TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
MANAGER'S BUDGET PRESENTATION
MINUTES – OCTOBER 28, 2020

A special meeting of the Board of Supervisors of the Township of Lower Makefield was held remotely on October 28, 2020. Dr. Weiss called the meeting to order at 6:30 p.m.

Those present:

Board of Supervisors:	Frederic K. Weiss, Chair James McCartney, Secretary Suzanne Blundi, Treasurer John B. Lewis, Supervisor
Others:	Kurt Ferguson, Township Manager Andrew Pockl, Township Engineer Kenneth Coluzzi, Chief of Police Monica Tierney, Park & Recreation Director James Majewski, Director Planning & Zoning Greg Hucklebridge, Public Works Director Mika Attara, Spirit Golf
Absent:	Daniel Grenier, Board of Supervisors Vice Chair

MANAGER'S PRESENTATION OF THE 2021 BUDGET

Mr. Ferguson stated what is being presented this evening is not being voted on, and it is an intermediate step before the Board would consider a Preliminary Budget. He stated when the Board passes a Preliminary Budget, there are certain restrictions as to the level that changes can be made. He stated this presentation step of the Budget allows the Board additional time to ask questions and consider priorities before the Preliminary Budget is considered. Mr. Ferguson stated the next scheduled meeting of the Board is November 4. Unless the Board would like there to be a different schedule they wish to pursue, he would anticipate that the Preliminary Budget would be considered on November 18. He stated we would then have a legal obligation to post that Budget for twenty days before they could make any official changes to it under certain restrictions. He stated if the Preliminary Budget was passed on November 18, it would be contemplated for Final approval on December 16. He stated the Board always has the right to schedule additional meetings if they deem that necessary for additional consideration. He added that staff members are present this evening if the Board has questions.

Starting on Page 12 is the Public Works Department. Mr. Ferguson stated the full cost of the Department is Budgeted at $2,114,692. He stated this includes the Public Works Director, a full-time Administrative Assistant, and twelve laborers. He stated twelve full-time laborers to cover the Township is very lean. He stated this also breaks out the costs we have with building maintenance, the recycling yard, leaf collection, basin maintenance, highway maintenance, and the related overtime with weather-related instances, and snow and ice control. Mr. Ferguson stated there are Capital requests which are in the Road Machinery Fund.

Mr. Ferguson noted the slide regarding the dates for the Recycle Yard. He stated in 2019 they had four Saturdays scheduled a year, in 2020 they increased that to five, and there are five listed for 2021. He stated there were times when they opened up additional days due to storms; and in 2020, it was opened an additional weekday and an additional weekend. He stated in the Budget document, they will continue to track how many households are coming in. He stated with COVID, they delayed the first scheduled day, but they opened back up under more rigorous controls to keep the residents and staff safe.

The slide with regard to the Fire Protection Fund was shown. Mr. Ferguson stated this is .9 mills, and the Township also receives fire relief money from the Commonwealth. Mr. Ferguson stated he will be requesting a change to what is shown which would be that the Yardley-Makefield Fire Company would go up to $360,000 from $355,000. He stated they are carrying an approximately $85,000 to $90,000 Fund Balance in that account. He stated this would not be a millage adjustment. He stated the Department had asked if they could have the additional amount last year; however, at that time we were not as certain of our Fund Balance as we are this year, so he will be asking for that adjustment when they go to the Preliminary Budget.

The slide with regard to Fire Hydrants was shown, and Mr. Ferguson stated we pay for the water and the water to be pressurized for approximately 900 hydrants in the Township. He stated the amount is .33 mills, and that covers those costs for the year.

A slide was shown with regard to the Debt Services Fund. Mr. Ferguson stated there are debts in other parts of the Budget, but for the General Fund it is 2.79 mills. He stated this included the Bond payments as well as a radio payment that

we make for the purchase made by the Police Department a number of years ago that has a few years left; and this is where the Auditors recommended that it should be assigned. He stated they will transfer money from the General Fund to the Debt Service Fund to pay that expense.

A slide with regard to the Ambulance Fund was shown which is .38 mills. Mr. Ferguson stated in 2019 we marginally changed this. He stated it was previously .33 mills, and they were allocating out of the General Fund a separate dollar amount that was going over to the Ambulance Fund. Now this is all self-contained. He stated this provides assistance of approximately $200,000 to the Yardley-Makefield Emergency Ambulance Squad.

A slide was shown of the Road Machinery Fund. Mr. Ferguson stated this relates to the purchase of the Public Works equipment. He stated we have been using short-term financing to purchase equipment. He stated we financed a ten-wheel dump truck and the street sweeper that has been used around the Township. Mr. Ferguson stated this year we purchased a new dump truck that is being financed over three years. He stated for 2021, they are requesting funding to finance a wheel loader and a backhoe, and to purchase outright for $45,000 a paving roller for when we do in-house road repairs. He stated that would give a year-end Fund Balance of $113,000. He stated the Fund Balance needs to be to that extent because as the payments come due, several of them all at once, this gives us enough cushion that the 3 mills can sustain all of the payments as they are staggered to buy new pieces of equipment.

A slide was shown of the Liquid Fuels Budget. Mr. Ferguson stated this is the money that comes in from Pennsylvania through a formula that is based upon the miles of roads that we have in the Township, the Fuel Tax that is collected, and a number of other things. He stated we were notified by PennDOT that our anticipated funding will be down approximately $100,000. He stated we also purchase rock salt out of this Fund and pay for some of the Public Works labor when they do road work out of this Fund. He stated the Fund Balance we had a year ago going into 2020 enabled us to have a larger Paving Budget than many previous years.

Mr. Ferguson stated last year we established a Three-Year Paving Plan, and in year one, 2020, we paved all of the roads on that Plan for 2020 and added Milton which was listed on the 2021 Paving Plan. He stated they were able to meet the schedule established which is a tribute to the Board following through and staff managing the funding that we had.

A slide showing the 2021 Paving Plan was shown. Mr. Ferguson stated what is shown is exactly what was listed last year minus Milton. He stated there is about $650,000 that can be used for paving, and the fact that Milton came off and was done this year since there was some extra money allows us to keep the Plan for 2021 as it was.

Mr. Ferguson stated the Public Works Director and the Township engineer went out and looked at the roads to make sure that those roads should still be included for the year. Mr. Ferguson stated moving forward the goal will be to pave, as best that we can, in areas where they do not have to re-stage all over the Township. He stated they will be assessing roads in an area and their relative condition where it would not necessarily be that every "worst road in the Township if they are all over may not be paved in the same year." He stated this came up in discussions with residents that were concerned about the paving of Silo Road, and there are roads in the Township that fall into the category where they paved in a general area and there were roads left over because at the time the feeling was those roads did not rise to the level that they needed to be paved. Mr. Ferguson stated in 2022 and 2023, they would make a concerted effort to "pick off" those roads moving forward understanding the goal he just described.

A slide was shown for 2022, and Silo Road has been added into that Plan. Mr. Ferguson stated the other roads were all listed from last year. A slide was shown for 2023 and he noted a number of roads in the Oxford Glen neighborhood, which the staff would describe as leftover from a previous paving period that they would do in 2023. He stated the roads shown underneath those are the roads adjacent to that neighborhood that they would do as well.

The slide for 2021 roads was shown again. Mr. Ferguson stated he had asked the Public Works Director to go out and take photographs of these roads to show the Board the condition of the roads; and photos of those roads were shown. He noted in many instances these roads have been patched repeatedly, but at this point there is not much more they can do to them with regard to patching. Mr. Ferguson stated these roads for 2021 were identified in the original Three-Year Plan from last year, and they are leaving those roads in. He stated as noted previously the adjustment that was made was adding Silo to Year 2. He stated the priority they want to have with Silo and the roads in 2023 is to start to pick off the roads that were left over from previous years as they move forward.

A slide was shown with regard to the Pension payments for 2021. Mr. Ferguson stated the Township receives State aid for Pensions in the amount of $520,000. He stated with regard to the non-Uniform Plan, everyone hired after January, 1, 2012 is in the Defined-Contribution Plan. He stated there are Pension Expenses distributed throughout the Budget in the Departments; but for the amount in the General Fund, this is the amount that we would be paying. He stated the net payment from the Township factoring in the aid is a little over $850,000 which is similar to the payment last year.

The Park & Recreation Budget was shown. Mr. Ferguson stated it is 2.43 mills. He stated the Budget covers the cost of two full-time Administrative employees and a portion of the salaries of two other employees that are split between Park & Rec and the Pool. He stated it also covers four full-time laborers and one part-time seasonal employee. He stated last year's Budget recommended adding one additional laborer that they held off on because of the uncertainty as to where our finances would be. He stated it is being recommended to hire that full-time laborer in 2021 beginning on May 1. Mr. Ferguson stated the Budget also covers costs associated with all of the Parks as listed on the slide. He stated the Township is responsible for 550 acres of parkland, bike paths, and the Pool. Mr. Ferguson stated the employees also oversee community events, recreation classes, summer camp, and pavilion rentals.

Mr. Ferguson stated as noted earlier they are contemplating the hiring of one additional laborer and purchasing new commercial doors for the Community Center, which was an item in the 2020 Budget that was held off on for the same reason that they held off on the hiring of the laborer; and they are putting that back in for 2021 for consideration. They are also proposing repairing the tennis courts at Community Park as well as completing a Needs Assessment and Strategic Plan for the Department.

Mr. Ferguson stated they also have in the Budget the Woodside Road bike path. He stated we have approximately $172,500 in hand which is the match that was put aside. They had successfully obtained a Grant from the Greenway Trails and Recreation Fund. He stated there is also a large request in for a Multi-Modal Grant for over $430,000 that they should hear about early in the year. He stated under the current funding structure, pursuing this project in 2021 would require a positive response to that Grant request.

Mr. Ferguson noted the request for repairs to the Community Park tennis court. Pictures taken of the court by the Park & Recreation Director were shown to the Board. He stated they are proposing a patch which would cost approximately

$30,000. He stated that would have to be Bid out or it could be on one of the Consortium lists. A picture was shown of the Memorial Park playground surface where there is a tear. He stated the company that originally installed this is out of business. He stated Ms. Tierney is going to have a challenge trying to match the fabric. He stated this playground is heavily utilized so there is a request to have it repaired in 2021.

A slide was shown with regard to the Trail Plan. Mr. Ferguson stated in 2020, they repaired all of the trails that were in the Plan. He stated what is proposed for 2021 and 2022 is consistent with the Three-Year Plan that the Board saw last year. He stated they have also added 2023 and that would be Edgewood Road from Long Acre to Candice estimated currently at approximately $23,000. He stated the goal is to start working on the trails; and while they discuss adding trails, having a focus on repairing and maintaining the ones that we have is smart and if it is done as proposed, doing pieces year after year will make a dramatic impact.

A slide was shown with regard to proposed Fee adjustments. Mr. Ferguson stated the Park & Rec Director is suggesting field rental and picnic pavilion adjustments.

A slide was shown with regard to the Pool. Mr. Ferguson stated they have budgeted to open the Pool in 2021. He stated they are estimating that there will be 80% membership collection for 2021. He stated that would result in a shortfall of approximately $180,000. He stated he has indicated that the "back stop" for the Pool would be the Park & Rec Fund, and the Park & Rec Fund this year used considerable resources to balance out the Pool. He stated even though the Pool was closed, there are still fixed Expenses including staff Expenses assigned to the Pool. He stated those individuals were repurposed, and two of the Pool employees coordinated with the Police Department in the Seniors program to call every Senior household every day throughout the Pandemic. He stated those costs were still assigned to the Pool. He stated Park & Rec had to use a lot of its available resources to offset those costs.

Mr. Ferguson stated there would be reliance on the General Fund to offset Pool costs. He stated if they get to 100% Membership collection, there would be less needed; however, if they get only 50% Membership collection, it would have the opposite effect.

Mr. Ferguson stated the plan to re-open the Pool will warrant its own discussion; however, the plan is to open it. They are budgeting that it will need assistance in order to open it which they are prepared to recommend and they can accommodate that. He stated they will start the discussions very early in the year how this will work. Mr. Ferguson stated a lot of people have called the Township as to whether there was a desire to re-open the Pool.

Mr. Ferguson stated in 2019, they spent approximately $500,000 to fix the gutter system at the Pool and the slides which resulted in the savings of about two and a half million gallons of water a year. He stated that will result in lower water bills and a better pool. Mr. Ferguson stated it is recommended in 2021 that four of the panels on the slide be replaced, and that will cost approximately $19,000, and they would recommend doing that early in the year.

A slide was shown with regard to the Golf Course. Mr. Ferguson stated the General Fund was assumed to assist the Golf Course from a Budget perspective in the amount of $289,000 in 2020. He stated as he presented previously in his Manager's Report, that assistance to the Golf Course this year was significantly higher in the amount of $670,000. He stated the total Debt payment is similar to last year's number of $1.039 million.

A slide was shown with regard to Sewers. Mr. Ferguson stated no Sewer rate increase is being requested. He stated it is the intention of the staff to present to the Board that they will pursue the Maintenance Plan which includes the I & I project to line the pipes and a pump station project; and they will ask Ebert Engineering to start preparing those specs at the beginning of the year. Mr. Ferguson added that regardless of the sale happening, these improvements need to be made to the system; and as long as the Township owns the system, they need to work to get these projects done.

A slide was shown of the Capital and Maintenance Plan and Budgeted Expenses that are anticipated. He stated they have not closed on the Sewer system, and this is the Seven-Year Sewer Capital Plan that will be maintained. He stated they added the seventh year for the Board's review.

A slide was shown with regard to the Capital Reserve Fund where there are three requests that have already been discussed related to the Police Department in the amount of $158,000. He stated under the Recreation Capital Reserve Fund as outlined the estimated cost is $625,000; and we currently have $178,000 in hand, and are waiting on the Grant request. He noted the

Special Projects were all carried over from last year. He stated he has made some adjustments since we spent some money on professional services costs so it will be slightly lowered.

Mr. Ferguson stated this includes the Sandy Run round-about. He added that he knows how important this project is. He stated they had estimated that the project would cost $500,000, but shown on the slide is a cost of $735,000 even though he does not believe that it will necessarily cost that amount. He stated this is not direct Tax money, rather it is Bond proceeds from a Bond that was previously issued. He stated that money is in the account so that there is flexibility if for some reason the project costs come in more than the $500,000 that they had anticipated.

Mr. Ferguson stated the Special Projects also includes the signalization and intersection projects at Big Oak and 332/Mirror Lake.

Mr. Ferguson stated with regard to Sandy Run, they will be making a presentation to the Board on the design probably at the November 18 meeting with the goal that the project will be Bid out in December, and that it would be an early 2021 project.

Mr. Ferguson stated with regard to the Big Oak Road and 332 projects, the Township traffic engineer is putting the specs together, and he would expect that presentation will be made in November and Bid out in December/early January.

Mr. Ferguson stated with regard to the Community Trail project that has gone through several Committees as well as the Board of Supervisors, and that will be Bid out by PennDOT. He anticipates PennDOT will have that out to Bid by the end of the year or early next year.

A slide was shown of another Special Project which is shown as Quiet Zone. Mr. Ferguson stated he had included this in his Manager's Report to the Board. He stated about one year ago the Federal Railroad Administration inspector wanted to meet with him. Mr. Ferguson stated when the Plan was sent to and approved by the Federal Railroad Administration, the median on the southern entrance of the Stony Hill Road crossing was 100' long. He stated for some reason at the time that it was Bid out, at the last minute it appears that it changed to 60' instead of 100'. Mr. Ferguson stated he knows that there was a property owner in that area who was expressing concerns that PennDOT

shared that the 100' length median would prohibit them from making a left-hand turn out of their property and was either unwilling or reluctant to issue the necessary Highway Occupancy Permit that would be needed if it was built at 100'. Mr. Ferguson stated the Plan that was submitted and approved by the Federal Railroad Administration still listed the project at 100', but it was built at 60'.

Mr. Ferguson stated about one year ago the Township was provided an initial inspection report that it had failed. He stated this was reported to the Board of Supervisors at that time; however, we were instructed by the inspector to wait for the FRA's final report and analysis before doing anything. Mr. Ferguson stated this was part of the Quiet Zone project that had three areas, and for which we also received some Federal funding.

Mr. Ferguson stated as he advised the Board, he had conveyed to the inspector that the Township would want to bring this into compliance, and they were not going to question it. Mr. Ferguson stated he cannot speak to what happened since he was not with the Township at the time the Quiet Zones were installed. He added that it was also before the time of our current engineer or our current Planning & Zoning Director.

Mr. Ferguson stated in the discussions with the inspector he laid out some scenarios. Mr. Ferguson stated the median itself could be built at 60' as it is currently constructed, but it would require a four-quadrant gate system which is more expensive; and that would improve the crossing as a means of protection to the public. Mr. Ferguson stated if the Township were unwilling to make the improvement necessary in order to pass a final inspection, we would be risking all of the Quiet Zones being deemed not in compliance and probably would be mandated to take them all out. Mr. Ferguson stated the inspector indicated that he understood the severity of the situation and also appreciated the cooperation of the Board of Supervisors and staff in being willing to correct this but that they had to wait for the report.

Mr. Ferguson stated it is now a year later, and the Township is still waiting for the report which he assumes was held up in part because of the Pandemic. Mr. Ferguson stated he spoke to the Inspector over the past few weeks, and he has reached out to whoever it would be that would be issuing the letter asking for that letter since the Board had strongly suggested that we needed to move on this. He stated the Township has been advised that it is out of compliance, and we intend to fix it. Mr. Ferguson stated in

the Budget there is a $500,000 line item listed under Special Projects that would come from Bond proceeds. He stated this project would be eligible to use those funds, and the money is there to fix this.

Mr. Ferguson stated he anticipates hearing from the inspector in the coming weeks. The inspector has re-submitted his report asking that this be moved along quickly so that it can be remedied. Mr. Ferguson stated it was the Township's intent all along to have this discussion, but it was strongly suggested by the FRA that their preference was that the Township not move on this until the report was issued. He stated he feels the Township needs to get this budgeted so that the Township is ready to move quickly once the report is received and so that we can resolve this.

Mr. Ferguson asked if there are any questions from the Board, staff is available to answer questions this evening. There were no Board questions at this time.

Mr. Ferguson asked the Board if they are looking to have the Preliminary Budget considered for a vote on November 18. He stated they could also discuss the Budget on November 4. Dr. Weiss stated they will include the Budget under Discussion Items on November 4.

Ms. Blundi asked if this would be the time to discuss her request that the individual to be hired for the Park & Recreation Department be focused as an arborist or have the ability to deal with spotted lantern flies, etc. Mr. Ferguson stated that discussion can take place whenever the Board desires; however, he reminded the Board that this is a Union position with certain parameters around the job. He stated while not to the level that Ms. Blundi is discussing, they do have training in the Park & Rec Department now to recognize issues with trees although not to the level of an arborist. He stated they do have tree companies/arborists who work with the Township in identifying problems, and they could make that more focused in a different way than it is currently happening. He stated most of the arborists they use now have been focused on whether the trees are healthy or need to come down. He stated they look at trees when there are problems, but there is not necessarily a community-wide assessment. Ms. Blundi stated she was hoping that there would be a way to focus more on earlier prevention.

Ms. Blundi thanked Mr. Ferguson, the staff, and the Supervisors for the work that they have been doing. She stated she appreciates that we are a lean Township; and we need to be a lean Township because of where we are from

a fiscal standpoint. She stated when Mr. Ferguson talked about how lean Planning and Zoning is, she feels that maybe they could find a way to increase that staff because we know that the Township has grown and the staff has not; and she asked if there is a way to find money to support a position in that Department. Mr. Ferguson stated there are many examples besides Planning & Zoning. He stated the IT person who does the trouble-shooting around the Township with the computers is the Captain of the Police Department. Mr. Ferguson stated in most Townships there is an Assistant Public Works Director who can be out with the crews managing projects, and we do not have that. He stated we also have a Planning Department that is one of the busiest Planning Departments in Bucks County. He stated he feels the discussion would be that they need not just a staff person in Planning & Zoning but also software upgrades with regard to how Permits are tracked which is currently antiquated.

Mr. Ferguson stated the Budget that is being presented was recognizing that if we had to pay $3 million back, we would be in a position to be able to do that.

Mr. Ferguson stated a staff member such as an Assistant Planning & Zoning Director could take over a portion of the operation and serve as someone who would not just assist the Director but would also be an Operations Officer who could review Permits including when they are due as well as overseeing the Building Inspections Company and handling complaints. He stated the Planning & Zoning Director would then have more of a macro-view coordinating with the Planning Commission and the Zoning Hearing Board. He stated this would also give two sets of eyes on projects and violations. He stated this is a discussion for the Board to have.

There was no Public Comment at this time.

Dr. Weiss stated they will have more discussion on the Budget on November 4.

There being no further business, the meeting was adjourned.

Respectfully Submitted,

James McCartney, Secretary