

MINUTES
EXETER TOWNSHIP BOARD OF SUPERVISORS MEETING
MONDAY, DECEMBER 23, 2019

Public Meeting

A Regular Meeting of the Exeter Township Board of Supervisors was called to order on Monday, December 23, 2019 at 7:00PM in the Township Building by John Cusatis, Chairperson.

Supervisors Present: John Cusatis, Chairperson
Jeffrey Anderton
Vincent Biancone
Daron O'Donald

Absent: David Speece, Vice Chairperson

Others in Attendance: John Granger, Township Manager
Sam Cortes, Fox Rothschild, Solicitor
Wendell Morris, Chief of Police
Clarence Hamm, Highway Superintendent
Joseph Rogosky, Great Valley Consultants, Township Engineer

REGULAR MEETING

The Meeting was opened with the Pledge to the Flag.

PRESENTATIONS

Retirement of Fire Chief Robert Jordan

Mr. Cusatis thanked Chief Robert Jordan for his 43 years of service, 20 as chief to the Exeter Township Fire Department.

Mr. Anderton expressed his thanks to Chief Jordan.

Mr. Biancone expressed his gratitude.

Ms. O'Donald congratulated the Chief.

Chief Jordan gave remarks thanking the Board for support. He expressed thanks to his wife and children, and his immediate and extended family. Chief Jordan expressed thanks to his staff, firefighters for their support and work over the years. Stated that Exeter Township has dedicated, great firefighters. He was honored to serve as Chief, and wishes his successor, Chris Bickings luck for the future. Expressed thanks to the public and Township businesses for their support of the fire department. Looking forward to new fire station.

Mr. Cusatis presented Chief Jordan with a certificate of appreciation for his years of service.

MINUTES OF December 23, 2019 BOARD OF SUPERVISORS

Mr. Cusatis called a RECESS at 7:07 P.M.

The meeting was reconvened by Mr. Cusatis at 7:11 P.M.

ANNOUNCEMENT

Tom Howell announced that he was recording the meeting.

PUBLIC COMMENTS: Agenda Items

John Carmello, 3 Brookside Court: Discussed OPEB fund, wants to know how the \$9M number was reached. Mr. Granger explained that the Township's actuary came up with the figure after detailed calculations were conducted. OPEB is for medical and life insurance. \$9M will be appropriated from the proceeds of the WWTP.

David Hughes, 255 W. 47th Street: Stated that he feels nothing on this evening's agenda is critical. Would like to see all decisions deferred until newly elected Board take office.

Joe Staub, 5010 Club Drive: Commented on Homestead Exemption and Per Capita Tax. Would like to see its implementation reconsidered. Does not want to see the WWTP funds used quickly. Legal fees comment, fees exceed 1% of total budget. Would like to see greater detail on the legal fees presented to the public.

REGULAR APPROVALS

Minutes

MINUTES of December 9, 2019 Board of Supervisors Meeting

MOTION of Mr. Anderton, seconded by Mr. Biancone, the Board approved the December 9, 2019 Meeting Minutes.

Treasurer's Report

TREASURER'S REPORT of November, 2019

MOTION of Mr. Biancone, seconded by Ms. O'Donald, the Board accepted the Treasurer's Report of November, 2019, subject to audit.

Disbursements

MOTION of Mr. Anderton seconded by Mr. Cusatis, the Board approved payment of the bills presented on, the Disbursements List dated December 23, 2019 in the amounts of \$114,990.85 in the General Fund; \$15,282.83 in the Utility Fund; \$163,596.24 in the Fire Fund; \$310.00 in the Developer's Escrow Fund; \$29,433.15 in the Sewer Fund; \$5,357.65 in the Golf Fund; \$82,228.11 in the RCC F&B Fund; \$42.17 in the Promenade Fund; \$5,487.35 in the State Liquid Fuels Fund.

MINUTES OF December 23, 2019 BOARD OF SUPERVISORS

OLD BUSINESS

Adopt Ordinance Establishing Homestead Exemption

MOTION of Mr. Biancone seconded by Mr. Cusatis, the Board unanimously adopted Ordinance No. 828 Establishing the Homestead Exemption.

Mr. Cusatis stated that this is being done in order to return some of the proceeds from the sale of the sewer plant to the residents.

Adopt Ordinance Establishing Farmstead Exemption

MOTION of Mr. Anderton seconded by Mr. Cusatis, the Board unanimously adopted Ordinance No. 829 Establishing the Farmstead Exemption.

Adopt Ordinance Rescinding Per Capita Tax

MOTION of Mr. Cusatis seconded by Mr. Anderton, the Board unanimously adopted Ordinance No. 830 Rescinding the Per Capita Tax.

Approve Resolution Establishing OPEB Trust

Mr. Anderton asked if two members from the police department and highway department each can be a part of the trustee board. Mr. Granger clarified that the appointments will be decided in the next step of the process after the trust document is completed. Mr. Granger clarified that highway is not part of the OPEB trust, police department only. The trustee board will be made up of representatives of the Police Department, Administration, Board, and resident.

MOTION of Mr. Anderton seconded by Mr. Cusatis, the Board unanimously approved Resolution No. 2019-47 Authorizing the Creation of the OPEB Trust Fund.

NEW BUSINESS

Approve Resolution of Sterner Subdivision Sketch Plan of Record

Mr. Brugger reviewed for the Board the proposed resolution. It involves a 5-acre parcel proposed to be subdivided into 2 lots. The purpose is to clean up the zoning of the property.

Mr. Rogosky further explained that there are currently two dwellings on the property, this resolution would result in each dwelling being located on a separate lot. Additional right of way will be dedicated to the Township as part of this plan.

MOTION of Mr. Anderton seconded by Mr. Cusatis, the Board unanimously approved Resolution No. 2019-48 Approving Conditional Final Plan for Sterner Subdivision.

MINUTES OF December 23, 2019 BOARD OF SUPERVISORS

Approve Resolution Approving Sterner Subdivision Deed of Dedication

Mr. Rogosky explained that this references the ultimate right of way that will be dedicated to the Township.

MOTION of Mr. Cusatis seconded by Mr. Biancone, the Board unanimously approved Resolution No. 2019-49 Approving and Authorizing Execution of the Deed of Dedication for the Sterner Subdivision.

Approve Resolution Establishing New Funds

Mr. Granger explained that the Administration is seeking approval to create two new funds; Exeter Promenade Fund and Municipal Complex Building Fund. As revenues are gifted to the Township for each project they will be housed in these funds.

Ms. O'Donald asked a question to clarify that the funds are for donations/gifts. Asked where earmarked funds may go. Mr. Granger stated that it will go into one of these two funds. There will be line items in each fund to ensure money is used for the intended items.

MOTION of Mr. Biancone seconded by Mr. Cusatis, the Board unanimously approved Resolution No. 2019-50 Establishing New Funds of the Township of Exeter.

DEPARTMENT REPORTS

Clarence; Highway Department: Tree Lighting and Santa Tour went very well. Volunteers were excellent help. Thanks to Exeter HS Lacrosse team members.

Chief Wendell Morris; Police Department: Discussed shop with a cop, held on Friday 12/13/19 at Target in Exeter. Exeter Police Officers shopped with children identified as in need who reside in the Township. Dairy Queen donated dinner for the officers and children. 13 children involved this year, hopes to expand next year.

ENGINEER REPORT

Joe Rogosky, Great Valley Consultants: Was contacted by PennDOT regarding the RT. 562 bridge replacement project. PennDOT will install temporary traffic signals to facilitate the traffic flow during construction. Will be a complex project, with temporary traffic lights as part of the construction traffic plan. No official construction start date yet known. Has heard concerns from residents, working with staff to address.

No update from Norfolk Southern on the W. Neversink Bridge. Issues with groundwater, continuing to work. Probably will be later end date than initially thought.

SOLICITOR REPORT

Sam Cortes, Fox Rothchild: Announced a potential resolution of the pending Bollinger matter. The matter involves a former police officer who has filed several grievances on numerous issues. The potential resolution before the Board would include that Bollinger would agree to give up health insurance benefits that he would otherwise be entitled to for the balance of his life in return for the retention of pension and other related benefits. Health insurance benefits are General Fund expenses, pension expenses are not. Recommends agreeing to that resolution.

MOTION of Mr. Cusatis, seconded by Mr. Anderton, the Board unanimously approved the Bollinger Settlement.

Potential resolution of Supportive Concepts/Callen Housing dispute related to tax exemptions. Supportive Concepts/Callen was seeking tax exemption for 2018 through future years, but in order to qualify for the exemption the entity must own the property. That was not the case in this circumstance. Supportive Concepts has since remedied that and now does own each property. Mr. Cortes seeks approval of the resolution reached by the parties in which Supportive Concepts/Callen will forego the exemptions and pay taxes for each of those years. They will also pay 25% of property taxes going forward as an upfront 10-year payment even though they are now owned by a nonprofit and would be entitled to exemptions.

MOTION of Mr. Anderton seconded by Mr. Cusatis the Board unanimously approved the resolution reached with Supportive Concepts/Callen Housing.

Attorney Miravich gave in person comments regarding the JMH/VIVA lawsuit. Mr. Miravich explained that a potential settlement agreement has been reached.

JMH claimed they had made \$2.6M in improvements to the property; that was confirmed with receipts. JMH was seeking \$5M in damages for loss of business. JMH was seeking roughly \$10M in total to include attorney's fees. Judge on the case estimated that a trial would last at least 3 weeks. That would cost between \$400K-\$500K in legal expenses for the Township. The case was complicated, trial would have required experts. The judge recommended the Township pay for the improvements that were made. Negotiated settlement of \$1.8M settlement suggested. That settlement amount resolves all issues. Because there were issues with some of the improvements made by JMH, specifically in the Four Seasons Room, the tenant (JMH) would assign their insurance policies to us as well as any claims they have against contractors that performed the work.

Mr. Miravich recommend that the Board accept the settlement.

Mr. Biancone asked if the public can have an opportunity to ask questions before any motion.

MINUTES OF December 23, 2019 BOARD OF SUPERVISORS

Ms. O'Donald summarized that the Township was not expected to have a favorable outcome at trial. Had we lost at trial, settlement likely to have been \$6-10M. Mr. Miravich agreed, and reminded the Board that JMH went out of business after their eviction from the Reading Country Club, so even had the Township received a favorable verdict there would not have been any assets to pursue. That also does not take into account the appeal process.

The Judge's input was also considered before making this recommendation.

Mr. Biancone asked that an opportunity to be given for any public comment before making a decision.

Phil Harsh, 370 Pathfinder Drive: Commented on the settlement, asked for clarification on the legal fees. Mr. Miravich clarified that the over \$1M in legal fees incurred by JMH are included in the settlement amount. \$1.8M is inclusive of everything.

David Hughes, 255 W. 47th: Commented on the settlement, stated that he feels it costs the Township \$4M. Commented that the settlement is the legacy of the Board. Wants to know if the case documents will be open to the public. **Mr. Cortes** confirmed that it is publicly available. **Mr. Cusatis** stated that it would be uploaded to the website after the holidays. Would like to know future plans for the country club. **Mr. Cusatis** responded that there is a pending RFQ.

Mr. Biancone expressed relief that the process is over, but stated that the situation was hard to accept.

Phil Harsh, 370 Pathfinder Drive: Commented that he feels minutes of 12/27/2017 do not reflect specifically all who voted for the motion regarding the eviction. States first, second, and those who abstained. Thinks minutes should be more specific.

MOTION of Mr. Cusatis, seconded by Mr. Anderton the Board unanimously approved the settlement with JMH.

MANAGER REPORT

John Granger, Township Manager: Pioneer Crossing Landfill sent initial check for several hundred thousand dollars towards their contribution to the fire station. Made the township aware that family members will contribute \$325K additional dollars for the construction of the new fire station.

PUBLIC COMMENT

David Hughes, 255 W. 47th Street: Commented on the upcoming change in the Board. Expressed concern about the promenade shopping plaza, would like information on the budget for the project. Would like to know more about the St. Lawrence issue that is pending. Would like to see more planning and communication about spending. Expressed concerns about Township Manager and former Board Supervisors. Wants to know if supervisors get W-2's who don't take a salary.

MINUTES OF December 23, 2019 BOARD OF SUPERVISORS

Mr. Cortes provided an update on St. Lawrence issue. They have claimed an ownership interest in the Wastewater Treatment Plant of approx. 6%. Township disputed the claim. St. Lawrence witness upon cross-examination confirmed that there is nothing in writing indicating any ownership interest in the plant. It's a contractual matter, St. Lawrence does not like the agreement that was made at the time. St. Lawrence confirmed that they were aware that Exeter's responsibility to provide sewer services to their Borough only existed so long as Exeter owned the plant.

Pat Vlasak, *no address given*, expressed thanks to several businesses and individuals who have supported the Guys and Gals Garden Club's work at the Reading Country Club.

SUPERVISOR REPORTS

Mr. Cusatis: Thanked outgoing Board members for their work.

Mr. Anderton: Reminded everyone to park parallel to the curb in cul-de-sacs. Thanked Board and staff for their help. Will still serve on Planning Commission. Wished new board good luck.

Mr. Biancone: Time on the Board was a learning experience. Expressed excitement about future plans for the Township. Encouraged residents to reach out to the Board with input. Thanked staff for their work.

Ms. O'Donald: Expressed thanks for the opportunity to participate. Looks forward to continued participation as a resident. Thanked staff and volunteers for the Santa Tour.

ADJOURNMENT

MOTION of Mr. Anderton seconded by Mr. Biancone, the meeting adjourned at 8:02 P.M.

Respectfully Submitted,

Laurie Getz
Township Secretary