

April 1, 2019 Council Meeting Manager's Report

Below are a listing of activities and updates for the Borough Council, Mayor, and community's review.
The report is not intended to be an all-inclusive report but an overview of selected activities of interest.

March Manager's Report	
Issue	Report
Police Department & Office Construction Project	This project will be completed in the middle of March with the Borough Office and Police Department starting to look like offices again. The flooring is installed, paint has been completed, and casework put in place. The finishing touches are what is left. In the month of March termite damage was discovered in the Police Department vestibule and has since been repaired. The Borough Manager authorized a full termite treatment of 60 N. Washington Street by Gladhill for ~\$2,500.00.
Re-Zoning Request from the Rescue Hose Company No. 1	The Planning Commission met on March 11, 2019 and had a substantive discussion about adding a conditional use to the General Residential Zone "Multi-Purpose Events Center." Council should review the draft ordinance which includes the conditional use and mandatory conditions the Commission desired to put into the ordinance. The Commission will meet on Monday April 8th to review the draft ordinance. Upon affirmation from Council and the Commission the ordinance will be advertised with a target implementation date of Monday May 6th.
Civil Service Testing	The testing process of candidates for the position of Patrolmen has been completed. The Civil Service Commission meets on Thursday April 4th to certify a list of eligible candidates for Council. Staff recommends Council hold a special meeting in April to make conditional appointments where applicants will undergo a physical and psychiatric evaluation per the Civil Service Commission Rules and Regulations. Target hiring date is Monday May 6th.
Stormwater Pollutant Impact Fee- Mapping	The Council voted to have the Borough Solicitor and Borough Engineer to review the methodologies and definitions used in the mapping process and how the final bill would be calculated. Those reviews are near completion. Additionally, per the Public Facilities Committee, the Borough Engineer is performing an audit of the mapping data to give confidence to the accuracy of the data.
Stormwater Pollutant Impact Fee- Public Education	The Administration and Finance Committee has approved a framework that is the basis for the public education campaign myself and Lorraine Hohl will execute over the next few months. We encourage all Borough residents and business owners to attend our town hall meetings, invite us to attend your civic organizations to present, and review our available literature. The goal is to educate as many people as possible out stormwater, the utility, why we need a fee, and MS4.
Stormwater Pollutant Impact Fee- Budget	See attached Policy Briefing Summary

S. Cedar Lane/Baltimore Street Drainage	A complaint has arisen regarding drainage issues on S. Cedar Lane. Ganoer paving will be performing pavement manipulation during nicer weather to allow for the stormwater to not pond along the building on S. Cedar Lane.
Clock Tower Painting	Borough Staff is recommending the approval of a quote to scrape and paint the clock tower to E. E. Mills & Son Painting, LLC in the amount of \$25,000.00. This project was not put out to bid per Section 1402 (d) (1) of the Pennsylvania Borough Code providing exemptions for maintenance projects of public works affirmed by the Borough Solicitor. Staff is recommending that a performance and payment bond be provided per the proposed draft agreement. The project will be completed by end of July 2019. The funding for this project was donated by Dirk and Jenna Mowen.
Green Light Go Grant	See attached Policy Briefing Summary
Rescue Hose Company No 1. Annual Donation	The 2018 approved budget allows for a donation to the Rescue Hose Company No. 1 in the amount of \$17,500.00. This donation was not expensed in 2018 and was brought to the attention of the Treasurer in March 2019. The 2018 and 2019 donation totaling \$35,000.00 was promptly expensed and mailed to the RHC indicating that it was for the 2018 and 2019 donation. A process to ensure this or a similar oversight does not occur again have been put in place.
Franklin-Cumberland Borough Association Dinner	The Borough of Greencastle will be hosting the Franklin-Cumberland County Borough Association dinner at the Rescue Hose Company in April. The speaker will be Mayor Ben Thomas and tours of the station and museum will be given. Dinner will be catered by B-Street 104.
Free Saturday Parking 60 Day Trial Period	See attached Policy Briefing Summary
New Website Launch	The final touches of the website are being put in place. Target go live date is end of April. Staff is looking forward to the efficiencies that "fillable" forms will provide to utility billing and zoning permit processes.
Zoning and Land Use	To date, 14 Zoning/Land Use permits have been issued for a variety of small projects including signs, roofs, sheds, fences, and home additions. The Borough historically issues between 70 and 80 permits annually with the majority being issues during the summer months.
Code Enforcement	The Borough maintains a complaint driven code enforcement model. The Code Enforcement Officer is currently perusing violations along Madison Street, N. Washington Street, S. Carlisle Street, and Franklin Street. The Code Enforcement model is currently be reviewed to determine areas of improvement.

<p>Trickling Filter Removal</p>	<p>One of the more dangerous jobs at the wastewater plant is mowing the banks with a push mower. In particular the bank above the trickling filter is quite steep and high. Efforts to contract this mowing out were unsuccessful. In an effort to work safer Council budgeted to remove the trickling filter, fill in as needed, and grade off to a gradual slope. The Wastewater Engineer, Bill Hill, is drawing up bid specifications for this job. Also included in the bid specs is the removal of the old primary clarifier which would also eliminate a bank we now push mow. <u>Both the primary clarifier and trickling filter were part of the original plant from the 1950's and are no longer used for treatment.</u></p>
<p>Street Sign Replacement</p>	<p>Street signs for Heritage Estates have been delivered and will be installed in the next couple of weeks. Additional signage will include Heritage subdivision and updated signs on the Square for Baltimore and Carlisle Streets. All new signs will have a 9" blank with 6" uppercase and 4.5" lower case letters. Per PennDOT Specs.</p>

Office Construction Project- During



Termite Damage





Policy Briefing Summary *Borough Council and Mayor*

RE: Stormwater Budget and Revenue Plan

Date Presented:	25 March 2019
Prepared By:	E. Ratliff
Proposed Meeting Date:	1 April 2019
Proposed Date of Action:	Spring 2019

Action Forcing Event Initiating Borough Council Action/Review

The Borough of Greencastle has created a Stormwater Utility to operate its stormwater and Municipal Separate Storm Sewer System functions. The utility is an enterprise fund and must have its own revenue plan and be self-sustaining. Expenses for the utility have begun in 2019 and will continue to escalate annually.

Background Information

In 2016 the Borough was notified that it is a Municipal Separate Storm Sewer System (MS4). The MS4 program administered by the Department of Environmental Protection (DEP) requires that MS4's be permitted every 5 years and further engage in sediment reduction activities from an approved menu of projects. MS4 communities must also implement minimum control measures as part of the program. The majority of minimum control measures and DEP approved projects are expense items.

Additionally, the Borough owns and maintains thousands of linear feet of stormwater infrastructure to mitigate flooding during rain events. From time to time the Borough performs expansions to the existing stormwater infrastructure as a government provided service to the community. These functions are costly and will be supported by the Stormwater Utility.

The Borough is one of the first few communities to become an MS4 in Franklin County even though the program has been around since the early 1990s. The program is designed to reduce sediment from stormwater runoff to improve downstream areas and ultimately, in the Borough's case, the Chesapeake Bay. The program is a political hot button causing alarm from some who lack the desire to receive another government imposed fee. All projects to reduce the required amount of sediment must be completed within the permit cycle years.

The state and federal government do not provide steady funding to support the activities of the Stormwater Utility or MS4 program.

Communities have flexibility to impose a fee with a structure that it deems appropriate as long as it complies with state and federal case law. The Borough's Administration and Finance Committee has recommended to the Borough Council that all property owners be assessed a fee for each 100 square feet of impervious area on the property rounded to the nearest dollar. The Committee has also advised staff that it desires to set a fee that can support the utility fully without having to go back and increase rates in the near future.

Analysis

The majority of the Stormwater Utility expenses are going to comprise of human capital and permit required projects. Comparatively, human capital is going to be easier to predict than project expenses over the course of multiple permit cycles. Permit cycles are 5 years in length with the next two permits being complete in 2028. The difficulty of estimating a 10 year budget cannot be understated as they become very theoretical after 5 years losing staff preferred accuracy after 3 years. However, the importance of setting an initial revenue plan at the onset of program, 2019, is vitally important so that the community does not experience dramatic rate increases when beginning the second permit cycle in 2022. The Borough must anticipate the costs of the current permit cycle as well as the future permit cycle in order to set in place a revenue plan that allows the community contributions to remain consistent.

The largest part of the initial permit cycle is the project in 2021 with a combined costs of \$1,017,478.00. This is a stream restoration project and the budget numbers are based on estimates provided by the Borough Engineer, Frederick Seibert, & Associates.

The next largest costs are the initiation of a debt service schedule for a stormwater infrastructure project currently being vetted by the Public Facilities Committee previously given a "good faith" vote by the Borough Council in 2017. This project has been earmarked as a priority due to consistent flooding in the Orchard Neighborhood and S. Linden Avenue. Final approval of the project is expected in spring 2019. The debt service schedule is an estimate from PFM, an International financial consultant with offices in Harrisburg, PA and significant experience in government lending and bond issuance having previous experience with the Borough of Greencastle and Greencastle Area, Franklin County, Water Authority. The estimate is based on current interest rates as a function of the WSJ prime.

The third largest costs are human capital including existing and future additions. The costs breaks down current administrative staff and public works at a percentage of their salary and insurance costs. The percentage of costs attributed to the Stormwater Utility are 15% for the Manager and Assistant Manager, 10% for remaining administrative staff, and 25% for Public Works. New staff adds a professional staff member who will work across multiple domains including stormwater. The budget for this member, wages and healthcare, is \$30,000 from the stormwater fund. Remaining costs for this employee, if approved, will come from other funds such as General and Sewer. All staff costs are escalated at 20% per annum based on previous history with the Borough of Greencastle. Staff members are typically given a general wage increase from 1-4% per annum and healthcare continues to increase 10% or more annually. The Centers for Medicare and Medicaid Services projects healthcare to increase 5% per year for the next 5 years. Borough of Greencastle health insurance claim history makes 5% unattainable at present time.

All escalations in the proposed budget do not include a discount rate to calculate the future value of money adjusting for inflation.

The out years of the proposed budget, years 2023 and beyond are difficult to predict some of which has been outlined above. However, the Borough must be prepared to fund similar projects as the first permit cycle in the next permit cycle. As evidenced in the first permit cycle, costs will be significant despite difficulty to predict.

The proposed budget assumes the major project in the next permit cycle will be 25% greater than the first permit cycle costs. The anticipation is that the second permit cycle will again require a 10% reduction in sediment from stormwater runoff which will be more difficult to achieve than the first 10%. This estimate is \$1,472,917.00 which would include engineering, permitting, and construction. The plan is to engage in another joint stream restoration project with Antrim Township to repair [REDACTED]. Completing a joint project allows for a savings on engineering, bidding, and equipment mobilization. The project is estimated to begin in 2025 giving it two years to be completed before the permit expires and renews.

The proposed budget also budgets for the stormwater fee credit program which is currently being built. The budget assumes \$40,000.00 in credits will be issued annually which is approximately 6% of the annual need to support the next two permit cycles. If \$40,000.00 of credits is not issued annually than the balance can go towards supporting any shortages that may arise or paying down debt service early generating a savings from borrowing.

Lastly, the proposed budget puts in place an annual contribution to the Stormwater Utility reserve fund. Government is not in the business of profiting but the cash budget does allow itself to spend the entire budget giving a cash balance insufficient to support itself if there are any overages. The proposed budget gives \$25,000.00 annually to a capital reserve fund. This budget number is 3% of the annual revenue generated.

In order to support the above outlined budget the Borough would need to raise \$780,000.00 per annum putting the community in the position to support the projected costs of the next two permit cycles or 9 years. With the outlined assumptions the carrying cash in the second project year, 2025, would be \$47,161 with full budget spend.

Recommendation

For the reasons outlined within I recommend that the Borough Council approved the proposed budget and revenue plan as presented.

The Administration and Finance Committee have approved the recommendation that is the subject of this briefing.

Policy Briefing Summary *Borough Council and Mayor*

RE: Free Parking on Saturdays

Date Presented: 25 March 2019 and 1 April 2019
Prepared By: E. Ratliff
Proposed Meeting Date: 1 April 2019
Proposed Date of Action: 1 April 2019

Action Forcing Event Initiating Borough Council Action/Review

Borough business owners submitted a petition with 15 signatures asking for free metered parking on Saturday's in order to facilitate shopping activity downtown without shopper fear of receiving a parking ticket.

Background Information

The Borough maintains 149 metered parking spaces in the downtown and 1 block radius. Parking enforcement is a function of the Police Department who has a part time meter maid and a complement of police officers. Metered parking is \$.10 for 20 minutes or \$.25 for 1 hour. From June 2, 2018 through September 29, 2018 an average of 3.27 tickets were issued on Saturdays with a total of 59 in that time span. Parking tickets for an expired meter are \$10.00.

The Public Facilities Committee is currently studying the impacts of moving to a no parking meter model and still enforcing parking time limits. This briefing is a different function of metered parking with implications to the aforementioned study.

Analysis

Providing free parking in the downtown can be a positive public relations decision especially with the support from the downtown business owners. There is no non-metered parking in the downtown so if a shopper arrives without change to pay the meter than parking becomes a difficult event. Receiving a parking ticket only provides a negative exacerbation of that event.

A concern posed is that non-shoppers will park in the downtown and not move their car causing the occupation of that space. This would be counter to the mission of providing available parking for the businesses. Likely offenders would be tenants and employees of the downtown. This provides an interesting test case for a larger study of moving to non-metered parking but still enforcing parking time limits. Documenting the total quantity of space occupiers will allow

us to understand potential issues of moving away from parking meters. Such documentation provides more information to help build an enforcement mechanism to offset those issues.

The Chief of police reports that Saturday parking meter enforcement is on average 30 minutes per Saturday. Moving to free parking would not significantly impact any community policing strategy.

Financial

Parking meter revenue annually is less than \$20,000.00 with no way to discern daily revenue flows. The impact of free parking on Saturday is likely nominal with 11 months of 5 day metered parking still in place. The Borough provides free parking in the month of December.

The Borough will have to install new stickers on the meter detailing the new parking requirements and that it is free on Saturday. This will be performed in house at little costs.

A police officers time to patrol the downtown for parking meter violations at 30 minutes per Saturday provides relief of not more than \$12.10 per Saturday.

Using June through September 2018 as an example ticket revenue may reduce by \$1,000.00.

Recommendation

For the reasons stated above, narrowly focusing on a greater study, staff recommends that free parking be approved on Saturday's for a 60 day trial to allow a reassessment of impact. Business owners should be asked to complete a survey of the beginning and end of the 60 days to allow an assessment of their reactions.

The Public Facilities Committee has approved the recommendation outlined in this briefing.

Respectfully Submitted,
Eden R. Ratliff
Borough Manager