

**MINUTES**  
**EXETER TOWNSHIP BOARD OF SUPERVISORS MEETING**  
**MONDAY, OCTOBER 12, 2020**

**Public Meeting**

A Regular Meeting of the Exeter Township Board of Supervisors held virtually was called to order on Monday, October 12, 2020 at 7:01 PM by David Speece, Chairperson.

**Supervisors Present:** David Speece, Chairperson  
Michelle Kircher, Vice Chairperson  
John Cusatis  
Gregory Galtere  
Joseph Staub

**Absent:** None

**Others in Attendance:** Jeff Bartlett, Township Manager  
Clarence Hamm, Highway Superintendent  
Laurie Getz, Township Secretary  
Wendell Morris, Chief of Police  
Joseph Rogosky, Great Valley Consultants, Township Engineer  
Elizabeth Magovern, Hartman Valeriano Magovern & Lutz, P.C.  
Jennifer Savage, Finance Director  
Keith Taylor, Chefsoul  
Jamie Schlesinger, PFM Financial Advisors

**REGULAR MEETING**

The Meeting was opened with the Pledge to the Flag.

**PUBLIC COMMENTS:** Agenda Items

\*Public comments were submitted in advance of the meeting via email and voicemail. The e-mail comments were dictated by computer software.\*

*None*

**REGULAR APPROVALS**

**Regular Minutes – September 28, 2020**

**MOTION** of Mr. Cusatis seconded by Mr. Galtere, the Board UNANIMOUSLY APPROVED the September 28, 2020 Board of Supervisors Minutes.

## ***MINUTES OF OCTOBER 12, 2020 BOARD OF SUPERVISORS***

### **Special Budget Meeting Minutes – October 5, 2020**

**MOTION** of Mr. Speece seconded by Mr. Galtere, the Board UNANIMOUSLY APPROVED the October 5, 2020 Board of Supervisors Minutes.

### **Disbursements – October 12, 2020**

**Ms. Savage** reviewed several bills. \$3K payment made to Black Cypher was for a May payment inadvertently missed, original invoice was not received. There will be no future payments. Reick's Printing was for the postcard sent to residents regarding the e-newsletter and emergency alert system. Stanley Steamer \$5K payment was related to carpet cleaning in the ballroom after a water intrusion due to a clogged roof drain.

**Ms. Kircher** asked about cash account payments made that she saw on the disbursement report. **Ms. Savage** responded that payments come out of a disbursing cash account, but there are no cash payments made, they are for checks that were issued. **Ms. Kircher** responded that it says cash on the report. **Ms. Savage** explained that is just the name of the account.

**MOTION** of Mr. Staub seconded by Mr. Galtere, the Board UNANIMOUSLY APPROVED payment of the bills presented on the Disbursement List dated October 12, 2020 in the amounts of \$1,043,567.97 in the General Fund; \$1,497.29 in the Utility Fund; \$28,471.00 in the Fire Fund; \$9,039.01 in the Sewer Fund; \$25,713.75 in the Golf Fund; \$6,991.03 in the RCC F&B Fund; \$182.00 in the Promenade Fund; \$45,358.38 in the Capital Improvement Fund; \$2,523.97 in the State Liquid Fuels Fund.

## **UNFINISHED BUSINESS**

### **Presentation and Discussion Regarding Reading Country Club Dining Service**

Keith Taylor of Chefsoul reviewed the report that he prepared for the Board of Supervisors. **The report is attached to these minutes.** Mr. Taylor explained that his report covers opportunities and additions, considered demographics and other data to conclude how it can be a profitable venture. Management is what is needed. Thinks the event space is a prime space.

Reviewed the financial sheet that he prepared. Discussed potential future profits for the property assuming operating at full capacity.

**Mr. Galtere** asked how COVID factors into this. **Mr. Taylor** responded that he feels that there is still a restaurant market, and it will be challenging for restaurants to reopen if they stay closed during COVID.

**Mr. Bartlett** asked what type of interest he feels there might be in the facility given the current environment and that they would be starting from scratch? **Mr. Taylor** responded explaining that he believes corporate-type companies will be interested.

## ***MINUTES OF OCTOBER 12, 2020 BOARD OF SUPERVISORS***

**Mr. Bartlett** asked if he has suggestions for what might attract an operator if included in the RFP. **Mr. Taylor** stated that any improvements that would allow a facility to be quickly up and running would be important, such as HVAC improvements.

**Mr. Cusatis** asked for examples of experience that he has had with two different models operating in one facility. **Mr. Taylor** stated that it would be important for the township to write the rules based on what the goals for the facility are.

**Mr. Staub** asked Mr. Taylor to estimate what might need to be updated assuming the HVAC-type improvements have been made. **Mr. Taylor** suggested doing a walk through and creating a punch list of cosmetic items that need updated, like carpet.

**Mr. Taylor** left the meeting at 7:52PM.

### **Monthly Golf Report**

**Mr. Staub** explained that the course has exceeded the yearly revenue projections.

**Mr. Galtere** commented on the maintenance, complimented the greens. **Mr. Speece** stated that the new golf carts have been very helpful. **Mr. Galtere** also commented that upgrading equipment has had a very positive impact on the course.

### **Monthly Right to Know Report**

**Mr. Bartlett** discussed the report. Explained that there is one item on the report that required an extension due to the amount of content being requested. Prior pending requests have been closed out.

### **Consider Approval of the Service Electric Cable Television Franchise Agreement**

**Mr. Bartlett** explained that the administration put together a FAQ document that was posted to the website and to social media to attempt and educate the public on this topic. Explained that this is not a contract. It is an agreement that allows a cable company to utilize the public right-of-way in exchange for a franchise fee. We do not prevent any cable companies from coming to the township should they want to, it is a choice made by the company. In many cases expanding areas is expensive. Both Service Electric and Comcast currently have franchise agreements in the township, Comcast covers less area.

**Mr. Bartlett** explained that these franchise agreements do not apply to internet, only cable. The agreements provide for certain minimums that must be met such as number of channels and outages. The township has no control over pricing.

The current agreement expired in 2018, the agreements are typically 10-years in length as this agreement is. Although the current agreement is expired, we have been operating under the old contract and still receiving franchise payments.

**Mr. Staub** complimented the Q&A document.

**MOTION** of Ms. Kircher seconded by Mr. Cusatis, the Board UNANIMOUSLY APPROVED the Service Electric Cable Television Franchise Agreement for a period of ten years.

## ***MINUTES OF OCTOBER 12, 2020 BOARD OF SUPERVISORS***

### **Discussion on Funds for Kubota Tractor Purchase for the Reading Country Club**

**Ms. Savage** explained that this item was budgeted for in the golf operations fund. The rate for financing would be 3.99%, would not recommend that option at this time because there is cash available. An option would be purchasing from the equipment fund and establishing an internal transfer policy for the golf fund to repay the equipment fund. The golf operations fund is a proprietary fund, and not a governmental fund. To properly evaluate the performance of the business all costs associated should be coming from the golf fund. If the tractor is purchased from the equipment fund, it can be repaid over a period of time. This would also allow for better cash budgeting for the course.

**Mr. Cusatis** asked if the greens mower previously purchased from the equipment fund can also be paid back in this manner. **Ms. Savage** stated yes, that can be done.

**Mr. Galtere** and **Ms. Savage** discussed setting up a fund for money to be set aside for future equipment purchases specifically for the course.

**Ms. Savage** will prepare this plan to be included in the 2021 and future budgets.

### **NEW BUSINESS**

#### **Discussion of Refinancing Alternative and Process/Timeline**

Jamie Schlesinger of PFM Financial Advisors presented to the Board scenarios for refinancing current township debt. Three scenarios were presented. **A copy of the presentation is attached to these minutes.**

**Mr. Schlesinger** explained that now is a good time to refinance due to low interest rates. The goal is to take advantage of these interest rates and structure the township debt to make things easier to budget for the next 20-25 years. The sewer system sale has helped to pay down a significant portion of outstanding debt. Another goal is to eliminate a large balloon payment that will come due in several years. This has impacted the overall debt service. The current debt service tax generates about \$750,000 annually. The goal is to not have the payments due be larger than the tax generates.

Reviewed three scenarios. Scenario 1 is a traditional refinancing without any use of cash. Scenario 2 would refinance the debt using additional cash of \$2.3M to reduce the final maturity of the debt. Scenario 3 would use \$1M of cash to reduce the payments and reduce the overall repayment time. Depending on how much cash is used will determine the final maturity of the debt.

**Mr. Staub** asked about the step process, will there be a disadvantage to the township if the market changes or the rates go up holding us back from the next steps. **Mr. Schlesinger** stated that the steps will be moved through quickly.

**Mr. Bartlett** asked about the balloon payments. **Mr. Schlesinger** explained that the township has an existing loan from 2018 that will result in a very large payment if not refinanced.

**Mr. Staub** pointed out that not only are the debt payments being smoothed out, but the total debt is being reduced.

**MINUTES OF OCTOBER 12, 2020 BOARD OF SUPERVISORS**

**Ms. Savage** explained that this decision ultimately comes down to comfort level of the Board. The cash is available and using cash reduces the longevity of the debt service. It depends if the Board would like to use cash or hand or extend payments.

**Mr. Staub** stated we are bettering our position and reducing debt. Thinks it makes the most sense to spend the \$2M cash to reduce future debt. All three options make sense, but prefers scenario 2. **Mr. Galtere** and **Ms. Kircher** agreed. **Mr. Cusatis** stated it was a goal of the sewer sale to pay down debt. Also agrees with option 2.

**Mr. Schlesinger** stated he will have an ordinance to be completed at the November 9<sup>th</sup> meeting.

**Adopt Resolution Authorizing Payments to Three (3) Pension Plans**

**Ms. Savage** explained that this would authorize the administration to make the budgeted pension payments for 2020. Payments are based on the 2020 MMO approved in late 2019.

*MOTION* of Mr. Cusatis seconded by Mr. Staub, the Board UNANIMOUSLY APPROVED resolution authorizing payments to the police pension plan, the employee non-union pension plan, and the employee union pension plan.

**Consider Resolution Approving and Authorizing Execution of a Development Agreement and a Financial Security Agreement for the Final Land Development Plan for 35 W. 47<sup>th</sup> Street (Mama's Pizza)**

**Mr. Brugger** explained that the plan had received final approval in February, the owner is now looking to build and must have these two items before proceeding. Administration recommends approving.

**Ms. Kircher** stated that she has concerns about the traffic.

*MOTION* of Mr. Speece seconded by Mr. Cusatis, the Board APPROVED resolution Approving and Authorizing Execution of a Development Agreement and a Financial Security Agreement for the Final Land Development Plan for 35 W. 47<sup>th</sup> Street (Mama's Pizza).

**Ms. Kircher** is opposed.

**Consider Approval for Release of Escrow Funds for BT Exeter, LLC.**

**Mr. Rogosky** explained that this is for the retail parcel located next to Sheetz. Work is in compliance with approved land development and they are seeking to close out the escrow.

*MOTION* of Ms. Kircher seconded by Mr. Galtere, the Board UNANIMOUSLY APPROVED the release of \$107,094.78 escrow funds for BT Exeter, LLC.

## *MINUTES OF OCTOBER 12, 2020 BOARD OF SUPERVISORS*

### **Authorize Advertisement of Public Meetings for November and December**

**Ms. Getz** explained that the administration is asking for approval to advertise the November and December meetings and select a location. Explained that research indicates that not much has changed since virtual meetings began and based on newly release guidance by the Wolf Administration, only 9 individuals can be accommodated in our meeting room.

**Mr. Cusatis** stated that he thinks virtual is going well. **Mr. Speece** is concerned about having to turn people away when capacity is reached. **Ms. Getz** clarified that the total of 9 people includes staff. **Mr. Cusatis** suggested reevaluating in January, but staying virtual for now.

**Ms. Kircher** would like to return to in-person meetings.

**Mr. Staub** stated that the public has an opportunity to comment in this format just as they would in-person. We've been flexible in the past with allowing discussions, but we are meeting the requirement. There is a risk of having to shut down if someone who is sick comes in.

**Mr. Galtere** stated that as a society we must prioritize helping businesses and getting kids back into schools. Everything else should be held off on that can be. This is one of those things that can be held off on.

**MOTION** of Mr. Cusatis seconded by Mr. Galtere, the Board APPROVED advertisement of public meetings for November and December to be held virtually.

**Ms. Kircher** is opposed.

### **DEPARTMENT REPORTS**

**Joe Rogosky, Township Engineer, Great Valley Consultants:** Pre-construction meeting is being held with H&K Group on the Butter Lane bridge project. Notice is being sent to residents along with detour info. Hilldale project is also in progress.

**Elizabeth Magovern, Solicitor;** Announced executive session held at 6pm this evening to discuss personnel and potential litigation.

**Chief Morris; Police Department:** Recognized Sgt. Michael Bailey and Sgt. Ted Lis on their upcoming retirements. Sgt. Bailey has served Exeter for 31 years, and Sgt. Lis 30 years. Thanked them for their dedication and service and wished them the best as they move into retirement. The police department will miss them.

**Clarence Hamm; Highway Department:** Completed curb and sidewalk project at Farming Ridge, installed fencing as a safety measure. Working on catch basins and preparing for leaf collection.

**Jeff Bartlett, Township Manager:** Staff has been working on animal control services, contract will be on the next agenda for review and consideration of approval. Budget process is continuing, the next meeting will be held on October 19<sup>th</sup> at 6pm. Continuing to work with KCBA on the municipal complex.

## ***MINUTES OF OCTOBER 12, 2020 BOARD OF SUPERVISORS***

### **PUBLIC COMMENT – General Comments**

\*Public comments were submitted in advance of the meeting via email and voicemail. The e-mail comments were dictated by computer software.\*

**Valerie Booth;** Asked the Board to consider revising the ordinance related to the number of pets permitted in a resident's house as she is experiencing an issue with her neighbor due to numerous cats being in the neighbor's house causing an odor in hers. Would like to see this on an agenda.

**Mr. Speece** stated that he thought there was a limit in the current ordinance. **Mr. Bartlett** stated that there is not currently a limit included in the ordinance. The staff is aware of this particular issue and has been actively working on it for some time with the resident.

### **SUPERVISOR REPORTS**

**Ms. Kircher:** Stated that she noticed on the disbursements that there were a lot of payments to LTL Consultants. Would like to know why they are doing so much work. **Ms. Savage** explained that they are the Sewage Enforcement Officer. **Ms. Kircher** would like more information on the pensions being paid.

**Mr. Cusatis:** Congratulated Sgt. Lis and Sgt. Bailey on their retirements. Asked for an update on the recycling bid. Asked about a complaint received about the noise at the gun club.

**Mr. Bartlett** responded that the staff is working on it. The gun club received a violation notice from the township and will be potentially applying for a variance or special exception to expand. Has not been applied for yet.

**Mr. Galtere:** Congratulated Sgt. Lis and Sgt. Bailey. Provided update on the Communications Committee. A quarterly printed version is the current idea to accommodate those who want a paper copy, the print version will be highlights from the electronic versions. Working on RFP for the restaurant.

**Mr. Staub:** Congratulated the retiring officers on their years of public service. Will be participating in a beat the supervisor contest at the police tournament at the Reading Country Club.

**Mr. Speece:** Has found the electronic newsletter to be very timely and informative. Congratulated the officers on their retirements.

### **ADJOURNMENT**

**MOTION** of Mr. Cusatis, seconded by Mr. Staub, the meeting adjourned at 9:24 PM.

Respectfully Submitted,

Laurie Getz  
Township Secretary