

UPPER MERION TOWNSHIP BOARD OF SUPERVISORS
WORKSHOP MEETING
JUNE 10, 2010

The Board of Supervisors of Upper Merion Township met for an Informational Workshop Meeting on Thursday, June 10, 2010, in the Township Building. The meeting was called to order at 7:28 p.m., followed by a pledge to the flag.

ROLL CALL:

Supervisors present were: Greg Waks, Bill Jenaway, Joseph Bartlett, and Erika Spott. Also present were: Ron Wagenmann, Township Manager, Judith A. Vicchio, Assistant Township Manager, and Carly Fenske, Township Solicitor. Supervisor Ed McBride was absent.

DISCUSSIONS:

WAIVER OF FEES: SIGN PERMITS FOR CHURCHES

During his presentation, Mr. Mark Zadroga, Zoning Official, made the case that staff time is involved in processing sign permits with no revenue since church fees are often waived. Good Shepherd and Mother of Divine Providence representatives were present at this meeting. Mr. Zadroga noted that approximately 25 temporary sign permits are waived per year. He said that the issue is should the current practice continue or if consideration should be given to collect a portion of the fee for the services.

A discussion followed centering on the temporary sign question to provide equality for all non-profits (religious and/or non religious), the twice a year (no more than 60 day) restrictions, and the possibility of a semi-permanent magnetic-type sign with changeable messages thus precluding the need to return for temporary sign permits.

The question of lawn signs was raised and Mr. Wagenmann responded that lawn signs are not controlled by the township if the home owner puts them up. He pointed out that this is what happens with political signs; however, the township does restrict them within the right of way.

As a result of the discussions, staff will check to assure consistency in the Code. It was decided that qualifying institutions, showing proof of non-profit status, would have to go to the Zoning Hearing Board for the rotating message semi-permanent sign.

DISCUSSIONS:

PRESENTATION RE: TANGENT ENERGY SOLUTIONS – SOLAR POWER

Mr. Wagenmann stated that Tangent Energy is affiliated with Converge Electric with whom the township has an agreement on load sharing covered under the COSTARS Programs; Tangent provides their solar energy aspects. The proposal is that this system would operate without township capital investment in return for a long term agreement (20-25 years) and available federal tax incentives. The energy generated would be supplemental to utility purchased power. There is a July deadline approaching to apply for state energy grants.

Mr. Andy Meserve, VP, Solar Sales & Development, discussed who Tangent is as a company, explained how energy is purchased, how solar works, what happens to help reduce peak load if solar is not available, the interaction with the building's electrical supply, possible township property locations for solar, environmental benefits and improved energy cost.

Highlights of Mr. Meserve's presentation include:

- Solar is not a back up power.
- Tangent works with the roof manufacturer to make sure all warranties are adhered to and not compromised in any way; the engineering assures that the weight of that system is sufficient for the wind load, etc., and that there is no penetration which is key to preventing leaks. He said that the Township building roof would hold roughly 213 kilowatts. Since the roof needs to be replaced in a year or two, there may be a way to include the cost of a roof replacement into the whole financing agreement so that there is no capital outlay on the roof. Mr. Meserve said that this is something they would have to look at.
- Solar modules warrant for 25 years. Since ground mounts are long-lasting systems they are good for areas where you know it will not be used for 20 or 30 years. Not good for an area you may park in or expand a building.
- parking lot covers offer covered parking and deflect asphalt heat. Mr. Meserve indicated the possibility of parking lot covers for the parking lot just south of the building. With this location there are some trees that would have to be removed, replaced, or planted somewhere else. Mr. Meserve commented that Heuser Park has a parking lot cover area for solar that would not interfere with any of the parking.

- Mr. Meserve indicated that the township garage would hold about 110 kilowatts.

Mr. Waks stated that he assumes there are installation costs for installing solar on a roof and he asked if the 20 year cumulative savings in electricity costs also includes installation costs. Mr. Meserve responded that there are two ways to purchase solar. The township could pay the installation cost, manage it and own it. That would be one way. He noted, however, that public entities do not get federal tax benefits. Mr. Meserve said what they do as a company is that there is zero capital outlay and for Upper Merion the answer is it would totally include all the capital costs for installation since Tangent owns it.

Mr. Waks asked for additional clarification on how it works. Mr. Meserve responded that GE Solar makes the modules. Tangent purchases those from them and Tangent installs them.

Mr. Waks asked if Tangent is responsible for maintenance. Mr. Meserve responded in the affirmative.

Mr. Waks asked how successful Tangent has been in receiving financing or getting investors. Mr. Meserve responded that Tangent has been successful; however, it is different than just walking into bank for a loan. He said that there are project finance markets and explained that they finance the validity of the project so that you have to go to companies that understand energy project financing.

Following on Mr. Waks questioning, Mr. Meserve said it is Tangent's responsibility to build it and make it work and companies that finance these projects know if it is going to perform before they finance it.

Mr. Waks said he assumes nothing gets installed until financing is set. Mr. Meserve responded in the affirmative.

Mr. Waks asked how long it takes to put the financing in place. Mr. Meserve responded that it is very much like a home mortgage and they work with a couple of companies to build portfolios. He said the financing is there if they have portfolios.

Mr. Jenaway asked how long Tangent has been in Business. Mr. Meserve responded that Tangent has been in business for one year and noted the limited partners who are behind them.

Mr. Bartlett asked if there are any safety concerns with generating all this power. Mr. Meserve said there is no danger walking by but it is a high voltage system and the installation is very important since it is an electrical generator.

With regard to a power outage in the area, Mr. Jenaway indicated that it was his understanding that the system cannot funnel the energy into the PECO system. Mr. Meserve responded in the affirmative.

Mr. Jenaway commented that it is still generating power because the sun is obviously hitting the panels and he asked how that energy gets stored and managed on site. Mr. Meserve said it does not get stored and he explained that the inverter will not operate without AC power so it stops at the inverter.

Mr. Jenaway said somewhere along the line there is going to be a heat build up and asked how that is managed. Mr. Meserve responded that the inverter has large heat sinks built into them and that is part of the inverter that gets rid of the heat whether the system is exporting power or not. He offered to get more technical details on the safety features of the inverter as well as the UL listings.

Mr. Jenaway asked about the impact of hail on the solar panel field. Mr. Meserve responded that he has never had one returned because of hail. He said that the modules are essentially a tempered glass very similar to the properties of a windshield so hail could break it. Mr. Meserve noted that these systems are fully insured.

Mr. Jenaway asked at what force the drop plans are tested. Mr. Meserve was unable to answer that question.

Mr. Waks asked if the insurance would include a case of vandalism. Mr. Meserve responded in the affirmative.

Mr. Meserve stated that customers are asked to sign a letter of intent. He explained that the letter of intent indicates that Tangent would like exclusivity for a certain amount of time usually 60 days or whatever the grant cycle is in order to get this into the grant cycle. Some engineering would be done consisting of looking at the roof and soil structures and then do electrical engineering (usually amounting to \$5,000) to see where the tie-ins are. If at the end of the period, Tangent comes back and says they cannot do what they thought they could do, Tangent would absorb the engineering costs. If at the end of the period, Tangent came back and said they can do the job, the Township has an option either to pay Tangent for the engineering fees or they would put that into the project and move forward with the project.

Mr. Waks asked if the only upfront cost would be the design/engineering. Mr. Meserve responded in the affirmative.

As part of the financing arrangements, Mr. Waks asked if the roof could be included in that. Mr. Meserve responded in the affirmative.

Mr. Waks asked what is being requested from the Board of Supervisors. Mr. Wagenmann responded that the idea would be to authorize Tangent to put together a letter of intent and then Mr. Wagenmann would bring it back for the consideration of the Board of Supervisors.

Mr. Meserve emphasized that the time limit on the grant is July 7, 2010.

Mr. Meserve indicated that the project could be made contingent on the grant as was done with the Bethlehem School District. If the grant is not awarded then it is not a project since there is a significant difference between getting a grant and not getting a grant.

Mr. Wagenmann suggested prompt action on the letter of intent.

Mr. Jenaway agreed with moving forward; however, he said he is not a supporter of carport facilities, particularly in the back of the township building. He commented that the viability of putting it on the roof here [township building], on the garage or on the plant buildings makes sense. Mr. Jenaway also had great reservations about having solar in Heuser Park for several reasons and he would like to see some alternative sites.

The Board agreed that a letter of intent should be drafted for their review.

DISCUSSIONS:

WEBSITE PRESENTATION

Mr. Scott Widenhofer discussed the status of the website and indicated that plans are on schedule. Input was received from the ECDC, Media Communications Advisory Board and the E-Government committee.

Mr. Widenhofer provided an illustration of the proposed home page and described some of the features.

Mr. Waks asked if July 1 is the target date. Mr. Widenhofer responded that the target date is July 19. He noted that training will occur from June 21-24.

The contract calls for 150 pages and then township staff will do the remaining pages.

A brief discussion followed. While the supervisors generally agreed that the site was much improved, several suggestions were made for further improvement and refinement.

DISCUSSIONS:

WEBSITE ONLINE PAYMENT

Mr. Hiriak stated that the Township has been accepting over-the-counter credit card transactions for approximately 10 years and subsequently has been paying merchant fees for that acceptance. He explained that with the recent changes in card holder agreements the Township's merchant payments are eliminated and the Township is now allowed to charge a convenience fee on the user of the credit card.

Mr. Hiriak noted that most of the merchant fees the township pays are related to Park and Recreation and over the last two years approximately \$12,000 has been paid out. Other transactions in lesser amounts are for General Fund items, parking tickets, building permits and, sewer bills.

A provider for any of the convenience fee systems has not been selected as yet and research on various options is continuing.

From the over the counter standpoint, the cards that can be used for convenience fee payment are Discover, American Express and MasterCard. Currently VISA may only be accepted for tax payments; therefore VISA could not be accepted for any other transactions. Mr. Hiriak explained that in going the convenience fee route, the township would not be able to accept VISA anymore until they honor the convenience fee and change their rules. He pointed out that 60% of credit card transactions are VISA. From the over the counter standpoint there are no other alternatives, but those three cards (Discover, American Express and MasterCard, cash or check.

If the Township adopts convenience fee based processing a significant hard expense would be eliminated.

Mr. Bartlett asked for clarification about the amount of a convenience fee. Mr. Hiriak responded from the three credit cards that have been reviewed, the low has been 2.45% and for a \$100 transaction, it would cost the cardholder \$102.45.

During the group discussion Mr. Hiriak made the following points. Credit cards are now accepted on the township website, but it is manual on the processing side. Swiping is the cheapest transaction fee, keying it is the most expensive and that is how it is processed now. He explained that credit card terminal machines would be abandoned for a web based system where the PC becomes the terminal and a swipe mechanism is connected via the USB port. Mr. Hiriak said theoretically the user is now paying the merchant fee and that is how the credit card company is making their profit. Mr. Hiriak pointed out that people use the cards regardless of the fee since it is a matter of convenience. He indicated that the township is interested in expanding online bill paying and making it more E-friendly and the new website will have more of a focus on online payments.

Mr. Wagenmann said the recommendation to the Board is to go with it. The goal is to expand the use of the website and in the long term that will enable the township to process more and help to reduce labor costs.

Before the Board moved on to the next agenda item, Mr. Waks reported on the recent Transportation Authority meeting wherein he heard that the American Heritage Credit Union is offering better rates than various other banks. He also noted that this is a local credit union that is interested in keeping money invested in the community. Mr. Hiriak responded that they offer a very attractive rate and all that is necessary for the township to utilize their services is to have the supervisors authorize that it can be a depository.

Mr. Wagenmann responded that the appropriate resolution would be placed on the Board's agenda for June 17, 2010.

DISCUSSIONS:

CITIZEN BOARD APPRECIATION LUNCHEON

Mr. Wagenmann stated that he wanted to have this discussion because the citizen board appreciation function has been moved from a dinner format to a luncheon format and as a result costs are reduced by over 40%. After a brief discussion, it was decided that the luncheon will take place on either Sunday, October 3 or Sunday, October 10.

DISCUSSIONS:

PARKING STANDARDS FOR NON-RESIDENTIAL USES

Mr. Rob Loeper, Township Planner, discussed parking standards for non-residential uses. He indicated uses were identified that warranted a change in

the parking requirement and other uses wherein the code was silent that created various problems.

Mr. Loeper explained that over time people use buildings differently and community and travel patterns change consequently parking has to adjust accordingly. At this time the proposal would be for more spaces for office buildings and fewer spaces for commercial uses. Previously a retailer wanted to provide as much parking as possible, but with more awareness of environmental issues as well as the cost and development of the land they are starting to take a second look at parking distribution.

Mr. Loeper indicated that the Valley Forge Shopping Center was considering significant redevelopment to include a new Target store which would change the features of that shopping center. At that site the proposal is to go to a lower ratio of parking spaces to space.

With regard to retail, free standing retail has been separated from shopping uses. He explained that often the free standing uses tend to be smaller and because they are smaller they do not have any of the margins of a larger parking field that can accommodate peaks better. If you only have a site with five parking spaces, the peak is five and if you have seven customers there is a parking problem. With 400 parking spaces there is more variety and availability.

Mr. Loeper utilized a chart to outline in detail the existing Code use/parking required and the proposed use/parking required for off street parking.

Mr. Loeper noted that one of the refinements is the elimination of legalese language and the incorporation of charts. He indicated that one of the biggest problems with parking codes is the need for standards to enable enforcement. He also acknowledged that finite, rigid types of standards can also create problems.

Mr. Loeper indicated that present at the meeting are representatives from the Valley Forge Shopping Center who are considering redeveloping the shopping center with a Target as the flagship store. He noted that a large portion of the existing center would be demolished and a new store would be built with parking underneath. He noted that they are comfortable with the 4 ratio standard.

A brief discussion ensued regarding some areas in King of Prussia with varying parking demands at different times and the difference it makes when restaurants are associated with retail use.

Since the proposed Target would be most affected by parking Mr. Bartlett asked what parking ratio would work for them. An unidentified representative of the Valley Forge Shopping Center indicated that there was an extensive study done at eighty Target higher volume stores across the country the week before Christmas and the result was that they were over parked by a fair amount. They found that the 4.0 ratio was more than adequate even at the busiest times of the year.

Mr. Loeper indicated that a formal ordinance will be proposed over the next month and submitted to the planning commissions.

Mr. Jenaway reported on a recent meeting held by the Delaware Valley Regional Planning Commission attended by representatives from the 9-county region to better understand their long range plan. He noted several areas related to Upper Merion that reflect favorably on the township.

DISCUSSIONS:

BOARD POLICIES

Right to Know Policy and Procedure:

Mr. Wagenmann stated that this policy is to conform to state law and the recommendation that each community also have its own Right to Know policy that dovetails with the state law. Pending comment from the Board of Supervisors this policy will be scheduled for a future meeting.

Mr. Jenaway asked if requests for the fire company or ambulance squad would be handled in any certain way since they are quasi municipal agencies. Mr. Wagenmann responded that these requests would first go to Angela Caramenico, Open Records Officer, and if there is any question they would go to the Township Solicitor for appropriate guidance.

Approval of Expenditures:

Mr. Wagenmann stated that this policy provides levels of expense which must be approved by the Board of Supervisors. He pointed out that he is authorized to approve as long as it is within the budget and up to \$5,000 anything above that must be approved by the Board of Supervisors.

Township Memorials:

Mr. Wagenmann explained that this is a policy about making donations, flowers, etc. to deceased members of the township “family.” He also indicated that there are notification procedures and certain flag protocol that is followed. Pending comment from the Board of Supervisors this policy will be scheduled for a future meeting.

Board of Supervisors Zoning & Planning Group:

Mr. Wagenmann explained that this is the zoning planning group that meets with the developer and it is redefined to be specifically the Chair and Vice Chair of the Board.

Mrs. Spott asked if language could be included so that if the Chair and/or Vice Chair is unable to be present that another Board member could be substituted. Mr. Wagenmann responded that wording could indicate that the Chair would have the right to designate a substitute(s) if there is a conflict.

Heart & Lung Act Policy

Mr. Wagenmann stated this would make sure that it not only covers police, but would cover the fire investigators and the inspector personnel under the Heart and Lung Act under Workers Compensation. Mr. Wagenmann indicated that the Township Solicitor will review before it is brought back for the consideration of the Board.

Waiver of Fees:

Mr. Wagenmann stated that this policy covers waivers of various fees for non-profits for other than signs [previously discussed under the agenda’s first item].

There was a brief discussion to clarify the process for building permit waiver requests during which Mrs. Spott commented on the need for more specificity in the paperwork: who is making the request, if it is a non profit, the reason for the request, is the fee considered unreasonable, is it hardship related, etc.

DISCUSSION ITEM RE: BUSINESS TAXES

Mr. Waks commented on the recent Business Improvement District meeting wherein the discussion centered on the misperception that business taxes in Upper Merion Township are very high. He pointed out that during the

recent joint meeting with ECDC the ECDC proposed the idea of working on this issue. Mr. Waks requested that the ECDC be tasked to create a document which he has tentatively called, "Why Upper Merion." He said that such a document could ultimately be posted on the township website and be an informative piece that commercial real estate agents could distribute to prospective tenants to present the strengths of locating a business in Upper Merion Township. This would have the added benefit to dispel some of the misperceptions as well.

Mr. Bartlett commented that it is a good idea and suggested that ECDC's evaluation indicate that Upper Merion Township offers more services.

A brief discussion followed suggesting additional comparisons to be made with neighboring municipalities where Upper Merion enjoys an advantage. Mr. Wagenmann commented that the ECDC should meet with staff and the Finance Director for information that is available for this comparative document.

Mr. Waks discussed the "Key to Upper Merion Township Program." Mr. Wagenmann commented that research is underway with regard to prospective companies, set up costs and minimum orders required. Also under consideration are occasions when the key would be presented and other times when an alternative to the key could be used that might be more reasonable in price. Mr. Wagenmann stated that additional ideas will be forthcoming for the Board's consideration.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 9:48 p.m.

RONALD G. WAGENMANN
SECRETARY-TREASURER/
TOWNSHIP MANAGER

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Minutes Approved:

Minute Entered:

NOTE: The entire proceedings of the business transacted at this Informational Meeting were full recorded on audio tape, and all documents submitted in connection thereto are on file and available for public inspection. This is not a verbatim account of the meeting, as the tape is the official record and is available for that purpose.