

**MINUTES
BOARD OF COMMISSIONERS' PUBLIC MEETING
NOVEMBER 16, 2009**

CALL TO ORDER - ROLL CALL - DECLARATION OF QUORUM:

The Penn Township Board of Commissioners met in a regular session on Monday, November 16, 2009 at the Penn Township Municipal Building. President Prieber called the meeting to order at 7:00 P.M., with a roll call of members. Present were Commissioners Preiber, Heilman, Goldsmith, Rewa, and Felix. Also present were Solicitor Tilley, Manager Garvick, Police Chief Rhodes, Zoning Officer Menges and Engineer Bortner.

PLEDGE OF ALLEGIANCE TO THE FLAG FOLLOWED BY A PERIOD OF SILENT MEDITATION:

All in attendance stood for the Pledge of Allegiance to the flag, which was followed by a period of silent meditation.

ANNOUNCEMENTS:

Commissioner Felix announced a personnel session was held following the Finance Meeting on November 11, 2009 to discuss police personnel issues. President Prieber announced that following the public meeting this evening, the Board of Commissioners would convene in an executive session with the Solicitor for the purpose of discussing legal and/or personnel issues.

SOUTH WESTERN ALUMNI ASSOCIATION:

Pat Loss, South Western Alumni Association, presented a check in the amount of \$1,000 for the DARE Program administered by the police department within the South Western School District.

PERSONS TO BE HEARD/CITIZENS COMMENTS: None.

APPROVAL OF THE MINUTES FROM THE PREVIOUS MEETING:

The minutes of the October 19, 2009 meeting of the Board of Commissioners were approved as submitted.

TOWNSHIP REPORTS - STANDING COMMITTEES:

Public Safety Committee - Commissioner Felix:

Commissioners Felix/Goldsmith moved to approve the memorandum of understanding with the York County Department of Emergency Services authorizing the use of the county's web paging system. Motion carried.

Commissioners Felix/Goldsmith moved to designate Jeffrey R. Garvick, as the signatory for the execution of the JAG Grant agreements. Motion carried.

Personnel Committee - Commissioner Heilman:

Commissioner Heilman had nothing to report.

Finance Committee – Commissioner Heilman:

Commissioners Heilman/Goldsmith moved to approve Township warrants in the amount of \$1,000,108.46. Motion carried.

Manager Garvick gave the first reading of the 2010 budget. He stated that projected general fund revenue is \$7,584,253 with projected expensed being \$9,002,290. Manager Garvick reported that Highway Aid Fund is balanced with \$489,050 in revenues and expenditures and the Sewer Revenue Fund is balanced with \$6,455,560 in revenues and expenditures. The budget will be on public display on December 8, 2010.

Public Works Committee - Commissioner Goldsmith

There were no additions or changes to the Engineer's Report.

Planning & Recreation Committee – Commissioner Felix:

There were no additions to the Zoning Officers Report.

The following subdivision plans were formally filed:

None.

Commissioners Felix/Goldsmith moved to approve the following subdivision and land development plans:

P09-18 – Gary E. and Nancy A. Martin
Motion carried.

Commissioners Felix/Goldsmith moved to approve the following extension requests that will expire on February 15, 2010:

P01-28 – High Pointe @ Rojen Farms
P02-28 – Gateway Hanover
P03-20 – Wallen Tract Apartments/Southwest Crossing
P03-30 – Mustang Pointe
P08-14 – National Barn
P09-17 – South Western School District Maintenance Building
Motion carried.

Health & Sanitation – Commissioner Rewa

On Wednesday, October 14, 2009, the following bids were opened and publicly read aloud by Township Manager Jeffrey Garvick for refuse units:

<u>Bidder</u>	<u>Amount</u>
Dyna Pak Corporation 112 Helton Drive Lawrenceburg, TN 38464	\$220.53 per 1000 units
Central Poly Corporation 18 Donaldson Place Linden, NJ 07036	\$186.75 per 1000 units
All American Poly 40 Turner Place Piscataway, NJ 08854	\$206.10 per 1000 units
Interboro Packaging Corporation 114 Bracken Road Montgomery, NY 12549	Bid A \$237.40 per 1000 units Bid B \$213.20 per 1000 units Bid C \$188.40 per 1000 units Bid D \$148.20 per 1000 units Bid E \$124.80 per 1000 units

Commissioners Rewa/Goldsmith moved to award the refuse bag bid to Central Poly Corporation, New Jersey, for a bid price of \$186.75 per 1000 units. Motion carried.

Commissioners Rewa/Goldsmith moved to adopt Ordinance No. 706, amending Ordinance No. 633 fixing and imposing sewer rents. Motion carried 5-0 on a roll call vote.

Commissioners Rewa/Goldsmith moved to approve the Agreement with CET Inc., to provide engineering services related to the design and construction of the main interceptor and wastewater treatment plant upgrade. Motion carried.

MANAGERS REPORT: There were no additions/corrections to this report.

OLD BUSINESS: None

NEW BUSINESS:

Michael Lillys, RBC Capital Markets, and Bond Counsel Steve Hovis, Stock & Leader, presented information regarding the bond issue for the sewer plant upgrades. Mr. Hovis stated that an Ordinance has been advertised and prepared for adoption if the Township wishes to incur non-electoral debt in the amount of 18,190,000. The taxable bonds are Build America Bonds, (BABS), which were established by the Federal Government as part of the economic recovery program. It allows municipalities to borrow money at a taxable rate but the Township can apply to the Federal Government for a rebate of thirty-five percent of the interest portion of the payment. The ordinance will designate Manufactures & Traders Trust Company (M &T) to act as the paying agent. M & T has been used as the paying agent for other bonds floated by the Township. The terms and conditions of the bond are included in the Ordinance. Mr. Lillys further explained the Build America Bonds and how they work. RBC performed comparisons that indicated the debt service payments, including the subsidy, would result in payments that will be lower

than if tax-exempt bonds would have been purchased. Mr. Lillys reviewed the bond sale summary. Standard & Poors has given the Township an AA- rating but the Township's bond rating which will be triple A because the Township is purchasing insurance for the bonds. Bond insurance is measured on the debt service of the bond. The settlement date is December 22, 2009, which will allow Bond Counsel time to get approval from PADCED. Costs include bond fees of \$154, 615, fixed issuance cost of \$61,500, bond insurance premium of \$120,736 and miscellaneous expenses. M&T will keep track of the bonds and pay the bondholders. Mr. Lillys provided a chart showing the cost of the bond for insured versus uninsured. They projected interest earnings for the unexpended funds. The bond yield is 3.70%. The payment due in 2010 is for interest only. Mr. Lillys presented a bond sale summary that included both BABS bonds and non-taxable bonds. The summary also provided a schedule for debt service payments and the debt service for Build America Bonds versus the tax-exempt bonds. Interest payments will be paid on February 1 and August 1 and the principle payments will be on February 1 of each year. He explained the extraordinary optional call provision, which allows the Township to pay the bonds off with no interest penalty if the Federal Government stops paying the subsidy. The interest reimbursement from the Federal Government will be paid by wire transfer in 2010 and will be received after the Township makes its payment. Bond Counsel and the Township Solicitor have reviewed the bond purchase agreement.

Commissioner Rewa/Goldsmith moved to adopt Ordinance No. 707 authorizing the incurrence of nonelectoral debt by the issuance of general obligation bonds, Series of 2009 in the aggregate principal amount of \$18,190,000 for the purpose of providing funds for the design, construction and improvement of the main sewer interceptor and wastewater treatment facility. Motion carried 5-0 on a roll call vote.

CITIZEN'S QUESTIONS TO THE COMMISSIONERS REGARDING DISCUSSION

ITEMS: None

QUESTIONS FROM PRESS: None

ADJOURNMENT:

There being no further business to come before the Board, Commissioners Rewa/Goldsmith moved for adjournment at approximately 7:40 P.M. Motion carried.

Respectively submitted,

Kristina J. Rodgers
Township Secretary