

**TOWNSHIP OF DERRY
BOARD OF SUPERVISORS MEETING**

Tuesday, May 12, 2015
600 Clearwater Road, Hershey, Pennsylvania 17033

CALL TO ORDER

The May 12, 2015 Township of Derry Board of Supervisors meeting was called to order at 7:00 p.m. by John W. Foley, Jr., Chairman.

ROLL CALL

Supervisors Present:

Sandy A. Ballard
Justin C. Engle, Secretary
John W. Foley, Jr., Chairman
Marc A. Moyer, Vice-Chairman
Matthew A. Weir

Also Present:

Thomas Clark, Director of Public Works
Bob DiLello, Fire Company
Barbara S. Ellis, Director of Hershey Public Library
Charles Emerick, Director of Community Development
Alex Greenly, HRG Engineer
Jill Henry, Assistant Township Manager
Matt J. Mandia, Director of Parks and Recreation
James N. Negley, Township Manager/Township Treasurer
Patrick O'Rourke, Chief of Police
Terry Weinhold, Manager of Accounts Payable & Accounts Receivable
Jon Yost, Solicitor
Brenda Van Deursen, Recorder

Public Present: Elvira Ebling, Alex Greenly, Debra Farrington, Patricia Boyle, Tammy McElfresh, Chuck Witmer, Rich Gamble, Charleton Zimmerman, Meg Flaherty

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

Chairman Foley announced that the Board of Supervisors met in executive session to discuss land, legal, and personnel matters.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

No one came forward.

APPROVAL OF MINUTES

Chairman Foley called for a motion to approve the Minutes of the April 28, 2015 Board of Supervisors Public Hearing. Supervisor Ballard made a motion to approve the Minutes as written. Supervisor Weir seconded. ***The motion carried, 5-yes 0-no.***

Chairman Foley called for a motion to approve the Minutes of the April 28, 2015 Board of Supervisors Meeting. Supervisor Engle made a motion to approve the Minutes as written. Supervisor Ballard seconded. *The motion carried, 5-yes 0-no.*

NEW BUSINESS

Derry Township Community Cats Program Update

Debra Farrington, President – The Derry Township Community Cats was formed 2 ½ years ago. It has been successful during that time trapping, neutering and returning 640 cats. In 2014, 20% of the cats that were trapped had already been neutered. So far in 2015, 60% of the cats that were trapped have been neutered. There are 20 volunteers in the program. This program gives cats the shots that are needed for public health. Since the program started, the police department has spent little on cat issues and it has saved the taxpayers money. The Derry Township Community Cats Program was able to obtain a grant to help with some of the costs. The group is at a standstill right now because they do not have a place to work or house the cats.

Chairman Foley recognized Tammy McElfresh, Patricia Boyle, and Mr. Witmer from Community Cat Program, who were also present. He thanked them and Ms. Farrington for their volunteer efforts and assistance with the community and taking care of the cat problem.

A1-1 Introduction of the new Derry Township Economic Development Manager, Ms. Lauren B. Zumbrun.

James N. Negley, Township Manager/Township Treasurer – In the 2015 Budget, a new position was created for an economic development manager. With the assistance of the town planner, Chris Brown, we advertised for this position nationally and we received 33 applicants. A committee was formed to review the candidates and to make a recommendation to the Township. Jill Henry, Asst. Township Manager, Matt Mandia, Director of Parks & Rec, Chris Brown, and Manager Negley conducted interviews. Based on their interviews, the committee unanimously recommended to the Board of Supervisors that Lauren Zumbrun be considered for the position. The Board of Supervisors interviewed Ms. Zumbrun and concurred that she was the right person to lead the Township in our economic development pursuit.

Ms. Zumbrun has extensive experience in grant writing, municipal services, the RACP, the TIFF, and she sits in on our comp plan meetings. She currently serves on the Hummelstown Borough Planning Commission. Prior to her employment here, she worked as a project manager for RETTEW Associates. She has a B.S. from Shippensburg University and a Masters in Public Administration from Penn State.

B1-10 Approval of Ordinance No. 668, in consideration of executing a Guaranty Agreement for the Township of Derry Industrial and Commercial Development Authority 2015 Bond Issue.

Lou Verdelli, Managing Director, RBC Capital Markets – Two weeks ago, the Board of Supervisors authorized their financing team to prepare the necessary documents for the refinancing of the Industrial Commercial Development Authority's 2010 Bonds. The Bonds were issued by the ICDA and at the July meeting we will lock in the final interest rates and know exactly what the savings are to the Township. To insure the lowest interest rate on the Bonds, the ICDA is requesting the Township to guaranty this issue. RBC will work with the Township administration

to gather the necessary documents in preparing for a credit rating call. That will be happening over the next 30 days.

Tim Horstmann, McNees, Wallace & Nurick – Mr. Horseman explained that Ordinance No. 668 authorizes the Township to occur lease rental debt through the execution of the Guaranty Agreement in connection with the 2015 Bond issuance. These bonds will be backed through the Guaranty with the Township's full faith and credit and taxing power.

Supervisor Ballard clarified that when we refinance these bonds we are not extending the maturity date. She asked if we are increasing the principal amount. Mr. Verdelli explained that each time we do a refinancing, the new issue size is always going to be larger due to interest expense and costs of the transaction. The last set of numbers that we ran on a preliminary basis – the amount of bonds was \$9,670,000 and the new issue size was \$9,995,000. There is an increase in principal, but the cost savings is always driven by the fact that the interest rates on the new larger bond issue are so much lower than the rates you are paying today.

Supervisor Ballard asked if this will affect our credit rating. Mr. Verdelli said not when it is a small increase like this.

Supervisor Engle said it would help our debt service recovery ratio if the payments were lower. Mr. Verdelli said the credit rating agencies look at what the percent of your total debt service payments of the whole budget is and at the principal amount. Manager Negley noted that the savings has to be at least \$300,000 to proceed. It is now in excess of \$400,000. Mr. Verdelli said the actual payments, principal and interest on the estimated loan right now is \$400,000 less than what you would pay if you did nothing.

Mr. Weir asked about the fees and closing costs. Mr. Verdelli said they are typically 1 1/2% depending on the size of the issue. The savings number mentioned above is after costs.

Motion: A motion made by Supervisor Engle and seconded by Supervisor Ballard that Ordinance No. 668, in consideration of executing a Guaranty Agreement for the Township of Derry Industrial and Commercial Development Authority 2015 Bond Issue, is hereby approved. ***The motion carried, 5-yes 0-no.***

C1-1 Approval of voluntary sidewalk and curb replacement project bid letting, construction and installation of handicap accessible ramps.

Thomas Clark, Director of Public Works – Bids for this project were opened on May 4, 2015. One bid package was received from Red Rock Construction, who has done this project for the last five years. The cost is \$8.90/square foot. It is a little over the 2014 costs, but under the 2013 costs. It is a pass through and we bill the residents accordingly.

Supervisor Ballard asked if you normally get a 100% payment from the residents. Mr. Clark said they do.

Mr. Brown asked if Red Rock will honor that cost for additional sidewalk work outside of the scope. Mr. Clark said he believes they would.

Supervisor Weir asked if there are any handicap ramps this year. Mr. Clark responded that he does not have any in the project because the maintenance program doesn't require it.

Motion: A motion made by Supervisor Ballard and seconded by Vice-Chairman Moyer that the Township staff award the sidewalk and curb replacement project bid to Red Rock Construction. *The motion carried, 5-yes 0-no.*

CORRESPONDENCE/BOARD/COMMITTEE INFORMATION

Supervisor Engle reported that on May 7th, representatives from the Township met with representatives from DTMA, to continue discussions on creating a stormwater utility. The discussions are ongoing. This weekend is Music on Chocolate, Friday night, from 6pm to 8pm and Art on Chocolate, Saturday, from 10am to 5pm.

Supervisor Ballard reported that Bike to School Day with the Derry Township School District was successful. She thanked all those who made donations to this event. There were over a hundred children and about 200 children registered. She announced that Walk to School Day is October 7.

Supervisor Weir thanked everyone for their help with our tree planting program this year that was tied in with Kiss Hershey Back. Supervisor Ballard thanked Public Works for coordinating the volunteers.

REPORTS

Patrick O'Rourke, Chief of Police - Chief O'Rourke will be going to Washington, DC, to play bagpipes for the ceremonies for the national law enforcement officer's memorial.

Vice-Chairman Moyer mentioned the police officers were a positive role model and thanked them for their part in Bike to School Day.

Vice-Chairman Moyer asked about the stop signs on Bullfrog Valley Road. Mr. Clark said they will be unveiled tomorrow at 9:00 a.m. Supervisor Engle announced that on Saturday, Chocolate Avenue will be closed. This information will be placed in the newsletter.

Bob DiLello, Hershey Fire Company - Construction on the new fire house is progressing. He thanked all the churches who opened up their facility for the Fire Company to conduct their meetings.

Thomas Clark, Director of Public Works - Mr. Clark reported they are working on spring maintenance and other miscellaneous jobs throughout the community.

Barbara S. Ellis, Director of Hershey Public Library - The Library's central computer system is going through some upgrades and tomorrow, there will be some interruptions with their catalogue services. Also, the local Covered Bridge Association brought in a display of covered bridges throughout this area and several of them are in Dauphin County and Derry Township.

Matthew Mandia, Director of Parks & Rec - Reminder - Mr. Mandia reminded everyone about the Memorial Day Parade on the May 25th at 10:00 a.m. and the Ceremony. The ceremony will

begin at the Rec. Center, immediately following the parade at approximately 11:30 a.m., the ceremony will take place at the War Memorial in front of the Rec. Center.

APPROVAL OF ACCOUNTS PAYABLE (\$265,016.04) AND PAYROLL (\$306,218.20).

Supervisor Weir moved to approve accounts payable in the amount of \$265,016.04 and payroll in the amount of \$306,218.20. Vice-Chairman Moyer seconded. ***The motion carried, 5-yes 0-no.***

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Charleton Zimmerman, 119 N. Roosevelt Avenue – Mr. Zimmerman said it is time to readjust our zoning ordinances, or approve the international zoning codes because our current ones are antiquated. He specifically mentioned mixed uses and the definition of single family. He proposes single family be changed to domestic partnership.

ADJOURNMENT

Chairman Foley called for adjournment. Supervisor Engle moved to adjourn the meeting at 7:30 p.m. Supervisor Weir seconded. ***The motion carried, 5-yes 0-no.***

SUBMITTED BY:

Justin C. Engle
Township Secretary

Brenda Van Deursen
Recording Secretary