

**SPRINGETTSBURY TOWNSHIP
BUDGET WORK SESSION**

**NOVEMBER 9, 2015
APPROVED**

The Springettsbury Township Board of Supervisors held a Budget Workshop on Wednesday, November 9, 2015 at 7:00 p.m. at the offices of Springettsbury Township located at 1501 Mt. Zion Road, York, PA.

MEMBERS IN

ATTENDANCE: Mark Swomley, Chairman
George Dvoryak
Bill Schenck

MEMBERS NOT

IN ATTENDANCE: Julie Landis
Kathleen Phan

ALSO IN

ATTENDANCE: Kristen Denne, Township Manager
Mark Hodgkinson, Director of Wastewater Treatment Plant
Barbara Lindeman, Director of Finance
Jean Abreght, Stenographer

1. CALL TO ORDER

SWOMLEY Chairman Swomley called the meeting to order at 7 p.m. He stated the purpose was to continue discussions surrounding the Sewer Fund.

HODGKINSON Operations/Capital
Mark Hodgkinson stated that his intent was to discuss the Operations and Capital. He noted that the Sewer Fund is basically straight-forward. Expenses were unchanged compared with the 2014 budget. The main difference was the depreciation at \$2.17 million, which is an increase of almost \$1.2 million, which is not cash but is in equipment. The assets are assigned values in the four different divisions in the sewer fund. Reserves continue to grow.

Maintenance/Repairs

Mr. Hodgkinson stated that operationally the sewer fund has a preventative maintenance program. Maintenance and Repairs will be going up \$110,000 for one basic function, the BNR Project. This will include an improvement to the lifeblood of the entire waste water treatment plant aeration system. Four blowers will be scheduled for their Class 2 Service, each at about \$30,000 plus several other smaller items for \$160,000.

Composting

Mr. Schenck noted that over many years the process of composting had been nearly eliminated. The compost is spread on farm fields, which is less expensive.

Collection Division

Sewer Fund has several divisions: Operations Division, Collection Division, Springettsbury Division, and Administration Division, Technical Services Division. In the Collection Division maintenance and repairs narrowed from \$50,000 to \$95,000. East York Pump Station will cost \$45,000 for checking and possible maintenance. The debt principle schedule went up from \$1,006,000 to \$1.3 million, all scheduled.

Revenue

The truck waste program, septages received from septage haulers, becomes revenue. All industries are monitored in the townships that are part of the system. In 2012/2013 amounted to less than \$1 million of revenue; 2014 was about \$800,000; probably about the same in 2015. It was less due to the loss of a large customer.

York City Agreements

Springettsbury Township purchased a 20-year agreement, on behalf of all of the municipal customers, providing 4.8 million gallons of capacity at the City's plant in lieu of expanding the plant. That capacity was purchased and a pump station was built. The treatment plant before that started was a 15-million gallon a day treatment plant, so in essence it provided 9.8 million gallons of capacity between both places at a cost of \$831,000 a year expiring in 2022. Sister municipalities pay a portion (\$549,000) of revenue.

DVORYAK Mr. Dvoryak commented that York City's cost is double the township's. He asked why.

SCHENCK Mr. Schenck responded that the York City plant is three times larger than it needs to be.

SWOMLEY Chairman Swomley questioned what will happen when the agreement is completed in 2022.

HODGKINSON Mr. Hodgkinson responded that he would have to re-read the agreement to be certain.

SWOMLEY Chairman Swomley indicated he would like to know the answer to that question.

HODGKINSON Mr. Hodgkinson stated that he had just become aware that the City wants to either sell or lease their plant and collection system. Buchart-Horn is asking for dates when Springettsbury will be available for discussions on how it will move

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forward. He noted that the agreement with the City saved Springettsbury a lot of money.

SCHENCK Mr. Schenck commented that the pump station itself was built for approximately \$2.2 million.

DVORYAK Mr. Dvoryak questioned whether there would be merit to an inter-municipal group or a broader group purchasing the plant. He asked what municipalities currently are in the inter-municipal group.

HODGKINSON Mr. Hodgkinson responded Red Lion Borough, Windsor Borough, Windsor Township, Dallastown, Yoe, York Township, portions of York Township, portion of Spring Garden, portions of Manchester and Springettsbury.

SWOMLEY Chairman Swomley stated he would like to know what the options would be. He stated that Springettsbury should discuss what the level of interest may or may not be.

HODGKINSON Mr. Hodgkinson stated that Solicitor Rausch is gathering right-of-way acquisitions.

SWOMLEY Chairman Swomley asked whether a decision was made as to whether Springettsbury is going to clean up the other pump station and take care of that at the same time.

HODGKINSON Mr. Hodgkinson responded that his recommendation is to eliminate the Penn Oaks pump station. When he meets with Solicitor Rausch they will discuss the part of the 10 acres that the homeowners association wants to donate to the township.

Capital

HODGKINSON Mr. Hodgkinson stated that there are two separate capital improvement plans. Springettsbury Township has one that involves the rehabilitations with slip-in liner that are UV cured. Those involve the Fayfield and Haines Acres areas. Mr. Hodgkinson added that there are funds available in reserve for the rehabilitations.

Shared Capital

HODGKINSON Mr. Hodgkinson reported that the shared capital involved the treatment plant. Springettsbury pays 50% on the treatment plant, which had recently gone through a major upgrade. The raw sewage pump system was not upgraded, along with the fat, oil and grease acceptance system. Buchart Horn is working on compiling costs for both. Mr. Hodgkinson noted that two of the pole buildings at the treatment plant are starting to leak, and the roofs will need to be replaced. Several other items were mentioned, the bar screen grid, the bottom

grid, the chopper pumps need upgraded or replaced. He mentioned that in 2019 it may be important to add a blower building to maintain treatment. Flood protection may be eliminated in the

Financing

DENNE

Ms. Denne provided a document showing some proposed bond financing figures for the board's review. Most importantly would be the firehouse capital (Option 1). The General Fund debt was retired. Ms. Denne noted that the decision the board is faced with is whether to move toward a bond issue, stick with the current funding available and do a few capital projects, or increase the millage.

A lengthy discussion took place. A summary of main points follows:

- Creative Playground - \$500,000
- Trout Run Road - \$235,000 to \$500,000 depending on the process.
- Combine Administration and Police building - \$5-\$6 million; \$50,000 for engineering costs; options in 2016.
- DPW Equipment; trucks; street paving, curbs and sidewalks
- Traffic issues

Consensus of the board was not to move forward with any bond issue, but to balance the current budget without using savings. Continue with the concert series and the newsletter. Do a full-scale mercantile business audit. Review the commitments made previously for the Creative Playground.

2. PUBLIC COMMENT

There was no public comment.

3. ADJOURNMENT

SWOMLEY Chairman Swomley adjourned the meeting at 9:15 p.m.

Respectfully submitted,

Doreen K. Bowders
Secretary

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