

TOWNSHIP OF DERRY

Board of Supervisors Meeting Minutes Tuesday, May 14, 2024

CALL TO ORDER

Chairman Abruzzo called the May 14, 2024, Regular Meeting of the Township of Derry Board of Supervisors to order at 7:04 p.m. in the meeting room of the Township of Derry Municipal Complex, 600 Clearwater Road, Hershey, PA. He advised that all public meetings are recorded for providing accurate notes. An Executive Session was held before the meeting where legal matters were discussed. Supervisor Wyckoff was absent with excuse. Supervisor Corado attended the meeting by phone. After the Pledge of Allegiance, a roll call was performed.

ROLL CALL

SUPERVISORS PRESENT:

E. Christopher Abruzzo Natalie L. Nutt Michael P. Corado Richard D. Zmuda

ABSENT:

Carter E. Wyckoff

ALSO PRESENT:

Christopher S. Christman, Township Manager
Patrick Armstrong, Township Solicitor
Chuck Emerick, Director of Community Development
Garth Warner, Chief of Police Department
Alison Jacobine, Director of Hershey Public Library
Zachary Jackson, Director of Parks & Recreation
Greg Watts, Assistant Director of Public Works
David Sassaman, Hershey Volunteer Fire Department

Lynn Dawson, Recording Secretary

Eric Stump, HRG Engineer

Public in Attendance:

Troy Baker, Kenny Hinebaugh, Lorna Thomas

VISITOR/PUBLIC COMMENTS

Troy Baker shared his concern with the third-party collection agency, Active Network, used by the Parks and Recreation Department. Mr. Baker was charged \$100 by the company associated with a swimming lesson transaction made for a family member. He confirmed with Zach Jackson, during a previous phone conversation, that the department utilizes this service. He shared the history of Active Network, by way of the research he conducted of the company and asked for the Board of Supervisors to approve Parks and Recreation discontinued involvement with Active Network. Mr. Baker shared his documentation with the Board. Chairman Abruzzo stated the Board of Supervisors will take the matter under advisement.

CONSENT CALENDAR

Adoption of the Board of Supervisors Meeting Minutes for the April 23, 2024, 7:00 PM Regular Meeting.

Release of remaining balance of financial security provided for the Stormwater Management

Plan for 835 Olde Trail Road, S-2023-020.

The Board of Supervisors authorizes the release of the remaining balance (\$2,470.00) of the cash financial security provided for the Stormwater Management Plan for 835 Olde Trail Road, S-2023-020.

Release of the financial security provided for the Stormwater Management Plan for 1776 Kaylor Road, S-2023-007.

The Board of Supervisors authorizes the release of financial security in the amount of \$11,184.00, which had been provided as cash for the Stormwater Management Plan for 1776 Kaylor Road, S-2023-007.

Approval of May 14, 2024 Accounts Payable of \$573,207.88, April 26, 2024 Payroll of \$352,173.22 and May 10, 2024 Payroll of \$351,347.59.

Supervisor Zmuda made a motion to approve all items on the Consent Calendar. Vice Chairwoman Nutt seconded the motion. **Motion carried 4-0.**

NEW BUSINESS

Update on FY2024 Budget - First Quarter Results (C. Christman)

Mr. Christman shared an update on first quarter results of the FY2024 budget. He discussed the Pennsylvania second class Township code, Section 3205, as well as the Township's 11 funds, eight of which are operating (general fund, streetlight, community center, solid waste, library, debt services, liquid fuels, and operating reserve) three are capital (capital reserve, community center reserve, and road equipment). Mr. Christman stated that by setting up the budget in this manner it allows for more transparency and more operative in nature. An overview was given relating to the first quarter of each year and the goal of trending toward 25% of the actual budget in regard to revenue and expenditures. Currently the Township is at 22% for revenue and we have expended 17% in expenditures at the end of the first quarter, all of which signals heading toward the right direction. The majority of the revenue comes in during the 2nd quarter for real estate tax. Due to this, the financials will change dramatically. The Redevelopment Assistance Capital Program (RACP) grant was received. An overview was given relating to the general fund and its usage as a less restrictive fund where the dollars will flow into the Township's budget and be reallocated on the expense side. In aggregate, the revenue increased by 5.61% in comparison to last year's budget, with the Board adopting the revenue plan just short of \$31 million. Mr. Christman provided an overview of the Act 511 tax, which is comprised of real estate transfer tax, earned income tax, local services tax, occupation tax, amusement tax, and parking tax. As in most communities, the real estate tax receives the most scrutiny, as those in the community receive the tax bill annually. The Township is in the 4th or 5th year of a no tax increase budget by keeping reigns on expenses charted each year. For every dollar collected, 64% goes to the Derry Township School District, 28% to Dauphin County, and 8% comes to Derry Township, which covers the 24/7 coverage of the Police Department, Public Works, the Library, Community Center, and Administrative functions for the Township.

Mr. Christman moved forward with an overview of the current revenue, by reemphasizing that revenue should be 25% or greater and expenses should be 25% or less, all of which are currently trending in the correct direction, by matching or exceeding in comparison with the 2023 levels. The PILOT payment the Township receives from the Hershey Medical Center and the Giant Center will not be received until later in the year. The first quarter is generally light, as many of the taxes will not

be received until the start of the second quarter. Mr. Christman responded to an earlier provided question from Mr. Gamble about amusement tax and who the other participants are in the amusement tax collection process. The Township has not received this particular tax and currently is not able to respond with exact details of who is paying what particular amount.

Mr. Christman continued by providing an update on the expense side of the general fund budget; by stating they have kept that section flat, with this goal being accomplished not only by Mr. Christman, but all of the department heads as well who have been entrusted with the management of the public funds.

There are national economic trends that affect the Township but are not caused by the Township. GDP has increased by 1.6% as far as the national economy, which was below the national economist projection of 2.4%. Consumer spending has only increased by 2.5% which is down from 3.3% in the 4th quarter of 2023. It was thought that the Federal Reserve would cut interest rates, however, the rates have remained somewhat the same, which indicates it is a good time to save money, but not a good time to borrow money. The current local housing market has stayed strong and robust but has slowed slightly due to mortgage interest rates.

Mr. Christman has requested that Derry Township stay the course in regard to the budget and tax rate structure. By 2027 and 2028, Derry Township should have approximately \$10 million in liquid cash in the operating reserve, not inclusive of any other dollars in the general fund or any other funds, which is a great operating reserve to have. Currently, it is a great time to save money and we will bring back restructuring opportunities to the Board when it is appropriate.

Mr. Christman opened the discussion up to the Board for questions. Chairman Abruzzo stated it was consistent with what is shared on a monthly basis and positive information to share with the public on a quarterly basis.

Consideration of a new Abuse Prevention Policy (C. Christman)

Mr. Christman shared the Township's insurance carrier, Selective, recommended we revise our abuse and molestation policy. Selective felt the Township's current policy was not consistent with current law. The updated policy provides guidance to all employees of what appropriate conduct is and puts employees on notice if certain activities would occur and what would happen as far as criminal action and/or termination of employment. All of the details are outlined in the policy. If the Board adopts this policy, it would be rolled out to all employees for training, with a sign-off going in all employee files, and annual policy updates as necessary. Vice Chairwoman Nutt asked Solicitor Patrick Armstrong if this is common in other townships, as far as including in their policies. Mr. Armstrong responded with detail that Derry Township was unique in comparison with other township's due to the larger number of minor employees. The potential for abuse goes up with having minor employees. This is why the carrier identified that the policy should be added.

Supervisor Zmuda made a motion that the Board of Supervisors approve and adopt an Abuse Prevention Policy for the Township of Derry as noted this evening. Vice Chairwoman Nutt seconded the motion. **Motion carried 4-0.**

Consideration of Resolution 2024 -14 - Authorizing the approval of an Intergovernmental Cooperation Agreement with Londonderry Township for paving a portion of Shopes Church

Road. (C. Christman)

Mr. Christman stated in early March 2024, Londonderry Township approached Derry Township regarding the paving schedule of Shopes Church Road. As background, Derry Township had planned to pave the Township portion of the road this year and as a result, went through CAPCOG to bid on the roadwork. At that time, Londonderry Township was not on board with the COG bid and missed the opportunity to bid the work on their own. Due to this, Londonderry Township approached us to determine the feasibility to piggyback on the Township contract via an intergovernmental cooperation agreement to pave their 300' section of Shopes Church Road. The Township does not have an issue with this request because it saves mobilization costs to have both sides of the roadway taken care of at one time. The Public Works Department has estimated this work to be \$20,000, with this amount to be paid to Derry Township at the completion of the work. Mr. Armstrong, organized the creation of the Intergovernmental Cooperation Agreement presented to the Board. Londonderry Township manager will have this item on their upcoming meeting agenda, scheduled for May 13, 2024.

Vice Chairwoman Nutt moved that the Board of Supervisors approve Resolution 2024 - 14 - Authorizing the approval of an Intergovernmental Cooperation Agreement with Londonderry Township for paving a portion of Shopes Church Road. Supervisor Zmuda seconded the motion. **Motion carried 4-0.**

Consideration of Resolution 2024 - 15 - eSignatures for State Grants. (A. Jacobine)

Mrs. Jacobine provided an overview of the grants the library has applied, with the majority of the applications involving the Department of Education's Office of Commonwealth Libraries. The Department of Education provides the ability to process signatures electronically. This resolution will allow Township Manager, Christopher Christman, to sign electronically on behalf of Derry Township via e-grants, which will allow for greater efficiency when processing documentation for any grants received, including the Keystone Grant the library was recently awarded.

Supervisor Zmuda moved that Board of Supervisors approve Resolution 2024 -15 - Designating the Township Manager as the signatory for eSignature contracts with the Pennsylvania Department of Education on behalf of the Township of Derry. Vice Chairwoman Nutt seconded the motion. **Motion carried 4-0.**

Request to close West Caracas Avenue from Linden Road to Valley Road, Valley Road from West Caracas Avenue to South 2nd Street, South 2nd Street from the rear of 306 West Caracas Avenue to Valley Road, and related parking restrictions, on the evening of June 2, 2024, from 3:00 PM to 10:00 PM for Pronio's Market 105-year anniversary and community event. (G. Warner)

Chief Warner stated a request was received from Pronio's Market on March 8, 2024, requesting road closures and parking restrictions for their 105-year anniversary and community celebration scheduled for June 2, 2024. A DJ, food and games will be provided for those attending the event. Most of the events will occur in a parking lot adjacent to Pronio's Market, with some events occurring on the roadway in front of Pronio's Market. Road closures have been requested for a period of 3-10 p.m., with the event occurring from 4-9 p.m. Pronio's Market will be responsible for placing and removing the road barricades during the time of road closures, with these requests being made in order to provide a safe environment for those attending the event. The Public Works department will place the barricades in the general area for Pronio's Market to set up and dismantle before and after the event itself. Chief Warner stated the police department shift supervisors will check to make sure the barricades have been set up, as well as removed afterward on the day of the event.

Member of the public in attendance, Lorna Thomas, discussed the success of the previous event. Ms. Thomas asked if the road closure could start at Ridge Road, rather than Linden Road, and potentially reduce the window of closures as the event will occur from 4-8 p.m., rather than the original statement of 4-9 p.m.

Chairman Abruzzo asked Chief Warner if we can approve now with the modified road closures with general road suggestions noted and keep the overall timeframe the same. Chief Warner stated the timeframe can be kept the same and change the road modifications from Ridge Road to Valley Road.

Chairman Abruzzo made a motion to approve the closure of West Caracas Avenue from Ridge Road to Valley Road with the rest being the same as far as timing regardless of the time actually being used, on the evening of June 2, 2024, for Pronio's Market 105-year anniversary and community event. Vice Chairwoman Nutt seconded the motion. Supervisor Zmuda had a question regarding the egress and regress from Chipotle, with Chief Warner responding that this area will not be closed. **Motion carried 4-0.**

Waivers from filing a land development plan, as requested by The Hershey Company, regarding the Hershey West Plant locker room expansion. (C. Emerick)

Mr. Emerick provided an overview of The Hershey Company's West Plant, which was first planned by Plat 616, and recorded on November 3, 1990. Since then, nine additional plats have been recorded, with the last recorded on January 25, 2023. The present project proposes to add a two-story locker room/office expansion which will have a footprint of approximately 2,605 square feet and a floor area of approximately 5,210 square feet and constitutes an approximate 0.4% expansion of the existing facility. This expansion will be constructed over existing impervious area, and will not increase employees, traffic, or sewage need. This is being done primarily to accommodate the male/female ratios of the workforce, which has changed over the years. Nevertheless, this activity is technically defined as "land development" since the ordinance includes 2,500 square feet of floor area to a nonresidential building. This project is in the middle of the site and modifications to the site are very minor in nature. The Derry Township Planning Commission, at their meeting on May 7, 2024, recommended that the request be granted, with Mr. Emerick agreeing to the recommendation.

Vice Chairwoman Nutt made a motion that the Board of Supervisors grant the requested waivers from Sections 185-5.A and 185-5.B of the Derry Township Subdivision and Land Development Ordinance to not require a land development plan to be processed for The Hershey Company's West Plant locker room expansion. Supervisor Zmuda seconded the motion. **Motion carried 4-0.**

Consideration of third time extension for conditional approval of the Final Subdivision and Land Development Plan for Hershey West End – Final Phase J, Plat 1361.

Mr. Emerick discussed Phase J and its focus on approximately 12 acres of the 245.79-acre Hershey West End site. This plan proposes the development of 336 apartment units and 12 single-family attached townhomes. The other amenities in Phase J include a dog park, an extension of the trail system, and a private swimming pool and pool house. The Board of Supervisors initially approved this plan on December 6, 2022, with approval of the most recent extension on September 12, 2023. The applicant, by way of their legal counsel, has requested a third extension of time, until December 30, 2024, to address the outstanding items. Mr. Emerick is recommending that this extension be provided and commented that Neal Fisher (Hankin Group) was present to answer any questions.

An overview of Phase J was discussed as far as buildings and road construction, as per Chairman Abruzzo's request. Chairman Abruzzo requested the details of the other items still outstanding at this point. Mr. Emerick responded, referencing items 1 - 13 in his staff comments presented to the Board of Supervisors. Mr. Emerick discussed the substantial increase in material costs from the time in which the plan was established to the present day. Mr. Emerick also commented on the Parks and Recreation fee of \$550,000.

Chairman Abruzzo noted that the road infrastructure has been completed and much more is forthcoming, but his concern relates to external factors more than likely not changing in six months, which is the timing of the extension request. From a community standpoint, Chairman Abruzzo asked when the Township would see actual construction of the development, and if it will remain as just roadways for the next year or two, and if so, general maintenance of this area would need to be addressed.

Neal Fisher (Hankin Group) stated their goal is to be fiscally responsible, develop responsibly, and not cause harm to the Hankin Group, as well as Derry Township, as far as not wanting to build something that will not be completed or have vacant spaces, as it would become a public nuisance for the Township and property owner. Mr. Fisher discussed the costs associated with recording of the plan, in particular the Parks & Recreation fee, stating he feels as though this should be required at the time of permit and not when the plan is recorded, as it is a financial burden to a project. Moving forward, Mr. Fisher stated the plan will be to build two or three buildings, get them occupied, and then build additional buildings at that time. This will allow them to react to the global economy, reduce the possibility of vacant spaces, and maintain the overall quality of the development. Mr. Fisher stated they are working with The Hershey Trust on this.

Mr. Fisher and Chairman Abruzzo agreed the interest rates will more than likely not drop within the next six months. Chairman Abruzzo stated the Board has a vested interest that the project is developed properly now that it has been approved. Supervisor Zmuda commented on long-term investment opportunities, the housing shortage in the Township, and his opinion that vacancy issues will not be a concern. Mr. Fisher responded with a discussion relating to inflation and mortgage rate increases. Supervisor Zmuda shared the concerns of Chairman Abruzzo as far as an overall opinion that the financial position will not improve in six months. Mr. Fisher commented on his request for help that the Parks and Recreation fee not be charged until building permit time rather than initially up front and burden the project.

Chairman Abruzzo stated he is supportive of the request for the six-month extension and further stated he was not upset with the developer of the project. Chairman Abruzzo stated he was upset with The Hershey Trust as he feels as though they have an obligation to the people of the Township. Bringing this project forward was at the request of The Hershey Trust, with most on the Board today not being in agreement to rezone the land for this project, but The Hershey Trust did get this accomplished. Chairman Abruzzo stated he is certain The Hershey Trust has the funds necessary to work through the current issues in order to move the project forward. Chairman Abruzzo further stated he loved the project idea, but did not like the location, as it was once lovely green space in our community, and shared his overall concern that The Hershey Trust was not present tonight and offering solutions. Chairman Abruzzo requested if another time extension would be requested, The Hershey Trust will need to be present for the request. Mr. Fisher stated The Hershey Trust has been a great partner for the project, stating it is a well-planned project, but the financial situation has changed from the original time of approval. Chairman Abruzzo responded with the opinion that The Hershey Trust could

accommodate these changes.

Chairman Abruzzo made a motion that the approval of the Final Subdivision and Land Development Plan for Hershey West End – Final Phase J, Plat 1361, is extended to December 30, 2024, subject to compliance with items '1' through 13' in the *Department Head Recommendation* section of this agenda item. Supervisor Corado seconded the motion. **Motion carried 4-0.**

SUPERVISOR BOARD/COMMITTEE REPORTS

Supervisor Zmuda stated his appreciation for those who attended Friday's (May 10, 2024) workshop regarding roundabouts. Chairman Abruzzo concurred with Supervisor Zmuda that the roundabout meeting was helpful, and the Board will need to have future discussion about whether or not exploration is needed about potential traffic circles on Chocolate Avenue.

DEPARTMENTAL REPORTS

Police Department

Chief Warner shared the Police Department is currently in the process of hiring new officers, mandated by the Board, to create a Traffic Safety Unit. They have three final candidates who are going through final testing and evaluations, in order to register for the Academy, scheduled to begin on July 8, 2024. The overall goal is to hire two additional officers, to get to the total number of five officers hired.

Chief Warner discussed the virtual training system received from local gaming money, approximately two years ago. It has been used interdepartmentally for in-service officer training. The current academy class at HACC was able to use the training program as well, by going through de-escalation scenarios.

Finally, Chief Warner shared their Honor Guard is currently in Washington, DC, to support activities currently in progress, but also being able to greet family members who have lost a loved one in the line of duty. Honor Guards from across the country are present for the event. Supervisor Zmuda confirmed with Chief Warner that of the five officers to be hired, only four are for the Traffic Safety Unit. Chief Warner agreed and confirmed the fifth position was due to a resignation.

Fire Department

Mr. Sassaman confirmed the Fire Department had 79 calls for April 2024. Also, the Moyer family gave permission for the department to have a controlled burn of their house on Eby Road as a training opportunity. Mr. Sassaman stated this is the best scenario to train a firefighter. With cooperation of other agencies, they went through 20 revolutions of training for the fire fighters. Mr. Sassaman extended his appreciation to the Moyer family.

Public Works

Mr. Watts shared they have installed 14 replacement lights on East Chocolate Avenue due to damage as a result of an accident in 2023. The department is also working on continued line painting projects, weather permitting. Paving repairs started in the Township, specifically on South First Street have been completed. Projects are scheduled for Peach Street, Plum Street, Swatara Station, Second Street, and Areba Avenue. They have continued providing regular maintenance in the parks (playground

cover in Brookside Park and in the rain gardens in Gelder Park). They are continually working through vandalism within Gelder Park, most recently on the block wall for lacrosse. Two seasonal college students have been hired to assist with mowing duties within the Township.

Community Development

Mr. Emerick requested a hearing to be scheduled for a Conditional Use application from Creekview Lawn and Landscaping, 970 Bullfrog Valley Road. Mr. Emerick would like to schedule the hearing for June 25, 2024, at 6 p.m. Chairman Abruzzo approved the scheduling of the hearing.

VISITOR/PUBLIC COMMENTS

No comments.

ADJOURNMENT

SUBMITTED BY:

Supervisor Zmuda made a motion to adjourn the meeting at 8:19 p.m. Vice Chairwoman Nutt seconded the motion.

4-0

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Carter E. V	Wyckoff, '	Township S	Secretary	