

Cumberland Township Board of Supervisors &
Cumberland Township Authority Joint Workshop
1370 Fairfield Road, Gettysburg, PA 17325
Minutes of the November 20, 2018 Greenmount Sewer Funding Study Workshop

Chair Barbara Underwood and Chair Rich Redding called the joint workshop to order at 6:30 p.m. Present were Supervisors Underwood, Toddes, Phiel and Paddock; Authority Board members: Rich Redding, Ron Hankey and Steve Niebler; Township Manager Ben Thomas, Jr., Solicitor Sam Wiser, Police Chief Don Boehs, Secretary Carol Merryman; Engineers Tim Knoebel and Micaela Swart. There were also approximately 17 people in the audience including residents and interested parties.

Mr. Tim Knoebel of KPI Technology presented a Power Point presentation of the Greenmount Sewer Study Area Financial Analysis. Mr. Knoebel began by giving a brief overview of the study including the choice of Alternative 2A – Alloway Group location at an estimated cost of \$8,057,660.00. He reported that the capacity of the sewer treatment plant would be 200,000 gallons per day (GPD) which equates to 800 Equivalent Dwelling Units (EDU's), 440 EDU's at start-up.

He reported that the purpose of the Financial Analysis was to:

- Establish costs
- Review sources of funding
- Conduct analysis
- Sustainable user fees
- Determine necessary grant/other funds

He also reported that some funding sources could be:

- Loans – Pennvest, Conventional Bank, USDA/RUS and others
- Grants
- Tapping / Capital Charges Fee
- Public Private Partnerships

Mr. Knoebel explained how they determined the Analysis based on:

- Capital Costs
- Annual Operation and Maintenance Costs
- Tapping Fees
- User Fees – Basis
 - \$46.00 Current CTA North/South Rate
 - \$86.00 15% Mean Household Income
- Necessary Grant/Other Funds

Mr. Knoebel presented Potential Financing Scenarios ranging from \$46.00 to \$123.00 monthly user fees depending on grants/other funds, interest rates and terms. The conclusion of the study was Alternative 2A, at a cost of \$8,057,660.00, using a combination of funding sources to obtain sustainable user rates. He added that the next steps are to prepare a Summary Report, Stakeholder Review and Discussion and Explore Opportunities.

Mr. Knoebel answered questions from the audience and Solicitor Wiser gave some background on Act 537 (that is enforced by the Pa. Department of Environmental Protection) and the requirements of the Act that are placed on the Township. After questions were answered, Chairman Redding stated that the project will not move forward if it is not cost effective to do so and if the project does move forward, it will be a stand-alone facility and will not place any financial burden on the current users of the existing sewer plants.

The joint workshop was adjourned at 7:35 p.m.

Minutes of the November 20, 2018 Budget Workshop

At 7:45 p.m., Chair Underwood convened the budget workshop. The Authority members, Tim Knoebel and Micaela Swart did not stay for the workshop. There were approximately 20 residents present for the budget presentation.

Mr. Thomas presented the 2019 Preliminary Budget expenditures. He reported that the budget is balanced with the Real Estate Tax millage remaining at 1.90. The millage includes .25 mills that is restricted for the Fire Tax. Mr. Thomas stated that the presentation is interactive, questions can be asked during the presentation and the information will be placed on the Township's website. Some highlights Mr. Thomas reported were:

- Projected revenues are flat
- The Township has 5,600 acres of tax-exempt land (home of the Gettysburg National Military Park and the Eisenhower National Historic Site)
- The Township has 11,000 acres enrolled in Clean and Green program
- The Township has vacant Commercial and Industrial buildings
- The Township has a staff vacancy occurring that will not be filled
- The Township will have continued residential growth
- The unfunded mandates continue to hammer the Township with the latest being MS4 with 2019 being a planning year and projects occurring in 2020 and 2021
- Residents' Real Estate Tax dollars go to the Gettysburg Area School District – 64%, Adams County - 25% and Cumberland Township – 11%

Chair Underwood, on behalf of the Finance and Health Insurance Committees, reported to the public and other Board members that they will be recommending that the Township move to a Capital Blue Level Self-Funded Health Insurance Plan saving the Township significant dollars in 2019. Chair Underwood added that the Township must budget for continuing 2018 rollover expenses as the Township's claims have been significant. The Township is contractually obligated to cover these health care rollover aggregate costs and a separate line item has been created to forecast these expenses.

Mr. Thomas reported that the expected fund balance will be a little over \$1 million dollars and that can fluctuate. He added that the Township has the \$500,000.00 dedicated to building renovations. He stated that the extra staffing requests have been removed from the budget due to lack of funding and there are capital purchases included in the Capital Reserve Budget. Mr. Thomas went over the expenditures of the General Fund Budget and reported that the costs are lower. Mr. Thomas reported that the wages are generally a 3% increase, are determined by the Collective Bargaining Agreements and the non-union employees usually have been given the same percentage increase.

Police Chief Don Boehs went over the Police Department line items and there is a decrease from what was presented at the last budget workshop. Police Chief Boehs explained why some lines have increased and there was a considerable decrease in the health insurance costs creating the overall decrease.

Mr. Thomas reported that Community Media has requested a new donation of \$43,000.00. Solicitor Wiser reported that the Township may be able to implement a Public, Education and Governmental Channel Fee (PEG) to be a funding mechanism for Community Media.

Mr. Thomas requested that the Preliminary Budgets be approved for advertising and stated that there may be some minor updates before final approval on December 20, 2018.

Chair Underwood presented an update on the building renovations. She reported that the Township received a cost estimate for the building renovations of \$1.230 million dollars that does not include parking upgrades and replacement of the fuel tanks. Chair Underwood stated that the total cost would be

approximately \$1.5 million dollars. Chair Underwood stated that the Township's income is and remains flat, and therefore she cannot recommend borrowing \$1 million dollars to support this project even though it is needed for a growing population. She added that she will entrust the Focus Group and Supervisors to work together as the Board has reserved \$500,000.00 to review the security needs for the safety of the staff and citizens and possibly move a smaller project forward utilizing the existing funds. She added that they will continue to seek grant funds to move the larger project forward.

Mr. Thomas continued to review the smaller funds' budgets including Capital Reserve Fund, Park and Rec Fund and State Liquid Fuels Fund.

Public Comment:

Mrs. Jean Stone, 1745 Mummasburg Road, asked if she could present the questions from a letter that she submitted on November 1, 2018 from the Concerned Residents that she has not gotten answers to. Mr. Thomas stated that she will get a written response, but he cannot say when. Mrs. Stone read the first question and Solicitor Wisner stated that he feels that the Board and Manager is asking for more time to research the answer. Mrs. Stone continued to read the questions, with no response from the Board. Mr. Thomas reaffirmed that the questions will be answered in writing.

Mrs. Antigoni Ladd, 215 Ridgeview Drive, supported Mrs. Stone and explained why the Concerned Residents sent the letter in.

Mr. Zach Gulden, Apple Ave. stated that he feels that Mr. Thomas does a good job presenting the budget. He stated that he feels that the Township should look at implementing a Stormwater Fee because it is very expensive to treat stormwater. He added that he is also extremely pleased with the Police Department and he thanked the Board for keeping the budget low. He stated that he would like to see the Police officers have body cams, he does not support the donation to the Rescue Mission and he would rather see the money go to Community Media. Lastly, he does not feel that the Supervisors should be given health insurance.

Mr. Barry Stone, 1745 Mummasburg Road, stated that he doesn't feel that it was very transparent for the Board not to answer Mrs. Stone's (Concerned Residents) questions.

Mr. Toddes made a motion seconded by Mr. Phiel and carried to approve the 2019 Preliminary Budgets for advertisement.

There being no further business, the workshop was adjourned at 9:48 p.m.

Carol A. Merryman, Secretary

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_____) Supervisors
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