

The Regular Meeting of Souderton Borough Council, held on Monday, September 12, 2016, 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 Kevin Souder
Vice-President D. Jeffrey Gross	Junior Councillor E. Shane Myers
Councillor Ned D. Leight	
Councillor Richard Godshall	Mayor John R. Reynolds
Councillor Daniel Yocum	Solicitor Robert G. Bricker
Councillor Daniel Houser	Borough Manager P. Michael Coll
Councillor Tracy W. Burke	Police Chief James P. Leary
Councillor Richard Halbom	Public Works Director Steven Coll

The Invocation was given by Councillor Richard Halbom, followed by the Pledge of Allegiance to the Flag.

Consideration was given to the minutes of the August 1, 2016 Regular Borough Council Meeting and August Work Sessions. A motion was made by Councillor Richard Halbom, seconded by Councillor Daniel Houser, to approve the minutes of the August 1, 2016 Regular Borough Council Meeting and August 2016 Work Sessions as presented. The motion was approved.

Under correspondence, Borough Manager Michael Coll distributed a copy of a letter from Concert Sundaes expressing their appreciation and support of the Borough in maintaining the Community Park and Bandshell for the annual Concert Sundaes program.

Police Chief James Leary distributed his statistical report of police department activities for the month of August. The narrative report will be presented at the work session. Council President Brian Goshow complemented the Police Chief and his department for hosting the Community Night Out in the Community Park.

The Borough Solicitor's report for the month of August, 2016 was distributed to Borough Council. The Borough Solicitor was recently informed that an attorney has entered his appearance representing Broad Entertainment, LLC in the Borough's foreclosure action. At this point it is uncertain whether they intend to actively oppose the foreclosure, or whether this is a measure to protect the interests of the individuals members of the LLC. An answer to the Complaint must be filed within 10 days, at which time the Solicitor should have a better idea of the position of Broad Entertainment. The Borough Solicitor attended a meeting with a prospective tenant for the train station. The Borough Solicitor began working on the required documentation in anticipation that Borough Council approves the proposed borrowing for the freight building renovations. A letter was drafted and sent to Jennifer Joseph of the Caboose Grill, Inc., terminating the lease for the train station.

Public Works Director Steven Coll submitted his monthly report to Borough Council. There were no further questions or comments on the report.

Borough Manager Michael Coll noted that the regular meeting schedule will resume in October. The regular monthly meeting will be held on Monday, October 3, 2016 followed by the Public Works Work Session on Monday, October 10 and the Administrative Work Session on Monday, October 17. The Borough Manager noted that October will predominately be devoted to the development of the 2017 Budget. A Budget Work Session will be scheduled for Monday, October 24. Borough Manager Michael Coll then reported on the items scheduled for consideration. Bids for various Equipment Rentals for milling and paving projects were received with only one bid submitted by P. K. Moyer and Sons. A copy of their bid was circulated to Borough Council. The next item of

business concerns a minor subdivision plan for property located at 162 N. Main Street. The subdivision plan seeks to subdivide and convey a rear undeveloped parcel to the Borough for a future parking lot in return for eliminating the parking covenant on the front parcel, which was associated with the development of 121 N. Main Street. The Borough is working on a grant application to fund the construction of a new mechanical bar screen at the headworks of the Souderton Wastewater Treatment Plant. A Resolution approving the submission of the grant application has been prepared for formal consideration. The Borough Solicitor met with representatives of Comcast Cable on the extension of a Cable Franchise Agreement. A motion to authorize the preparation and advertisement of an Ordinance approving this agreement has been prepared for formal consideration. A recommendation was made to consider the adoption of the 2015 Property Maintenance Code. A motion to authorize the Borough Solicitor to prepare and advertise the required Ordinance has been prepared. The Borough Manager noted that a formal Change Order has been submitted by the contractor to renovate the freight building and complete the remaining site construction at a cost of \$514,000. The Borough Manager also copied a Commitment Letter received from Univest Bank and Trust Company to extend a \$500,000 general obligation loan for the freight building construction.

Councillor Kevin Souder questioned the anticipated scope of the paving projects to be completed under the equipment rental contract. Borough Manager Michael Coll responded that the primary projects include Green Street, from Wile Avenue to West Street, and milling and paving a new base course in the 600 block of East Chestnut Street. It is possible that we could extend work on Fourth Street above Central Avenue. We are looking to use Liquid Fuels funds, which limit work to no later than October 31, 2016.

Councillor Daniel Houser commented on the success of the Third Friday's events on Chestnut Street and the recent concert event at Jesse's Barbeque. The Souderton-Telford Main Streets Annual Art Jam is scheduled for Saturday, September 24<sup>th</sup>. There is a lot of things happening within the Souderton Community.

Consideration was given to paying the bills for the month of August, 2016.

GENERAL FUND

Bergey's, Inc.	\$2,171.84	H & K Materials	\$1,937.33
Blooming Glen Quarry	550.70	Highway Materials, Inc.	2,154.52
Bow Wow Waste Products	136.00	Kuhls Law	908.50
Clemens Uniform Rental	169.59	Montgomery County Consortium	250.00
Code Inspections, Inc.	630.00	Naceville Materials	1,903.72
Cope's Garage, Inc.	712.11	NetCarrier Telecom, Inc.	347.41
David A. Freed	129.95	PECO Energy	28.42
Eagles Peak Spring Water, Inc.	36.40	Univest VISA	99.00
First Class Entertainment	225.00	Univest VISA	79.00
Freedom Systems Corp.	843.75	Background Solutions, LLC	395.00
George Allen Portable Toilets	223.00	Bergey's, Inc.	52.20
H. D. Sampey, Inc.	15.00	Clemens Uniform Rental	56.53
Home Depot	39.94	Cope's Garage, Inc.	2,679.50
Indian Creek Foundation	535.00	Country-Fair Cleaners	436.90
J. P. Mascaro & Sons	35,994.34	Derstines	374.59
Keystone Health Plan East	30,013.85	Eagles Peak Spring Water, Inc.	24.90
Landis Block & Nycecrete Co.	27.40	GALCO Business Comm.	5,745.00
Moyer Indoor/Outdoor	4,830.23	Galls, Inc.	137.28
NAPA Auto Parts	2.80	Harleysville Party Rental	80.00
North American Benefits Co.	1,032.38	Magloclen	400.00
North Penn Water Authority	53.07	Montco Public Safety Training	200.00
NYCO Corporation	20.58	Moyer Indoor/Outdoor	1,694.67
Old Dominion Brush	406.13	NAPA Auto Parts	23.92
PA One Call System	75.44	NetCarrier Telecom, Inc.	366.83
PPL Electric Utilities	161.30	PA One Call System	75.44
Sealmaster	765.96	PPL Electric Utilities	1,822.62
Shelly Enterprises-USLBM, LLC	104.41	Richter Drafting Office Supply	407.86
Suburban Propane	992.49	RR Donelley	17.50
Univest VISA	71.89	Sudz In A Bucket	115.50
Unum Insurance Company	890.00	Telford Press Printers	1,325.00
Verizon	78.75	Temple University CJTP	180.00

Verizon Wireless	\$303.88	Towamencin Township	\$500.00
Boucher & James, Inc.	7,420.61	Univest VISA	1,262.39
Bricker, Landis, Hunsberger	2,626.10	Univest VISA	243.76
C & S Lawn and Landscape	17,465.00	Verizon	70.14
Carquest	587.89	Verizon Wireless	223.86
Clemens Uniform Rental	56.53	Wise Electric	352.00
Comcast Cable	348.45	Home Depot	400.64
Delta Dental	1,270.27		
George Allen Portable Toilets	150.00	Total General Fund	\$139,539.96

#### SEWER FUND

Blooming Glen Quarry	\$70.00	Comcast cable	\$84.90
CCP Industries, Inc.	105.05	Comm of Pennsylvania	150.00
Cintas First Aid & safety	78.78	Coyne Chemical	666.25
Clemens Uniform Rental	112.04	Delta Dental	321.47
Coyne Chemical	2,233.05	EVOQUA Water Technologies	2,563.63
EVOQUA Water Technologies	2,599.20	Filter Belts	1,628.85
Farm Bureau Garage, inc.	401.33	LRM Inc.	800.00
Graphic Controls, LLC	276.42	PPL Electric Utilities	16,481.36
H & K Materials	326.77	Univest Insurance, Inc.	7,698.00
Jesse Baro, Inc.	2,040.83	West Generator Services	1,725.00
Keystone Health Plan East	8,132.32	American Water Works Assoc.	50.00
Lawson Products, Inc.	576.14	Clemens Uniform Rental	59.44
Moyer Indoor/Outdoor	187.57	Coyne Chemical	3,317.95
NetCarrier Telecom, Inc.	166.26	J. P. Mascaro & Sons	480.00
North American Benefits Co.	253.72	Jesse Baro, Inc.	4,299.31
North Penn Water Authority	102.92	Markey Paper & Packaging	113.26
Postmaster, Lansdale	881.40	Moyer Indoor/Outdoor	147.05
PPL Electric Utilities	24.70	NetCarrier Telecom, Inc.	147.42
Schaners Wastewater Products	1,292.62	PPL Electric Utilities	27.44
Univest VISA	244.22	Richter Drafting Office Supply	35.99
Unum Insurance Company	234.82	Suburban Water Testing Labs	1,686.45
Verizon	72.40	Suburban Water Testing Labs	158.55
All Industrial Safety Products	201.52	Telford Press Printers	705.00
Bearings & Drives Solutions	63.90	Verizon	67.85
Carquest	6.34		
Clemens Uniform Rental	57.25	Total Sewer Fund	\$64,156.74

#### POOL FUND

American Red Cross	\$167.00	Moyer Specialty Foods, LLC	\$592.40
Derstines	1,414.67	Nelsons Creamery, LLC	372.60
Diversified Refrigeration, Inc.	517.26	PECO Energy	276.78
Fiona Melissen	18.26	PPL Electric Utilities	2,454.76
Gouldey Welding & Fabrication	75.00	Wise Electric	372.82
Home Depot	15.98	Youngs	95.20
Kathy Armitage	501.34	Adcock	249.89
Laura Aquilante	79.68	Advertise with Magnets	75.00
Michael Obrien	190.00	Airgas National Carbonation	58.00
Nelsons Creamery, LLC	506.23	American Red Cross	54.00
NetCarrier Telecom, Inc.	126.56	Aquarius Supply	100.30
North Penn Water Authority	2,135.16	Bergey's Electric, Inc.	211.71
Pepsi Beverage Company	586.16	C & S Lawn and Landscape, Inc.	5,070.00
Richter Drafting Office Supply	408.21	Derstine Company, Inc.	636.00
Rodney Shoemaker Plumbing, Inc.	48.75	Derstines	2,271.60
Shelly Enterprises-USLBM, LLC	81.73	Fromm Electric Supply Corp.	124.13
Stat Pads	105.00	Harleysville Party Rental	301.35
Sysco Philadelphia, LLC	1,508.51	Laura Aquilante	119.89
Univest VISA	561.55	Nelsons Creamery, LLC	210.75
Wristband Resources	664.00	NetCarrier Telecom, Inc.	132.51
Airgas National Carbonation	329.22	Pepsi Beverage Company	470.25
Comcast Cable	236.42	Richter Drafting Office Supply	420.46
Derstines	502.30	Sysco Philadelphia, LLC	1,363.88
Kathy Armitage	57.63	Univest Visa	13.93
Moyer Indoor/Outdoor	47.00	Total Pool Fund	\$26,931.83

#### CAPITAL RESERVE FUND

Boucher & James, Inc.	\$15,448.14	Univest Bank and Trust Co.	\$672.60
H & K Materials	12,071.70	CC Construction Services	396,167.52
Highway Materials	5,344.00	Wise Electric	214.50

P. K. Moyer & Sons, Inc.	\$21,690.25	DCED	\$54.59
Phillips & Donovan Architects	6,438.00	Total Capital Reserve Fund	\$458,101.30

LIQUID FUELS FUND

Armour & Sons Electric, Inc.	\$13,079.18	PPL Electric Utilities	\$327.59
PPL Electric Utilities	7,051.83	Total Liquid Fuels Fund	\$20,458.60

A motion was made by Councillor Richard Godshall, seconded by Councillor Ned Leight, to authorize payment of the bills for the month of August, 2016, 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.

Richard D'Amico of Consign for Design complemented Councillor Daniel Houser for his comments about the various community events going on in Souderton. He then introduced Manuel Hernandez who recently completed renovations to his Mexican restaurant on Main Street. Manuel Hernandez noted that his family business has been in operation for 12 years and is open seven days a week, with the restaurant portion open six days per week. He serves authentic Mexican foods, starting with only 12 seats and now growing to 36 seats.

Chad Strothers, owner of property at 227-229 Noble Street, discussed and challenged the authority of the Borough to require permits to replace a fence in the rear yard of his property, noting that he has five options available including legal action if the Borough insists that he obtain a permit. President Brian Goshow discussed the Borough's fence regulations and confirmed the requirements to obtain a permit.

Patrick Mills, 178 N County Line Road, Souderton proposed an Eagle Scout project to place trash cans in the Community Park. He proposed to construct the trash cans and install them as part of the project. President Brian Goshow invited him to attend the October 10 Public Works Work Session to further discuss the proposed project.

There being no further public comment, President Goshow moved to the business portion of the meeting. Borough Manager P. Michael Coll presented the tabulation of bids from P. K. Moyer for various equipment rentals associated with milling and paving projects.

A motion was made by Councillor Daniel Houser, and seconded by Councillor Jeffrey Gross, to award the contract for Equipment Rentals for Milling and Paving Projects to P. K. Moyer and Sons, Inc., 832 Allentown Road, Earlington, Pennsylvania based on quoted unit prices through December 31, 2016. The motion was approved.

Borough Manager discussed the proposed plan of subdivision for property at 162 N Main Street. The applicant's engineer Cheryleen Strothers of Cowan Associates was in the audience. She commented that the Souderton Planning Commission recommended approval of the proposed plan with a series of waivers mostly pertaining to existing conditions and that no improvements are proposed with this specific application. A note has been included on the plan requiring land development approval for any future improvements to the parcels.

A motion was made by Councillor Daniel Yocum, and seconded by Councillor Richard Halbom, to approve the Minor Subdivision Plan as prepared by Cowan Associates, Inc., for RVP II, LLC, dated June 21, 2016 as revised, for parcel no. 21-00-04944-00-3, referenced as 160 N. Main Street, including the approval of the applicant's waiver requests by letter dated July 19, 2016, contingent upon revisions pursuant to the Borough Engineer's review letter and the stipulation that the waiver approvals are limited only to the minor subdivision plan. Any improvement to either parcel will be subject to land development approvals and prevailing Zoning and SALDO Ordinance requirements. The

motion was approved.

A motion was made by Councillor Ned Leight, and seconded by Councillor Richard Halbom, to adopt Resolution 2016-09 authorizing the submission of a grant application under the PA Small Water and Sewer Program in the amount of \$307,700 for the replacement of the mechanical bar screen at the Souderton Borough Waste Water Treatment Plant. The motion was approved.

A motion was made by Councillor Jeffrey Gross, and seconded by Councillor Richard Godshall, to authorize the Borough Solicitor to prepare and advertise an Ordinance approving the Comcast Cable Franchise Agreement. The motion was approved.

A motion was made by Councillor Richard Halbom, and seconded by Councillor Daniel Houser, to authorize the Borough Solicitor to prepare and advertise an Ordinance adopting the 2015 Property Maintenance Code. The motion was approved.

President Brian Goshow noted the presentation of the change order to complete renovations to the freight building along with the commitment letter from Univest offering financing for the project. This matter will be referred to the September 19<sup>th</sup> Administrative Work Session for further review and discussion.

There being no further business, the meeting was adjourned at 8:25 pm.

Respectfully Submitted,

P. Michael Coll, Secretary

## **WORK SESSION MINUTES AND COMMITTEE REPORTS**

### ***Public Works Work Session – Cancelled due to Council Meeting***

The monthly Public Works Work Session was cancelled for the month of September to accommodate the re-scheduled meeting of Souderton Borough Council on Monday, September 12, 2016. The Borough Council Meeting was re-scheduled because of the Labor Day Holiday.

### ***Administrative Work Session- September 19, 2016 (7:00pm-10:10pm)***

Council Attendees: John Reynolds, Brian Goshow, Ned Leight, Jeffrey Gross, Richard Godshall, Daniel Yocum, Daniel Houser, Tracy Burke, Richard Halbom and Kevin Souder. Junior Councillor E. Shane Myers.

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

#### **1. Police Committee**

- a. Chief Leary reviewed his narrative report of police activity through the month of August, 2016. Chief Leary further discussed a number of recent police incidents that occurred during the month.
- b. Chief Leary noted that he is evaluating a request for another handicapped parking space in the vicinity of 64 Hillside Avenue. Chief Leary is also reviewing a resident traffic concern, forwarded by Councillor Tracy Burke, suggesting the need for a four way stop intersection at School Lane and Central Avenue. Chief Leary noted that a four way stop does not appear warranted, but there may be other measures to consider that may address the concerns.

## **2. Administrative Committee**

- a. Borough Manager Michael Coll reported on vacancies within the Souderton Industrial Development Authority. IDA member Ken Edmonds has resigned from the Authority leaving a vacancy with an unexpired term running through August 4, 2018. Souderton IDA member Robert Wellington's term expired August 4, 2016, who is expected to agree to serve another term. The Souderton Industrial Development Authority will have to meet after the appointments are complete to elect officers. Borough Council recommends the appointment of Ryan Godshall, 318 Madison Avenue, Souderton, to fill the unexpired term of Ken Edmonds through August 4, 2018. Borough Manager Michael Coll will confirm the continued interest of Robert Wellington to serve as a member of the Souderton IDA.
- b. Members of Borough Council reviewed the proposed Ordinance to extend the Comcast Cable Franchise Agreement. Copies of the draft franchise agreement were circulated to Borough Council for review. The Ordinance was advertised for formal consideration at the October 3 Borough Council meeting.
- c. Borough Council members discussed the proposed Ordinance to adopt the 2015 Property Maintenance Code along with local revisions to the Code. Mayor John Reynolds suggested that Borough Council consider softening our current restrictions concerning the visibility of trash totes from the street. In many circumstances, it will be very difficult for residents to fully block the visibility of trash totes from the street. Borough Council also discussed a recommendation from Code Enforcement Officer Steven Toy to insert language restricting the parking of vehicles on front lawns. There are properties in the Borough where vehicles routinely park on lawns instead of a paved parking space, creating various nuisances to the neighbors. Borough Council recommended that the proposed restriction be added to the Ordinance. Further review will be scheduled in work session.
- d. Borough Manager Michael Coll noted that representatives from the Indian Valley Public Library requested time on the October 3 Borough Council agenda to make a brief presentation to Borough Council.

## **3. Development Committee**

- a. Borough Manager Michael Coll circulated a draft concept plan from developer Clayton Heckler and his planning consultants for the balance of the high school redevelopment project. The developer is proposing to add up to 50 additional townhomes along the street frontages behind the units previously approved. A series of mixed use building are proposed with flex commercial space on the street level and three stories of residential condominiums above. There are some restaurant locations proposed on the plan fronting Broad Street. The Souderton Planning Commission reviewed the latest draft of the concept plan, suggesting that Borough Council needs to review the proposed revisions and indicate whether they will be willing to approve various amendments to the Zoning Ordinance to permit the additional townhomes on the site. The developer has requested time at the Monday, October 10, 2016 Work Session to discuss the proposed concept plan with Borough Council. Borough Council held considerable discussion on the draft concept plan.

## **4. Finance Committee**

- a. Ron Ely, CPA of Styer Associates attended the work session to present and review the 2015 General Purpose Financial Statements that were previously circulated to Borough Council members for their review. He noted that the net position of the Borough at the close of the fiscal year increased by \$400,000 attributable to increased permit revenue, Recreational Impact fees, and a slight increase in tax revenues. The statements show expenses were up mainly

associated with building renovations and building improvement projects. Ron Ely explained new GASB requirements concerning the reporting of pension liabilities which are now more fully described in the financial statements. While the Borough's pension plans are in good financial shape, Borough Council needs to be in conversation with pension administrators about actual experience versus the actuarial assumptions used to determine the annual minimum municipal obligation to the plans. Variations in actual experience versus actuarial assumptions can have dramatic impacts on the financial condition of the pension plan. A recommendation was made to formally approve the financial statements as presented at the October 3, 2016 Borough Council meeting.

- b. Borough Council members discussed the status of the Train Station project and the proposed addition of work to restore the freight building. The contractor has submitted a formal change order of \$514,731 to complete exterior renovations to the freight building and associated additional site work. Plans for the additional work were reviewed by SEPTA with authorization to proceed. There will be no formal review of the plans, but the Borough must submit as built drawings to SEPTA for their file when work is complete. This is a significant concession by SEPTA. The Borough Manager circulated a commitment letter from Univest Bank and Trust to extend a \$500,000 general obligation loan to complete the freight building and site work. The commitment letter seeks a response prior to October 11, 2016. Souderton Borough will need to file the loan documents with the state DCED for approval prior to closing. This process will take up to 90 days to complete. The Borough can utilize the \$500,000 existing bridge loan to make initial contractor payments. The Borough Manager suggested that Borough Council needs to reach a formal decision on the additional work and loan at the October 3, 2016 Borough Council meeting.

Borough Council members held a lengthy discussion on the additional work, loan obligations and the overall risk of leasing the buildings to generate sufficient revenue to cover the additional expenses. There is interest in leasing the buildings, but at this point in time there are no firm lease agreements in place. Borough Council reviewed a report from Indian Valley Appraisal Company concerning a projection of lease rental income from the buildings based on current and prevailing market conditions. Councillor Kevin Souder expressed serious concern about the added expenditures that are being proposed, especially since there are no firm lease proposals for the buildings. There is potential that the Borough will not realize the necessary lease rental income to cover the costs placing a burden on the General Fund which is already facing pending costs to renovate the Municipal Building. Borough Council discussed the potential benefits and potential impacts of adding the freight building to the project, with a recommendation to place the item on the October 3, 2016 Borough Council agenda to consider a formal vote to proceed.

- c. Borough Councillor Richard Halbom, serving as the Souderton Borough representative to the Northern Montgomery County Recycling Commission, reported that Souderton Borough received a check in the amount of \$15,772.39 in recycling performance grant funds.
- d. Borough Manager Michael Coll requested that Borough Council consider adding the proposed Deferred Retirement Option Plan to the Souderton Borough Non-Uniformed Pension Plan as part of the 2017 Budget discussions this fall. The DROP plan will have a neutral effect on the overall plan costs; however, the Borough Manager is proposing to increase the retirement age of the plan from 60 to 62 for members that joined the plan after 1980. The increase in retirement age was discussed and endorsed by the employees and will assist in reducing actuarial plan costs.
- e. Borough Manager Michael Coll reported that staff is working to implement an option to pay utility and trash bills on line through a company called MuniPAY. They service a number of municipalities and have worked with our IT Company with many of their municipal client accounts. The important change to note is the additional of a convenience fee to each transaction to

cover the discount fees charged by credit card companies. The minimum fee will be \$3.00 per transaction or 2.45% of the sale. (The breakpoint is a charge of \$122.00) Currently the Borough has absorbed the discount fees for credit card payments. We instituted a similar program in 2016 with pool memberships and pool operations, through a different service that is connected to the RecDesk program, with no significant complaint or reduction in use from our membership base. Staff is already informing customers who use credit cards of this change and we expect to make this service available January 1, 2017.