

Minutes of Public Meeting

April 26, 2010

1. CALL TO ORDER

The April 26, 2010 Public Meeting of the Board of Commissioners was called to order at 7:30 P.M. by President of the Board, Kenneth E. Kroberger. The following individuals were in attendance:

Kenneth E. Kroberger	President
M. Clare Edelmayer	Vice President
Eugene P. Ziemba	Commissioner
Thomas A. Duffy	Commissioner
Leonard T. Perrone	Township Manager
Sally Slook	Assistant Manager
John Katsaros	Czop/Specter, Inc.
Richard Watt, Esquire	Township Solicitor
David Duffy	Chief of Police
David Brill	Finance Director
Gary Pulcini	Valco Capital
David Unkovic	Cozen O'Connor

Mr. Kroberger recognized and introduced David Brill, the Township's new Finance Director.

2. MOTION TO APPROVE THE MINUTES OF THE WORKSHOP MEETING HELD ON MARCH 16, 2010.

Mr. Kroberger noted that the Workshop Minutes had been received with the Agenda packet. Hearing no questions or comments, upon motion of Mr. Edelmayer, seconded by Mr. Duffy, the Minutes of the March 16, 2010 Workshop Meeting were approved as presented,

3. MOTION TO APPROVE THE MINUTES OF THE PUBLIC MEETING HELD ON MARCH 22, 2010.

Mr. Kroberger that the Minutes of the Public Meeting had been received with the Agenda packet. Hearing no questions or comments, upon motion by Mr. Ziemba, seconded by Mr. Duffy, the Minutes of the March 22, 2010 Public Meeting were unanimously approved.

4. MOTION TO APPROVE THE DEPARTMENTAL REPORTS FILED BY TOWNSHIP STAFF.

Mr. Kroberger informed that the Departmental Reports had been sent with the Agenda and asked for comments or questions. Hearing none, upon motion of Mr. Duffy, seconded by Mr. Ziemba, the Departmental Reports were approved as submitted.

5. PRESENTATION OF PUBLIC COMMENTS AND CONCERNS (LIMIT OF FIVE MINUTES PER INDIVIDUAL).

There were no public comments.

6. MOTION TO APPROVE ORDINANCE 2010-03, AN ORDINANCE AUTHORIZING THE INCURRENCE OF NON-ELECTORAL DEBT BY THE ISSUANCE OF \$5,975,000 GENERAL OBLIGATION BONDS, SERIES OF 2010 FOR THE PURPOSE OF PROVIDING FUNDS FOR AND TOWARDS FINANCING CAPITAL PROJECTS, FINANCING A REFINANCING PROGRAM AND PAYING THE COSTS OF ISSUING THE BONDS; AUTHORIZING THE PREPARATION AND FILING OF A DEBT STATEMENT AND OTHER DOCUMENTATION; COVENANTING TO CREATE A SINKING FUND ND TO BUDGET, APPROPRIATE AND PAY DEBT SERVICE ON THE BONDS

AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP FOR THE BONDS; SETTING FORTH THE STATED PRINCIPAL MATURITY AMOUNTS AND DATES, INTEREST RATES AND INTEREST PAYMENT DATES, PLACE OF PAYMENT, SINKING FUND PROVISIONS AND OTHER DETAILS OF THE BONDS; FINDING THAT A PRIVATE NEGOTIATED SALE OF THE BONDS IS IN THE BEST FINANCIAL INTEREST OF THE TOWNSHIP AND ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; AND AUTHORIZING OTHER NECESSARY ACTION.

Mr. Kroberger advised that the Board would be considering Ordinance 2010-03, an ordinance authorizing the incurrence of non-electoral debt by the issuance of \$5,975,000 General Obligation bonds.

Mr. Kroberger further reported that the Township had received a Standard & Poor's report with respect to the financial stability of the Township and he noted that the Township had received a AA+ rating, which as good as the Upper Gwynedd can receive considering the size of the Township. Mr. Kroberger reported that the Township's strong financial performance results in the Township avoiding the need for bond insurance, providing a cost savings of \$120,000. The S&P report also indicated that the Township has a moderate debt burden and modest capital needs.

With respect to the bond issue, Mr. Kroberger explained that the Township was refinancing an existing bond issue and adding another two million dollars for a variety of capital projects, including the completion of the Sumneytown Pike Project. He also explained that the refunding would create a savings of about \$177,000.

Mr. Perrone introduced Gary Pulcini, the Township's Financial Advisor, and Bond Counsel David Unkovic, of Cozen O'Connor.

Mr. Pulcini advised that the impact of the new money the Township is adding to the bond issue is about \$76,000 over maximum debt service. In response to a question from Mr. Kroberger, Mr. Pulcini stated the bond closure was scheduled for May 25th. That is when the old bond will pay off and the new bonds will be sold. The only the issue will be out three years longer is because of the new money being added.

In response to a question from Mrs. Edelmayer, Mr. Pulcini advised the bonds would be a combination of retail and institutional sales.

At the request of Mr. Perrone, Mr. Unkovic referenced the ordinance and advised that the Township is able to issue debt under the Local Government Unit Debt Act of PA. He explained that under the Act, the Township can issue debt without the approval of the voters up to a certain principal amount. He commented that the Township's net revenue is about \$7.5 million per year. That number multiplied by 2.5 gives the Township the ability to issue \$18.8 million in bonds without obtaining voter approval. Mr. Unkovic advised that this bond issue, together with existing debt, minus the debt being refunded, is about \$10.5 million: well within the debt limits allowed by State law.

Mr. Unkovic advised that Mr. Pulcini had been working with the underwriter (Benning & Scattergood) to market the bonds and there is a purchase contract with Benning & Scattergood that will need to be executed. One of the purposes of the ordinance is to accept this bond purchase proposal. If enacted this evening, Mr. Unkovic advised he would take the ordinance, as well as other documents, and file them with the Department of Community and Economic Development. The DCED has twenty days to approve the bond issue. Following approval the closure will take place.

Mr. Unkovic explained that at the closing Benning & Scattergood will send a wire to the paying agent bank and the bonds will be released to the underwriter and they will distribute them to the purchasers.

In addition to approving the bond purchase agreement with Benning & Scattergood, the ordinance also pledges the full faith, credit and taxing power of the Township behind the bonds. Therefore, the real estate tax base and the Township's ability to raise real estate taxes provides back-up for the bond issue, which is why it is called a general obligation bond.

Mr. Pulcini added that one of the things that came across in doing the issue was the 2009 note that the

Township has out for sewer purposes. However, it is listed as a "general obligation" note so it counts toward the Township's borrowing base.

Hearing no other comments or questions, Mr. Ziemba made a motion that the Board approve Ordinance 2010-03 an ordinance authorizing the incurrence of non-electoral debt by the issuance of \$5,975,000 general obligation bonds, series of 2010 for the purpose of providing funds for and towards financing capital projects, financing a refinancing program and paying the costs of issuing the bonds; authorizing the preparation and filing of a debt statement and other documentation; covenanting to create a sinking fund and to budget, appropriate and pay debt service on the bonds and pledging the full faith, credit and taxing power of the township for the bonds; setting forth the stated principal maturity amounts and dates, interest rates and interest payment dates, place of payment, sinking fund provisions and other details of the bonds; finding that a private negotiated sale of the bonds is in the best financial interest of the township and accepting a proposal for the purchase of the bonds; appointing a paying agent and sinking fund depository; and authorizing other necessary action. Mrs. Edelmayer seconded the motion and it was unanimously carried.

7. MOTION TO APPROVE RESOLUTION 06-2010, A RESOLUTION APPOINTING UPPER GWYNEDD REPRESENTATIVES TO THE MONTGOMERY COUNTY TAX COLLECTOR'S COMMITTEE.

Mr. Kroberger explained that the Jim Santi and Sally Slook have already been active in the Montgomery County Tax Collector's Committee and by resolution would officially designate them as the primary and first-alternate delegates respectively. Hearing no questions on this matter, upon motion by Mr. Duffy, seconded by Mr. Ziemba, the Board unanimously approved Resolution 06-2010. No questions: motion duffy; second ziemba

8. MOTION TO APPROVE RESOLUTION 08-2010, A RESOLUTION ENDORSING THE MONTGOMERY COUNTY CONSORTIUM OF COMMUNITIES' AMENDMENT OF ITS ARTICLES OF AGREEMENT.

Mr. Kroberger explained that the Consortium is a group of municipalities within Montgomery County that has been in existence for many years and provides benefits related to purchasing, surveys, trend information, etc. In response to the Consortium's recent proposal to amend its Articles of Agreement, Mr. Kroberger informed

that the Township's Solicitor had reviewed the Articles and found them, for the most, part acceptable. He did have one comment, however, concerning the issue of what constitutes a quorum. Hearing no further comments, upon motion by Mr. Duffy, seconded by Mrs. Edelmayer, the Board unanimously approved Resolution 08-2010 endorsing the Consortium's amendment of its Articles of Agreement.

9. MOTION TO APPROVE WIDMAN'S HEATING & AIR CONDITIONING'S PROPOSAL FOR MAINTENANCE OF THE TOWNSHIP'S HVAC SYSTEMS.

Mr. Kroberger explained that Widman's Heating & Air Conditioning had been taking care of the Township's HVAC system for many years and had recently presented an updated proposal which includes four inspections and filter changes per year, as well as response for service calls. Upon motion by Mr. Ziemba, seconded by Mr. Duffy, Widman's proposal was unanimously approved.

10. MOTION TO APPROVE THE EXPENSES RELATED TO TOWNSHIP OFFICIALS ATTENDANCE AT THIS YEAR'S PA STATE ASSOCIATION OF TOWNSHIP COMMISSIONERS CONVENTION IN JUNE.

Mr. Kroberger reported that this year's PSATC Convention would be held at Skytop and he noted the cost for registration and accommodations. Upon motion by Mrs. Edelmayer, seconded by Mr. Duffy, the Board unanimously approved the costs related to the Board's attendance at this year's convention in June.

11. MOTION TO APPROVE ALLAN A. MYERS' APPLICATION FOR PAYMENT NO. 7 IN THE AMOUNT OF \$33,597.75 FOR WORK COMPLETED ON THE SUMNEYTOWN PIKE PHASE 2 PROJECT.

Mrs. Edelmayer informed that Allan Myers had submitted Application for Payment No. 7 in the amount of \$33,597.75. She further reported that with change orders the contract amount had been increased to \$7,139,842.61, with payments totaling \$1,665,252.76 being made to date. Mrs. Edemayer indicated that this invoice had been reviewed and recommended for approval by both T&M Associates and the TIP Committee. Upon motion by Mrs. Edelmayer, seconded by Mr. Ziembra, the invoice was unanimously approved by the Board.

12. MOTION TO APPROVE T & M ASSOCIATES APPLICATION FOR PAYMENT IN THE AMOUNT OF \$10,940.52 FOR CONSTRUCTION ENGINEERING AND ADMINISTRATIVE SERVICES RELATED TO PHASE 2 OF THE SUMNEYTOWN PIKE PROJECT.

Mrs. Edelmayer advised that T&M Associates had submitted an application for payment for construction inspection and administrative services in the amount of \$10,940.52. Upon motion by Mrs. Edelmayer, seconded by Mr. Duffy, the Board approved the T&M payment.

13. MOTION TO APPROVE A UTILITY REIMBURSEMENT AGREEMENT IN THE AMOUNT OF \$68,720.18 BETWEEN UPPER GWYNEDD TOWNSHIP AND AT&T. THIS AGREEMENT RELATES TO THE SUMNEYTOWN PIKE PROJECT.

Mrs. Edelmayer explained that a utility reimbursement agreement between the Township and AT&T needed to be prepared (to the satisfaction of the Township's Solicitor) and approved by the Board. This agreement relates to the relocation of AT&T facilities for the Sumneytown Pike Project. Upon motion by Mrs. Edelmayer, seconded by Mr. Ziembra, the Board approved a utility reimbursement agreement in the amount of \$68,720.18. It was noted that under the PUC Order, Upper Gwynedd is responsible for certain utility costs related to this project.

14. MOTION TO AWARD A CONTRACT TO P.K. MOYER & SONS, INC.'S IN THE AMOUNT OF \$39,000 FOR THE TOWNSHIP'S RENTAL OF EQUIPMENT FOR ITS 2010 ROADWAY PROJECTS.

Mrs. Edelmayer informed that there had been eight bidders in response to a request for bids for rental equipment for the Township's 2010 roadway improvement projects. She noted that the low bidder was P.K. Moyer at a cost of \$39,000. Upon motion by Mrs. Edelmayer, seconded by Mr. Duffy, the Board awarded the bid to P.K. Moyer.

15. MOTION TO AWARD A CONTRACT TO BLOOMING GLEN CONTRACTORS, INC.'S IN THE AMOUNT OF \$85,400 FOR THE TOWNSHIP'S 2010 ROADWAY MILLING PROJECTS.

Mrs. Edelmayer advised that the Township had received seven bids in response to its request for bids for this year's roadway milling projects. Upon motion by Mrs. Edelmayer, seconded by Mr. Ziembra the Board approved a contract in the amount of \$85,400 with Blooming Glen for roadway milling.

16. MOTION TO AWARD A CONTRACT TO GLASGOW, INC. FOR THE TOWNSHIP'S PURCHASE

OF ROADWAY MATERIALS.

Mrs. Edelmayer informed that the Township had received only one bid for the roadway materials contract and that bid, from Glasgow, Inc., had been reviewed by the Township's Engineer's office and found to be appropriate and the prices competitive in today's market. Mr. Perrone added that the unit prices for bituminous materials were slightly lower than last year. Upon motion by Mrs. Edelmayer, seconded by Mr. Ziemba, the Board approved a contract with Glasgow, Inc. for roadway materials.

17. MOTION TO GRANT CAMPISI CONSTRUCTION, INC. A SIX-MONTH EXTENSION OF THE DEVELOPMENT AGREEMENTS RELATED TO ITS JUNE 7, 2005 PLAN FOR SUBDIVISION OF 620 JONES AVENUE. THE NEW AGREEMENTS WILL EXPIRE ON NOVEMBER 8, 2010.

Mr. Ziemba advised that Campisi Construction, Inc. had requested a one-year extension of the Development Agreements associated with its Jones Avenue subdivision project. However, the Board did not feel that a one-year extension was necessary and was more agreeable to a six-month extension. Upon motion by Mr. Zeimba, seconded by Mrs. Edelmayer, the Board approved the six-month extension. The new Agreements will expire on November 8, 2010.

18. MOTION TO APPROVE BSI ELECTRICAL CONTRACTORS' CHANGE ORDER NO. 1 IN THE AMOUNT OF \$38,635. THIS CHANGE ORDER RELATES TO THE DISSOLVED OXYGEN SYSTEM AT THE TOWNSHIP'S WASTEWATER TREATMENT FACILITY.

Mr. Duffy commented that this and the next three agenda items related to the dissolved oxygen system at the Township's Wastewater Plant. Mr. Duffy advised that BSI Electrical Contractor's had submitted Change Order No. 1 in the amount of \$38,635 and that this change order represented additional work that had been added to the project and would be paid for with funding left over from a Merck grant. Upon motion by Mr. Duffy, seconded by Mrs. Edelmayer, the Board unanimously approved the payment to BSI Electrical Contractors.

19. MOTION TO APPROVE BSI ELECTRICAL CONTRACTORS' CHANGE ORDER NO. 2 IN THE AMOUNT OF \$32,252. THIS CHANGE ORDER RELATES TO THE DISSOLVED OXYGEN SYSTEM AT THE WASTEWATER TREATMENT FACILITY.

Mr. Duffy advised that BSI Electrical had also submitted Change Order No. 2 in the amount of \$32,252 for the replacement of existing aeration bank blower soft-starts and the installation of filter fan packages. Mr. Duffy commented that this was also additional work added to the contract that would be paid for with funding left over from the Merck grant. Upon motion by Mr. Duffy, seconded by Mrs. Edelmayer, the Board approved payment to BSI for Change Order No. 2.

20. MOTION TO APPROVE EASTERN ENVIRONMENTAL'S APPLICATION FOR PAYMENT NO. 5 IN THE AMOUNT OF \$29,160 FOR WORK COMPLETED ON THE DISSOLVED OXYGEN SYSTEM AT THE TOWNSHIP'S WASTEWATER TREATMENT FACILITY.

Mr. Duffy advised that Eastern Environmental, the mechanical contractor for the Dissolved Oxygen System project at the Wastewater Treatment Plant, had submitted Application for Payment No. 5 in the amount of \$29,160 for work completed on the project to date. Upon motion by Mr. Duffy, seconded by Mr. Ziemba, the Board approved the payment to Eastern Environmental.

21. MOTION TO APPROVE EASTERN ENVIRONMENTAL'S CHANGE ORDER NO. 2 IN THE AMOUNT OF \$185,050. THIS CHANGE ORDER RELATES TO THE DISSOLVED OXYGEN SYSTEM PROJECT.

Mr. Duffy advised that Eastern Environmental had also submitted Change Order No. 2 in the amount of \$185,050 for additional work also funded by the Merck grant. Upon his motion, seconded by Mrs. Edelmayer, the Board approved Eastern's Change Order.

22. MOTION TO AUTHORIZE THE ADVERTISEMENT OF PUMP RENTALS FOR WASTEWATER TREATMENT STATIONS LOCATED AT MORRIS ROAD AND CONRAD AVENUE AND SOUTH BROAD STREET AND MORRIS ROAD.

Mr. Duffy referenced noted that there are some issues involving the two pump stations located on Morris Road and he advised that the Township wished to rent larger pumps in order to determine the capacity needed to prevent surcharge situations. Upon motion by Mr. Duffy, seconded by Mr. Ziemba, the Board authorized the preparation and advertisement of specifications for the rental of pumps for testing purposes.

OTHER BUSINESS

23. APPROVAL OF THE MARCH 2010 BILLS.

Mr. Kroberger noted that the Board had received a copy of the General Fund bills. Hearing no questions, upon motion by Mr. Ziemba, seconded by Mr. Duffy, the General Fund bills for April were approved. Mrs. Edelmayer abstained from approving the Zoning Solicitor's bill.

Mr. Kroberger advised that the Board had also received a copy of the bills from the Sewer Fund and asked for questions or comments. Mrs. Edelmayer had a question concerning the PECO bills and Mr. Brill advised he would look into the matter and e-mail the Board with the information. Hearing no other questions or comments, upon motion by Mr. Ziemba, seconded by Mr. Duffy, the Board unanimously approved the Sewer Fund bills.

Mr. Kroberger advised that the Board was also being asked to approve invoices from all other funds. Upon motion by Mr. Clare, seconded by Mr. Ziemba, the Board unanimously approved these invoices as well.

Mr. Kroberger advised that there were a number of invoices that had been prepaid. Upon motion by Mr. Ziemba, seconded by Mr. Duffy, the Board unanimously approved the pre-paid invoices.

24. CALL FOR ADJOURNMENT TO EXECUTIVE.

There being no further business, upon motion by Mr. Duffy, seconded by Mr. Ziemba, the meeting was adjourned to Executive Session at 8:15PM.

Respectfully submitted,

Charles J. Testa
Secretary

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Approved May 24, 2010