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# **PINE GROVE TOWNSHIP SUPERVISORS**

**175 OAK GROVE ROAD, PINE GROVE, PA 17963**

**FEBRUARY 10, 2016 MEETING MINUTES**

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**CALL TO ORDER** - Chairman Bruce Kosack called the February 10, 2016 meeting to order with the Pledge of Allegiance at 6:30 PM. In attendance were Vice-Chairman Jeffery Zimmerman, Supervisor Ray Stump, Solicitor Gino DiNicola, Township Manager Kathy Ferguson, Sgt. Fred Krute, Howard Lengel, Joan Schwer and others; list on file. Road Foreman Rodney Fidler and Zoning Officer Dan Bode were absent.

**PUBLIC COMMENT ON AGENDA ITEMS** – No comments were received.

**PERSON TO BE HEARD** – Sgt. Fred Krute, Pennsylvania State Police, stationed at Schuylkill Haven gave a brief report stating there were 92 incidents in Pine Grove Township since June; 21 of them were crashes. Kosack asked about the response time and coverage for Pine Grove Township. Sgt. Krute said Schuylkill Haven and Frackville cover the whole county, there is an average five or six cars out on each shift and said the response time will vary depending where the cars are when a call comes in. Sgt. Krute said he is at Schuylkill Haven every weekday and the Supervisors should call him if there any issues he can help them with.

## **MINUTES / FINANCIAL ITEMS**

**January 13, 2016 Meeting Minutes** - Zimmerman moved to approve the January 13, 2016 Meeting minutes and Stump seconded the motion, all were in favor and motion carried 3 to 0.

**Treasurer's Report** – Ferguson said the January General Fund beginning balance was \$598,273.17; receipts were \$57,024.83; expenses were \$49741.68 and the January General Fund ending balance was \$585,323.01. The Capital Reserve Fund January ending balance was \$2,847,394.90 and the Liquid Fuels Fund January ending balance was \$322,397.49. The January Combined Funds ending balance was \$3,755,115.40. Stump moved to approve the Treasurer's January report, Zimmerman seconded the motion; all were in favor and motion carried 3 to 0.

**Financial Information** – Ferguson said in support of Zimmerman's comment at last month's meeting about the Township's financial situation and the need to be careful of what we spend, she charted the last five years ending balances and funds that were used to balance the budget. (Charts given to Supervisors for review.)

Ferguson said the top graph shows the Township year end fund balances dropped from \$4.3 million at the end of 2010 to \$3.7 million at the end of 2015, with a sharp decrease in funds when the landfill closed and that revenue source ended. Zimmerman said it was a huge accomplishment by the Board of Supervisors during that time based on the small returns on investments.

Ferguson said the bottom graph shows where the Township drew their money from to balance the budget in the last five years. In 2010 and 2011 the Township used money from Host Fees received from the landfill, in 2012 and 2013 the money came from the Capital Reserves Fund (in 2013 the Township moved a large sum from Capital Reserves Fund to the General Fund in anticipation of the cost of the bridges). Ferguson said in 2014 and 2015 the Township used "carry-over" money in the General Fund that had not been spent on the bridges *and* used additional funds from Capital Reserves Fund to balance the budget.

Ferguson said as Treasurer she is giving this information to the Supervisors because the funds are being depleted with low interest rates on investments and it is about 15 years since the Township has had property taxes; she feels the Supervisors need to seriously consider enacting the tax at a low rate now rather than waiting until we have to put a tax on that would be burdensome to the residents. Ferguson said it is her recommendation to the Board to consider the financials and enact the property tax because there are major expenses coming, roads that need to be paved, equipment that needs to be replaced and other things that have been put off.

Zimmerman said one mill is equal to approximately \$92,000 of revenue and 1% prime rate could equal \$150,000 of revenue based on what we have in Capital Reserves; we don't know if we will get the grants we applied for the bridges but our matching funds would be \$650,000 which is what we have in the budget. Zimmerman said what Ferguson is saying is true for most organizations; if there

**Financial Information, cont.**

is a healthy capital reserve and you keep dwindling it year after year, at some point it will be zero. Zimmerman said Ferguson's recommendation is we do it softly now so we don't have a burdensome millage later; there is some validity to that, but we need to be cautious in both directions. Zimmerman said the supervisors for the last 16 years tried to put enough into Capital Reserves so future supervisors would not have to address this situation, but no one ever thought that from 2009 until present the dividends on investments would not be enough to subsidize the budget.

Stump said it would make sense to start out with one mill now rather than 5 mills later on. Zimmerman said yes, but he thinks they would be remiss in taking action before they know what the actual expenditure is from the bridges.

Ferguson said she was not expecting a decision from the Board tonight and noted that 2011 is the last time the Township added anything to the Capital Reserves Fund.

Kosack said he thinks there is a limit on what the tax could be and DiNicola said we could get all the numbers in terms of what the recommended millage should be based on the outcome of the grants and noted this discussion is for information purposes only, to put the public on notice of the potential need for revenue from a property tax in the future.

**Approval of Bills** – Kosack moved to approve bills in the amount of \$27,289.71; Zimmerman seconded the motion. Stump abstained from voting on the motion because an invoice payable to his business was included. Kosack and Zimmerman voted in favor of the motion; motion carried 2 to 0.

**PERSON TO BE HEARD**

- **Allen Miller, Jr.** representing HDH Group for Property & Liability Insurance presented a proposal to the Board of Supervisors. Miller said the HDH Group's proposal is for property & liability with an option for public officials' coverage which they write separately from their trust program. Miller said what is unique about their program is they pay dividends back to their customers after two years in the program, dividends are based on the trust's experience and the municipality's individual experience. Miller gave more information on the dividends program and the trust.

Kosack asked about the probability of assessment from the trust. Miller said the trust has never asked for any money since it was created in 1982, since then they have paid over \$100,000,000 back in dividends and the trust is re-insured by Philadelphia Insurance. Zimmerman asked why he is recommending excess liability at \$2,000,000. Miller said most municipalities make that choice based on the Pennsylvania Municipal Tort Law.

Further discussion was held and the Board reviewed proposals from PIRMA (\$27,651) and Selective Insurance (\$25,586). Zimmerman made a motion to accept the proposal for Property & Liability Insurance from HDH Group with Excess Liability coverage for \$2,000,000 at a cost of \$20,046; Public Officials Liability coverage for \$1,000,000 at a cost of \$4,226; and gap insurance coverage at a cost of \$1,900 effective March 1, 2016. Stump seconded the motion, all were in favor and motion carried 3 to 0.

- Howard Lengel, Nut Grove Road spoke about the problem with residents plowing snow onto Township roads after the road crew has cleaned them. Kosack distributed a bulletin from PennDOT about the issue. DiNicola said it is addressed in the PA Vehicle Code and recommended reporting it to the police when it occurs.

**REPORTS****Committee Reports**

- **Labor Relations** – Ferguson said setting a wage for temporary workers for flagging, snow plowing, and other jobs in the Township is needed. After discussion, Stump moved to approve a wage of \$15 per hour for temporary workers with a CDL and other temporary workers at a wage of \$11.75 per hour, Kosack seconded the motion. Stump and Kosack voted in favor of the motion, Zimmerman opposed the motion, motion carried 2 to 1.
- **Public Works & Property** – Stump provided the Supervisors a list of road conditions he and the Road Foreman determined for two-thirds of the Township roads. Stump said the list has the road conditions listed from one through ten with number one roads being in the worst condition and number ten roads in the best condition. Stump said the first three roads listed are at Lake Terrace

**Public Works & Property, cont.**

and when they plowed snow this year some of the macadam came up because the road is that bad. Stump asked the Supervisors to go see the roads. Discussion followed if part of Swopes Valley Road is in Lebanon County. Stump asked the Board to review the list and noted it was only part of the roads.

Stump said he talked to the PennDOT rep and they should get the road bids out in March or April. Zimmerman said he should come to the March meeting with recommendations and 2 ½ Mile Road gets done first because it was not finished last year.

Stump said the Board should decide tonight if they want to do any crack sealing because there is only two weeks available before July to rent the tar buggy and it would be better to do it before the line painting. After discussion, Stump moved to approve renting the tar buggy for two weeks in April, Zimmerman seconded the motion, all were in favor and motion carried 3 to 0.

Zimmerman added a comment later in the meeting about the roads saying Keefer Road was resurfaced only two years ago and it is now listed as a number 8, so we should never hire that contractor again. Stump said that is a good number and Zimmerman said it should be a 10.

- **Workplace Safety Committee** – Ferguson said lighting at the rear entrance of the building was discussed and she is waiting on quotes for a dusk to dawn light.
- **UCC Appeals Board** – Ferguson said a public joint inter-municipal meeting has been advertised for February 18, 2016 at 6:30 PM here at Pine Grove Township; letters have been sent to Tremont Township and Washington Township with a favorable response for attendance.

**Engineer / Planning Commission** – Kosack noted the minutes from their February meeting were received.

**Recreation Board** – Kosack noted their January and February meeting minutes were received.

**Road Foreman** – No comments were received on the Road Foreman's report.

**Zoning Hearing Board** - February 25, 2016 hearing is cancelled, no appeals were received.

**Zoning Officer / Floodplain Administrator** – The Zoning Officer issued 1 new permit, received 22 phone calls, 2 complaints, performed 2 inspections in January, and reviewed 2 plans under the floodplain administration.

**OLD BUSINESS**

**Property & Liability Insurance Review** – Covered earlier in the meeting.

**Township Manager Job Description** – Kosack noted the job description is in draft form. Ferguson said the Board and the Solicitor have not had time to review it. DiNicola said it would need to be done by ordinance. Ferguson said the Township does have an ordinance for a Township manager, this is only a job description for the Township personnel handbook. DiNicola said the job description should not contain any legislative functions, he did a cursory review but will look at it in more detail and also look at the Township Ordinance to see if it needs updating.

**NEW BUSINESS**

**Sale of Truck** – The following bids were received for Pine Grove Township's 1994 Ford Truck advertised for sale AS-IS with 88,000 miles, a 5 speed manual transmission with 2 rear speed: Jeff Olt - \$3,500; Aaron Rittenbaugh - \$2,289; and Allen Aungst - \$1,152. Kosack noted all bidders have seen the truck and are fully aware of the repairs needed to the truck. Zimmerman moved to accept the bid from Jeff Olt of \$3,500 plus all the expenses for the title transfer. Stump seconded the motion, all were in favor and motion carried 3 to 0.

**Codification of Ordinances** – Kosack moved to approve codification of Pine Grove Township ordinances with General Code for \$14,182 and annual on-line maintenance fees of \$1,195. Stump seconded the motion, all were in favor and motion carried 3 to 0.

**Sale of Township Authority** – DiNicola said he received a letter from Attorney Wiest on behalf of the Pine Grove Township Authority. DiNicola said he believes at one of their last meetings, the Township Authority authorized Atty. Wiest to advertise or seek proposals for the potential sale of the Township Authority's assets. DiNicola said Atty. Wiest is under the impression the Township was made aware of this based on prior interactions with John Stahl or other members of the Authority. DiNicola said there was some talk about Schuylkill County Authority showing some interest along with other parties. DiNicola said the letter states the Township has not openly

**Sale of Township Authority, cont.**

opposed the transaction and the Authority wanted to put the undertaking in writing so everyone understood the seriousness of it.

DiNicola discussed some of the issues facing the Authority and said the Township's primary concern is the debt attached to the system and a new entity may resurrect a mandatory connection issue. DiNicola said the Board does not have to comment on it tonight, they need to review it and communicate to Atty. Wiest next month.

Kosack asked if the Township Authority can bind the Township to a sale. DiNicola said the Township would be a component to any sale.

**CORRESPONDENCE**

**Schuylkill Conservation District** – Ferguson said this is an annual commitment of \$3,750 to the implementation for the Upper Swatara Watershed Recovery Strategy and the support of Bill Reichert as the Recovery Manager. Zimmerman said he feels it is our duty as a municipality to help with the recovery. Zimmerman moved to approve the payment of \$3,750 to Schuylkill Conservation District, Stump seconded the motion, all were in favor and motion carried 3 to 0.

**Code Enforcement Symposium** - Ferguson said Schuylkill County is holding a symposium for code enforcement officers to learn about updates to the laws at three different locations. Ferguson said she will pass it on to the Township Zoning Officer.

**PUBLIC COMMENT** – No public comment was received.

**ADJOURNMENT** – Zimmerman moved to adjourn the meeting at 8:20 PM, Stump seconded the motion, all were in favor and motion carried 3 to 0.

**Respectfully submitted,**

**Kathy Ferguson, Township Manager**

**Approved by the Board of Supervisors on March 9, 2016.**