

TOWNSHIP OF DERRY
BOARD OF SUPERVISORS MEETING MINUTES
MARCH 9, 2021

CALL TO ORDER

To ensure public safety during the COVID-19 crisis, the March 9, 2021 meeting was held by audio and video conferencing via a Zoom Virtual Webinar and shown live on the Derry Township YouTube page.

Chairman Abruzzo called the March 9, 2021 Regular Meeting of the Township of Derry Board of Supervisors to order at 7:17 p.m. via video conferencing with a Zoom Virtual Webinar through the on-line Meeting Room. He advised that all public meetings are recorded for providing accurate notes. After the Pledge of Allegiance, a roll call was performed. He stated the Board met in executive session from 6:30 p.m. to 7:14 p.m. where land, legal and personnel items were discussed.

IN ATTENDANCE:

SUPERVISORS

E. Christopher Abruzzo, Chairman
Natalie L. Nutt, Vice Chairwoman
Carter E. Wyckoff, Secretary
Richard D. Zmuda
Susan M. Cort

ALSO PRESENT:

Christopher Christman, Township Manager
Peter Nelson, Township Solicitor
Chuck Emerick, Director of Community Development
Thomas Clark, Director of Public Works
Chief Garth Warner, Police Department
David Sassaman, Hershey Volunteer Fire Department
Matthew Mandia, Director of Parks and Recreation
Cheryl Lontz, Manager of Payroll & Employee Benefits
Laura O'Grady, Director of Hershey Public Library
Matt Bonanno, HRG Engineer
Brian Blahusch, IT Manager
Julie Echterling, Recorder

VISITOR/PUBLIC COMMENTS:

Mr. Wayne Rivers, 815 Cypress Court, asked if the Township should be doing unbudgeted projects. He thinks the bonds should be for the Community Center and not for other things like we see in other forms of government. He asked about the option of funding the pension discussed last meeting when it is not a requirement. He has heard of some people who want to add things to the Recreation Center and believes that ship has sailed. He stated the changes that were made to the Center saved money and reduced the yearly maintenance by \$100,000. He noted this is the largest expenditure for the Township and is amazed with those who want to add to the project. He asked if the outdoor pool could be open this summer to help generate some revenue for the Township and suggested bringing in food trucks.

CONSENT CALENDAR:

Supervisor Cort made a motion to authorize action on the following items on the Consent Calendar:

- Adoption of Board of Supervisors Meeting Minutes for the February 23, 2021 Meeting.
- Authorizes the release of \$344,009.80 from the performance security provided as United States Surety Company Bond No. 1001047705 for the Revised Final Subdivision and Land Development Plan for The Point, Plat 1265, resulting in a new balance of \$217,246.67.
- Approving Accounts Payable of \$1,210,686.84 Payroll of \$304,567.74.

Supervisor Zmuda seconded the motion. **Motion carried 5-0.**

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NEW BUSINESS:

ORDINANCE 2021-02 MAXIMUM PARAMETERS- CAPITAL PROJECTS AND
ORDINANCE 2021-03- ISSUANCE OF TOWNSHIP REVENUE BONDS TO TERMINATE THE
CASH SETTLEMENT HEDGE AND ASSOCIATED INTEREST RATE MANAGEMENT
AGREEMENT:

Mr. Christman spoke about the February meeting where the Township's financial team discussed the reason behind a maximum parameters ordinance as it relates to a borrowing and issuance of debt for the completion of the Derry Township Community Center project and providing funding for other capital projects. He stated they would like to include the following Capital Projects:

- Landfill Closure Improvements - \$600,000
- Roof Replacement in Police Department - \$80,000
- Security System Upgrade/Replacement - \$13,275
- HVAC Unit Replacements – Public Works - \$100,000

Mr. Scott Shearer, PFM, went over the financial hedge presentation made to the prior Board. He stated during these discussions, the total debt for the Recreation Center was to be \$31.2 million with construction starting in Spring 2019. He spoke about the market with rising interest rates, and how it had made sense at that time to hedge against rising interest rates on a future issuance of bonds. He discussed the impact on the Township if rates would be higher or lower at the time of the termination of the hedge. He noted a lock in a swap rate with a termination date of June 2019. He stated at the time, the rates were trending at 4.2%. He noted the other reason this hedge made sense was to make budgeting easier with a locked rate.

Mr. Lou Verdelli, RBC, spoke about the current conditions of the market and the reasoning for going to the market now. He provided some of the history behind the hedge decision and where the Township is now with having to terminate them. He discussed the Bond Market rates and how the market is in a unique situation because there is a demand for tax-exempt bonds. He discussed the current debt and the overall debt summaries including debt that the Township has guaranteed for DTMA. He discussed the projected debt service after the new issue which would be approximately \$3.5 million per year until 2041. This scenario would fully fund the Recreation Center. He noted the financing would also include the Capital projects discussed tonight and a swap termination cost of \$2.1 million. He discussed the schedule for going out to the market next Tuesday and having settlement on April 19.

Vice Chairwoman Nutt thanked them for providing the history of the swap. She asked if there was a way to get out of the fees and Mr. Verdelli stated there was not. Chairman Abruzzo asked about the Capital projects and why they were not done before. Mr. Christman stated those projects have been delayed for years and are to the point where they must be done now. He spoke about trying to band aid them and the effect of COVID. Supervisor Wyckoff asked why the Capital projects should be part of the borrowing instead of using reserves. Mr. Christman spoke about the life span of these specific capital projects and would advise not using the reserves especially with the year the Township just completed. Supervisor Wyckoff asked how much the first transaction cost, expected interest rate and what the interest rate would have been without the swap. Mr. Verdelli stated the cost of the first transaction was \$250,000. The expected rate should be around 4.11% and without the swap it would have been around 3%.

Supervisor Cort made a motion to adopt Ordinance 2021-02, a maximum parameters ordinance for the Township of Derry to undertake the issuance of bonds for the construction of the Community Center and

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other Capital Projects, having been duly advertised as per the Local Government Unit Debt Act. Supervisor Zmuda seconded the motion. **Motion carried 5-0.**

Supervisor Zmuda made a motion to adopt Derry Township Ordinance 2021-03, an ordinance authorizing the issuance of Township Revenue Bonds to terminate the cash settlement hedge and associated interest rate management agreement, having been duly advertised as per the Local Government Unit Debt Act. Vice Chairwoman Nutt seconded the motion. **Motion carried 5-0.**

PLAN-HERSHEY WEST END – STREETS AND INFRASTRUCTURE PHASE- PLAT 1330:

Chairman Abruzzo asked to defer action and discussion on this plan until next meeting. The Board agreed with the request.

DISTURBANCE OF SLOPES-BY ZONING AMENDMENT PETITION NO. 2020-01

Mr. Emerick stated a public hearing to consider Zoning Amendment Petition No. 2020-01 was held on February 9, 2021. It was determined that additional comments from the public should be received and that the proposed ordinance be adjusted, as necessary. At the next meeting, the Board directed staff, the Township Solicitor, and HRG to review and revise the requested text amendment for further consideration by the Board. The proposed text amendment is regarding the preservation of “sensitive environmental resources”, specifically related to areas of natural slope exceeding 20%. He noted new developments would need to avoid disturbance of steep slope areas. The amendment also proposes “...the lesser of 10% or 6,000 square feet of non-man-made slopes that are greater than 20% slope and less than 50% slope existing on each residential lot containing a single-family detached dwelling as of the date of enactment of this Zoning Ordinance shall be permitted to be disturbed for accessory residential use(s) only”. He noted a lot entitled to disturb 6,000 square feet of steep slope area would need to be a minimum of 1.38 acres in size, all with areas exceeding 20% slope.

In addition, prior to the issuance of a zoning or building permit, it requires a detailed topographical survey and plan of the steep slope area carrying a professional seal and a geotechnical report prepared by a registered professional certifying “the proposed disturbance will not create or exacerbate unsafe conditions.” The proposed amendment also requires the following: “An Erosion and Sedimentation Control Plan prepared and proposed by a registered Professional Engineer in Pennsylvania providing for means and measures necessary to stabilize the disturbed slope during construction and thereafter in perpetuity” and “A registered Professional Engineer shall evaluate the proposed changes in landcover ... identify any potential negative stormwater impacts, and adequately mitigate such impacts and demonstrate compliance with ... Stormwater Management [regulations] to the satisfaction of the Township Engineer.” The proposed changes measure any disturbances in a cumulative fashion.

Chairman Abruzzo asked Mr. Bonanno if he is satisfied with the changes suggested. Mr. Bonanno stated the changes add a lot of safeguards because each request will be reviewed individually instead of just meeting the standards. Solicitor Nelson suggested adding a note about vacant/unapproved lots in the verbiage. The Board agreed with the addition for clarification.

Supervisor Cort made a motion to direct Staff to provide the revised amendment to the Township and County Planning Commissions and advertise it for a public hearing for consideration and possible adoption at a future meeting with the revised language pertaining to vacant lots. Chairman Abruzzo seconded the motion. **Motion carried 5-0.** Mr. Emerick asked to schedule a public hearing for April 13 and the Board agreed.

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SECURITY- HERSHEY WASTEWATER TREATMENT PLANT RELOCATION, PLAT 1273:

Supervisor Cort made a motion authorizing the release of performance security in the amount of \$95,498.52, provided as Citibank, N.A. Letter of Credit No. 69610538 for the Preliminary/Final Land Development Plan and Stormwater Management Site Plan for the Hershey Wastewater Treatment Plant Relocation Plat 1273, contingent upon the developer providing maintenance security in the amount of \$4,793.10 and executing the Township's standard Agreement to Provide Financial Security to Guarantee the Structural Integrity and Functioning of Improvements Constructed as Required by a Subdivision or Land Development Plan. Vice Chairwoman Nutt seconded the motion. **Motion carried 5-0.**

SECURITY- 525 HOCKERSVILLE ROAD, S-2020-024:

Vice Chairwoman Nutt made a motion to accept a cash financial security in the amount of \$7,178.00 and enter into the Agreement to Provide Financial Security with Ashok and Meeta Patel for the Final Stormwater Management Plan for 525 Hockersville Road, S-2020-024. Supervisor Cort seconded the motion. **Motion carried 5-0.**

SECURITY-352 ELM AVENUE, S-2021-003:

Chairman Abruzzo made a motion to accept a cash financial security in the amount of \$16,470.00 and enter into the Agreement to Provide Financial Security with Douglas and Tabitha Hummer for the Stormwater Management Plan for 352 Elm Avenue, S-2021-003. Supervisor Cort seconded the motion. **Motion carried 5-0.**

CORRESPONDENCE BOARD/COMMITTEE INFORMATION:

Supervisor Zmuda and Vice Chairwoman Nutt attended the Tax Association Board meeting. He stated they elected officers and are making policy changes which will be coming to the Board. He congratulated the Hershey Swim teams and individual swimmers for their wins in the championship. He encouraged everyone to stay safe, sane, and sanitary.

REPORTS:

<u>Police:</u>	Chief Warner spoke about the traffic concerns with Ridge and Chocolate and two other intersections with Chocolate. They did some fact finding, reviewed accident stats and received community input. They will be working on short-and long-term solutions. Chairman Abruzzo noted that there will be more traffic downtown and a Police presence could help.
<u>Fire:</u>	Mr. Sassaman spoke about the Easter Bunny drive on March 27. More information will follow.
<u>Library</u>	Mrs. O'Grady spoke about the Friends of the Library pop-up sales. She noted in February they had 5,000 visits and 900 program attendees.

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<u>Parks & Recreation</u>	<p>Mr. Mandia noted he would provide another update to the Community Center Project at the March 23 meeting. The steel structure is being completed. They are on schedule for a summer 2022 open and are on budget. He noted that Mr. Rivers asked earlier about the outdoor pool opening sooner. He spoke about the issue of the mechanics of the outdoor pool being inside the building which wouldn't be completed by this summer.</p> <p>He spoke about increased safety issues with people parking on Bull Frog road to access the trails. They will be putting up signs for them to park in Shenk Park which has over 300 parking spaces available. He will be putting something out to the public about this change.</p>
<u>Engineer</u>	<p>Mr. Bonanno stated he met with DTMA about the stormwater projects for the year.</p>

VISITOR/PUBLIC COMMENTS:

Mrs. Tracy Brown, 319 Park Ave., thanked Chief Warner for the update. She spoke about an incident in January when a woman was hit by a car at the same intersection discussed tonight. She said the driver said he did not see her because his light was green, and the walk sign was lit for her to walk. She asked the Board to consider a four-way stop for pedestrians to cross at this intersection, one for Park and Chocolate and consider a traffic study for these intersections. She asked why they have street parking downtown when there are parking areas and garages behind the businesses. She is concerned for the safety of pedestrians when the busy tourist season will start soon, and these things are happening "off season".

Mr. Rich Gamble, Hockersville Road, agrees with Mrs. Brown. He thinks businesses should not be able to put their signs in the right of way because it makes it harder for them to be seen. He would like to see that no signs are within 30 feet of a crosswalk. He also suggested that downtown not allow right turns on red because of the pedestrians crossing traffic especially near Houlihan's.

ADJOURNMENT:

Supervisor Zmuda made a motion to adjourn the meeting at 9:17 p.m. Supervisor Cort seconded the motion. **Motion carried 5-0.**

SUBMITTED BY:

Carter E. Wyckoff
Township Secretary