. Torbert asked her main concern is if TPD will write another review letter, and Mr. Fedorchak stated yes.

Mr. Murphy stated they are moving ahead and hope to see the Board in the fall. Mr. Smith thanked Mr. Murphy and Mr. Lagreca.

ZONING, INSPECTIONS & PLANNING, CONTINUED

X(b) Consider granting Certificate of Appropriateness to replace roof shingles at 679 Heacock Road (Wachovia Bank)

Mr. Stainthorpe stated since the job was done a month ago, he made a motion, Mr. McLaughlin seconded to approve the Certificate of Appropriateness as requested.

Motion was carried unanimously.

X(c) Mr. McLaughlin moved, Mr. Stainthorpe seconded to grant an extension of time to Zubaida Foundation land development plan, extension requested to October 22.

Motion was carried unanimously.

X(d) Consider request of homeowner at 2112 Ashley Road to erect cover over an existing deck which will exceed the allowable impervious surface.

Mr. Majewski stated the Heather Ridge development has a voluntary restriction that is on the recorded linen that the impervious surface does not exceed 4,500 square feet. The

roof over the deck would classify that as impervious and would exceed the 4,500 square foot allowance, but it would still be less than what would be allowed under zoning, which is 24 percent. The total requested is 357 square feet above the amount permitted on the recorded linen. Currently the roof leaders extend underneath the deck so there is no issue with the extra impervious surface impeding water from being absorbed in the ground. Mr. Majewski does not believe any additional water controls would be necessary to compensate for the increase in impervious surface coverage.

Mr. Stainthorpe moved, Mr. McLaughlin seconded to grant approval for the homeowner at 2112 Ashley Road to erect cover over an existing deck which will exceed the allowable impervious surface.

Motion carried unanimously.

SUPERVISORS' REPORTS

Mr. Smith, Mr. Stainthorpe, Mr. McLaughlin had no reports.

Mr. Caiola stated the Citizens Traffic Commission is planning an October event, and they were fortunate to have support from the Fire Department and the PBA to run the event, since the budget is tight.

Mr. Caiola stated the Sewer Authority meeting is tomorrow to discuss the budget.

Mr. Caiola stated The Bucks County Performing Arts Center has a September 16th fund raiser.

Mr. Caiola stated Special Events and Veterans have nothing to report. Mr. Smith stated the Veterans has a car show on Labor Day.

DISCUSSION OF THE POSSIBLE SALE OR LEASE OF THE SATTERWAITE HOUSE AND CURTILAGE

Mr. Smith stated at the last meeting, the Board gave David Truelove, Solicitor, a charge to investigate the considerations regarding the sale or lease or the curator residentship at the Satterthwaite house. Mr. Smith believes Mr. Magyar conducted research on this, and Mr. Magyar agreed. Mr. Smith asked Mr. Magyar to give the Board an overview of what he did.

Vincent J. Magyar, Jr., Esquire, Township Solicitor, stated they conducted research into the different options for the use of the property for conveyancing of the property whether sale, lease or the resident curatorship concept. With respect to the sale, the original deed transferred from Mr. and Mrs. Patterson, there was not a contemplation of a subdivision

of the property, at least during their lifetime, for a residential use. That restriction has now expired; so at this point in time, the Township is considering what its options are with respect to maximizing utilization of the property while also maintaining its cultural value to the community.

Mr. Magyar stated the first option of the sale option would require subdividing the property, subdividing the Satterthwaite house and the surrounding curtilage in order to transfer title to it. Additionally, the Township would be considering prior to transfer

placing facade easements on the property to ensure the look and feel of the property would remain going forward. He stated if the property would be sold, the Second Class Township Code provides for public auction, public bidding, or transfer to potentially certain entities, such as a fire company or something to that effect, or another municipality or government entity. Mr. Magyar stated the Township would be looking at more of a public bid or auction matter. If the sale is going to a residential use, that is the current permitted use. If it were to go to an entity or individual who was looking to use the property for something that might not be permitted, there would be questions as to whether the need would be allow conditional uses or some other type of use of the property.

Mr. Magyar stated with respect to the lease option, there would not be a transfer; so there would not be a need to subdivide the property. He stated the Township might potentially have a zoning issue depending on what the proposed use of the property would be, and that would be addressed based on the interested parties. The Township would still act in the capacity as landlord, though it could consider entering into a lease whereby it would have what is called a triple net lease, which would impose all the costs and expenses related to maintaining the repair of the property on the lessee.

Mr. Magyar stated with respect to the residential curator program, several states have an official program. Pennsylvania does not have a per se program; although, other entities in the Commonwealth have used a similar concept. In essence, what would happen is an individual or organization that is skilled in historic preservation and maintenance would look to lease the property for a period of time. He stated from what they have researched, oftentimes they would lease for the individual's lifetime. In exchange for that, the individual would engage in all the necessary repairs and maintenance which is usually set at a dollar figure by the Township in order to ensure that the maintenance that is required to be placed under the property is completed. Mr. Magyar stated oftentimes the resident curator is going to follow certain federal guidelines to maintenance and renovation of historic properties.

Mr. Smith thanked Mr. Magyar. Mr. Smith stated to Mr. Fedorchak at the last meeting, the Board asked him to move ahead so they have an idea of the value of that section of the property.

Mr. Fedorchak stated they have an appraisal. It is roughly a 5 acre tract that would involve the Satterthwaite house and curtilage. The appraised value came in at approximately \$260,000.

Mr. Smith asked Mr. Fedorchak if there were any other aspects of the appraisal in regards to repairs being made, necessary repairs or modifications. Mr. Fedorchak stated there was consideration as part of the appraisal that there would have to be a considerable amount of improvements made to the house. Mr. Smith asked what that figure was, and

Mr. Fedorchak stated \$500,000. Mr. Smith asked if the \$500,000 figure being added to the house which did not have the improvements and had been appraised for \$260,000 would raise the value of the improved property to a great extent. Mr. Fedorchak stated yes, it would. Mr. Smith asked what was the difference with the improvements. Mr. Fedorchak stated \$50,000. Mr. Smith asked if it was \$5,000 rather than \$50,000. Mr. Fedorchak said it was \$5,000, and he apologized.

Mr. Caiola stated previously there was a lot of discussion about the footprint and what the 5 acres would entail. He asked if there was any discussion with the farmer relative to how it would best work out for him if the Township wound up either leasing or selling this property so it would not impact what he is doing. Mr. Fedorchak stated conceptually the farmer was apprised of what direction was possible. They did not discuss specific acreage. It was in generic terms as to the direction the Township was moving.

Mr. Smith asked Mr. Fedorchak if the appraised value of the improved property will increase it to \$265,000. Mr. Fedorchak stated he believed it would be \$260,000.

Mr. Fedorchak stated in the interests of allowing people to visualize what the Township is talking about, the first slide identifies the Patterson Farm. It is outlined in red, and you can see that the top of the screen on the west boundary it is bordered by I-95 and Route 332. He stated to the right of the screen is north, and due east would be Mirror Lake Road. They have also identified the Brown Farmstead, which is where Artists of Yardley will be located and the Satterthwaite Farmstead down in the right corner of the screen.

Mr. Fedorchak also pointed out the Township purchased this 233 acre tract of land from Tom and Alice Patterson in June of 1998. The Township's negotiations were spearheaded by Jeff Garton, the Solicitor at the time, and the Board of Supervisors. Tom and Alice Patterson were represented by Don Marshall, a local attorney, and the real estate agent, Hal Roberts.

Mr. Fedorchak stated the next slide shows the area in question, and he is recommending to the Board that configuration, which includes the house, certain outbuildings, and approximately 5 acres of land, was discussed with Amy Betz. Mr. Fedorchak stated he believes Ms. Betz supports that configuration that will work for her purpose.

Mr. Smith stated that Amy Betz is the horse veterinarian, and Mr. Fedorchak agreed.

Mr. Fedorchak stated for informational purposes, regarding the county easement, in 1999 the Township received a \$687,000 open space grant from the county government. The condition of receiving that grant was to dedicate an easement to the county, and the Township and the county agreed the 71 acre easement, which is identified in red, cuts through essentially the top half of the Patterson Farm. Mr. Fedorchak stated that further restricts the Township's ability to do certain things with that 71 acres.

Mr. Smith asked several years ago before they did the stakeholders report on Patterson Farm, there were statements made by the then Board of Supervisors, himself being one of them, that although there was a sign stating this whole farm was preserved as open space, that was not accurate, was it. Mr. Fedorchak stated that 71 acres is certainly to be considered to be dedicated in perpetuity for open space. There are certain legal considerations in terms of the strength of the restrictions going-forward, and the Board needs to have a conversation with the Solicitor regarding that.

Mr. Stainthorpe states he takes umbrage with the notion that the farm is not preserved. To be properly preserved, you do not have to have the development rights separate from the underlying land. If that were the case, then 5 Mile Woods is not preserved, and basically every piece of open space that we put in preservation is not necessarily preserved. Mr. Stainthorpe stated the Patterson Farm was bought by the Township with the intention of preserving it as farmland. Mr. Smith agreed. Mr. Stainthorpe stated we split hairs when we start saying it is not preserved.

Mr. Smith stated he knows previously there were legal considerations concerning parts of the farm were held under different legal considerations. Mr. Stainthorpe stated yes. The fact that the county owns the development rights would make it that much more difficult or virtually impossible. Mr. Smith agreed. Mr. Stainthorpe stated that does not mean that the rest of the farm is not preserved. Mr. Smith stated there are different legal considerations in different aspects of the farm.

Mr. Smith stated getting beyond that, would Mr. Stainthorpe agree that it has been the intention of this Board of Supervisors and the one previous that this area was to be used for what it is, a farm. The Board has never had any intention of developing it commercially or any other way.

Mr. Caiola stated in trying to rent Janney House and the others, the Board has tried to keep that separate. The Board has not ventured into the other areas where the farming is happening because we know that is important, and it is the lifeblood of that property. Mr. Smith agreed. Mr. Caiola stated in working with the arts people to take over some of the buildings, as Ms. Doan pointed out, the Board wants to make sure they do not interfere with what is occurring in the rest of the farm. Mr. Caiola stated it has to be one of the

Board's charges. He stated to Mr. Stainthorpe's point, this Board is totally committed to keeping every area that is not being used by a smaller public group as farmland, and he does not believe the Board has deviated from that in any of their discussions. Mr. Smith concurs with Mr. Caiola.

Mr. Smith stated the Brown Farmstead in that area is where the Artists of Yardley is. Mr. Fedorchak agreed it was in one of the easternmost buildings.

Mr. Stainthorpe stated in the legal assessment of what needs to be done, there are a couple of steps that have to be taken regardless of whether the Township leases or sells the property. Step one would be to subdivide it. Mr. Stainthorpe asked Mr. Majewski if there has to be a survey done to go in front of the Planning Commission and through an approval process including the Board in order to be subdivided. Mr. Majewski stated yes.

Mr. Stainthorpe moved to ask the Township Manager to proceed with subdivision.

Mr. Stainthorpe stated there would be time for public comment at the Planning Commission and the Board of Supervisors, and Sam Stewart needs to be consulted. Mr. Stewart's opinion and thoughts on this are critical. Mr. Stainthorpe would like to see the Board move forward with that.

Mr. Stainthorpe stated the other issue that needs to be discussed is the underlying zoning here is low density residential, R-1, and a veterinary hospital is not included in the uses for that type of land. He stated the Board has to address that at some point either by changing the zoning of what is allowed in the R-1 zone or go in front of the Zoning Hearing Board and request a variance. He stated he is not sure if that decision has to be made tonight, but it is the next step, because without that zoning, the property is not of value to our veterinarian. Mr. Stainthorpe stated he was raised in the business that messing around with zoning is not something to be taken lightly because it impacts your entire Township. He stated he would like to see the Board move forward on the subdivision piece.

Mr. Caiola agreed with Mr. Stainthorpe's first point. He is concerned about the zoning issue because if the Township decides to sell it and it goes to a bid and the highest bid is not the veterinarian hospital, then the Board will have an issue concerning what the next person would do with the property. If someone wants to live there, that is easy because that is residential, that is not an issue, but anybody who has a use that is adverse to what is there currently, the Board will have to go through the process whether it is the vet or not.

Mr. Smith stated there is a motion. Mr. McLaughlin seconded the motion to proceed forward with subdivision plans.

Mr. Maloney stated he echoes Mr. Stainthorpe's sentiment. First and foremost as far as this plan is concerned at this stage is that it be an acceptable footprint to Sam as the current farmer as the best option of what the Board is trying to do.

Mr. Duane Doan, Farmland Preservation, asked if the Board could work together with Farmland Preservation by suggesting that the veterinarian take Elm Lowne instead of the Satterthwaite house. Mr. Smith stated currently Elm Lowne is up for sale.

Mr. Smith asked Mr. Fedorchak if there has been any interest with Elm Lowne. Mr. Fedorchak stated there has been. He stated about a month and a half ago, there was a bid opening, and the Township received a single bid which was later withdrawn. Mr. Fedorchak stated since then, he has shown the house with a dozen prospective buyers, and of the dozen, he is continuing to have conversations with five of those. He stated yes, there is interest, and he would expect there to be interest in the future.

Mr. Smith stated in response to Mr. Doan's question, it is his understanding that Dr. Amy is not interested in the Elm Lowne property to have a horse veterinarian facility to treat ill horses. He stated Dr. Amy is in the audience, and from her expressions, she concurs with what Mr. Smith has stated. Dr. Amy's interest is in that parcel that is on the slide.

Mr. Smith stated in response to Mr. Doan's initial question, most certainly the Board will work together with Farmland Preservation.

Mr. Doan stated the Township is selling off the leaf area. Would Dr. Amy want the truck to be going through her place when the leaves are dumped off at the Patterson Farm. Mr. Fedorchak stated that would not be the plan. Hank Hoffmeister, the Public Works Director, and Mr. Fedorchak have had a number of discussions concerning alternate routes, and he is looking into that. He has two possibilities, one being access running from 332 directly to the leaf staging area and perhaps moving the leaf staging area a bit away from the position. Mr. Doan stated if you change the staging area, you have to go through all the federal permits with the leaf disposal. Mr. Fedorchak stated the Township would involve the State Department of Environmental Protection in relocating that staging area.

Mr. Smith stated this is only the beginning, and the Board is not doing anything tonight. The Board is just moving ahead.

Ms. Donna Doan asked to show artifacts on the camera. Mr. Doan stated he has four boxes of artifacts that were picked up over the years on the Patterson and Satterthwaite farm. They are arrowheads; so the farm does have history that goes way back. He stated the Township should keep the farm and preserve it as Middletown has it. Mr. Smith stated he appreciates it and respects the historical significance to any artifacts. Mr. Doan stated he did not know if the Board realized there were any artifacts from the farm.

Mr. Smith stated some people have left an impression with some members of the public, unfortunately, that what the Board was doing was similar to the Joanie Mitchell song of tear down paradise and put up a parking lot. The Board has no intention of that. The property is going to basically stay the same. The changes are going to be minimal at best. Mr. Smith pointed to the slide and the footprint. That is where if any work is done, it is going to be done, give or take any changes in the 5 or 5 1/2 acres. Mr. Smith stated despite what some members conveyed to the public, they are not going to blacktop it, put

up a strip center, restaurants, or the ARC. They are taking a property that has been left to deconstruct, and they are going to go in there to improve that property and make it better than what exists right now. Mr. Smith stated nobody is going to pave over any of the artifacts that are there or may be there today despite what some members have said to people in the public. It will stay the same. You will see a beautiful property which remains today, but the houses are going to be improved drastically. Mr. Smith guarantees Mr. Doan that if and when this is completed in accordance with what the people would like to go in there, it is going to be a winning proposition for everybody. There will be some changes made, but as a farmer, he still will be able to farm and accommodations will be made with the existing farmer if he continues onwards. Mr. Smith stated they are not disturbing anything. They are just making it better. He wants to leave that impression not only with Mr. Doan but with public.

Mr. Doan stated he would like to see the tech school come in to get training to restore the house. Central Bucks has a program like that where they build a module home every year and sell it to make money. Mr. Smith stated that is admirable, but when you have a historical property, a different type of instruction and expertise is needed. He asked Mr. Doan if he agrees with that, and Mr. Doan agreed. Mr. Smith stated when they painted with monies available from a grant, the Township had to use a special painter to paint the one side of the property, because that is all the Township could afford. Mr. Smith stated that you cannot have a Township painting day and get everybody out there to paint. It had to be a specific painter using a specific technique, and we had to receive a grant. The grant was only good enough for one side of the house which was the front side.

Mr. Doan stated if he could buy it, he would have This Old House come and take care of it. Mr. Smith stated if he could do that, the Board would support him and find someplace for Dr. Amy. The Board has to do what is fiscally prudent for this Township. Mr. Smith stated there are ongoing expenses with that house, and there are estimates given to the Board. Mr. Doan questioned why the Township's estimates are high. Mr. Smith stated these are the estimates that were given to repair the property. He stated this is a historical residence as some people would like the Board to believe, and they are not attacking that, but a half a million dollars is what is being called for in this premise.

Mr. Smith asked Mr. Fedorchak to confirm that. Mr. Fedorchak agreed and said that came from multiple sources early on a few years back from a structural engineer.

Mr. Doan stated he just put a roof on a bigger barn in Ottsville and for a cheaper price. Mr. Smith asked Mr. Doan if he knew how much the roof costs on this property. Mr. Doan said over 100,000. Mr. Smith stated that is just for a roof on a barn, and there is a special type of construction in there which requires special expertise. Mr. Smith stated before the Township approved the \$100,000 for the barn, there was a tarp over it, and unfortunately, it probably happened during the latter years of Mr. and Mrs. Patterson, unfortunately. Mr. Doan stated nothing has been done since 1996.

Mr. Smith stated the Township is trying to make this a better property for the people of this Township to come and see this property and walk through it. Mr. Smith asked Mr. Doan if he would honestly live in it right now, and Mr. Doan stated he would not. He would get busy and work on it. Mr. Smith stated he knows Mr. Doan for years now and he respects him and his word, and he knows Mr. Doan would if he had the finances undertake a project of this type.

Ms. Helen Heinz asked if the Board is not doing a lease of any sort and going directly to sale. Mr. Smith said he did not say that. Mr. Stainthorpe stated the property has to be subdivided either way.

Ms. Heinz confirmed the appraisal price. She commented Toll Brother's is building 180 houses in a cluster for \$400,000 apiece. Mr. Maloney stated the zoning is different and the homes are stacked much closer together. Ms. Heinz stated it is our three to their one.

Mr. Smith asked Ms Heinz if she has any documentation with her tonight to dispute what the value of that property is and if she has an appraisal. Ms. Heinz asked who performed the appraisal. Mr. Maloney stated the appraiser was Craig Gleason. Mr. Maloney stated what was lost in the previous conversation was triangulating a cost improvement of somewhere between 450 and 500,000. With the improvements as defined by Mr. Gleason, Mr. Gleason thinks it is worth approximately 725, which is how you get back down to a figure around 250. That is the difference between what it will be worth when you are done and what it will cost to do it.

Ms. Heinz stated her original resident curator program was 250 on that last stack. She stated the 260 does make sense. It is the amount of money someone would have to put in upfront to acquire that property whether they are buying it or leasing it. Mr. Stainthorpe stated the purchase is 255. There is \$500,000 of additional work. The resident curator would have to put in \$500,000 of their own money over the course of 20 or 40 years into the property to bring it up to acceptable standards and not even own it. Ms. Heinz stated she disputes the \$500,000 because you are looking at sweat equity and you can have someone who is a home restorer perform the work for less money.

Mr. Smith asked Ms. Heinz if she repaired her roof in the last 20 years. She stated yes. Mr. Smith asked her if it cost \$100,000. Ms. Heinz stated no. Mr. Maloney stated Ms.

Heinz' point is well founded. If it is someone doing the repairs who performs the work themselves, they probably could have put the roof on for 10,000. Ms. Heinz agreed.

Ms. Heinz stated the zoning issue is huge, and the Solicitor pointed out that a lease makes more sense in terms of having control over the zoning and facades. She stated facade easements are a waste of time. In her experience in the Township, she has had facade easements, and to enforce them is not worth the paper they are written on. Mr. Smith stated that is the reason a committee was appointed for Elm Lowne, which was to make

sure the enforcement provisions and correct facade easements were placed on that property. Mr. Smith asked Ms. Heinz if she agreed with that, and Ms. Heinz disagreed.

Mr. Smith stated the only thing the Board is doing tonight is moving ahead on the subdivision. They are not doing it for leasing, curator residentship, or selling the property. We are taking a step. Ms. Heinz stated they would definitely support a lease with this configuration. She stated she wants to look at the facade suggestions. Ms. Heinz stated her reason for saying that is facade easements restrict people's use of a house. When you restrict the facade easement, you damage the value on Elm Lowne.

Mr. Smith stated Ms. Heinz has no problem, if he understands what they have discussed previously, with what the Board would like to have there, which would be Dr. Amy and the Woods Veterinarian Service there. Mr. Smith asked Ms. Heinz if she said that would be a wonderful idea, and Ms. Heinz agreed. Mr. Smith stated the question or issue she may have with this Board is the manner in which part of the land, which she agrees with the purpose, is conveyed to a third party. Mr. Smith stated Ms. Heinz would prefer either a curator residentship or a leasehold as opposed to an outright sale. Ms. Heinz agreed. Mr. Smith asked Ms. Heinz if she was speaking personally or on behalf of the Historical Commission. Ms. Heinz stated the snide remarks are hers. Mr. Smith stated it was not a snide remark. It was a very honest and sincere remark. He asked her if she was speaking on behalf of herself or the commission. Ms. Heinz stated the commission.

Mr. Smith stated the commission has no problem in what the Board is trying to do here. They just have a problem with the manner in which the property is conveyed. Ms. Heinz stated yes, and the commission prefers a residential use. If nothing else, Amy's plans seemed reasonable. They would like a full investigation of numbers and her financials. Ms. Heinz stated that makes perfect sense down the road.

Mr. McLaughlin stated with the subdivision, the Board is not just steering it to Amy. Someone might emerge who would keep it in a residential. He is glad to hear Ms. Heinz say she would be happy if it was kept residential. He stated she is objecting to a sale but just keep it residential. Ms. Heinz stated she is objecting to a sale because she thinks the Township needs to hold onto it because it is part of this farm. She had read those Wills, and she does not care what lawyer will say it is all sunsetted because the Pattersons died.

Their intent when they made the Will was that that be protected, and they wanted it to be on a 5 acre parcel. If the Township could not afford to take care of that, they wanted it residential.

Mr. Smith stated the Board understands the concerns of the Historical Commission. Ms. Heinz stated this is one of the oldest framed houses in the Township. Mr. Smith stated nobody is trying to destroy anything. The Board is just trying to make something better. He stated they can agree on a few things. They agree on the fact they want to make the property better than it is today. Ms. Heinz agreed. Mr. Smith stated they want to stop the

hemorrhaging of the money that the Township is paying for what is going on right now. Ms. Heinz agreed and stated she would like to see it become a source of income. Mr. Smith stated can they agree that Amy's purpose in getting there would be acceptable to the Historical Commission. Ms. Heinz agreed and stated it could be a farmer. The Historical Commission's first preference is a tenant farmer who is living in the house and working on that farm. Mr. Smith says the Board and himself agree with Ms. Heinz. Their intention is to make it better. They want to stop the expenditures. They want to cut down on the potential taxes. They want to keep it consistent with what is there now but better.

Mr. Smith said earlier Ms. Heinz was concerned about the Artists of Yardley. Ms. Heinz stated a commercial venture in the middle of the farm is not a good idea. Mr. Smith stated what the Board has done on that property at least in the last month is make it better than what it was yesterday in the eyes of many people. Ms. Heinz resented the fact the AOY said it was dirty because the Historical Commission cleaned it. Mr. Smith stated since AOY has moved in, they have made it better. Nobody is tearing it down or destroying it. They are just trying to help the Township utilize the property better and stop the hemorrhaging of money. Mr. Smith stated one of the concerns of the Historical Commission is stopping demolition by neglect. Ms. Heinz stated or systematic destruction. That house has her more worried than Satterthwaite.

Mr. Smith stated they will see what happens. Ms. Heinz stated hopefully going forward the Board will ask for their expertise on home restoration and things going on. She would have preferred to review the facade easements for Elm Lowne before they put it on the market because she believes they were a mistake. Mr. Smith stated the committee was meeting. He asked her if she spoke to the committee or attended any meetings. Ms. Heinz stated they did not get any invitation to meetings. Mr. Smith stated he attended many of those meetings there, and they were open to the public.

Mr. Maloney stated with a residential curatorship, the Township does not have to go out to public bid the way they would if it was a sale. It would work the same way a lease would. Mr. Magyar stated this is correct. Mr. Maloney stated what would prevent the Board to use the next few months to try to explore or probe the market to try to figure out

who they could talk to about what they might be able to offer and what they might be willing to do, just as the Board has had conversation with Amy. Mr. Maloney stated with that in mind, Ms. Heinz and her group did their homework to provide examples of what it was to get the Board's minds around it. Can they find some people who might be interested parties, because presumably we have some way to reach out to that community and he would be interested in talking about it.

Ms. Heinz stated the commission also had a meeting with the people at the golf course who were very interested in utilizing that building for a resident curatorship and possibly doing some kind of bed and breakfast idea where you stay and play. Ms. Heinz stated

there are a lot of possibilities, but it is a real option for this Township to get rid of these houses that they do not want to take care of and have them returning income into the Township, being useful to the public, and preserving history while we are doing it. Ms. Heinz stated we became stewards of these properties, and we have to keep it for the next generations. So if you give it away for \$260,000, it is ridiculous.

Mr. Maloney stated he shares Ms. Heinz' concern, and that is his point. We have an opportunity here in the case of this property. In the case with the golf course, as liaison for the last three years, Mr. Stainthorpe was involved in it before, they have been looking for somebody for that, too. Send them their way. Mr. Maloney stated in the case of the Satterthwaite property, we have a few months ahead of us, let us take it beyond talk. Let us try to find who these people are and reach out to that community. Mr. Maloney stated he is willing to sit down with them and have that conversation.

Ms. Heinz thanked Mr. Maloney. She stated fencing is an issue. She would almost guarantee that anyone who uses that property would want a fence, and she wants the Board to think about what that will look like in the future and how will that effect the rest of the residents. If the Township subdivides that property, you will have to delineate it.

Mr. Caiola agreed with Ms. Heinz. He stated when ARC was interested, one of the things that turned them off to ARC was what it looked like. Mr. Caiola agreed with most of what Ms. Heinz said. One of the things that bother him is every time he drives by that house, he sees the potential in that house, and he is sure most residents drive by it and see the potential or think, When are they going to paint the rest of the house.

Ms. Heinz suggested to Mr. Smith the Township have a Tom Sawyer day and everybody come out and paint it. She stated you do not need special skills to paint a house.

Mr. Caiola stated residents that live in this community will never appreciate the beauty in that home until they drive by and see it, and that is the crux of what the Board is trying to do. The Board wants to do what is best for the Township. They want to find somebody

who is complimentary to the rest of that farm. That is the Board's ultimate goal, and there will be a lot of discussion between now and then.

Mr. Smith stated that he concurs with what Mr. Caiola said and what Mr. Doan had to say, which is important. The Board wants to work with all the groups in the Township and they will. Mr. Smith stated he could not remember who he had the conversation with about the Tom Sawyer day, but it was Ms. Heinz. It was discussed, and it sounded like a great idea as a Township project. Ms. Heinz suggested instead of the fall get together, why don't we have a barbecue at the Satterthwaite house and everybody bring their paint brush. Mr. Smith stated we discussed that, and we can still do it. There is going to be a day, as Mr. Caiola stated, when people drive down Mirror Lake Road and look at that property and they are proud of that property. We are all trying to work together. We may not be walking the same path, but we are trying to work together to get to that point where we will look at that property and say it is beautiful. Ms. Heinz stated we all live here and have our opinions, but we all mean well.

Mr. Smith stated to Mr. Doan the Board will work with the various groups to try to do something to make this a Township gem as opposed to what it is now. You can count on every member of the Board for doing that.

Mr. Duane Doan asked the Board if they could sell the building rights and use that money to restore the house. You would get approximately \$1 million. Mr. Stainthorpe asked who would they sell it to. Mr. Doan stated the county or state. Mr. Smith stated the state is in tough shape.

Ms. Virginia Torbert asked if the attorney stated the subdivision would not be necessary if they did the resident curator. Mr. Magyar stated there would not necessarily be an obligation to do that. The subdivision concept would give the Township the most number of options and allow itself to also make sure that it can better frame the particular subdivision of the property itself so it is easier for the lessee to understand its boundaries. Ms. Torbert asked if the Township would have to do a formal subdivision in order to lease it. Mr. Magyar stated not necessarily.

Mr. Smith stated you still have to know what you are leasing. Ms. Torbert stated she wanted to make it clear that you do not have to do a subdivision to lease it. Mr. Smith stated they have not made a decision yet. Ms. Torbert stated she understands the Board has good intentions. She stated the most important point that has gotten lost in all the discussions is back in 1997 the residents of this Township voted on an open space question to authorize the Township to borrow \$7 or \$8 million for the purpose of purchasing open space. She stated in 1998 the Township used that money to purchase the Patterson Farm.

Mr. Stainthorpe stated that is not correct. Mr. Fedorchak stated it is the reverse. The referendum came after. What came first was the Township purchasing the farm from the Pattersons. Then after that, there was the referendum for the additional 7.5 million. Ms. Torbert asked how the Township paid for the farm. Mr. Fedorchak stated the Board of Supervisors floated a bond.

Ms. Torbert asked how did the Township get the authority to float the bond. Mr. Stainthorpe stated the Township can float a bond if you are buying real property. The electoral piece is voluntary. The Board does not have to do that. Ms. Torbert asked when they floated the bond, what did they say it was for. Mr. Stainthorpe and Mr. Smith stated they were not on the Board at that time. Mr. Fedorchak stated it was for the purchase of the Patterson Farm. Mr. Stainthorpe stated the Board can take on debt. It does not have to be by law electoral debt.

Mr. Fedorchak stated he is not sure he is understanding the question. He apologized to Ms. Torbert. He repeated the \$7.2 million purchase of the Patterson Farm was financed through a bond issuance. What came after that was the referendum, and the voters approved an additional \$7.5 million to be used for open space purchases. Mr. Fedorchak stated since then, the Township has exhausted that \$7.2 million in a variety of open space purchases such as the Snipes tract and others.

Mr. Smith stated since that time, the electorate has also approved another bond issue approving up to 15 million to purchase open space, but that has not been acted on as of this date. He asked Mr. Fedorchak if that is accurate. Mr. Fedorchak stated that is correct.

Ms. Torbert stated from all she has read through the minutes of meetings and press reports, when this Township says they are spending money and borrowing money to preserve a farm, and then a few years down the road, they talk about selling off part of the farm, what do you say to a resident next time when you ask them to borrow money to purchase open space. She asked why should a resident of this Township ever trust any future Board again and vote to give this Township the authority to borrow money for open space.

Mr. Caiola stated if you ask ten people to look at that piece, the one 5 acre parcel, and ask whether or not they want to continue paying taxes on something that is falling apart or is there a different option, he thinks they will probably say they want to hear the other option. Mr. Caiola stated he is not a big advocate of selling the property.

Ms. Torbert stated this portion is not just a house. It includes a number of farm buildings, and a farm is not just the land. It is the buildings. The Township paid \$10,000 to Jeff Marshall, the consultant, to look at all the historical properties. He recommended to you that you preserve the integrity of the farm, and the Township consider selling Elm Lowne

and using those funds to maintain the integrity of this farm. Ms. Torbert stated the Board appointed a stakeholders committee, and she was one of them. They met and came up with a report, and they recommended the Board maintain the integrity of the farm. She stated there have been meetings where residents have asked to keep the farm and maintain its integrity. She stated she believes if the Township subdivides this parcel to sell it, the Board will be breaking faith with the people of this Township. Ms. Torbert stated she does not want to end on a negative note, and she appreciates Mr. Stainthorpe's and the Board's comments. She understands Mr. Smith's comments and also believes the house is falling apart, and she does not want to see it fall apart any more either. She wants everyone to find a way to keep the farm and lease it out. It is the only working farm in this Township, and it is an important part of the Township's agricultural heritage, and to give it away for \$250,000 would be an absolute travesty.

Ms. Donna Doan stated she seconds what Ms. Torbert said. It is important to keep the farmland because our nation loses 2 acres of farmland every single minute of every single day. It is important to keep a local source of agriculture. Ms. Doan feels they made good progress tonight, because the people who support agriculture have been heard, and there is a little bit of understanding than there was. She reiterated that you cannot farm without barns and outbuildings. You need places to store crops and maintain machinery in the winter. If the Township sells off the barns and the outbuildings, it will cripple this farm for use as agriculture. The Pattersons left a wonderful gift. They worked for years along with her dad to make it the best they can make it. It is an excellent farm. When Mike Fornier (ph) from Penn State Extension went to the USDA and looked up the soil types, these are all Class A and B soils. It is prime farmland, and it is better than 98 percent of the farmland in Pennsylvania. Ms. Doan stated if you do anything with the buildings that impinges on farming, you have lost and the people have lost. She closed by saying look at the emblem for the Township because it contains implements of farming it. It honors what farmers have done for this community. We have at least 325 plus years of farming at the Pattersons, and we need to keep it going. This Board can't afford to let this farm be split apart.

Mr. Smith stated the Board agrees with all the points Ms. Doan has made tonight. They are good points, and the Board is going to work together with different members of the community to do the right thing. He stated at the end of the day, she may not agree with what they do, but we are all trying to work for the same thing.

Mr. Smith stated there is one point that he cannot let go by tonight that Ms. Doan has said before, and he wanted to clear it up. You have indicated and published a paper which indicated that the prior Board of Supervisors profited. He wanted to read the exact line, "Several years ago, the Lower Makefield Township Board of Supervisors employed eminent domain to take ownership of the local farm on Mirror Lake Road in Yardley owned by Thomas and Alice Patterson." He asked Ms. Doan if that was her statement. Ms. Doan stated is it not correct that the Township used eminent domain. Mr. Smith

stated no. He stated Ms. Doan had that in bold print in her letter to the Thomas Jefferson Club. He stated so she understands exactly how this property was purchased, he will go through it one more time in summary.

Mr. Smith asked Mr. Fedorchak if he was the only one local government around at that time. Mr. Fedorchak stated that is correct. Mr. Smith asked Mr. Fedorchak if eminent domain was utilized in any fashion by that Board of Supervisors. Mr. Fedorchak stated absolutely not. Ms. Doan asked if there was any ledger entry into a Lower Makefield Township ledger that said it was eminent domain. Mr. Smith stated it is not an easy process as you can tell from the golf course by a different Board of Supervisors. He stated he hopes Ms. Doan will look into it further and make the appropriate clarification from that quoted statement. Ms. Doan stated for that statement, she will change it if it is incorrect. Mr. Smith stated it is incorrect. Ms. Doan stated it has always been her knowledge that the Township relentlessly pursued the Pattersons to give up their farm. She stated it is ethical. Whether it was or wasn't eminent domain, what was done to the Pattersons wasn't right. They were 80 years old. They should have had the quiet enjoyment of their farm. You have not honored their last wishes. They wanted this farm to be preserved for agriculture for the community for years to come. Mr. Smith stated it has been. Ms. Doan stated it has not been in farmland preservation. If the Township intends to keep it in farming, please put it into farmland preservation or else it will be lost at the whim of any future Board. Mr. Smith stated that is one of the points that he somewhat agrees with Ms. Doan about, but that is for another day. He does agree with farmland preservation.

Mr. Smith stated before Ms. Doan walks out of the meeting, she should do a little homework because it was not this Board of Supervisors, it was a prior Board of Supervisors over 10 years ago who made a purchase of this property. He stated he knows Mr. Doan will say something different, but Mr. Doan was here earlier tonight and heard what Mr. Fedorchak said. Mr. Smith stated Mr. Fedorchak said the Pattersons had a real estate agent and an attorney who dealt with the Township attorney, and it was a good deal for both parties. Mr. Smith stated the Township will keep this a farm. There may be a few twists or tweaks, but the Board will try to do something where they preserve it as a farm, but they stop the hemorrhaging of money from the Township for paying for expenses which we cannot afford and to improve on what they have. Mr. Smith stated the Board will do that, and he gave his word.

Ms. Doan stated it does not have to be a hemorrhaging of money if you fill the houses with people who pay money to rent them. There is lost income. The Township has at least a six figure income they have taken in from the farmland rent. She asked why money was not set aside. Mr. Smith stated it was, and she was told that last time. Mr. Stainthorpe stated the roof cost \$100,000. Mr. Caiola stated Ms. Doan is forgetting that money has been spent year after year. Ms. Doan stated they were foolish expenditures.

They destroyed a slate roof that could have lasted another 100 years because they opted to put a shingle roof on the barn. She stated a farmer would never do that.

Mr. McLaughlin asked if Ms. Doan was saying the Township spent \$100,000 when they did not need to. Ms. Doan stated the roof on the Satterthwaite house should have been done years before it was. She stated the slate roof on the Patterson barn should have been properly repaired with slate.

Mr. Stainthorpe stated it is now 11:40 at night. There is a motion on the floor to move forward with subdivision. He stated he fails to see how any of the arguing back and forth contributes anything on both sides. Ms. Doan agreed and stated there is also one more option that has not been considered. She stated what Styer's Farm, Peter Taylor Farmstead has done in Newtown is to let the people in this Township who care about this farm and want to see it return to its magnificence, let the people step in and run the farm properly. Her father and Mr. Patterson ran that farm and managed it for five decades, and it was in great shape. Ms. Doan stated the Township owns it for 12 years, and everything is starting to slide.

Mr. Caiola asked if those properties had a house on it that needed 300 to \$400,000 worth of work. Ms. Doan stated that is debatable. Mr. Caiola stated it is a lot of money. Ms. Doan agreed it is a lot of money, but she is saying there needs to be a commitment to make this work. There are ways income can be derived off that farm. When Mr. Patterson owned it, it was profitable. He was a wealthy man. Ms. Doan stated there is no reason it cannot be viable again. It is premature to consider a sale for subdivision when you have people in the community who are interested in seeing it restored properly and maintained as one farm.

Mr. Harold Koopersmith asked if the whole farm is 233 acres. Mr. Smith stated yes. Mr. Koopersmith asked how much it was purchased for, and Mr. Fedorchak stated 7.2 million. Mr. Koopersmith stated on the property is the Brown farmhouse which is being leased to AOY, and Mr. Fedorchak stated that is correct. Mr. Koopersmith asked if the Township will get any rent from AOY. Mr. Maloney stated they have to perform renovations in lieu of rent.

Mr. Smith stated that is not a minimal amount. That is a significant amount. Mr. Koopersmith stated he is not arguing that point. His point is Mr. Fedorchak has an estimate on 5 acres, the Satterthwaite house appraised at 255,000, and that is a parcel of 5 acres within the whole Patterson Farm. Mr. Koopersmith asked how much would this Township have to spend in 2010 to get the whole house and farm up to snuff in the way these people are arguing. He means no disrespect to them.

Mr. McLaughlin stated at least \$500,000. Mr. Stainthorpe stated the only expense they might incur would be bring the house up to code. The farm is being farmed, and the land

is leased. The Township does not have to do anything to bring the farm up to code. We do not spend a nickel on it. The farmer pays the Township to farm it. Mr. Stainthorpe stated the expense is in the Satterthwaite house where the estimates they received are up to \$500,000 to bring that up to code. Mr. Koopersmith asked where the Township will get the \$500,000. He stated these people are asking serious questions, and you have to put this into context so they understand where the Board is coming from. He asked how much will it cost in 2011.

Mr. Smith stated the Township would have to borrow money. Mr. Koopersmith stated they way these people want the repairs done, they want to spend the taxpayers' money. Mr. Smith stated that is correct. Mr. Koopersmith stated that is fine. He has no argument with spending taxpayers' money, but how much are the taxpayers going to have to pay. Mr. Smith stated Mr. McLaughlin already told him. Mr. McLaughlin stated \$500,000.

Mr. Koopersmith asked how much will it cost in 2011. Mr. Stainthorpe stated probably nothing if the Township spent the \$500,000. Mr. Smith stated it would be nominal.

Mr. Fedorchak stated in terms of the Janney Brown farmhouse and the other structures on the farm that Mr. Koopersmith was talking about, then the number is closer to 700, 750,000 when you look at it over a multi-year basis.

Mr. Koopersmith asked if the Township's plan is to preserve the farm, spend \$500,000 to bring the Satterthwaite house up to snuff, lease it or have a conservatorship, and then the Township will not have to put out anymore money. Mr. Smith stated to sum this up, there are several options on the table, but out of all the options, part of the requirements is whoever moves onto this property in whatever legal fashion, they are going to have to spend at least a half million dollars. Mr. Koopersmith asked if the Township would give them title. Mr. Smith stated no.

Mr. McLaughlin stated for the resident curatorship and lease agreement there is no title. For the sale of the property, there will be a title. Mr. Koopersmith asked with a sale, the owner could take the property and sell it. Mr. Smith and Mr. McLaughlin stated with restrictions. Mr. Koopersmith asked if they would be put out to bid, and Mr. Smith stated they are required to.

Mr. Koopersmith asked if the Township is under financial pressure because of the economy. Mr. Smith responded yes. Mr. Koopersmith stated that means the Township does not want to raise taxes unless it absolutely has to. Mr. Smith stated that is correct. Mr. Koopersmith stated the Township's plan is to preserve the farm, bring money in, and not raise taxes. Mr. Smith stated not just to preserve the farm. Mr. Koopersmith stated he does not understand what people are arguing about. Please explain it to him. Mr. McLaughlin stated it is loss of control. Mr. Koopersmith asked what that meant.

Mr. McLaughlin tried to explain, but Mr. Koopersmith was upset about the economy and people losing their homes.

Mr. Koopersmith stated he understands what the Board is doing, but the people arguing do not understand what they are doing. Mr. Koopersmith talked about the economy in 2007 and 2008 and the subsequent decline in the economy. He stated there is no money on the federal or state level. The Township is doing what Washington and Harrisburg is doing, which is restructuring the Township's affairs in a creative way that these people do not understand, and they will hate him for saying this because he is going to offend them. Mr. Koopersmith stated he always winds up supporting the Board, and they are doing the right thing.

Mr. Zach Rubin, 1661 Covington Road, stated Mr. Koopersmith asked where the money is coming from, and he stated Mr. Murphy can attest that Toll Brothers is building 376 homes. According to the court agreement, they have to pay over \$1700 per settlement to this Township. He asked Mr. Murphy if that is correct. That is over \$640,000 that will come into the coffers, not from the taxpayers but from Toll Brothers and the people that purchase those homes. Mr. Rubin stated there is \$120,000 in transfer fees from the sale of that property; therefore, right now the potential is over \$760,000 that is revenue stream to this Township that could be used to preserve and bring up the farmhouse and things like that. That is one suggestion.

Mr. Smith stated those homes will not be sold overnight. They are not building the townhomes until at least a year from now, perhaps two; so Toll Brothers will not write a check tonight for \$600,000. Mr. Rubin stated he did not say that, but the money is going to come into this Township. Mr. Smith stated eventually. Mr. Rubin stated Toll Brothers has a list of over 100 people to buy the single homes. He is just answering the question from Mr. Koopersmith that there is money coming in.

Mr. Stainthorpe stated it is oversimplistic. Every year there are expenses for police cars, health insurance, energy in the building and these costs go up. The Township has to buy fire trucks, pave roads, and it has tons of expenses here. Mr. Rubin stated they are budgeted. Mr. Stainthorpe stated it does not matter if it is budgeted or not. The Township has taken a hit in the transfer tax of about a half million dollars this year.

Mr. McLaughlin stated the Township spent \$120,000 cleaning the roads with the snow that was unexpected.

Mr. Stainthorpe stated his point is just because there is some new money coming in, does not mean it is not already spoken for in some places. It is oversimplistic to say Toll Brothers is going to pay for that farmhouse.

Mr. Stainthorpe stated he wanted to say one other thing, and then he is going to be quiet for the night, because he has had it with this discussion. It has gone on too long, and it has gotten too nasty, and it is way out of control.

Mr. Stainthorpe stated there is not a township in Bucks County that has done more to preserve agriculture than this Township. We were the first ones to ever have a Farmland Preservation ordinance. The Township has preserved some of the most valuable farmland in the county. He stated if you drive around the northern portion of this town, you cannot help but say to yourself the Township has done a pretty good job here. Mr. Stainthorpe stated there are tenant farmers on all that land. They have preserved the Patterson Farm, the Wright Farm, and they will do more. He wanted to set the record straight. He is just a dumb kid from a row house in Philly, and he does not know anything about agriculture, but the Board has done a pretty darn good job here. He stated he is not asking to applaud or give them credit, just give the Board a break and get this meeting over with.

Mr. Caiola stated this conversation probably went on a half hour longer, because if we really stuck to just the issue of subdivision, we would have been done a long time ago. He would implore everyone the next time we discuss this, to stick to the topic and keep it more rigid so the conversation can be more productive.

The motion carried unanimously.

OTHER BUSINESS

Mr. Magyar stated Mr. Truelove has been working with Mr. Murphy related to two development agreements, one related to the Octagon Matrix Phase 1 matter as well as the Edgewood Crossing. Mr. Murphy wanted to address the Board about that.

Mr. Murphy stated on May 5 the Board approved the two projects that Mr. Magyar mentioned: Matrix office project and the Edgewood Crossing project. He stated Mr. Magyar is correct that he has been working with Mr. Majewski and Mr. Truelove to develop the development and financial security agreements, and they are almost done. The problem is the Board has an uncertain meeting schedule for the balance of the summer, and they would rather not delay both projects for a month if they can be satisfied by providing the remaining documents, security and insurance information to the Township. Mr. Murphy would like the Board to authorize the staff when they are satisfied with the documents to have the Board execute them so they can move forward rather than wait until August 16th or 17th, whenever the next meeting is.

Mr. Stainthorpe asked Mr. Murphy if he needs the approval of the Board on the development agreement. Mr. Murphy stated the Board needs to physically sign the agreement, but he is not asking to release them. He is asking the Board upon the advice

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of Mr. Magyar, Mr. Truelove, and Mr. Majewski, when they are satisfied to have the Board sign them but authorize it now so Mr. Murphy does not have to wait for another public meeting a month from now to come back here and ask the same thing.

Mr. Stainthorpe moved, Mr. McLaughlin seconded, and it was carried unanimously.

CONSIDERATION TO REJECT ALL BIDS RECEIVED FOR ELEVATION OF HOUSE AT 196 RIVER ROAD

Mr. Majewski stated the Township received two bids to elevate the house at 196 River Road. The prices they received were significantly above the budgeted amount for that project, and he recommends that all bids be rejected for that project.

Mr. Maloney moved, Mr. McLaughlin seconded, and it was carried unanimously.

There being no further business, Mr. Stainthorpe moved, Mr. McLaughlin seconded, and it was unanimously carried to adjourn the meeting at 11:35 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Matt Maloney', is written over the typed name. The signature is fluid and cursive, with a large, stylized 'S' at the end.

Matt Maloney, Secretary



Township of Lower Makefield

BOARD OF SUPERVISORS
Ron Smith, Chairman
Greg Caiola, Vice-Chairman
Matt Maloney, Secretary
Daniel McLaughlin, Treasurer
Pete Stainthorpe, Supervisor

JUNE/JULY, 2010 WARRANT LISTS AND JUNE 2010 PAYROLL COSTS FOR APPROVAL JULY 21, 2010 BOARD OF SUPERVISORS MEETING

Accounts Payable Warrant Report:		
Printed Checks:		
06/21/10 Warrant List	\$ 1,039,849.13	
07/05/10 Warrant List	\$ 649,379.68	
07/19/10 Warrant List	\$ 688,081.40	
Manual Checks:		
06/21/10 Warrant List	\$ -	
07/05/10 Warrant List	\$ 963.96	
07/19/10 Warrant List	\$ -	
Total Warrant Reports		\$ 2,378,274.17
Payroll Costs:		
June 2010 Payroll	\$ 339,137.10	
June 2010 Payroll Taxes, etc.	\$ 148,614.15	
Total Payroll Costs		\$ 487,751.25
TOTAL TO BE APPROVED		\$ 2,866,025.42

