

August 21, 2019

The Business Meeting of Lansdale Borough Council was held on Wednesday, August 21, 2019 in the Council Chambers, 1 Vine Street, Lansdale, PA and called to order at 7:04 pm by Council President, Denton Burnell.

ROLL CALL:

- (X) Councilman Angelichio
- (X) Councilman Breish
- (X) President Burnell
- (X) Councilwoman Hawkins Charlton
- (X) Councilman DiGregorio
- (X) Vice President Fuller
- (X) Councilman Hansen
- (X) Councilman Henning
- (X) Councilman Work
- (X) Mayor Herbert – present on the phone

Borough Representatives:

Borough Manager, John Ernst  
Finance Dir, John Ramey  
Police Chief, Mike Trail  
Parks & Rec. Director, Karl Lukens  
Electric Superintendent, Andy Krauss  
Public Works, Rick DeLong  
WWTP Superintendent, Dan Shinskie

Borough Solicitor, Patrick Hitchens  
Borough Engineer, Chris Fazio  
Library Director, Tom Meyer  
IT/GIS Coordinator, Bryan Poster  
HR Director, Nancy Shaw  
Code Enforcement, Jason Van Dame

Residents:

Corrine Mayland – Whites Road  
Natalie Marks - Hatfield

Agenda Item #5 – President's Comments

None

Agenda Item #6 – Presentations

**Business of the Month** – Comic Zen by Alex Felts of the Economic Development Committee

- Comic Zen is located at 301 W. Main Street and is owned by Tim Hershey who is also the sole employee.
- Tim opened the store in 2016.
- The backbone of the movie industry comes from comic books.
- Tim cares more that a customer leaves happy than whether or not he made a sale.
- He and his family have lived in the borough for the past 20 years.
- Borough staff, particularly in code enforcement, were instrumental in helping him open his store.

**Tim Hershey** – Having a business in the borough is important to him. Thank you for your support.

**AMP Contract/RICE Program** by Norm Baron of Utility Engineers.

*Presentation is attached at the end of the minutes*

- He is here to explain and get confirmation that the borough wishes to subscribe to PEAK shaving and be a part of the RICE (Reciprocating Internal Combustion Engines) Program.
- The borough's PJM peaks will help determine what the costs of electricity will be for the next twelve months. An example is on July 25 the borough used twenty-five megawatts and if we shaved nine megawatts then we would pay for sixteen megawatts next year.
- There is zero cost to subscribe to this program and AMP will absorb the costs for the borough which will save the borough money over the next ten years.
- There are two contracts to be signed. One for Ohio and one for Pennsylvania; the borough has to apply by August 29. If we apply it does not mean we commit to the program.
- He also would like to see if the borough wants to extend the current electric contract out to 2030. There could be a significant cost savings to the borough.

**Councilman DiGregorio** – Does this affect the cost of transmission?

**Mr. Baron** – No. The benefit of extending would offset a large increase in transmission if that were to happen.

**Vice President Fuller** – How do we shave during the peak times?

**Mr. Baron** – Essentially this whole thing is a paper transaction so we are not asking people to dim their lights or anything.

**Mr. Krauss** – AMP needs us to subscribe to the program but we don't take a risk if we do. It is his professional opinion to partake in both RICE and extended the current power contract. We can stabilize energy rates but we can't stabilize transmission costs.

**Councilman Angelichio** – What is the cost to do either one?

**Mr. Baron** – There is no cost.

**Mayor Herbert** – Does this change where the power comes from?

**Mr. Baron** – No, it will still be the same source. This really is just a paper transaction and nothing more than that.

**President Burnell** – How do we benefit if AMP is on the hook?

**Mr. Baron**- AMP takes the savings and applies it to construction costs. AMP will pay from their line of credit if there is a risk. They have been 90% accurate in their projections the last two years.

**Councilman Hansen** – If we start PEAK shaving in August 2020 for three years, we will see savings in ten years?

**Mr. Baron** – You would start January 2020. You will get better pricing at auction which is where the savings are.

**Councilman Hansen** – How does the generation the generators for PEAK shaving affect the environment?

**Mr. Baron** – They are generated by diesel. He does not have those statistics with him.

The generators will only be used about forty to fifty hours per year.

**Mayor Herbert** – For those putting in peakers what is their benefit?

**Mr. Baron** – None.

**Mr. Krauss** – That is why we don't host the electric.

**Councilman DiGregorio** – We will be adding solar panels in the next year or so. Will this affect that project?

**Mr. Baron** – No.

**Councilwoman Hawkins Charlton** – When are we locked into this program?

**Mr. Krauss** – Until 2028.

**Councilwoman Hawkins Charlton** – We can't lock in for the future after that?

**Mr. Krauss** – No.

**Councilwoman Hawkins Charlton** – How can residents continue peak shaving?

**Mr. Krauss** – We missed those peaks. This program doesn't make residents do that but the borough will still save.

**Councilman DiGregorio** – Can we terminate this agreement early if we want to?

**Mr. Baron** – You can pull out any time, but there will be a cost of leaving early.

**Councilman Hansen** – We have to get into this program in eight days so we have to vote tonight on doing this.

**Vice President Fuller** – It sounds a little too good to be true and we preliminarily should agree to this.

**Mr. Baron** – AMP wants to know where they have to place megawatts either in PA or Ohio. The contracts can be revised.

**Vice President Fuller** – When will the final contracts be done for us to see?

**Councilman Breish** – How much does it cost us when we miss the PEAKs?

**Mr. Krauss** – Our generators that we have are not meant to be peak shavers. We have to figure out what it costs us to use our generators every time there is a call for PEAK shaving.

**Councilman Breish** – What is the benefit for residents to keep PEAK shaving?

**Mr. Krauss** – We have to continue to collect that data to see how well we are doing.

**Councilman Breish** – This partnership with AMP is a benefit to us?

**Mr. Krauss** – Yes.

**Mr. Baron** – Next Era Energy is proposing to extend the current power contract to 2030 with cost savings to the borough. This is something that may come before Council in two weeks.

Agenda Item #7 - Petitions

None

Agenda Item #8 – Residents to be heard on any item

**Ms. Mayland** of Whites Road – In regard to the next energy contract ,the following things should be included: no storing of power here and use of renewable energy. Electric generation is the number one contributor of greenhouse gas in the borough. She is asking that the borough include in the contract that at least a quarter to a third of electric generation should come from renewable energy. The contract that is being proposed limits the amount of power the borough can generate.

**Ms. Marks** of Hatfield – Her and her family are for the skate park being built.

**Vice President Fuller** – We are hoping to get approval tonight to go out to bid, select a contractor and open in 2020.

Agenda Item #9 – Action Items

**Councilman Angelichio** presented Motion A and read as follows:

I move that Borough Council approve the Treasurer's Report for the month of July, which shows the expenditures listed on the attachment.

*Motion seconded by Councilwoman Hawkins Charlton and unanimously approved.*

**Councilman Angelichio** presented Motion B and read as follows:

I move that Borough Council approve the bills \$1,000.00 and over as per the attachment.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Councilman Angelichio** presented Motion C and read as follows:

I move that Borough Council approve the following meeting minutes:

Work Session: July 3, 2019  
Business Meeting: July 17, 2019

*Motion seconded by Councilwoman Hawkins Charlton and unanimously approved.*

**Councilwoman Hawkins Charlton** presented Motion D and read as follows:

I move that Borough Council adopt attached Resolution 19-08 approving the application of Elm Terrace Gardens for Economic Incentives.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Councilman DiGregorio** presented Motion E and read as follows:

I move that Borough Council adopt Resolution 2019-09 expressing the Borough of Lansdale's interest for participating in the American Municipal Power Reciprocating Internal Combustion Engine behind the Meter Peak Shaving Generation Project.

*Motion seconded by Councilman Angelichio and unanimously approved.*

**Councilman DiGregorio** presented Motion F and read as follows:

I move that Borough Council award the contract for the Borough Wide Traffic Signal Modifications Base bid, Alternate A, B, F, G, and H to Armour & Son Electric, Inc., the lowest responsible bidder per the recommendation of Pennoni Associates, Inc., engineering consultants for this project. This project is to be fully funded by an Automated Red Light Enforcement (ARLE) Grant.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Vice President Fuller** presented Motion G and read as follows:

I move that Borough Council authorize the use of Memorial Park on Saturday, August 24, 2019 from 5:00am to 6:00pm for the 31st Annual Lansdale Festival of the Arts Program sponsored by the Lansdale Department of Parks and Recreation and the Lansdale Festival of the Arts Committee. In the event of inclement weather, the Festival will be held at Penndale Middle School.

*Motion seconded by Councilman Angelichio and unanimously approved.*

**Vice President Fuller** presented Motion H and read as follows:

I move that Borough Council adopt attached Resolution 19-10 requesting a Multimodal Transportation Fund Grant from the Commonwealth Financing Authority for the construction of the Liberty Bell Trail, Phase 3 in the amount of \$498,400.00.

*Motion seconded by Councilman Angelichio and unanimously approved.*

**Vice President Fuller** presented Motion I and read as follows:

I move that Borough Council adopt attached Resolution 19-11 authorizing the submission of an application for the 2019 round of the County Transportation Program for the Whites Road Flashing Warning Device Project in the amount of \$51,233.60.

*Motion seconded by Councilman DiGregorio and unanimously approved.*

**Vice President Fuller** presented Motion J and read as follows:

I move that Borough Council adopt attached Resolution 19-12 authorizing the application to the 2019 PECO Green Region Open Space Program for the Rain Garden project.

*Motion seconded by Councilman Breish and unanimously approved.*

**Vice President Fuller** presented Motion K and read as follows:

I move that Borough Council authorize Remington & Vernick Engineers to prepare and advertise bid specifications for the Fourth Street Skate Park Project. This project is being

funded in part by DCNR's C2P2 grant program, the Lansdale Parking Authority and the Borough's Capital Reserve's Fund.

*Motion seconded by Councilman Angelichio and unanimously approved.*

**Councilman Work** presented Motion L and read as follows:

I move that Borough Council authorize the closure of a portion of Madison Street and Green Street from Vine Street to Main Street from 5:00pm to 10:00pm for the 9th Annual Lansdale Cruise Night on Saturday, September 14, 2019. In addition, authorize the use of Railroad Plaza from 5:00pm to 10:30pm per the recommendation of the Special Events Committee and the Public Safety Committee.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Councilman Work** presented Motion M and read as follows:

I move that Borough Council authorize the closure of Vine Street from S. Wood Street to S. Broad Street from 2:30 to 4:00pm and the closure of S. Wood Street from 2:00 to 4:00pm for the Frachthaus 0.5K on Saturday October 26, 2019 per the recommendation of the Special Events Committee and the Public Safety Committee. This event is sponsored by Discover Lansdale as a fundraiser for the Freight House.

*Motion seconded by Councilman Angelichio and unanimously approved.*

**Councilman Work** presented Motion N and read as follows:

I move that Borough Council promote Daniel Gallagher to the rank of Sergeant in the Lansdale Police Department subject to the satisfactory completion and passage of both a psychological and medical examination.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Councilman Work** presented Motion O and read as follows:

I move that Borough Council promote Steven Owens to the rank of Sergeant in the Lansdale Police Department subject to the satisfactory completion and passage of both a psychological and medical examination.

*Motion seconded by Councilman DiGregorio and unanimously approved.*

**Councilman Work** presented Motion P and read as follows:

I move that Borough Council adopt attached Ordinance 1928 amending the Vehicles and Traffic provisions of the Borough Code to add additional street locations as parking permit zones during certain hours.

**Chief Trail** – Within the draft ordinance that you received there was a typo; “W. Third Street” should be “W. Fourth Street”.

**Vice President Fuller** made a motion to change the street listed in the ordinance from W. Third Street to W. Fourth Street. **Councilman DiGregorio** seconded the motion and council approved unanimously.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Councilman Angelichio** presented Motion Q and read as follows:

I move that Borough Council approve Change Order #2 in the amount of - \$22,819.22 (reduction) for the 2017 CDBG E. Third Street Improvement Project - Phase I per the recommendation of Remington & Vernick, engineering consultants for this project.

*Motion seconded by Councilman Breish and unanimously approved.*

**Councilman Angelichio** presented Motion R and read as follows:

I move that Borough Council approve Payment #3 (Final) in the amount of \$44,066.82 to SJM Construction Company for work completed on the 2017 CDBG E. Third Street Improvement Project - Phase I per the recommendation of Remington & Vernick, engineering consultants for this project. This project is partially funded by the Montgomery County Community Development Block Grant Program.

*Motion seconded by Councilman Breish and unanimously approved.*

**Councilman Angelichio** presented Motion S and read as follows:

I move that Borough Council approve Payment #3 (Final) in the amount of \$9,249.89 to Marino Corporation for work completed on the Liquid Fuels Whites Road Rehabilitation per the recommendation of Remington & Vernick Engineers, engineering consultants for this project.

*Motion seconded by Councilwoman Hawkins Charlton and unanimously approved.*

**Councilman Angelichio** presented Motion T and read as follows:

I move that Borough Council approve Payment #3 in the amount of \$25,938.64 to DOLI Construction Company for work completed on the N. Line Street Rehabilitation Project per the recommendation of Remington & Vernick Engineers, engineering consultants for this project.

*Motion seconded by Vice President Fuller and unanimously approved.*

**Councilman Angelichio** presented Motion U and read as follows:

I move that Borough Council approve Payment #3 in the amount of \$25,515.00 to Eastern Environmental Contractors, Inc. for work completed on the Influent Pump & Piping Contract per the recommendation of Bursich Associates, engineering consultants for this project.

*Motion seconded by Councilman Breish and unanimously approved.*

**Councilman Angelichio** presented Motion V and read as follows:

I move that Borough Council adopt attached Resolution 19-13 reauthorizing the implementation of a limited Alley Maintenance Program.

**Vice President Fuller** – She appreciates this motion. There is no easy solution and the alleys are a major problem for so many residents. She does like the protection for the borough that is written in the resolution.

**Councilman Angelichio** – It is long overdue, but it still is private property. We need to find where the damage is coming from and how to stop further damage.

**Councilman Hansen** – He agrees with Leon. He wants to see some real safeguards in limiting the wear and tear.

**Mayor Herbert** – We are spending public funds for private property somewhere in the range of \$40,000 to \$50,000. The alleys do need to be repaired but we have to mitigate where the damage comes from.

**Councilwoman Hawkins Charlton** – Maintaining the alleys had be done for years, at least until five years ago, so this isn't something new the borough is doing for residents. We know the trash trucks cause a lot of damaging and a couple of years ago she voted for a single hauler and everyone else voted no. The residents don't want a single hauler. They were quite vocal about that.

**Vice President Fuller** – She understands it is private property, but we are not talking about just a few people affected. How can we stop speeding cars in the alleys which help contribute to the wear and tear?

**Mayor Herbert** – His alley is really bad. Just because it was done in the past doesn't mean we have to do it in the future. Single hauler could be discussed again as he feels most residents didn't like the winner of the bid not the idea of a single hauler.

**Councilman Breish** – He hopes that this gets approved. This is the start to a conversation on the future of alleys. A bad alley can prevent a future home buyer from purchasing a home because of the bad conditions. We need safe alleys for emergency personnel and borough crews.

**President Burnell** – The legality of the alleys being private property is a bit murky as they are a public thoroughfare. This is not a perfect solution and single hauler is not a final solution either.

**Councilman Breish** – Single hauler should be a part of the conversation and it is a complicated issue.

*Motion seconded by Councilman Breish and approved 7-0 with Councilman Hansen and Councilman Angelichio voting no.*

#### Item #10 – Information Items

##### **Mayor's Report: Mayor Herbert**

1. Working on launching "The Wheelhouse" project in coordination with The Underground and Round Guys Brewing as key partners in this initiative. This project is geared toward working with local kids to provide interesting and valuable work skills that they can apply as they continue to grow in their career development.
2. Worked with staff on composing a letter to support a new business, Ur Brewery, in their endeavor to receive a state grant supporting the building the of their new facility here in Lansdale. Ur Brewery will be teaming up with Montgomery County Community College to help college students learn the brewing process and how beer was made in colonial times.
3. On August 7<sup>th</sup> I joined Chief Mike Trail and the rest of the LPD at National Night Out where the community could participate in fun ways to interact with our police force. Thanks goes out to everyone in the LPD who helped make the event possible.
4. On August 10<sup>th</sup> I attended Well Crafted's first birthday where Representative Malagari and I enjoyed some of their excellent beer and toasted their continued success. Sadly,



the day after this event Well Crafted had some water damage shut down their business for an extended period. However, I am very proud of the way our business community pulled together to continue to encourage their growth despite the setback.

5. On August 17th I had Chief Trail fill in for me at the 100th Anniversary of Lansdale American Legion Post 206 where I issued a proclamation declaring August 2019 American Legion Month.
6. Tonight council has passed a resolution to resume alley maintenance without taking any initial action to deal with the source of the problem, the trucks that damage the alleys. While I support the effort to fix the alleys, I find it difficult to support an initiative that moves public resources from public works jobs to a project that is geared toward property not owned by the borough and has no measure limiting the ongoing impact. I would request that this council now take up the core problem of the volume of trash trucks traveling down the alleyways and roadways causing continued and accelerated damage to our infrastructure. As research across the country repeatedly shows, heavy trash trucks do as much damage to infrastructure as thousands of cars every day. The costly impact of these vehicles should not continue to be ignored, especially now that we are invested in the alleyways. I understand the challenge with moving to a single hauler. That some residents want to keep their ability to choose their hauler. However, it is incumbent upon this body the safeguard the investments we make in ourselves. That includes maximizing every dollar we put into our infrastructure to ensure its viability for future generations in our community.

#### **Solicitor's Report: Patrick Hitchens**

1. Communications with Borough staff and related work regarding alleyway maintenance program including legal research and preparation of a proposed resolution.– Approx. 9 hours
2. Communications with Borough staff, SEPTA and others and related follow-up regarding the liberty bell trail work status – Less than 1 Hour
3. Communications with Borough Police and related work regarding permit parking and other parking matters including preparation of draft ordinance – Approx. 2.4 Hours
4. Communications with Borough staff and related work regarding right to know matters – Approx. 2.4 Hours
5. Communications with Borough staff and related work regarding Summer Avenue land development and cross easement issues – Approx. 1 hour
6. Communications with Borough staff and related work regarding creation/formation of an Environmental Advisory Committee and related matters. Approx. 5.9 hours
7. Communications with Borough staff and related work regarding library matters. Approx. 1.8 hours
8. Communications with Borough staff and outside counsel regarding pending assessment appeal matters and insurance matters. Less than 1 hour.
9. Work related to municipal liens including filing and lien satisfaction – Approx. 7.5 hours

#### **Borough Manager's Report: John Ernst**

1. We have been having discussions and meetings about the 2020 budget since March. Council will receive a draft copy of the capital investments in Dropbox. In two weeks, a final draft of the capital list and draft #1 will be given to Council to review.
2. One hundred feet of the Liberty Bell Trail behind the Freight House has been paved to date. The next section to be paved is from Broad Street to where the dumpsters will sit on Railroad Avenue before Founders Day.
3. Thank you for considering the alley program.

**Councilman DiGregorio** – Can we get a schedule of the alley maintenance?

**Mr. Ernst** – We will work on the alleys that we received the most complaints about first and then we will have a schedule for next year.

**Comments for the good of Council:**

**Councilman Breish** – He did a walking tour every park in our park system and he walked ten miles during that tour. He also held a park clean up in Stony Creek Park since the last meeting. Continue to remove spotted Lantern Flies as you see them.

**Vice President Fuller** – Thank you for the unanimous vote to put the skatepark out to bid. She was able to say a few words at the final “Salute to Saldutti” concert in the park last night. Founders Day is on Saturday as well as the Festival of the Arts. It will be beautiful weather. Some new items this year include the cemetery tour at 9:00am and Whites Road Park tour at 3:00pm. At the opening ceremony we will honor Frank and Georgette Koehler as Lifetime of Achievement Award winners. There will also be a vintage car parade.

**Agenda Item #11 – Old Business**

None

**Agenda Item #12 New Business**

None

*Meeting adjourned at 8:43pm.*



S&P 500	2,171	+25	+1.06%
GlobalDow	1,104	+13	+1.14%
Gold	1,965	+30	+1.53%
Oil	1,165	+18	+1.56%
	77.56	0.00	0.12%



POWER SUPPLY | GENERATION | FINANCIAL | MEMBER SERVICES | RISK MANAGEMENT | SUSTAINABILITY

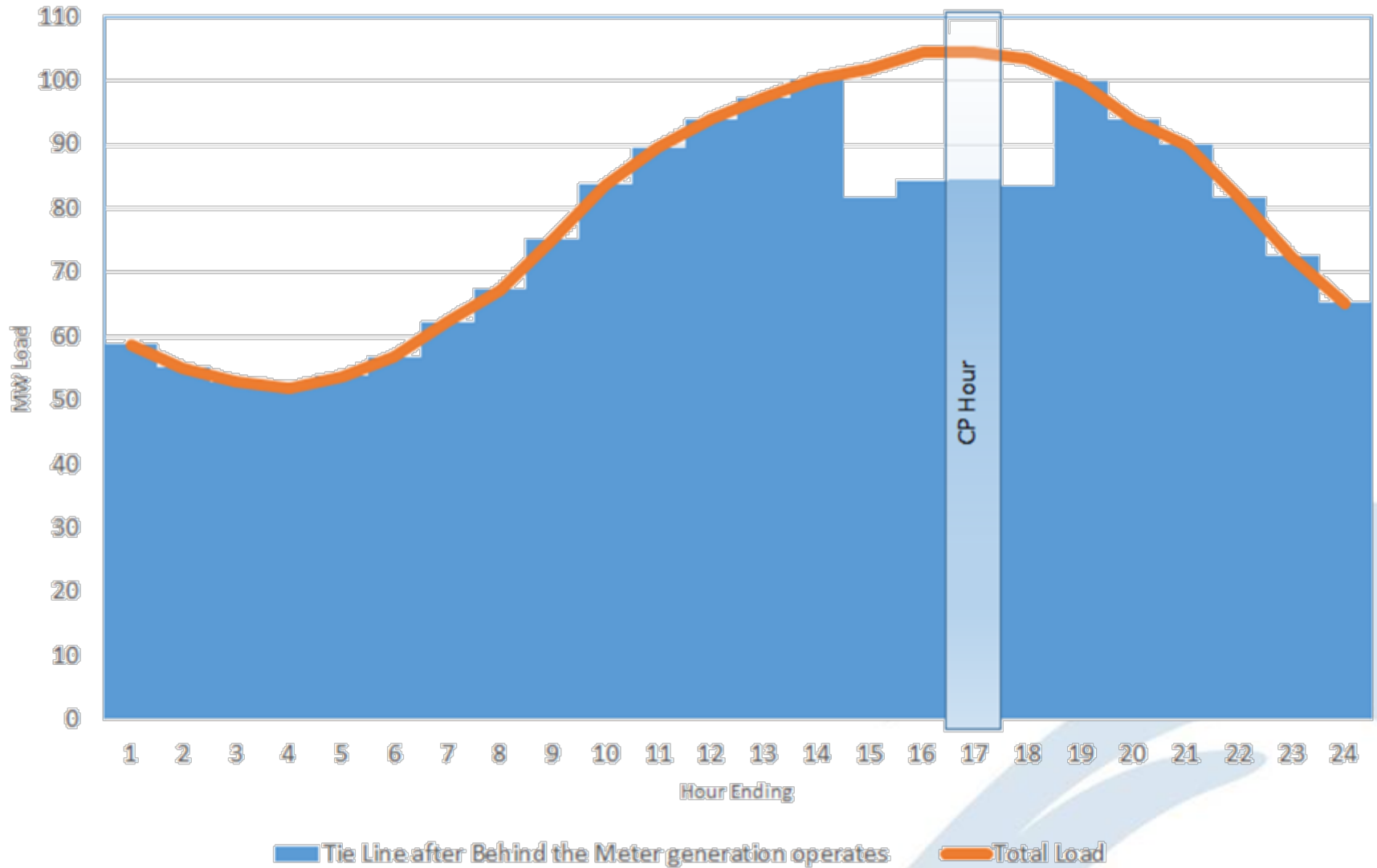
# AMP - R.I.C.E. Peak Shaving Project



# Uses of Behind the Meter Peaking Generation

- Transmission Peak Shaving
  - Operation of Unit during 1CPs
- Capacity Peak Shaving
  - Operation of Unit during 5CPs
- Energy Hedge
  - Operation of Unit during high price market hours

# Example Member Peak Shaving



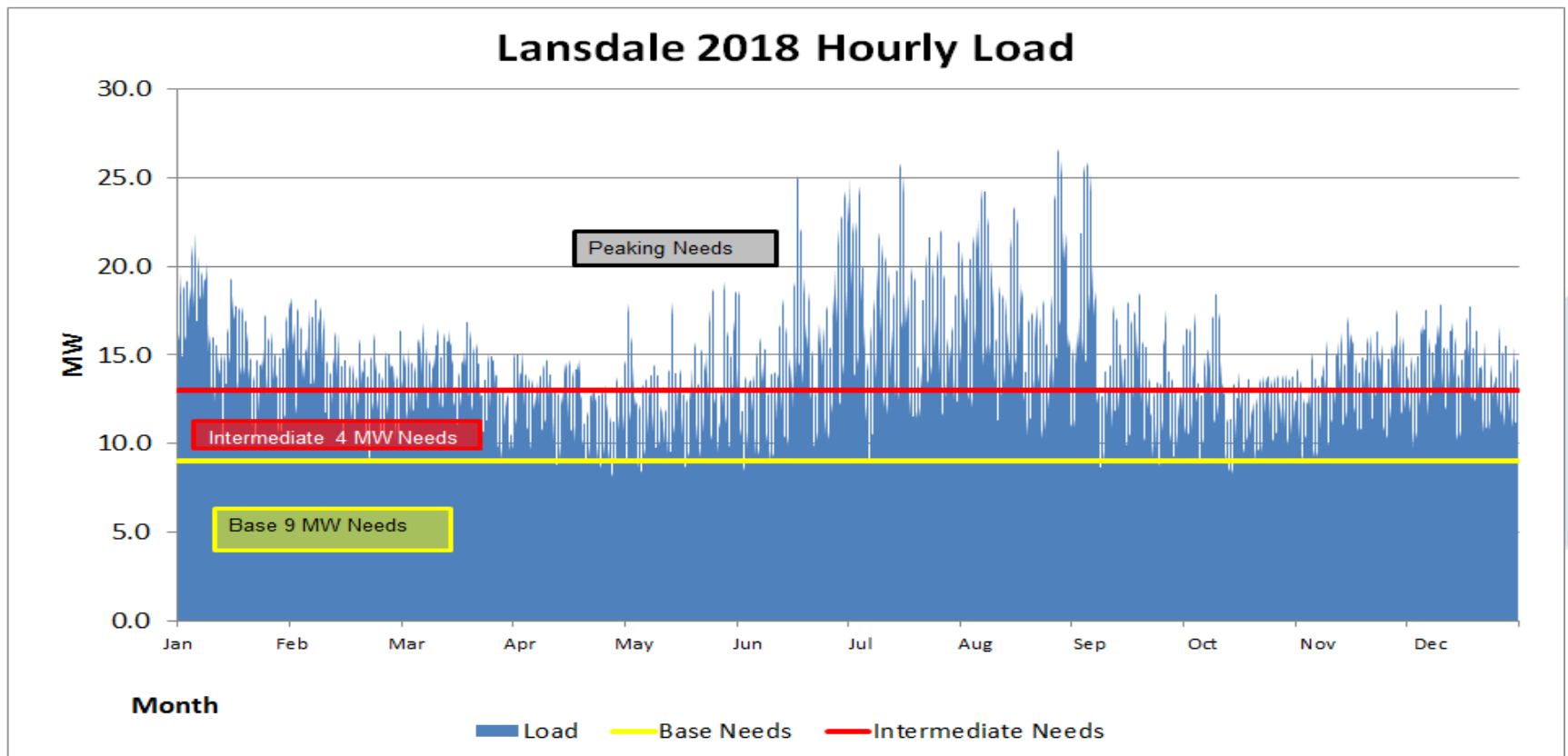
# Effect of Behind the Meter Peak Shaving

## EXAMPLE

- Total Load (Transmission and Capacity demand without Peak Shaving) = 104 MW
- Total Tie Line (Transmission and Capacity billing demand) = 84 MW
- Savings from Peak Shaving = 20 MW

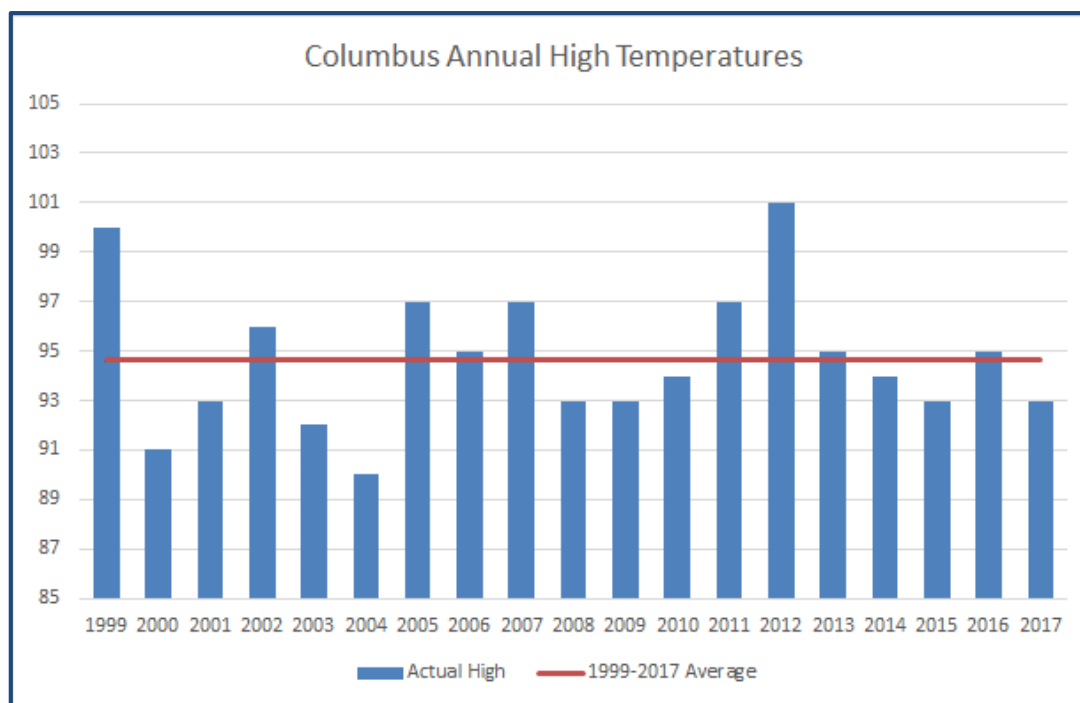
# Energy Hedge

- Members can utilize Peaking Capacity to hedge against market purchases to supply load or to backup other generation resources



# Summer Peak Forecast and Load Growth

- Used Average Summer Peak from 2013-2017 since past five summers have been at or below average temperature
- Average Member Load Growth is 0.4%
- Used 0% Load Growth for conservative purposes





# Lansdale Transmission Peaking Recommendation

- Recommendation =  
Summer Peak Forecast  
Minus existing Behind the  
Meter Resources
- Diversification Factor = 33%
  - Due to risk of potential regulatory rule changes, recommendation for Transmission Peak Shaving Resources is 1/3 of projected Needs

<u>Transmission Resources</u>	<u>MW</u>	<u>Capacity Factor</u>	<u>Years</u>	<u>Effective</u>
Member Average Peak				27.3
Transmission Resources				0.0
Transmission Needs				27.3
Diversification Factor				33%
Transmission Recommendation				9.0

# Lansdale Capacity Peaking Recommendation

- Recommendation =  
Summer Peak Forecast  
Minus existing Resources with  
PJM Capacity Credit
- Diversification Factor = 50%
  - Due to risk of potential regulatory rule changes, recommendation for Capacity Peak Shaving Resources is 1/2 of projected Needs
    - Less risk since BTM Capacity can still be sold to PJM if Peak Shaving rules change

<u>Capacity Resources</u>	<u>MW</u>	<u>Capacity Factor</u>	<u>Years</u>	<u>Effective</u>
Landfill	4.0	100%	2	0.8
NYPA - Baseload	1.0	100%	10	1.0
NYPA - Intermediate	0.2	100%	10	0.2
<b>Member Average Peak</b>				<b>27.3</b>
<b>Peak with Reserve Margin</b>				<b>31.4</b>
<b>Capacity Resources</b>				<b>2.0</b>
<b>Capacity Needs</b>				<b>29.5</b>
<b>Diversification Factor</b>				<b>50%</b>
<b>Capacity Recommendation</b>				<b>14.7</b>

# Lansdale Energy Peaking Recommendation

- Recommendation =  
 Summer Peak Forecast  
 Minus existing Peaking Resources  
 and Intermediate and Base Load  
 Needs
  - Base and Intermediate Needs would be covered by current or future power supplies
- Diversification Factor = 66%
  - Allow for other potential Peaking supplies such as Solar, Batteries, Gas Turbines etc.

<u>Peaking Energy Resources</u>	<u>MW</u>	<u>Capacity Factor</u>	<u>Years</u>	<u>Effective</u>
Member Average Peak				27.3
Baseload Needs	9.0	100%	10	9.0
Intermediate Needs	4.0	100%	10	4.0
Peaking Energy				14.3
Peaking Energy Resources				0.0
Peaking Energy Needs				14.3
Diversification Factor				66%
Peaking Energy Recommendation				9.4

# Lansdale Peaking Project Recommendation

	<u>MW</u>	<u>Weight</u>	<u>Rec</u>
Transmission Needs	27.3	33%	9.000
Capacity Needs	29.5	50%	14.700
Peaking Energy Needs	14.3	66%	9.400
<b>Peaking Project Recommendation</b>			<b>9.000</b>