

BUDGET MEETING #1 MINUTES

September 28, 2016

The board opened the meeting with Kevin welcoming our new Supervisor, Eric Stonesifer.

A Conditional Use Hearing was set for Greg Spaulding at 81 Coffeetown Road at 6:30 PM before the next Board of Supervisors meeting on 10/12/16.

The board then appointed David Buckwash to the Zoning Hearing Board vacancy created by Eric Stonesifer being appointed to the Board of Supervisors. Dave Sprigg made the motion and Naomi Decker seconded the motion. The motion passed. Kevin let David know to contact Nancy and Mike reminded him to get the payroll paperwork.

It was also noted the potholes on Clear Springs Road had been fixed and the lines had been painted.

The Board of Supervisors first met with Mr. William Hill. Discussion was held on the Century Lane Bridge. Mr. Hill presented a device that is being used in place of rip-rap (which is used most frequently). This device was not brought up early in the process because it is usually too expensive and it is rarely used. The piece in the specification is a 4' x 4' anchoring device that cost \$225 each; the project needs five. These components were ordered two days ago. Mr. Hill thought the part that the Supervisors didn't understand was that in lieu of the rip rap, this particular device requires that the downstream from the outfall is at a perfectly graded level to be installed. There is grading involved and anchors that have to be put in. This is the only thing the firm could come up with that could be used. This added \$2,830 to the installed cost but it is still \$830 under the next bid price. It is a successful process: the testing results are in the brochure and the state manual as an accepted method. Mr. Hill said if the township wanted to do it themselves, the contractor would sell them to the township but the grading, etc. would still be needed. Mike asked how they were going to be installed/what sequence and if they were in the right-of-way. Mr. Hill said they would be placed where the rip rap would have been placed.

The BOS met with the homeowner before the bid went out and he did not want stone as he had problems since the new bridge was put in on Clear Springs Road; Fred also stated it was no problem to change it to grass. Mike said when we started the project, Fred understood what the problem was and we all wanted to make a fix that the homeowner and the township could live with.

Mr. Hill said he was at the 6/8 meeting and the minutes reflect discussion that it could be changed by addendum. If they would have issued to ten plan holders, etc., it would have been at least a full day's work for one of the engineers. Mr. Hill said Fred may have had some error here and there would have been a cost of \$800-\$900 to issue the addendum. Instead, the contractor worked it out. Mike stated this was done before the bid went out. The addendum didn't come out until after the bid went out. Mr. Hill stated an addendum is a change order. Mike said it isn't a change order until after the bid goes out and if it's not on the print and is added after the print, it's a change order. Mike said this was added before it went out and said this is not a township error. The bid was put out on June 1.

Mr. Hill stated Fred's position was that he was told in the spring that any directive has to be a board decision. Fred asked for a motion and Mr. Hill said he doesn't think there was ever a motion made to do this. Fred's position was that if one person requested this, are we going to respond to it?

Mr. Hill said if this would have been in the bid by design from the beginning, the cost would have been the same. Mike said the cost is an issue because if the project up the road would have been properly done we wouldn't have had to do this project. Mike stated it's not only an issue for the board but also the taxpayer. Fred showed them the project and as it was bid; grass was no problem. Dave added that Fred said "we can make that change, that's no problem". Mr. Hill stated Fred said he never got the authorization.

Kevin said what the board is trying to resolve is the process. Any changes in bid prices have to be accounted for to the citizens of the township. Fred was under the impression that it could be done with grass and a regular roll out mat. The township is taking Fred at his expertise. When the BOS went to the pre-construction meeting, everyone knew that the grass/mat was part of the bid. According to Fred, Fred/the storm water engineer didn't come up with this till 4-5 weeks ago. Fred and the contractor realized that the grass wasn't going to work because of the velocity, etc. The BOS is trying to work with the firm on bringing light to the process that occurred and how to correct it for the future.

Kevin expressed his concern was not so much the amount but getting an explanation how he can explain to the taxpayer as to why it's coming in over bid cost. Kevin said he thought Fred was misled on the project that the grass would work. Kevin expressed concern that there is going to be a big emphasis on storm water management in the future and he would like to see a representative to the township that is more knowledgeable on storm water management issues. Mr. Hill said his storm water management guy is just so busy because he is in such high demand. Dave said we have to go with this if the grass is not going to work. with the rip rap.

Mr. Hill said he brought a change order to be signed tonight. Mike suggested splitting the cost at 50/50 with William Hill and Associates as it was not totally the township or firms fault; it was a misunderstanding between the two parties. Mike stated he and others had a good bit of time in it. Mr. Hill stated that his storm water management representative has suggested that the firm pay materials for \$1,125 and the township pay the rest at \$1,705.

Mr. Hill said he would agree to the 50/50 split. Mr. Hill said is not in total agreement but from now on, these things have to be documented in the minutes. Mr. Hill said their firm does not have the flexibility in Franklin Township like they do in other townships. Dave said that Fred is going to have to ask and/or make sure he has the approval of the board. Mr. Hill said Fred will do that. Mike said he would like to talk with Mr. Hill outside of the meeting about some other things that have occurred. Mr. Hill said he attended the meeting at no charge. Mr. Hill stated he has never been through anything like this over one township resident in his years of practice.

A motion was made to approve the township cost of \$1,415 (50/50 split) for the change order. Dave made the motion and Mike Ryan seconded it. The motion passed.

Kevin said he signed a paper as of the end of last week's meeting and he was told a permit would then be filed for the bridge. Kevin said he thought he heard months' previously that at least one or a permit had been filed already for the bridge. Mr. Hill said everyone is having issues with getting permits from DEP. Mr. Hill said what the township got clearance on was for the bog turtles which occurred four to five weeks ago. Now, they can take it to DEP; DEP won't take it until there is a clearance granted on the bog turtles. Kevin asked if a permit had been filed before. Mr. Hill could not confirm this.

Mike said he thinks what happened was that when Fred put the permit in for the stream disturbance; they saw the area and came back to him with the bog turtle study. Fred didn't let the board know he couldn't file for the permit at that time because of the bog turtle study; it just wasn't explained thoroughly.

Mr. Hill asked if the township would like a different engineer to work on behalf of the township. The township again said they will have more emphasis on storm water management and steep slope issues in the near future. It is important to the township to have the most knowledgeable engineer working on behalf of the township for these issues. Mr. Hill said he can send an engineer who may be more task and detail oriented as well as someone who communicates better. Dave stated he would like to try that for the next three months through the end of the year and the rest of the board was in agreement. Mr. Hill said he would send Randy Baily.

Dave made a motion to move forward with Kevin signing the contract change order with a note that the engineer will send us a check for 1/2 of the cost of the change order price of \$2,830 for the Circle Drive Culvert project. Kevin seconded it and the motion passed. Mr. Hill will send the check for \$1,415 directly to the township. Mr. Hill took two copies of the change order. Mike stated there is a start 10/10/16 and should take approximately a week. Mike had Nancy notify the school for bus routes.

BUDGET MEETING:

State Highway

Pam explained the layout of the spreadsheet she provided to the board members. Pam reviewed the first few lines of the State Highway budget for 2017. It was decided to keep the interest income lines the same as budgeted for 2016.

The Estimate of Liquid Fuels money we are to receive for 2017 is \$\$220,968.00. Pam pointed out the 2016 budget number and then informed the board that the actual number also contains the monies we received back from Snowstorm Jonas. Pam explained there are certain criteria such as forms, etc. that we have to completed before we get the money. Mike suggested we only budget 80% of that amount, approximately \$216,000 in case we do not receive that full amount. The board agreed to budget \$216,000 for 2017. Discussion was held on the loader and if it was sold or not. Mike said we will have vehicles, etc. coming up for sale in the future. The total 2017 budgeted income will be \$216,193.

The expenses were reviewed next. Pam stated she did give the budget to review to Gary and he changed a few things; she went over the changes. Discussion was held on why he budgeted 432.26 so high. It was agreed to budget 432.24 at \$4,000 and 432.26 at \$10,000. Pam reminded the board about the repairs made by Staub when reviewing the accounts under 437. Discussion was held on how old the township trucks are and how much repair will be needed in 2017 as well as when those trucks will need replaced. It was decided to increase 437 to a total of \$7,500 with \$5,700 going to account 437.25 and \$1,800 going to 437.30.

Highway Wages were discussed; Pam said she budgeted it the same as 2016 but may change if there are any wage increase for 2017. Mike asked about Health Insurance and Pam said we'll have to look at that more when reviewing the General Fund Budget. Mike thought there was going to be a cost savings with this year's premium. Pam said we cannot get the actual same plan as we have this year. Mike also said he doesn't think COLA will be more than 2%. It was decided to keep this line the same as 2016.

Mike said when the price of oil is low; we should be getting our chip/tar priced needed for next year and getting that locked in. Mike discussed the charges on the most recent chip/tar project. The board also said we would need to know what roads are going to be done for 2017. Pam said Gary gave her the budget figure of \$66,000. Mike said the bridge should come in at about \$187,000. Kevin said we may have to wait on doing some roads until we know the cost of the bridge. Pam asked the board if they want to move all of those engineering expenses for the bridge, etc. to 438.61 as none of them are scheduled projects at this time. The board also discussed applying for the PIB loan and/or getting it assigned as a project so we could use the Liquid Fuels monies. Pam said she did start researching the PIB loan but didn't go any further as we didn't know the cost yet. Pam stated we have about \$43,000 in Capital Reserve. Naomi said that is money that came from taking 20% of the Liquid Fuels money each year and setting it aside as Capital Reserve. There will be about \$50,000 left in Liquid Fuels from 2016. Kevin said he'd rather cut the budget in other places to put towards the bridge. It was decided to put \$125,000 in 437.62 for the bridge. Pam didn't put any money in the line for 20% allocation to Equipment savings until she knew if we were going to have that money. Mike talked about rotation of equipment and how we should max that 20% allocation if we have the money.

Recreation Budget

Pam reviewed the layout of the spreadsheet and columns and said that Naomi could provide us input as there was a meeting last night. Sale of Recyclable Materials was discussed. Naomi explained how the money is donated from recycling to the Adams County Mission. Dillsburg Soccer club doesn't give us money but helps with upkeep of the fields, etc. The contribution from the General Fund is zero as the actual monies were never moved. There was discussion at the end of last year about moving it or just letting it in the General Fund until it was needed by Recreation. Naomi requested that the money be moved for 2016 as it is needed and it is the township responsibility to take care of the parks. Currently, Recreation is down to about \$3,900. It was agreed to move it.

405.34- Pam stated she left it at \$75.00 for this year which is the same as last year. She asked Naomi is she had any changes to this line item and Naomi said she didn't. Pam also stated she left 405.50 at \$100.00 which again is the same as last year (only \$1.49 was charged to it in 2016 to date which was a finance charge for an overdue bill) and Naomi did not have any

changes. 454.10 was left at \$1,000, the same as 2015. There was discussion on why the 2016 actual YTD was so high. The stone, 454.15 was budgeted for \$1,000. The last two years, no monies were spent on stone but Mike said we couldn't put it at zero as a new path and bridge has to be put in at Ponderosa this year. Rick Hoffman said he would lay the blacktop if the township buys it. 454.20, 454.21 & 454.22 was left the same as budgeted in 2015. For 454.22, Lawn & Field Treatments, Pam asked the board if that was where we were going to buy weed treatments and the road crew was going to put it on vs. a professional put it on? Dave said at one time we talked about Weed & Feed and having the crew put it on. Naomi said to let it there because at some point, we are going to have to do that. Mike asked if we treat the soccer fields. Naomi said they do it.

For Waste Disposal, it was increased to \$4,500. Naomi asked if this was for trash and waste and Pam stated it was. Naomi said part of the actual money we spent in 2016 was due to a phone call that was supposed to be made and wasn't and we paid extra. Part of that included a special one at \$300? Mike asked what the monthly charge was for the portable toilets and Pam stated \$106.00 per unit/per park. Mike said that at Century we should put a ramp in and save the \$1,200 per year. Naomi stated that would be okay in the summer but we have to shut ours down in the winter and we still have to have the handicapped accessible service there. Mike discussed handicapped bathrooms and said he couldn't believe that the township hasn't put handicapped facilities in yet and bring them up to code. Naomi said she felt like they were going to still have to look at the trash and waste services. In the winter time one from Century Park was supposed to be brought to the township building (11/1 to 3/31) and then we weren't going to be charged for that (store it here/make it inactive) & remove the dumpster from Ponderosa. Naomi said they were closed Nov 1 through March 31. Pam asked who's supposed to call about that. Naomi said since it's a financial issue, Pam should call about it. For porta potties, a letter was sent to the soccer club.

454.24, Water Testing, 9 months at \$90.00 for bacteria plus \$200, once per year. There is also a collection fee per Naomi. This was raised from \$1,000 budgeted for 2016 to \$1,300 for 2017.

454.25, was changed from \$5,000 in 2016 to \$2,500 for 2017. Naomi stated since Mike has been working with the road crew, the equipment has been receiving more preventive maintenance so possibly not as much is needed in general maintenance/repair. Mike asked how the road crew is paid; is it out of Recreation or General. Pam said they are paid out of the Payroll General Fund but the monies are never moved from Recreation. Naomi asked if this line contained the mower. Pam said no, that is in Parts/Mower. It was agreed to lower this to \$2,500. 454.26 was left at \$1,400, the same as 2016. Mike mentioned the solar panels. Kevin discussed re-negotiating the electric rates. It was agreed to set it at \$1,500.

454.28 was left at \$15,000. Naomi said there wouldn't be any more charges to this line this year and not as much for next year. She stated she didn't think more than \$5,000 was needed. She did mention the lightning rods at Ponderosa but all agreed they thought they were done. It was decided to make it \$7,500. 454.35, 454.37 & 454.38 were all left at the same budget amounts as 2016. It was decided to make 452.66, Professional Fees \$100 from \$500 in 2016.

Parts for mower go in 454.21. What about labor to repair the mower? Labor is most likely coming out of the GF. It was decided to close the Recreation West of 15 bank account.

Kevin wanted to know that when we schedule & advertise the GF budget meeting, can we make it only budget & no other business? Naomi said it would be better to keep other business because if you have to make a quick motion, you can do it. Pam stated she put the fire co. information, police info & copier info. For each supv. to look at before the next meeting. Dave asked if we had to act on the Engle proposal to get the offered price. Pam said that to get some of the pricing promos we have to make a decision by the end of Sept. Pam said she also got to the hwy section of the general budget & stopped since Gary had not looked at that yet.

Kevin asked about getting a timer. The next budget meeting will be scheduled for October 26, 2016 at 6:00 PM Pam stated that they will have to have another meeting in November. November 2, 2016 at 6:00 PM was set. Pam said the budget has to be advertised 30 days and it has to be approved by the end of the year. Pam notified the board that our contract will be up at the end of the year with Smith, Elliott & Kearns. Naomi said that Michelle had mentioned an accounting firm from Mechanicsburg at one point. The board asked that Pam check with her.

Pam said she did get notary information and she is still researching it. Nancy & Pam decided that if Pam is already bonded, Pam should probably do it. Eric asked if he could have copies of the current and proposed health insurance. A motion was made to adjourn at 9:30 by Eric & seconded by Kevin. The motion passed and meeting was adjourned.

Pam Williams