

**BOROUGH OF LANSDALE  
ADMINISTRATION AND FINANCE COMMITTEE MINUTES  
MEETING OF AUGUST 7<sup>TH</sup>, 2019**

Members Present:

Carrie Hawkins-Charlton	Borough Council Member
Leon Angelichio	Committee Chairman
Garry Herbert	Mayor
John Ernst	Borough Manager
John Ramey	Finance Director
Brian McGowan	Assistant Finance Director

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

### **1. Action of Minutes Previous Meetings**

Motion Ms. Hawkins-Charlton, second Mr. Angelichio to approve the minutes of August 7, 2019 Administration and Finance Committee Meeting. Motion carries 2-0.

### **2. Financial Reports Year to Date**

Mr. Ramey- As of 06/30, revenue is looking good and up \$220k which is a 4% increase and it's also right in line with last year. We are also right in line with the budget at 68%. EIT and transfer taxes are the reasons we are up.

We are looking at a \$541k increase in expenses this year which is up 5%. We have \$50k for chargers, but we are being reimbursed. Police personnel costs are up \$300k. For 2019, we have 4 officers that we didn't have. The department has been at full staff for all of 2019 to prior year when 3 officers were hired in July. We are at 43% so far this year for expenses and not far off the pace of last year for expenses.

Question from resident: Did we budget for Police?

Mr. Ramey- Yes, we did in the beginning of the year.

Mr. Angelichio- We don't have committee business items and can discuss the old business first if you all would like to.

### **3. Old Business**

#### **A. 2020 BUDGET**

Mr. Ramey- As of 06/30, all departments here have line items to update and everyone has orders to get everything back to me for Sept. It is easier to start with expenses before revenues. We look at this in what we have to offer and then we work on revenues to pay for.

Next week, all Council members will have a strategic plan for the next 5 years. Department heads are putting it together, a list and of all assets and their life expectancy and how much time we have left. We will have on hand a list for the Capital projects.

Mr. Angelichio- I have seen people going around and looking at the poles.

Mr. Ernst- yes, there is a company in town going around and looking at the Verizon poles and digging and checking for termites. They start around 6am in the morning.

Mr. Angelichio- I have seen people out at 8pm and this is in people's yards and I want people to be aware. Is there are marker on the pole?

Mr. Ernst- Yes, there is a # and there is a colored tags which designate the work to be done. There is one guy that probes and another who injects liquid and another tests if there is rot. If it needs to be replaced, they drive a 7ft steel rod into the ground to stabilize and to get more time.

The reason we are doing a pole inventory is to go back to Verizon and others for their equipment that is hanging. We also cannot hang Hometown Banners on their poles and if we do then they will trash them. This is how it has been done.

Question from resident: Did Verizon tell anyone about the work to be done? Also, someone should have communicated to the Borough and there should be communication with people at Verizon to do that. Maybe a contractor was supposed to do that.

Mr. Ernst- If I am not mistaken, we were given a letter with a contact # to call if we weren't happy with either them or their work. I was trying to find out where they are in the process of checking poles in regards to months, days and years.

Mr. Angelichio- Can you have Tracy post onto social media and ask people if they knew about? This will be a follow-up to know from the residents if they knew anything.

Mr. Ernst- I want to be sensitive to this and to not push this phone # out.

Mr. Angelichio- I agree and this is why we want to check social media to see what residents are saying.

Ms. Hawkins-Charlton- I just want to let people know when the next Civics 101 meeting will be. It will take place on September 10, 2019.

Question from resident: Is there anything new for next year as far as positions and departments?

Mr. Ramey- Not really, we start with positions and are trying to fill positions for this current year at this point.

## **B. Debt Refinancing Results**

Mr. Ramey- We start with bond rating and we got an AA rating. The bonds were sold on Monday and at a savings of \$1.186 million over 18 years. We are not extending the terms of the debt. The rate was at 3.2% and we got 2.35% and we are paying only 2% for the next 10 years and the highest that we will pay is 3.2%. The process works where we sell new bonds and pay off the old ones.

Mr. Angelichio- 2 or 3 days after our last meeting, the Fed dropped rate by 25 basis points. We

didn't need to get Council together for this. John and John were able to act on our behalf.

Mr. Ramey- This happened on Monday which was a nice Monday surprise. Some years we save \$64k and goes up to \$68k in some years. We are locked in today and come January there will be more bonds callable. We wanted to keep it under \$10 million and can maybe payoff those 2014 bonds then.

### **C. Alley Maintenance Resolution – Review**

Mr. Ernst- All of Council got a draft ordinance and resolution is available. Public Works checked all the equipment and we got it all tested over there and are extremely happy.

Mr. Angelichio- I was over there and they were cutting, leveling and refilling w/ materials. The level of some have dropped and created alleys along the alley to channel water away from homes. We did grade a puddle that was soft but not soft for a car, but a vehicle pushed it a little. It's not perfect. We will not undertake any paving in the resolution. If any residents complain, then the works stops and then the residents have to discuss with the other homeowners. This is not new here.

Mr. Ernst- The Borough's policy has always been, once the snowfall reaches a limit then the Borough does a courtesy sweep thru the alleys. The roads are 1<sup>st</sup> and depending on the crew, time and such they may not get to the alley. If the snow gets so bad where we can't push that snow anywhere, then we are reluctant to push the snow. By plowing the alleys, we are likely plowing cars into the spots. Then people may start putting their cars onto the street because they are afraid of having cars plowed in. Our policy is to do at the end of the run if we do it at all. There are a couple of alleys that the Borough does own.

Question from resident: What would be the process in how alleys are done?

Mr. Ernst- Any alley program that we initiate will be very similar to the leaf program and we will do in quadrants and it will be more efficient. Not to say, we don't do some really bad alleys 1<sup>st</sup>. We need something in the resolution, a schedule, for residents to see when their alley will be done. It is very difficult getting out to the residents to let them know. Doing it in quadrants will give residents notice for say 2-3 weeks.

Mr. Angelichio- Communication is very important and giving a window rather than a day is better.

Question from resident: How much does this cost?

Mr. Ernst- Initially, not very much as we are distributing stone. Once we get into the maintenance and then buying stone, we are looking at \$10k to \$15k per season.

Question from resident: Is there any equipment that is obsolete?

Mr. Ernst- Not that I am aware of.

Question from resident: When do you expect a decision to come to full Council?

Mr. Angelichio- We have a sample resolution to present to Council. We could present to public

and it will be on the website a day or two after committee.

Mr. Ernst- I have the ability as Manager to initiate programs. Since this has been a very public conversation, I wanted to make sure that we have a document with guidelines for Council. Also, I wanted everyone on the same page and not having my reputation on the line without others.

Mr. Angelichio- We are talking about other people's properties and this is a partnership. Cost of materials and labor and we are still using the same labor, but it's still taxpayer money. We want to be coordinating this together with homeowners.

Question from resident: Do you have guys working full-time jobs and how are they going to do this work?

Mr. Ernst- Stuff will still get done, but it may take longer to do like to the storm water inlets and pouring concrete in because those are brick. Maybe we won't do as many in a year as an example, but they will all get done.

Mr. Angelichio- There is efficiencies and economy of scale with doing this work. We want to make sure this is a partnership of multiple groups coming together for a goal.

Question from resident: How do we get homeowners on board to do?

Mr. Angelichio- This is a very public project and word is getting out there by social media, newspaper and Gary. I certainly hope that people are going to get involved and we keep going. We are not throwing good money after bad. It's like raising a small child and give expectations. Just at ongoing program time should drop because it's a routine.

Mr. Herbert- We need to look at the things doing the damage and to mitigate the damages. The thing that we are dealing with is the real problem and going down the alley is the heavy trucks. We got to deal with the problem.

## **5. New Business**

### **A. Resolution for grant application to extend the Liberty Bell Trail**

Mr. Ramey- Looking for Council support for the \$498k grant with a 30% match- 9<sup>th</sup> St to Moyer Section. DCNR is who the grant is thru and it is coming out of Parks and Rec. We planned \$313k which is more than 30%.

### **B. Line St Paving**

Mr. Ernst- 10ft paving to be put down on Line St. to mitigate some of unevenness. The vast majority of the concrete work to be done and it also looks like the final paving to be done by the end of October. The contact deadline is November 15<sup>th</sup> and we have very little ability to hold contractor before deadline.

Mr. Angelichio- Does it benefit us to put it in the contract to finish earlier?

Mr. Ernst- Yes, but the cost goes higher to escalate time because there would also be a penalty.

We could look into this and also for unforeseen issues that we could have every time that we make a contract more restrictive and we raise the costs.

Question from resident: What is the cost on Line St?

Mr. Ernst- \$30k, but it is coming out of the Canon Ave project which we saved on.

### **C. School District homestead/ rebate program**

Mr. Ramey- The school district is all for us telling people to sign up and it's based on existing incomes and making under \$35k and renters under \$15k.

For the Homestead Credit, you own or live in it. Only 63% of residents are taking the credit. The school district has to mail it out by the end of the year and residents have to complete it by the end of the year. Once do you once then that is all that you have to do. It's just something that I want to get out there to everyone.

Mr. Angelichio- Is there a contact?

Mr. Ramey- The school district website and Northpenn.org and search rebate program.

Meeting adjourned at 8:01.