

1. **CALL TO ORDER**

Chair Danelle Del Corso called the meeting to order at 7:00 p.m. Other Supervisors present were Mark Stevenson, Barb Spencer, Bob Strouse and Patti Hartle. Staff present were Susan Steele, Township Manager and Amy Smith Township Clerk. Residents & others in attendance: None.

2. **CITIZEN COMMENTS**

There were no citizen comments.

3. **MINUTES**

- ***MOTION: Mr. Strouse moved to approve the minutes for May 9th, 2019; Ms. Hartle seconded; Vote 5-0-0; Motion Carried.***

4. **POSSIBLE MOTION TO APPROVE CATA FY 2019-2020 MUNICIPAL SHARE**

Ms. Steele stated there is a \$28.47 increase for Halfmoon Township's municipal share.

- ***MOTION: Mr. Stevenson moved to approve CATA funds in the amount of \$6,302.00 for FY 2019-2020 to match state funds plus \$889.00 for capital funding for a total of \$7,291.00 paid in four equal installments beginning 7/31/19; Ms. Spencer seconded; Vote 5-0-0; Motion Carried.***

5. **CONTINUED DISCUSSION TO POSSIBLY REVISE TOWNSHIP ORDINANCE TO REDUCE THE NUMBER OF PLANNING COMMISSION MEMBERS FROM FIVE TO SEVEN**

- ***MOTION: Ms. Del Corso moved to advertise for two alternates to serve on the Planning Commission; Ms. Hartle seconded; Vote 5-0-0; Motion Carried.***

6. **PRESENTATION AND POSSIBLE AWARD OF AUTUMN MEADOW REVITALIZATION PROJECT**

Ms. Steele provided a power point presentation that provided information on the scope of the project, total project, costs, financing and awarding and reminded the Board that this project was re-bid.

Ms. Steele handed out larger sized designs depicted on Slide 2 already approved by the supervisors. This slide being the Base Project through Alternate 7 add ons designed by JMT on the left. The Base project shaded in grey consisted of the parking lot repaving, pavilions, entrance enhancement, perimeter trail, ADA walkways between recreational facilities, and playground site preparation. Add on 1 (Ms. Del Corso—lighter green) the perimeter walkway between the park and Sky Harbor. The Dark Green Alt 2 add on the amphitheater seating and walkway. Alt 3 and 4 add ones the ADA porta pottie cement pad and shelter. Alt 5 and 6 yellow, add ones, bleacher cement pad and bleachers. And Alt 7 ad on the cement pad and bleachers. Ms. Steele then explained that on the right of slide 2, was the Township Engineer's designed Recycling Pad and Security Fencing around the maintenance building. She entitled it as Alt 8 for easy reference because although the supervisors had approved advertising Alt 8 for bids on 4/25/19, she was waiting since this was an alternate to insure the JMT designed project as awarded first by the supervisors.

Slide 3- Recap and pictures of the playground amenities—youth and tot lot. Ms. Spencer asked if Alt 8 was an alternate (slide 2). Ms. Steele stated it was not really an alternate, she just labeled the Township Engineer's designs an alternate for ease. Ms. Spencer stated she thought the word alternate meant there was another choice. Ms. Del Corso stated it is a separate project. Ms. Spencer commented that she just wanted to make sure because she gets confused. Ms. Steele responded by saying thank you for asking and explained that although you advertised for bid (Alt 8) if you now decide you don't want to do it, it hasn't been advertised.

Slide 4- The JMT Design bid tab summary (Base through Alt 7). Ms. Steele commented that last time the Township received one bid, this time there were two, HRI and Glenn O. Hawbaker. Ms. Steele stated HRI's base bid was \$527,778.75 and GOH's \$553,548.00 and then provided costs for each alternate. Ms. Steele then went over to the total column for the base through Alt 7 for HRI was \$662,207.25 and GOH \$731,269.00. Ms. Steele stated if you decide to all with all the alternates and the base project obviously, we are going to recommend going with the HRI bid. Ms. Spencer stated she was really getting confused with the word "alternate." Ms. Steele responded by saying

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we can call them options. Mr. Stevenson commented they could be called, "Add-ons." Ms. Del Corso stated that what basically we had was the base price then had other things bid separately in case we decided not to do them. They were alternates so we could pull back and decide not to do them. Mr. Stevenson stated if you will remember when we bid this initially it came back way to expensive so we decided to break it up. Mr. Stevenson explained that way if we bid it out and it came back and we said we could only do this plus Alt 1 through 6 and then we could decline Alt 7 so we could decline any of the alternates instead of approving them all. But, Mr. Stevenson, said, it looks like we can approve them all. Ms. Steele said you could say you will do the base and the stairwell but not the others. Ms. Del Corso stated that if one of the alternates was significantly different and we wanted to go with a different person for one alternate we could do that. Mr. Stevenson agreed. Ms. Steele stated it was not bid like that in this instance. Ms. Spencer stated we better have bid it that way. Mr. Stevenson commented he believed they submitted it assuming they'd get the base. Ms. Steele stated they submitted it assuming they'd get the base along with any or all alternates as an add on. Mr. Stevenson commented we couldn't say to the first bidder we like your price on the base and the second alternate, but to the other bidder we could say we liked your price on the others better because both of these companies bid it assuming they'd get the base and then some of these alternates. Ms. Del Corso asked, so what I said was incorrect? Mr. Stevenson replied, yes, that's what I think. Ms. Spencer questioned that Mr. Stevenson is thinking we can do it all? Mr. Stevenson replied, yes.

Slide 5- Township Engineer Cost Estimates, Alt 8. Ms. Steele reviewed pricing and stated you saw the \$662,000 (approximate from slide 4) and the pricing of your alt 8 which amount to around \$70,000. For the fencing was \$47,500. These are estimates not bids. And then for the recycling pad \$33,370.

Slide 6- Township Purchases. Ms. Steele explained the items the Township has to buy which is \$203,364.00. Ms. Steele stated right now what you've got is the JMT design, Township engineer, and what we have to buy. What we have to purchase is basically the playgrounds, some of which is reimbursable by DCNR, landscaping and signage. And of course, any contingencies that would come in.

Slide 7- Total project cost for base and all alternates. JMT Design with all alternates: \$662,207.25. Engineer \$81,470.00. Township \$203,364. Ms. Steele explained these items are a total project cost of \$952,041.25. Mr. Stevenson asked how the township can have a cost. He understands we are paying for JMT services which is whomever we would bid it to. Mr. Stevenson questioned when you say JMT if we award these bids to one of these companies that would fall into the \$662,207.25. Ms. Steele commented the Board paid JMT outside these costs. Mr. Stevenson stated he does not know what Ms. Steele means by JMT. Ms. Steele stated she meant the JMT package which includes their design of the project. Mr. Stevenson questioned if that would include these bids from these other companies. Mr. Stevenson wants to make sure JMT's costs include the other slide bids. Ms. Steele said yes. Mr. Stevenson, "Engineer?" Ms. Steele, "that's on top of JMT, the other slide." Mr. Stevenson, "that's Alt 8?" Ms. Steele, "yes, the Township portion, the landscaping and playground is \$203,364. The total project cost is \$952,041.25." Ms. Del Corso, "Did you say that \$203,000 is reimbursable?" Ms. Steele, "We are going to get to that."

Slide 8—Funds Received/Committed. Ms. Steele commented so how do we pay for this. The total funds needed for the project are \$952,041.25. Ms. Steele stated you will get from DCED \$201,623.00, DCNR \$232,300, Centre Bulldogs \$200, and we have \$142,207.83 in our account. So, there will be a shortfall of \$375,705.42.

Slide 9- Shortfall Funding Options. Ms. Steele stated the Board had already talked about doing a shortfall funding with M&T up to \$820,000. That was to pay for the whole project and then as we were reimbursed, we'd pay them (M&T). This would be the interim financing and then whatever was left. And so, we were originally going to do \$820,000 but then the bids came in all over the state around \$150,000 to \$200,000 more. Ms. Steele stated, so if we rebid it, we don't know if we'd get it any cheaper. Ms. Steele commented she talked to M&T about how to come up with this \$975,000 (which would cover any funding costs or if bids came in higher than Engineer's estimates). We were looking before these bids came in around \$200,000 if we did all the alternates. Now we are looking at funding at \$375,000. At that we are suggesting now a tax exempt for a lower interest around 3.25% and would not require a dedicated tax and would cost around \$5,130 a month or around .84 of one mil a year. This is a way to fund your short fall.

Slide 10- Ms. Steele stated Andy (JMT), myself, Don and M&T are recommending doing the entire project now, costs are only going up. But you do have the option of going back (to the slide with the base and alternates) and say this is only what we are going to do. But for every piece you take off, you will not get DCED and/or DCNR money because they will only reimburse you for what you've actually put in. So, with DCNR, you have four years

to use all their money. But every time the contractor comes back there is about a \$20,000 mobilization cost. You could do it in phases but it would end up costing more total, but you could do that. And your grant monies will only come in as phrases are completed. So, if you said you weren't going to do the stairwell now but you'd probably still have a shortfall because you wouldn't be getting the DCNR money which would fund this. We also have groups interested in using the park already for 2020. A six-year tax exempt note is short term in public finance. Thirty years is a long note. And the \$375,000 against the Township's total debt limit of \$1.3 million is minimal for six years. And not needing a dedicated tax makes things much easier than having to create a levy to do this. I'm not saying you aren't going to have to increase taxes but you don't need a dedicated tax. So, we are suggesting you award HRI the entire project. But you do have the option to not doing all options. So, if you want to keep it at what you can afford right now, it would be your base, but you would be taking off \$150,00 you'd be getting in grant money, so you'd have to come up with the same amount or more money. You also have the option of rejecting all bids and not doing the project.

Ms. Del Corso. Could you talk a little bit about what we would need to do this year? What is the impact on budgeting?

Ms. Steele stated that this year you would get an interim note we would use as a draw costing now more than \$5,000 a month. So, the project gets done this year and you have the shortfall. You get the bonding attorney, they will be able to do this, and then they will issue a tax bond note. You will not have to go through a bonding ordinance. You will owe \$5,140 a month. Or if it could come in lower, you wouldn't owe \$375,000 for \$300,000. In regards to budgeting you would need to show how you are going to pay whatever the shortfall would eventually be, like we do with the truck loan now.

Mr. Stevenson commented he would like to go back to the page I had questions on before, page 7. The one that says Total Project Cost. What to come back to linking up what is on this page to the bids or specifications as I realize all the project hasn't been bid yet, Alt 8. JMT seems to reflect the base and all alternates through 7 of the HRI bid. Is that correct?

Ms. Steele replies, yes.

Mr. Stevenson stated that he is having a problem understanding what the Township has to pay. It seems to me this is a credit debit, I'm afraid we are double paying for things.

Ms. Steele commented on the slide for Township purchasing, these items are not on the punch list or itemization on JMT's.

Ms. Del Corso questioned so they are not included in any of the items of JMT base or alternates?

Ms. Steele replied, that is correct. For instance, JMT's base bid includes the playground site, but not the equipment. If you look at the itemization of the HRI package they aren't buying the playground equipment or safety surface. The same thing with the entrance. You will see the entrance is on the JMT design/spec but he did not include on his cost estimates the signs and those kinds of things, because we are going to do those inhouse because we can do it cheaper. Mr. Stevenson commented that satisfied that question but the next question would be do we want to do Alt 8? Is this something critical right now? Mr. Stevenson stated his other question is you have this financed over six years; my question is why can't we finance that over 15 years? Because if we finance over 15 years, I come up with an annual cost of \$24,876 at 3.75% interest and that's if we don't finance it with the Alt 8 in there and at \$24,000, \$25,000 I think it's more doable without a tax increase.

Ms. Steele replied Alt. 8 we have to do the recycling pad since because we are moving it out of the parking lot. We have to have a pad for it. Mr. Stevenson commented that we don't have a pad for it now so we are just replicating what we have now. Ms. Del Corso stated to be clear the alternate we could have is repave the parking lot and put the recycling bins back. Ms. Steele stated they take up a lot of space in the parking lot.

Ms. Del Corso questioned if we did want to save some of that money, we could postpone that part of it.

Mr. Stevenson stated he was still not sure why we have to put in a pad because we don't have a pad now.

Ms. Hartle questioned if it was grass now and if it is not stoned you would have mud.

Ms. Steele explained the pad is \$33,900 and the cost estimates of security fencing depending on the height was \$47,000 or \$41,000.

Ms. Spencer: Is this affecting the amount we get from DCNR?

Secretary

Ms. Steele explained what we would get from DCNR will be affected by what we get on the alternates and base and the JMT portion, but not this. Mr. Stevenson questioned that Alt 8, was for the 6 foot or 8-foot fence height? Ms. Steele stated she used the 8-foot height. Ms. Hartle questioned if we are required to fence this type of facility in? Ms. Steele stated DCNR gave you points for doing it. The security, you have a park, you show them by, I may have to renegotiate that, as public safety is a big thing. We wanted to put in the automatic gate so the guys don't have to get out all the time. Ms. Hartle commented that the main thing is we can do this thing without a tax increase. Ms. Steele stated that no, she was saying she was not committing them to a tax increase or not but you don't have another \$72,000 a year to pay a debt. Mr. Stevenson commented that if we stretch it out and don't do the fencing and we do the pad. How about stretching it and doing the fencing because as we said not doing the fencing will affect the DCNR grant. Ms. Spencer stated she thought Ms. Steele said it wasn't going to affect DCNR. Ms. Steele replied that no, what she said was we got points from DCNR for doing it. We need to figure it out tonight because we are awarding and we've got to send it to DCNR afterwards and they might come back if we don't do it, there might need to renegotiations and do you want to do that? Because they saw this and gave us points because they wanted and I put in the grant we were doing it.

Mr. Stevenson did some calculations on Alt. 8 and replied here's the range. With Alt 8 stretching over 15 years, will be \$31,680 a year. If we did it with just the pad portion \$27,672, if we dropped Alt 8 altogether it would be \$24,876. Ms. Hartle reminded the Board that the materials costs are just going to go up higher or over time. Mr. Stevenson stated the Board will also have to talk about if bank and see if it can go out to 20 years. We could always prepay. We could reduce our debt service to as long as possible so that now we could avoid a tax increase and then later on because of the organic growth of the township or financing, or whatever we would do, we could always through money at it and pay it off sooner. Ms. Del Corso questioned what the trigger point is that we would have to raise taxes? Ms. Steele commented that this year you had \$3,000 left. Ms. Steele stated she is not going to be pessimistic but realistically we would have to come up with \$70,000, and unless some revenue stream comes in, I don't know how we'd pay for it without raising taxes. Mr. Stevenson commented that he is not saying \$70,000, but potentially \$20,000 to \$24,000. We could do it. We'd have to sharpen our pencils but we could do it budget wise. Mr. Stevenson stated that he thought there was more money saved towards this project. Ms. Steele reminded the Board they had \$245,000, but to keep in mind they had to pay \$68,000 to JMT for engineering services. Mr. Stevenson commented that helped us get the grants and we got it back in spades. So, if we are going to stick with all of them, I would like to approve it contingent upon the bank allowing us to go 20 years and us willing to do that. And it might not be that much because as you said Susan some of the stuff comes in cheaper. Ms. Steele stated she put contingencies in at 15%, they might be much lower or none needed. Ms. Steele stated she did don't know if the Board needed to make financing decisions yet. Mr. Stevenson commented that if the Board approves it, and we did it at six years as you showed it, that would definitely mean a tax increase, and he not ready to do that. Ms. Steele replied that was the worst-case scenario. Mr. Stevenson stated the cost of financing will go up but if there's no prepayment penalty that's good. Ms. Steele stated she would have to check with M&T, ask what the difference between 15 and 20 years as well as dedicated tax needed. Ms. Del Corso questioned whether this could be approved contingent upon getting this information? Ms. Steele commented that Andy needs a notice to proceed tomorrow. Mr. Stevenson stated the Board can award to HRI, but then we need a second motion to approach the bank to understand our options. The term, the rate, I don't know if it will change the dedicated tax. Ms. Del Corso commented the Board can change the motion (the one on the agenda). Direct staff to confirm. Why don't we do the first part of the motion and then have Dave come to the next meeting on how to proceed with the financing. Ms. Steele clarified that the Board is awarding to HRI, I just want to make sure I understand. You are awarding HRI. We've already approved advertising Alt 8, the fencing and pad, and you want to go ahead with that? I would suggest you wait on this until you talk to Dave or do you want to go ahead with that? Ms. Del Corso stated the Board wants to go ahead with Alt 8. Mr. Stevenson stating the Board is committing to is the project, the financing is remaining. Mr. Stevenson stated he would appreciate it being in two motions as if it's written as here (on the agenda) or he will not be able to vote on it.

- **MOTION: Ms. Hartle moved to award the Autumn Meadow Revitalization Project Base Bid through Alternate 7 to HRI, Inc. in a sum not to exceed \$662,207.25; Mr. Stevenson seconded; Vote 5-0-0; Motion Carried.**

Ms. Del Corso questioned if we need another motion for Alt. 8. Ms. Steele the Board already made a motion to approve Alt 8 to be advertised and just wanted to make sure after all the discussion the Board still wanted to go ahead with it.

Ms. Del Corso questioned if that was all we need for tonight.

Secretary

Ms. Steele stated the Board already done a funding commitment for \$820,000 to the DCNR, so I think we are fine for right now and will modify that agreement.

The Board requested Ms. Steele invite Mr. Worthing to the next meeting.

7. **INITIAL DISCUSSION ON MANAGER REPLACEMENT SEARCH PROCESS**

The Board discussed the process of the Manager search. The Board agreed there should be at least seven committee members to serve on the Manager search committee. Mr. Stevenson provided some potential committee member names. Mr. Strouse stated he thought he knew someone who may be interested. The Board requested anyone interested should email their interest to be considered with the understanding that not all interested parties will be chosen due to the limited number of committee members. Ms. Steele commented that there was a regional Manager on the 2009 search committee who helped them through the process and suggested the Board may want to use a regional Manager again. The Board questioned whether Ferguson Township Manager, Dave Pribulka, may be interested. Ms. Del Corso will reach out the interested candidates.

The Board discussed requiring the committee members to have training either by web-ex or having an HR representative come in to discuss interview do's and don'ts.

Ms. Steele suggested she felt there was a disconnect with the search committee and the Supervisors in 2009 and it is important that the Board state what their goals and interests are for a new manager to the committee. Ms. Del Corso suggested having a joint meeting with the search committee.

There was discussion on where to advertise for a manager. It was suggested to place the ad in the PA Municipal League Job Junction, PSATS, Public Administration Schools (MPA), CDT and ICMA.

Ms. Del Corso suggested using Skype as a means to do first round interviews. Ms. Hartle stated that anyone local could come do a face to face interview since they are local. The Board agreed to do first and second round interviews via Skype and then face to face interview with the three final candidates. Ms. Del Corso requested the Board review the ad from 2009 and send her any suggested changes and review again at the next meeting.

There was discussion on whether the Board wished to make the new manager a contracted employee or not. The Board decided at this time they would leave the position non-contracted and may re-visit at a later time but did not want to get bogged down with that right now. Ms. Spencer stated she wants to make sure the potential candidate is bondable. There was discussion on whether the Board wanted a manager or a township administrator. The Board decided they wanted a manager.

There was discussion on the responsibilities of the manager and Board of Supervisors. The Board reviewed Ms. Steeles suggestions regarding competitive benefits and decided they were not on the same level as surrounding regional municipalities and agreed it was not necessary. The Board was opposed to approaching any potential new Supervisors to serve on the committee. Mr. Stevenson stated the process of what is happening will be publicized and if they want to be engaged, they can in any way they want. Ms. Del Corso reminded the Board to review the ad and send any suggested changes to her for the next meeting.

8. **MANAGER REPORT**

Ms. Steele provided the unofficial election results and stated all third-party candidates have until 8/1 to file petitions.

Ms. Steele commented the public hearing for the home occupation zoning ordinance change will be held on 6/27 instead of 6/13 due to CRPC, County Planning Commission and Planning Commission review requirements.

Ms. Steele stated she invited Mr. Schneider to the 6/13 meeting to discuss property maintenance code.

Ms. Steele stated staff will be meeting 6/11 to discuss options on the public road process to present to the Board at the 7/25 meeting.

9. **NEW BUSINESS NOT ON THE AGENDA**

Secretary

Ms. Spencer questioned the status of the flag. Mr. Stevenson stated Mr. Brown erected the flag with solar lighting at the Maintenance Building which is working beautifully and will be doing the same at the Community Center but will need to secure the pole first. Mr. Stevenson explained the pole came out of the ground due to frost. Ms. Spencer stated we should purchase a bigger flag. Ms. Steele commented that we received the Capital flag but it is not up yet until the pole is fixed and lighting is in place.

Ms. Hartle stated she has some dates that she will not be in attendance of the meetings and may need the alternates to attend any COG meetings. She will not be present 6/27, 7/11 and 8/22. Ms. Spencer stated she will not be in attendance on the 8/22 meeting. Mr. Stevenson stated he will let everyone know his schedule at a later date. Ms. Hartle stated she will miss the 6/5 OSPB meeting and the 6/4 COG Facilities meeting. The Board requested staff add to the bottom of each agenda alternate members. Mr. Stevenson stated he will not be at the 6/4 UBEH COG and may have to have Bob attend the Fire Resource Committee.

10. SUPERVISORS' REPORT

Mr. Stevenson commented that he was not convinced he had all the information he needed to enforce property maintenance code and requested Ms. Steele hold off on inviting Mr. Schneider to the 6/11 meeting as there are other priorities that need to be addressed. Mr. Stevenson stated there are four priorities, manager search, Autumn Meadow Park project, zoning amendments (which includes RPD) and budgeting that the Board needs to focus on at this point.

Ms. Hartle stated she had nothing to report but did attend the Lunch & Learn at Schlow Library.

Ms. Spencer stated she attended a type of NIMS training and recommends the Board view the webinar.

Ms. Spencer commented she attended the PSE Committee meeting and UAJA is preparing a task activity report for the Act 537 special plan. Ms. Spencer commented that the following projects will be update and include the following projects: special study to establish a beneficial reuse service area; a special study to replace the Grays Woods pump stations; special study for the allocation of nitrogen and phosphorus capacity within the sewer service area; special study to consider alternatives for Phase III of the beneficial reuse project including Slab Cabin sub watershed, the upper Spring Creek sub watershed and Cedar Run sub watershed and a special study to allocate treatment plan capacity to PSU. Ms. Spencer stated the special study for the Grays Woods pump stations was authorized by the COG but was deferred by the UAJA to wait for a decision by Halfmoon Township and the possibility of being included in the comprehensive update.

Mr. Strouse commented that he did not attend any Committee meetings but would like the Board to stay in touch with priorities including stormwater management.

Ms. Del Corso reported that unit votes will be discussed at the General Forum as well as the process for forming a committee to search for Jim Steff's position prior to his retirement.

11. ADJOURNMENT

There being no further business before the board, the meeting was adjourned at 8:36 p.m.

Secretary