

TOWNSHIP OF DERRY

BOARD OF SUPERVISORS MEETING

Tuesday, August 10, 2010
600 Clearwater Road, Hershey, Pennsylvania 17033

CALL TO ORDER

The August 10, 2010 Township of Derry Board of Supervisors meeting was called to order at 7:05 p.m. by Chairman Michael H. W. Pries.

ROLL CALL – All Present

E. Christopher Abruzzo, Vice-Chairman
Sandy A. Ballard
Kelly C. Fedeli, Secretary
Marc A. Moyer
Michael H. W. Pries, Chairman

Also Present:

Matt Bonanno – HRG, Township Engineer
Lt. David Holl – Police Department
Jill Horner – Assistant Township Manager
Matthew J. Mandia – Director of Parks and Recreation
James N. Negley - Township Manager
Robert Piccolo – Assistant Director of Public Works
Barbara Ellis – Director of Hershey Public Library
Edward L. Small – Director of Community Development
Terry M. Weinhold – Manager of Accounts Payable & Accounts Receivable
Jon A. Yost - Township Solicitor
Brenda Van Deursen - Recorder

Public Present: Matt Weir, Bruce Hancock, Elvira Ebling, Tim Roche, DTPD Assoc., Rich Gamble

Press Present: Josh Etterman, The Sun and Sheri Melnick for the Patriot News

Executive Session:

Chairman Pries announced that the Board of Supervisors met in executive session prior to this meeting to discuss land, legal, and personnel issues.

Chairman Pries advised that all public meetings are recorded for providing accurate minutes.

VISITOR/PUBLIC COMMENT

Richard Gamble, Hockersville Road

Mr. Gamble is concerned with the sidewalk in front of his house. It is even with the road and at another part of his property, the road is higher than his sidewalk. He is concerned the water is going to run down the road onto his sidewalk. Chairman Pries advised Mr. Gamble to contact State Representative Payne as he was instrumental in getting the funds to help repave Hockersville Road. Chairman Pries asked Lt. Holl if this is a public safety

concern. Lt. Holl said this is the first he has heard of it, but will look into it. Chairman Pries asked Mr. Piccolo if this project is finished. Mr. Piccolo said the main part of the job is done, but they are finishing up with some little items. Chairman Pries commented on the huge improvement of Hockersville Road since the re-paving.

Mr. Gamble also mentioned the cutouts for handicap access. The only two businesses in the area currently provide for handicap access. He sees no purpose to have the cutaway where it is because no one will benefit from it.

APPROVAL OF MINUTES:

Chairman Pries called for a motion to approve the Minutes of the July 27, 2010 Board of Supervisors Meeting. Vice-Chairman Abruzzo made a motion to approve the Minutes as written. Supervisor Fedeli seconded. ***The motion carried 5-0.***

NEW BUSINESS:

A1-1 Ordinance No. 597 – Consideration to execute a Guaranty Agreement in regard to the Township of Derry Industrial and Commercial Development Authority (ICDA) 2010 Bond Issue.

Mr. Lou Verdelli, RBC Capital Markets

The Board authorized the financing team to proceed with the refinancing of the Authority Bonds that were issued for the construction of the project in 2005. This will be presented next week at the Authority meeting with final interest rates locked in. Standard & Poor's recently reaffirmed the Township's AA+ rating. The rating is one notch away from AAA rating which is the highest it can possibly be. The Fed announced they are planning to keep short term interest rates low for an extended period of time. Savings for this might be closer to \$300,000 of savings on the \$10 million refunding.

Ms. Donna Kreiser, McNees Wallace & Nurick

Ms. Kreiser presented two documents. The first is a Guarantee Agreement for the Township to approve in anticipation of the Authority adopting a new bond issue next week.

The second document is in regards to the Intermodal facility. There were two financings done through ICDA when the Intermodal facility was constructed. The first financing was a 2004 note in the amount of \$10 million and the second financing was a 2006 note in the amount of \$5 million. The \$5 million note was done on a draw down basis because they weren't sure how much money was needed to finish the project. Only about \$3 million was used, but the \$5 million has been on the ICDA books and the Township's books for guaranteeing the loan. They have worked with HE&R to finalize the amount that is outstanding and the repayment schedule. PNC has agreed to a slightly revised amortization schedule at HE&R's request. The final amount now is \$2.8 million and the agreement will be revised to reflect that amount as opposed to the original \$5 million. Ms. Kreiser explained the ordinance also authorizes the Township to enter into a First Supplement to Sublease Agreement. That is the Agreement under which the Township pays the Authority rent in an amount equal to the debt service on the bonds.

Supervisor Ballard asked about Schedule I – the rent payments that we are obligated to include in the agreement. She questioned the figures for 2011 (\$400,000) and 2014 (\$800,000). Ms. Kreiser said Schedule I has maximum amounts. When the Authority undertakes the financing, Ms. Kreiser will submit final numbers to the Department of Community and Economic Development (DCED) and the final documents will reflect the

actual amounts of guarantee payments due by the Township. You are approving the maximum amounts so they can proceed with the necessary filings for the DCED.

Mr. Verdelli said the debt service does increase in the year 2014 because the borrowing in 2005 was structured around the Township's other old existing debt. If we lined up all the Bond issues the Township makes payments on, some of those payments are going away and that is when these will kick in.

Supervisor Ballard recalled the estimated costs to the Township would be about \$157,000 after our savings. Mr. Verdelli said the \$250,000 savings is after the costs have been paid. She asked him for the breakdown of the fees. Mr. Verdelli said he will send the final numbers next week. Some of the fees include the underwriting fees, legal fees, bond counsel fees, solicitor fees, Standard & Poor's Credit Rating fee, etc.

Motion: A motion made by Vice-Chairman Abruzzo and seconded by Supervisor Fedeli that Ordinance Number 597 to execute a Guaranty Agreement in regards to the Township of Derry's Industrial and Commercial Development Authority Series 2010 Bond Issue, is hereby approved. *The motion carried, 5-0.*

B1-6 Resolution No. 1266 – Reducing the annual principal and interest payments the Township is currently obligated to guaranty as to the \$5,000,000 Township of Derry Industrial and Commercial Development Authority Guaranteed Project Note, Series of 2006.

Ms. Kreiser said this resolution is a guarantee of a 2006 Note issued by the Authority in connection with the financing of the Intermodal Facility. It will simply reduce the Township's obligation to reflect the actual amount borrowed by the Authority.

Motion: A motion made by Supervisor Fedeli and seconded by Supervisor Moyer that Resolution Number 1266, reducing the annual principal and interest payments the Township is currently obligated to guaranty as to the \$5,000,000 Township of Derry Industrial and Commercial Development Authority Guaranteed Project Note, Series of 2006, is hereby approved. *The motion carried, 5-0.*

C1-4 Execution of a Labor Contract Extension Agreement with the Derry Township Police Association.

James Negley - Township Manager

The existing police contract expires December 31, 2010. The proposed new extension will cover the period of January 1, 2011 to December 31, 2012. In lieu of negotiating a new open Labor contract, the Board of Supervisors requested the Association to consider a contract extension with existing benefits that would include only a pay increase. The Township offered a pay raise of 2.5% in 2011 and 2.75% in 2012. These raises are identical to the ones negotiated in the AFSCME non-uniformed Labor Agreement for the same years. Our labor counsel reviewed the agreement and recommended to the Board that this was a fair supplement for both the Township and the Police Association. The Police Association has reviewed and executed it. He commended Officer Tim Roche, the President of the Police Association for the way he handled the negotiations on part of the police. This is the first time Mgr. Negley has seen an Association member show the interest to come to a Board meeting.

Vice-Chairman Abruzzo appreciates the work the Police Department does but also the understanding by the Union in these difficult times.

Motion: A motion made by Supervisor Ballard and seconded by Vice-Chairman Abruzzo that the Contract Extension with the Derry Township Police Association for the years of 2011 and 2012, is hereby approved and executed. *The motion carried, 5-0.*

D1-5 Resolution No. 1268 adopting qualifications-base selection criteria for the Township Transportation Engineer.

James Negley - Township Manager

The Township is seeking to obtain the services of a PennDOT qualified Transportation Engineer in order to comply with state and federal regulations. The Township is required to advertise this position and complete a thorough review of submissions. The Township evaluated, ranked and recommended to PennDOT the 13 Statements of Interest that the Township received for this position. A Selection Committee was formed to review them. It was recommended unanimously that HRG be recommended first, Benesch second and KCI Technologies third.

Motion: A motion made by Vice-Chairman Abruzzo and seconded by Supervisor Fedeli that Resolution No. 1268 adopting qualifications-base selection criteria for the Township Transportation Engineer and recommending as Number One, Herbert Rowland and Grubic, Number Two, Benesch, and Number Three, KCI Technologies, is hereby approved. *The motion carried, 5-0.*

E1-5 Consideration of the release of a portion of the performance security for the Preliminary/Final Subdivision Plan for Property at Stoverdale and Middletown Roads, Plat No. 1101.

Edward L. Small – Director of Community Development

This portion of the performance security deals with the installation of a sewer line underneath the Middletown Road to Lot #2, the future sight of the Latter Days Saints Church. The amount of this release would be suggested at a little over \$30,000. The first release was approximately \$10,000 and if approved this release would reduce the balance of the Letter of Credit to approximately \$79,000. What remains is the extension of the waterline from its position on the east side of Middletown Road up to Lot #2 and also the installation of public water.

Supervisor Ballard referred to a letter regarding the concerns raised by the Homeowners Association. She asked if the developer agreed to address and fix the problems. Matt Bonanno said he has not talked directly with Mr. Sheffey regarding these issues, but the Association did contact Mr. Sheffey. He is not sure of his response. Supervisor Ballard thought it was agreed the properties were to be restored to the correct pre-construction state or security would not be released until that was done. Mr. Small said he had a chance to talk to the contractor who assured him he would stand by the work and make everything whole that could have been disturbed or damaged during the course of his work. He also received assurance from the developer.

Motion: A motion made by Supervisor Fedeli and seconded Supervisor Ballard that the Township hereby releases \$31,005.15 from the performance security supplied by Integrity Bank in the form of Letter of Credit No. 1285, whose current amount is \$110,926.59 for the

Preliminary/Final Subdivision Plan for Property at Stoverdale and Middletown Roads, Plat #1101, leaving a balance of \$79,921.44, is hereby approved. ***The motion carried, 5-0.***

F1-3 Consideration of the release of the maintenance security for the Preliminary/Final Land Development and Lot Consolidation Plan for the Museum at Chocolatetown Square, Plat, No. 1121.

Edward L. Small – Director of Community Development

The Township holds a Letter of Credit in the amount of \$5,800 for an 18-month warranty period for the public improvements. The amount represented 15% of the installations in the public right-of-way. The 18-month period has expired. The improvements were inspected for their structural integrity and the security is eligible for release.

Motion: A motion made by Supervisor Ballard and seconded Vice-Chairman Abruzzo that the Township releases the maintenance security, in the form of PNC Bank Letter of Credit No. 18104727-00-000 provided by the M.S. Hershey Foundation in the amount of \$5,891.33 for the Preliminary/Final Land Development and Lot Consolidation Plan for the Museum at Chocolatetown Square, Plat #1121, is hereby approved. ***The motion carried, 5-0.***

G1-5 Resolution No. 1267 – Approval of the Application for County Aid from Dauphin County for the Route 743 Bridge Replacement Project.

James Negley - Township Manager

This Resolution requests financial aid from Dauphin County for the 743 Bridge Replacement Project. The Township is seeking \$22,000 from the County's Liquid Fuels Fund to pay for bid phase services and a traffic congestion information management system. The Township has the understanding the County is agreeable to the aid.

Motion: A motion made by Supervisor Fedeli and seconded by Vice-Chairman Abruzzo that Resolution No. 1267, Approval of the Application for County Aid from Dauphin County for the Route 743 Bridge Replacement Project, is hereby approved. ***The motion carried, 5-0.***

H1-2 Authorization to advertise an ordinance amending the Code of the Township of Derry (Ordinance No. 553), Chapter 210, Article IV, Section 210-43, by establishing a No Stopping, Standing or Parking roadway restriction on West Granada Avenue between Linden Road and Cocoa Avenue.

Lt. David Holl – Police Department

This request results from issues originating from a petition to the Board by the residents of the first block of West Granada Avenue. It is a one-way street with parking allowed on both sides. One single lane is designated for thru traffic. Restricting vehicles from stopping or standing on this travel lane will allow for the free, unobstructed passage of vehicles on the one-way roadway. This restriction will amend the PA Vehicle Code Section 3354. Two signs will be required.

Notification to the students of the dance school will include having staff members posted in front when classes begin to remind the drivers, notification on their web-site, and mailings to the students. The Police Department may send one of the bike officers over during the first week to oversee this.

Motion: A motion made by Supervisor Ballard and seconded by Vice-Chairman Abruzzo that the authorization to advertise an ordinance amending the Code of the Township of

Derry (Ordinance No. 553), Chapter 210, (Vehicles and Traffic), Article IV (General Parking Regulations), Section 210-43, No Stopping, Standing or Parking on Roadway for Loading or Unloading, by establishing this restriction on West Granada Avenue between Linden Road and Cocoa Avenue, is hereby approved. ***The motion carried, 5-0.***

I1-2 Authorization to advertise an ordinance amending the Code of the Township of Derry (Ordinance No. 553), Chapter 210, Article II, Section 210-12, by establishing a 25 mph speed limit on West Granada Avenue between Valley Road and Cocoa Avenue.

Lt. David Holl – Police Department

This also arose from the petition by the residents of the first block of West Granada Avenue. The speed limit is 25, but it is not posted. In addition to posting the speed limit on West Granada Avenue, it will also be posted between Valley Road and Cocoa Avenue. This will require three signs.

Motion: A motion made by Supervisor Moyer and seconded by Supervisor Ballard that the authorization to advertise an ordinance amending the Code of the Township of Derry (Ordinance 553), Chapter 210 (Vehicles and Traffic), Article II (Traffic Regulations), Section 210-12, maximum speed limits established on certain streets, by establishing a 25 mph speed limit on West Granada Avenue between Valley Road and Cocoa Avenue, is hereby approved. ***The motion carried, 5-0.***

J1 Request to hold the Annual Hershey High School Homecoming Parade on Friday September 24, 2010 at 6:00 p.m.

Lt. David Holl – Police Department

Homecomings are traditions for welcoming back former residents and alumni and a celebration for the community. Part of the tradition is a parade through the streets of Hershey. The parade will start on E. Granada Avenue, north to Ceylon Avenue, left onto Chocolate Avenue, right onto Ridge Road and left to Park Blvd and end at the Hersheypark Stadium. This is a standard route for the parade.

Motion: A motion made by Supervisor Ballard and seconded by Supervisor Fedeli to hold the Annual Hershey High School Homecoming Parade on Friday, September 24, 2010, starting at 6:00 p.m., is hereby approved. ***The motion carried, 5-0.***

K1 Request to hold the 7th Annual Hershey Tour de Pink Bicycle Ride on Friday, October 1, 2010, starting at 9:00 a.m.

Lt. David Holl – Police Department

The Hershey's Tour de Pink is a 3-day, 220 mile bicycle ride starting at Hershey Chocolate World and ending in Mercer County Park, New Jersey. This benefits the Young Survival Coalition (YSC), the premier international network of breast cancer survivors. For the safety of riders and spectators, traffic control points will need to be manned and traffic stopped as riders pass. On-duty police officers and community service officers will be utilized; however with the number of traffic control points, some off-duty officers will be required and may incur overtime.

Supervisor Ballard asked if it would be possible to use security guards from the Hershey Company. Lt. Holl said there is a jurisdiction issue with the security guards being on the

highway. HE&R have officers that are cross-certified, but Hershey Foods does not. Lt. Holl said they use fire police as often as possible and will use them for this if they can.

Motion: A motion made by Supervisor Ballard and seconded by Supervisor Fedeli that the request to hold the 7th Annual Hershey's Tour de Pink Bicycle Ride on October 1, 2010 starting at 0900 hours, is hereby approved. *The motion carried, 5-0.*

L1 Resolution No. 1269 authorizing the Township to acquire property for the Stormwater Management Project.

Jon A. Yost - Township Solicitor

Adoption of Resolution #1269 will provide the Township with the right to file eminent domain proceedings and acquire the property if someone would not want to negotiate with the Township and provide the property to them for fair compensation. It allows for real estate transfer taxes to be waived if it is done in lieu of compensation.

Motion: A motion made by Supervisor Ballard and seconded by Vice-Chairman Abruzzo that Resolution No. 1269 authorizing the Township to acquire property for the Stormwater Management Project, is hereby approved. *The motion carried, 5-0.*

CORRESPONDENCE

Supervisor Ballard asked if anyone followed up with the East Areba resident who had some concerns about the lack of on-street parking. She suggested that we reinstate parking on both sides of the street. Lt. Holl said he was not aware of this, but will look into it.

Supervisor Ballard reported receipt of a Tree Grant in the amount of \$4,000. They have four members of the Hershey Lions Club who volunteered to monitor the trees and participate in the one day training session. The volunteers are Bob Watkins, Chuck Witmer, Jeff Grimes, and Tammy McAlfresh.

Supervisor Fedeli mentioned a letter received from the Dauphin County Conservation District. They provide a free service for the Township by reviewing the flood management efforts.

BOARD/COMMITTEE INFORMATION

Supervisor Ballard attended the Harrisburg Area Transportation Study Bike and Pedestrian Committee on August 4th. The Committee is focusing on transportation improvements to support bikes and pedestrians and to promote complete streets policies at the local level to insure all users have transportation choices. The next meeting is November 4th at 1:00 p.m. and the public is welcome.

Supervisor Ballard reported at the Planning Commission meeting they made two recommendations to the Board of Supervisors. One was to ask PennDOT to reduce speed on Hockersville Road and the other one was to improve traffic flow around Southpoint. She referred to an article regarding this and it suggested having regular meetings with the Board of Supervisors, Planning Commission, and Zoning Hearing Board. Mr. Small said he would work on scheduling a meeting.

Supervisor Ballard was very impressed with the quick follow up of painted lines a few feet in front of a crosswalk. She read where it could reduce motor vehicles and pedestrian accidents by almost 80%. She asked if we are looking at other possibilities in the plan to

improve safety. Chairman Pries asked Asst. Manager Horner to prepare a summary of the plan to share with the Board to review.

Supervisor Ballard mentioned several residents suggested using Park Avenue as a way to reduce traffic on Chocolate Avenue. Supervisor Fedeli asked Lt. Holl what precipitated closing that area. Lt. Holl said it was supposed to be a dedicated bus route because of the way the bus stop is designed. When the 743 project is completed, the primary drop off point for all the school buses associated with the Zoo will be at the bus stop on Park Blvd. Kids will be discharging at that area and it is a safety issue. He suggested having Chocolate World post better signage when you leave their parking lot. Also GPS systems don't always provide the best and most up to-date directions.

Vice-Chairman Abruzzo said he would be reluctant to change anything in relation to traffic patterns and roads until the intersection realignment project is completed. If it is still a problem, we can revisit it. If we are still having problems with the GPS companies, someone should be calling them with the established routes. Lt. Holl said HE&R has been diligently working on this.

REPORTS

Barbara Ellis – Hershey Public Library

Ms. Ellis reported the library was closed on Friday, August 6th in preparation for the Friends Book Sale. On that date, 20 staff were trained in AED rescue skills in order to use the AED in the library, if needed. The Friends Books Sale started on Friday and they are doing very well. It ends on Thursday, August 12th. The designer for the re-design project provided three drawings. The lead staff made some choices from each drawing. The designer will consolidate the ideas and resubmit a drawing in about three weeks.

Terry M. Weinhold – Manager of Accounts Payable & Accounts Receivable

Ms. Weinhold received a document stating the Township would receive a little over \$39,000 from federal and state funds for the snow disaster that occurred in February of this year. She also reported revenues and expenses are coming in under budget.

Matthew J. Mandia – Director of Parks and Recreation

Mr. Mandia reported they are in the process of closing the indoor pool for their annual maintenance work in order to open on September 7th. The dome will close on August 22nd in preparation for this.

Vice-Chairman Abruzzo asked how the summer season was in terms of activity at the pool. Mr. Mandia said June and July were tremendous. There was a little dip off in August, which is expected due to vacations, etc.

Chairman Pries said it looks like there is more basketball participation on the outdoor courts. He asked about the attendance for the outdoor skate park. Mr. Mandia said the attendance is about the same as in the past years.

Matt Bonanno, Township Engineer

Mr. Bonanno reported the stormwater project is on schedule. They have contacted all the utilities and have given them the go ahead to start redesign. They have all but one of the easements out. They have received 10 signed waivers for waiving just compensation and 7 that do want compensation. They spoke to Solicitor Yost and received approval for the documents and will be scheduling meetings this week to obtain the easements. They met

with DEP to try to finalize the design of the Bullfrog Valley Pond – Wood Road area. Once the design is finalized they will resubmit it to DEP to obtain the permit. Mr. Bonanno will continue to provide updates at all future meetings.

Supervisor Ballard asked where and when the actual construction might happen. Mr. Bonanno said everything is still preliminary, but if the easements come in, they should be ready to go by the end of the year to issue contracts. It would be up to the contractor when they would start...most likely in the spring. Some of the road work could start earlier. They would start at Mill Street, then to Cocoa, and finish up with Bullfrog Valley. Supervisor Ballard asked if the three areas would be done sequentially. Mr. Bonanno said it would be up to the contractor.

Supervisor Ballard asked for an update on the Lingle Avenue construction. Chairman Pries said as a result of concerns brought to his attention, the information was passed on to the Township Manager and Reps. Gingrich and Payne. It seemed shortly after that activity started back up.

Edward L. Small – Director of Community Development

Mr. Small asked if the Board was ready to take action on the amendment from the Hershey Trust regarding parking standards in the downtown commercial village district. Chairman Pries said he is in favor of moving to advertise the proposal.

Mr. Small contacted the developer of the hotel on East Chocolate. The developer said he is doing the same work that he has been doing, but it is just taking longer than he expected.

Mr. Small reported the Planning Commission reviewed the Med Center's request to change the zoning from suburban residential to medical campus for a portion of the Winters property that sits on top of the hill in the woods. That was part of the subdivision that created a smaller lot for the Winters and allowed an area of about 6 ½ acres to be attached to Lot 2 of the Med Center. The area will just be a contributor toward zoning analysis for floor area ratio and impervious coverage. It will be a natural area left as it is. A public hearing is scheduled for September 28th at 6:30 p.m.

Mr. Small scheduled a meeting for August 25th to begin discussions on updating the Comprehensive Plan.

Supervisor Ballard asked about the school construction and wondered if it would be completed by August 30th for the first day of school. Mr. Small said that is their target. Supervisor Moyer asked Mr. Small to check with the School District to see if they do have a contingency plan in the event their construction is not completed on time.

Jill Horner – Assistant Township Manager

After review of the employee injury report, they found that every year there were slips on the ice. Cleats will be ordered for employees in the Police Department, Public Works Department, and Code Enforcement Officers that would like them. A grant was applied for through our Workers Compensation provider and they are providing for half the cost of the cleats.

James N. Negley - Township Manager

Mgr. Negley said at the request of the Board, he contacted York Waste to put a letter in their next billing regarding the large green bins. York Waste said they did not want to wait until the next billing, they will send a letter out as soon as possible.

Supervisor Ballard mentioned the Township Manager is meeting with an energy auditor for ways to reduce energy use. For 2011, the Board has asked every department to look at reducing their energy use. She said that Dennis Maloskey suggested trying a free web site portfolio manager to let us know how efficient we are with our energy use.

APPROVAL OF ACCOUNTS PAYABLE (\$1,433,686.33) AND PAYROLL (\$330,834.51).

Vice-Chairman Abruzzo moved to approve accounts payable in the amount of \$1,433,686.33 and payroll in the amount of \$330,834.51. Supervisor Fedeli seconded.

Chairman Pries commented on the accounts payable amount being larger than normal. Ms. Weinhold said it is for a debt service payment of about \$1.2 million.

The motion carried, 5-0.

VISITOR/PUBLIC COMMENTS

No one came forward.

ADJOURNMENT

Supervisor Ballard moved to adjourn the meeting at 8:20 p.m. Supervisor Fedeli seconded.

The motion carried, 5-0.

SUBMITTED BY:

Kelly C. Fedeli
Township Secretary

Brenda Van Deursen
Recording Secretary