

EAST FALLOWFIELD TOWNSHIP  
BOARD OF SUPERVISORS MEETING  
September 27, 2016 Approved minutes  
6:30 PM

**Members Present**

Steve Herzog, Chairman  
Ed Porter, Vice Chairman  
Carol Kulp, Member  
Wilson Lambert, Member

**Township Staff Present**

Lisa Valaitis, Township Secretary  
Pani Martin, Township Treasurer

**Township Solicitor**

Mike Crotty

1. CALL TO ORDER, SILENT MEDITATION AND PLEDGE OF ALLEGIANCE.

Chairman Steve Herzog called the meeting to order at 6:30 pm.

2. DISCUSSION

A. RULES OF CONDUCT

Steve Herzog stated the Rules of Conduct are posted in the back of the room.

B. APPROVAL OF MINUTES

1) August 9, 2016 Board of Supervisors Special meeting minutes.

MOTION: Steve Herzog made a motion to approve the August 9, 2016 Board of Supervisors Special meeting minutes as presented. Ed Porter seconded.

VOTE: 4-0

2) August 23, 2016 Board of Supervisors meeting minutes.

MOTION: Steve Herzog made a motion to approve the August 23, 2016 Board of Supervisors meeting minutes as presented. Ed Porter seconded.

VOTE: 4-0

C. UNFINISHED BUSINESS

1) Manchester Farms Update – Eric Schrock.

Mike Crotty stated that Eric Schrock could not make it to the meeting. Mr. Crotty reported they are wrapping up the punch list items. The paving and landscaping are complete. Eric Schrock will have a wrap up meeting with the HOA and then Chris Della Penna (Township Engineer). The roads will soon be able to be offered for dedication. Mike Crotty said this could be wrapped up this year. Ed Porter asked Mike Crotty about the status on the stormwater basin. Mike Crotty stated Chris Della Penna has been included in the loop. Some of the basin areas need cleanout. The Board discussed inviting Chris Della Penna to a Board of Supervisors meeting.

D. LEGAL ISSUES

1) Supervisor Nash Vacancy.

Mike Crotty reported that Supervisor Tom Nash turned in his resignation. Mr. Crotty explained that because Tom Nash was appointed as Supervisor and took the oath of office, the 30-day clock starts fresh. There is no requirement that the Board hold all new interviews. Lisa Valaitis reported there were no new applicants.

MOTION: Carol Kulp moved to appoint Randy Doan to fill the Supervisor position made vacant by Thomas Nash, to expire January 8, 2018. Wilson Lambert seconded.

QUESTIONS AND COMMENTS:

- a. Sharon Scott asked if the Board voted to accept Thomas Nash's resignation. Mike Crotty stated that is not legally required and his resignation was effective when received. Mrs. Scott said she did not approve of Randy Doan because he has not been involved in the Township. She requested the Board wait 30 days and accept additional applications.
- b. Buddy Rhoades said the Board has a difficult decision to make. Mr. Rhoades spoke on behalf of Randy Doan and his community involvement. He commented that Mr. Doan's entire family has been involved in the community. He said Randy Doan is very knowledgeable about the Township.
- c. Erwin Zeller said he supports the appointment of Randy Doan.
- d. Ed Porter asked if we posted Mr. Nash's resignation and Supervisor vacancy on the website and Facebook. Pani Martin stated this was posted on both the website and Facebook.

VOTE: 4-0

- 2) Bawa M. Conditional Use Hearing: Hearing Date set for October 10, 2016 at 6:00 pm.

Mike Crotty reported the Bawa Muhaiyaddeen Conditional Use hearing has been set for October 10, 2016 at 6:00 pm.

- 3) Temporary Assistant Treasurer/Assistant Office Manager – Position Advertised.

Mike Crotty reported the Township assistant treasurer/assistant office manager position has been advertised and the Board is still accepting applications.

- 4) Holland Land Development Application: Notice that the application has been filed. MPC Review Period: 12/11/2016.

The Holland Day Care Land Development Application has been filed. The application will be before the Planning Commission at their next meeting. The review period will run to December 11, 2016. Mike Crotty stated that once the Planning Commission reviews the application, it might be beneficial to have Chris Della Penna come to a Board of Supervisors meeting.

E. PLANNING COMMISSION

- 1) Planning Commission Report.

Dennis Crook reported there was no quorum at the last Planning Commission meeting.

- 2) Request for Approval for October Master Planner Course – Part 1.

Dennis Crook reported there are 20 people interested in the Master Planner Course. The course will be held at the Chester County Emergency Service Training Center. The facility use fee is \$375. The cost for the three-session course would be \$1,650. There would be an additional charge of \$250 for food. Pani Martin stated the Planning Commission has a budget of \$3,000 and has spent \$36 so far this year.

MOTION: Steve Herzog made a motion to approve the Planning Commission spending up to \$2,275 to host the Master Planner Course Part 1. Ed Porter seconded.

## QUESTIONS AND COMMENTS:

- a. Sharon Scott asked what the cost was for anyone not in the Township. Steve Herzog stated the cost is \$150. Mr. Herzog explained that there is a flat rate of \$1,650 for up to 11-15 people. Building cost is \$375. Food is \$250. These three costs total the \$2,275 in the motion. Anyone from outside the Township will pay \$150.
- b. Ed Porter asked what Part 1 of the course is. Dennis Crook stated Part 1 is Community Planning. Dennis Crook spoke about the various parts to the Master Planner Courses.
- c. Wilson Lambert asked Mike Crotty if he should abstain on the vote because he is attending the course. Mike Crotty replied Mr. Lambert does not have to abstain.

VOTE: 4-0

### 3) Planning Commission Applicants.

Dennis Crook reported the Planning Commission has two applicants. They will interview them at the next Planning Commission meeting and then bring their recommendation to the Board. There are currently four Planning Commission members.

Pani Martin asked Mike Crotty to explain the procedure for appointing an audit firm. Mike Crotty spoke about The Second Class Township Code requirements for appointing an audit firm. Intent to appoint an auditing firm must be advertised at least 30 days before the appointment. An auditing firm must be appointed on or after the Re-organizational meeting. An auditing firm must be appointed by resolution. Pani Martin stated she has proposals from Barbara Kane Thornton and Mingis, Gutowski & Company, LLP (current firm).

The Board dismissed the Township Solicitor, Mike Crotty, from the meeting at 6:56 pm.

## F. POLICE DEPARTMENT

- 1) August Police Report submitted for Board and resident review.

## G. PUBLIC WORKS DEPARTMENT

- 1) August Road Department Report submitted for Board and resident review.

- 2) Covered Bridge Update – Frog Hollow Road.

Tag Gathercole reported the bridge would be complete October 21, 2016. He spoke about weight and height limits for the bridge. No tractor-trailers will be permitted. The Board approved 14 tons as the weight limit. Tag Gathercole will call PennDOT to get signs. PennDOT will be giving the Township unused stone in exchange for helping them pull out the stone.

- 3) Seal Coating of East Fallowfield Township Park Parking Lot.

Tag Gathercole spoke about the quote for seal coating of the park parking lot. Steve Herzog requested Tag Gathercole obtain additional quotes. They discussed having the work done in spring 2017.

- 4) 904 Performance Grant.

Tag Gathercole reported the 904 Performance Grant was complete. The tonnage was 627 tons of recycling which is 12 more tons than the previous year. East Fallowfield Township is doing a great job recycling. Mr. Gathercole stated residents are cleaning up their yards because they have the compost site to bring brush to. He reported 104 loads of brush went to the compost site last weekend. Ninety-five percent was from East Fallowfield Township. The grant is usually \$4 per ton and will probably be approximately \$5,000 this year.

5) Fairview Road, South Caln Road and Goosetown Road.

Tag Gathercole reported the work on Fairview Road, South Caln Road and Goosetown Road is complete. Long's Asphalt did a great job and completed the work in two days.

6) Grass Mowing.

Ed Porter asked Tag Gathercole where in the budget he is accounting for grass mowing other than the Township roads. Tag Gathercole said he is accounting for some of it in parks. There was a discussion about how Tag Gathercole determines in which account he includes mowing costs.

H. FIRE DEPARTMENTS

- 1) East Fallowfield Township Department of Emergency Services – Emergency Services Report submitted for Board and resident review.
- 2) August Modena Fire Company Fire Chief's Report submitted for Board and resident review.
- 3) August Modena Fire Company Fire Chief's Report – East Fallowfield Calls Only – submitted for Board and resident review.
- 4) August Modena Fire Company Fire EMS Report submitted for Board and resident review.
- 5) August Westwood Fire Company Fire Chief's Report submitted for Board and resident review.
- 6) August Westwood Fire Company EMS Report submitted for Board and resident review.

I. PARK & RECREATION COMMITTEE

- 1) September 6, 2016 Park & Recreation Committee meeting minutes submitted for Board and resident review.
- 2) September 20, 2016 Park & Recreation Committee meeting minutes submitted for Board and resident review.

J. HISTORICAL COMMISSION

- 1) No Report Submitted.
- 2) Historical Commission Update.

Buddy Rhoades presented a brief update on the Historical Commission. He stated there is a vacancy on the Historical Commission due to the death of a commission member. There was no quorum at the last meeting. He also spoke about the covered bridge under construction on Frog Hollow Road. Mr. Rhoades discussed the weight limit of the bridge. He said weight limits need to be enforced to be effective. Ed Porter asked if the Township received funds because of the bridge being damaged by a truck driver. Chief Porter stated the citation was \$14,000.

K. TREASURER'S REPORT

- 1) The August 31, 2016 Treasurer's Report submitted for Board and resident review.

MOTION: Steve Herzog made a motion to approve the August 31, 2016 Treasurer's Report as presented. Ed Porter seconded.

QUESTIONS AND COMMENTS:

- a. Ed Porter asked Ms. Martin how the Township is doing financially. Pani Martin said the Township is on track.

VOTE: 4-0

2) August 2016 Payment Authorizations.

MOTION: Steve Herzog made a motion to approve the August 2016 payment authorizations for 110 checks in the aggregate amount of \$369,078.63 for the period of August 24, 2016 through September 27, 2016. Ed Porter seconded.

VOTE: 4-0

3) Other Township Business.

a. 2017 Minimum Municipal Obligation (MMO) for the East Fallowfield Township – Police Pension Plan and Non-Uniform Pension Plan.

Pani Martin stated the 2017 Police MMO is estimated to be \$89,482. This is the standard legal notice that PMRS requires to make sure the Board is fully aware of the pension obligation for the following year.

b. Audit Company Proposals Discussion.

Pani Martin spoke about two audit firm proposals. Mingis Gutowski & Company, LLC, who has been our auditor since 2010, submitted 1-year, 3-year, and 5-year pricing proposals. Ed Porter asked if there is a price increase. Pani Martin stated that Barbara Kane Thornton came in \$500 less per year than Mingus Gutowski. Ed Porter asked what municipalities use Barbara Kane Thornton. Pani Martin stated she would get that information to the Board. Ms. Martin said that Barbara Kane Thornton offered to do a Board presentation. The Board said they would like the presentation at the next Board of Supervisors workshop.

c. First Niagara Changing to Key Bank.

Pani Martin reported First Niagara Bank, which the majority of our accounts are with, is changing to Key Bank. She said we have to change routing numbers, checks, and ACH deposits. If the Board would like to change banks, now is the time to do this.

d. East Fallowfield Park Day – October 8, 2016.

Pani Martin reminded the Board that Park Day is on Saturday, October 8, 2016 from 10:00 am to 4:00 pm. This is a rain or shine event. We are still looking for people to help at the event. Steve Herzog volunteered to speak at the opening of the event. Ms. Martin stated she has a Park Day sign for each of the Board members' lawns.

e. New Business.

- i. Park & Recreation Survey - Pani Martin reported that the Park & Recreation Committee created a survey about people's interest in the park through Survey Monkey. She asked if the Board wanted to review the survey. The Board said they would like to review the survey.
- ii. Verizon Update – Pani Martin gave an update on savings she accomplished with the Verizon bills. She had \$186 in paper fees waived.
- iii. Mutual of Omaha - Pani Martin reported Mutual of Omaha sent a bill with a 15% increase in rates. She called them because she received no notice regarding the update. Ms. Martin stated we have a broker but she has never been contacted by the broker. Mutual of Omaha verbally said they would undo the increase and freeze our rates at this years' rates. There was a discussion about whether or not to continue with the broker. Ed Porter said that speaking to the broker might be beneficial because the broker could potentially negotiate lower rates.

#### L. NEW BUSINESS

- 1) Recording Public Meetings – Ed Porter suggested the Township record the meetings and post them online. This would enable the secretary to complete less detailed minutes. Residents who wanted more detail could request a copy of the recording or watch the video online. The Board will look into the cost of the video equipment.
- 2) Record Retention – Ed Porter discussed going through one box in storage a month to determine what documents need to be retained. Pani Martin stated she is taking a record retention and disaster-planning course through PSAB this Thursday.

#### M. PUBLIC PARTICIPATION

- 1) Erwin Zeller discussed video recordings that have been posted online. Steve Herzog said that those recordings are not official Township recordings. Mr. Zeller suggested putting signs out about needing volunteers to help with Park Day. He asked where the offset is for the MMO calculations. Pani Martin stated this is State Supplemental Pension funds. The taxpayers do not pay for this because funds come in to offset it. He said he is concerned because the Police Department is 42% of the total 2017 Township budget.
- 2) Buddy Rhoades discussed a property on Route 82 on which there are tires filled with water. The water is attracting mosquitoes. He stated he has been bringing this up at meetings for five months. Steve Herzog stated he did discuss the tires with the Zoning Officer and follow up with him on the status of the tires. Mr. Rhoades also spoke about mowing and township lines. He requested the Board have a survey of the Township boundary lines conducted. Mr. Rhoades stated we should not be mowing grass that is not Township property.
- 3) Dennis Crook read the definition of the job of a township supervisor as stated in the Municipalities Planning Code (MPC) Section 607. Dennis Crook spoke about the escrow account deficiencies mentioned in an audit report at a previous meeting. He requested the auditors monetize what the negative \$752,000 receivable is. . He stated he looked up some of the recent escrow amounts. As of January 31, 2011, the escrow balance was positive \$687,244.85. The escrow account went from positive \$687,244.85 to negative \$752,000 in a few years. Pani Martin stated we started looking into it with both Tom Josiah and Diane Patton. Neither is willing to estimate the number of hours it would take to research. Pani Martin discussed options for handling this issue. Ed Porter stated most of it is prior to 2010. Steve Herzog stated the auditor feels it is the result of bad bookkeeping and is not actually a negative receivable. Ed Porter discussed auditor and third party treasurer/consultant accountability.
- 4) Sharon Scott stated she addressed the \$752,000 and the escrow accounts at many meetings. She stated when prior treasurers resigned, The Second Class Township Code calls for an audit. Ed Porter stated the Solicitor previously stated there is no longer a mandatory requirement to have an audit when a treasurer resigns. Ed Porter will ask Mike Crotty to reconfirm that having an audit done when a treasurer resigns is optional.
- 5) Siti Crook stated she went back and reviewed prior financial statements that she kept. She said, at the end of 2010, we had \$600,000+ in the escrow account. In January 2011, the escrow account balance went down to \$2,000-\$3,000. There should be check disbursements between December 30, 2010 and January 31, 2011 that explain the decrease in the account. She said we are still at a positive number in May 2011. She said the Township used the same auditing firm back then that we have now. How could that accounting firm make an adjustment down to a negative \$700,000 and not be able to explain it? Ms. Crook that said a few years ago, the Board moved to save money by eliminating certain reporting that was not mandated by The Second Class Township Code. Ms. Crook stated this change might have caused the explanations to go away. She stated this accounting firm made the adjustment and should be able to explain the adjustment.
- 6) Buddy Rhoades stated you should check with the Elected Auditors as well in researching the escrow account issue. Mr. Rhoades stated the office must be on the ball with developers. The Township and auditors have insurance and the Township can find them at fault. He suggested the Board look at these options.
- 7) Ed Porter requested there be a sign-up sheet at the Township table for Park Day to recruit for open positions on the various commissions.

3. ADJOURNMENT

MOTION: Steve Herzog made a motion to adjourn the Board of Supervisors meeting at 7:51 pm. Ed Porter seconded. VOTE: 4-0

Respectfully Submitted,

Lisa Valaitis,  
Township Secretary