

**BOROUGH OF LANSDALE
ADMINISTRATION AND FINANCE COMMITTEE MINUTES
MEETING OF APRIL 3, 2019**

Members Present:

Denton Burnell	Borough Council President
Carrie Hawkins-Charlton	Borough Council Member
Leon Angelichio	Committee Chairman
John Ernst	Borough Manager
John Ramey	Finance Director
Brian McGowan	Assistant Finance Director
Chris Kunkel	Project Manager
Nancy Shaw	Human Resource Director

Mr. Burnell called the meeting of the Administration and Finance Committee to order at 7:01pm.

1. Action of Minutes Previous Meetings

Motion Mr. Burnell, second Mr. Angelichio to approve the minutes of March 6, 2019 Administration and Finance Committee Meeting. Motion carries 3-0.

2. Financial Reports Year to Date

Mr. Ramey- Everything is looking good in 2019. Revenues are up \$116k thru February which is a 14% increase. Expenses are up \$28k which is a 2% increase over last year. Compared to budget we are on track. Without transfers, we are at 10% of revenues for this year which is up from 9% last year.

Timing of payroll this year all got accrued back to last year and by the end of 2019 everything should be in balance.

The new topic for tonight is real estate assessment and reassessment. Montgomery County sets tax assessed value when you purchase or do an addition on your home. When you get permits for work, it then goes to County. When there is a change, taxes can go up. To appeal you would go to the Board of Appeals with an attorney. Assessed value is % of market value.

For 2019, the common level ratio is .510. When the assessment is done adjustments may happen like foreclosures and estate sales. It is up to the County to reassess on homes sales, but it has been a very long time.

Mr. Angelichio- What happens when a lot of homes sell at once, this could be the trigger?

Mr. Ramey- Assessed value has gone up to \$6 million since last November which is \$32k in additional taxes if say it was reassessed to this value.

Mr. Angelichio- so, it strictly a business decision to appeal?

Mr. Ramey- yes, it is.

2. Committee Business Items

A. Temporary Sign License

Mr. Kunkel- We had talked about the sign off Madison and Main St. The sign would be 33 feet off Main St and 61 feet of Madison St. They are requesting a 1 year agreement where either party can terminate in 60 days. All of the maintenance falls on them. If they fail, we can give them 10 days notice. They will carry insurance and would be responsible for any repairs. They would indemnify the Borough if any injuries or anything and have their insurance cover. There is no fee in the agreement.

Mr. Angelichio- This is a high traffic corner. The Christmas tree is here and we don't want to detract from or tamper with anything that we have done. Can we charge a useage fee?

Mr. Ernst- When we put up a permanent sign, we can do this when it goes thru.

Mr. Angelichio- We can charge fees on anything here.

Mr. Ernst- If we were faced with the same situation here with someone else who wants a sign somewhere else, then we go thru the same process. We can't charge to make money. If Council chooses, then we can figure out admin fee and charge and there is the potential.

Mr. Burnell- Their intention for a permanent sign would be to include other businesses. That would have to go thru zoning and it will take time.

Mr. Ernst- We are charging a permit fee for this.

As residents asks, how does this benefit Lansdale in any way?

Mr. Ernst- The Borough is always trying to cooperate and to bring business into the Borough. In Equis ability to get up and mobile and efficient to try to drive traffic to get people leasing, this could really help them.

Mr. Angelichio- I agree with this, but this is an extremely well published and extreme construction in that area. This will be published in every area. The value of the sign isn't that much, but I think trying to span this sign to make or break I don't see.

Ms. Hawkins- Charlton- I think this is more for traffic like a way-finding.

Mr. Burnell- I agree and this will help them rather than service someone driving and then seeing and saying they need an apartment.

Mr. Kunkel- If we entered into an agreement w/ exchange of money, then we couldn't terminate this as quickly as one thing.

Motion Mr. Burnell to approve the Temporary Sign License, second Ms. Carrie-Hawkins. Motion carries 3 to 0.

B. Road Improvement Program

Mr. Kunkel- The past 2 years we have been working on the road program. A lot of things have happened here last year and pulling this all together and coordinating, assessing needs, weather and nothing is going according to plan. Last year, \$5 million in road work was completed or 6 miles. This scope of work has been evolving and we got a lot done. This year, we are scheduled to do what?

Mr. Ramey- There is \$1.4 million budgeted as of now.

Mr. Kunkel- We are looking upto \$2 million then. There was little less concern about how we go and just looking at the plan of funding. We are looking at 2 miles of work and Public Works committee is going to approve. Microsurfacing isn't going to be done this year. NPWA did a scope change in work, so now we are looking at paving which increases the costs and have to look at additional costs this year. \$1.6 mill, plus bonds and liquid fuels to fund the next 3 years.

On North Line St, this has been a multi-year effort to get things to move more efficient. We don't have all the issues we had years ago and worked with all parties. The utility work is all done in fall/winter and we give notification and residents have time to do sidewalks. Line St. isn't working because we didn't do that.

Mr. Angelichio- I have been evaluating N Line St. very closely. Our communication with residents along the pathway that things have improved a vast amount. We are constantly punching and putting out the communication and answer the same questions using social media that says we aren't going to do it right. I have heard people complain about damage to cars and recommend to take a different road. There are more roads and not to take them and complain. This is a war zone.

Mr. Kunkel- We are fixing the road this year.

Mr. Burnell- We are going to fix the road in July, right?

Mr. Kunkel- Yes.

Mr. Angelichio- Every minute, the same people are asking the question. The plan was to pave this year. Is there a way to tell people it will be done this year?

Mr. Burnell- Do we have the signs "tax dollars at work"?

Ms. Hawkins-Chartlon- Yes, they are on Line St.

Mr. Burnell- People will laugh to seeing that at this point. We need signs to say completed by certain date.

Mr. Kunkel- There is about \$25k in concrete work for this project to go thru.

Mr. Ernst- We were sensitive to homeowners which gave them as much time to budget and why we have seen this delay. It has to be done by the end of June or the Borough then does and sends a bill and leins the property. The Borough's cost is about 1/3 more than what they can do because we have to pay the prevailing wage.

Mr. Angelichio- One question, have we approved what we spent now compared to the past? Are we spending more now? Historically, we have spent that much.

Mr. Ersnt- Yes. At any point an emergency can come up and we have to deal with something that has failed.

Mr. Kunkel- NPWA is spending \$2 million this year to keep up with what we are doing.

4. New Business

A. Reassessment agreement

Mr. Ramey- A property asked to be reassessed and since a school district has more skin in the game, they goto them 1st and they made an agreement. The property is Century Plaza and a total of a \$9,136 refund and going forward it is \$5,900 a year and to adjust property to \$4 million and using common ratio. They got it appraised which was less, but agreed to higher value to get this agreement.

Market value \$3.1 million to \$2.4 million at the date of assessment. In the budget, we do the budget for change in assessments and plan for. It is less than a \$1 million change in assessment.

A resident asks, what was the year for the date of the assessment of the market value?

Mr. Ramey- I didn't see, but the County and school district agreed. The school is giving back \$45,000.00

Mr. Angelichio- We have seen this before and usually follow the County and school district

Mr. Burnell- We have a choice, but it costs us more in \$5,900 in legal to fight.

Motion by Mr. Burnell to move agreement forward to refund assessed taxes for Century Plaza.
Second Ms. Hawkins- Charlton. Motion carries 3 to 0.

B. 421 Main St Fire Escape

Mr. Ernst- Chris will fill-in the details. We have come to an agreement to settle the contract dispute for the sum of \$89k. We are getting out of the contract and the contractor is getting paid.

Mr. Kunkel- The dispute is over some extras which were not part of the change order. We have agreed to some of those but minimum about \$10k more than the whole contract and all workmanship issues have been resolved.

Motion by Mr. Burnell to approve payment of \$89k to Tulio to settle contract for the 421 W Main St Fire Escape. Second Ms. Hawkins- Charlton. Motion carries 3 to 0.

C. Additional name to the Memorial at Memorial park

Mr. Ernst- Sometime before Founder's Day last year. The remains of someone were returned to Lansdale from the Korean War. There is some documentation that we received something at Memorial Park that nobody from Lansdale inherited. We thought that it would be appropriate to add the name to the monument at the Memorial Day celebration. Dick Shearer is going to do the inscription for and leave open options on it for future and find one that is the most appropriate and least offensive. If we don't pull the trigger on it, then we won't have it ready for Memorial Day. Also considering, there were several options, but none of others keep the face of stone looking the same. I would like approval not to exceed \$25k. The name of the inscription will be for George Housekeeper.

Motion by Ms. Hawkins-Charlton to update the memorial at the Memorial Park not to exceed \$25k. Motion carries 3-0.

3. Public comment

Meeting adjourned at 7:55.