

Regular Borough Council Meeting

October 2, 2017

The Regular Meeting of Souderton Borough Council, held on Monday, October 2, 2017, was called to order by President Brian K. Goshow at 7:00 p.m. Members of Borough Council present at the regular meeting included the following:

President Brian K. Goshow	Councillor Kevin Souder
Vice-President D. Jeffrey Gross	Junior Councillor Michael Jones
Councillor Ned D. Leight	Mayor John R. Reynolds
Councillor Richard Godshall	Solicitor Brian Gourley
Councillor Daniel Yocum	Borough Manager P. Michael Coll
Councillor Daniel Houser	Police Chief James P. Leary
Councillor Tracy Burke	Public Works Director Seven Coll
Councillor Richard Halbom	Code Enforcement Officer Steven Toy

The Invocation was given by President Brian K. Goshow, followed by the Pledge of Allegiance to the Flag.

Consideration was given to the minutes of the Monday, September 11, 2017 Regular Borough Council Meeting and September 18, 2017 Work Session. A motion was made by Councillor Jeffrey Gross, seconded by Councillor Daniel Houser, to approve the minutes of the September 11, 2017 Regular Borough Council Meeting and September 18, 2017 Work Sessions as presented. The motion was approved.

Mayor John Reynolds commented on the Souderton-Telford Main Streets annual Art Jam in the Community Park. This year's event was very successful and serves as a major fund raising event for the Main Streets organization.

Police Chief Leary noted that the September narrative and statistical report of police activities will be distributed during the October work sessions. Detective Joseph Rudner and his wife and Police Administrator Dianna Fields and her husband were instrumental in the extremely successful Community Night Out and Car Show. Borough resident Jim Hunsberger again organized the car show event, with 94 registered cars plus a few late entries. The Car Show raised approximately \$1,100 which will be evenly divided between Keystone Opportunity and the Indian Valley Boys and Girls Club. Detective Joseph Rudner reported that there was great weather for this year's event and this was the largest attended event. Through business and community donations, this year's event raised \$3,531.00 and generated 720 pounds of food for Keystone Opportunity. Keystone Opportunity and the Souderton Ambulance Association have been designated as beneficiaries of this year's event.

Police Chief James Leary reported on the Movie in the Park event, which was hosted by Mayor John Reynolds and the Souderton-Telford Rotary Club. The event was well attended, despite chilly weather during the evening and road construction work on Main Street. The event raised four bins of school supplies for Indian Valley Boys and Girls Club and also generated 200 pounds of food for Keystone Opportunity.

Borough Solicitor Brian Gourley reported that their office had several discussions and reviewed various documents for the purpose of providing an opinion letter on the management of the Business Improvement District. Solicitor Brian Gourley distributed copies of the opinion letter to members of Borough Council for their review and information.

Public Works Director Steven Coll presented his monthly report to Borough Council. Curbside leaf collection will begin at the end of October, with collections beginning on the east side of the Borough.

Borough Manager Michael Coll noted there is a special Budget Work Session

scheduled for Monday, October 30th beginning at 7:00pm. The Borough Manager reviewed the agenda items scheduled for consideration. Styer Associates attended the September Administrative Work Session to present and discuss the general purpose financial statements for the year ending December 31, 2016. A motion has been prepared to formally approve the statements as presented. A recommendation has been made to hold an executive session to consult with the Borough Solicitor on matters relating to the bids received to purchase 30 West Broad Street. Borough Council does not expect to conduct any further business following the executive session.

Borough Manager Michael Coll followed up on matters relating to the completion of public improvements in the Berkeley Court Phase 1 development. Representatives of the H & K Group confirmed that they will initiate voluntary efforts to complete the outstanding public improvements, given the default of developer Timothy Hendricks of the American Redevelopment Group. H & K ordered the street lights for the development back in July. There is significant lead time for delivery, but they plan to have the lights installed by November. Additional work will follow depending on litigation over ownership of the open commercial pad site at east Broad Street and School Lane.

Councillor Daniel Yocum noted that the last third Friday event for this year will be held on Friday, October 20th.

President Brian Goshow reported on a recent meeting of the Indian Valley regional Planning Commission. Montgomery County is working on the creation of a water trail system, linking the Perkiomen Trail to the Schuylkill. This project has a great deal of support.

Councillor Daniel Houser further commented on the Souderton-Telford Main Streets Art Jam event. This year's Art Jam had the largest recorded attendance, which has been steadily growing over the past years. Councillor Houser expressed appreciation for the hard work and dedication of the many volunteers associated with this event.

Consideration was given to paying the bills for the month of September, 2017.

<u>GENERAL FUND</u>			
Blooming Glen Quarry	\$280.00	Bergey's, Inc.	\$6.06
Boucher & James, Inc.	10,776.90	Clemens Uniform Rental	281.12
Bradford S. Kelly	264.00	Code Inspections, Inc.	220.50
C & S Lawn & Landscape, Inc.	19,400.00	Comcast Cable	145.75
Carquest	132.06	Cope's Garage, Inc.	1,041.98
Clemens Uniform Rental	174.07	D. L. Beardsley, Ltd.	119.95
Comcast Cable	207.70	Display & Sign Center, Inc.	380.00
Cope's Garage, Inc.	2,226.81	Eagles Peak Spring Water, Inc.	13.40
Delta Dental	1,307.10	First Lab-Firstsource Solutions	30.90
DVRPC	1,250.00	Fromm Electric Supply Corp	58.32
Eagles Peak Spring Water, Inc.	48.15	George Allen Portable Toilets	523.00
Freedom Systems Corp	945.00	H & K Materials	88.09
George Allen Portable Toilets	150.00	Indian Creek Foundation	441.00
Hajoca Corporation	1,670.64	J. P. Mascaro & Sons	36,548.70
Hall & Associates	157.88	James P. Leary	280.19
Home Depot	145.46	James C. Throop	131.97
K. J. Door Services, Inc.	304.75	Keystone Health Plan East	31,397.09
Landis, Hunsberger, Gingrich, Weik	1,215.00	Markey Paper & Packaging	242.74
Lansdale Police Department	300.00	Metlife	2,759.37
Lawson Products, Inc.	316.51	Moyer Indoor/Outdoor	1,685.85
Maryjane Yoder	146.00	Naceville Materials	427.54
Metlife	8,529.31	Nationwide Trust Company	871.33
Montgomery County Consortium	250.00	Netcarrier Telecom, Inc.	359.63
Moyer Indoor/Outdoor	1,500.00	North American Benefits Company	1,049.82
Naceville Materials	310.46	Nyc Corporation	10.00
Nationwide Trust Company	2,739.60	PECO Energy	30.09
PECO Energy	58.47	Pendergast Safety Equipment Co	147.96
PPL Electric Utilities	670.90	PA One Call System	72.16
Richter Drafting Office Supply	2,457.90	Plasterer Equipment Co., Inc.	196.35
Shelly Enterprises-USLBM, LLC	79.47	Portnoff Law Associates, Ltd.	497.86

Souderton-Telford Main Streets	\$5,937.50	PPL Electric Utilities	\$326.87
Styer Associates	4,960.00	Shelly Enterprises-USLBM, LLC	51.88
Suburban Propane	842.23	Suburban Propane	310.06
Sudz In A Bucket	33.00	Thomas A. Lawson	200.00
Thomas A. Lawson	189.00	Univest VISA	285.00
Trout Brothers, Inc.	1,435.00	Univest VISA	513.53
Trumbauers Lawn & Rec, Inc.	128.46	Unum Insurance Company	928.92
Wise Electric	410.00	Verizon	70.60
21 st Century media	164.15	Verizon Wireless	223.75
Allan Myers	203.41	Wise Electric	67.00
Altek Business Systems, Inc.	208.73		
Bergey's Electric, Inc.	34.76	Total General Fund	\$155,596.71

SEWER FUND

Altek Business Systems, Inc.	\$62.25	Bruske Products	\$372.40
Blooming Glen Quarry	210.00	Cintas First Aid & Safety	142.42
Cintas First Aid & Safety	57.78	Clemens Uniform Rental	125.54
Clemens Uniform Rental	40.95	Commonwealth Precast, Inc.	1,074.00
Comcast Cable	84.90	Coyne Chemical	4,469.88
Commonwealth Precast, Inc.	3,392.00	EVOQUA Water Technologies	2057.47
Coyne Chemical	3,171.85	Fisher Scientific	409.47
Delta Dental	321.47	Franc Environmental, Inc.	1,050.00
Derstine Company, Inc.	2,340.00	Freedom Systems Corp	1,312.00
Essex Service Corporation	878.44	Hach Company	546.32
Gouldey Welding & Fabrication	85.00	Hajoca Corporation	101.18
James & Natilya Sankan	250.00	J. P. Mascaro & Sons	600.00
Jesse Baro, Inc.	2,393.43	Jesse Baro, Inc.	4,734.60
LRM Inc.	890.00	Keystone Health Plan East	6,813.67
Maryland Biochemical Co., Inc.	1,549.52	Mary M. Koehler	267.04
Metlife	138.42	Metlife	46.14
Moyer Indoor/Outdoor	328.81	Moyer Indoor/Outdoor	179.60
Nyco Corporation	257.11	Netcarrier Telecom, Inc.	160.01
PPL Electric Utilities	1,380.61	North American Benefits Co.	255.86
Schaners Wastewater Products	2,441.93	Penn Valley Chemical	132.09
Shelly Enterprises-USLBM, LLC	28.33	Portnoff Law Associates, Ltd.	1,267.36
Suburban water Testing Labs	1,890.66	PPL Electric Utilities	1,183.17
Univar USA, Inc.	2,673.00	Precision Solutions, Inc.	496.45
USA Blue Book	858.70	Shelly Enterprises-USLBM, LLC	14.23
Warehouse Battery Outlet	17.53	Univar USA Inc.	4,948.00
ZEP Manufacturing Company	50.51	Univest VISA	347.20
PA Clean Water Fee	2,500.00	Unum Insurance Company	239.54
Allan Myers	178.03	Verizon	70.25
Bergey's Electric, Inc.	289.37	Total Sewer Fund	\$62,176.49

POOL FUND

Airgas National Carbonation	\$243.85	PECO Energy	\$1,020.73
American Red Cross	27.00	PPL Electric utilities	2,542.93
Buckmans Inc.	1,249.80	ZEO Brothers Productions	1,062.50
C & S lawn & Landscape, Inc.	4,350.00	Airgas National Carbonation	62.75
Comcast Cable	207.47	Moyer Indoor/Outdoor	185.50
Derstines	349.32	Netcarrier Telecom, Inc.	127.33
GALCO Business Communications	684.20	Pyrz Water Supply Co., Inc.	31.50
Kathy Armitage	14.72		
Moyer Indoor/Outdoor	226.70	Total Pool Fund	\$12,386.30

CAPITAL RESERVE FUND

Boucher & James, Inc.	\$1,405.80	Univest Capital	\$3,155.23
P. K. Moyer & Sons, Inc.	4,425.00	Total Capital Reserve Fund	\$8,986.03

LIQUID FUELS FUND

Armour & Sons Electric, Inc.	\$4,170.00	U S Municipal Supply, Inc.	\$200.08
Kelly-Creswell	185.02	PPL Electric Utilities	138.94
PPL Electric Utilities	6,147.20	Shelly Enterprises-USLBM, LLC	4.70
Sealmaster	1,429.88		
Shelly Enterprises-USLBM, LLC	19.59	Total Liquid Fuels Fund	\$12,295.41

A motion was made by Councillor Ned Leight, seconded by Councillor Richard Godshall, to authorize payment of the bills for the month of September, 2017, as presented. The motion was approved.

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

Courtney Wampole, 53 W. Reliance Road, requested approval of Borough Council to allow her to use the Community Park Band Shell to host a weekend public Zumba Class. Borough Council members expressed no objection and asked her to coordinate scheduling with the Borough Office staff.

Richard D'Amico of Consign for Design complemented Mayor John Reynolds for posting information regarding the purchase of 30 W. Broad Street for public review. He commented that the Borough received two good bids from two Borough business owners, posing a very difficult choice to Borough Council. Richard D'Amico urged consideration and support of the vision of Barbara Smith. The market concept and approach is reminiscent of our historical downtown and has the potential of bringing people back into Souderton.

Eric Boynton, 105 W. Summit Street, commented that there is a similar marketplace as proposed by Barbara Smith in Doylestown. The Doylestown Market Place has been very stable and very successful.

Barbara Smith and her partner Peter Stampfl presented Borough Council with several exhibits of the proposed Market Place for 30 West Broad Street. They noted that there are similar places in Easton and in New Hope. They view the restoration of the adjoining Broad Theater as an integral part of the project. Their group has reached out to neighboring property owners for shared parking opportunities. They plan to be open five days a week, Wednesdays through Sunday.

Peggy Kerr, 540 Lincoln Avenue commented that she just entered into a lease agreement with Barbara Smith to open the Butterfly Boutique at 9 N. Main Street in the Borough. She frequently visits the Q-Mart in Quakertown and Montgomeryville Mall. The proposal from Barbara Smith for 30 West Broad Street seems to be a great fit for Souderton.

There being no further public comment, President Brian Goshow turned to the business portion of the Agenda.

A motion was made by Councillor Richard Godshall, and seconded by Councillor Ned Leight, to approve the 2016 General Purpose Financial Statements as prepared by Styer Associates, Certified Public Accountants. The motion was approved.

A motion was made by Councillor Daniel Yocum, and seconded by Councillor Daniel Houser, to adjourn to Executive Session to consult with the Borough Solicitor on matters concerning the bid proposals to purchase property at 30 west Broad Street, Souderton. The motion was approved.

Borough Council adjourned to executive session at 8:25 pm and convened to public session at 9:45 pm, at which time the meeting was promptly adjourned.

Respectfully Submitted,

P. Michael Coll, Secretary

WORK SESSION MINUTES AND COMMITTEE REPORTS

Public Works Work Session – October 9, 2017 (7:00pm-9:35pm)

Council Attendees: John Reynolds, Brian Goshow, Jeffrey Gross, Richard Godshall, Daniel Yocum, Daniel Houser, Tracy Burke and Richard Halbom. Junior Councillor Michael Jones.

Staff Attendees: Public Works Director Steven Coll, Police Chief James P. Leary and Borough Manager Michael Coll.

1. Sanitation Committee

- a. The Discharge Monitoring Report for the month of September, 2017 will be filed with no exception to permit limitations.
- b. Borough Manager Michael Coll reported that the contract documents have been executed with Derstine Company for the mechanical bar screen project at the treatment plant. Derstine Company confirmed that they placed an order for the equipment which is now in production. A mobilization date to fit out the flow channels and install the equipment has not yet been determined.
- c. Bids for a three year contract for disposal of biosolids have been advertised, with bids due by November 6, 2017. The bids will be tabulated with a recommendation for award at the November 6 Borough Council meeting.
- d. Steven Coll recommended that Borough Council budget for the purchase of a camera and pipe locator to aid in the maintenance of sewer laterals. Over the years the Borough either rented equipment or borrowed equipment from Telford Borough. The equipment will be very useful in addressing sewer lateral concerns, isolating whether the problem is the responsibility of the Borough or property owner. This equipment will save on unnecessary excavation and provide better overall service to the property owners. The Borough will continue to contract larger pipe runs.
- e. Borough Council discussed the electronics recycling event that is in the planning stages for Souderton Borough. Borough Manager Michael Coll noted that this event will only be available for Borough residents and he suggested that payment and a voucher for each item must be obtained from the Borough Office to participate in the event. The location will be at the Borough's Cherry Lane property. Concern was expressed that there is not adequate time to properly establish the program for this fall. The event will now be held in the spring of 2018. Electronic will be specified and will require payment of \$20 for each television or computer monitor.

2. Highway Committee

- a. Public Works Director Steven Coll noted that a total of 53 monthly brush collections were completed for this month. Some brush collection requests were not suitable for pickup. We ask property owners to bring brush to the curb for collection. Brush will not be collected in alleys and must be suitable to pass through the chipper. Hedge trimmings, root balls are examples of items that will not be collected.
- b. P. K. Moyer and Borough forces completed milling and paving in the 400 block of N. Second Street. They are scheduled to complete base repairs along the sewer trenches on N. School Lane during the week of October 23rd.
- c. Borough Council discussed the condition of the Railroad Avenue parking lot. The parking lot surface is in very poor condition and probably will not last through another winter. A recommendation was approved to install a simple overlay over the lot before the winter season. The cost was estimated at \$7,500 to \$10,000.
- d. Borough Council discussed tentative 2018 street priorities for inclusion in the budget. The priorities include Wile Avenue, Hillside Avenue to Diamond Street; N. Fourth Street, Chestnut Street to Central Avenue; Montgomery Avenue, Second Street to Fifth Street; Hillside Avenue and Diamond Street, Wile Avenue to Main Street.

- e. Borough Council discussed the condition of the municipal parking lot on West Chestnut Street. Improvements to this parking lot will be given consideration for the 2018 Budget.
- f. Council President Brian Goshow noted that there is a scheduled open house to discuss the Route 309 Connector project on October 19th. Borough Council members were encouraged to attend.

3. Sidewalk Committee

- a. Borough Manager Michael Coll reported that Ply-Mar Construction will begin the construction of curb and sidewalk along County Line Road beginning October 30, 2017. They will be concentrating on completing County Line Road prior to the end of the year to close out the Community Development Block Grant that has remained open for the past two years. Depending on weather conditions, they will then move to Montgomery Avenue. Montgomery Avenue curb and sidewalk may not be completed until the spring of 2018
- b. Montgomery Theater is planning an Anniversary Block Party celebration for 2018. The event may include craft beer and wine tasting either within the Theater or along the sidewalk to create more activity for the neighboring businesses. Borough Council members expressed general agreement to accommodate the Montgomery Theater with this special event.

4. Recreation Committee

- a. Borough Manager Michael Coll discussed 2018 budget priorities for the swimming pool. The drop slides in the diving well were salvaged from the old pool, but they are in deteriorating condition. This same drop slide is still in production with a recommendation to include replacement of the drop slide in the 2018 budget. The 2018 Budget will also include funding for tile and other water feature repairs. The leisure pool filter will also be inspected in the off season for repair and maintenance prior to the beginning of the 2018 season.

5. Property Committee

- a. The Borough Manager discussed progress with the formation of a new lease with Boardroom Spirits and an operational management agreement with FASE Restaurants. We are coordinating the final design for the interior renovations and kitchen fit out. The Borough will arrange all contractors to complete the work and will divide up the expenses accordingly with the lessee. Additional redi-block has been ordered to complete the site work to the freight building. Borough Council discussed a desire to re-consider installation of fence along the rail platform.
- b. The Borough Manager executed a contract with realtor Ryan Godshall to list both the Fright Building and the Wait Building for rent. He will be listing the Freight Building at \$2,600 per month and the Wait Building at \$500 per month. His commission will be half of the first month rental.

The Borough Manager reviewed the Budget Comparison report for all funds through September 30, 2017. The October Administrative Work Session will include discussion on the first draft of the 2018 General Fund Budget.

Administrative Work Session- October 16, 2017 (7:00pm-11:00pm)

Council Attendees: John Reynolds, Brian Goshow, Ned Leight, Jeffrey Gross, Daniel Yocum, Daniel Houser, Tracy Burke, Richard Halbom and Kevin Souder.

Staff Attendees: Police Chief James Leary, Officer Thomas Lawson, and Borough Manager P. Michael Coll.

The work session began with a presentation from Kyle Hoff, who expressed interest

in purchasing the Broad Theater building for the purpose of restoring the historical theater use. He has a love for movie theaters and old vintage buildings, as he demonstrated with investments that he successfully made in other Borough properties. He described his conceptual plans for restoring the building. He described creating two 125 seat theaters within the building with stadium seating. He would like to replace the marquee with the original triangular marquee. He has been in conversation with Free Will Brewing Company about a partnership. He would like to have an opportunity to purchase the property in 2018 with a projected opening for the spring of 2019. Borough Council expressed appreciation for his interest in the property and will discuss a timeframe for advertising bids during the November work sessions. Bids will probably be advertised in the first quarter of 2018, following conclusion of the sale of the adjoining property at 30 W. Broad Street.

1. Police Committee

- a. Police Chief Leary reviewed the statistical and narrative reports of police activities through the month of September. Chief Leary noted that the new traffic pattern on S. School Lane for EMC Elementary School appears to be working very well. He and members of Borough Council will evaluate implementing the new traffic pattern on a permanent basis, but will let the temporary restriction run through the rest of this school year.
- b. Mayor John Reynolds noted that Emmanuel Lutheran Church, at their Sunday service on October 15, 2017, presented a donation to the Souderton Police Department towards the purchase of a new protective vest for the officers. The service was attended by Mayor Reynolds, Police Chief James Leary and Borough Council President Brian Goshow.
- c. President Brian Goshow noted that the Perseverance Volunteer Fire Company held their annual fire prevention week open house on Friday, October 13th. Brian Goshow attended the event and was provided with a tour of the newly renovated fire house and the emergency management operations center that was incorporated in the building project. The fire company established an emergency operations center in the firehouse during Hurricane Sandy. The new facility will greatly enhance emergency management operations if they are needed for future events. The Borough provided a separate contribution of \$10,000 from the General Fund Budget to aid in this effort.

2. Administrative Committee

- a. Borough Manager Michael Coll reported on interest to utilize the small Wait Building for temporary office space, however, Borough Council members encouraged the parties to seek space through Main Streets or another location. The Wait Building is not designed for office uses.
- b. Councillor Richard Halbom discussed conversations that he had while attending the PSAB Fall Conference over the past weekend. PSAB staff reported that the State legislature is considering a “Wireless Infrastructure Deployment Bill” that will effectively strip municipalities of their rights to regulate wireless facilities within public rights of way. A sample resolution was prepared by PSAB expressing opposition to the proposed legislation. Councillor Halbom recommended that Borough Council consider adopting this resolution at the November 6 Borough Council meeting.

3. Development Committee

- a. Borough Manager Michael Coll discussed the status of the proposed revisions to the Berkeley Court Phase 2A to add two additional townhouse units and re-orient the rear townhouse unit along School Lane. The Souderton Planning Commission recently voted to recommend final approval of the revised development plans subject to satisfaction of the Borough Engineer’s comments. The revised plan will require relatively minor revisions to the MUR

Zoning District. A recommendation will be made to move forward with the advertisement of the associated Zoning Ordinance amendments in November with formal consideration of both the Zoning Ordinance amendments and the revised development plans at the December Borough Council meeting.

- b. Borough Council President Brian Goshow noted that an Executive Session is scheduled at the end of the work session agenda for the purpose of further discussion on the pending sale of 30 W. Broad Street. President Goshow noted that both bidders are in the audience and opened the floor to each of the two bidders to address Borough Council on their proposals. Both bidders further commented on their proposals and added how their proposal might aid in supporting the effort of Kyle Hoff with the restoration of the Broad Theater. President Brian Goshow concluded the discussions with an expression of appreciation to both parties for the time and effort in submitting a competitive bid for the property. He further expressed appreciation to both parties for their support and understanding of the difficult decision before Borough Council.

4. Finance Committee

- a. Borough Manager Michael Coll reviewed a draft of the 2018 General Fund Budget. He further commented that all real estate tax rates and sewer user fees will remain at current levels through 2018. A special Work Session has been scheduled for Monday, October 30, 2017 beginning at 7:00pm for the purpose of review and discussion of the 2018 draft Budget.

5. Executive Session

- a. Borough Council adjourned to Executive Session at 9:45pm for the purpose of discussing the bid proposals for the purchase of 30 W. Broad Street. The executive session concluded at 11:00pm, at which time the work session was promptly adjourned.

Budget Work Session- October 30, 2017 (7:00pm-9:00pm)

Council Attendees: John Reynolds, Brian Goshow, Ned Leight, Jeffrey Gross, Richard Godshall, Daniel Yocum, Daniel Houser, Richard Halbom and Kevin Souder.

Staff Attendees: Police Chief James Leary, Officer Thomas Lawson, and Borough Manager P. Michael Coll.

Borough Manager Michael Coll presented Borough Council members with a draft of the 2018 Budget. He went through the budget for each fund with the following comments:

General Fund

- The 2018 draft budget maintains the real estate tax rate of 5.0 mills. The last tax rate increase was in 2015. Continued growth in the total assessed valuation of the Borough is expected with new residential construction activity.
- Revenue projections for both the Earned Income Tax and the Local Services Tax are conservative, with a slight increase in Earned Income Tax Revenue given new residential construction. The Local Service Tax remains at the 2017 level, reflecting minimal commercial development. The Budget reflects continuation of an active real estate market resulting in growth in Real Estate Transfer Tax revenue.
- The 2018 Budget estimates the beginning of lease rental income from the pending lease agreement for the Souderton Train Station building.
- Building permit fees are expected to remain strong through 2018 with construction on the former high school site.
- The Borough is entering the third and final year of the Solid Waste Collection Agreement. Trash collection fees will remain at current levels

through 2018. The optional bag service program is no longer available to new accounts.

- All full time salaries have been increased by 2% reflecting the increase provided through the police collective bargaining agreement. Administrative benefit expenses include the Code Enforcement Officer. Health insurance premiums are expected to rise by 11% in 2018. The Borough will be working on alternative health insurance programs for consideration in the 2019 Budget year. All other insurance and benefit expenses are expected to remain at current levels through 2018.
- Expenses for building maintenance reflect trends from the prior year. Capital improvements to the Municipal Building and continued work on the train station buildings can be found in the Capital Reserve Fund budget.
- The 2018 Police Budget accounts for contractual salary adjustments for the full time officers and a general 2% overall increase in base salary. Purchase of a new patrol vehicle was carried over from the 2017 Budget.
- The contribution to Souderton-Telford Main Streets remains at \$23,750.
- Funds have been allocated to extend participation of planning assistance contracts with the Montgomery County Planning Commission. Funding has been carried over from the 2017 Budget to continue work on the new Codification of Borough Ordinances.
- Highway expenses reflect basic operational expenses, with major storm drainage construction and road construction projects found in the Liquid Fuels fund. One employee has opted out of health insurance coverage in favor of coverage through his spouse. Opt-out compensation pursuant to the policy within the police collective bargaining agreement has been applied in the 2018 Budget.
- Recreational expenses include routine park maintenance and repair, with one part time summer help employee. Funds have been allocated in the Capital Reserve Fund to address improvement needs in the Community Park, particularly with the installation of new playground equipment and associated site improvements.
- Interfund transfers to Capital Reserve and Debt Service funds follow prior budgets. The General Fund is picking up a majority of the debt service expense for the pool construction project. Transfers to the Capital Reserve Fund will primarily fund the completion of work on the Souderton Train Station restoration project.

Fire Tax Fund

- The Special Fire Tax rate will remain at 0.21 mills. The tax rate was last increased in 2015. The Budget projects a nominal increase in revenue based on growth in the total assessed valuation of the Borough. The additional revenue will be passed through to the Perseverance Volunteer Fire Company. This fund is expected to contribute \$25,800 to the fire company and will fund the hydrant maintenance fees charged by the North Penn Water Authority and pay for Workers Compensation insurance for the volunteer fire company.

Library Tax Fund

- The Library Tax rate will remain at 0.30 mills, which was established by the participating municipalities in 2015. All revenue generated by this special tax will be passed through to the Indian valley Public Library. The Budget projects a nominal increase in revenue based on growth in the total assessed valuation of the Borough. This fund is expected to generate \$85,765 for the Indian Valley Public Library.

Sewer Operating and Capital Fund

- Sewer user fees will remain at current rates, with some revenue growth anticipated through new residential development. Rates were last increased in 2017.
- The operating budget reflects mainly routine operations, maintenance and repairs through 2018. The Borough is in the process of filing an application to renew the NPDES permit, with expectation that significant reductions in nutrient levels will be a priority of DEP in issuing the new permit. The outcome of the new discharge permit poses significant concern with future expenses to treat waste water.
- The Sewer Capital Budget includes completion of the installation of a new mechanical bar screen at the head works of the plant, which was awarded in 2017. The Sewer Capital Budget also allocates funding to replace the roof on the Chemical Building; includes funding for the replacement of the sewer main on N. Fourth Street and funds to purchase a sewer main inspection camera and utility cable location system.

Pool Fund

- Borough Council discussed pool operations and expressed general satisfaction in the overall budget performance last season, despite a relatively wet and cool summer season. Profitability of the concession stand improved in 2017. The General Fund will continue to cover the major portion of the debt service on the construction loan and continues to absorb a majority of public works department expenses in daily operation and maintenance, although the required amount of crew time is significantly reduced by the addition of deck hands to the pool staff.
- Membership rates for next season will again remain at current rates. Daily rate revenue was down last season due to weather. Better weather should restore revenue during the 2018 season. The Souderton Swim Team has increased fundraising efforts during the prior two seasons to fully cover expenses for coaches' salaries. This level of fundraising is again expected during the 2018 season. A majority of memberships are actually held by residents outside of Souderton Borough. Approximately 10% of the memberships sold are to residents of Souderton Borough, although Borough residents may take more advantage of the daily admission.
- Funds have been allocated in the Capital Reserve Fund for the installation of a new drop slide and other facility improvements.

Capital Reserve Fund

- The 2018 Budget allocates funds to complete interior renovations to the Train Station building and completion of site work around the Freight Building. Additional interior work on the Freight Building and Wait Building may also need to be completed depending on lease agreements. The Budget also expects to receive the final \$25,000 reimbursement from the RACP grant in 2018. The final audit to release these funds was just completed, without any observation or findings.
- The Capital Reserve Fund includes funds to replace the roof on the Municipal Building and proceed with architectural work for interior restorations to the Police Department.
- The Capital reserve Budget will be revised to include funding for paving and repairs to the Municipal Parking Lot at West Chestnut Street.
- Funds have been allocated to complete the Montgomery Avenue sidewalk project which was awarded in the fall of 2017. Actual expenses and corresponding CDBG revenue will vary depending on how much work is completed and paid in 2017. The 2018 Budget also provides for another CDBG application for another sidewalk project, perhaps considering Hillside Avenue or Diamond Street. Some funding has been carried from 2017 to complete streetscape work within the West Chestnut Street and Lumber Street crosswalks. Face curbing along Main Street was installed in

2017 ahead of the recently completed paving project.

- The 2018 Budget carries over funding from 2017 to purchase a new self-contained leaf vacuum. The lead time for delivery is several months.
- Funds have been allocated to purchase and install a new drop slide at the Community Swimming Pool, with additional funds allocated to complete some tile replacement and possible filter work.
- The 2018 Budget includes funds to install new playground equipment and complete storm drainage improvements in the Community Park. It was determined that the donated modular equipment is not feasible to re-install in the park. Some accessory pieces will be utilized in the upgrade. Storm drainage improvements will primarily remove an open drainage swale with underground piping.
- Paving expenses in 2018 have been moved to the Liquid Fuels fund, given the number of other capital projects that have been included in the Capital Reserve Fund for 2018.

Debt Service Fund

- The Borough has five General Obligation Loans that will continue to be serviced through the Debt Service Fund, funded by transfers from the General Fund, Sewer Fund, Pool Fund and Capital Reserve Fund. 2015 and many years thereafter.
- The Budget documents and accounts for each loan, its interest rate and maturity date. The loan associated with the Indian Valley Boys and Girls Club will be paid off in 2019.

Liquid Fuels Fund

- The 2018 Liquid Fuels Budget will begin the year with a fairly strong cash balance. Historically this fund will continue to allocate revenues towards street lighting expenses and traffic signal maintenance.
- The 2018 Liquid Fuels Budget will be utilized for milling and overlay projects. There is no oil and chip or seal coat projects planned for 2018.

President Brian Goshaw reported on a letter that he received from the North Penn Visiting Nurses requesting consideration of restoring a donation to their organization. Borough Council did not recommend the addition of this donation.