

This meeting was publicly advertised in the NP Reporter, listed on the Township website and posted in the Township building lobby.

1. Call to order.

The October 23, 2023, Special Meeting of the Board of Commissioners was called to order at 4:00 pm by President of the Board, Denise Hull.

2. Pledge of Allegiance

Ms. Prebis led the Pledge of Allegiance.

3. Roll Call

Roll call was taken by Ms. Weaver, Assistant Township Manager. The following individuals were in attendance:

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|------------------------|-----------------------------------|
| Denise M. Hull | President |
| Katherine D. Carter | Vice President |
| Liz McNaney | Commissioner |
| Martha A. Simelaro | Commissioner |
| Ruth S. Damsker | Commissioner |
| Sandra Brookley Zadell | Township Manager |
| Megan Weaver | Assistant Township Manager |
| Nathan Crittendon | Finance Director |
| David Duffy | Chief of Police |
| Dan Farris | Director of Wastewater Treatment |
| John Consentino | Chief of Maintenance |
| Robert Hegedus | Collections Coordinator |
| Sarah Prebis | Director of Parks & Recreation |
| Conor McCann | Fire Marshal/Emergency Management |

| | | |
|---------|----------------|--------------------------|
| Absent: | Willard Troxel | Director of Public Works |
| | Eric Geiger | Fire Chief |

4. Public Comments & Concerns (limit of five minutes per individual)

There was no public comment.

5. 2023 Review and Forecast

Ms. Zadell reviewed the budget process which includes two work sessions, followed by two Board of Commissioner meetings. This first presentation of the budget is a rough draft and includes every request from each department head, unedited. Including every single request, the budget as currently prepared,

shows a \$666,555 deficit for 2024. She reminded everyone that this budget is a fluid document and won't be complete until after it is approved in December.

General Fund

Ms. Zadell first reviewed the General Fund. Our 2023 General Fund spending forecast is \$3,890,127 under budget, our revenue is forecast at \$183,414 under budget. For 2023, our spending and revenue are both under budget. Revenue is under budget due to real estate transfer taxes and the timing of revenue due to grants. Ms. Zadell explained that spending is also trending under budget due to the timing of projects (Haines Run & Sumneytown Pike Bridge) and grants. Ms. Zadell noted that they are making the recommendation to transfer an additional \$435,000 from this year's surplus to the Capital Reserve Fund (Total \$750,000 vs \$315,000). She highlighted that we would then be trending \$714,608 end of year surplus event after including a \$750,000 (more than the originally budgeted \$315,000) suggested transfer to capital reserves.

Ms. Zadell noted that these forecasts are through July and it will be updated through the end of September for the next meeting.

Ms. Zadell stated that the prepared draft budget does not include a tax increase. Upper Gwynedd Township used to be the 13th lowest tax rate in Montgomery County and now we are the 10th lowest due to no tax increases.

6. 2024 Expenditures across All Funds

Administration

Ms. Zadell reported that the total expenditures have increased by \$362, 840. This increase is led by spending on salaries, professional services, and most significantly by community contributions. The Community Contributions make up a request for \$100,000 for the VMSC, and a \$250,000 request from Nor Gwyn. She noted that the Township typically funds Nor Gwyn baseball at \$50,000 but they are asking for this increase. The request from VMSC for \$100k is a new request for operating services support for increased staff benefits, equipment, and clinical growth. Ms. Zadell noted that training costs are going down for 2024 by 6%. The Admin Capital Expenditures are comprised of \$17,000 of PC replacements and the Public Meeting Room Electrical upgrade of \$10,000.

Tax Collector

Ms. Zadell reported that there are no major changes proposed to the Tax Collector Budget

Information Technology

Ms. Zadell highlighted that the IT budget shows a reduction of \$49, 501. The future savings in this line item in 2024 are due to the onboarding of a new IT Specialist. The Township will be phasing out all spending to Foster Digital and decreasing spending to IntegraOne.

Facilities

Ms. Zadell reported that there is an overall increase of \$618,000 to the facilities budget. \$275,000 of the budget is attributed to a new HVAC replacement in the Police Department and Administration, new carpets in Administration areas (conference rooms/offices), a new roof for the entire administration building at \$175,000, back up generators, and new overhead garage door operators for Public Works.

Police

Ms. Zadell reported that the total expenditures for this department budget has increased by \$187,276; Contractual and ladder raises make up \$150,000 of this increase and clothing/uniforms have been increased by \$6,000 for new hires. The budget also includes increased funding by \$40,000 for Legal expenses related to contract issues. Ms. Zadell highlighted that Chief Duffy is asking for 2 additional new full-time officers. Currently they have 22 sworn officers and they are asking for 24. Ms. Zadell said that a Study was completed in 2022 by Safe City Solutions which recommends that we should have 25 full-time sworn officers. From that study, the number one "quality of life" complaint from residents was traffic concerns. The newly hired officers would be utilized to create a traffic safety control unit.

Ms. Zadell noted that the Police Capital includes IT upgrades including PC replacement and an in-care camera for \$32,000 and one patrol car for \$52,000 that was delayed from this year.

Fire & Emergency (Fire Marshal) Major Expenditures

Ms. Zadell reported that 2022 was our first year with a full-time Emergency Management Coordinator. This budget reflects an overall 10% increase or \$37,658. The increase is led by Capital equipment totaling \$71,000 along with an increase in general expenses to accommodate new emergency reporting software.

Ms. Zadell reviewed the Fire Marshal Capital expenditure requests which include new air packs for both the Deputy and Fire Marshal in the amount of \$20,000, which is a carryover item from 2022. The request includes emergency flood gates for \$55,000, which the Township would be pursuing grant funding for. The last request is for a drone for \$16,000 and the request includes training for 3 people. It was noted that there will be interdepartmental use and any department can utilize.

Code and Zoning

Ms. Zadell reported that the total expenditure has increased by 8% or \$55,000. Ms. Zadell and Ms. Weaver are looking for a new Full-time hire for Mr. Rieker's planned retirement. This position could be filled by a full-time employee or a consultant. The budget reflects Mr. Rieker's current fees in addition to 6 months salary of a new hire to allow for training overlap. Ms. Zadell also noted that most of the revenue in this department is stable.

Public Works

Ms. Zadell reported that the Public Works Budget is proposed to increase by \$4,637,939 or 51%. This increase is mainly due to grant funded capital projects. There are also increases in boot allowances, gas, office supplies, electricity, pipe lining, and outside costs related to stormwater/micro surfacing. Ms. Zadell also noted that the budget has reduced expenses in the lines of engineering services for MS4, Road/ADA improvements, and equipment rentals. The budget also reflects \$650,000 allocated to spray line additional areas in the Villages and Stony Creek neighborhoods. Ms. Zadell highlighted that milling and paving costs are coming down compared to this year's due to the delay of Church Road. Ms. Zadell gave some kudos for Rodger Smith and Public Works for the care that they take of the PW equipment. The budget includes the replacement of the 1997 and 1999 Dump Trucks.

Ms. Zadell said this budget represents our continuous and increased focus on Capital Infrastructure Projects. The total Capital expenditure request for 2024 is \$4,933,155, which comes from several sources including Capital Reserve, State Liquid Fuels, Grants and General Fund. Projects include the construction of the Sumneytown Pike Bridge, Haines Run streambank stabilization, Montco 2040

illuminated signs, storm sewer replacement projects not identified yet, and the 10 wheel dump truck and new backhoe.

Ms. Zadell asked, Why such a huge increase in infrastructure related expenditures?

Ms. Zadell presented a graph which depicts little to no investment in capital purchase and capital maintenance from 2007-2021. The deferred maintenance has created the need for significant investment in our aging infrastructure. In 2021 the Public Works Department began spray lining and since then, a significant investment of \$1.2 million will be ongoing.

Ms. Zadell presented a slide which includes the roads planned for the 2024 Road Paving Program. Planning for Milling and Overlay include: Stony Creek Avenue, Jackson Street, State Street, Girard Avenue, Whitney Place, Beth Drive, Allen Way, Amity Lane and Church Road delayed due to mitigation work happening in 2024. The roads to be Nova Chipped, a new micro surfacing material, include the Sugar Valley Development, Stirling Drive, Lafayette Road, Conway Place, Twinlyn Drive, Flintlock Drive, Muhlenburg Drive, Scott Way, McIntosh Way, and Pulaski Drive

Ms. Zadell also presented that the Township has acquired \$2,449,631 in grant funding since 2020 to help fund these Capital infrastructure projects.

Parks & Recreation

Ms. Zadell reported that the total expenditure in Parks & Recreation is proposed to increase by 25%, which is driven by capital costs and maintenance cost. The budget proposes an additional staff member, which would be a 2nd Program Coordinator. This need is largely due to the success of the Parks & Recreation department and their increased new programming. Ms. Zadell reported that the budget also includes an increase in Professional Services Costs due to CPROS plan, increase in maintenance costs for courts and playgrounds, concession stand maintenance, a 37% increase in capital projects. Ms. Zadell highlighted that Parks & Rec continues to exceed revenue over expenses for programming related activity.

Ms. Zadell explained that additional capital expenditures include the pole barn (carryover from 2022), \$70,000 engineering and grant support for trails, two major MS4 projects, Open Space Clean Up, Marquee Board replacement, Rexdale/Whitaker Playgrounds. Pool parking lot phase 1, curb/sidewalk repairs, 2004 Trailer replacement, Chipper Box replacement, and a mini Skid Steer.

Fire Fund Major Expenditure

Ms. Zadell reported that the Fire Tax Fund revenue continues to be stable. The Upper Gwynedd Fire Department is requesting \$203,000 to fund the Fire Co. Operations which is an increase of \$2,000 from 2023. The increase is to fund regular increases such as phone, electric, etc. Ms. Zadell explained that this budget also includes \$10,000 of funding to North Penn Fire Company as a placeholder for QRS services. With this level of funding to both departments, it will show a deficit to the Fire Tax Fund of \$1,150.

Ms. Zadell mentioned that the UGFD will be getting \$50,000 from the Safer Grant so it may be an option to reduce the Township contribution rather than double funding the stipend program.

Wastewater Treatment Plant Fund

Ms. Zadell reviewed the proposed Wastewater Treatment Plant Fund Budget. The budget shows an increase in the regular pay rate line item due to open positions now being filled across all departments

in WWTP and regular increases. Due to new leadership and standardization of procedures, there is a 17% reduction in overtime. Due to the changes that Mr. Farris, Director of WWTP, there is also a 17% decrease in lab services costs and 26% decrease in telephone expenses. Ms. Zadell noted that there is a ton of work coming down the line which reflects an increase of 111% in the engineering services. The following projects would require engineering services: Collections I and I reduction, Plant Entrance Bridge Evaluation, eDMR reporting Support, Aeration Evaluation, and General Engineering. The proposed budget also includes an increase of \$10,000 for the Maintenance and Repairs of pump stations, a \$40,000 increase in Maintenance and Repairs for valves, \$20,800 increased costs for vehicle repairs, a 27% reduction in costs associated with sludge hauling, and an increased training investments in our staff for \$26,000. Ms. Zadell also noted that the budget includes a transfer to the General Fund for the annual repayment of the loan to our General Fund in the amount of \$315,000.

Ms. Zadell highlighted that including all expenditures proposed and Capital Expenditures, the budget shows a deficit of \$671,587.

Ms. Zadell reviewed all the Capital Projects and why they are important to the WWTP operation. They include the following: Influent Screen upgrades \$46,000; Plant Entrance Bridge evaluation \$10,000; replacement of WAS and RAS pumps \$350,000 (\$35,000 in 2024 for engineering/ \$315,000 Capital in 2025); Effluent pump upgrades \$9,500; Influent Distribution Box upgrades \$120,000 (\$40,000 Capital in 2024/ \$30,000 Engineering 2024/ \$50,000 Capital 2025); Aeration evaluation \$10,000; Solids Handling Process \$375,000 (\$45,000 engineering in 2024/ \$330,000 Capital in 2025), and Gator Replacement \$18,000, Aeration Tank effluent channel upgrades capital \$12,000; Primary tanks skimmer replacement \$85,000 (\$55,000 Capital 2024/ \$30,000 Engineering 2024); Chemical Feed Evaluation \$10,000; Secondary Clarifiers & Aeration Tanks Gate Replacement \$395,000 (\$98,750 per year till 2028/ Capital 2024-\$98,750/ Engineering 2024 \$30,000); Primary Tank #1 Evaluation \$95,000 (\$60,000 Capital 2024/\$35,000 Engineering 2024);

Ms. Zadell stated that she will be making a presentation at the next meeting recommending a reasonable rate increase.

8. Questions

Ms. Zadell stated that the next meeting will be November 1, 2023 at 11:00 am. At the next work session meeting, they will be reviewing the fund balance and reserve and considering decision items/potential cuts.

Meeting Adjourned.



Respectfully Submitted,

Sandra Zadell
Township Manager/Secretary