

September 14, 2017  
6:00 PM

The Budget Workshop of the Township Board of Supervisors was called to order by Chairman Kehoe for the purpose of discussing 5 major subjects and setting a plan of action.

ATTENDANCE

Phil Kehoe, Chairman

Catalina Araiza, Manager

Carl Kuhl, Supervisor

A.W. Castle, III, Vice Chairman

Karen Lowery, Recording Secretary

Ms. Araiza stated she has done some of the leg work and would like feedback from the Supervisors.

Item A1 – 2018 Lawn Mowing Contract Renewal

Ms. Araiza explained that the township has been working with a small company to provide mowing services during 2017 to help allocate more of the Dept. of Public Works time to road projects. The mowing company has done a good job and there have been minimal complaints. She also stated that year to date there has been an increase in the number of road projects completed. Ms. Araiza recommending continuing to outsource the mowing in 2018 to allow for bigger projects to be completed.

Mr. Kehoe mentioned that Ms. Araiza had mentioned rebidding the contact. Ms. Araiza stated that she was on the fence about rebidding, she felt rushed for 2017. Mr. Kuhl asked if the current bid was competitive. Ms. Araiza said yes compared to surrounding townships.

Mr. Castle is in favor of retaining the current company. He did suggest changing the mowing day from Tuesday to later in the week. He received a complaint that by the weekend the grass is too long for the organizations utilizing the field. Mr. Kehoe suggested the mowing be done on Thursday which would allow it to be done on Friday if there was rain. Ms. Araiza added that Monroe Acres needs to be mowed twice a week.

The Board was in favor of continuing the mowing contract, but before a new RFQ is put out they would like Ms. Araiza to determine if it would be worth it since this company now has the learning curve.

Item B1 – Northern Sewer Rate Reduction

Ms. Araiza stated that there was a suggestion of a \$35/quarter rate reduction, which was discussed internally and a compromise reduction of \$20/quarter is being suggested. This would still allow money to be put aside for maintenance or larger projects.

Mr. Kuhl said that one of the bonds has been paid off, there is no major work needed and Silver Spring and Mechanicsburg pay less. We are out of room in that area to expand the sewer and we have ample reserve put aside for emergencies. Mr. Kuhl is supportive of a rate reduction.

Mr. Castle stated that he is in favor of a rate reduction, but would like to verify there aren't any problem septic tanks in the area. Randy Jackson stated that all homes in that area are on sewer. He added the only major expenses are treatment plants and pump stations.

Mr. Eckerd said that a \$35/quarter reduction would net a change of \$55,000 and the fund would still be to the good. He asked what the net change would be on a \$20/quarter rate reduction. Ms. Araiza will need to update the spreadsheet and provide that number.

Mr. Kehoe asked if long term expenses were considered for failing septic systems. He does not want to reduce rates then have a large issue arise and have to borrow money. Mr. Kuhl said that there are no septic systems in this area and the turnpike and gas lines would keep the area from expanding. Mr. Eckerd added that the reserves are over \$500,000 with the rate reduction.

Ms. Araiza will work with the Municipal Authority on the numbers.

#### Item C1 – Fire Company Radio Replacement

Ms. Araiza stated that Cumberland County is updating the emergency radio system and the cost for Monroe Fire Company to update radios is proposed to be \$22,000 per year for the next 3 years. The township has already planned to update the fire company's HVAC system and a driver pay rate increase has been requested. She asked how the radios could be funded. Could Fireman's Relief be used? It appears there are left over funds in this account from the data that has been provided.

Mr. Kehoe said the radios need to be upgraded, but we need to figure out how it will be paid for without a sting. He said the township owns the building and the HVAC needs to be replaced since it is about 5 years past due. He asked if we can afford to have our own fire company. Mr. Kuhl said that we are mandated to have fire services. Mr. Kehoe said that services could be contracted out through inter-municipal agreements. He added that the fire company is doing all of the right things and properly, but can we afford the overhead. Mr. Castle added that the township has taken over the building maintenance, worker's compensation coverage and the paid driver fees.

Ms. Araiza said that she sees the ability to trim the fire company's request operationally by trimming certain line items and then negotiating with the fire company. She would need to request certain financial information that we don't currently have to see the actual figures. This may help get the request to a reasonable amount that we can live with and other funding sources could be looked at. Mr. Castle added that the fire company does a

fantastic job. They have to have these radios to communicate and it was mandated by the state. Ms. Araiza added that there are some funds in the Fire Equipment fund that could be used for the radios if the Board would choose to do that.

Mr. Kuhl asked if it was fair to tell the fire company that bidding out services may be considered or would that be threatening. Mr. Kehoe said his intention is not to threaten anyone, but we may need to look at downsizing to fit what we can afford.

The Board agreed to have Ms. Araiza review the fire company's figures to see if we can work together on the budget request.

#### Item C2 - Driver Salary Increase

Mr. Kehoe suggested this matter be tabled.

Mr. Beck said that the last 3-4 years should be reviewed to see how big the trend is. Mr. Kehoe agreed and not just the budget, but what Monroe Township has put over.

#### Item D1 – Fire Company HVAC Replacement

The Board agreed this needs to be done, but asked that a quote from H.B. McClure be gotten.

#### Item D2 – Fire Company Building Painting

Ms. Araiza suggested holding off on the painting with the magnitude of the other requests. The Board agreed.

#### Item D3 – Trindle Road & Sinclair Road Intersection Improvements

Mr. Kehoe said this is a good project. Silver Spring Township's hands are tied with the developer leading the project and doing the work. Monroe Township needs to set aside money for this project until the actual costs are determined.

Mr. Kehoe asked when we should start working on the right of way process. Mr. Castle and Mr. Kuhl agreed that starting early would be a good idea.

#### Item E1 – 2017 Loan Pay Off

Ms. Araiza stated that they Department of Public Works is not planning any major expenses for 2018, so it was suggested to pay off the loan of approximately \$40,000 for the tractor and mower. The Board suggested verifying the amount and placing on the October or November agenda to pay it off as soon as possible.

#### Item E2 – Liquid Fuels Projects

Ms. Araiza said that \$310,000 has been set aside for the Sinclair Road paving project, line painting and oil & chipping for 2018. She will work on a cost for the total Sinclair Road package.

2018 Budget Placeholders

Pennsylvania State Police Imposed Fee – Ms. Araiza stated there is enough money in the Public Safety fund to cover the first year, if the fee is imposed. Mr. Kehoe added that PEL seems to promote the state police fee.

EIP Phase II – Comprehensive Plan Update – Ms. Araiza doesn't expect this would happen until mid to late 2018.

MS4 Pollutant Reduction 5 Year Initial Plan – Mr. Kehoe wanted to be clear that the small portion of the township that is within the MS4 area will likely expand, so whatever method is used to cover the costs needs to have scalability for the future.

Mr. Beck added that these are big items and we need to know where the big picture this would put the township.

ADJOURN

**Mr. Kehoe adjourned the budget workshop at 6:55 PM**

Respectfully submitted,

Karen M. Lowery  
Recording Secretary