

ELIZABETHTOWN BOROUGH COUNCIL
PUBLIC MEETING
November 11, 2021
Minutes

A public meeting of Elizabethtown Borough Council was held on Thursday, November 11, 2021. Borough Council members in attendance included Tom Shaud, Bill Troutman, Phil Clark, Vice President J. Neil Ketchum Jr., and President J. Marc Hershey. Also in attendance were Police Chief Ed Cunningham, Borough Manager Rebecca S. Denlinger, Assistant Borough Manager Ann Roda, Finance Assistant Kim Leverentz and Public Works Director Jeff Kinsey. Councilperson Jeff McCloud and Mayor Mummert were absent from the meeting.

President Hershey called the meeting to order at 7:00 p.m.

Public Comment

1. Tony Dastrav, a video service provider, shared that he would like the opportunity to assist Borough Council in providing accessible coverage of local government given that the Elizabethtown Advocate will not be published beginning in 2022.

Old Business

Borough Manager Denlinger introduced Ed Ellinger and Adrienne Vicari, both with the Borough's Wastewater Engineer, Herbert, Rowland & Grubic Inc., stating that they would be able to answer questions on the sewer capital projects and the sewer rate study. Ellinger shared that after several extensive meetings with borough staff the capital projects for both the treatment plant and collection and conveyance system were defined. Several of the projects are of higher priority and all of the defined projects can be completed over a reasonable period of time. He noted that the improvements with Radio Road Interceptor are necessary to meet the regulatory requirements of the Corrective Action Plan in place with PADEP and the pump station improvements are needed both due to age and to correct an inefficient system. Ellinger also noted that the SCADA system at the wastewater treatment plant is needed to increase overall plant efficiencies. Vicari added the sewer rate study looked at a total of seven alternatives for rates. A few of the rates included use of the Borough's ARPA funding and others looked to keep a balance in the Sewer Capital Reserve Fund. She added that the Infrastructure and Jobs Act, just passed by the federal government, may also assist with the financing of projects but that funding was not considered in the rate study as it was just approved and awaiting the President's signature.

President Hershey asked about intermunicipal and bulk user agreements and how those relate to capital projects. Ellinger responded that the agreements outline a percentage that is attributed to each user that pays for treatment costs at the treatment plant and would share in the capital costs of several of the projects. Ellinger added that for several of the projects the agreements would be reviewed and revised to ensure they are up to date and accurate based on capacity.

Vice-President Ketchum asked how much of the capital program should be accomplished in 1-5 years and what can be held for completion in a future timeframe. Ellinger responded that those

related to a regulatory or infrastructure improvement should be done in the next 5 years. Vicari added that the rate study took this infrastructure improvement timeframe into account as well as existing debt service payments. It is a preliminary recommendation that the borough consider a rate increase in 2022 and again in 2024 with the assumption that grant funding for projects is not received.

President Hershey recommended a sewer rate increase but that it be smaller and implemented annually. He asked how a rate increase would impact commercial and mixed-use users. Vicari responded that the rate for those users would increase at the same percentage as residential.

President Hershey recommended a rate increase of 14.13% that would increase the residential rate to \$420 for a year, or \$105 a quarter. There were no objections from other councilpersons on the recommendation.

President Hershey then moved the discussion to the version 2 Draft Fiscal Year 2022 Budget to include a review of the ancillary Funds. Denlinger noted that staff has continued to work through the budget for additional reductions in expenditures. Borough Council and staff discussed the following:

- In the Capital Reserve Fund, a question was asked if the property survey project could be deferred to a future year. Planning and Zoning Director responded that it should be done in 2022 to better assist the borough with asset management and better answer questions pertaining to boundaries and responsibilities.
- President Hershey stated that keeping the funding in the Capital Reserve Fund for the next steps of planning and design of improvements at the 600 S. Hanover Complex and 101 Plum Street was acceptable but that prior to beginning the project it should be discussed with Borough Council.
- There was discussion on keeping the appropriated balance for Liquid Fuels in the Capital Reserve Fund at \$500,000 to be in line with the Street Paving Policy.
- Noting that the budgeted balance in the Capital Reserve Fund was not meeting the Financial Policies, President Hershey, indicated that any additional revenue above \$517,000 in the General Fund's Unappropriated Balance would sweep to the Capital Reserve Fund. There were no objections to this recommendation.
- Paving expenditures for Brown Street and Pike Alley are proposed to be funded using the Liquid Fuels Fund and not the General Fund.
- President Hershey asked Chief Cunningham for an explanation on the vehicle purchase revision. Cunningham responded that in reviewing the needs of the department, the Dodge Charger still provides the same pursuit requirements and relatively the same interior space that EPD is recommending trying this vehicle. The recommendation also provides for a slight savings.
- Denlinger noted that for the Parks Fund a transfer of ARPA funding for the design and permitting of the Hickory Lane MS4 project is recommended. She added that for 2022 this would be the second proposed transfer of funds. The first proposed use of funds is in the

Sewer Capital Reserve Fund. Both uses of the ARPA funds would meet the eligible usage of ARPA funding, based on current guidance provide by the US Treasury.

- Given the current budgetary constraints, President Hershey suggested that Borough Council consider a millage rate up to the max rate of 5.4 mills. He added that the rate would only be used for advertisement purposes and may not be the rate decided on by Borough Council upon adoption of the Budget. There were no objections to this recommendation.

Following the discussion on the version 2 Draft Fiscal Year 2022 Budget, Borough Council made several motions.

- It was motioned by Councilperson Clark, seconded by Vice President Ketchum, to advertise the proposed budget for public inspection, namely the version 2 Draft Fiscal Year 2022 Budget as discussed and revised at this meeting, to be considered for adoption on December 2, 2021. Motioned approved unanimously.
- It was motioned by Councilperson Clark, seconded by Councilperson Troutman, to provide public notice that Borough Council is considering a sewer rate increase of 14.13% for a rate of \$105 per quarter. Motioned approved unanimously.
- It was motioned by Vice President Ketchum, seconded by Councilperson Clark, to provide public notice that Borough Council is considering a maximum millage rate of up to 5.4 mills for Fiscal Year 2022. Motioned approved unanimously.

Prior to adjourning President Hershey stated that Borough Council would meet in an executive session following the meeting to discuss a personnel matter.

After a motion by Councilperson Clark, seconded by Councilperson Shaud, the meeting was adjourned at 7:53 p.m.

Respectfully Submitted,

Rebecca S. Denlinger
Borough Manager