

TOWNSHIP OF DERRY
BOARD OF SUPERVISORS MEETING MINUTES
OCTOBER 9, 2018

CALL TO ORDER

Chairman Marc A. Moyer called the October 9, 2018 Regular Meeting of the Township of Derry Board of Supervisors to order at 7:00 p.m. in the meeting room of the Township of Derry Municipal Complex, 600 Clearwater Road, Hershey, PA. An Executive Session was held prior to the meeting where personnel issues were discussed. 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
Richard D. Zmuda
Susan M. Cort

ALSO PRESENT:

James N. Negley, Township Manager and Treasurer
Jill Henry, Assistant Township Manager
Jon A. Yost, Township Solicitor
Chuck Emerick, Director of Community Development
Robert Piccolo, Assistant Director of Public Works
Chief Garth Warner, Police Department
David Sassman, Hershey Volunteer Fire Company
Matthew Mandia, Director of Parks and Recreation
Zachary Jackson, Assistant Director of Parks and Recreation
Chris Gwron, Hershey Public Library
Lauren Zumbrun, Economic Development Manager
Alex Greenly, HRG Engineer
Julie Echterling, Recorder

Public in Attendance:

Please see page eight of minutes for those in attendance.

APPROVAL OF MEETING MINUTES:

Supervisor Engle made a motion to approve the minutes of the September 25, 2018 Public Meeting of the Board of Supervisors. Supervisor Zmuda seconded the motion. **Motion carried 5-0.**

Supervisor Cort made a motion to approve the minutes of the September 25, 2018 Board of Supervisors Community Center Business Plan Meeting. Chairman Moyer seconded the motion. **Motion carried 5-0**

VISITOR/PUBLIC COMMENTS:

Mrs. Theresa Peschel, 48 Half Street, asked if there would be a yellow arrow installed for the left turns with the new Hershey Square Complex. Ms. Zumbrun answered yes and should be installed by Spring.

Mr. Rich Gamble asked the Board if there was any movement with HE&R on the entertainment tax.

NEW BUSINESS:

PRESENTATION-PROPOSED COMMUNITY CENTER PROJECT:

Mr. Mandia thanked everyone for coming tonight and reminded everyone this meeting would be videotaped and available on the website. He discussed the history of the current Recreation Center which is now 55 years old. He stated a Stakeholders group was formed and started meeting in 2014. He spoke about the consultants who have worked with him on coming up with a plan, marketing and operating analysis. He turned the meeting over to Mr. Jim Bogrette of Kimmel Bogrette Architecture +

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Site. Mr. Bogrette showed the current site picture of the property and the proposed site. He stated the outdoor basketball courts will stay and the stormwater management will be moved. He spoke about the connectivity for the campus and stated the Cocoa Castle will also stay. The square footage for the Center is 113,480. He showed slides of the conceptual views of the proposed Center for each floor. Some of the features on the first floor would include the administrative offices, senior center, gym, meeting areas, pools, and Café. The second floor would be for the fitness/exercise area with a walking track. He discussed each area and the features of each including the lobby area. He spoke about the feature of the 50-meter pool area including score boards and a management meet area. He showed conceptual pictures of the outside of the building from all angles including the outdoor pool with a zero-entry level.

Mr. John Trump, Kimmel Bogrette Architecture + Site, discussed the outdoor materials for the building. He showed conceptual pictures of the building and discussed the following materials for the building: polycarbonate daylight planes exterior stone veneer, exterior insulation and finish system, aluminum and glass curtain wall system and exposed painted structural steel. He spoke about the reduced cost and efficiency as the reasoning for the materials chosen.

Mr. Greg Koussis, Capital Construction, stated he will be acting for the Township and will be performing budget verification and keeping the schedule of the project moving. He stated when he received the original documents on September 18th, the project was approximately \$3 million over the \$32 million budget. There were 53 savings options discussed and several were chosen. They were able to get the project to come in at \$32 million including a contingency fund. He stated the cost per square foot with the pool is \$248 and \$190 without the pools. He stated these are reasonable costs for commercial construction. He went over the schedule and indicated the schedule is shown in working days. They hope to have the bids out at the end of January with them due in February and to the Board on March 12th. Construction would start April 1, 2019 and a soft opening in May 2020 of the new Center.

Mr. George Deines, Counsilman Hunsaker, spoke about the history of his firm and their involvement in water sports and pools. He spoke about the research and analysis they performed for the new Center. He discussed the advantages of a 50-meter pool with having a leisure pool and how it helps the swimmers at meets. He discussed the Middle Atlantic Swimming organization which has 11,000 swimmers and has 200 meets per year. He believes the demand is out there and this proposed pool could generate 12-14 meets at \$4,500 to \$6,000 a day per meet. He discussed how a local swimming club can help facilitate these meets. He spoke about the sponsorship and promotion that is available with the Hershey Harrisburg Sports Event Authority. He spoke about the additional revenues that can be generated from these meets including entrance fees, retail, spectator fees, and concessions. He recommends for year one to have a few meets and see how they go to determine what is best for the Center. For year two, you can partner with local business, hotels and such to help with the meets. He spoke about the importance of working together.

Board Comments:

Supervisor Engle asked Mr. Deines about the revenue projections. Mr. Deines believes the numbers are firm and stated the membership revenue and rentals are in line with what they typically see. Chairman Moyer asked Mr. Koussis about the cost of the Center. Mr. Koussis stated they refined and reduced items to come in at the \$32 million. Chairman Moyer named some of the 53 items that were discussed to reduce the cost including eliminating the splash pad and geoanalysis and changes to the foundation process. Mr. Koussis discussed the original concept, the alternative options and the costs associated with

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them. Chairman Moyer spoke about his concerns about the foundation changes and asked if it has been peer reviewed and Mr. Koussis stated no. Mr. Koussis stated the micro pile system is the only one that eliminates any risk of subsidence which was taken out and the system chosen eliminates some of the risk. Mr. Koussis stated the splash pad was eliminated to save money (\$200,000). Chairman Moyer asked about the fitness rooms and walking trail. Mr. Koussis indicated they had been reduced by 1,450 square feet on the second floor to save money.

Public Comments:

Mrs. Pam Rowe discussed what community means and believes this Recreation Center will meet that definition. She believes it will serve as an anchor for the Community. The Center will have space for the young and the older community. She asked those opposed to the project what is our responsibility for the future.

Mr. Phil Frederick, 440 West Chocolate Avenue, spoke about the Township growing and looking to the future. He believes the new Center will draw new residential areas and new businesses which would add to the tax base. The Recreation Center will be a center piece for the Township.

Ms. Caly Early spoke in favor of the new Recreation Center. She stated years of research have gone into this center and she is fighting for the Center. She is willing to donate \$1,000 of her own money, not her parents, toward the Center. She thanked the Board for their hard work.

Mrs. Carol O'Hara, Southpoint, said the plan is beautiful for the Center, but it will still lose \$500,000 a year. She spoke about the tax increase of \$144 to \$400 and how it will make it harder for seniors to pay them and stay in the Township. She thinks there are ways to save money and she doesn't believe they need an Olympic pool. She asked them to look at the plan and make changes.

Ms. Lydia McMullen, Hilltop Road, spoke about her synchronized swimming and her coaches. They can only practice two hours a week. She spoke about all the things they learn through swimming. She and her team are in support of the new Center. She encouraged building the new center which will give them more time in the pool.

Mrs. Beth Shaw spoke about living here since the 1960's and using the pool to learn how to swim. She stated today is about community, where everyone can come together. She encouraged them to move forward on the plan.

Mrs. Linda Iron, Hummlestown, read from her accounting book, the definition of enterprise funds which include, charging based on usage and are self-supporting. She stated the Recreation Center has been run with the General Fund which is against general accepted principles. She is concerned about the independence. She asked as of January 2019 to create an enterprise fund account for the Recreation Center for all expense, revenue and debt services and internal controls and auditing. She stated it should be like the recycling center runs like an enterprise fund.

Mrs. Theresa Peschel, 48 Half Street, asked the Board to not stop raising money for the Center once it reaches \$5 million. Chairman Moyer stated they would continue to raise monies and won't cap it.

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Mr. Lou Paoletti, tax collector, stated he isn't against the Center but believes it is excessive. He is concerned about the potential 1.73 millage increase-87% tax increase. He spoke about the operating deficit of approximately \$300,000 which has changed to \$589,000 which is a 66% increase change in a matter of months. He stated they just closed the Granada Gym and now the new Center contains a Gym. He discussed the large increase in membership fees for the Center. He stated the family rate increased from \$392 to \$900 a year. He believes a new Center is needed and realizes doing nothing is not an option. He would like to see the Board go back to the drawing board.

Mr. Dan Cleff, 84 South Hills Road, thanked the Board for their work and commitment. He is on the Board of the Aquatics Club. He is here tonight as a dad, neighbor and taxpayer. He is 100% behind the new Center and believes the project will be successful.

Mr. Greg Fastrich, 914 Cambridge Court, stated he is part of the Aquatics Club and supports the Center. He is excited about being able to have more events in the new Center. He knows the new Center will bring in the events. He thanked the Board for the time they put into this project.

Mr. Wayne Rivers, 815 Cypress Court, believes the monies should be used for Gelder and Shank Park. He stated the Center is for only the folks in town. He spoke about the fees increasing. He thinks there are better fiscal responsible ways to spend money in the Township.

Ms. Serena A Dimagno, 514 Hockersville Road, heard tonight the primary reason for the Community Center is for competitive swimming. She asked the Board if it benefits the needs of the whole community. If the Board believes the Center will benefit everyone then it should be put to a referendum vote in November. She stated he has heard the argument from the Board that only 4,500 people vote. She pointed out that those 4,500 voters voted for this Board. She would like it to go to a referendum vote.

Ms. Lindsay Drew, Carousel Circle, stated she is concerned about the taxes for everyone. She believes the children will benefit from the new Center. She believes the community needs this and would like to see it available to all. She asked them to make sure the Center is affordable for all. She is pledging \$5,000 of her own money for the Capital Campaign. She stated the Center is more than a pool and will benefit many.

Mr. Evan Diaou, 184 Jacobs Drive, thanked the Board for their transparency spoke about the tax increase and how the Township tax is only 6% of the total real estate taxes. He asked for an update on the child care. Mr. Mandia stated if the items in the budget are approved they would hope to have 75-85 children if they can get the staff, space and BOS approval.

Mrs. Kristine Drexler spoke about the referendum there was for the Library, which was voted down, and the state-of-the-art library they have now. She thanked the Board for recognizing it was time to move forward. She understands the concern about money as she has had issues paying her bills. She looks forward to the Center being vibrant like the library is now.

Mr. Rich Gamble asked for a running update on the Capital Campaign. He asked if the Mohler Center is going to be charged the set fees. He spoke about how tax increases are hard on the seniors in the Township. He believes HE&R, who just announced they are spending \$150 million to expand, should be

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asked to contribute. He asked the Board what happens if they don't meet the Capital Campaign or receive the grants they wanted.

Mr. Charlie supports the Recreation Center as part of the swimming community. He believes it would be an area where students could work together on projects and will offer a lot.

Mr. David Cass has lived here 20 years. He has heard two discussions tonight with one about an Olympic training center and a Community Center. As he heard discussions of being over budget, the items cut weren't the pool but were the parts of the center which are for the Community. Nothing was taken away from the Olympic pool area. He is for a pool and a new Recreation Center. He asked them to look at the Community first and then an Olympic training pool second.

Mr. David Adams, Hershey, stated they should keep this simple. Do it within your own means, like our household budgets. He stated don't raise taxes, do it within your means.

Mr. Jeff Snavely noted most households have \$90,000 in debt. He stated the pool will cost \$6 out of the \$32 million. He stated the Recreation Center isn't just about the pool as it offers much more. If the tax increase is \$144 then the pool per year would be \$36. He spoke about the federal debt and isn't concerned about this increase. He stated this a Community Center with a \$6 million pool.

Mr. Michael Miller, 441 Elm Avenue, supports the Community Center and is pro fiscal responsibility. He asked the Board to step back and ask is it the most fiscally responsible option to move the community forward with this center. He is concerned with the reports which used words like probable, strong chance and other words like them. He stated on page 26 of the business plan that significant revenue is expected from non-residents. This is supposed to be the Hershey Community Center.

Mr. Bob Hamilton has lived in the Township his whole life. He is against it. Do we want to get into the risky business of running events and to trying make money. He is against the big project and believes it should be scaled down.

Ms. Mia Third, 225 Miner Road, stated she is a swimmer and lifeguard. She sees firsthand how the Center bonds people. She stated you can't put a price on safety which is an issue in the facility now. She thanked the Board for listening.

Mr. Tom Brier heard two things that concern him tonight. One is compromise on the pool. He stated they should maintain the integrity. If you are going to do it, do it right. The second he heard from PFM and how other departments may be cut. We should not sacrifice other departments in the Township for this Center. You should not cut critical services to fund the Center.

Mr. Randy Shives thanked the Board as they addressed three things he brought up at the last meeting. He believes they need to look at revenue streams outside the residents. He spoke about \$75 of taxes paid on a rental car this past week which went right back into the community. He spoke about the hotel taxes and having another tax without using the County. He stated no one has a problem with the Recreation Center if it is funded properly. Shortcuts like the foundation is not the solution, do it right, and find other revenues sources.

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AUTHORIZATION TO PROCEED TO THE CONSTRUCTION DOCUMENTS AND BIDDING SERVICES PHASE OF THE COMMUNITY CENTER PROJECT:

Mr. Mandia stated the next phase of the design process includes detailed drawing and specifications in order for contractors to provide accurate bids for the project. It will also provide for services from advertisement through review and award of the project. The total cost would be \$734,500.

Vice Chairman Weir made a motion to authorize proceeding to Construction Documents and Bidding Services in the amount of \$734,500. Chairman Zmuda seconded the motion. **Motion carried 4-1.**

RESOLUTION NO. 1561, MAINTENANCE OF STREET LIGHTS:

Chairman Moyer made a motion to adopt Resolution 1561 providing for the assessment of the cost and expense of the maintenance of street lights within the Township of Derry, pursuant to Section 2003 (a) of the Second-Class Township Code, as amended, and also providing for the collection. Supervisor Cort seconded the motion. **Motion carried 5-0.**

PERFORMANCE SECURITY:PLAN FOR THE MILTON HERSHEY SCHOOL SAFETY AND SECURITY FACILITY, PLAT NO. 1262:

Chairman Moyer made a motion to accept Hershey Trust Company's Letter of Credit No. 2018-01 in the amount of \$887,785.98 as performance security for Preliminary/Final Land Development Plan for the Milton Hershey School Safety and Security Facility, Plat #1262; and that the Board authorizes the release of Travelers Casualty and Surety Company of America Bond No. 106537243 in the amount of \$887,785.98. Supervisor Zmuda seconded the motion. **Motion carried 5-0.**

CORRESPONDENCE BOARD/COMMITTEE INFORMATION:

Supervisor Cort stated this was a tough decision tonight and it wasn't taken lightly. She thanked everyone for coming tonight. She stated they will work for the best solutions to pay for the Center. Chairman Moyer stated even though he voted against the project tonight, he is going to work to make it a success.

REPORTS:

<u>Fire</u>	Mr. Sassaman stated it is Fire Prevention Month and they are going into the schools and working with the car show this week.
<u>Recreation</u>	Mr. Mandia stated they fixed lights and have more barricades for the parade next week.
<u>Engineer</u>	Mr. Greenly stated the road was closed on October 1 st for the Stauffer's Road culvert and it should be opened next week, pending any paving delays.
<u>Community Development</u>	Mr. Emerick asked for hearings on November 13 th for Ordinance 708 and 709 starting at 6:00 p.m. and the Board agreed. He will send a survey out to pick a night to have the hearing on the master plan for the Board.
<u>Economic Development</u>	Ms. Zumbrun stated the Township received the Keystone Grant they applied for. The next bike/pedestrian alliance meeting is October 17 th at 6:00 p.m. at the Fire Station. Volunteers are needed for Choctoberfest.

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ACCOUNTS PAYABLE and PAYROLL:

Chairman Moyer made a motion to approve accounts payable in the amount of \$1,692,305.43 and Payroll of \$330,432.17. Supervisor Engle seconded the motion. **Motion carried 5-0.**

VISITOR/PUBLIC COMMENTS:

Mr. Rich Gamble stated the election is coming and there should be a referendum on the Recreation Center on it. He asked the Board for an update on the entertainment tax. Supervisor Cort stated the Capital Campaign is in a silent lead phase and information will be shared as it continues. She explained the process of this phase and asked him to be patient. The Board has discussed the tax but has nothing to report.

ADJOURNMENT:

Supervisor Zmuda made a motion to adjourn the meeting at 9:35 p.m. Supervisor Engle seconded the motion. **Motion carried 5-0.**

SUBMITTED BY:

Justin C. Engle
Township Secretary

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Public in Attendance:

D. Nycotera	Linda Eyer	David Minnich
Dave Kraynik	Marty Stabley	Jenny Stabley
Lou Bushman	Lorrie Bushman	William Th
Michele Th	Steve Smith	Bob Welsh
Keith Graham	Christina Mihalik	Marilyn Pelguson
Dan Clough	Sandie & Carl Pharmzo	Melissa McMullen
Lydia McMullen	Christine Drexler	Angela Woronko
Rob Woronko	Serea DiMagno	Donald Springer
Dave Adams	Jane Adams	John Gardiner
Stephanie Adams	Dale Holte	Steve Marroni
Genie Bowman	Pete Bowman	D. Buffington
Ed Leppold	Randi Solina	Emily Clough
Caroline Clough	Brenda Berman	Lou Paiolutti
Donna Griffith	Terri Bennett	Annette Guss
Dawn Dillon	Mason Dillon	Jill Rector
Bella Rector	Caaes Wyckoff	Bob Yeingst
George Fast Rich	Robert & Kathy Hamilton	Kevin Ferguson
Leigh Anne Dombuger	Tony Potter	Burt Bechfield
Alex Blauer	Claire Ryland	Charles Fackler
Kevin Blacker	Cheryl Fackler	Randy Fackler
Janet Duck	Beth Shand	James Carter
Lindsay Drew	Navin Verma	Marrita Verma
Evan Diacou	Lou & Kim Mione	Michael Miller
Charles Griffiths	Sally M	Julie Tafato
Billy Tafato	Karen Galli	Jeff Snavely
David Katz	Carol O'Hara	George O'Hara
Teresa Peschel	Theresa Searer	Scott Searer
Danica Weaber	Mason Weaber	Carol Nye
Gregg Cook	Sharon Miller	Harry Susi
Crystal Oyerly	Cali Oyerly	Melissa Weigle
Katie Weigle	Nicole Paul	Thomas Paul
Susan Foxx	Richard Foxx	Sheila Barley
Sandy Cappelli	Bill Wooding	Judy Wooding
Pamela Ruddle	Kathy Guraniello	Tom Searer
Ann Searer	Lynn Kartzfeus	Molly Snyder
Joan Snyder	Tom Brier	Wayne Rivers
Christine Chappell	Marissa Kopec	