

I. OPENING

- A. Call to Order
- B. Roll Call
- C. Pledge to Flag
- D. Announcement of any Executive Session (if applicable)

II. PUBLIC COMMENT / CITIZEN AGENDA ITEMS

III. TOWNSHIP ITEMS

- A. Presentation of 2012 Proposed Budget, Jack Cahalan, Township Manager
- B. Overview of Proposed Budget – Jack Cahalan & Department Heads
- C. Questions and Answers

IV. PUBLIC COMMENT/CITIZEN NON-AGENDA ITEMS

V. COUNCIL & STAFF REPORTS

- A. Council Members
- B. Township Manager

VI. ADJOURNMENT OF MEETING

I. OPENING

CALL TO ORDER: The Budget Hearing meeting of Lower Saucon Township Council was called to order on Wednesday, October 26, 2011 at 6:00 P.M., at 3700 Old Philadelphia Pike, Bethlehem, PA, with Mr. Glenn Kern, President, presiding.

ROLL CALL: Present: Glenn Kern, President; Tom Maxfield, Vice President; and Priscilla deLeon, Council members; Jack Cahalan, Township Manager; Leslie Huhn, Assistant Township Manager; Cathy Gorman, Director of Finance; Roger Rasich, Director of Public Works and Chief Guy Lesser. Ron Horiszny arrived at 6:02 PM. Sandra Yerger arrived at 6:08 PM.

PLEDGE OF ALLEGIANCE

ANNOUNCEMENT OF ANY EXECUTIVE SESSION (IF APPLICABLE)

Mr. Kern said Council did not meet in Executive Session between last meeting and this meeting.

II. PUBLIC COMMENT/CITIZEN AGENDA ITEMS

Mr. Kern said there are none and there are no citizens in the audience at the present time.

III. TOWNSHIP ITEMS

A. PRESENTATION OF THE 2012 PROPOSED BUDGET, JACK CAHALAN, TOWNSHIP MANAGER

- I'm here tonight with our Township Finance Director, Cathy Gorman, and Department Heads: Leslie Huhn, Assistant Manager; Police Chief Guy Lesser and the Director of Public Works, Roger Rasich.
- We will be doing our Power Point presentation tonight in order to give you an overview of the 2012 proposed budget and, after this meeting, we will also post the preliminary budget on our website for the public to view. There will also be a paper copy for the public to look at in the lobby.
- First, let me briefly review what the Township accomplished during the 2011 budget year:
 - The Saucon Valley Compost Center, is a joint yard waste facility for residents of the Township and Hellertown Borough. They finished their 5th successful year of operation. We've been seeing increases in visits from residents of both municipalities including the number in Lower Saucon which are increasing every year. They are dropping off yard waste and also picking up free mulch, which is a good product and is very popular.
 - At Polk Valley Park, we installed the pedestrian bridge and Roger and the Public Works Department are close to completing the paving of the connector trail between the park and the school campus. We have continued to improve our Park Maintenance policies with the services of an agronomist, which keeps our playing fields in excellent condition and they are in demand by soccer & lacrosse groups. We adopted a Special Events Policy, and using that we hosted two prestigious soccer tournaments on the Polk Valley Park fields this year and the 2nd cyclocross race at Town Hall Park this year without any problems. Our Dog Park is extremely popular and has been named as one of the best dog parks in the area.

- In April we opened our 1.4 mile section of the Saucon Rail Trail along with Hellertown and Upper Saucon Township and we now have probably one of the best trails in this part of the state. We were very pleased that our section was constructed within our \$50,000 budget and that there have been virtually no problems with the surface, road crossings, and minimal complaints from residents who live along the trail. A trail marking system has been completed with volunteer help and the Township is close to acquiring the future trailhead site along Reading Road, which will allow us to provide parking and other park amenities for trail users.
 - Roger and the Public Works Department was busy this year on a variety of park projects such as installing the surface of the Rail Trail, constructing Ella's Garden up in Kingston Park, the parking lot and pathways at Kingston Park and working with Hellertown Borough Public Work, as he does every year, on joint paving projects in the Borough that resulted in savings to Borough taxpayers. In addition, he was also very busy cleaning up and making some with repairs from several storm events in Hurricane Irene which left some downed trees and loss of utilities for several days.
 - We have continued to expand our Township website to include more information on finances. We told you earlier in the year that we are the only municipalities that have several years of audits and budgets available for viewing. We've added information on historic sites, breaking news, and we've continued working toward reducing paperwork, reports and other data received in the Township to a digital format.
 - We installed a new above ground fuel dispensing system in the Public Works yard. That was another project Roger and his crew handled very ably. That below ground system had been susceptible to leaks in the past and we hope we're over that, although we have a close out process that we're trying to close out with DEP. It's taking some time to do that.
 - We also installed and developed our document imaging database which is close to completion.
- As we do every year, we've been reporting that there are some challenges we are facing.
 - As we know, the recession in 2007 officially ended in June 2009, but with the continuing unemployment and our slumping real estate market, it apparently looks like it's going to take several more years until the local, state and federal economies are back where we were in 2006 and 2007.
 - As we reported to you at this time last year, despite some down periods in the stock market over the past several years, and you've probably seen news stories of other municipalities who are having problems with their pensions, our two employee pension funds have continued to grow and actually recouped the losses from 2009. That's primarily due to our prudent and diversified investment policy that the Township has in place with the PSAB.
 - The nationwide real estate slump affects us here locally and that continues to stagnate home sales. They've decreased our revenues. There is not any new development and real estate taxes are down, and fees associated with new construction.
 - Energy and fuel prices continue to be very volatile and have the potential for increasing our energy and materials costs.
 - As we've been doing during these tough times, we've been frugal on spending and only for essential items during the year which helps us maintain a healthy balance at the end of the year. We try to keep as much as we can going into the next year and at the end of 2011 it will be \$1,149,446. We will continue this practice in the future.
 - Here are some of the challenges we had to face:

Projected Revenue Losses

- Real Estate Transfer Taxes – as I mentioned the new homes and building permits have continued to stagnate over the last couple of years. Sale prices on homes have decreased.

You can see from 2006, we started here and we dropped down. We were at \$432,198.00 and we are projecting that the revenue from this transfer tax will be about \$185,000. Although it did bump up a little bit last year, it's down below what it was in 2009.

- Earned Income Tax – our revenue from the earned income tax has been fluctuating up and down over the last several years. We are anticipating that our prior year receipts should increase this year once earned income tax collections for the county are being done by one tax collector in 2012. This has been one of our most dependable sources of income. He's not really sure, but we can see income from this source has been steady and actually increased in 2008. We're projecting a slight increase for 2011. That's actually one of the good things that's been happening and enables us to maintain services in the Township.
- Building/Zoning Revenue – This is kind of erratic. We're not really sure on this, but we think it reflects the fact that people are staying in their homes and fixing them up, doing repairs and remodeling. The permit number of permits pulled continues to grow. This income last year looked like it was a big year for this type of activity. It's gone back down again to we're projecting \$19,285.00. That was up at a high of \$46,000.00 in 2006. There is a loss of that income.
- Tax Certifications – We have also seen a drop in tax certifications. That dropped down from the previous year because Fannie Mae and Freddie Mac restrictions on people able to refinance their homes. It's a little more stringent, so fewer people are doing that; hence fewer tax certs.
- Interim Tax – This tax has decreased.
- Interest Rates – They are remaining low, so we continue to lower our expectations for this income in 2012.
- The one bright light here is under the State Aid and Pensions. This is a one-time thing. We reported this at the last Council meeting. The State upped its efforts to collect the 2% tax on out-of-state companies that sell casualty insurance in PA. Those efforts led to an increase of 6% in their collections and they passed that on to us. It went into our pensions costs for 2011. It's not expected to continue in 2011. That was a nice surprise that came in this year.

New Budget Expenses – The only new expenses that we are proposing for 2012 are:

- \$4,000 for the purchase a fire-proof filing cabinet to store meeting minute books. Right now those are just in regular file cabinets, and not very secure from fire
- \$2,500 to outsource some of the transcription of meeting minutes which has become almost a full-time job for Diane Palik
- \$15,000 for the purchase of a real estate tax collection software that will permit us to collect real estate taxes in-house. We have been in discussions with the Saucon Valley School District and Hellertown Borough about using the same software and assisting each other in this effort. 50% of this cost of this software will be paid for by the SVSD. Our hope is to start this process this year to avoid using a third party to collect these taxes.
- \$5,000.00 to repair or replace the front door on the Town Hall building which has been subject to malfunctions
- \$10,000.00 for the Police wireless data system (carried over from 2011).
- The Township has submitted an application to Northampton County for gaming funds to continue the employment of one police officer and a cruiser.

Budget Increases – Approximately 65% of our budget costs are driven by fixed expenses, such as wages, benefits, utilities, library services, which are increasing:

- Cathy had estimated that our medical insurance cost would increase by at least 10% in 2012. We were pleasantly surprised recently to learn recently that the increase will be only 2.6%. That's a good thing.

- Our fuel Expenses up 30% due to more use by the Township volunteer fire companies. They reimburse us for the cost. The price per gallon has been fluctuating, due to more patrol mileage by the Police Department.
- With an increase in patrol mileage, the Police Department is incurring increased costs for the maintenance of their vehicles as the vehicles are more heavily used which shortens their general maintenance cycles.
- We are beginning negotiations with the two employee unions and therefore wage increases for these two employee units are not resolved. We are forecasting minor wage increases in accordance with economic trends and consistent with other municipal wage increases.
- Our Pension costs and associated fees will also be increasing 23%.
- The 2012 allocation to the Bethlehem Area Public Library is 7% higher than what we paid in 2011 due to the 2010 census change. Per capita stayed the same, the census went up.

Conclusion and Recommendations -

- Despite these challenges, I am very pleased tonight to present you with a proposed budget that maintains our current level of services with no tax increase.
- Because it appears that the recovery from the recession will take several more years for the Township to return to the pre-2007 revenue situation, we have to continue to be prudent in our spending going forward so that only essential expenditures are approved and we can again provide a surplus going into 2012.
- We closely reviewed all budget needs and requests and, beyond funding those items that are considered mandatory due to a legal/contractual obligation, we are recommending approval of only continued expense items that we consider priorities:
 - Seidersville Hall Building modifications – we'll get into this later.
 - We have vehicle replacements planned for Police and Public Works
- We will complete any park projects that are in progress. We have funding in those park accounts to accomplish that.
- We have allocated a total of \$704,940 to the Contingency Account to provide funding for unanticipated expenses in 2012 and to build up our fund balance going into 2013 as we did this past year.
- We are again recommending and ask that Council direct that, other than mandatory expenses, all other discretionary spending for the Township be deferred until after July 1, 2012.
- One of our priorities going forward has been to increase the amount of applications being submitted for grant funding. Cathy has been primarily responsible for that. She's done a terrific job. Through her efforts, the amount of grants applied for during 2011 amounted to \$526,485.11 in grant applications this year. Grant applications were submitted for an additional police officer, police vehicle, spill trailer, Dewey Ambulance equipment, ATV for the fire department rail trail use, funding for the trail head property and for composting restrooms for our Township parks.
- I think that we have to be very prudent and cautious again in the coming year and continue to hold the line. We can weather this downturn and emerge from the recession on the policies and programs that will carry us forward into the future and enable us to address challenges and meet the needs of our citizens.

B. OVERVIEW OF PROPOSED BUDGET – JACK CAHALAN & DEPARTMENT HEADS

Mr. Cahalan said we can start through the budget.

REVENUE:

Real property tax: Mr. Cahalan said on the revenue page, you'll see the decreases in the real estate transfer tax.

Local Tax: Mr. Cahalan said the local tax is shown there and our fund balance at the beginning of the year that we propose to have.

Business Licenses & Permits: Mr. Cahalan said Business license and permits have a little bit of an increase in that which includes the junk yard and business licenses, cable TV, franchise fees.

Non-Business Licenses & Permits: Mr. Cahalan said Licenses and permits, non-business are road encroachment permits and moving permits.

Fines: Mr. Cahalan said the fines have gone up. That has increased slightly. Chief Lesser said it's not something we can rely on to go up in 2012; however, our enforcement has increased over the last couple of years and it will probably continue to go up, but we can't rely on it. Mrs. deLeon said you keep track of all the citations, do you keep a list of the ones that actually don't get thrown out? When someone is arrested or fined, whatever those words are, do you keep a list of your activities? Do you keep a list what wasn't thrown out? Chief Lesser said there's District Judge and County Judge and the result of our arrests and citations and guilty and non-guilty, we receive monthly reports. Mrs. deLeon said we don't get those reports? Chief Lesser said he wouldn't think you do. Mrs. deLeon said she's just curious. When you say non-guilty, it means that the arrest wasn't justified. Chief Lesser said it doesn't mean that. It just means that the individual is found not guilty. We get a monthly District Justice report and it's a report we track ongoing. The monthly report would track the amount of fines paid and some individuals, for instance, on a plan where they may pay \$5.00 or \$10.00 a week. It tracks all of that. We do receive that report every month.

Interest Earnings – State Capital & Operating Grants: Mr. Cahalan said this shows the State Capital and operating grants and State shared revenue. The interest earnings reflect what we mentioned about the decrease in low interest rates. We're lowering expectations on that. The State Capital and Operating Grants are down. We're not showing any recycling fees. We'll get into that later. Other grants are down from the State. The SEO grant was reduced also. Ms. Gorman said after the proposed budget was submitted to Council, we also did get verification from the State that we should not be anticipating the amount of money we received from the Fireman's Relief Association as well. We should be reverting back to our old number in that. When the preliminary is presented to you at the next meeting, you'll see that adjustment and she will bold the numbers. Mr. Cahalan said that's under the Fire Insurance Tax and Reimbursement. This money gets passed onto the Fireman's Relief Fund. It's not money we get to spend. Mr. Kern said you are saying it's going to revert to about \$100,000.00? Ms. Gorman said that's what they are saying.

General Government & Public Safety: Mr. Cahalan said this is up just a little bit, nothing significant that stands out. Public Safety, these are the fees that the Police Department charges and the Zoning Department charges for services that people request permits. We're showing a slight increase going forward in 2012.

Culture/Recreation: Mr. Cahalan said our recreation fees for the rental of pavilions and athletic fields are about the same. We haven't increased any of those, unless the Council wants to, going forward. Contributions for private sources and miscellaneous donations are about the same, a little bit less than last year.

Sale of General Fixed Assets: Mr. Cahalan said we generally put in about \$1,000.00 a year, if we happen to sell anything like Police cruisers or other equipment. We have a transfer there from the Landfill Revenue Fund that was used to boost our contingency, so it's moving it from one fund to another just to keep that contingency around \$700,000.00. Mrs. deLeon said can Ms. Gorman add a

little note to that as that's why you did that? Ms. Gorman said yes. Mr. Cahalan said the rest of it is refund from prior year expenses and it brings it down to the bottom line of \$6,854,400.00 total revenue and income. Mrs. deLeon said the money we got for the pension fund, was it \$100,000.00? Ms. Gorman said from State aid? Actually in the budget she estimated \$247,000.00, but it was actually \$270,000.00. Mrs. deLeon said if we wouldn't have gotten that, then \$6,854,400 would have been less. Ms. Gorman said it certainly did help. It's almost \$100,000.00 more in the beginning balance for next year.

EXPENDITURES:

Mr. Cahalan said the first page just shows you what it adds up to.

General Government: Mr. Cahalan said the first thing is the increase in Council Compensation due to the census change and the Township code. We planned for that. In the contributions, there's a decrease in that line of contributions, grants and gifts as last year we had a \$10,000.00 amount that you donated to Hellertown Borough for their splash pad and that has been done, so that's out of there and moves it down to \$19,088.00. We put in some funding for Transcriptionist Compensation. Ms. Huhn said it's just for back-up for Diane. She's been taking on a lot more of the transcribing of minutes for a lot of different smaller committees like the Saucon Valley Partnership (SVP), the Fire Services Committee. That won't always be there once their work is done. With the SVP, we have started to share that with Hellertown Borough. It's just a small cushion for the ones we want to outsource or have someone do it if she's tied up doing other things. Mr. Cahalan said the Rail Trail Oversight Commission is formed now and they are going to have a Secretary doing the minutes, so that's one area we don't have to do it. Mrs. deLeon said is that a volunteer position? Mr. Cahalan said they may pay them. They have a small budget to cover that? Mrs. deLeon said who pays that? Mr. Cahalan said we each pay \$1,000.00 a year. It's \$4,000.00 total. They will actually have more because we each have to put in \$1,000.00 after the inter-governmental agreement was signed in September and each year we have to put in \$1,000.00. They will probably have about \$6,000.00 or \$7,000.00 in the beginning of the year. Mrs. deLeon said are you going to look into Workers Comp as an employee? Mr. Cahalan said if they got anybody, it would be a contract person. That's how we used to do it with Diane, we just used to give her the tape and she would do it at home. Mr. Kern said he may have just realized a possible savings on the Council compensation because it only applies to three out of the five and it looks like you included all five increases for 2012. It's going to be less than \$16,250.00. Can you explain the increase so that it's not something Council requested? It's a mandatory item. Ms. Huhn said it was done by ordinance a number of years ago by Council. Any time the census would change officially, it would automatically increase the Council compensation based on the census for the next elected group that would be in office at that time. Mr. Cahalan said the increase is \$750.00 per Council member per year. Mr. Maxfield said he was led to believe that it was an ordinance passed by this Council years ago. Ms. Huhn said prior Lower Saucon Township Council. Mr. Maxfield said it is not mandatory we take the raise or is it? He knows the Second Class Code sets the amount. Ms. Huhn said it's not mandatory that you take the raise. The way the ordinance is written, it will automatically increase it for newly elected. Mr. Maxfield said we can re-examine that in January. Mr. Cahalan said the only other thing on here is the fire proof filing cabinet. That's \$4,000.00 under Minor Equipment Purchase. This portion of the budget, General Government and Executive is 2.7% increase.

Financial Administration: Mr. Cahalan said this actually is a decrease for a couple of reasons. Ms. Gorman is showing the purchase of software, \$15,000.00, that they want to use in conjunction with the school district and Hellertown Borough to collect the taxes. Because of the switch over from Berkheimer to the collector for Northampton County, their fees were a lot lower than Berkheimer, so that results in a substantial savings. Last year we budgeted \$83,000.00 and we're projecting \$47,000.00 this year. That allows us to decrease this account by about 11%. Mr. Kern said what do you anticipate that software for collection purposes, do you expect it to decrease next year also? Mr. Cahalan said that's the fees for collection. Ms. Gorman said the software they were looking at is for State tax collection. Currently, we outsource it and we've had some problems and the school district has had some problems. Ms. Gorman, the Business Director of the school district and Hellertown's

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Financial Director got together a couple of times and discussed a couple of options to how we could help each other and also help the residents. One of our main issues is that residents are calling this third party company and not getting the answers they need or are on hold for a long period of time. Because of the transitions in each one of our departments due to retirements and other items, they thought this would be good to start discussion what we can do to help each other out. Hellertown is unique. They have their own software and handle it internally already, whereas the Township is officially the tax collector and we hire the third party as the administrator and the school district hires that third party as a tax collector, so it's very confusing when somebody calls there as to what answer they are going to get. Mr. Kern said those services will be eliminated as a result of the software? Ms. Gorman said right. The people would be able to call somewhere in the Township and we'd all share the same software. Mr. Kern said where's that reflected on the line item as far as the savings? Ms. Gorman said the savings would not be that dramatic because they charge minimal per month. Mr. Kern said do we need them? Ms. Gorman said it's very minimal because they don't charge us too often. Their services are in the real estate tax billing and prep mailing, the \$10,000.00, that would decrease a little bit. We still have to print and mail the bills, which will be an expense. The services, you get what you pay for. That's what they were looking to avoid. Mrs. deLeon said does that mean we can't pay them at Lafayette-Ambassador Bank anymore? Ms. Gorman said you can pay them at Lafayette. We're trying to eliminate the third-party person so that the third-party company that has not been very forthcoming with information when needed, and it's been an administrative headache for us and especially for the school district. Mrs. deLeon said what involvement is Keystone going to have then? Ms. Gorman said Keystone has nothing to do with it. That's Earned Income Tax. This is Real Estate Tax. It would be a little bit friendlier. People will be able to call the Township and be able to get an answer faster than to call the third-party company. Mr. Horiszny asked (COULD NOT HEAR HIM). Ms. Gorman said county-wide tax collection is only for earned income tax and the Keystone Collections group will be handling Northampton County. This will be presented to Council before we proceed and will also be brought before the board before they make any final actions on it. Mrs. deLeon said they talked about it at the Saucon Valley Partnership. Ms. Gorman said it was something they discussed which they thought might be a partnership item.

Law: Mr. Cahalan said we are showing increases primarily putting some money in there for our solicitor's who are representing us for the labor negotiations. Mike Carr is doing the Police negotiations, and Linc Treadwell will be handling the non-uniform negotiations which will begin in 2012. That's showing an 18% increase just to be safe on that.

Data Processing: Mr. Cahalan said this is just about the same cost. Again, not much of an increase. We pay stipends to Roger and Kal for maintaining our system. We have a good site back-up system that's enabled us to keep running very smoothly. We put some money away to buy some new computers in the Police Department and to pay for any software and licenses we are required to keep them running. That includes software that Ms. Gorman is going to purchase from Freedom. Ms. Gorman said Freedom is their accounting database right now. They actually contacted Freedom as they are under State contract about the tax collection system, so we may be moving in that direction but haven't finalized it or haven't gotten comparable databases. Mr. Cahalan said under the Imaging, we have some money to continue working with Stratix on that, the software. Mr. Maxfield said Linc Treadwell would be handling the non-uniformed? Remembering that Mike Carr's hourly charge was comparably higher than Linc's, is Linc going to continue at his agreed-upon hourly wage for the Township? Mr. Cahalan said yes. Mr. Maxfield said that money is buffered just in case there's a chance the actual expenditures could go down? Mr. Cahalan said it could be less because the negotiations have been put off for that bargaining unit for awhile. We are not incurring that expense.

Engineering: Mr. Cahalan said just a slight increase in engineering expenses. This count just went up about 3.5% and that's just reflected in some extra money we put in there for engineering expenses just in case.

General Government & Buildings: Mr. Cahalan said this is kind of inclusive of all of the Township buildings, the janitor, any fuel that is needed, electrical, gas, diesel, oil, garbage removal, any

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maintenance repair, and any minor equipment purchase or equipment rental. We have put in about a 2% increase for our janitor, Brad Stangl, who does a great job and we'd like to give him a slight boost in his hourly wage. We do have an increase in our electrical amount and Ms. Gorman has indicated what she's basing that on. That's been provided to you where she comes up with those projections. In our office equipment rental, we are looking at replacing one of the copiers and also the postage meter machine is due for replacement. There is \$5,000.00 in the capital outlay to repair the front door of the administration building. If you've ever been out there pulling on it when someone is already in there, you know what he means. For this account, it's a 1.7% increase.

Police: Mr. Cahalan said in the police compensation, we put in a modest increase in wages. Those negotiations have just started and they are not concluded, but we've put some money in there for a wage increase for 2012. Under vehicle maintenance and repair, as we reported, the mileage on the police cruisers has been increasing. That puts more wear and tear on those. The mileage is building up on those cars and that's why we are trying to replace them on a scheduled basis. They do need a lot of maintenance and repair, which Roger does over in the garage with Steve. They are very competent and able to keep them running on the road. Mr. Kern said how many miles a year on average do they get? Chief Lesser said it really varies from our standard cruisers to our specialized cruisers. It's about 200,000 miles a year, as a group. It doesn't take long over a couple of years for a priority cruiser to be approaching 100,000 miles. Mr. Maxfield said is the increase in mileage a result of a different policy? He knows you have a policy of every road twice a day? Chief Lesser said we look for our officers to hit every road in their patrol area at least one time. It's a combination of different aspects in the Police Department. One has been an increase in our coverage, more hours on the road, more mileage. It's been a continuing focus on keeping officers on the road and they in part, through equipment, like laptops, and the increased efficiency of our laptops, and then our departmental protocol and continuing to reinforce that and communicating with the officers, we simply, as a transition, over the years, have seen officers spending nearly their entire shift outside the PD and on the road. It's a combination of factors over the years. It's been a continual increase.

Fire: Mr. Cahalan said we put in the \$20,000.00. Cathy bumped up the general expense account. The firemen are going to be the benefactors of a gaming grant that Northampton County received for training at Northampton County Community College. We're just putting a contingency amount in there in case they are going to have to go back and reapply for that grant. In case it's not awarded, we have a contingency amount in there to cover that. The other increase is what we mentioned about the increased amount that we thought we were getting from the Fireman's Relief Fund, apparently, that's going to be taken back, so an adjustment in that line item will reflect that in the preliminary budget. The combination of those two bumps up this account by 19%. That will be adjusted.

Planning & Zoning: Mr. Cahalan said the only things we are doing here is keeping the planning consulting services about the same. There's very little development activity as we mentioned. A lot of our parks projects, the plans have been developed and you've reviewed and approved them, so we don't have new things. We have a few in the pipeline like the Easton Road fields, the trailhead if we get the money for that, and we've already did the planning for the composing toilets if we get the grant for that. That's the same as it was last year. We do have money in there for the Township newsletter again, which is three issues. Two are mailed out and one is put on line on the website. Mrs. deLeon asked if they are all put on the website? Mr. Cahalan said yes, they are all put on the website. That account is showing a decrease from last year.

Emergency Management: Mr. Cahalan said the only thing that is in here is the amount for the haz-mat clean-up. It reflects some money we put in there to finish the close-out of the fuel spill at the Public Works fuel dispensing system. We are crossing our fingers that we can get this done and wrapped up and we will not have to worry about any fuel leaks below ground.

Crossing Guards: Mrs. Cahalan said we share this with Hellertown Borough and the school district. This is one of our regional efforts to pay for the crossing guards at the school district. This is showing a slight increase due to an anticipated raise in their hourly wage.

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Recycling: Mr. Cahalan said these are the expenses we contribute along with Hellertown to the operation of the Saucon Valley Compost Center. They said the center has been operating very smoothly. It's open Friday and Saturday, April through November. Next year we are going to open a few more Saturday's in January, not just for Christmas trees, but for some late clean-ups because last year because of the weather, we saw people were still cleaning up in December and January. Some early birds also wanted to get some stuff dumped off. That's been running very well. We put \$10,000.00 in here towards the budget for the recycling center.

Public Works: Mr. Cahalan said the only thing to note here is we've projected modest increases in the Roadmaster Comp and Maintenance Personnel Comp. We are anticipating settlement of the contract for the non-uniform employees with a modest increase. Everything else is basically the same. Ms. Gorman said Roger can briefly talk to you about an operating system he wants to purchase. It's not reflected in this proposed budget as he found about this software after this was presented, but in the preliminary if everyone agrees, he'll amend it to reflect that. Mr. Rasich said one of the things that has been increasingly difficult for their mechanic to work on, both the cruisers and their lighter trucks, up to the 550's, is everything now is all computerized and you need a scanner to read it. We do have a scanner and are able to read it and pull out codes. The reason we purchased a scanner was without that you cannot clear the codes. If you have an ABS code from a flat tire and you fix the tire, you still after you make the repair, have to take it to someone who has a scanner or reader to reset it, otherwise it will keep showing that same code. For the actual repair work, there is a company that provides the repair information which is called www.alldata.com. It's a monthly fee. The first year is \$1,500.00 and if you continue with them, it's a \$975.00 annual fee and what that does is it gives you a whole slew of information on all of our cars and trucks. You plug it in, you get a code out of there, you run that code, and it not only tells you what's wrong, but it gives you blueprints, schematics, procedures and standardized time that it will take you to do the task. It's a very invaluable tool that they really should have at this day and age. Mr. Maxfield said (COULD NOT HEAR HIM). Mr. Rasich said it's a great bargain. The gentleman who recommended it to him owns an automobile repair shop called Auto Motors up in Fullerton. He has the same exact thing, but being a non-government entity, he pays \$2,800.00 a year for the exact same program. It's discounted almost a third after the first year. Ms. Gorman said she will amend it for the preliminary. Mr. Kern said it sounds like a good idea.

Participant Recreation: Mr. Cahalan said this account is showing a decrease. There's a decrease in the cost for the summer youth program. There are three programs during the summer for Township youth that is run by the Saucon Valley Community Center. It's at Town Hall, Southeastern Park and Steel City. Due to the planned upgrades and improvements to Steel City Park which we're planning on doing in 2012, that will not be available. The program will be reduced to two parks. We can't use Polk Valley Park because there is no pavilion there as they need to shelter the kids in case inclement weather comes. Mrs. deLeon said you wouldn't add more kids to the other parks then? Mr. Cahalan said he thinks they have a limit for how many they can accommodate. It's pretty packed at Town Hall and he knows Southeastern is pretty full.

Libraries: Mr. Cahalan said for library services, it is increasing. The arrangement we had with the new number, based on our 2010 census with a new population of 10,887, the per capita amount was reduced to \$17.03. When you take the new census figures, our contributions increases from \$173,464.00 for 2011 and it will go to \$183,467.00 in 2012. Ms. Gorman said the amount reflected in your proposed budget is information provided from the library to us prior to their final adoption. At their adoption, they revised their budget and lowered it about \$2,000.00. Mrs. deLeon asked what is it per person? Ms. Gorman said \$17.03. We knew it was going to be around that amount.

Conservation & Natural Resources: Mr. Cahalan said we were carrying the remaining money from a Coldwater Heritage grant that was received and that's no longer being carried there. Mrs. deLeon said wasn't that a long time ago? Mr. Cahalan said yes.

Insurance: Mr. Cahalan said this is where we are showing increases. These are fixed expenses. The one thing that is growing is the Workers' Comp. In your budget, there is a tab that Ms. Gorman put

together for insurance and it will show you the increases in the Workers' Comp. You can see it shows a big spike in 2009. Although our claims look like they peaked in 2007, and they sort of tailed off. We are still paying for that. Workers' Comp also includes our volunteer fire fighters. We cover them under this policy when they are out fighting fires. We are facing an increase in the premiums for Workers' Comp. We don't think we can do anything about the cost. What we tried to do is we have a Safety Committee and we meet with a representative from the Workers' Comp firm and discuss ways of minimizing to promote workplace safety, which we've been very diligent about. Despite all those efforts, the costs still increase. Mrs. deLeon said for the firemen, the fire companies tell you who are their active people, and the Workers' Comp is based on per person. Ms. Gorman said they send in a roster every year. When a fireman is injured in the line of duty, they file a claim with us and use our insurance number. The insurance company basically confirms it with our office that day that they are volunteering and are under our umbrella. Mrs. deLeon said they don't get paid. Workers' Comp is based on salaries and wages. How do they determine that? Are they under the impression that we have 50 firemen? Ms. Gorman said they do a round-about estimate as to how many you have on record and they have a State formula that they use for that specific category. Out of our policy, we pay about \$20,000.00 for the coverage. Mrs. deLeon said how many firemen do they think we have? Do they ask you that on an annual basis? Ms. Gorman said yes. That's based on what the fire companies provide her in the beginning of the year. They do have a formula just based on the amount of people that are there and the type of work they do. They have an actuary there that does that calculation as well the type of injuries that would be occurring and that's how they come up with the price. Mr. Kern said the automatic increase in insurance premium cost in 2009, is that a result of big claims in 2009? Ms. Gorman said we're still paying for those claims from 2009. Mr. Cahalan said sometimes not so much the number, but one claim could be a big claim. Mr. Kern said is it a correlation of that big claim in 2009, the fact that the premiums have gone up? Mr. Cahalan said it's hard to tell as those claims could have been very minor in that went to the doctor and came back to work. Ms. Gorman said it actually could have been nothing than them reporting it because they are required to do so in case something 24 hours down the line happens to them, we have it on record and it's recorded it's filed with us. Mr. Cahalan said if an employee who has been out on long term with Workers' Comp also contributes to it. That resulted in a 17% increase in that insurance.

Employee Benefits: Mr. Cahalan said the hospital insurance amount is \$837,430.00. That was based on what we believed it was going to increase by about 10%. We were surprised to find out it was 2.6%. They were notified by PSAT's who co-insures their unemployment insurance that they will be increasing us from 1% to 4% based on the volume of claims filed and to cover their costs. Historically, we haven't had any, but lately we've had a few claims. Unfortunately, due to the economy at the time, we are still liable for part of people's unemployment if they had worked here at a certain amount of years. Mr. Cahalan said the Pension Administration fees increased about 15%. The MMO for the non-uniform plan, which we went over with the Pension Advisory Committee, and recommended it and Council accepted it in September. The one for the non-uniformed plan actually went down 5%, but the MMO for the Police pension fund went up about 40%. The one time only that increase was for 2011, and we are talking about 2012 costs here. Our pension plans are healthy. We have the Pension Advisory Committee that works very closely with PSAB and our advisors. We are told by them that we are the only municipality that meets with them on a quarterly basis to review the progress and status with our accounts. We had the actuary look at the assumptions and we discussed this with Council. We reviewed them to be more realistic, so we are in good shape going forward. We don't have any huge deficit like the State has for the public employees and the teachers. We are funding it as we go along, that's why these amounts some time are high, but it's a pay-as-you-go type of funding. As a result of this, that account went up 15%.

SPECIAL FUNDS:

Operating Reserve Fund: Mr. Cahalan said this started back in 2007. We wanted to put an amount from the surplus into this fund, but because of the constraints with the economy, and trying to keep the budget tight, we haven't been able to put in what we wanted to. There is \$614,867.00 in this fund that's there for a rainy day and as things improve, we'd like to put more money away into this account.

Landfill Revenue Fund: Mr. Cahalan said their fees to us increased a little bit this year as a result that they had a lot of debris dropped off from all the storm events. There was increased tonnage in that. Mrs. deLeon said we get our increase every year. Mr. Cahalan said that also shows where that money goes. There's a breakdown of the debt service that Ms. Gorman does and you can see what that is paying off which is the Township building loan and it will be paid off in four years. In six and eight years, the funding that was borrowed for Polk Valley Park will be paid off, and in nine years, the land and acquisition will be paid off. That's a total debt that the Township is carrying of \$6,627,630.00 and that we're paying off from money from the landfill fund. Mrs. deLeon said that land acquisition, what did that cover? Mr. Cahalan said that covered all of the other acquisition of the park properties. Ms. Gorman said it was the \$2 million loan you took out years ago. Mr. Cahalan said when we get into the park funds and you see the money that's in those park funds for future development, that's where that came from. We didn't take it out of the General Fund and it's enabled us to improve all of those park systems.

Open Space: Mr. Cahalan said you can see this is the quarter of one percent EIT that is collected. The balance in there is \$2.6 million. We are showing the revenues that are expected. We do show any purchases that are planned out of this, and that money is poised to use if you do decide to purchase a property, it would come out of that item. Mrs. deLeon said that won't reflect in this budget, technically on the line items because you won't update it? These are September figures. Ms. Gorman said right. Mr. Cahalan said there are some engineering costs that are paid out of that fund.

Recycling: Mr. Cahalan said this is the expenses for the Saucon Valley Compost Center. We make a contribution. Hellertown makes a contribution. This covers everything we need to maintain that operation. The cost for the employees is paid out of our Public Works budget, and also Hellertown's. We did reduce the amount of overtime by shifting the summer work schedule for Public Works so that most of the crew works Monday through Thursday and we have two of the employees Tuesday through Friday and one of them maintains the Compost Center, so we don't have to pay them overtime and it saves us a few dollars. Mr. Maxfield said what is Communications? Mr. Cahalan said they have a telephone up in the trailer for emergency purposes.

Storm Sewer Capital Fund: Mr. Cahalan said that's money that's been in there and from time to time Roger will use it to buy some plastic storm sewer pipe when that's needed. Mrs. deLeon said the auditors are not bothered that it's just sitting there? Ms. Gorman said they recommend to her to consolidate some of these funds as it's an audit headache for them and she explained to them annually why our Council has decided not to do that. She goes through the auditing process every year. They understand. Mr. Kern said it seems like it should disappear. Ms. Gorman said it's up to you. She can modify the preliminary and move that money somewhere else and earmark it. That's totally up to you. Mrs. deLeon said if they are okay with it, it doesn't bother her. Ms. Gorman said it's fine for her.

Fire Equipment Replacement Fund: Mr. Cahalan said we do have the funding in the budget for you to pay the \$50,000.00 to each of the four fire companies. They are required to submit rosters and a budget to the Township. We also made it a policy that they had to apply for a State grant which we've been told takes about five minutes to do and they get about \$9,000.00 to \$10,000.00 in a grant from the State. They are all doing that. What isn't in here is money for new equipment. We did put a tab in the back that he can get into later and talk about later. This is showing a balance of \$98,739.00. That's casino money.

Landfill Closure Fund: Mr. Cahalan said they've been carrying that. It's gaining a little interest each year.

Capital Fund: Mr. Cahalan said Ms. Gorman did present you with a draft of the 5-year Capital Improvement Plan which laid out what we would like to do in the next five years. The only things we are targeting here for next year, we are hoping and praying for the traffic signal at Polk Valley Road and Route 412. We have funding for that in there. We have the money in here for the Seidersville Hall expenses and we mentioned the front door in the Town Hall building. It was transferred from here. Mr.

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Maxfield said the money is in there from the generator? Mr. Cahalan said yes, the one from Hurricane Irene.

Detention Maintenance Fund: Mr. Cahalan said that's another static account, not much activity. Mrs. Yerger said is that designated for any detention pond, is it just a general fund? Mr. Cahalan said they did show the receipt of that funding for the Cora Brooks donation and that is for the Cloverview Detention Basin. That's the only one it can be used for. Ms. Gorman said if Roger has to do something out there, he can pull from that fund.

State Aid Fund: Mr. Cahalan said this is where Public Works buys their equipment and materials from. We are also using some to defray costs for equipment. That's about the same. It's liquid fuels money that comes in from the State. He used some and carries some of that forward until next year. Mr. Maxfield said earlier in the budget there was money for snow removal and supplies, the other line it was zeroed out. Ms. Gorman said historically, a couple of years ago when the economy was tail spinning, what they had done prior to that, Roger had budgeted 50% of what he would need from the General Fund and 50% from the State Fund for winter maintenance. As an administrative decision, and because our budget was so tight, we made the decision that all of that money was coming out of State. There was enough funding in there from year to year. Mr. Cahalan said those are line items we are not using in that account.

Town Hall Park Fund: Mr. Cahalan said this is general maintenance. We really reduced our cost here because of the rubberized mulch we installed. We don't have to go every year and add the wood mulch. We did the paving at Town Hall Park up to the parking lot and up to the pavilion. Everything in that park is looking very well. We have money in there in case there is any other type of expense.

Heller Homestead Park Fund: Mr. Cahalan said we did move some money in here. We are projecting a total of about \$50,000.00. That's available for any improvements there. We just mentioned a few of them like the completion of the parking lot, the pathway we had discussed at a Council meeting where the maintenance garage was removed. We also gave you information about some possible ADA improvements. There's funding in there for those items.

Southeastern Park: Mr. Cahalan said there is \$31,417.00 in this fund. Southeastern Park is a real gem. It's beautiful and the field and pavilion is in good condition. The meadow is growing. What he'd like to do is to finish out that plan for the meadow within the next couple of years so we can have walking paths, a gazebo, bird watching, and all the things that were intended for it. When we get some of these other park projects completed, we can finish Southeastern Park.

Steel City Park Fund: Mr. Cahalan said there's a lot more money in here because we are poised to make improvements per the plan that was looked at by everyone and approved by Council. It's out in the lobby and we did get a grant from Northampton County to help with this fund. We will be having a meeting with Parks and Rec. out there. We talked about the vandalism. We will be discussing all these issues. There is no meeting scheduled yet.

Polk Valley Park Fund: Mr. Cahalan said we had some money in this fund. You asked about the land acquisition fund. This is where all that money came from. It was augmented by grants we applied for. We had enough money in there to do the improvements you want to do for these parks to make them really beautiful. There's money in there for the additional phase. There's also money if Council decides to approve things like a pavilion and a tot lot. Those are things for future decisions. The money is there to do that.

Historic Structure Fund: Mr. Cahalan said this fund is primarily concentrated on the bridge and it's another thing on his list that he wants to get repaired and rehabilitated. We want to get some other projects finished and then we can get the bridge fixed. ADA-wise, there are some issues. We are targeted with the planking on that bridge and there's a kind of chicane thing where it's a difficult thing for a wheelchair to get through it. That's something we need to address immediately. Mr. Kern said he

thinks all the paint is off of the bridge now. Mrs. deLeon said on their barn tour, one of the people on the tour said the people that lived in the Katz's house, they would actually go out to that bridge and paint little flowers on the bridge and it would be painted in all different colors.

Lutz-Franklin Schoolhouse: Mr. Cahalan said this is just basically for the historic sections and not for Kingston Park. It's in good shape. We mentioned in the ADA memo that we believe it has everything in place as far as the ramp. The doorway width looks adequate, and we have ADA portable restrooms. We hope to get the composting grant and we'll have an ADA composting restroom, paved parking lot, and paved walkways so that anyone disabled should have no problem accessing this site.

Easton Road Ballfields: Mr. Cahalan said we are still working on finalizing a plan to bring to Council for a parking lot and entrance off of Mockingbird Hill Road which would allow park users to park and get to both of the baseball fields. One of the upper ones has not been used because the access was a problem to it. When this is completed, we hope in 2012, the Hellertown-Lower Saucon Little League will be able to use both of the baseball fields at Easton Road.

Kingston Park: Mr. Cahalan said we have money in here to complete the paving; to put up a pavilion if Council decides what they'd like to do; and to finish out all the planned improvements for this park. Hopefully, the paving will be done by the end of this year. If we hear something about the composting toilet, that would be a real good positive addition out there. The only thing left is putting up signage. The memorial plaque, we can discuss once the paving is completed. There are sufficient funds in there to do that.

Roeder's Glen: Mr. Cahalan said this is another one we've been carrying along. Mrs. deLeon said didn't she just read somewhere in PSAT's or a magazine where they were trying to do away with us from collecting fees from developers for requiring them to post a bond or something? Does anyone remember reading that? Mrs. Yerger said what was the intent of this fund? Ms. Huhn said this one was a developer who defaulted, and we pulled the bond, so we still have to complete the work out there. This money will be used for that. No Township money will be used. Mr. Maxfield said Roeder's Glen was pretty much built out, what more is there to do? Mr. Cahalan said he thinks there are some storm water projects to do. Ms. Huhn said we are just about ready to finalize this one. Mrs. deLeon said it says zero's in there. Ms. Gorman said Roger was anticipating that to be done this year. She was hoping at the time it would go away. Mrs. deLeon said does it have to stay in here so many years with zero's or can you just pull it? Ms. Gorman said she can pull it as soon as Roger is done. She has to keep it under a separate bank account because the nature of its purpose.

Saucon Rail Trail: Mr. Cahalan said we put away \$24,000.00. If we do receive the grant from DCNR, that will pay for half of the cost of acquisition of the 2.2 acre site for the trailhead. We have money in the open space fund that we can use to pay for the other 50%. We have a grant that we received that we can put amenities such as benches, picnic tables, trash receptacles out there at the trailhead. We can put parking in. We can put a port-a-john in and we're good to go. This is a welcome addition to the rail trail for people traveling from Hellertown down to Upper Saucon. They can park their car there to get on and off the trail.

Mr. Cahalan said that is about it for the special funds. He can touch on the tabs in the back of the budget book.

Seidersville Hall: Mr. Cahalan said he put a lot of information on here just for discussion purposes. Kind of looking for direction from Council what you would like to do with that building. It has potential. It can be used for a lot of public activities, meetings and so on. What they are suggesting is there are funds in the capital funds and a grant that Ms. Gorman applied for and we got a loan that we can just about meet all of those expenses to make some improvements from the bottom up.

- Basement needs some attention and needs to be cleaned out.
- Vapor barrier put in there because of high humidity levels

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- Restrooms need to be updated
- ADA entrance ramps modernized
- Roof needs to be replaced
- HVAC needs to be looked at
- Heating system modernized
- Exterior doors
- Insulation
- Windows
- Exterior painting

We have the majority of those funds available if that is the direction that Council would like to go. They have some suggestions as far as usage. They did have discussion with the Community Center about the participation. The senior center numbers are low and we are talking to them about trying to increase those numbers. We suggested some movements in the building which would free up the back room of the Seidersville Hall, and turn it into another multi-purpose room that could be used for more activities. Now it's strictly like a day lounge for the seniors, and he thinks this could be used by multiple groups for meetings and that type of thing.

- It could be used for teen recreational activities that could be centered here at Seidersville under the supervision of something like the Saucon Valley Community Center.
- They could use the basketball courts. It's conducive to those types of things, but it needs improvements.
- It's suggested to improve the kitchenette that is there.
- Doing some small changes to the front multipurpose room.
- The key system has to be updated so we can keep track of who is coming and going.

They are suggesting if that can be improved, that we come up with a fee. We had discussed with Council a rental fee for rooms, but we really didn't finalize that. We need someone to supervise it when it's being used in the evenings, like a janitor. The problem now is we literally have to give a key to someone we trust to open and close the building. If we made these changes, then we could promote the use of that building. This Council room, we don't want it to become a public space as it has a lot of sensitive equipment and other things we'd like to maintain. Those places would be perfect for that type of thing. These are just some suggestions on that. Mrs. deLeon said the Saucon Valley Community Center senior program, she understands there are some Hellertown people who want to participate in our program, but it's only for Lower Saucon residents? Is there any way we can come up with a fee, kind of like the pool thing? Mr. Cahalan said we could. They have a senior site in Hellertown. They usually get together for parties. Ms. Gorman said they are located on Northampton Street. They have senior programs there. Mrs. deLeon said with the partnership and we're supposed to be sharing things, do they offer things here at our senior center as compared to the one in Hellertown? Mr. Horiszny said (COULD NOT HEAR HIM). Mr. Cahalan said we don't have that. Mrs. deLeon said our people go over there and it's okay as the Community Center funds it. Here's it's funded by the Township. Hellertown residents can't participate. There is something missing here. Mr. Cahalan said what we can do on that is that is one of the topics we are discussing at the Joint Recreation Study Committee. We do have representatives from the Saucon Valley Community Center attending. Jenny McKenna will be coming. We want to talk about all different programs and promote them and increase them. We are talking to Erin and Theresa about the programs over here. We see they have increased a couple of them recently. Mr. Maxfield said it seems like the organization of the usage of the space even without improvements could be different and utilized in that building in an effective way. Another thing he'd like to mention is, the way we rent out space over there to different organizations, the Historical Society, the Watershed, when you were talking about a fee for the rental of the rooms, if we are renting out storage spaces, that is something we should include as part of the rental. Mr. Cahalan said they actually we do that for the people you are saying. That's included, the use of the multi-purpose room. This is for outside organizations who wanted to come in and use it. Mr. Maxfield said it's possible to have multiple meetings there and right now you can't do that. Mr. Cahalan said right. Mr. Horiszny said you mentioned the basketball court (COULD NOT HEAR). Ms. Huhn said we will

have to watch them next week when we have the Council meeting. Roger just adjusted them so she's hoping they are okay now. He set the timers differently. Mrs. deLeon said it's been an issue for many years. Mr. Cahalan said he doesn't know whether if outages kick them off. We put the timer up on the pole as it was being manipulated, but that requires them to go and get the boom truck out there to make the adjustment. Maybe what we can do is look into some sort of remote type of thing.

Fire Equipment Replacement Fund: Mr. Cahalan said the Chief's have been working probably close to two years on discussion about merger and consolidation. Operationally, they are working like a fine tuned watch. They have put together procedures that they have this "All Call" procedure. They report to the nearest firehouse. They cross train on equipment so they can drive each other's trucks. We assisted in having available firemen by having a policy in Hellertown to release Public Works employees during the day. That has gone very well. They are working towards the consolidation. What they put together for them this summer was a draft plan that you were all given a copy of and Hellertown Borough Council was given a copy of. It did have some blanks in it as we were still collecting information. It set out what they hoped to do in the two year and five year plan. That went to the fire companies and they wanted it so they could present it to their membership so they could take votes. They all took votes, and out of the five, four of them voted to move ahead. The other one abstained as they said they didn't have enough information. No one said stop the process. They still want to move ahead with it. The information provided to Council just gives some options for financing a consolidated fire company. There are several. What we were trying to say in that is that as far as the equipment is concerned, they are working through a process of determining how much equipment they needed for the consolidated fire company. They've been working on that and there are inventories in there and some of them you have seen. Funding new equipment is the problem. What they pointed out in the tab was that it's very, very extremely difficult to do that out of the General Fund, especially when your tankers or rescues are \$600,000.00 and the aerial truck that Se-Wy-Co has to replace that is \$1.2 million to \$1.3 million. There's just no way for it to be done even if they are out every weekend to collect enough money from donations. They suggested some options for finances and financing a consolidated fire company. Mrs. Yerger said by a response to a consolidated fire company, you mean one firehouse with satellites or one firehouse? Mr. Cahalan said the one firehouse got a little bit of attention, but it's down the road. They all understand they can consolidate but keep the current firehouses. Mrs. Yerger said her only concern is how key response time is and keeping the satellites. Mr. Cahalan said they are definitely not going to do anything that impacts or harms the fire response. Mrs. Yerger said maybe they could go to three. Mr. Cahalan said when he mentioned going to the nearest firehouse, that's been really improved. We had a joint planning meeting here and there were several members from Hellertown who were firemen. If the whistle had gone off, a year or two ago, they would have had to go back to Hellertown. Now they go right to Se-Wy-Co. If they are the first ones there, they can get in the firehouse and get to the engine and take it to the fire call. That has improved everything tremendously. Mrs. deLeon said she did hear a rumor that one of the locations for the firehouse was Polk Valley Park area. Mr. Cahalan said we actually, in this plan, there was several locations and it was basically a brainstorm session where the Chief's got together and said here's a couple of places. Nothing was done. That is a big ticket item and he doesn't know if it's going to be feasible. In order to do something like that, you have to address the issue of the other firehouses. Some of them would have to be sold and you'd have to get funding for the new fire stations. Mr. Maxfield said (COULD NOT HEAR HIM). Mr. Cahalan said the thing with the spread out fire houses, is historically was done because roads were not very good and equipment was not that fast. You can get through the Township pretty fast with sirens on. They also have mutual aid at each of the areas, so any of the surrounding towns, if you go past Leithsville, you have Springtown and if you go to Steel City, you have Freemansburg. You have Upper Saucon, you have Salisbury and they always help each other and you always have someone there to answer the fire call. Mr. Maxfield said if you have a centralized firehouse like that, what is really the purpose for that? The purpose is just bringing everyone together and it does affect things as response time for where our people have to go. You could operate one company and five satellites without a centralized structure. Mr. Cahalan said you could do that, but our neighboring township, Upper Saucon has a centralized firehouse to cover their whole Township. There are other rural fire companies in PA that have a centralized firehouse. The central firehouse gives you an economized scale. You can reduce the amount of equipment you have. You can reduce a lot of

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your costs that go to maintaining the other places. Insurance is cheaper. A newer firehouse can have all the types of things that the individual fire companies are looking for such as workout space, such as locker rooms, other types of equipment storage that they are cramped for right now. There's a lot to be said. That's not the main focus. They wanted to move towards this consolidated company and hopefully there will be a method to finance the purchase of equipment for that consolidated fire company. Mr. Maxfield said what is a jonboat? Mr. Cahalan said it's a type of water rescue craft.

Act 101 Requirements: Mr. Cahalan said they have gone over this before, the yard waste requirements and what that entails. They included a report that Gannett Fleming had done. We're not compliant with the Act 101 requirements because we don't have the two curbside pickups of yard waste and we don't have the open burning ban. As a result of being non-compliant, we do not receive any performance awards from DEP which runs about \$20,000.00 a year. That's the situation. To move into compliance, that's all laid out in the Gannett Fleming plan we provided to you. Mr. Horiszny said (COULD NOT HEAR). Mr. Cahalan said that may be a misprint. What it should say is curbside collection of recyclables is currently carried out by the ten private haulers, so you can strike out one. It must be a typo.

ADA Requirements: Mr. Cahalan said we had discussed with Council previously that there is an ADA requirement for historical structures that the Solicitor must be met by March 2012. We mentioned to you the Old Mill Bridge, the Lutz-Franklin Schoolhouse and the Heller Homestead. That's covered in that tab.

Mr. Cahalan said we gave you the usual insurance review which is touched with on the Workers' Comp. The consultant review shows you what those costs have been running for the Township consultants. The rest is inventory.

Mrs. deLeon said Ms. Gorman did a good job on the budget. She's glad our budget in Lower Saucon is the way it is. She wants to request for the meeting next week that the casino update be put on the agenda because all she has with her tonight is a very scribbled-on page from Monday night. One of her questions, and it was the City of Bethlehem, they presented three applications and they were going back and forth with their application. Their budget was not jiving in her mind. She asked them for budget documentation. They never provided that information to her. Bob Fenning came up to her on Monday night and said the City doesn't do their budget that way. Everything they get is dumped into General Fund and they spend it. She told them they don't do it like that in Lower Saucon. Each line item has line item. Hellertown does it this way also. She will report on the two grants from the Township and apparently \$5,000.00 for overtime was not acceptable. Alicia brought that up. She said there's no way to predict that. Ms. Gorman said that's true. She was just estimating. Mrs. deLeon said there was about \$12,541.00 deducted because there was no documentation with the vehicle and something with the equipment. Ms. Gorman said when she applies for those grants, she usually uses the information she had from the prior year as everything is under State contract. They don't necessarily provide you quotes. They just issue a bill and reference State contract and you get whatever discount the State negotiated. It's a little hard to predict. Usually for the most part, in the last couple of years, it's been the same amount of money, around \$27,000.00 for the vehicle and to just outfit it and change it and put the light bars on, it usually runs between \$4,000.00 or \$5,000.00. Mrs. deLeon said what you just told her should be spelled out in the next application. Ms. Gorman said she will do that. Mrs. deLeon said funded then was approved at \$100,701.11. She tried for the ATV and she made the motion and it was seconded, and there was only one "yes" vote. She will have more of an update next week. Hellertown and Lower Saucon got the re-chassis of the ambulance for \$107,863.00, which came in at number 4 on the list. Number 5 on the list was LifePak 15 defibrillator monitor for \$35,885.50. There were globe EMS jackets for \$17,840.00 was approved and it was no. 14.

IV. PUBLIC COMMENT/CITIZEN NON-AGENDA ITEMS – No one present.

VI. COUNCIL AND STAFF REPORTS

A. TOWNSHIP MANAGER – No report.

B. COUNCIL:

Mr. Maxfield

➤ He said as we were talking about the Old Mill Bridge, if we could look into the situation of what's going on there. The onramp from the bridge from Reading Road is user-unfriendly. You can fit one car, and you have to walk around a car. Mr. Kern said especially if there's ADA compliance that is going to occur around March 12, 2012. Mr. Maxfield said he doesn't know how the situation ever got started, but if we could just figure out how to remedy it as part of the repair. Mr. Cahalan said parking is permitted on that side for fisherman and that's been currently what's been occurring. They are actually working on an analysis of parking on the one side. Chief Lesser said they looked at that some time ago. A vehicle can park there legally and be in any violation. He doesn't recall the details, but parking would be permissible on the opposite side of Joel's house. Mr. Maxfield said the ramp goes up onto the bridge. There are cars that pull in or back in and park there. Chief Lesser said if it's not posted "No Parking" and we don't adopt that as part of our ordinance, then it would be legal if they parked in a reasonable fashion. Mr. Maxfield said it's counterproductive. Mr. Cahalan said if it is impeding the access, then that is something we have to look at, especially the ADA access. Chief Lesser said it should not restrict access. For individuals who may travel there to view the bridge, they would be able to park their vehicle there legally for a short period of time. That's how they looked at it some time ago. If Council wished it to be posted or restricted more, it can be done. Mr. Kern said the property owner does permit parking on the grass there head in. Whenever it's fishing season, there's always ten cars parked on the grass face in. They are on the property parked in the grass area and the property owner permits that. Chief Lesser said the only complaints he recalls is from Mr. Katz, where it was relative to his driveway, which is understandable. Those are the only complaints he recalls. If any of you view a vehicle and it's restricting access, just call our non-emergency number and an officer will respond there. Mrs. deLeon said look at all the issues on Saucon Avenue, we couldn't even get through.

Mrs. Yerger – No report

Mr. Horiszny – No report

Mr. Kern – No report

Mrs. deLeon – No report

VII. ADJOURNMENT

MOTION BY: Mrs. deLeon moved for adjournment. The time was 8:06 PM.

SECOND BY: Mrs. Yerger

Mr. Kern asked if anyone had any questions? No one raised their hand.

ROLL CALL: 5-0

Submitted by:

Jack Cahalan
Township Manager

Glenn C. Kern
President of Council