

**TOWNSHIP OF DERRY**  
**BOARD OF SUPERVISORS MEETING MINUTES**  
**MARCH 13, 2018**

**CALL TO ORDER**

Chairman Marc Moyer called the March 13, 2018 Regular Meeting of the Township of Derry Board of Supervisors to order at 7:03 p.m. in the meeting room of the Township of Derry Municipal Complex, 600 Clearwater Road, Hershey, PA. The Board met in executive session to discuss land and legal issues. He advised that all public meetings are recorded for providing accurate notes. After the Pledge of Allegiance, a roll call was conducted.

**IN ATTENDANCE:**

**SUPERVISORS**

Marc A. Moyer, Chairman  
Matthew A. Weir, Vice Chairman  
Justin C. Engle, Secretary  
Susan M. Cort  
Richard D. Zmuda

**ALSO PRESENT:**

James Negley, Township Manager  
Jill Henry, Assistant Township Manager  
Jon A. Yost, Township Solicitor  
Chuck Emerick, Director of Community Development  
Thomas Clark, Director of Public Works  
Chief Garth Warner, Police Department  
David Sassman, Hershey Volunteer Fire Company  
Matthew Mandia, Director of Parks and Recreation  
Terry Weinhold, Manager of Accounts Payables & Receivables  
Laura O'Grady, Director of Hershey Public Library  
Lauren Zumbrun, Economic Development Manager  
Matt Bonanno, HRG Engineer  
Julie Echterling, Recorder

**Public in Attendance:**

The following were in attendance: Rich Gamble, Jack Bishop, Teresa Peschel, Ted Maloy, Larry Moyer, Robert Naeye, Jim Snyder, Kraig Moodie, Mark Brare, Tom Leonard, Pam Ruddle, Jillian Puddle, Jim Roeting, Bella Roeting, Nicole Paul, Tom Prel, Chris Drexler, Leann Easterwood, Sandy Cappella, David Romanoski, Sheila Parker, Kevin Bland and Dawn Dillon.

**APPROVAL OF MEETING MINUTES:**

Supervisor Engle made a motion to approve the minutes of the February 27, 2018 Public Meeting of the Board of Supervisors. Vice Chairman Weir seconded the motion. **Motion carried 5-0.**

**VISITOR/PUBLIC COMMENTS:**

Teresa Peschel expressed her concerns about the Tru Hotel. She attended the Hershey Downtown meeting and is concerned with the look and height of the proposed hotel. She also spoke about her concern about the proposed Recreation Center and asked the Board to consider if they build the center meets may not come.

Mr. Larry Moyer spoke about the issues with stormwater he is experiencing with his neighbor and nothing is being done about it. He spoke about the rain tax. He also spoke about his house being shot at, which caused \$5,200 of damage and he is concerned it's been three weeks and no one has been arrested. He feels someone is dragging their feet. Chairman Moyer asked him to talk with Mr. Emerick about the stormwater issues and the Police are handling the other issue.

Mrs. Pam Ruddle thanked the Board for taking a leap of faith for the new Recreation Center. She has lived here for 28 years and her kids used the pool and worked there. She has no doubt it will attract large meets. Chairman Moyer stated they will be having a Capital Campaign for the Recreation Center.

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**NEW BUSINESS:**

**INTEREST RATE HEDGE-RECREATION CENTER FINANCING:**

Mr. Lou Verdelli, RBC Capital Markets, provided the Board with the background for the discussion tonight. He spoke about current economic indicators and the prediction that interest rates will increase following the FOMC meeting on March 21, 2018. He spoke about locking in a rate today for future borrowing. He stated if the Board acts tonight they will try and lock in rates in the next week.

Mr. Scott Shearer, PFM Financial Advisors LLC, spoke about the financial situation the Township is in for the proposed Recreation Center. He stated the estimated costs are \$31.2 million and construction is estimated to begin in Spring 2019. He spoke about the resolution and ordinance needed for the process. Mr. John Frey, PFM Financial Advisors LLC, discussed the timeline for the cash settled forward swap for locking in the swap, forward period, and the effective date for the swap to terminate. He stated if the swap rates are higher than the executed swap rate the Township received a termination payment from RBC. If they are lower, they would owe a termination payment. He went over examples of the interest rates and possible scenarios for each option. He stated the Township should have a high level of certainty that the project will proceed as scheduled since a swap termination payment or receipt will occur whether the related bond issues close. He spoke about other remote risks for entering into this contract. He stated a disclosure in the Township's annual audit of the swap and its termination value will be required for 12/31/2018. Mr. David Twaddell, bond counsel, discussed the action required for the transaction. He spoke about the terms of the swap, debt, and options at the end of the period. The cash settlement can be terminated prior to June 1, 2019.

Supervisor Engle made a motion to adopt Ordinance Number 703 authorizing the issuance of future general obligation bonds in the amount of \$25,000,000 for the Recreation Center Project on or before June 1, 2019 and the adoption of Resolution 1549 authorizing a Cash Settlement Hedge for \$25,000,000 with a mandatory termination date of June 1, 2019. Supervisor Zmuda seconded the motion. **Motion carried 5-0.**

**CONDITIONAL USE REQUEST NO. 2017-05 - DAVID A. ROMANOSKI:**

Mr. Emerick discussed the Conditional Use Request No. 2017-05, as filed by David A. Romanoski for a single-family dwelling conversion at 364 Mill Street. He stated the public hearing was held on February 13<sup>th</sup> and reviewed by the Planning Commission. He went over the required conditions in the decision.

Supervisor Cort made a motion to approve Conditional Use Request No. 2017-05. Vice Chairman Weir seconded the motion. **Motion carried 5-0.**

**DEMOLITION AND CONSTRUCTION OF A NEW HOTEL AT 204 HILLCREST ROAD:**

Mr. Emerick discussed the application proposing demolition of the existing building and construction of a new hotel at 204 Hillcrest Road, Hershey, within the Downtown Core Overlay zoning district for a Tru hotel brand by Hilton. He showed the Board the location of the hotel and the pictures of the proposed colors and design. He spoke about the color palette for the hotel as required by the Township. The Downtown Core Design Board authorized the modification from 8-foot-wide sidewalk to 5-foot-wide. He spoke about the height, design, stone, and layout of the hotel. Ms. Zumbrun added the Design Board worked with them on the three fronts they have for the hotel and the fencing. Chairman Moyer asked about the wing being a sign and Mr. Emerick stated it would not be considered a sign. He spoke about the changes they made to meet the Township's requirements. Mr. Dave Hoag, Developer, compared the hotel to the Fairfield and spoke about the changes they made from the normal Tru hotel. He spoke about the lighting. Discussion ensued.

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Supervisor Zmuda made a motion to approve the demolition of the existing building at 204 Hillcrest Road and the design of the new hotel, as depicted on the information submitted to Derry Township on February 9, 2018 and approve the required modification from Section 89-14. A. (2) of the Downtown Core Design Standards regarding sidewalk width. Supervisor Cort seconded the motion. **Motion carried 5-0.**

**WELL ISOLATION DISTANCE FOR 505 HILLTOP ROAD SEPTIC SYSTEM REPLACEMENT:**

Mr. Emerick stated a request has been received from Karyl Claroni for her property at 505 Hilltop Road. Her system needs repairs and her septic system design consultant is proposing that they utilize the best technical guidance section of the Chapter 73. The request is supported by noting the following:

- The distance between the existing well and the existing in-ground absorption area is approximately 83 feet. As proposed, the new Eljen GSF absorption area will be 83 feet away.
- The Eljen GSF absorption area will renovate sewage effluent more efficiently than the existing in-ground seepage bed absorption area.
- All other well water supplies on adjacent lots are greater than 100 feet away from the proposed absorption area. The well on the property is the only well needing an isolation distance waiver.

He stated Chapter 73 notes that when application of best technical guidance results in the absorption area or spray field encroaching on the regulated isolation distance to a well, the proper well abandonment procedure or the relocation of the well should be considered. In this case the applicant notes that steep topography and a desire to retain wooded areas greatly inhibits their ability to economically relocate the well. The agreement has been reviewed by Solicitor Yost. Vice Chairman Weir asked about public sewer and Mr. Emerick stated there isn't a chance for them to connect to it. Chairman Moyer asked what would happen if there is a breach in the contract and recourse. Solicitor Yost stated it could be shutdown and there are legal actions available. Mr. Emerick stated the Township would be held harmless and the agreement would be recorded with the deed. Discussion ensued.

Supervisor Engle made a motion to waive the well isolation requirement and authorizes the Township Manager to execute the Agreement and Release on behalf of the Township, provided that Karyl Claroni executes the Agreement and Release and thereafter records the document in the Office of the Recorder of Deeds of Dauphin County. Vice Chairman Weir seconded the motion. **Motion carried 5-0.**

**ORDINANCE NO. 704 TO ESTABLISH A 25MPH SPEED LIMIT ON FOREST AVENUE:**

Chief Warner stated based on speeding concerns expressed by residents of Forest Avenue, the roadway and the area was looked at to establish a speed limit on this roadway which currently does not have a posted speed limit. Authorization is found within the Pennsylvania Vehicle Code to establish a 25mph speed limit in a residence district when the highway is classified as a local highway and is not a numbered traffic route. Forest Avenue meets all the criteria defined in the vehicle code and can therefore be posted with a 25mph speed limit without the need for further study.

Supervisor Cort made a motion to approve Ordinance No. 704, amending the Code of the Township of Derry (Ordinance No. 553) Chapter 210 § 210-12. Maximum Speed Limits Established on Certain Streets, by establishing a 25 mph speed limit on Forest Avenue. Chairman Moyer seconded the motion. **Motion carried 5-0.**

**REESE AVE CLOSURE- MILLARD STREET TO WEST ENTRANCE RD TO REESE'S PLANT:**

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Chairman Moyer made a motion to approve the request to close Reese Avenue from Millard Street to the west entrance road to the Reese's Plant on March 17th, 2018 (with a rain date of March 31st, 2018) from 9:00 a.m. to 11:30 a.m. Supervisor Engle seconded the motion. **Motion carried 5-0.**

**CORRESPONDENCE BOARD/COMMITTEE INFORMATION:**

There were no comments offered.

**REPORTS:**

<u>Police</u>	Chief Warner discussed how they were able to find a solution for the parking issue on Millard without an ordinance. He provided an update on an issue with Valley's crosswalk that was discussed in the Transportation meeting today. He stated the crosswalk is best located where it is and explained why.
<u>Economic Development</u>	Ms. Zumbrun is meeting with Public Works to work with them on DEP grants. She spoke about a grant for the Sandhill relocation. She spoke about the work involved with the move and the DCIB funding. The total cost of the project would be \$6 million. They will ask for \$2.96 million with a \$3 million match. The consensus of the Board was to move forward with the grant application.

**ACCOUNTS PAYABLE and PAYROLL:**

Supervisor Engle made a motion to approve accounts payable in the amount of \$401,970.26 and Payroll of \$349,768.94. Supervisor Cort seconded the motion. **Motion carried 5-0.**

**VISITOR/PUBLIC COMMENTS:**

There were no comments offered.

**ADJOURNMENT:**

Vice Chairman Weir made a motion to adjourn the meeting at 8:23 p.m. Supervisor Zmuda seconded the motion. **Motion carried 5-0.**

**SUBMITTED BY:**

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Justin C. Engle  
Township Secretary