

## **East Bradford Township Board of Supervisors Work Session Meeting Minutes November 5, 2020**

The November work session meeting of the East Bradford Township Board of Supervisors (BOS) was held on November 5, 2020. In an effort to minimize public exposure to COVID-19 and maintain social distancing, the meeting was held via Zoom teleconferencing. A public notice was published in the Daily Local News on September 28, 2020. The agenda and dial in numbers were posted on the Township website at <https://www.eastbradford.org/government/boards-commissions/> on November 6, 2020.

**Board members present:**

Vincent M. Pompo, Esquire, Chair  
John Snook, Vice Chair  
J. Patrick Davis, Member

**Board members absent: None**

**Staff/Professionals present:**

Randy Behmke, Director of Public Works  
Andrea Campisi, Director of Planning and Zoning  
Mandie Cantlin, Township Manager/Secretary  
Mark Lucas, P.E., Township Engineer  
Michael Lynch, Director of Finance  
Rich Phifer, Property and Recreation Director

**Staff/Professionals absent:**

Rich Hicks, Building Code Official/Fire Marshal/Codes Enforcement Officer/Deputy Zoning Officer

Two guests (including applicants) were in attendance.

**CALL TO ORDER:** The meeting was called to order at 12:03 p.m. by Chair Pompo.

**PUBLIC COMMENT:** None

### **BUSINESS**

1. Announce Executive Sessions – Mr. Pompo announced the following executive sessions:

- a. October 22, 2020 (personnel)
- b. October 28, 2020 (real estate)

2. Budget / Finance

a. 2021 Budget – Mr. Lynch reviewed the draft 2021 Budget.

- i. General Fund – The November draft 2021 General Fund Budget projects a deficit of -\$217,876. With no new sources of revenue (no tax increase), staff is recommending that fund equity (fund balance) be used to balance the General Fund Budget. This would decrease the projected fund balance from \$2,669,466 at the end of 2020 to \$2,451,590 at the end of 2021. The Township Fund Balance Policy (Resolution 6-2011) stipulates that the Township should maintain a General Fund Balance that is no less than 25% of the budgeted revenues. The projected balance for 2021 is about 45% of the budgeted revenues.

As drafted, the 2020 year-end projection is expected to be a surplus of about \$238,000. This does not include an additional transfer to the Capital Reserve Fund. (The Township had planned to transfer \$550,000 from the General Fund to the Capital Reserve Fund in 2020. However, with the uncertainties of the COVID-pandemic, the Township has only transferred \$250,000 to date.) The Board agreed to transfer the General Fund surplus to the Capital Reserve Fund towards year end.

- ii. Capital Reserve Fund – The November draft 2021 Capital Reserve Fund Budget projects a Fund Balance of \$149,277 at the end of 2021. \$1,000,000 of borrowing has been incorporated into the budget to cover the cost of planned projects and purchases. The source of the funding will be determined as actual expenditures occur in 2021. Ms. Cantlin presented an approximate schedule of projected capital expenditures that suggests that the majority of the expenditures will occur in the second and third quarters of 2021. During the last month, staff has spoken with the auditor, solicitor, and representatives from Boenning & Scattergood about strategies to cover the cost of the projects planned for 2021. The general recommendation from these professionals was to use internal sources to cover the cost of projects for 2021. The Township could in turn borrow to reimburse itself for these expenses. The Board recognized that either the Capital Investment Fund or the General Fund equity could be used as a “bridge.” This is not a long-term solution and the Board acknowledges that routine tax increases will be needed in the years ahead to raise revenue.
- iii. Capital Investment Fund – In April 2020, the Township completed the sale of its sewer system to Aqua PA and received the remaining escrow of the total proceeds (\$5,000,000). Sales proceeds were deposited in this Fund with the stated purpose being to preserve the principal and allocate the annual interest accrual to support the General Fund. When the 2020 Budget was developed, a 2.5% return was projected (\$125,000 on \$5M). However, this receipt will not be realized. The accrued interest through July 2020 is \$84,986 of which \$57,872 is from the prior year CDs that matured in January 2020. The current rate of return as of October 2020 is 0.14%. Under the current interest estimate scenario, the fund balance at the end of 2021 is \$4,950,101. Mr. Lynch asked whether the Board wanted to reimburse the Capital Investment Fund in the amount of \$55,950 to return the Capital Investment Fund Balance to \$5,000,000. The Board agreed not to transfer additional funds for this purpose.
- iv. Sewer Fund – While the Sewer Fund has been largely inactive since the sale of the system, the Township will begin to administer sewer fees associated with the Darlington Ridge development in the first quarter of 2021. Customer sewer rates will be high compared to other WCASD municipalities (\$1,132.64 – \$1,317.08 per year). In August 2019, Toll provided low bid figures for the pump station sewer infrastructure cost; the Township’s obligation for this project is \$506,694. The Township paid \$30,000 for design/engineering in 2019. The remaining balance of \$476,694 is budgeted for 2020, but it is uncertain at this time whether this expense is final and whether it will occur in 2020 or 2021. Mr. Pompo asked for confirmation that the sewer rate for Darlington Ridge is adequate to cover the costs; Mr. Lynch confirmed. He also asked whether it was necessary to outsource billing. Ms. Cantlin replied that the staff plans to keep billing administration in house, although there will be printing and mailing costs.
- v. Open Space Fund – Open Space Fund expenditures are restricted to acquisition of interests in real property and costs associated with these acquisition activities. The scheduled 2021 debt service is \$863,079 (84% of total expenditures). The charge back expense to the General Fund for staff and administrative support remains at \$122,000. The current 2021 Budget does not include any new borrowing debt service (discussed more below). The December 2020 estimated year-end balance of \$217,476 includes a deposit (\$61,000) for a pending acquisition (discussed more below) but does not include other transactional expenses.
- vi. Liquid Fuels Fund – The annual 2021 allocation notice from PADOT, reports a \$9.5% decline (-\$33,753) with the estimated 2021 allocation in the amount of \$322,834. The notice states the decline is related to COVID-19. 2021 budgeted expenditures have increased 7.0% from 2020 related to both increased funding for road resurfacing and increased bank fees for account safeguards. There is no equipment purchase budgeted from Liquid Fuels for 2021.
- vii. Highway Improvement Fund – The sole project for 2021 from this fund is a pedestrian safety improvement project at Rt 322 / Bradford Plaza to be reimbursed upon completion by an ARLE Grant. The project will not be completed in 2020 and the budget (estimated cost \$80,000) has been moved forward to 2021.

Mr. Lynch summarized the following themes:

- CV-19 impact has created a fluid and uncertain environment for budget preparation, projections, and forecasts.
- Future revenue increases appear necessary under current estimates and forecasts to address indicated increasing budget deficits through 2025. Property tax millage increases, which are recommended for 2022 (.25 mill) and 2024 (.25 mill) are deemed a necessary minimum.
- A thorough expenditure review indicated few reduction opportunities that would not negatively impact services. Organizational changes, including staffing and operational service delivery, will continue to challenge the budget.
- Capital reserve annual funding (from the General Fund), in combination with the available fund balance, is not adequate to fund all the capital projects anticipated in the 2021 Capital Budget.
- Infrastructure repair/replacements (bridges, roads, stormwater facilities), new projects (i.e. Plum Run Greenway), and fleet/equipment replacements cannot be accomplished under the current fund structure.
- General Fund Revenue is being supported by the Capital Investment Fund (interest), which is projected to decrease significantly in 2021.
- The 5-year forecast indicates increasing deficits annually.
- The Capital Reserve Fund (budget and program) is underfunded relative to capital replacement needs. Capital depreciation (wasting assets) are not being adequately funded.

Mr. Lynch offered the following recommendations:

- Continue the phased property tax increase strategy, increasing the millage by 0.25 in 2022 (to 1.75 mills) and another 0.25 in 2024 (to 2.0 mills).
- Increase Capital Reserve Fund funding. The most recent 5-year strategy included an 27% annual increase in capital reserve funding (from the General Fund) in the amount of \$150K from \$550K to \$700K. Under the current economic conditions and overall budget deficit challenges to the General Fund and even with the increased tax revenue strategy (.25 mill increases each for 2022 and 2024), increased funding of the Capital Reserve Fund may not be feasible.
- Consider a short-term transfer from the Capital Investment Fund to the Capital Reserve Fund until a long-term funding strategy is determined

The Board is scheduled to consider authorizing the advertisement of the budget during the meeting on November 10, 2020.

### 3. Parks / Trails / Open Space / Recreation

- a. Agreement of Sale – The Township is in receipt of an agreement of sale to acquire 169 acres owned by JCL Sterling Company and JAL Partners. The property is located at the intersection of Skelp Level and Harmony Hill Roads and is in many ways a keystone of the Township's preservation efforts in the northern region of the Township because it connects land that has been preserved along the Brandywine Creek to land preserved along the Valley Creek. This tract surrounds the 25 acres the Township acquired in 2010 that became the Starr Farm Park. The purchase price is \$6,100,000. This tract of land has long been identified on the Official Map as land proposed for future preservation. Mr. Snook made a motion to authorize the execution of the Agreement of Sale for the 169-acre JCL/JAL tract. Mr. Pompo seconded the motion. Mr. Davis opposed. There was no discussion and no public comment. The vote passed with two in favor and one opposed.
  - i. Ordinance authorizing the incurrence of debt – In order to acquire the JCL/JAL tract, the Township is seeking a loan to cover the acquisition. Mr. Pompo made a motion to authorize the advertisement of an ordinance that would authorize the incurrence of nonelectoral, general

obligation debt in the aggregate principal amount of \$6,100,000. The ordinance hearing will take place on Wednesday November 11, 2020 at 6:00 p.m. Mr. Snook seconded the motion. Mr. Davis opposed. There was no discussion and no public comment. The vote passed with two in favor and one opposed.

- ii. Phase I Environmental and Survey – The agreement of sale provides for a 60-day due diligence period for the purpose of investigation. Mr. Snook made a motion to authorize the phase I environmental study in the amount of \$2,250 and an outbound survey in the amount of \$15,950. Mr. Pompo seconded the motion. Mr. Davis opposed. There was no discussion and no public comment. The vote passed with two in favor and one opposed. Mr. Phifer clarified that both costs can be built into grant funding applications.
  - iii. Grant Funding Opportunities – The Township's intent is to offset the cost of the transaction to the greatest extent possible via grant funding. Mr. Phifer reviewed the opportunities and parameters associated with a variety of grant fund opportunities. He will be seeking letters of retroactivity so grant applications can be submitted and considered after settlement occurs. An updated appraisal will be needed to support the grants and careful consideration should be given to the scope of the appraisals. The Township is hopeful to cover 60%-75% of the cost of this acquisition with grants.
- b. Shaw's Bridge Park Canoe Launch – The PECO Green Regions / Natural Lands administrative team granted an extension of our grant (\$10,000) timeline for this project from September 23, 2021 to September 23, 2022. The Brandywine Conservancy's project commitment of \$10,000 is still viable until at least the Spring of 2022. Those timelines will accommodate a reasonable delay in the initiation of this project due to the Cabin Club dam removal. In the interim, the Pennsylvania Fish and Boat Commission (PFBC) has opened a grant round for water access facilities and the program advisor feels this would be a very good project. The application deadline is December 31 and the Township can submit a grant for 50% of the needed project costs (\$20,000). If we apply and are awarded the funding, the Township would not have to expend any of its own capital funds on this project. The Board is supportive of this effort. Mr. Pompo announced that he saw the bid advertisement for the dam removal project.

#### 4. Planning / Zoning

- a. Design Guidelines – As part of the historic design guideline project, which is being funded by PHMC, the Township committed to appointing a task force to guide the project. Historic Commission members are interested in serving as the task force. The Supervisors asked Ms. Cantlin to reach out to the HARB members to gain their interest in participating in this effort. There was discussion about John Snook serving as a Board representative and Andrea Campisi running the meetings. Rich Hicks would serve a valuable reviewing role.
- b. Zoning Validity Cure – The hearing is scheduled for November 10 at 7 p.m.
- c. CU Application for 1199 Muirfield Solar Panel – The hearing is scheduled for November 10 at 7 p.m. Mr. Pompo reminded the staff and Board that he would not be in attendance. If the applicant wishes to have all supervisors in attendance, he could opt to postpone the commencement of the hearing until December. Alternatively, he can agree to allow Mr. Pompo to participate in the decision-making based on his review of the Zoom recording and transcripts.
- d. SD #641 West Chester Crossing (DLN) – The County approved Daily Local Drive as the name for the external road and Star Tavern Lane for all internal roadways. Prior approvals indicate that the Board should approve the road names. Mr. Snook made a motion to approve the road names as accepted by the County. Mr. Davis seconded the motion. There was no discussion and no public comment and the motion passed unanimously.
- e. Sign Permit for 701 W. Niels Street – The Township is in receipt of a sign permit for West Chester Pizza Café. The applicant is proposing a metal wall sign that would be painted black, with the letters cut out, allowing the color of the building behind the sign to show through. The applicant is uncertain as to the lighting for the sign and agreed to present any lighting to the Historical Commission (HC). The HC recommended approval of the sign. Mr. Snook made a motion to approve the sign. Mr. Davis seconded the motion. There was no discussion and no public comment and the motion passed unanimously.

- f. ZHB Application for Bradford Plaza Sign Variance – The Township is in receipt of a variance application from Tower Health Urgent Care. Tower Health wishes to install signage that exceeds the limits for business signs in the Zoning Code. The proposal includes a wall sign with text as well as a separate logo/symbol. The total square footage of the sign with text is 31.96 square feet and the total square footage of the logo/symbol is 20.75 square feet. Based upon the definition of sign, the logo/symbol constitutes a sign and when combined with the proposed text portion of the sign exceeds the maximum size in Zoning Code (32 square feet). Mr. Snook indicated that he wanted to support the variance request, on the basis that the logo was separate, and the use would be good for the shopping center. On the other hand, Mr. Pompo noted that the shopping center has been less than cooperative when it comes to cooperating with the Township on a pedestrian safety enhancement that will make it easier for people on the north side of Downingtown Pike to get to the shopping center. He would not be inclined to support the variance until or unless the shopping center moved forward with the easement agreements required to advance the pedestrian improvements. Ultimately, Mr. Davis made a motion to remain neutral on the application. Mr. Pompo seconded the motion. Mr. Snook opposed. There was no discussion and no public comment and the motion passed two in favor and one opposed.
- g. ZHB Application for 790 Tree Lane – The Township is in receipt of a variance application to allow the placement of a shed within the side yard setback. The property owners seek to install a 24 foot by 22 foot shed that is 22 feet tall that encroaches into the required 20-foot setback on the northern side property line. In addition, a 2.5-foot-high retaining wall is proposed within the side yard setback. The shed is proposed to be setback 9.6 feet and the retaining wall is proposed to be setback 5.5 feet. The Board observed that the slopes and the creek impose some limitations. Mr. Snook made a motion to remain neutral on the application. Mr. Davis seconded the motion. There was no discussion and no public comment and the motion passed unanimously.
- h. Private Special Event Ordinance – The private special event ordinance (and supporting forms and processes) were distributed to advisory boards and committees in mid-October. The Environmental Advisory Board, Historical Commission, and Planning Commission met, but did not provide further comment. The Trails Committee and Parks and Recreation Board did not meet in October. Patrick Comerford was in attendance and inquired about several topics:
  - i. He asked whether there was a fundamental difference between private special events and weddings; there is not. If a wedding meets the parameters of a private special event, it would be considered as such.
  - ii. He expressed concern that objections from neighboring property owners could negatively impact his ability to conduct weddings or other special events under the umbrella of this ordinance.
  - iii. He asked whether an applicant would have to pay for staff time to review the application; this would not be required.
  - iv. He expressed concern about the subjectivity of the noise ordinance. This is an area of regulation that the Township hopes to examine next year.

Mr. Snook made a motion to authorize advertisement of the Private Special Event Ordinance for a hearing in December. Mr. Davis seconded the motion. There was no discussion and no public comment and the motion passed unanimously.

5. Other

- a. ABC Appointments & Reappointments – Ms. Cantlin reported that she scheduled two interviews with the Supervisors in December:
  - i. Rhona Klein on December 3 at 12 noon (possible appointment to the Brandywine Valley Scenic Byway Commission)
  - ii. Paul Lucot on December 8 at 6 p.m. (possible appointment to the EAC)
- b. Pension Plan/Fund
  - i. Current Plan – Ms. Cantlin presented a draft ordinance to the Board for consideration. The purpose of the resolution is to establish that Township employees hired after the date of adoption will not be eligible to participate in the current pension plan. The Township is separately working

to establish a new, more financially stable plan, for new hires. Mr. Snook made a motion to adopt Resolution 21-2020. Mr. Davis seconded the motion. There was no further discussion and no public comment. The motion passed unanimously.

- ii. Update on plan investigation – Ms. Cantlin shared some exhibits from Summit Financial comparing general costs and benefits of four potential pension plan designs. The Board suggested that a representative from Summit Finance and/or PSATS attend the Board work session in December to discuss options.
- c. Benefit Waiting Periods – Last month the Board contemplated two benefit policy changes:
  - i. Reduce the waiting period for health care to the first day of the month following hire (from 90 days). There would be no change to our monthly premium.
  - ii. Reduce the waiting period for short- and long-term disability to 90 days (from 4 years). This change would increase our monthly premium by about \$484 (because there are six employees who have been here more than 90 days and less than four years).

Mr. Davis made a motion to reduce the waiting period for healthcare to the first day of the month following hire and reduce the waiting period for short- and long-term disability to 90 days. Mr. Snook seconded the motion. There was no discussion and no public comment and the motion passed unanimously.

- d. Line Striping – The Board asked for an update on the line striping. Mr. Behmke responded that the company is scheduled to return on November 6. He plans to change the bid format for next year so that the Township is better able to prevent some of the issues that occurred this year.

**PUBLIC COMMENT:** None.

**EXECUTIVE SESSION:** The Board met in executive session with staff from 2:00 p.m. to 2:40 p.m. to discuss real estate and personnel matters.

**NEXT MEETING:** The next meetings of the Board of Supervisors are scheduled for November 10, 2020 at 6:00 p.m. (work session), and November 10, 2020 at 7:00 p.m. (regular meeting). A hearing for the purpose of considering the debt ordinance is scheduled for November 11 at 6:00 p.m.

**ADJOURNMENT / CONTINUANCE:** At approximately 2:40 p.m. the Board unanimously agreed to adjourn the meeting. There was no discussion and no public comment and the motion passed unanimously.

Mandie Cantlin, Secretary