

FERGUSON TOWNSHIP BOARD OF SUPERVISORS

Regular Meeting
Monday, April 21, 2014
7:00 pm

I. ATTENDANCE

The Board of Supervisors held its second regular meeting of the month on Monday, April 21, 2014 at the Ferguson Township Municipal Building. In attendance were:

Board:	Richard Mascolo, Chairman	Staff:	Mark Kunkle, Township Manager
	Drew Clemson, Vice Chairman		David Pribulka, Assistant Manager
	Elliott Killian		Maria Tranguch, Director of Planning & Zoning
	Steve Miller		Diane Conrad, Chief of Police
	Janet Whitaker		

Others in attendance included: Heather Bird, Recording Secretary; Doug Erickson; George Henning; Steven Jackson; Jon Dietz; Annette Martin and Anamaria Gomez

II. CALL TO ORDER

Mr. Mascolo called the Monday, April 21, 2014, regular meeting to order at 7:00pm.

III. CITIZENS INPUT

IV. POLICE SERVICE RECOGNITIONS – POLICE CHIEF DIANE CONRAD

Chief Conrad gave a full recap of the events that occurred on Saturday, September 14, 2013 and commended Officer Bill Chambers, Ferguson Township and Officer Brian Schaeffer and Sergeant Sean Albright of Patton Township for their brave actions.

V. ABC REPORTS

1. Mr. Steven Jackson, State College Borough Water Authority

Mr. Jackson reported that he attended four meetings of the Authority during the current period. The State College Borough Water Authority (SCBWA) made one new connection in Ferguson Township during January and February and had eight connections each in March and April. The Pine Hall Road Project Phase 2 continues. The SCBWA remains fiscally sound despite minor expenses exceeding the budget in February. The 2014 Budget is based on total income and expenditures of \$6,315,150. Year to date revenues as of March 31st \$6,686,842.70 and expenses were \$1,321,627.88. The average daily water production from January to March was approximately 5 million gallons per day a slight increase over last year. The Ridgemont project involving the acquisition of a small water company in Patton Township successfully concluded with the legal dissolution of one of the three corporations is now finished. A major project that affects Ferguson Township is the replacement of water and sewer lines in Selders Circle. The SCBWA work will begin in May and end in June. Another major project, not in Ferguson Township, is the water line replacement project along College Avenue in the State College Borough. This work will begin May 12th.

2. Mr. George Henning, Schlow Centre Region Library

Mr. Henning reported that the library is on budget for the year. The new parking lot new system is open and working. The library has collected some small amounts of money by allowing people to park there after library hours. The new website has been completed and can be viewed at www.schlowlibrary.gov. The library shut down will be occurring May 12th through noon on May 19th. The employees will not be paid during this closure. Mr. Henning commended the employees for all of their work in preparing for the closure. On the Tuesday, May 13th, there will be a rally in front of the library at noon held by Friends of Schlow to bring light to the issues libraries are facing. Since 2008 the State cuts have amounted to \$900,000 for Schlow. The

library board is working with the staff, is studying ways to fit back into the budget. The development committee is working on ways to raise additional funds. Last year they raised \$200,000.

3. Mr. Jonathan Dietz, University Area Joint Authority

Mr. Dietz reported that the University Area Joint Authority (UAJA) provides sewer service to a majority of the Centre Region. UAJA has a permitted capacity of 9 million gallons a day for waste water treatment. Over the last 12 months the average treatment of sewage was approximately 4 million gallons a day. UAJA maintains these amounts by reducing infiltration and in flow into the collection system. The other part of the wastewater treatment plant is BOD organic loading. Current loading is between 23,000 and 25,000 pounds per day. UAJA is permitted for up to 50,000 pounds. Due to an artificial BOD loading overload, a subcommittee recommended implementing procedural changes and new equipment. Over the next year the BOD loading amount should go down due to the changes implemented. In 2013 UAJA was slightly over budget. The UAJA Board approved a 3% increase in rates and an increase in the tapping fee rate. Several projects that are ongoing by the Authority include the Big Hollow Interceptor project pump station along route 99 which is nearing completion, the Ghaner Road pump station, the Radio Park Interceptor is still in design phase and the Selders Circle sewer relocation project. All of the permits for the Selders Circle project have been received and work is expected to begin late summer. Kissinger Meadow wetland project, which is the terminal location for the beneficial reuse water has received all permits from the DEP, and comments from the Fish and Boat Commission with regards to the potential impacts on Slab Cabin Run. UAJA's position on this is that any increase in beneficial reuse flow to Slab Cabin Run will be beneficial.

VI. PUBLIC HEARING – RESOLUTIONS

1. A PUBLIC HEARING ON A RESOLUTION OF THE TOWNSHIP OF FERGUSON, CENTRE COUNTY, PENNSYLVANIA, ACCEPTING A GRANT OF EASEMENT FOR STREET TREES FROM CIRCLEVILLE ROAD PARTNERS, LP.

Mr. Kunkle stated that these easements are located along Northwick and are areas outside of the normal right-of-ways.

Mr. Modricker stated when the road was built the trees were planted as required. During the final inspection it became known that some of the trees were located outside of the right-of-way. In this case there were utilities and other geographic issues that factored into the location of the trees, but because of their location outside of the right-of-way they would not be classified as street trees. The solution is for the developer to provide the Township an easement to allow for the maintenance of the trees by the Township

Mr. Killian made a motion to ADOPT Resolution #2014-13 accepting a grant of easement for street trees from Circleville Road Partners, LP. Mr. Miller seconded the motion.

ROLL-CALL VOTE: Mr. Clemson: YES; Mr. Killian: YES; Mr. Mascolo: YES; Mr. Miller: YES; Ms. Whitaker: YES

I. COMMUNICATIONS TO THE BOARD

Mr. Mascolo received a request by a resident of Hunters Chase to get involved in street trees replacement.

II. ACTION ITEMS

1. PRESENTATION OF 2013 AUDIT – MR. WILLIAM KELLY, PARENTE BEARD

Mr. Kelly stated that Parente Beard has been performing the Township audit for the last six years and over the past three years Parente has submitted our financial records for a CAFR (Certificate of Excellence in Financial Reporting) which is the highest level of financial reporting that can be achieved. Parente Beard represents several other local municipalities. Parente has some required communications under Statement of Auditing Standard #14 with the responsibility under Generally Accepted Accounting Principles is to perform the audit and gain reasonable but not absolute assurance that the financial statements are materially correct. As part of the process Parente does a risk assessment which looks at internal control over financial reporting of the Township. Mr. Kelly reported that there were not issues with the Township's internal control. A key part of the financial statements are estimates, some of the significant estimates are taxes receivable and the allowance for doubtful accounts for those, liability for compensative absences and the estimated useful lives for property and equipment. There were no significant audit adjustments, nothing to report with regards to disagreement with management, consultations, and second opinions from other auditors, no major issues discussed prior to the audit and no difficulties performing the audit, all information was received in a timely manner. There are different types of audits and the audit completed was a financial statement audit. The financial statement audit is performed in accordance with Generally Accepted Accounting Standards. This assures that the financial statements are materially correct. The financial statements are those of the Township but the opinion of the auditors is included with them. The audit gave an unqualified opinion, which is the highest level of assurance available. The audit looks at two things the budget by actual comparison and the fund balance. The Township's actual revenues were 20% greater than budgeted which included a large amount of transfer taxes. The expenditures were 6% below budget. The excess revenues over expenditures were \$3.7 million, of that \$3.7 million \$3.6 million was transferred to other funds and left a net increase in fund balance of \$100,000. The general fund balance was \$4.2 million which represents 56% of the Township general fund budget which represents approximately 7 months of expenses. Mr. Kelly compared the general fund balance over the last 5 years with a dip in 2011 and 2012-2013 remained steady. Comparable to other Township's Ferguson is located in the middle at 56%. From a public safety standpoint the Township is spending 35% on public safety. The Township has the transportation improvement fund which affects the results because the figures presented were based only on the general fund. In summary, The Township's general fund balance is very strong with no internal control deficiencies noted.

2. 1ST QUARTER FINANCIAL REPORT – MR. ERIC ENDRESEN, DIRECTOR OF FINANCE

Mr. Endresen reported on the first quarter finances of the Township. He discussed the different methods of accounting. Cash basis accounting is based on cash receipts and cash disbursements. Accrual accounting accounts for such things as items that have been received but not paid for. The Township completes the accruals at the end of the year. These items include vendor credits, wages earned but not paid yet and revenues earned but not received. The Township's budget is on the cash basis, financial statements reports are on an accrual basis, interim financials are on a cash basis and year end audits are on an accrual basis. Another concept to review is the difference between operating costs and capital costs. Operating costs are the ongoing, repetitive costs needed to continue operation which include payroll, debt payments and utility costs. Capital costs are one-time long term investments that occur irregularly and include equipment purchases. Taking a look at the first quarter the top revenues for the quarter included debt proceeds of \$1.6 million, Earned Income Tax of \$1.5 million and transfer tax of \$462,000, which included three sales in January and one in February,

Penn State tax settlement, and liquid fuels money. The top expenditures for the quarter include salaries and wages \$1.06 million, COG agencies 14%, up fitting for the new Terra Star truck, server and phone system payment, two new police vehicles, and two CNG conversions, new administration vehicle and made the park and pool debt payment. The Township has done very well managing cash. Tax collections over past five years have been growing, reflecting the increase of residents in the Township.

3. AMENDMENT OF 2013 BUDGET

Mr. Kunkle stated in accordance with Article 7 of the Home Rule Charter and the policy established by the Board of Supervisors for compliance with total fund budget a 2013 budget amendment is required for the fire hydrant fund. A total budget expenditure overrun in the 2013 fire hydrant fund in the amount of \$110 occurred due to two factors, first a recalibration of those properties affected by the fire hydrant assessment based upon the utilization of geographic information system data and second exonerations of fire hydrant assessments due to some properties becoming tax exempt. The Home Rule Charter requires that the Board announce its intention to amend the prior year's budget two weeks prior to a public hearing and resolution to consider the amendment.

Mr. Mascolo announced that a public hearing will be held to amend the 2013 Fire Hydrant Budget on May 5, 2014.

4. APPLICATION FOR REZONING OF PROPERTY FROM OFFICE COMMERCIAL TO GENERAL COMMERCIAL

Mr. Kunkle stated that an application has been filed by CSC Northland LP aka Northland Center to rezone tax parcel 24-12-18 from office commercial to general commercial. This is a 3.54 acre parcel and is currently vacant. The Board considers a rezoning before it is sent to the Planning Commission. The office commercial zoning district is along North Atherton Street and in this area runs from Blue Course Drive north along the west side of North Atherton Street. The office commercial district extends beyond this on all sides of the parcel.

Mr. Killian made a motion to REFER the application of CSC Northland, LP for rezoning of tax parcel 24-12-18 to the Township Planning Commission for review and recommendation. Ms. Whitaker seconded the motion.

The motion passed unanimously.

5. VARIANCE / APPEAL – PIZZA HEAVEN

Mr. Kunkle stated the variance application is for property located at 301 Science Park Road. Recently the former Blockbuster building was demolished and this was the previous location for Pizza Heaven. The applicant has received a permit to open an eatery service within the building located at 301 Science Park Road. The permit is limited to service to employees and their invited guests only. The permit does not allow for outside service or take out. The applicant has requested a variance to have a restaurant within the industrial research and development zoning district.

Mr. Killian made a motion to REMAIN NEUTRAL on the variance application of Pizza Heaven, 301 Science Park Road. Mr. Clemson seconded the motion.

The motion passed unanimously.

6. CONTRACT 2014-C9 MICROSURFACING

Mr. Modricker stated that with this contract included some different features than in past years. The Township will be using a method called a Cape-Seal with SAMI. This year the first layer laid will look more like a tar and chip surface, which includes a stress absorbing membrane interlayer and will be left to sit for approximately a week. After that time the final smooth layer will be laid on top. On Tuesday, April 15th bids were opened for the Microsurfacing contract. Two bids were received from Asphalt Paving Systems for \$324,356.68 and Asphalt Maintenance Solutions for \$344,981.04. The total bid about includes work for two neighboring municipalities (College Township and Harris Township). Ferguson's share of the contract is \$236,878.69. The low bid was within our budget amount of \$242,000. Mr. Modricker recommends the award of Contract 2014-C9 to Asphalt Paving Systems in the amount of \$324,356.68.

Mr. Killian made a motion to AWARD Contract 2014-C9 Microsurfacing to Asphalt Paving Systems in the amount of \$324,356.68. Mr. Clemson seconded the motion.

The motion passed unanimously.

7. AMENDMENT TO OPEN RECORDS ORDINANCE

Mr. Kunkle stated that the amendment would bring the Township into compliance with the right-to-know law. This amendment relates to an appeal by a requestor for denial of a request by the Police Department. Currently these appeals are being sent to Harrisburg to the Executive Director of the Open Records Office. These appeals should be filed with the county District Attorney. This is the only change to the ordinances.

Mr. Killian made a motion to AUTHORIZE advertisement of the ordinance amending the Open Records Ordinance for public hearing on May 5, 2014. Mr. Miller seconded the motion.

The motion passed unanimously.

8. DISCUSSION OF LRTP AND TIP PRIORITY PROJECTS FOR CCMPO MEETING – STEVE MILLER

Mr. Miller stated that the Board needs to decide what order the priority of projects on the Long Range Transportation Plan. What priority would the Board like to see for the Pine Grove Mountain intersection and the Route 45 and Route 26 intersection.

Chief Conrad presented accident stats for both of the intersections. Items that make a crash reportable are if the vehicle needs to be and if any injuries occurred. Based on the data compiled the intersection of Route 45 and Route 26 has had more reportable crashes than the intersection at the bottom of Pine Grove Mountain.

The Board would like Mr. Miller to attempt to get both of these intersections of the Transportation Improvement Plan with an emphasis on the Route 26/45 intersection. In summary the Board would like the priorities of the projects to be #4 Atherton Street Storm Drainage, #2 Route 45/26 Intersection and #3 the Pine Grove Mountain Intersection.

9. APPROVAL OF MARCH 2014 VOUCHER REPORT

Mr. Killian made a motion to APPROVE the March 2014 Voucher Report. Mr. Miller seconded the motion.

The motion passed unanimously.

10. CONSENT AGENDA

Mr. Killian made a motion to APPROVE the consent agenda which includes the March 2014 Treasurer's Report and Time Extensions for 1386 North Atherton Street and Pine Hall TTD Phase 2A. Ms. Whitaker seconded the motion.

The motion passed unanimously.

VI. REPORTS

1. Manager

Mr. Kunkle provided the Board with a summary of April 19th Coffee and Conversation event. Over 1 ½ hours Mr. Kunkle and Mr. Pribulka, Assistant Township Manager, received approximately 14 individuals. Some of the concerns presented were winter sidewalk maintenance, speeding within neighborhoods, site distances in Overlook Heights, electronic payment options, using Google Map for development projects on the web page. Mr. Kunkle also reported that four customer sub-committees have been established for Rock Springs Water Company.

2. Public Works Director---

Mr. Modricker stated that the SCBWA and UAJA have been coordinating with the Ferguson Township Public Works Department on the projects for Selders Circle and Rosemont Drive. The Township will be hosting a presentation for residents of this area on May 5th from 5:30 to 6:30 pm. Currently contracts out to bid include paving contracts, fuel contracts and contracts for asphalt aggregates. The McKee Street bike path will receive an overlay this year. With regards to the street tree planting contracts the trees for Hunters Chase arrived in the incorrect size. Letters have been sent to the residents informing them of the delay in the tree planting.

3. Planning and Zoning

Ms. Tranguch stated the April 14th Planning Commission meeting occurred as scheduled. The Toll Brothers plan has been delayed. The Whitehall Road Regional Park plan was conditionally approved by the Commission. The permit report included 19 permits for the month of March. Mr. Pribulka added that the permit report does not include sign permits and home occupation permits.

4. Chief of Police

Chief Conrad reported that Part One crimes are down to 10 from 14 last year and Part Two Crimes are the same as last year. Other calls for service are up a little from last year. Traffic citations are up by 48%, criminal arrests and hearings are down. The Blue White football created 67 hours of overtime by 9 officers. The prescription drug take back is this Saturday at Walmart. Additionally the six month Enforcement officer report showed 134 persons who did not remove snow. 62 parking tickets were issued and many miscellaneous other violations.

5. COG Committee Reports

a. Executive

Mr. Mascolo stated the meeting is scheduled for tomorrow. The items discussed will relate to the Finance committee topics.

b. Finance

Mr. Mascolo stated that the committee reviewed the CATA budget and had very little comment. The budget includes a 3% increase in municipal contributions. CATA requested an additional

\$25,000 in capital contributions. The committee also went over the new financial software. They reviewed the regional park loan, revising the contracts with the bank because the parks have not been completed as originally planned.

c. Public Safety

Mr. Clemson stated the committee met and discussed the COG services proposal sent to the Bellefonte Borough. Bellefonte Borough received seven proposals and COG's was the only inter-governmental proposal. The second main item was Central Keystone COG Assistance Agreement. This is an agreement where two entities share work and coverage. Mr. Schneider reported on major projects including Toll Brothers and the potential of three high rise buildings in the Borough of State College. Tyler Technology will be coming back for more training and report building. The committee discussed the Borough of State College and COG's Tyler systems lack of communications. They need to find a way to make these two work together for the rental permitting process.

VII. MINUTES

Mr. Killian made a motion to APPROVE the April 7, 2014 Regular Meeting Minutes. Ms. Whitaker seconded the motion.

The motion passed unanimously with Mr. Mascolo abstaining.

VII. ADJOURNMENT

Mr. Killian made a motion to ADJOURN the meeting. Ms. Whitaker seconded the motion.

The motion passed unanimously.

With no further business to come before the Board of Supervisors, Mr. Mascolo adjourned the regular meeting at 9:07 pm.

Respectfully submitted,

Mark Kunkle, Township Manager
For the Board of Supervisors

Date approved by the Board: 05/05/2014