

East Fallowfield Township
Unapproved February 15, 2012
Budget adoption workshop minutes
5:02 PM

Call to order and pledge of allegiance.

IN ATTENDANCE: Chris Makely, Chairman; Chris Amentas, Vice Chairman (arrived 6:10 PM); Mark Toth, Member; Ed Porter, Member; Joe Pomorski, Member; Denise Miller, Township Secretary; Vince Pompo, Solicitor (excused at 7:45 PM.)

1) Budget adoption - Mr. Makely made a motion to adopt the 2012 budget as presented. Mr. Toth seconded. Buddy Rhoades asked Mr. Makely if there are minutes from last month's budget meeting. Mr. Rhoades also commented on the website. Mrs. Miller replied that minutes will be presented at the February 28, 2012 meeting. Bob King asked the Board if they know the specific changes made to the budget. Mr. Porter replied that the earned income tax was raised to \$975,000.00, the copier expense total was raised to the same level as last year, and the internet expense total was also changed. Mr. Porter also stated that there were no "cuts" in the budget. Bob King asked the Board what the 2012 deficit is. Mr. Porter replied "\$140,306.00." Bob King also asked if the motions to hire are going to affect the budget. Mr. Makely replied that the Board is hiring a professional consultant to evaluate the township office and road department, and to evaluate if a township manager is needed. Bob King also asked the Board if they are going to follow the consultant's recommendations. Mr. Makely replied that his own personal opinion is that they would be wasting money if they did not follow the expert's opinions, and he will follow this person's recommendations. Buddy Rhoades commented on the \$500.00 budgeted for the website, and the website contract. Mr. Makely stated that more of the website work will be done at the township office. Mr. Porter stated that he would like to investigate getting lower cost insurance. Sharon Scott asked the Board who prepared the budget. Mr. Makely replied that Jill Bukata started work on it before she left. Mrs. Scott also asked what account the escrow money was transferred from to cover General Fund expenses. Mr. Makely replied "Capital Projects." Mr. Porter asked Mrs. Moore if she set up the chart of accounts. Mrs. Moore replied that she did not. Sharon Scott commented on the budget and stated that there is a breach of the public trust in the East Fallowfield Board of Supervisors, elected and appointed auditors, Bill Lamb, Pompo law firm etc. Mr. Makely gavelled Mrs. Scott several times for being out of order. Mr. Porter asked Mrs. Moore the amount borrowed from the Capital Improvement Fund. Mrs. Moore replied "25,000.00 in 2011." Buddy Rhoades commented on the Liquid Fuels Fund money. Mr. Porter voted nae. Vote passed. Mr. Porter stated that he feels that this budget is not balanced and hopes to work this year on the budget.

2) Park and Recreation (P&R) grant opportunities and revision of the park rules; Brian Carling and Jan Bowers – Mr. Carling stated that ("P&R") is moving forward with the Department of Conservation and Natural Resources ("DCNR") grant due April 4, 2012. Mr. Carling also stated that they are having a problem with their contractor Spotts, Stevens & McCoy (SSM). Mr. Makely asked Mr. Carling what the problem was. Mr. Carling replied that the person they use to work with is no longer employed by SSM.

Mr. Carling also asked to have a "grant resolution" approved at the next township meeting.

Mr. Carling and Ms. Bowers asked the Board for approval to move forward with the "permitting" and "reservations" for the township park. Mr. Porter has concerns with reserving parts of the park where residents would not be able to enjoy the park at certain times. Mr. Porter asked Mr. Pompo how the township would decide what groups would be able to reserve the pavilion. Mr. Pompo replied that there is a law where you may give preference to residents and you may not exclude non-residents, particularly if the grant funds were received from Chester County or ("DCNR.") Mr. Pompo also stated that the township could

require that a group be sponsored by a township resident. He also added that you cannot examine the purposes or the philosophy of a group. Mr. Toth and Mr. Pomorski are in favor of "reservations" for the park. At this time, Mr. Porter and Mr. Makely are not in favor of "reservations." After further Board discussion Mrs. Miller was directed to put this discussion on the next township meeting agenda.

3) Rouse Chamberlin/Longview – Jonathan Penders, from Rouse Chamberlin (as Federal Court appointed receiver for Deluca Enterprises since May 2010) introduced Fei Xue as representative of Longview. Mr. Penders stated that Deluca Enterprises is the developer and owner of the Fieldstone Village project. Mr. Penders informed the Board that they entered into a sale contract with Longview/Fieldstone LP. Ms. Xue stated that Longview is buying the Fieldstone property and will hold onto it for a couple of years until the market gets better. Ms. Xue also stated that there is an outstanding 1.4 million dollar site performance bond issued by Travelers Group. Travelers Group is agreeable to keeping the 1.4 million dollar bond outstanding as long as the township does not call on the bond while Longview holds the property. Ms. Xue asked the Board to also not call the performance bond. Longview will do the "up keep" maintenance to the Fieldstone property. Mr. Makely asked Mr. Pompo what assurance the Board would have that Longview will do the maintenance of the property. Mr. Pompo replied that at the present time the township has the performance bond. Mr. Makely stated "A large part of how the township moves forward is going to be how the stormwater issue is handled." Mr. Penders replied that Longview's buyer will enter into a traditional development agreement and post a security. Mr. Penders also stated that he believes that Longview does bring some things to the table to help them in terms of the stormwater issue. Mr. Penders asked Ms. Xue if Longview is prepared to proceed with the transaction. Ms. Xue replied that they would be, if they can clarify the bonding issue.

Ms. Xue stated that conditional use predominantly specifies "side entry" garages, unless the lot width does not accommodate a "side entry" garage. Longview would like to market the homes to whatever the market dictates or what the homeowner wants. Mr. Makely stated that they cannot make the lots smaller. Ms. Xue replied it will remain at 77 lots.

Mr. Penders stated that the stormwater issue happened because the temporary trap was removed in order to allow the installation of the pump station. He also explained that instead of moving ahead and installing the subsurface system, a decision was made to place a piece of wood over the end of the pipe and not install the subsurface needed to detain the stormwater of this section of the project. Mr. Penders also stated that it would cost \$45,000.00 to fix the stormwater problem and requested the board to release that money either by agreeing to release \$45,000.00 of the approximate \$90,000.00 escrow money or getting the "deposit" money from Longview. Mr. Makely asked Mr. Pompo what is the repercussion from taking \$45,000.00 from the \$100,000.00. Mr. Pompo recommended using the money for the purpose as it was intended for, to secure the township from its normal inspection legal surveillance expense as the project is developed. Mr. Makely asked Mr. Pompo if you can take the money from the 1.4 million dollars. Mr. Pompo replied that the Board would have to hold the developer in default, which would essentially be the receiver, and then call the bond. Mr. Pompo also stated that because of the receivership, this could cause some legal hurdles. Mr. Makely asked Mr. Pompo if the Board has a liability to make sure this issue is fixed. Mr. Pompo replied "yes." Mr. Pompo informed the Board that there are three alternatives on the table: call the bond, take it out of the cash escrow, or enable the transaction with Longview to move forward and essentially have a mechanism for the receiver to fund it. Mr. Amentas stated that he liked the idea of Longview taking over control of the property and then paying for the repairs. Mr. Penders replied that if the township board would arrive at an acceptable agreement in terms of this overall development agreement bond structure to allow them to become the buyer, then they will have their deposit released to the receiver. Mr. Penders also stated that if he could get the funds from Longview then he can go ahead and do the work. If Longview does the construction it would take months. Mr. Pompo asked Mr. Penders if it would be helpful to present the Board with a schedule. Mr. Penders replied that he would have to speak with Ms. Xue. Ms. Xue stated that Longview is comfortable with releasing the money if they have a written agreement with the township on the discussed issues.

Mr. Amentas asked Ms. Xue the type of agreement that she would need. Ms. Xue replied that she will have to have their attorney do the language, but it would essentially read that Longview does the maintenance and that the township will not call the bond. Mr. Amentas asked Mr. Penders under who's authority would he be able to use Longview's deposit to do the work. Mr. Penders replied "Longview." Mr. Amentas asked Mr. Penders what would happen if the purchase falls through. Mr. Penders replied that they are in default if they do not perform under their sale contract, and their money is forfeited. Mr. Pompo asked the Board if they want to authorize him, in conjunction with Chris Della Penna, to draft a letter. The Board directed Mrs. Miller to put this on the March agenda.

4) Fire Consolidation update with Tony Sirna – Mr. Sirna informed the Board that the fire department consolidation is in the process of consolidating their organization and dissolving the individual 501's. By September the Pomeroy, Parkesburg, and Atglen Fire Companies will become one. If East Fallowfield joins the consolidation and continues going to the meetings they will have a voting position on the management structure of the fire company going forward. There will also be an additional \$1,400.00 to \$1,700.00 that will be paid to the consolidated group. Mr. Sirna also informed the Board that Modena and Westwood have declined to join, and Sadsbury Township is considering joining the group. Jack Assetto, Atglen Fire Company, informed the Board that the extra money is for the township's share of legal work. Increases in the future years will be normal increases.

5. Ridgecrest Development ("Ridgecrest") plan revision - Resolution 2012-05 – Mr. MacCombie, sewer consultant, presented the Board with a "point by point" letter of the "Moser" resolution. The resolution derives from the fact that "Ridgecrest" had a bonafide pump station on Wakefield Drive which would go into a gravity system ultimately flowing into Harkins Farm Development. Dennis Satnick, in conjunction with Mendenhall/Stancato was supposed to build one cingular pump station. Out of their dispute derived two pump stations. Mendenhall proceeded forward, and Harkins Farm did not, which left Ridgecrest nowhere to take their flow. The Coatesville treatment plant was still upgrading the 3.85 million gallons per day. The Department of Environmental Protection limited the amount of connections in "Ridgecrest" to 1/3 of what was proposed to develop. Approximately two years ago, the treatment plant was upgraded to 7 million gallons per day. Since Harkins Farm was not available, "Ridgecrest" chose to modify their plan and took an easterly side cul-de-sac out of their drawings, reconfigured their subdivision, and then submitted them to the Board. Mr. Porter asked Mr. MacCombie if he foresees no future problems with the gravity systems. Mr. MacCombie replied the he prefers a gravity line as long as it is sized appropriately. Mr. Porter stated that he has concerns with the resolution stating that "there is no benefit to the township." Mr. Moser replied that the Department of Environmental Protection ("DEP") wants to know that what they are doing is not hurting the residents. Mr. MacCombie stated that the "DEP" is asking for paperwork that shows the modification of the already approved planning module. Mr. Makely asked Mr. MacCombie the length of the pipe from the residence to the pump station. Mr. MacCombie replied "approximately 3,800 feet." Mr. MacCombie also stated that the township will be responsible for the maintenance, and will have to enact an operation of the maintenance, or sub out the maintenance. Mr. Pompo stated that Mr. Makely's question is "how much is the developer saving?". Mr. MacCombie replied that he does not know. Mr. Makely asked Mr. Moser how much is he saving. Mr. Moser replied "What does that have to do with the resolution." Mr. Makely stated that he is asking a question on behalf of the township residents. Mr. Moser replied that he re-designed a subdivision to give additional open space, and redesigned the sewer line at an additional expense, so they are not saving anything. Mr. Makely asked Mr. Moser if it would cost him if he was directed to put in two pump stations. Mr. Moser replied "No, because the way the plan is designed now, you could not put in a pump station." Mr. Porter asked Mr. MacCombie where the pipe is in reference to South Caln Road. Mr. Moser replied that it will come off of the "Ridgecrest" property, down along the east side of the property, to the tree farm and across the street and down the tree farm property. Mr. Porter asked Mr. Moser the length of time of the road closure for the road work. Mr. Moser replied "a few days." Mr. MacCombie stated that one lane should be opened for traffic. Mr. Amentas made a motion to approve Resolution 2012-05 for resolution of the Ridgecrest plan; revision dated May 10, 2011 and revised on August 9, 2011 as per Jamie's review letter dated February 13, 2012. Mr. Toth seconded. Bob King asked if the resolution would have an attachment and if Mr. Moser's bank agreed to release the \$13,000.00 owed to the township for the

West Chester Road project. Mr. Makely asked Attorney, Mr. Joseph Ryan to respond. Mr. Ryan replied that they have been speaking with Mr. Dewey regarding who is responsible for that money under their agreement of sale. Mr. Moser stated that the money Mr. Ryan is talking about is the \$40,000.00 that was put into his escrow account. The \$13,000.00 is a different issue that involves Dewey Homes and Northwood Development. Mr. Moser also stated that his bank said they would not release the money early. Mr. Makely stated Mr. King is bringing up a good point by stating that the Board is asked to sign a resolution to help the developer.

Mr. Moser replied that this is two different companies and two different investors, and just because he is at the meeting tonight and partners with other companies does not mean they are the same company. Mr. Moser stated that it sounds like the Board thinks that they are asking them to do them a great favor and sign the resolution to get rid of two pump stations. Mr. Moser also stated that the Board approved a plan that doesn't have pump stations on it. The Department of Environmental Protection ("DEP") wants to see that the township approved this plan and determined that getting rid of the pump stations is not detrimental to the township residents, and authorizes "DEP" to review the planning module. Buddy Rhoades talked about the concessions already given to Mr. Moser and that there are three residents downhill on South Caln Road that will require a pump system. Mr. Porter asked Mr. MacCombie "On Mr. Rhoades's point, are we talking about the homes from South Bailey Road to South Caln Road on the North Side of West Chester Road." Mr. MacCombie replied "From South Caln Road up to Brinton Station." Mr. Porter asked Mr. MacCombie if the pump station would serve down to South Bailey Road. Mr. MacCombie replied that the pump station that was proposed was inside their development and not servicing outside of their development. Sharon Scott asked about the additional open space. Mr. Makely guessed it to be about the size of two pump stations, about 100 square feet each. Mr. Moser stated that all together it is a few acres with the upper cul-de-sac, additional open space, a group of trails, and a grass field. Mr. Makely called for a vote. Mr. Porter abstained. Vote passed.

6. Budget meeting minutes – Mr. Amentas asked Mr. Pompo if there would be a problem if a budget meeting was not recorded or minutes were not taken. Mr. Pompo replied that there is not a requirement to record meetings, but you have to take minutes. Buddy Rhoades stated that he made suggestions and recommendations for the 2012 budget and he has the right to have them noted in the minutes. Mr. Pompo replied that the only thing that is required to be in the minutes is the official action taken by the Board such as motions, seconds, voting outcome, and general public comment. Mr. Porter asked Mr. Pompo what position the township was in if no one was taking notes, and therefore not getting the residents comments recorded. Mr. Pompo asked the Board what was "officially" done. Mr. Porter replied that they voted to accept the budget. Mr. Pompo restated that the minutes do not have to include everything that residents say. Mr. Pompo also stated that minutes are about the recording of official action of the Board, and to indicate who made public comment, it is not a transcript where you have to include what the public says. Conrad DeAbreu commented on the contents of minutes.

7) Clean Air Act – Title V Air Operating Permit No. 15-00010 – Mr. Toth presented the Clean Act to the Board. Mr. Makely asked the status of the land fill on Doe Run Road. Mr. Pompo replied that he doesn't think that is specific to the land fill and more general to the plant.

8) Dave Fiorenza (Part time consultant) – Mr. Makely made a motion to hire Dave Fiorenza as a part time consultant for \$75.00 per hour, up to twenty hours work per week, not to exceed ninety days. Mr. Pomorski stated that the fee should be \$65.00 per hour. Mr. Makely amended his motion to \$65.00 per hour or not to exceed a ninety day period. Mr. Makely again amended his motion to hire Dave Fiorenza as a part time consultant at \$65.00 up to twenty hours per week and up to ninety days. Mr. Toth seconded. Buddy Rhoades asked if the fee for Mr. Fiorenza is in the budget. Sharon Scott commented on the hiring of Dave Fiorenza. Ms. Scott also stated that she objected to the motion. Bob King commented on Mr. Fiorenza's job guidelines. Mr. Makely replied that the Board is working on them, and also that Mr. Fiorenza has not accepted the position yet. Mr. Porter asked if Mr. Fiorenza was invited to the meeting. Mr. Makely replied that he was not sure if Mr. Fiorenza was invited.

Mr. Makely also stated that Mr. Fiorenza will be evaluating the road department and the township office. Mr. Porter asked "what account will Mr. Fiorenza's \$18,000.00 come from?". Mr. Makely replied "the township manager money." Treasurer Rosemary Moore replied that a specific account will be created for his payments. Mr. Porter is concerned that Mr. Fiorenza was not told what the township expects from him. Mr. Amentas replied that he and Mr. Pomorski had a meeting with Mr. Fiorenza and discussed what his job duties would be. Dennis Crook asked what makes Mr. Fiorenza qualified to do the required duties. Mr. Makely replied "his extensive resume." Siti Crook asked for a report when Mr. Fiorenza has completed his job. Mr. Makely replied that Mr. Fiorenza will submit a letter of his recommendations to the Board. Buddy Rhoades stated that Mr. Fiorenza's company is bonded. Mr. Makely called for a vote. Vote: Unanimous.

8) Hiring of township treasurer/office administrator – Mr. Makely made a motion to promote Rosemary Moore to full time treasurer/office administrator at the salary of \$50,000.00 per year. Mr. Toth seconded. Mr. Makely stated that Mrs. Moore is declining health benefits and her \$50,000.00 salary will include all overtime. Mr. Amentas stated that the Board will present Mrs. Moore with an "offer letter." Mr. Porter asked Mrs. Moore what chart of account number the "bookkeeper" is paid out of. Mrs. Moore replied that she and Barbara Henry are paid out of #1401.30. Mr. Porter asked Rosemary Moore to "lock down" the phone calls to the legal office. Vote: Unanimous.

9) 2010 audit completion – Mr. Makely made a motion to hire Jill Bukata to perform work required to complete the 2010 audit for twenty to twenty five hours at a rate of \$75.00 per hour. Mr. Toth seconded. Sharon Scott asked the Board how Jill Bukata can complete the audit when the auditor is going to audit her work. Mr. Makely replied that the current auditor recommended Mrs. Bukata to complete the audit. Mrs. Amentas stated that Mrs. Bukata is not completing the audit, she is completing the work that is necessary for the auditors to complete the 2010 audit, such as taking the adjustments from the prior auditor reports and incorporating them into the books, and the 2010 Management Discussion and Analysis ("MD & A"). Mrs. Scott also objected to the motion and commented on the township escrow accounts. Buddy Rhoades asked the Board if the auditor is going to check Mrs. Bukata's work. Mr. Makely replied "yes." Mr. Porter recommended a "not to exceed" amount. Mr. Makely stated that Mrs. Bukata said that she could perform the work in two days. Mr. Makely amended his motion to hire Jill Bukata to perform work required to complete the 2010 audit for twenty five to thirty five hours, not to exceed thirty five hours at the rate of \$75.00 per hour and to be completed within thirty days. Mr. Toth seconded. Mr. Porter abstained. Vote passed.

9) Fairview Design, LLC \$80.00 contract – Mr. Toth asked the Board what the consequences would be if they did not approve this contract. Mrs. Moore replied that if Barbara Henry would have a question, she could not call Sue Haldeman of Fairview Design. Mr. Makely directed Mrs. Moore, as office administrator, to call Sue Haldeman and get Barbara Henry website training. Mrs. Moore replied that Ms. Henry has already been trained. Mr. Makely directed Mrs. Moore to find out what has to be done in order for Ms. Henry to not need Sue Haldeman's assistance. Mr. Porter stated that "eastfallowfield.org" is registered to Fairview Design. Mrs. Moore stated that Ms. Henry has 90% capability to perform work on the website. Mr. Makely made a motion to approve the 2012 Fairview Design, LLC contract at a rate of \$80.00 per hour. Mr. Amentas seconded. Mr. Porter stated that there is only \$500.00 budgeted for the website. Conrad DeAbreu stated that the 2007 Fairview Design contract was signed by only one supervisor. Mrs. Miller stated to the Board that all the contracts for Fairview Design are attached to the 2012 contract and they are signed. Mr. Makely asked Mrs. Miller how many supervisors have signed the contract. Mrs. Miller replied "three". Siti Crook made several comments on the website server. Vote: Unanimous.

10) Resolution 2012-04 – Mr. Makely made a motion to approve Resolution 2012-04 authorizing First Niagara Bank to add Edward Porter and Joseph H. Pomorski as check signers for all township funds. Mr. Amentas seconded. Mr. Porter and Mr. Pomorski both abstained. Vote passed.

11) FIOS contract – Mr. Makely made a motion to approve the installation of FIOS internet service at the police department and the township office at an installation charge of \$99.00 for each location. Mr. Toth stated that he was able to get an

installation charge of \$99.00 for both offices. Mr. Makely amended his motion to approve the installation of FIOS internet service at the police department and the township office at an installation charge of \$99.00 for both locations. Mr. Toth seconded. Vote: Unanimous. Bob. King commented on the cost of FIOS versus Comcast. Siti Crook commented on the motion.

Mr. Amentas excused himself from the meeting at 8:20 PM.

Mr. Makely made a motion to adjourn at 8:20 PM. Mr. Amentas seconded. Vote: Unanimous.

Respectfully submitted,

Denise Miller, Township Secretary