

MINUTES

FINANCE COMMITTEE MEETING **(via Zoom webinar)**

October 21, 2021

CALL TO ORDER: 7:03 p.m.

PRESENT: Committee Members: Vice Chairman Winegrad-Carswell-Myers-Hecker
Excused: Chairman Commissioner Vahey

OTHERS: Finance Director Hermann
Township Manager Manfredi
Manager of Financial Services Embery
Commissioner Bole

CONSIDER APPROVAL OF MINUTES:

Commissioner Winegrad made a MOTION, seconded by Commissioner Carswell to approve revised Finance Committee Meeting minutes from June 17, 2021.

It was noted there was a typo in the minutes that was corrected.

MOTION was ADOPTED 4-0.

Commissioner Winegrad made a MOTION, seconded by Commissioner Myers to approve the Finance Committee Meeting minutes from August 19, 2021.

MOTION was ADOPTED 4-0.

ANNOUNCEMENT:

Vice Chairman Commissioner Winegrad announced that Item c. under New Business - Fire Projects Discussion will be removed from the agenda and placed on next month's agenda for discussion when Chairman Commissioner Vahey is in attendance.

PRESENTATIONS:

Update on Noble Town Center Multimodal Grant:

Manager Manfredi explained that the Township was awarded a grant through PennDOT's Multimodal Transportation Fund (MTF). The award was FY 2014/2015 - \$3,000,000 for proposed transit-oriented development at Crestmont and Noble SEPTA Train Stations for improvements to the Noble Town Center and minor improvements to walkway and access at Crestmont Train Station, and although the grant was awarded, it was never accepted by the Township noting the match required would have been approximately \$900,000. PennDOT has asked for the Township's intention and requested that if the Township is not going to use the funding, to send it back and for the Township to put that in writing. The proposed projects outlined in the original MTF application is being reevaluated as they have become somewhat outdated.

Commissioner Winegrad added that the Township does not have the matching funds for the projects and PennDOT has insisted the funds be returned; however, PennDOT is working with the Township and has funded an updated planning study to make improvements especially to The Fairway, and it is more likely to get a grant in the future using PennDOT's study.

Commissioner Winegrad asked for any comments from Commissioners.

Commissioner Carswell asked for the total amount to be returned to PennDOT and what the expected match would have been.

Commissioner Winegrad replied the grant was for \$3 million dollars with a 30% match of \$900,000.

Ms. Hermann clarified that the Township did not actually receive any money from PennDOT.

Manager Manfredi replied that is correct, and because the Township never accepted the funds, there was no contract, so we only need to send a letter indicating that the Township no longer wants to receive the funds.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

Finance Committee reviewed Financial Reports for September 2021 including Investments; Clearing Fund; Deferred Revenue/Expense Activity; Petty Cash Balances; Travel Expenses and Statement of Conditions.

Item FC-01-111021:

Commissioner Winegrad made a MOTION, seconded by Commissioner Myers to approve the September 2021 expenditures in the amount of \$1,961,531.60 and salaries and wages in the amount of \$1,985,327.37, and authorize the proper officials to sign vouchers in payment of bills and contracts as they mature through the month of December 2021.

Commissioner Winegrad noted there is an item authorizing payment in the amount of approximately \$14,000 to PECO for electric that the Township uses, and his issue with PECO is that Ward 7 has an ongoing gas main installation and residents have been smelling gas.

One resident who does not have gas service in his home has been smelling gas and has called the police and fire department about it and he also indicated that PECO has been working in this area for a long time and enough is enough.

So, after checking with Township, there has been 19 calls from residents who smell gas in the Baederwood section of the Township, and he, as Commissioner of Ward 7, takes issue with it and suggested delaying payment to incentivize PECO to get this project completed as we just cannot continue to smell gas. In the meantime, Township resources are being used as residents are repeatedly calling the police and fire department costing the Township approximately \$500 for the police calls and approximately \$7,000 for the fire department.

He wants to incentivize PECO to finish this project as it is unhealthy for residents and a strain on Township's resources, and no one should have to deal with this on a long-term basis.

Commissioner Myers asked for further clarification on the project.

Commissioner Winegrad replied that PECO has been installing new gas lines since the summer and they indicated that they cannot turn off the old system until the new system is installed, and residents are continually smelling gas and should not have to live like that, so anything the Township can do to incentivize PECO to get the project finished and stopping the gas leaks, should be done.

Commissioner Carswell commented that residents smell gas and do not know whether it is safe, so, as they should, make calls about it, and the calls will continue resulting in a continual use of Township's resources and funds that the Township should not have to spend. Has PECO indicated the timeline for completion of the project?

Manager Manfredi replied after speaking with reps of PECO, the problem is larger than it seemed in terms of number of repairs, although they did indicate they intend to have this project completed by November 15th, and when the new main line is installed, they will be able to remove the pipe that the gas is leaking from. PECO also indicated delays are because they are working with homeowners and their schedules.

MOTION was ADOPTED 4-0.

Energy Procurement Discussion:

Manager Manfredi explained that the EAC along with Ms. Ashley McIlvaine have been working on an energy procurement plan for the Township. The Township needs to select a broker who can lead us to the correct energy solution, and at the November 10th Board of Commissioners Meeting, the Board will need to make a determination on an energy purchase noting that the Township should not be entering into a contract for gas due to market conditions, but sign on for a period of time into March, and there are recommendations as to what the Board may wish to consider regarding electric.

Ms. McIlvaine said the work being done is evaluating current energy procurement process as well as find a broker, and we have interviewed five who all have been recommended by the EAC.

After discussions with the brokers, we feel the best approach for natural gas would be to return to the utility for the Township's gas account either through March or April depending on the market. Gas is easier to develop a strategy for because of its consistency in how it has changed in the market over the past few years, and right now, it is at a 10-year high, which is why they are recommending not entering a contract for a lengthy period of time.

For electric, we are in the final stages of vetting two brokers and plan to move forward with one quickly putting forth a recommendation to the Board of Commissioners at its meeting on November 10th. Anticipated is a two-year contract, which is the most strategic approach given the various energy initiatives and we will be gaining a shared-energy manager in November through DEP and then the Township will be able to reduce consumption, therefore change our demand, and have a strategic approach in the future to how we approach energy. Both gas and electric are at a 10-year high.

Presented was a chart showing that currently the Township is at 100% green energy; however, after the Ready for 100 review by the EAC, they recommended rather than 100% green, they feel it is more advantageous for the Township to go 0% green and invest locally and included in the budget are considerations for projects that would impact energy efficiency at our municipal buildings. Once we have a broker, we anticipate having eight-10 suppliers to provide quotes and then the Township can decide.

Commissioner Winegrad clarified that the EAC recommends going 0% green saving money for other projects. Is that correct?

Ms. McIlvaine replied yes, it was an agenda item at their meeting last week.

Commissioner Winegrad questioned whether a broker will be selected using the RFP process.

Ms. McIlvaine replied we sent an email to neighboring municipalities for any recommendations and the EAC sent emails through Ready for 100, and five brokers were recommended, so we then moved forward with interviews.

Commissioner Winegrad asked for any comments from Commissioners. There were none.

Item FC-02-111021:

Commissioner Winegrad made a MOTION, seconded by Commissioner Myers to ratify the selection of United Healthcare for retirees.

Ms. Hermann explained that the Township uses a broker for retiree health insurance premium, and in 2019, the broker offered quotes from regional providers: Humana, Aetna, and United Healthcare. This is an annual agreement and United Healthcare provided a competitive quote for 2020 of 25% below what the Township was paying Aetna at that time, and then United Healthcare reduced it again by another 6%, and subsequently, have offered another quote down 2%. Tonight, she is seeking ratification of an agreement with United Healthcare for one year for retiree health insurance.

Commissioner Winegrad asked for any comments from Commissioners.

Commissioner Myers commented that she is 100% in favor of this move as she has never seen a more proactive healthcare organization.

Commissioner Winegrad asked for the level of service that United Healthcare provides for insurers.

Ms. Hermann replied we do receive many compliments on their level of service.

Commissioner Carswell added that the plan used by her parents has been a Godsend as they are proactive in treatment and testing.

Commissioner Winegrad asked for any public comments on this item or any other item on the agenda.

Ms. Cakky Evans, EAC members, thanked Township staff for their collaboration. In 2018, the cost for renewable energy credits were minimal and noted that there were 21 municipalities that participated in the Climate Action Plan and only five were selected to receive a shared energy manager, and she thanked the Township Manager as well as the Board of Commissioners.

MOTION was ADOPTED 4-0.

Finance Committee Meeting

October 21, 2021

PUBLIC COMMENT – general matters of Finance: None.

ADJOURNMENT: 7:51 p.m.

Respectfully submitted,

Liz Vile, Minutes Secretary