

Regular Borough Council Meeting

November 4, 2013

The Regular Meeting of Souderton Borough Council, held on Monday, November 4, 2013, was called to order by Borough Council President Brian Goshow at 7:30 p.m. Members of Borough Council present at the regular meeting included the following:

President Brian K. Goshow	Councillor Edward Huber
Vice-President Andrew C. Schlosser	Junior Councillor Triston Loux
Councillor Ned D. Leight	Mayor John R. Reynolds
Councillor D. Jeffrey Gross	
Councillor Richard Godshall	Solicitor Robert Bricker
Councillor Steven J. Toy	Borough Manager P. Michael Coll
Councillor Preston Miller	Police Chief James P. Leary
Councillor Richard Halbom	Public Works Director Seven Coll

The Invocation was given by Councillor Edward Huber, followed by the Pledge of Allegiance to the Flag.

Consideration was given to the minutes of the Monday, October 7, 2013 Regular Borough Council Meeting and October Work Sessions. A motion was made by Councillor Steven Toy, seconded by Councillor Andrew Schlosser, to approve the minutes of the October 7, 2013 Regular Borough Council Meeting and October 2013 Work Sessions as presented. The motion was approved.

Under correspondence, Borough Manager Michael Coll noted that Generations of Indian Valley would like to recognize the outstanding support that they receive from Souderton Borough by inviting the Mayor, Borough Council members and Borough employees to a special luncheon at the Center on Friday, December 13 at 12 noon.

Mayor John Reynolds noted that tomorrow, Tuesday, November 5, is Election Day. Borough officials are on the ballot and the Community is urged to participate in this election.

Police Chief James Leary provided Borough Council with a statistical and narrative report of police activities for the month of October.

The Borough Solicitor reported that they had several telephone conversations with SEPTA legal counsel regarding the lease for the train station properties and the existing leases. The Solicitor started working on the documentation for the tax anticipation borrowing and the bridge financing for the train station project. The Borough Solicitor prepared a Resolution honoring Larry Opdyke and they satisfied a Sewer Lien against the property at 245 Noble Street.

Public Works Director Steven Coll reported on public works department activities for the month of October. He noted that curb side leaf collection is underway and crews will continue work on the crosswalk project at East Chestnut Street and Main Street.

Borough Manager Michael Coll reviewed the agenda items scheduled for consideration. The first item concerns a Resolution honoring Larry J. Opdyke. Larry was a long time member of the Souderton Civil Service Commission and attended many Borough Council meetings through the years. The second item concerns a recommendation to amend the 2013 Liquid Fuels Budget to move all road construction expenses to the General Fund and transfer all street lighting expenses to the Liquid Fuels Fund. A Resolution approving the 2013 Budget amendment and authorizing the transfer of funds to reimburse street lighting expenses paid to date by the General Fund has been prepared for formal approval. The Borough Manager prepared and circulated a memorandum summarizing the proposed 2014 Budget. The proposed Budget and associated Real Estate Tax Ordinance will be advertised for formal consideration at the December 2, 2013 Borough Council meeting.

Consideration was given to paying the bills for the month of October, 2013.

GENERAL FUND

AT&T	\$41.83	Styer Associates	\$860.00
Bearings & Drives Unlimited	3.50	Suburban Propane	1,019.95
C & S Lawn and Landscape	5,325.00	Univest VISA	33.91
Clemens Uniform Rental	107.42	Unum Insurance Company	799.19
DVRPC	1,250.00	Verizon	53.58
Freedom Systems Corp	500.00	Verizon Wireless	40.01
HISI	4,825.00	William Powis	114.99
Holiday Inn Grantville	375.00	Wise Electric	260.00
Independence Blue Cross	13,633.22	Comcast Cable	136.80
Indian Creek Foundation	535.00	Delta Dental	1,328.32
Keystone Health Plan East	10,464.97	Freedom Systems Corp	177.95
Kurt Scherzberg	300.00	GALCO Business Communications	99.50
Montgomery Newspaper	244.79	Kaler Motor Company	399.98
Mount Materials, LLC	88.77	Lawson Products, Inc	119.49
Moyer Indoor/Outdoor	3,013.51	Maryjane Yoder	223.96
North American Benefits Company	879.06	Metro Technology Services, Inc	2,141.00
North Penn Water Authority	357.68	Nationwide Trust Company	46,200.61
PSAB-CDL Testing Program	65.00	PECO Energy	28.49
Petty Cash Fund	182.27	PA One Call System	20.40
PJOA	200.00	Shelly Enterprises, Inc	15.35
Potty Queen	485.30	Souderton Firemens Relief Assoc	47,230.05
PPL Electric Utilities	7,566.05	Univest VISA	297.90
Richter Drafting Office Supply	55.97	Weldon Auto Parts	50.94
Ricoh	341.72		
Souderton-Telford Main Streets	5,500.00	Total General Fund	\$157,993.43

SEWER FUND

Blooming Glen Quarry	\$87.80	Synagro Central, LLC	\$9,242.40
Clemens Uniform Rental	93.54	Unum Insurance Company	267.57
ES2 Environmental Systems	525.00	Verizon	59.65
Gouldey Welding & Fabrication	280.00	Wise Electric	1,839.00
Hach Company	298.97	Comcast Cable	79.90
HISI	1,082.00	Delta Dental	358.30
Independence Blue Cross	1,627.76	Essex Service Corporation	2,119.18
Independence Construction Materials	967.19	Farm Bureau Garage, Inc	281.14
Keystone Health Plan East	3,401.98	Freedom Systems Corp	39.95
Landis Block & Concrete	26.35	GALCO Business Communications	119.30
Lawson Products, Inc	222.67	Hangley Aronchick Segal & Pudlin	2,920.60
Mount Materials, LLC	81.62	PPL Electric Utilities	15,905.81
Moyer Indoor/Outdoor	339.56	Shelly Enterprises, Inc	14.08
North American Benefits Company	324.89	Siemens Industry, Inc	2,215.45
North Penn Water Authority	96.86	Suburban Water Testing Labs	163.00
Richter Drafting/Office Supply	17.59	Univest VISA	276.00
Sealmaster	104.47	West Generator Services	206.50
Siemens Industry, Inc	4,317.03	ZEP Manufacturing Company	76.16
Suburban Water Testing Labs	93.00	Total Sewer Fund	\$50,172.27

POOL FUND

Kathy Armitage	\$18.09	Jacob Schmidt & Son, Inc	\$33.00
Suburban Water Testing Labs	305.00	Moyer Indoor/Outdoor	601.50
Adcock	59.01	NetCarrier Telecom, Inc	75.50
Airgas National Carbonation	44.00	North Penn Water Authority	1,333.49
Comcast Cable	100.18	PECO Energy	166.41
Davidheisers, Inc	225.75	PPL Electric Utilities	1,569.49
Derstines	19.25	Richter Drafting/Office Supply	49.89
Hajoca Corporation	83.96	Shelly Enterprises, Inc	15.00
Home Depot	14.31	Total Pool Fund	\$4,713.83

CAPITAL RESERVE FUND

SEWER CAPTAL FUND

LIQUID FUELS FUND

PPL Electric Utilities	\$115.12	PPL Electric Utilities	\$487.70
Highway Materials, Inc	225.53	PPL Electric Utilities	16.24
Independence Construction Materials	1,115.09		
Mount Materials, LLC	169.46	Total Liquid Fuels Fund	\$2,129.14

A motion was made by Councillor Preston Miller, seconded by Councillor Richard Halbom, to authorize payment of the bills for the month of October, 2013, as presented. The motion was approved.

President Brian Goshow opened the floor to the audience who may wish to address Borough Council on any topic or matter of concern.

Mary Montroy, 157 N Second Street, expressed appreciation to Borough Council for the paving of N. Second Street which was recently completed.

There being no further public comment, the first item of business was consideration of a Resolution honoring Larry J. Opdyke. Mayor John Reynolds read the proposed Resolution into the record:

RESOLUTION

Honoring Larry J. Opdyke

The Mayor and Borough Council note with sadness the recent passing of Larry J. Opdyke. Larry was a Souderton native having lived in the Borough for more than 77 years. He was a graduate of Souderton High School and Albright College and taught mathematics in the Souderton Area School District for 38 years until his retirement in 1997. During his teaching career at Souderton, he was instrumental in introducing the high school calculus program.

Larry maintained his interest in civic affairs by serving as Republican Ward Leader and as a member of the Borough's Police Civil Service Commission. He was a faithful attendee at Borough Council meetings and other Borough functions and events.

Larry is survived by his wife Gay to whom he was married for more than 51 years. He is also survived by his children Jane, Thomas, and Megan as well as 8 grandchildren.

The Mayor and Borough Council wish to express their condolences to Larry's family and also to recognize and express appreciation for Larry's years of faithful and effective public service.

NOW, THEREFORE, the Borough Council of the Borough of Souderton, and John R. Reynolds, Mayor of the Borough of Souderton, on behalf of all of the residents of the community, do adopt this Resolution honoring Larry J. Opdyke, borough resident, husband, father, teacher, and public servant. Larry's contributions to the Borough should serve to inspire others to devote their talents and energies to advancing the public good.

The Mayor, the Borough Council, the administrative staff, and Larry's many friends join in offering their condolences on the passing of this public-minded citizen.

RESOLVED, this 4th day of November, 2013 by the Borough Council of Souderton Borough.

A motion was made by Councillor D. Jeffrey Gross, and seconded by Councillor Preston Miller, to adopt Resolution No 2013-14 honoring the service of Larry J. Opdyke. The motion was approved by unanimous vote.

A motion was made by Councillor Richard Halbom, and seconded by Councillor Preston

Miller, to adopt Resolution 2013-15 approving an amendment to the 2013 Liquid Fuels Budget concerning street lighting and road construction expenses. The motion was approved.

Borough Manager Michael Coll noted that copies of the proposed 2014 Budget and the 2014 Real Estate Tax Ordinance have been distributed to Borough Council and copies are available for the audience and general public. The budget includes a memorandum explaining various highlights are attached with the budget documents. The budget will also be available on the Borough web site for public review. The Budget is summarized as follows:

GENERAL FUND

- Proposed general purpose tax rate increase of approximately 2 % from 4.85 mills to 4.94 mills. The Special Library Tax was increased in 2013 in response to the request of the Library Funding Task Force, but is proposed to remain at this same rate through 2014. The Special Fire Tax is proposed to increase from 0.1775 mills to 0.200 mills primarily to cover the increased cost of workers compensation insurance. Total Real Estate Tax Rate for all funds for 2014 will increase from 5.2750 mills to 5.3875 mills, increasing the total average total tax bill by \$16.87, \$13.50 of which will support Borough General Fund activity and the remaining \$3.37 will cover increased workers compensation insurance for the volunteer fire company.
- Local Enabling Tax revenues are projected to rise by \$55,000 in 2014 reflecting anticipated new land developments and some minimal signs of economic recovery. Building permit fees are also expected to increase as a result of new development.
- Funding of approximately \$20,000 to \$25,000 is anticipated to be allocated for renovations to the Council Chambers, meeting rooms and basement areas of the Municipal Building.
- The Police Budget anticipates hiring two new full time police officers, replacing two vacant positions from prior retirements. Part time police expenses are expected to be reduced as a result of the new hires.
- The proposed budget includes some police equipment purchases and sets aside funding for the purchase of a new SUV patrol vehicle.
- The 2014 Budget re-allocated road reconstruction and maintenance expenses. Street Lighting expenses will now be paid through Liquid Fuels revenue, with road construction expenses moved to the Capital reserve Fund and road maintenance expenses, primarily oil and chip seal coats, moved to the General Fund.
- No significant recreation expenses are planned. West Chestnut Street Playground project, carried over from 2013, is included in the Capital Reserve Fund. One seasonal part time summer help position has been included in the 2014 Budget for park maintenance.
- The budget provides for a tax anticipation loan and the associated interest payments.
- Interfund operating transfers have been increased primarily in an effort to replace depleted cash reserves in the Capital Reserve Fund. As early as the 2015 Budget year, we will have to consider some capital equipment purchases for the highway department.

FIRE PREVENTION TAX FUND

- This special tax fund, established January 1, 2012, specifically funds certain fire prevention expenditures previously funded through the General Fund. The dedicated real estate tax rate is proposed to increase from 0.1775 mills to 0.200 mills to cover the cost of sharply increased workers compensation insurance for the volunteer fire company.
- This fund will cover expenses for annual fire hydrant maintenance, worker compensation insurance for the volunteer fire company as required by state law and provide the fire company with an annual contribution of \$25,000.

LIBRARY TAX FUND

- This special tax fund was increased in 2013 to 0.2475 mills to fund the annual contribution to the Indian Valley Public Library. That increase was to help offset the loss of revenue from the Souderton School District. The current budget expects to generate approximately \$68,615 to aid in funding the operations of the public library.

SEWER FUND

- Sewer consumption rates will remain at current levels through 2014.

- The 2014 Budget reflects increased use of land application to dispose of dewatered sludge, helping to reduce overall operating expenses. A change in chemical suppliers will assist in reducing overall chemical expenses.
- Funds have been allocated to repair, sandblast and paint the “A” side treatment unit. Aging equipment is causing maintenance expenses to rise.
- Limited capital expenditures are provided in the 2014 Budget. Some funding has been allocated towards necessary upgrades and repairs to plant equipment and facilities. Funds have been allocated towards the construction of the Broad Street Interceptor line, which is planned to be constructed in conjunction with the intersection improvements at Broad Street and Cowpath Road in Franconia Township. The schedule for this project is not finalized.
- The 2014 Sewer Fund is not utilizing any fund balance in 2014, attempting to recover some lost cash assets from prior capital spending.

POOL FUND

- The 2013 season proved successful with membership sales, daily admissions and concession sales all exceeding budget projections. Revenue and expense projections for the 2014 season are based on these experiences.
- The budget will again hold membership rates at the 2012 and 2013 season levels.
- Daily admissions will continue to be \$12.00 per adult and \$10.00 per child. The daily rate remains competitive with neighboring pools.
- Concession sales continue to be conservatively budgeted with a nominal profit. More attention will be given to increased profitability by reviewing staffing, hours of operation, product suppliers and the price of the concession items.
- The Budget had been revised to breakout expenses for manager salaries, lifeguard and ticket window wages, concession stand wages and swim team coach salaries.
- The budget projects to generate \$42,000 towards debt service, with \$5,000 in depreciation expenses going to the Capital reserve Fund for future capital equipment purchases.

CAPITAL RESERVE FUND

- The 2014 budget allocates \$15,000 towards completion of streetscape work on Main Street to complete the crosswalk improvements at West Chestnut Street and Lumber Street. The Budget now allocated \$85,000 towards road milling and overlay projects to be determined by Borough Council.
- The budget anticipates work to begin on the Souderton Train Station renovation project. This project is fully funded by state and federal grants.
- This budget includes funding to complete the West Chestnut Street Playground project, funded through a CDBG grant and private contributions.

DEBT SERVICE FUND

- The Borough has four General Obligation Loans that will continue to be serviced through 2014 and many years thereafter.
- The fund specifies each loan, its interest rate and maturity date.
- The Borough refinanced the debt in 2014, with reduced interest rates in place for the next seven years.

SEWER CAPITAL FUND

- The 2014 Sewer Capital Fund includes financing to begin engineering work on plant improvements and an update to the Borough’s Sewer Facilities Plan.
- Capital improvements may include installation of a new mechanical bar screen at the plant head works.
- Funding has also been allocated towards the construction of the planned Broad Street interceptor line, subject to the intersection construction at Broad Street and Cowpath Roads in Franconia Township. This funding may also be used towards the replacement of the sewer main along Montgomery Avenue.

HIGHWAY AID (LIQUID FUELS) FUND

- Revenue comes from the Borough’s share of gasoline taxes through the state. Funds are restricted to certain uses. Revenue has slightly declined primarily due to the overall price of gasoline and declining consumer purchases. The formula used by the state to distribute

the tax revenue is based on road mileage and population of the municipality. The result of the most recent census will slightly reduce this entitlement in 2013.

- Most of the fund will be earmarked towards traffic signal maintenance and electricity expenses for the Borough's street lighting system.

SUMMARY

The 2014 Budget continues to reflect a generally slow economy with moderate increase in revenue. Operating expenses are projected to rise by a nominal 2% through 2014. Capital expenditures will primarily reflect the Souderton Train Station Project and West Chestnut Street Playground project which in large part will be covered by grants and private contributions. The Borough remains committed to limited expenses and the restoration of depleted cash reserves.

A motion was made by Councillor Preston Miller and seconded by Councillor Steven Toy to authorize the advertisement of the 2014 Budget Ordinance and 2014 Real Estate Tax Ordinance for formal consideration at the December 2, 2013 Borough Council Meeting. The motion was approved.

There being no further business the meeting was adjourned at 7:50 pm.

Respectfully Submitted,

P. Michael Coll, Secretary

WORK SESSION MINUTES AND COMMITTEE REPORTS

Public Works Work Session – November 11, 2013

The Public Works Work Session for the month of November was cancelled due to the lack of new or pending business. A few items normally discussed during this work session were deferred for the Administrative Work Session.

Administrative Work Session – November 18, 2013 (7:00pm-9:30pm)

Council Attendees: John Reynolds, Brian Goshow, Jeffrey Gross, Richard Godshall, Andrew Schlosser, Steven Toy, Preston Miller, Richard Halbom and Edward Huber. Junior Councillor Triston Loux.

Staff Attendees: Police Chief Jim Leary and Borough Manager Michael Coll.

1. Police Committee

- a) Chief Leary reported that he met with the Borough Manager to review our current budget standings. There is an expectation that the Police Department will operate well within budget parameters through the end of 2013.
- b) The department will be involved in Generations annual Reindeer Run on Saturday, December 7, followed by the Souderton-Telford Main Streets Holiday Parade, and later in the evening the annual Christmas Tree lighting. Chief Leary commented that Main Streets Manager Joanne Coppens has delivered all required documentation in a very timely manner and she is working on a very smooth transition from last year to this year's parade event.

- c) Chief Leary discussed an ongoing issue with a vehicle that remains parked in front of 66 W. Walnut Street. This vehicle is in relatively poor condition and has not moved since August, 2013. Several calls to the owner failed to garner any cooperation in moving the vehicle from the street. Technically the vehicle is not abandoned and the Chief again stressed the importance of developing a separate Property Maintenance Ordinance to deal with these nuisances. Councillor Richard Halbom, Chief Leary and Carl Stuart will get together to work on advancing an Ordinance recommendation to Borough Council.
- d) Chief Leary has met with Civil Service Commission Chairman Bill Yocum. The written test for patrolmen will be administered in January, 2014, immediately followed by the oral exam. We will be looking to hire two patrol officers at staggered times during 2014.

2. Administrative Committee

- a) Civil Borough Council was reminded of the need to fill the vacancy on the Civil Service Commission as soon as possible so there is a full Commission in place to finalize the certification of eligible patrol officers.
- b) The Borough was contacted by DEP Regional Director Cosmo Servidio suggesting that the Borough's offer to settle the civil penalty assessment is too light. We responded that a penalty much greater than our initial offer will result in further appeals. Presently, we are waiting on a counter offer from DEP.
- c) Code Enforcement Officer Carl Stuart is expected to formally retire from the Borough at the end of April, 2014. The Borough will be advertising this position in December with an appointment expected in early 2014 to enable a working transition, especially with some large building projects under construction.

3. Development Committee

- a) Borough Manager Michael Coll reported on the status of the Univest Parking Lot project at Lumber Street and Penn Avenue. Staff has met with Univest property Manager Richard Mariner and his engineer to further resolve certain details with the proposal. They are expected to appear before the Planning Commission on November 20th to request conditional preliminary/final approval of the plan. Assuming that this recommendation will be approved by the Planning Commission, the application will be part of the December 2nd Borough Council meeting agenda.
- b) Borough Manager Michael Coll reviewed the formal land development plan for the remainder of the high school property. A second staff level meeting was held with developer Tim Hendricks and his land planner to discuss the overall concept of the plan. The plan will be discussed for the first time at the November 20 Planning Commission meeting. The initial focus of the plan review continues to be on Zoning Ordinance issues and the overall building mass, layout and open space and common areas. Discussions centered on concerns with the location and placement of the proposed hotel building, plaza and open spaces seemed too small, concerns about the accessibility of parking spaces to commercial uses and the phasing plan should designate demolition of the high school as the initial priority.

4. Finance Committee

- a) Borough Manager Michael Coll noted that the Borough Solicitor has completed the documentation for the proposed 2014 Tax Anticipation Note. The Ordinance authorizing the borrowing will be recommended for approval at the December 2 Borough Council Meeting.
- b) Work continues on the proposed Bridge Financing Loan for the train station project. The Borough Solicitor continues to work with Bond Counsel and the Department of Economic and Community Development to determine the classification and documentation necessary to authorize this loan.

- c) Borough Council discussed the 2014 Budget as proposed and advertised. There were no further comments or suggested revisions to the Budget. A recommendation to formally adopt the 2014 Budget and 2014 Tax Ordinance will be scheduled for the December 2 Borough Council Meeting.

EXECUTIVE SESSION

Borough Manager Michael Coll requested an Executive Session to discuss the status of contract negotiations with the Souderton Police Department and to discuss certain issues relating to the negotiation of lease agreements with the tenants of the Souderton Train Station. President Brian Goshaw adjourned the work session to Executive Session at 8:20 pm. Borough Council convened from Executive Session at 9:30 pm and promptly adjourned the meeting for the evening.