

TOWNSHIP OF DERRY BOARD OF SUPERVISORS

REORGANIZATION MEETING

Monday, January 5, 2009

600 Clearwater Road, Hershey, Pennsylvania 17033

I. **CALL TO ORDER**

The January 5, 2009 Reorganization Meeting of the Township of Derry Board of Supervisors was called to order at 7:00 p.m. by Chairman Michael H. W. Pries.

PLEDGE OF ALLEGIANCE

All present stood for the Pledge of Allegiance.

II. **ROLL CALL**

Supervisors Present:

E. Christopher Abruzzo
Kelly C. Fedeli
August (Skip) T. Memmi, Jr.
George W. Porter, Township Secretary
Michael H. W. Pries

Also Present:

Thomas R. Clark – Director of Public Works
Barbara S. Ellis – Director of Hershey Public Library
Jill E. Horner – Assistant Township Manager
Matthew J. Mandia – Director of Parks and Recreation
James N. Negley - Township Manager/Township Treasurer
Edward L. Small –Asst. Director of Community Development
William D. Smith – Chief of Police
Terry Weinhold – Manager of Accounts Payables and Receivables
Jon A. Yost - Township Solicitor

Public Present: Richard A. Weaver, James L. Brandt, Matt Bonanno-HRG, Jim Ingalzo, Dennis Maloskey, Anne Seaver, Paul D. Clark, Steve Todd, Jim Strine, Sandy Ballard

Press Present:

Daniel Victor – Patriot News
Drew Weidman – The Sun
Jim – Hershey Chronicle

All public sessions of the Township of Derry Board of Supervisors are recorded for the purpose of creating accurate minutes. Speakers are asked to limit their comments to three minutes or less.

III. VISITOR/PUBLIC COMMENTS (15 Minutes)

No one came forward.

IV. REORGANIZATION

A1 Election of the Chairman of the Board of Supervisors (Resolution No. 1211)

Chairman Pries asked for nominations in order to adopt Resolution 1211 in its entirety.

SUPERVISOR MEMMI NOMINATED Michael H.W. Pries for Chairman, Christopher Abruzzo for Vice-Chairman, Kelly C. Fedeli for Secretary, Township Manager James N. Negley for Township Assistant Secretary, Township Manager James N. Negley for Township Treasurer, Yost & Davidson for Township Solicitor, and Herbert, Rowland & Grubic, Inc. (HRG) for Township Engineer for 2009. The nomination was seconded by Supervisor Fedeli. With no further discussion, the motion carried, 5-0.

B1 Appointment of an Emergency Management Coordinator and three Deputy Coordinators for one-year terms with the Emergency Management Agency

A motion was made by Supervisor Memmi to appoint Lt. Holl as the Coordinator for a one-year term and Chuck Mouery and Ernie Sholly as Deputy Coordinators for a one-year terms for the Emergency Management Agency; seconded by Chairman Pries; motion carried unanimously with a vote of 5-0.

C1 Establishment of the Manager's Bond Limit (Resolution No. 1212)

A motion was made by Supervisor Abruzzo to set the bond limit for the Township Manager/Treasurer to be not less than \$1,500,000 for the year 2009; Supervisor Fedeli seconded; motion carried unanimously with a vote of 5-0.

D1 Appointment of a Delegate and an Alternate Delegate to the State Convention (Resolution No. 1213)

A motion was made by Supervisor Memmi to appoint Chairman Michael Pries as delegate and Vice-Chairman Christopher Abruzzo as alternate delegate to the 2009 State Convention; seconded by Supervisor Fedeli; motion carried unanimously with a vote of 5-0.

E1 Selection of Depositories for Township Funds (Resolution No. 1214)

A motion was made by Supervisor Fedeli to select *PNC Bank, Citizens Bank, Sovereign Bank, Pennsylvania Local Government Investment Trust, Northwest Savings, Fulton Bank, Commerce Bank, Wachovia, M&T Bank, Susquehanna Banks, Hershey Trust, and Pennsylvania State Treasurers Invest Program* as depositories for the funds of the Township of Derry for the year 2009; seconded by Supervisor Abruzzo; motion carried unanimously with a vote of 5-0.

F1 Naming of monies to be paid to the Hershey Fireman's Relief Association for the year 2009 (Resolution No. 1215)

A motion was made by Supervisor Abruzzo for the Township of Derry to pay over to the Hershey Fireman's Relief Association all monies received from Foreign Fire Insurance Tax for the year 2009; seconded by Supervisor Memmi; motion carried unanimously with a vote of 5-0.

G1 Appointment of One (1) Member to the Vacancy Board for a one year term (Expired term of Todd Pagliarulo)

A motion was made by Supervisor Abruzzo to appoint Todd Pagliarulo to the Vacancy Board for a one-year term; seconded by Chairman Pries; motion carried unanimously with a vote of 5-0.

H1-22 Appointment of Two (2) Members to the Planning Commission for four-year terms (Expired terms of Deb Payne and Pete Gleason)

Chairman Pries read the following names of candidates for the Planning Commission: Pete Gleason, Matthew Tunnell, Steve Todd, Ed Uravic, Dennis Maloskey, Sandra Ballard, Kenneth Miller.

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| ROLL CALL VOTE: | Abruzzo: | Gleason | Tunnell |
| | Fedeli: | Gleason | Tunnell |
| | Porter: | Gleason | Ballard |
| | Memmi: | Gleason | Tunnell |
| | Pries: | Gleason | Tunnell |

5 votes for Pete Gleason, 4 votes for Matthew Tunnell and 1 vote for Sandra Ballard. Pete Gleason and Matthew Tunnell are appointed as members to the Planning Commission for four-year terms.

I1-13 Appointment of Two (2) Members to the Municipal Authority for five-year terms (Expired terms of Kevin Splaine and Neely Frye)

Chairman Pries read the following names of candidates for the Municipal Authority: Kevin Splaine, Edward Swartz, Steve Todd, Dennis Maloskey, Kenneth Miller, Paul Clark, Annette Hart, and Todd Lechleitner.

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| ROLL CALL VOTE: | Abruzzo: | Splaine | Hart |
| | Fedeli: | Lechleitner | Hart |
| | Porter: | Splaine | Todd |
| | Memmi: | Hart | Lechleitner |
| | Pries: | Hart | Lechleitner |

2 votes for Kevin Splaine, 1 vote for Steve Todd, 4 votes for Annette Hart, 3 votes for Todd Lechleitner. Annette Hart and Todd Lechleitner are appointed as members to the Municipal Authority for five-year terms.

J1-5 Appointment of Two (2) members to the Uniform Construction Code Appeals Board for five-year terms (Expired terms of Thomas Alexander and Matthew Loser)

Chairman Pries read the following names of candidates for the Uniform Construction Code Appeals Board: Matthew Loser and Steve Todd.

ROLL CALL VOTE: 5 votes for Matthew Loser and 5 votes for Steve Todd. Matthew Loser and Steve Todd are appointed as members to the Uniform Construction Code Appeals Board for five-year terms.

K1-7 Appointment of One (1) member to the Parks and Recreation Advisory Board for a five-year term (Expired term of Robert Wilhite), One (1) member for a three-year unexpired term (Unexpired term of Matthew Tunnell) and One (1) member for a one-year unexpired term (unexpired term of Annette Hart)

Chairman Pries read the following names of candidates for the Parks and Recreation Advisory Board: Robert Wilhite, Jean Allegrini, Kenneth Miller and Bill Ray.

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| ROLL CALL VOTE FOR FIVE-YEAR TERM: | Abruzzo | Wilhite |
| | Fedeli | Wilhite |
| | Porter | Wilhite |
| | Memmi | Wilhite |
| | Pries | Wilhite |

FOR A FIVE-YEAR TERM: 5 votes for Robert Wilhite. Robert Wilhite is appointed for a five-year term to the Parks and Recreation Advisory Board.

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| ROLL CALL VOTE FOR A ONE-YEAR TERM: | Abruzzo | Ray |
| | Fedeli | Ray |
| | Porter | Allegrini |
| | Memmi | Ray |
| | Pries | Ray |

ROLL CALL VOTE FOR A ONE-YEAR TERM: 1 vote for Jean Allegrini and 4 votes for Bill Ray. Bill Ray is appointed for a one-year unexpired term to the Parks and Recreation Advisory Board.

ROLL CALL VOTE FOR A THREE-YEAR TERM: 4 votes for Jean Allegrini and 1 vote for Kenneth Miller. Jean Allegrini is appointed for a three-year unexpired term to the Parks and Recreation Advisory Board.

ROLL CALL VOTE FOR A THREE-YEAR TERM:

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| Abruzzo | Allegrini |
| Fedeli | Allegrini |
| Porter | Miller |
| Memmi | Allegrini |
| Pries | Allegrini |

L1-19 Appointment of One (1) Member to the Zoning Hearing Board for a five-year term (Expired term of Matt Davies) and One (1) Member for a two-year unexpired term (unexpired term of Neely Frye)

Chairman Pries read the following names of candidates for the Zoning Hearing Board: Matt Davies, Steve Robertson, Ed Uravic, Michael Berner, Dennis Maloskey, Kenneth Miller, Jeffrey Roth.

ROLL CALL VOTE FOR A FIVE-YEAR TERM:

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| Abruzzo | Davies |
| Fedeli | Davies |
| Porter | Urvavic |
| Memmi | Davies |
| Pries | Davies |

ROLL CALL VOTE FOR A FIVE-YEAR TERM: 4 votes for Matt Davies and 1 vote for Ed Uravic. Matt Davies is appointed for a five-year term to the Zoning Hearing Board.

ROLL CALL VOTE FOR A TWO-YEAR TERM:

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| Abruzzo | Maloskey |
| Fedeli | Maloskey |
| Porter | Maloskey |
| Memmi | Maloskey |
| Pries | Maloskey |

ROLL CALL VOTE FOR A TWO-YEAR TERM (unexpired term of Neely Frye): 5 votes for Dennis Maloskey. Dennis Maloskey is appointed for a two-year term to the Zoning Hearing Board.

M1-5 Appointment of One (1) member to the Design Review Board for

a five-year term (Expired term of Pam Stoneroad) and one member for a three-year term (expired term of Ken Patrick)

Chairman Pries read the names of the candidates for the Design Review Board for a three-year term: Pam Stoneroad, Steve Todd and Cindy Farkas. Chairman Pries noted that one member must represent HERCO, Inc. and the other must be a business owner.

A motion was made by Chairman Pries to appoint Cindy Farkas as Representative of HERCO, Inc. to the Design Review Board for a three-year term; seconded by Supervisor Abruzzo, motion carried unanimously with a vote of 5-0.

VOTE: 5 votes for Pam Stoneroad. Pam Stoneroad is appointed for a five-year term to the Design Review Board.

N1 Appointment of One (1) Member to the Police Pension Advisory Board for a one-year term (Expired term of James Brandt)

Chairman Pries read the name of the candidate for the Police Pension Advisory Board: James Brandt.

VOTE: 5 votes for James Brandt. James Brandt is appointed for a one-year term to the Policy Pension Advisory Board.

O-12 Appointment of two (2) Members to the Board of Library Directors for three-year terms (Expired terms of Meghan Mazick and Edward Swartz)

Chairman Pries read the names of the candidates for the Board of Library Directors: Ed Uravic, Kenneth Miller, John Abel and Diana Briselli.

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| ROLL CALL VOTE: | Abruzzo | Abel | Briselli |
| | Fedeli | Abel | Briselli |
| | Porter | Uravic | Miller |
| | Memmi | Abel | Briselli |
| | Pries | Abel | Briselli |

ROLL CALL VOTE: 1 vote for Ed Uravic, 1 vote for Kenneth Miller, 4 votes for John Abel, 4 votes for Diana Briselli. John Abel and Diana Briselli are appointed for three-year terms to the Board of Library Directors.

P1-6 Appointment of One (1) Member to the Tax Collection Association for a three-year term (Expired term of Frank Nardo)

Chairman Pries read the names of the candidates for the Tax Collection Association: Frank Nardo, Kenneth Miller, Jeffrey Roth.

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| ROLL CALL VOTE: | Abruzzo | Nardo |
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| Fedeli | Nardo |
| Porter | Miller |
| Memmi | Nardo |
| Pries | Nardo |

ROLL CALL VOTE: 4 votes for Frank Nardo, 1 vote for Kenneth Miller. Frank Nardo is appointed for a three-year term to the Tax Collection Association.

Q1-2 Appointment of One (1) Member to the Board of Auditors for a one-year unexpired term (Unexpired term of Matt Davies)

Chairman Pries read the name of a candidate for the Board of Auditors: Jeffrey Roth.

ROLL CALL VOTE (unexpired term of Matt Davies): 5 votes for Jeffrey Roth. Jeffrey Roth is appointed for a one-year unexpired term to the Board of Auditors.

Board of Supervisors Appointments

R1 Appointment of One (1) Member to the Library Endowment Trust for a one-year term (Expired term of George Porter)

A motion was made by Chairman Pries to appoint George Porter to the Library Endowment Trust for a one-year term; seconded by Supervisor Fedeli; motion carried unanimously with a vote of 5-0.

S1 Appointment of One (1) Member of the Board of Supervisors as the Emergency Services Liaison for a one-year term (Expired term of Chris Abruzzo)

A motion was made by Supervisor Memmi to appoint Christopher Abruzzo as the Emergency Services Liaison for a one-year term; seconded by Chairman Pries; motion carried unanimously with a vote of 5-0.

T1 Appointment of One (1) member to the Tri-County Regional Planning Commission for a one-year term (Expired term of Mike Pries)

A motion was made by Supervisor Abruzzo to appoint Michael Pries to the Tri-County Regional Planning Commission for a one-year term; seconded by Supervisor Fedeli; motion carried unanimously with a vote of 5-0.

U1 Appointment of One (1) member to the General Authority for a three-year term (Expired term of Skip Memmi)

A motion was made by Supervisor Fedeli to appoint Skip Memmi to the General Authority for a three-year term; seconded by Chairman Pries; motion carried unanimously with a vote of 5-0.

V1 Appointment of One (1) member to the Industrial Commercial Development Authority for a three-year term (Expired term of Skip

Memmi)

A motion was made by Supervisor Abruzzo to appoint Skip Memmi to the Industrial Commercial Development Authority for a three-year term; seconded by Supervisor Fedeli; motion carried unanimously with a vote of 5-0.

W1 Appointment of Two (2) Members of the Board of Supervisors to the Police Pension Advisory Board for one-year terms (Expired terms of Kelly Fedeli and George Porter)

A motion was made by Chairman Pries to appoint Kelly Fedeli and George Porter to the Police Pension Advisory Board for one-year terms; seconded by Supervisor Memmi; motion carried unanimously with a vote of 5-0.

X1 Appointment of One (1) Member of the Board of Supervisors to the Tax Collection Association Board of Directors for a two-year term (Expired term of Skip Memmi)

A motion was made by Supervisor Abruzzo to appoint Skip Memmi to the Tax Collection Association Board of Directors for a two-year term; seconded by Supervisor Fedeli; motion carried unanimously with a vote of 5-0.

Y1 Appointment of One (1) Member of the Board of Supervisors as the Transportation Liaison for a one-year term (Expired term of Skip Memmi)

A motion was made by Supervisor Fedeli to appoint Skip Memmi as the Transportation Liaison for a one-year term; seconded by Chairman Pries; motion carried unanimously with a vote of 5-0.

Z1 Appointment of One (1) member to the Board of Library Directors for a three-year term (expired term of George Porter)

A motion was made by Supervisor Memmi to appoint George Porter to the Board of Library Directors for a three-year term; seconded by Chairman Pries; motion carried unanimously with a vote of 5-0.

Supervisor Abruzzo made a motion to approve H1-22 to Q1-2 as stated; seconded by Supervisor Memmi; motion carried unanimously with a vote of 5-0.

V. APPROVAL OF MINUTES

- December 16, 2008 Public Hearing
- December 16, 2008 B.O.S. Meeting

Supervisor Fedeli moved and was seconded by Supervisor Abruzzo to approve the Minutes from the December 16, 2008 Public Hearing and the Minutes from the December 16, 2008 Board of Supervisors meeting. **Motion carried, 5-0.**

VI. NEW BUSINESS

A1-2 Resolution No. 1218 establishing the contribution rate for the Police Pension Fund for 2009 at 2% of wages. (J. Negley/C. Lontz)

Manager Negley asked that Resolution No. 1218 be passed to set member contribution rates to the police pension plan for 2009.

Supervisor Porter moved and was seconded by Chairman Pries to approve Resolution No. 1218 establishing the contribution rate for the Police Pension Fund for 2009 at 2% of wages. **Motion carried, 5-0.**

B1 Authorization to enter into a contract for auditing services for calendar year ending December 31, 2008. (J. Negley/C. Lontz)

Manager Negley recommended for Hamilton and Musser, PC, who has served the Township for the past three years, to complete the financial audit for 2008.

A motion was made by Supervisor Memmi to approve the authorization for the firm of Hamilton and Musser, PC to conduct the Financial Audit for the Township of Derry for calendar year ending December 31, 2009 for a cost of \$13,200; seconded by Supervisor Fedeli. **Motion carried, 5-0.**

C1-3 Consideration of the release of the performance security supplied for the Preliminary/Final Land Development and Lot Consolidation Plan for 1129 Associates, LP, Plat No. 1114. (E. Small)

Mr. Small requested the balance of a performance cash security provided by the developer be released. He reported that HRG visited the site and concluded that the security is eligible for release. None of the improvements involved were within a Township right-of-way.

A motion was made by Supervisor Porter to approve the release of the remaining performance security of \$1,252.35, in the form of cash, for the Preliminary/Final Land Development and Lot Consolidation Plan for 1129 Associates, LP, Plat #1114; seconded by Supervisor Fedeli. **Motion Carried, 5-0.**

D1-3 Adoption of Resolution No. 1210 designating Township of Derry's intent to suspend banners across SR 0422 announcing various events. (D. Sweitzer/J. Horner).

Assistant Township Manager Jill Horner asked that banners be allowed to suspend across SR 422 announcing various events.

A motion was made by Supervisor Fedeli to adopt Resolution No. 1210, designating the Township of Derry's intent to suspend banners across SR 422 announcing various events; seconded by Supervisor Porter. **Motion carried, 5-0.**

E. Current Market Opportunities Basis Swap

Lou Verdelli, Managing Director for RBC Capital Markets presented another opportunity for the Township. He reviewed the current market conditions, which included the bankruptcy filing of Lehman Brothers which has caused a massive

flow of trades creating opportunities for issuers to take advantage of historically favorable pricing. He noted the traditional fixed-rate municipal bonds are at a historically high rate compared to US Treasuries. Of importance, the tax-exempt SIFMA curve is at or above the 100% LIBOR curve, which makes for an opportunity to enter into basis swaps. Mr. Verdelli presented graphs supporting this information. A Basis Swap is an exchange of variable rate payment streams where the issuer would pay the counterparty a variable payment based on tax exempt SIFMA Index for the life of the swap. In exchange, the issuer would receive a variable payment based on the taxable LIBOR index for the life of the swap. The longer the term of the swap, the greater the spread. An issuer is subjected to tax risk to the extent it has floating rate tax-exempt bonds outstanding. He also mentioned that if the Township decides to terminate the swap, they can do so at anytime.

After further discussion, Supervisor Memmi asked Mr. Verdelli if the Financial Team would be ready to present on January 13th. Mr. Verdelli said they will do their best to be ready, but he needs to speak to the other parties involved.

Supervisor Memmi made a motion to have the Financial Team present a package regarding the Basis Swap to the Board of Supervisors on January 13, 2009 at 5:45 p.m.; seconded by Supervisor Abruzzo. **Motion carried, 5-0.**

VII. CORRESPONDENCE

No correspondence to report.

VIII. BOARD/COMMITTEE INFORMATION

No information to report.

IX. REPORTS

None.

X. APPROVAL OF ACCOUNTS PAYABLE (\$240,564.46) & PAYROLL (\$264,914.66)

Motion: Supervisor Fedeli moved and was seconded by Supervisor Abruzzo to approve Accounts Payable (\$240,564.46) and Payroll totaling (\$264,914.66).

Motion carried, 5-0.

XI. VISITOR/PUBLIC COMMENTS

No one came forward.

XII. ADJOURNMENT

Motion: Supervisor Abruzzo moved and was seconded by Supervisor Memmi to adjourn the meeting at 8:10 p.m. **Motion carried, 5-0 .**

SUBMITTED BY:

Kelly Fedeli
Township Secretary

Brenda L. Van Deursen
Recording Secretary