

Regular Borough Council Meeting

June 2, 2014

The Regular Meeting of Souderton Borough Council, held on Monday, June 2, 2014, was called to order by President Brian K. Goshow at 7:30 p.m. Members of Borough Council present at the regular meeting included the following:

President Brian K. Goshow	Mayor John R. Reynolds
Councillor Ned D. Leight	
Councillor D. Jeffrey Gross	Solicitor Robert R. Bricker
Councillor Andrew Schlosser	
Councillor Daniel Houser	Borough Manager P. Michael Coll
Councillor Preston Miller	Police Chief James P. Leary
Councillor Richard Halbom	Public Works Director Steven Coll
Councillor Kevin Souder	Code Enforcement Officer Steven Toy

Absent from the meeting was Borough Councillor Richard Godshall. Mayor John R. Reynolds gave the Invocation, followed by the Pledge of Allegiance to the Flag.

Consideration was given to the minutes of the May 5, 2014 Regular Borough Council Meeting and May Work Sessions. A motion was made by Councillor Preston Miller, seconded by Councillor Andrew Schlosser, to approve the minutes of the May 5, 2014 Regular Borough Council Meeting and May 2014 Work Sessions as presented. The motion was approved.

Under correspondence, Borough Manager Michal Coll noted a letter dated May 1, 2014 from the Executive Board of the Indian Valley Woman's Club to Borough Council strongly requesting consideration that full funding be given to the Indian Valley Public Library. The Borough Manager also noted that a letter of resignation was received from Roy Zeiher informing Borough Council that he will be relocating from the Borough by the end of June and will no longer be able to serve as a member of the Souderton Planning Commission.

Mayor John Reynolds noted that the annual Indian Valley Soap Box Derby will be held on Main Street this Saturday, June 7, 2014. Mayor Reynolds further noted that the Third Annual Fireworks Display will be held on Sunday, June 22, 2014 following Concert Sundaes in the Souderton Community Park.

Police Chief James Leary discussed the monthly statistical and narrative summary reports. Chief Leary also noted that the fireworks event has been confirmed by Celebration Fireworks. This year's theme will be "Stars and Stripes."

The Borough Solicitor's report for the month of May, 2014 was distributed to Borough Council. The Borough Solicitor has been monitoring, but not actively participating in negotiations with DEP regarding wastewater treatment plant violations that occurred in 2012. The Borough Solicitor had several email and telephone conversations regarding the lease agreements for the train station parking lots.

Public Works Director noted that his monthly report was distributed to Borough Council. Borough crews will be addressing pothole and alley maintenance over the coming weeks.

Borough Manager Michael Coll reported that Jacob Staehle has recently completed an Eagle Scout project in the Souderton Community Park. He coordinated the reconstruction of the sand box and will install new grills once they are received through the Borough. Puhl's Landscape has submitted a revised project schedule for the Chestnut Street Playground project. The revised schedule now extends completion right to the June 30 deadline. The project was delayed by an extended winter season and wet spring. The Borough Manager reported on the scheduled agenda items for the evening. A Resolution has been prepared honoring the service of Roy Zeiher to the Borough of Souderton, as both a former member of Souderton Borough Council and a member of the Souderton Planning

Commission. Borough Manager Michael Coll reported that Steven Toy has successfully passed his certifications to become the designated Building Code Official for the Borough of Souderton. A motion has been prepared to approve the designation of Steven Toy as our Building Code Official.

Consideration was given to paying the bills for the month of May, 2014.

GENERAL FUND

Boucher and James, Inc.	\$1,593.75	NYCO Corporation	\$17.88
Advanced Disposal	408.49	PECO Energy	124.85
Alderfer Glass Co.	191.84	PA One Call System	94.35
AT&T	110.81	Petty Cash Fund	153.41
Bergey's, Inc.	192.46	Potty Queen	422.00
C & S Lawn and Landscape, Inc.	400.00	PPL Electric Utilities	1,473.60
Clemens Uniform Rental	171.63	Richter Drafting & Office Supply	114.04
Comcast Cable	148.80	Selective Insurance	250.00
Daniel L. Beardsley, Ltd.	449.99	Suburban Propane	846.37
Delta Dental	1,518.08	The Partnership TMA	355.00
Fretz Enterprises	18.00	Univest VISA	5.93
HISI	4,465.00	Univest VISA	543.12
Independence Blue Cross	11,584.54	Univest VISA	189.00
Keystone Health Plan East	12,303.38	Univest VISA	432.53
Lawson Products, Inc.	417.17	Univest VISA	158.96
Markey Paper & Packaging, Inc	135.08	Urban Partners	1,461.71
Montgomery Newspaper	469.03	Verizon	58.56
Naceville Materials	194.69	Verizon Wireless	342.08
Netcarrier Telecom, Inc.	334.10	Wise Electric	2,824.00
Nextel Communications	181.66	Total General Fund	\$45,155.89

SEWER FUND

Cardno BCM Engineers	\$10,595.00	LRM, Inc.	\$1,830.00
Hangley Aronchick Segal Pudlin	657.00	Moyer	3,486.59
Postmaster, Lansdale	930.58	Netcarrier Telecom, Inc	132.76
Advanced Disposal	313.82	PPL Electric Utilities	20,443.29
Bergey's, Inc.	258.75	Premier Pools & Spa	109.95
Clemens Uniform Rental	149.88	Richter Drafting Office Supply	233.95
Comcast Cable	79.90	S C Engineers, Inc	5,507.20
Delta Dental	358.30	Suburban Water Testing Labs	111.30
EVOQUA Water Technologies	2,462.40	Telford Press Printers	1,086.00
Good Plumbing Heating A/C	15,293.45	Univest VISA	389.20
HISI	997.00	Verizon	72.30
Home Depot	17.66	West Generator Services	1,871.09
Independence Blue Cross	1,570.89	Wise Electric	90.00
Jesse Baro, Inc	4,350.71		
Keystone Health Plan East	3,402.14	Total Sewer Fund	\$76,801.11

POOL FUND

Adcock	\$83.08	Netcarrier telecom, Inc	\$278.51
Advanced Disposal	431.29	PECO Energy	68.56
Airgas National Carbonation	44.00	PPL Electric Utilities	649.42
Comcast Cable	100.71	Pyrz Water Supply Co., Inc	982.50
Derstine's	171.40	Univest VISA	162.41
First Class Entertainment	225.00	Treasurer, Montgomery County	240.00
GALCO Business Comm	117.30	Treasurer, Montgomery County	125.00
Home Depot	15.96		
Kathy Armitage	237.30		
NAPA Auto Parts	216.56	Total Pool Fund	\$4,149.00

CAPITAL RESERVE FUND

Boucher & James, Inc.	\$1,972.47	Puhl's Landscape Company	\$34,428.44
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LIQUID FUELS FUND

PPL Electric Utilities

\$6,880.66

A motion was made by Councillor Richard Halbom, seconded by Councillor Preston Miller, to authorize payment of the bills for the month of May, 2014, 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.

Maryanne Alig, 94 N. School Lane, commented that she met with developer Timothy Hendricks. She commented that there seems to be some discrepancy in their conversation on whether the developer or the Borough was directing the amount of density proposed for this development. She understands that asbestos will be remediated during demolition, but expressed concern about how mold and rodents will be addressed. Mrs. Alig further commented that the values of the townhomes as expressed by the developer are inflated; research suggests values from \$219,000 to \$225,000.

Keith Rosenberger, 157 N. Fourth Street, discussed the possible salvage of brass railings and chandeliers from the auditorium and possibly decorative pieces from the façade of the original high school building. He expressed concern with too many restaurants and a five story hotel seems far too risky and out of character. Three story townhomes will not blend with the neighboring Cape Cod and ranch style dwellings. Mr. Rosenberger suggested that the developer should not build to suit the tenant but should build to suit the residents.

There being no further public comment, President Goshow moved to the business portion of the agenda. Mayor John R. Reynolds read the following Resolution honoring Roy Zeiher into the record:

RESOLUTION NO 2014-05

HONORING ROY J. ZEIHHER

WHEREAS, Roy J. Zeiher has announced his resignation from the Souderton Borough Planning Commission effective June 30, 2014 after having served the residents of the Borough of Souderton for twenty three years; and

WHEREAS, Roy J. Zeiher began his service in October, 1991 as a member of the Souderton Borough Planning Commission, serving as Vice-Chairman for most of his tenure; and

WHEREAS, Roy J. Zeiher also served as a member of Souderton Borough Council beginning August 3, 1998 through his retirement on December 31, 2007 and, during this tenure, served a term as Vice-President. During his tenure on Borough Council, Roy J. Zeiher served on many committees and served as a representative on the Montgomery County Boroughs Association and the Pennsylvania State Association of Boroughs. Roy J. Zeiher also achieved "Certified Borough Official" status in June, 2004.

NOW, THEREFORE, the Borough Council of the Borough of Souderton, and John R. Reynolds, Mayor of the Borough of Souderton, on behalf of all of the residents of the community, do adopt this Resolution of Appreciation for the faithful service of Roy J. Zeiher to the Borough of Souderton and all of its citizens. Although Roy Zeiher is leaving Borough government, his dedication should serve to inspire others to devote their talents and energies to advancing the public good. The Borough of Souderton is truly a better place when public-minded citizens such as Roy Zeiher become involved.

The Mayor, the Borough Council, the administrative staff, and members of the

community join in wishing Roy Zeiher all the best in the future and fully expect that his civic endeavors are not at an end.

RESOLVED, this 2nd day of June, 2014, by the Borough Council of Souderton Borough.

A motion was made by Councillor Preston Miller, and seconded by Councillor Andrew Schlosser, to adopt Resolution 2014-05 in appreciation for the community service of Roy J. Zeiher as a member of the Souderton Planning Commission and a member of Souderton Borough Council. The motion was approved by unanimous vote of the members.

A motion was made by Councillor Preston Miller, and seconded by Councillor Richard Halbom, to appoint Steven J. Toy as the certified “Building Code Official” for the Borough of Souderton under the provisions of the Uniform Construction Code. The motion was approved by unanimous vote.

There being no further business, the meeting was adjourned at 8:05 pm.

Respectfully Submitted,

P. Michael Coll, Secretary

WORK SESSION MINUTES AND COMMITTEE REPORTS

Public Works Work Session – June 9, 2014 (7:00pm-9:05pm)

Council Attendees: John Reynolds, Brian Goshow, Jeffrey Gross, Richard Godshall, Daniel Houser, Preston Miller, Richard Halbom and Kevin Souder.

Staff Attendees: Public Works Director Steven Coll, Police Chief James P. Leary and Borough Manager Michael Coll.

1. Sanitation Committee

- a. The Discharge Monitoring Report will be submitted for the month of May with no exceptions to permit limitations.
- b. Chief Operator Sal DeSimone noted that Leidy’s, Incorporated has made significant progress with improved solids handling from their pre-treatment facility. The sludge digesters at the plant are running very well, there is ample room in comparison to recent years and sludge quality is very good.
- c. Borough Manager Michael Coll reported that he will continue work on a single trash hauling contract and will have a draft a set of specifications prepared for the initial review of Borough Council at next week’s work session. Borough Council discussed plans to host a pre-bid meeting with interested haulers and a public hearing to inform residents of the proposed bid for a single trash hauler. The Borough will bill the residents for the service in conjunction with the quarterly sewer billing. The software and accounts have been established, the program will need to be adjusted to accommodate the inclusion of a fee for trash collection per unit.

2. Highway Committee

- a. Public Works Director Steven Coll reported that monthly brush collection has been completed. Brush collection usually takes up to three days to complete. This service is widely used by the residents, especially in the spring

and fall months.

- b. Pothole repairs and alley maintenance are currently being addressed as time permits.
- c. Considerable discussion was held on developing road maintenance priorities for this budget year. Borough Council reviewed an updated street inventory as prepared by Public Works Director Steven Coll and reviewed the listing of high priority streets.

Souderton Borough is planning to oil and chip Railroad Avenue and Telford Borough's Fourth Street from Reliance Road to Broad Street in Telford Borough. The oil and chip program, including the fog seal application seems to be working very well. Neighboring municipalities have found different stone suppliers that may provide a slightly smoother finish. After much discussion the following streets were selected to receive a chip seal and fog seal application this year:

- Railroad Avenue- Reliance Road to Telford Borough Line
- Highland Avenue- Hunsberger lane to Cul-de-sac
- Adams Avenue- Broad Street to Highland Avenue
- W. Chestnut Street- Hunsberger lane to Dead End.

Railroad Avenue will be a joint project with Telford Borough. All streets will be receive a 1/2" chip seal and a final fog seal application at an estimated budget expense of \$28,210.

Souderton Borough Council also reviewed priorities for milling and overlay work in 2014. This work will be bid for this fall as a complete in-place contract. The work will be funded through the Capital Reserve Fund. After much discussion, Borough Council developed the following priority streets for 2014:

- W. Reliance Road- Main Street to Wile Avenue
- W. Reliance Road- Wile Avenue to Colonial Avenue
- Wile Avenue- Hillside Avenue to Diamond Street
- Lawn Avenue- Washington Avenue to Penn Avenue (wearing course)
- Lawn Avenue- Penn Avenue to Mifflin Street (wearing course)

W. Reliance Road, from Main Street to Wile Avenue is in poor condition and has a collapsed storm drain line. N. Third Street will be excavated by North Penn Water Authority this summer to replace the water line. The road will be patched with base for milling and overlay next year if funding permits. Franconia Township continues to push the paving of Cherry Lane in 2015. Souderton Borough is planning on replacing the sewer line along Montgomery Avenue beginning later this year. North Penn Water Authority is planning on replacing the water main along this street prior to paving. The project will be broken down in phases to accommodate all the utility work.

3. Sidewalk Committee

- a. No new items were discussed.

4. Recreation Committee

- a. Public Works Director Steven Coll reported that all swimming pools are up and running. Over the winter, the competition pool developed a sheet of algae over the entire floor. A decision was made to drop the entire pool; acid and pressure wash, and refill the pool. Startup went much smoother than last season.

Both pool heaters were serviced. The leisure pool heater needed a new relay which delayed its operation for opening day, but all heaters are now operating.

Concern was made that the temperature settings may be too high; we will double check the recommended settings.

Crews extended the concrete deck behind the diving board all the way to the retaining wall. The deck was not wide enough for recreational swimmers and the children tracked mulch from the flower bed into the pool. Crews installed left over fencing from the original construction along the entire retaining wall for safety and to stop kids from cutting through the flower beds.

- b. Membership sales continue to appear strong, with a noticeable number of new families signing up for the pool this year. It was also noted that the Souderton Swim Team registration has grown tremendously in relation to prior years. Borough Council acknowledged that the success of the pool complex is due in large part to our management team of Laura Aquilante and Fiona Melissen.

5. Property Committee

- a. Borough Manager Michael Coll briefly discussed the Train Station restoration project, noting that we have received interest in the Freight Building and in the Wait Station. We met with an investor to discuss renovations to the freight building and received inquiries about a small retail business for the Wait Station. We have instructed our consultants to place priority on the building plans for both of these buildings. We are focusing our attention to some outstanding special conditions and reporting requirements for both grant agreements so that the funds are available at the time construction begins.

6. Police Chief

- a. Chief Leary commented on his narrative report since he may not be able to attend next week's work session. Chief Leary distributed letters to all known trash haulers reminding them of certain truck restrictions and the permitted hours for collections.
- b. Borough Council members complimented Richard Godshall and Chief Leary for their efforts in fund raising for the June 22nd Fireworks Display in conjunction with Concert Sundaes.

Administrative Work Session – June 16, 2014 (7:00pm-9:40pm)

Council Attendees: Brian Goshow, Ned Leight, Jeffrey Gross, Richard Godshall, Daniel Houser, Preston Miller, Richard Halbom and Kevin Souder.

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

1. Police Committee

- a. Chief Leary distributed his reports last week. There was a brief recap on the plans for the fireworks event for June 22nd.
- b. As of this morning, the intersection of Broad Street, Godshall Road and Cowpath Road in Franconia Township has been closed to all traffic and detoured to Allentown Road and Route 113. The closure and detour will be in effect until the end of November, 2014. Souderton Borough can expect to receive more traffic on Route 113 and on Main Street. Concern was raised that motorists will begin using Wile Avenue, Mifflin Street and Hunsberger Lane to avoid certain points of the detour. Cherry Lane will undoubtedly experience more traffic as well. Police Chief Leary will monitor the effects of the detour during the coming months.

2. Administrative Committee

- a. Borough Manager Michael Coll noted that Borough Council needs to consider an appointment to the Planning Commission to fill the remaining term

of Roy Zeiher through July 2, 2016. Planning Commission member Thomas Rosenberger is also up for re-appointment to another five year term. A recommendation was made to appoint Edward Huber to fill the unexpired term of Roy Zeiher and to re-appoint Thomas Rosenberger to another five year term as a member of the Planning Commission.

3. Development Committee

- a. Borough Council members discussed the status of the Berkeley Court Phase 2 development plans for the high school property. Community Planner Marley Bice prepared a draft copy of potential Zoning Ordinance revisions and a memorandum explaining the nature and intent of the revisions for review by Borough Council and the Planning Commission. A number of the Zoning Ordinance revisions will have to be considered as part of the proposed townhomes along Chestnut Street and School Lane. Borough Council expressed general consensus towards the proposed townhouse units along Chestnut Street and School Lane. The developer continues to propose the construction of the townhomes, simultaneously with the demolition of the high school, as the very next phase of the development, known as Phase 2A. The developer is seeking another extension on the settlement date with the Souderton School District until September 30, 2014. By this time he is hoping that Souderton Borough Council will be in a position to formally approve the initial Phase 2A of the development and reach general consensus on the overall concept plan for the entire project.

Borough Manager Michael Coll reported that the Souderton Planning Commission will be meeting with Developer Timothy Hendricks on Wednesday, June 18th. Borough Council expressed concern about the Planning Commission and Borough Council providing conflicting direction to the developer. The Borough Manager noted that the developer has not provided any new information or plans for review. The meeting is intended to provide a status report to the Planning Commission and an opportunity for our County Planner and Borough Engineer to ask specific questions and request any further information to facilitate their plan reviews and comments. Borough Council discussed concerns with the hotel use, mix ratio, overall density and even the height of the interior buildings.

- b. Borough Council was given an update on the Business District Improvement Planning project. A draft copy of the plan has been completed and will be refined by the deadline of June 30, 2014. Public hearings will be held in July.
- c. Borough Manager Michael Coll presented some concept plans developed by Phillips and Donovan Architects for the Souderton Train Station restoration project. The plan showed overall concept drawings for the site improvements and preliminary plans for an addition to the rear of the Train Station to relocate the kitchen to the rear of the building and provide a more appropriate stairway to the second floor of the building. The addition is also designed to provide improved bathroom facilities for the restaurant that can be shared with the occupants of the second floor. A comment was made on the site plan that the Borough should consider further discussions with Uninvest and North Penn Beverage about combing the driveway entrances off of Washington Avenue. Borough Council also discussed phasing of the project, with a consensus that the project be designed and bid in its entirety. Bidding the project as a single project was viewed as the most cost effective and productive approach.
- d. Borough Council briefly discussed a proposal to resurrect an old land development plan to construct a 5 unit townhome complex at the northwest corner of Second Street and reliance Road. The plan was approved in the 1990's through Kenneth Kratz but was never pursued. The property has since undergone a zoning district change, but appears to still comply with the provisions of the current Zoning Ordinance. There is an agreement of sale under consideration that will require the recoding of the previously approved

development plan. Borough Council deferred the matter to the opinion of the Borough Solicitor and Montgomery County Planning Commission.

4. Finance Committee

- a. Considerable discussion was held on the request of the Indian Valley Library Task Force Funding Committee request to raise the dedicated library tax rate from 0.2475 mills to 0.33 mills. For a property with an average assessment of 150,000; the proposal will increase the library tax assessment from \$37.13 to \$49.50, an increase of \$12.37 per year. Borough Council reviewed the letter from Task Force Committee Chairman Douglass Gifford with questions concerning the status of Upper Salford Township. Presently the task force is considering the removal of Upper Salford Township, resulting in the loss of \$35,000 annually and any potential state aid from their residents. Telford Borough has not made a commitment to date and Borough Council questioned if the Library has a contingency plan should all municipalities fail to raise the desired tax rate. Borough Council suggested that Director Linda Beck and other Library representatives be invited to a work session to discuss these concerns.
- b. Considerable discussion was held on a proposal by Councillor Kevin Souder to terminate the non-uniformed employees defined benefit plan for all new hires and set up a new defined contribution plan.

The current defined benefit plan has 15 active members and seven retirees. Borough Council was presented with a copy of the financial statements of the current plan for the year ending December 31, 2013. The plan maintained net assets of \$5,107,008 as of December 31, 2013, experiencing a growth of \$669,464 in net assets through the 2013 calendar year. The plan has maintained a funding ration over 100% since the January 1, 2011 actuarial valuation. Borough Council was also provided a copy of the first quarter financial statements for the current non-uniformed defined benefits plan. Plan assets as of the end of March, 2014 increased to \$5,118,417.

The Borough Manager provided an explanation on how the Minimum Municipal Obligation (MMO) will be calculated for each pension plan per year. The total cost to maintain the current non-uniformed pension plan, after allocating state pension assistance, was \$168 in 2013 and the total cost for the 2014 Budget, after allocation of projected state pension aid, is calculated at \$1,494. The 2014 MMO for the non-uniformed pension plan calculated the normal plan cost at 9.3235% of projected payroll, compared to the Police Pension plan normal cost of 16.6762% of projected payroll. Most defined contribution plans have an average employer contribution rate of 7%, but a defined contribution plan not receive any cost benefit from the employee contributions as experienced under a defined benefit plan. Overall the financial statements and actuarial valuations show that the current Souderton Borough non-uniformed defined benefit plan is in very good financial condition.

It was noted that the current defined benefit plan must be maintained for all current active and retired members until their deaths which will undoubtedly extend 30 to 40 years out. An actuarial evaluation was recently conducted by the plan administrator showing that there are sufficient assets for the plan to maintain itself through 2023 without adding new members. However, declining net assets and investment returns over time may add cost to maintain the current plan for remaining members, compounded by the cost to maintain the proposed defined contribution plan for new hires. State law mandates that all uniformed employees (police officers) be provided with a defined benefits pension plan. Therefore, Souderton Borough will continually face maintaining defined benefits pension plans for decades to come.

Borough Manager Michael Coll suggested consideration to maintain the current

defined benefits plan for the non-uniformed employees but increase the age and years of service requirement for new hires to receive full benefits. The current plan sets the minimum retirement age at 60 with 20 years of service. A suggestion was made to increase the minimum retirement age to 65 and the minimum service years to 25. This revision should have a significant positive effect on the actuarial valuation of the plan in future years. In addition, Borough Council may also want to eliminate the cost of living benefit in return for the addition of a Deferred Retirement Option Plan. Borough Council will continue to evaluate and study the financial statements and the various options that have been proposed. A decision on this matter will be made in conjunction with the development of the 2015 Budget this fall.