

TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
MINUTES – OCTOBER 5, 2011

The regular meeting of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on October 5, 2011. Chairman Caiola called the meeting to order at 7:35 p.m. Mr. Smith called the roll. Mr. Truelove noted that the Board met in Executive Session beginning at 7:00 p.m. and discussed litigation and personnel matters.

Those present:

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

Others: Terry Fedorchak, Township Manager
 David Truelove, Township Solicitor
 James Majewski, Township Engineer (joined meeting in
 progress)
 Kenneth Coluzzi, Chief of Police

PUBLIC COMMENT

Ms. Alison Smith, 25 Glen Drive, stated that RAFT was formed after the floods of 2006 when the two major neighborhoods off of Black Rock Road were flooded with the flooding attributed to the River coming back through the storm sewers. She stated they asked that the Township install back flow preventers on the storm drains so that the River and flood water would not come back into the neighborhoods. She reported that the neighborhoods did not flood during the latest storms, and she thanked the Township for taking the action that they did.

Ms. Smith stated prior to the installation, the Township wanted to make sure that the back flow preventers would work; and they commissioned a study which was handled by the local engineering firm.

Mr. Majewski joined the meeting at this time.

Ms. Smith stated following the study the back flow preventers were approved, but they also made a recommendation that no further work be done on flooding in the upper half of Lower Makefield north of Yardley because what would be needed would be ten foot walls. Ms. Smith stated in reviewing the report, she noticed that there was a significant

error in the flow calculations by a factor of ten so that where a ten foot wall would have been called for, it really would only be a one foot wall. Ms. Smith stated they acknowledged that there was an error, but she has not seen that this was corrected; and since that is the document that they would like to move forward with, she asked that they look at this study again and make the correction.

Mr. Caiola asked when Ms. Smith had discussions with the engineering firm as this study was done by a firm that is no longer in existence. Ms. Smith stated she had the discussion with them about the error immediately after the report was issued. Ms. Smith stated they did discuss this with Mr. Majewski, and they agreed that there was an error in the flow calculations; and they indicated that they were going to correct it. Ms. Smith stated the report was previously on the Township Website; and the last time she looked at it, it had still not been corrected. Mr. Majewski stated the mapping has been corrected; and during the recent floods, the Township has been utilizing the more accurate mapping.

Ms. Smith asked if this could be published and that she be provided a copy. She stated she would like to see it and compare it to the readings that she had taken. She stated they also want to use this document to move forward adding that Yardley would especially benefit from being able to look at the document as well as those properties north of Yardley.

Mr. Majewski stated the mapping and the flood study does not include Yardley Borough as it stops at the Township boundary. Ms. Smith stated right at the Township boundary it is similar topography as Yardley Borough. She stated she feels Yardley would be interested and may commission a further study at the much lower numbers that the study would now present. She stated she feels it would be interesting to consider the 1' or 2' berm along River Road and make it into a bike path at the top so that funding could be obtained from two different sources. She stated this would be highly beneficial for both businesses and residents.

Mr. Caiola stated if what is on the Website is not correct, it should be updated; however, with regard to the walls, this is something that they would have to consider further. Ms. Smith stated they cannot start without the proper study. Mr. Majewski agreed to get the information to Ms. Smith.

APPROVAL OF MINUTES

Mr. McLaughlin moved, Mr. Smith seconded and it was unanimously carried to approve the Minutes of September 21, 2011 as written.

APPROVE BID FOR THE EDGEWOOD VILLAGE SEWER EXTENSION TO
JOAO & BRADLEY CONSTRUCTION CO. INC.

Ms. Danielle Farrell, Remington & Vernick, was present and stated they opened bids on Friday, September 30. She stated there were five bidders, and the average bid came in at \$1.05 million and their estimate prior to opening bids had been \$1.5 million. She stated the estimate did include a 10% contingency. Ms. Farrell stated the low bid received was from JOAO & Bradley Construction Co. in the amount of \$747,788. Ms. Farrell noted in her presentation the individual line items, and stated the bid is relatively balanced. She stated they included \$43,000 for testing and inspection, and the price per linear foot of pipe is what she would expect. Ms. Farrell stated these amounts do not include costs that individual homeowners would incur for extending the laterals from the right-of-way to their home.

Mr. Caiola asked the range in the bids, and Ms. Farrell stated the lowest was \$747,788 and the highest was \$1.4 million.

Ms. Farrell noted information which had been presented in June when they only had the estimated number, and the updated number replacing the actual bid amount shows that they will have total estimated project cost down from what was previously assumed. She stated the H2O Grant that was awarded provides 66% of project cost; so although the Township was awarded up to \$850,000, since the total project cost is less, the Grant will come in at \$548,320. She stated they had indicated previously that there would be a gap, and they had estimated that it would be over \$400,000; but that number will now be about \$282,000. Mr. Caiola stated this will be the responsibility of the residents and is actually less than previously anticipated; and Ms. Farrell agreed. Ms. Farrell stated there are approximately thirty homes and/or businesses in the area that will be served.

Mr. Maloney stated the bid came in well below what they were anticipating, and he asked if something had been missed in the bid specs. He asked if they know from the break down that there was something that had been severely overpriced. Ms. Farrell stated this is a company that they have worked with in the past, and they are very comfortable with their ability to do the work and their knowledge of the Township's requirements. She stated looking at the break down, they feel it is a balanced bid. She stated the next low bidder was \$900,000. She reviewed some reasons why bids come in as they do including how busy contractors are, time of the year, etc. which help in getting beneficial pricing.

Mr. Caiola stated this firm has also done work for the County previously, and he is pleased that it will cost the residents less and the work will be done appropriately.

Ms. Farrell stated they plan to have the pre-construction meeting in October if the Bid is awarded this evening. The construction could then take place in winter, 2011/spring, 2012. She stated the contractor has a 190 day Contract period, and she feels the project could be completed by Memorial Day.

Mr. Majewski stated since they are familiar with this contractor, they would like to waive the waiting period for the contractor review period and shorten the public comment period to fourteen days so that the Board could possibly sign this at their next meeting. Mr. Truelove concurred with this. Mr. Hoffmeister reviewed some of the work this contractor has done previously. He stated he is pleased to have them back in the Township.

Mr. Smith moved to award the Bid for the Edgewood Village Sewer Extension to JOAO & Bradley Construction Co., Inc. in the amount of \$747,788 and waive the waiting period for the contractor review period and shorten the public comment period to fourteen days.

Mr. McLaughlin stated the costs to the individual residents will be approximately \$10,000 to get the piping across their frontage, and there will be additional expenses to tap into the pipe. Ms. Farrell agreed and stated this gets the main down the street and the lateral extension to the right-of-way for their property. Mr. McLaughlin asked how the residents are charged, and Mr. Fedorchak stated there is a formal process that the Board will go through. He stated the Board will pass an Ordinance that will be establishing some form of assessment. He asked that the Board direct himself, Mr. Hoffmeister, and Ms. Farrell to meet with the Sewer Authority and discuss different methods of assessment. He stated the two traditional ways are a front foot assessment and a flat rate on a per property owner basis. He stated the Sewer Authority has dealt with this issue before with the staff's input. He stated they will work on this over the next two to three months and report back to the Board of Supervisors.

Mr. McLaughlin asked about the timing requirements for the residents to tap in. Mr. Fedorchak stated they will have to consider whether there will be a mandatory tap in or allow a certain period of time as there are different ways of approaching this. Mr. McLaughlin stated he understood that the Township is already behind the original time line according to the Act 537 so he feels they would want to expedite this. Ms. Fedorchak stated the Township's responsibility is to provide public sewers to the area, and Ms. Farrell agreed. Mr. Fedorchak asked if the DEP would require them to force each property owner to tap in. Ms. Farrell stated it could be done at the time of the sale of a property; and if a property were sold and the property had not been tied in, they would be required to tie in at that time. She stated if someone has a functioning on-lot system, it would be a challenge to require them to tie in. She stated if they had a system that were not functioning well, they would be encouraged to tie in sooner.

Mr. Maloney stated in the past he understands there have been situations where they have not made that requirement in other sections. Mr. McLaughlin stated he now understands that the Township fulfills its requirement under the 537 by running the pipe down the street, and Mr. Fedorchak agreed.

Mr. McLaughlin seconded the Motion.

Mr. Maloney asked how they will make a decision on the cost distribution.

Mr. Fedorchak stated they will work with the Sewer Authority, obtain their input, and report back to the Board of Supervisors with a list of options adding that there have been similar projects over the last ten years. He stated he feels they should make a decision on this by early next year. Mr. Maloney stated he assumes the Township will be fronting the money and there would then be a structured payment. Mr. Fedorchak stated the Township will be fronting the entire cost of the project and receive the \$250,000 from the property owners at a later date staged possibly over a five to ten year period. Mr. McLaughlin asked if the money comes from the Sewer Capital Fund, and Mr. Fedorchak agreed.

Ms. Virginia Torbert stated the Grant money to be received will be significantly less than the maximum that could have been obtained because the bid came in lower than anticipated. She asked if there would be any way to include the costs that are to be assessed to the property owners as part of the overall costs before the 66% is calculated. Ms. Farrell stated they are considering the cost to be reimbursed to the Township as part of the overall project costs. Ms. Torbert asked if there are any additional costs that could be considered in the overall figure that have not been included, and Ms. Farrell stated there was another percentage that had to be applied in order for the Township to get the 66% and they had additional developer assistance which were also included as costs which allowed the Township to get to the level they did so that all of the costs that could possibly be included have been included.

Ms. Torbert stated this will be a significant expense to the individual property owners as there are additional costs in addition to the \$10,000; and Ms. Farrell stated there will be tap-in fees and the cost to run the lateral from the right-of-way into the home as well as internal plumbing if required.

Mr. McLaughlin asked the impact on traffic during construction; and Ms. Farrell stated they received a DOT Highway Occupancy Permit, and there are traffic control requirements. She stated they made it is possible that they may not have to close the entire road down, and could just close down one lane. She stated there could be some minor detouring in the area. Mr. Majewski stated there are restrictions on work times, and between 9 and 3 p.m. are the work hours on PennDOT roads.

Motion carried unanimously.

APPROVAL OF EXTENSION FOR GATHERINGS @ YARDLEY AND
NEW CINGULAR WIRELESS PCS, LLC

Mr. Stainthorpe moved, Mr. Maloney seconded and it was unanimously carried to approve an Extension for Gatherings @ Yardley to 1/15/12.

Mr. Maloney moved, Mr. McLaughlin seconded and it was unanimously carried to approve an Extension for New Cingular Wireless PCS, LLC Conditional Use Application to 12/21/11.

Mr. Truelove stated this was scheduled for a Conditional Use Hearing at the next meeting of the Board of Supervisors; however, when the Planning Commission heard the matter at their last meeting, they felt there were deficiencies in the Application, and he agrees with their review. Mr. Truelove stated the Applicant will be re-submitting information. He stated the Hearing that was originally scheduled for October 19 is continued to sometime between October 19 and December 21, and he will make this announcement at the next meeting when they may have a more secure date.

APPROVE CERTIFICATE OF APPROPRIATENESS FOR 1730 YARDLEY-
LANGHORNE ROAD

Mr. Smith moved, Mr. McLaughlin seconded and it was unanimously carried to approve the Certificate of Appropriateness to repaint the exterior and metal roof at 1730 Yardley-Langhorne Road.

DISCUSSION OF OVERHEAD ALLOCATION

Mr. Joe Menard, Chairman of the Citizens Budget Committee, was present and noted the information previously provided to the Board on this concept which relates to the assessment of an inter-service fund charge to the Recreation, Golf, Pool, and the Sewer Budgets. He stated there have been discussions for a number of years as to how the allocation of this charge is actually documented and applied. He stated in the past they tried to keep track of staff time in terms of what they were working on. He stated this was both cumbersome and inaccurate. He stated they have now tried to come up with something tangible as a beginning point on how they want this to be applied going forward. He stated they want to standardize what the Board decides they want to do so that there is a basis and uniformity going forward.

Mr. Menard stated with regard to Recreation and the Sewer, the users are substantially the same since everyone who pays a tax bill for Recreation also pays a tax bill to the General Fund for the Township; and almost everyone who is a Township resident, pays a Sewer bill. Mr. Maloney stated for the Pool and the Golf Course which are business funds this is not totally the case since they are usage driven, and Mr. Menard agreed. Mr. Menard stated in both cases there are members of the Pool and users of the Golf Course some of whom are residents and some of whom are not residents.

Mr. Menard stated they are trying to capture certain administrative costs which are defined as the Administrative Department and the Finance Department as these are the two major Departments within the Township that provide services to everyone. He stated they also identified some costs that have nothing to do with General Services including Legal and Engineering as they are very specific and do not necessarily apply to everyone. He stated they also identified approximately ten other categories of expenses that totaled approximately \$47,000. He stated they are trying to find a method that is reasonable, efficient, easy to apply, and meet some of the objectives of having consistency in applying the numbers.

Mr. Menard stated with regard to Sewer and Golf, they have a large debt; and they considered what it takes to pay Debt Service. He stated the administrative costs involved paying the two to ten checks a year is not a lot of effort, and the effort is up front in putting the bonds in place and having the bond issues. He stated paying a few checks a year would not warrant the same burden of Finance and Administration that the other services do so it was a judgment call to take out Debt Service from the total expenditures in each Budget area. He stated they then considered the total net costs for all the Budget areas. He stated they determined the Administrative costs to be \$780,000, and they projected that according to the total expenditures which resulted in the chart on the right hand side.

Mr. Menard stated this is the beginning part, and in order to apply this and formalize it, they would like to have feedback from the Board as to how they view the overhead charges; and they will continue to work on this possibly as they go through the Budget to establish something that is standard so that it can be applied.

Mr. McLaughlin stated currently they over-allocate the Sewer, under-allocate the Golf Fund, over-allocate the Community Pool, and over-allocate Park & Rec; and Mr. Menard stated this is correct according to this methodology. He stated with regard to the Golf Course there has been a purposely-planned arrival at the \$25,000. He stated 2011 is the sixth year of operation for the Golf Course. He stated the Golf Course was a new enterprise which had start-up expenses. He stated they also want all of the business enterprises to be self-liquidating meaning the revenues should cover the expenditures.

He stated the \$25,000 was a planned, lower amount to allow the Course to become stable and better operating. He stated they wanted to keep the amount low to make sure that the Golf Course was properly sustained.

Mr. Stainthorpe stated any decisions made would have to be made in the context of the whole Budget so there is no decision to be made this evening, and Mr. Menard agreed. Mr. Stainthorpe stated they will need to look at each Department line by line and decide what makes sense. Mr. Menard stated if they have a longer term goal they strive to hit, they could come up with recommendations and ways of getting there, but they are looking to have something tangible to start with to make those decisions and come up with a methodology.

Mr. McLaughlin asked Mr. Fedorchak if these numbers look reflective of what the costs are. Mr. Fedorchak stated this was discussed at a number of the Citizens Budget Committee meetings as they were considering how to develop a formula. He stated one way would be to require the staff to maintain time sheets over the course of an entire year to see how much time was being put forth for each endeavor; however, he stated each year can be very different. He stated two years ago, they spent an extraordinary amount of time on the Pool when there was a major renovation project being considered for a number of months and then was ultimately rejected when the bids came in too high; and that year they spent a lot of time Administratively on the Pool. He stated for the last few years, they have spent a lot of time on Debt Service when they were going through the re-financing; however, next year, they will not spend nearly that amount of time. He stated the Citizens Advisory Committee was looking for a more simple approach taking the dollar amount of each fund and the total Budget to come up with a percentage that is applied across the board.

Mr. Smith stated with regard to the Golf Course they discussed assessing them what they were actually using; but in order to assist them in getting to their ultimate goal, not collecting it that year; and at some point in time, they would become responsible for it. Mr. Maloney stated they also discussed the extenuating circumstance of the impeding judgment with regard to the Golf Course.

Mr. Maloney stated he now understands that what he was originally asking for of some sort of allocation of actual time spent is not going to be doable. He stated while this would be the most equitable, he realizes that asking for this would not really add value. He stated he agrees it should be part of the Budgetary sessions but he feels that they should adopt a standard which they will live to and that there not be the subjectivity that there may have been in the past.

Mr. Maloney stated they did promise the Golf Committee that they would be given a preview of this, and they should make sure they are aware of this now as opposed to November or December when Budget decisions are to be made. Mr. Menard stated he would be willing to attend the Golf Committee's meeting and discuss this with them.

Mr. Menard stated he understands that they are going to set up the Budget meetings this evening. He stated the Citizens Budget Committee has offered to review the specs for the banking and the audit. He stated they feel the banking RFP is more paramount than the audit at this point, and they would like to get concurrence from the Board of Supervisors to get involved in starting to re-do the banking RFP and get it ready for the Board to send out for banking services.

Mr. Smith asked Mr. Menard to explain how the Citizens Budget Committee is breaking out the Budget, and Mr. Menard stated they have allocated certain portions of the Budget to different members of their Committee; and this will allow them to have a more cohesive way of presenting their recommendations to the Board of Supervisors.

SUPERVISORS REPORTS

Mr. Stainthorpe stated the Seniors will be holding their second fall Arts & Crafts Boutique on October 15 from 9:00 a.m. to 3:00 p.m. in the parking lot outside the Township Building, and parking will be available at the Library and by the Pool with golf carts available for those needing assistance. He stated this is one of their major fundraisers. Mr. Stainthorpe also announced that on October 22 from 10:00 to 2:00 p.m. there will be a Green Business Expo sponsored jointly by the EAC, the Economic Development Commission, the Yardley Business Association, and the Morrisville Business Association. He stated it will be held at Makefield Elementary which is a LEED Certified building. He stated there will be a tour of the building as well. He stated any businesses which are interested in participating should contact the Yardley Business Association.

Mr. Caiola stated the Bucks County Performing Arts Center is having their annual fundraiser tomorrow. He stated Farmland Preservation has new signage that will be installed throughout the community and they will possibly be having some deer hunts on some of the farmland.

ESTABLISH DATES FOR 2012 BUDGET MEETINGS

After discussion, Mr. McLaughlin moved, and Mr. Stainthorpe seconded to establish the following dates for the 2012 Budget Meetings: Wednesday, November 9, Thursday, November 17, and Monday, November 21 with meetings beginning at 5:30 p.m.

Mr. McLaughlin stated he would like the Department Heads to come and explain their needs in a detailed, concise, and thorough manner. He stated he would like them to review their needs and be more prepared than they were last year.

Motion carried unanimously.

AWARD BID FOR SALT

Mr. Stainthorpe moved, Mr. Smith seconded and it was unanimously carried to award the bid for salt to International Salt Company at a cost of \$52.77 per ton through the Bucks County Consortium.

OTHER BUSINESS

Mr. Smith stated some people had expressed concern about road work being done at Creamery Road. Mr. Majewski stated over the winter part of the road started to unravel, and the contractor from last year came back out and milled out sections of the road that had failed and repaved those sections of the road. The work has now been completed.

There being no further business, Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to adjourn the meeting at 8:30 p.m.

Respectfully Submitted,

Ron Smith, Secretary