

**MIDDLETOWN TOWNSHIP  
BOARD OF SUPERVISORS  
REGULAR MEETING  
AUGUST 17, 2015**

**PRESENT**

<b>PAT MALLON, CHAIRPERSON</b>	}	
<b>H. GEORGE LEONHAUSER, VICE CHAIR</b>	}	
<b>DREW KREILING, SECRETARY</b>	}	<b>BOARD OF SUPERVISORS</b>
<b>WILLIAM OETTINGER</b>	}	
<b>STEPHANIE TEOLI KUHL, TOWNSHIP MANAGER</b>	}	
<b>JOSEPH PIZZO, ESQ., TOWNSHIP SOLICITOR</b>	}	
<b>LARRY YOUNG, P. E, TOWNSHIP ENGINEER</b>	}	

1. Call to Order, Pledge of Allegiance, and Roll Call.

Mr. Mallon called the meeting to order at 7:30 p.m. After the Pledge of Allegiance, Mr. Kreiling called roll. All Supervisors were in attendance with the exception of Mr. Gallagher. Mr. Mallon advised that Mr. Gallagher's wife had surgery today and wished her best wishes. There were also many interested citizens in attendance.

2. Announcements, Correspondence, Awards and Reports.

- a. Next Board of Supervisors Meeting – *Tuesday, September 8, 2015*

Mr. Mallon advised that the Board met in Executive Session prior to this evening's meeting.

- b. Upcoming Events

- Middletown At the Mall – Thursday, September 10, 2015 – Oxford Valley Mall
- The newly formed Middletown Citizens Service Corp will be having the first event on Saturday, November 7<sup>th</sup>.
- Another charitable organization Staying Put in Bucks, directed at helping Senior Citizens, held a meeting along with a member of the Lower Bucks County Chamber of Commerce. The Township will be hosting a Senior Fall Health Expo at the Municipal Center on October 20<sup>th</sup> from 11:00 a.m. to 2:00 p.m.
- A local resident, 11 year old Ryan Tarapchak, is running to raise funds for his friend, Isabella O'Brien who suffers from a very rare form of cancer. The event is called Ryan's Run and the goal is \$10,000. If anyone would like to donate, go to Team Isabella's website.

- c. Recognition – Karen Bradshaw, Summer Recreation Program Employee

Debby Lamanna, Director of Parks & Recreation and Community Services presented Karen Bradshaw with a commendation for 18 years of service.

3. Public Comment. *Non-Agenda Items only.* (Maximum 30 minutes)

Ron Krajewski, Cobalt Ridge Drive North, Levittown respects the decision the Board made, but would like clarification in writing from Mr. Pizzo on behalf of the Board stating why they made the decision they did. He would also like one of the Board members to sign this letter stating why they came to that conclusion. He also asked how to get the information from the Township with regard to the issuance of a subpoena.

4. **Consent Agenda Items.**

- a. Consideration of authorizing payment of August 17, 2015 Bill List in the amount of \$2,611,576.30.
- b. Consideration of approving the July 20, 2015 Minutes of the Public Meeting of the Middletown Township Board of Supervisors.
- c. Consideration of approving Change Order #1 in the amount of \$1,166.81 for the Village Road Storm Improvements Project.

**ACTION: MR. LEONHAUSER MOVED TO APPROVE CONSENT AGENDA ITEMS A, B & C AS LISTED ABOVE. MR. KREILING SECONDED. MOTION CARRIED BY A VOTE OF 4-0.**

5. Request from Disabled Persons Advisory Board

Maria Miller represented the Disabled Persons Advisory Board for Middletown Township, and Voice and Vision, a non-profit organization in Bucks County. Ms. Miller requested a \$500 commitment with an additional \$500 in funds for an ad in support of Help & Hope: From Families that have Walked the Walk. The Funds gathered will help to print and distribute free copies of the book to residents of Bucks County.

The book is for families with children experiencing mental illness, developmental or intellectual disabilities or substance abuse. Families in these circumstances need support and guidance in making the decisions necessary regarding treatment, support systems and much more.

Ms. Miller went into great detail about the program. She explained that the book will be distributed to residents of Bucks County through support groups, social service agencies, anywhere where families that have needs similar to this would go for help.

**ACTION: MR. MALLON MOVED TO APPROVE THE USE OF \$500 FROM THE DPAB BUDGET FUNDS AND ALLOCATE A MATCH OF \$500 FROM MIDDLETOWN TOWNSHIP FOR THE PURCHASE OF A FULL PAGE AD IN THE AMOUNT OF \$1,000 IN SUPPORT OF "HELP & HOPE: FROM FAMILIES THAT HAVE WALKED THE WALK". MR. KREILING SECONDED. MOTION CARRIED BY A VOTE OF 4-0.**

6. Investment Fund Report - John Molloy, PFM

John Molloy, Managing Director of PFM, Harrisburg, PA, stated that his firm has been pleased to manage the entire portfolio for several years and a portion going back about 10 years.

Mr. Mallon requested that Mr. Molloy explain what the individual investments are that make up the Township's portfolio.

The investments in the Township's Investment Portfolio are dictated to the Township through the Township Code, as a Second Class Township. The things that are available are very limited and restricted and are made up of securities from the United States Treasury or securities that are guaranteed by the Federal Government's full faith and credit backing. The Township could invest in Municipal Bonds that are general obligations issued in the State of Pennsylvania; we could buy Federal Agency Securities, such as Fannie May, Freddie Mac, and the Federal Home Loan Bank which are very short term. You could also put money with FDIC insured CDs, collateralized CDs or other types of bank deposits. It is a very limited list.

Mr. Molloy went into great detail about the investments the Township is allowed to invest in. The Township's credit quality is AA+ which is the highest credit rating for U.S. Treasury Securities from Standard & Poor's. Mr. Molloy explained that House Bill 1296 is pending and would enable municipalities to add new investment types for operating funds, unify the different investment codes, and align Pennsylvania local government investment opportunities with other states. The proposed HB 1296 would require important safeguards: credit quality and maturity criteria are the most valuable risk management tools, high credit standards and relatively short maturity standards.

Mr. Molloy provided the following bullet points on how PFM adds value:

- Understanding Pennsylvania State Code for Townships of the Second Class
- Understanding the Township's unique goals and objectives and liquidity requirements
- Maintaining a very high quality investment portfolio
- Monitoring the Township's Investment Policy
- Managing risk and compliance
- Delivering state-of-the-art accounting
- Competitively shopping every transaction
- Actively managing the portfolio to provide long-term competitive returns

Mr. Molloy thanked the Board for allowing him to come and speak this evening and asked if there were any questions the Board may have.

Mr. Mallon said it is important that everyone understands that the Investment Fund was as a result of Middletown Township selling the Water & Sewer Authorities. That \$40 million windfall was a onetime windfall that will never happen again. Mr. Mallon is encouraged by the projections that Mr. Molloy provided and the fact that we have received \$9 million into the General Fund out of the Investment Fund speaks to the value and was the spirit of the Board of Supervisors at that time when the Investment Fund was formed and was not some sort of "rainy day" fund, but in fact a revenue source.

#### 7. Q2 Financial Report – Dennis Penko, Finance Director

Dennis Penko, Finance Director presented the Second Quarter Financial Report. Report will become part of the permanent record.

Mr. Mallon commended Mr. Penko on a job well done. He requested that the Administration keep up the good job focusing on ways to continue to reduce costs. Tough decisions were made to reduce the deficit and it is good to see that we are not relying on the Investment Fund to balance the books.

8. Discussion of 5-Year Capital Plan

Ms. Teoli Kuhls presented the first draft of the 5-Year Capital Improvement Plan for Middletown Township. This is the first year of a multi-year capital plan. Typically the Township looks at a year to year capital plan when working on the budget. It is very important to look long term at what capital needs will be. GFOA recommends a multi-year capital plan as a best practice.

Ms. Teoli Kuhls introduced Scott Sadowsky, Township Intern who has been working with Dennis Penko and Department Directors over the past several months to identify what our needs will be over the next 5 years, determine costs, and prioritize them. When you do capital planning, you identify needs by looking at present and future needs, determine costs, prioritize and then develop strategies.

Mr. Mallon said when he spoke of the 5 year economic development plan, he directed the Board and the Administration to begin to look out for all of those key areas in the Township that have been neglected for many years. If we plan for the future, we can influence it; if we don't it will just happen. It gives the Township the opportunity to begin to budget, to look at other revenue sources, and go out and partner with county, federal, and state to help fund some of these programs.

Ms. Teoli Kuhls added that there is a direct correlation between investment in the community and economic development.

Ms. Teoli Kuhls stated that the 53 page Five Year Capital Improvement Plan is available for review by the public. (Report will become part of the permanent record.) She also congratulated the staff, Scott Sadowsky, Dennis Penko and all Department Heads in putting the first draft of the 5-Year Capital Plan together.

Mr. Mallon said this is not unique to Middletown Township in that a lot of aging townships that are primarily built out are facing and don't have the development fees we used to get. We have spent a fair amount of money creating a park system that is second to none in Bucks County. It helps to create the quality of life that the residents of Middletown have come to appreciate. There is a price tag associated with that. There are roadways in Middletown that are outdated based on the volume of traffic that traverse those roads. We will plan and look for revenue sources and will look for ways that this does not create a financial burden on our taxpayers, but at the same time we address some of the needs of the aging infrastructure that we have tried to address in the past and continue to address in the future. Mr. Mallon and Mr. Kreiling thanked the staff for a job well done putting this plan together.

9. Discussion of Bucks County Redevelopment Authority Grant Program

The Bucks County Redevelopment Authority (RDA) 2016 Municipal Grant Program is open with applications due by the end of September. The following requests are presented for the Board's consideration:

**Police Department - \$403,879**

- 9 Police Vehicles - \$314,196
- In-car computers – Phase II - \$89,683 (15 Fleet vehicles)

**Public Works Department - \$183,000**

- Large Dump Truck - \$138,000
- Pick-up Truck - \$45,000

**Emergency Management - \$359,558**

- Fire & EMS Radio Funding - \$109,558
- County Radio System Partial Purchase - \$212,000
- Pick-up Truck - \$38,000

**William Penn Fire Company - \$210,000**

- Mini-Pumper (Attack Truck) - \$210,000
- 

**Penndel-Middletown Rescue Squad - \$220,009**

- Ambulance with equipment

Mr. Mallon said one of the things that had occurred over the past 2 years with respect to insurance reimbursement is that the patient is reimbursed for ambulance services. This is not just a problem in Middletown, but all of the Townships within the state. In fact there is state legislation that would fix this issue. The problem is that when the squad goes out and attends to a patient, they are not reimbursed because the insurance company reimburses the patient. It then becomes a collection issue for the rescue squad. That hit is anywhere from \$100,000 to \$200,000 a year in lost revenues.

One of the things Mr. Mallon would like to do is educate our residents that in the case of being taken away in an ambulance and you get the reimbursement check that you send it to the rescue squad that took you to the emergency facility. As a Board this is something that must be discussed in an effort to help the ambulance services offset this significant loss in revenue.

Ms. Teoli Kuhls advised that the Board does not need to make a motion on this issue; it is really the direction of what the Board would want on the RDA applications.

Mr. Oettinger suggested asking the emergency services if they would be willing to “kick in” any of their own cash. Ms. Teoli said to encourage the RDA to give the Township funding, if each department states they are willing to fund a certain amount of money that would become part of the application. Mr. Oettinger said he wouldn’t say that he would reach out to each department to see if they have put aside any money.

John Deigel, President of William Penn Fire Company said this would be a joint venture request and Hulmeville Borough has applied for 50% of the \$210,000, so Middletown would only be applying for \$105,000. This would be a joint venture between the two companies and Ms. Teoli Kuhls will contact Hulmeville Borough to make sure the grants are submitted together.

Mr. Mallon said with regard to the police vehicles it is both an officer safety issue as well as a resident safety issue. He recommends they be in this grouping.

Hugh Cooperman, Chief of Penndel-Middletown Emergency Squad said in answer to Mr. Leonhauser, last year the Squad made between 5,200 and 5,400 responses. He said they are on target to make a little more this year. Mr. Cooperman has been a volunteer for 31 years and this might be the second time he has come to the Board for help.

10. Consideration of enacting Resolution #15-13R Intergovernmental Agreement to participate in a Joint RDA Grant application for Towns Against Graffiti.

Ms. Teoli Kuhls advised that Middletown has a history of participating in a multi-municipal graffiti removal program, acting in cooperation with Bensalem Township, Bristol Township, Lower Southampton Township and Hulmeville Borough. The Towns Against Graffiti (TAG) group applied for and received a Bucks County Redevelopment Authority (RDA) grant in 2014 for the program.

The proposed resolution authorizes Bensalem Township to serve as lead agency in applying for a 2015 RDA grant. The proposed grant request is \$165,000. Each township provides a contribution of \$5,000 annually for the Towns Against Graffiti program.

**ACTION: MR. KREILING MOVED TO ENACT RESOLUTION #15-13R INTERGOVERNMENTAL AGREEMENT TO PARTICIPATE IN A JOINT RDA GRANT APPLICATION FOR TOWNS AGAINST GRAFFITI. MR. LEONHAUSER SECONDED. MOTION CARRIED BY A VOTE OF 4-0.**

11. Consideration of authorizing the purchase of a new trailer mounted asphalt recycler and hot box for the Department of Public Works.

Ms. Teoli Kuhls advised that this piece of equipment is budgeted and will allow the Township to significantly improve pothole filling. The equipment heats recycled asphalt material that remains hot while making repairs which insures adhesion to the surrounding road surface for a more permanent repair.

**ACTION: MR. OETTINGER MOVED TO AUTHORIZE THE PURCHASE OF A NEW TRAILER MOUNTED ASPHALT RECYCLER AND HOT BOX, FROM A & H EQUIPMENT, HARRISBURG, PA UNDER COSTARS CONTRACT #25-044 IN THE AMOUNT OF \$32,500. MR. LEONHAUSER SECONDED. MOTION CARRIED BY A VOTE OF 4-0.**

12. Other Business.

Mr. Kreiling thanked Ms. Teoli Kuhls and staff for the outstanding job on the budget work to date.

Mr. Leonhauser was contacted by a retired Middletown Police Officer, Walter Jordan who also is a veteran. There is a Veteran Expo and open house that will be hosted by Falls Township American Legion Post 834 on Saturday, August 29, 2015 from 9:00 a.m. to 2:00 p.m. The information stations will be Congressman Mike Fitzpatrick, Representative John Galloway, Bucks County Veteran ID Program and Honor Flight, Bucks County VA Department with Mr. Dan

Frehle, Patient Care and Urgent Care, Washington Crossing Cemetery, Galzerano Funeral Home, American Heritage Federal Credit Union, PA Department of Labor Veterans Program with Mr. Ray Bates and other additional stations.

Mr. Mallon advised that Middletown Country Club will be hosting Patriot Golf Day for the Labor Day Weekend. Some of the proceeds from the greens fees will go to the Folds of Honor Association which raises money for scholarships of veterans that were either killed or severely injured in the middle east wars. There is a ceremony that will be held in the Club House on Labor Day where the Patriot Golf Day festivities will begin.

Mr. Mallon directed Ms. Teoli Kuhls to being scheduling Departmental budget meetings. Mr. Mallon also spoke about the Middletown Community Service Corps and continues to move forward with a lot of great response from the community. Mr. Mallon said if residents are interested to please send him an email or Ms. Teoli Kuhls an email and will get in touch with them as the process moves forward.

Mr. Mallon continues to work on the economic development initiative and has several meetings with local business leaders and also met with the head of the Lower Bucks Chamber of Commerce who is interested in participating.

Mr. Mallon specially recognized a very lovely and dear woman, Marie Civic, Mr. Mallon's mother-in-law. Marie will be turning 90 years young on August 29<sup>th</sup> and since we will not be having a meeting until after that date, Mr. Mallon wanted to publicly wish her a Happy Birthday!

13. Other public comment. (Only applicable if initial Public Comment period exceeds the 30 minute time limit.)
14. Adjournment.

**ACTION: MR. KREILING MOVED TO ADJOURN THE PUBLIC MEETING OF THE MIDDLETOWN TOWNSHIP BOARD OF SUPERVISORS AT 9:05 P.M. MR. OETTINGER SECONDED. MOTION CARRIED BY A VOTE OF 4-0.**