

Michael Stump, Chairman of the Board, called the meeting of the Alsace Township Board of Supervisors to order at 7:00 pm. Also present were Vice Chairman Sam Mallatratt, Member David Barth, Kimberly Mallatratt, and Solicitor Gary Swavely. The meeting was held at the Alsace Township Municipal Building. Mr. Stump led the Pledge of Allegiance.

MINUTES: Sam Mallatratt made a motion to approve the minutes from the August 15, 2018 meeting, David Barth seconded, and the motion was approved.

PUBLIC COMMENTS:

Mr. Stump asked that if there is a member of the Fire Company that would like to speak as a representative of the Company it may be easier that having numerous individuals speak and repeat the same points.

- Paul Kalin asked the Supervisors how we picked three primary and two secondary fire companies. Mr. Barth responded that there were numerous meetings with other fire chiefs in the area. Mr. Kalin interrupted Mr. Barth and provided several Township areas that he was concerned about. Mr. Barth then explained that as the Township is spread out and irregularly shaped, the three Primaries were chosen because they were high in rescue as 33% of all calls are accidents and less that 4% are fires. He further explained that is why Lower Alsace was selected as they have tankers with water. Mr. Kalin expressed concern about the fire insurance rates going up. Mr. Barth explained that the insurance companies will be reviewing the access to equipment that will be available to the residents which comes into play with insurance rate evaluation. Mr. Barth explained that the logic involved regarded developing “triangles” around the Township for water, ladders, rescue equipment. He further explained that this is a work in progress. Mr. Kalin asked if Mr. Barth had any experience in fire and EMS management. Mr. Barth stated no, which is why he is seeking advice from numerous fire companies in the area and would not attempt to develop this plan without input from multiple individuals and companies with experience.
- Rich Christ brought up a situation that is occurring at 111 Greenwood Drive. The property owner has passed away and there are squatters living in the property. Mr. Christ asked what the Township is doing, and can do, about the situation. Mr. Swavely explained that the property has gone through sheriff sale in early July and that the deed was transferred to the bank on July 31st. Mr. Swavely has been monitoring the situation and at present no ejectment action has been filed. The Township has no ability to eject the squatters as the Township does not own the property. Currently the property is listed for sale with Bold Realty – Richard Sacchetta (sp) and Remax at 610-200-6603. After a discussion it was agreed to have our Codes Enforcement Officer stop by the property. Mr. Swavely was authorized to contact the realtor regarding the property also.
- Keith Eckert – Mr. Eckert asked who the Primaries and Secondaries were for the Township. Mr. Barth stated that Mt. Penn, Goodwill and Ruscombmanor are now our Primaries, and that Lower Alsace and Central are our Secondaries.
- Phil Kline – Mr. Kline read a prepared statement to the Supervisors. A summary of the Statement included the desire for the Supervisors to immediately reinstate the Alsace Manor Fire Company and to work to resolve the issue with the Fire Company through an

independent mediator. It is believed, that the actions taken by the Board have been a disservice to the taxpayers and volunteers of Alsace Township. Further it stated that these actions have put the community and the safety of residents at risk. Additionally, the statement read that Mr. Kline believes that the Supervisors overstepped their bounds.

- Mary Lou Kline asked if she could be provided with a brief history of the events that have led up to the Fire Company de-certification. Mr. Barth provided an overview of events and reiterated that the Township has made numerous requests for two years of bank statements, current bylaws and proof of non-profit status. Mr. Barth stated that when these documents are received and adequately reviewed, then a process could begin to consider reinstatement. In the meantime, public safety is the number one priority which is why the Township has named new Primary and Secondary fire companies. Mrs. Kline then asked about the time frame for de-certification and why it was only three days. Mr. Barth then explained it was a far longer process that three days and that there were many steps leading up to the decertification. There was also no response from the Fire Company to address issues presented throughout the process which lead to Mr. Barth's movement to begin discussing Township fire and emergency coverage through other companies. After numerous interruptions, the Business Manager restated the timeline of events for the public.
 - The Township Business Manager and Mr. Barth began work on a Five-Year Budget for the Township. During that work process financial discrepancies were noticed in the Fire Company Annual Report which was provided to the Township over a number of years.
 - A meeting was held with Ms. Becker to discuss these discrepancies. The questions that were posed to Ms. Becker at that meeting were not answered.
 - Ms. Mallatratt and Mr. Barth then attempted to research additional information to document these discrepancies. A second meeting with Ms. Becker was requested where additional questions were posed with no responses provided.
 - The Township Annual Audit was being conducted at the same time. The independent auditor engaged in a conference call with both Ms. Mallatratt and Ms. Becker to ask Fire Company related questions specifically related to the purchase of the tanker truck. Ms. Becker provided responses to the auditor, however was not able to adequately answer specific questions regarding the proper purchasing of the truck and the swing loan financing. Additionally, the auditor also noted in the final audit report the fact that the Township went over the Fire Company budget in 2017 by slightly over \$34,000.
 - Additional questions were posed by the auditor and the Township's financial institution regarding proper IRS Form 990 filings and Non-Profit status.
 - Ms. Becker and the other Fire Company Board of Directors attended a meeting at the Township with Mr. Barth, Mr. Swavely and the Business Manager to discuss these and additional questions. No questions were answered at that meeting. The Fire Company Board of Directors stated that they would bring the matter to their members to decide how they wished to proceed. The Township was told they

would not release the documents through a letter. The letter did not ask for a meeting, only stated their decision, and that the Fire Company was retaining legal counsel.

- At this point communication completely broke down. Throughout the previous several months was when the various actions were taken involving shutting off funding and instituting the change in authorization of the run cards. None of these actions elicited response from the Fire Company.
- Ms. Mallatratt explained that this is no longer a singular issue and that there have been numerous opportunities to come to the table for discussion.
- A letter was received from the Fire Company lawyer on September 4, 2018.
- Mrs. Kline asked additional questions related to the independent audits. Ms. Mallatratt explained that the Fire Company has line items in the Township General Fund budget. These are the line items that are audited. Ms. Kline further asked if this is where the bank statement requests came into play. Ms. Mallatratt stated that the bank statement requests were part of the review of the previous annual reports which were provided to the Board of Supervisors over numerous years which were found to be incorrect. Specific answers on why these reports were incorrect were not provided. When questions were posed to Ms. Becker and the rest of the Fire Company Board of Directors regarding proper IRS filings and whether they were made, the response has been consistently “I don't know”. Mr. Swavely then stated that he requested a copy of the current Bylaws at the meeting and was told by the President of the Fire Company Board that he needed to be a member of the Fire Company to get a copy. Mr. Swavely reiterated that this is the type of response that we have received for over six months.
- Ms. Mallatratt further explained that the reason the Township is requesting bank statements is that over the past twelve years the Township has paid through their General Fund all of the insurance, utilities, maintenance, repairs, payments on equipment, along with other items. In 2006 the Township stopped their fire tax and instead opted to pay the bills directly from their General Fund. Ms. Mallatratt explained that when the Township pays bills that support the operation of the Fire Company, that they require an understanding of how the operation is run. If there are questions about the proper operations of the Fire Company the Township has a right to that information and to have those questions answered.
- Mrs. Kline asked if something changed in January. Ms. Mallatratt stated that nothing changed in January other than having a Board that reviewed the report closely and accurately.
- Mrs. Kline also asked the Business Manager if the bills for the Fire Company were still being paid. Ms. Mallatratt stated that there were paid through June when the Supervisors voted to suspend further payments. Mrs. Kline asked a follow-up question regarding whether these items were still in the budget. The answer was that they are still currently line items in the Alsace Township budget. It was further explained that there was never an intention of not having these items in the budget, nor is there an intention of not having these items in the budget moving forward.

- Wesley Howell – Began his remarks by stating that the Supervisors lied during the previous meeting. He expressed concerns regarding current response times, trucks not making dispatches, trucks showing up with no water and only one man. Mr. Howell recounted a story of an incident that he felt was lacking in response time and manpower. Mr. Stump also stated that there have been times when the AMFC has not responded as well. He again reiterated that this is not a slam on the AMFC's responses or their abilities, but that there are matters that need to be addressed which have not to this point in time. Mr. Howell believes that the companies that were selected were inadequate. Mr. Howell then stated that he doesn't believe that no effort was made by the Fire Company to resolve the issues. Mr. Swavely then asked the fire company representative if they were prepared to present the two years of bank statements, by-laws, and non-profit certification statement at the meeting. An answer was not provided at that time.
- Keith Blankenbiller – Mr. Blankenbiller stated that he contacted his insurance agent. He stated that the ISO rating is 4 for the Township. He claims that his insurance coverage will almost double and that the Township will move to a 10. He also believes that the previous supervisors had a good relationship with the Fire Company. He said they looked at each budget, and they earmarked money for the Fire Company and that they kept them in line. He stated that his understanding to this point was that the Fire Company had taxpayer paid line items in the budget and that these items were paid which keeps the Fire Company "fat, dumb and happy". Mr. Blankenbiller then stated again that he thought they were "fat, dumb and happy". He stated that he believes the Attorney General should be called if the money in question is from donations and that is beyond what the Supervisors should be doing before we lose the Fire Company. Mr. Swavely then stated that he has spoken with the Attorney General's Office, the State Fire Commissioner and the Berks County District Attorney, John Adams about the matter. Mr. Swavely stated that the Township is not aware of any criminal wrongdoing at this point and it's not a matter of simply bringing in the District Attorney to investigate. The issue is more complex and no one on the Board is making any accusations of this nature. Mr. Blankenbiller again stated his disagreement with shutting the Fire Company down.
- Mary Monosmith – Stated that she is getting many questions regarding donations from the Social Quarters to the Fire Company.
- Bonnie Landis – asked if there was any new information on the Sewer Extension project. The Business Manager stated that grant funding is still pending and a decision is expected toward the end of September.
- Wendy Becker, Chief of the Fire Company, spoke as a representative of the Fire Company. She explained that the previous evening she got the crew together as there have been many rumors and misconceptions. She is hopeful to find a quick and cordial resolution to the outstanding issues to bring the Fire Company back. She stated that the Township has been generous over the years. When the fire tax was dissolved, the previous Supervisors told the Fire Company to bring their bills to the Township office to be paid and that there was no problem. She confirmed the previous statements made by the Business Manager that these bills included those for utilities, maintenance, insurance, worker's compensation, fuel, etc. She also stated that the Fire Company also paid additional bills from donations and fundraisers. She also stated that they receive state grants which many times require matching funds. She stated that the money paid by the

Township never is put into the Fire Company accounts. The only money that goes into their accounts is from fundraisers and the Fireman's Relief Association. She then read the Second Class Township code to the Supervisors. She then stated that they have made attempts to provide information related to the Social Quarters donations. She stated that there were discrepancies with the information related to the dates of the donations and deposits. Ms. Becker then stated that she worked with Ms. Monosmith of the Social Quarters and while there was a problem, it was not that the money was not accounted for. Ms. Becker further stated that there was a problem with the formulas that were part of the annual financial report. She stated that she attempted to provide this corrected report but that she was told that the Supervisors wanted bank statements at that point. She stated that she believes they should have been given 30-days notice prior to de-certification. This would have provided the Fire Company with the opportunity to try to further rectify the problem. Ms. Becker stated that there have been communication issues between the Fire Company and the Township officials. She believes an interruption in service is a disservice to the residents of the Township. Ms. Becker stated that the Fire Company is in the process of updating their By-Laws. The Fire Company would like to institute a Financial Secretary position on the Board and also to institute a position of Liaison to the Township. Ms. Becker then put forth a motion to reinstate the Alsace Manor Fire Manor to the position of primary Fire Company for the Township. She would also like a written agreement between the Fire Company and the Township outlining rational future expectations and commitment. She does not want the future individuals to go through this situation moving forward. Ms. Becker then presented the two years of bank statements to the Supervisors for their review. Mr. Barth then stated that the bank statements will be reviewed and the assertions about response times would be reviewed independently following this meeting. Ms. Becker stated that the By-Laws need to go through a Board meeting and that their attorney is looking into the tax information.

- Kelly Brown – questioned if this situation was going on for the six months as stated. She stated that she read through the previous Minutes and that she doesn't see that it has been that long. Mr. Barth explained that the issues began in February/March and since those meetings only included one Supervisor and was private that there are no meeting minutes from those meetings.
- Jeff Bartman – stated that he had a previous house fire and the Alsace Manor Fire Company was very responsive and is happy with them.
- Gary Swavely stated that he received a letter late yesterday from the Fire Company's attorney requesting reinstatement and that the Fire Company would be providing bank statement and was requesting a meeting with the Board, if appropriate.
- Keith Blankenbiller – Mr. Blankenbiller stated that previously Mr. Barth stated that when the Supervisors received the bank statement that they would be reinstated. Mr. Stump stated that the Board needs ample time to review the records. Mr. Mallatratt also stated that simply receiving the bank statements does not satisfy the necessity of reviewing them. Mr. Blankenbiller then stated that he doesn't care what the reasons are behind the scenes, but that he is making a recommendation from the floor that the Fire Company be reinstated. Mr. Stump reiterated that the process is more complex and as there are attorneys involved and other individuals that this will be a lengthier process.

- Wesley Howell – stated again that he believes the Fire Company should be put back into service as quickly as possible.
- Wendy Becker – stated that the Fire Company is at an all-time high with their calls, around 190. She stated that she spoke with Brian Gottschall of Berks County EMS and that the Run Cards have not been changed, just that Engine 8 was taken off. According to Brian, the Run Cards can be put back with the push of a button.
- Mr. Swavely clarified that the letter from the attorney for the Fire Company did not ask for a specific meeting.
- Mr. Barth did not guarantee a specific timeframe to review the documents.
- Mary Ann Ohlinger – Ms. Ohlinger expressed her concern regarding fire insurance rates. Ms. Ohlinger also read to the Board from several of the previous meeting minutes. Ms. Ohlinger then stated that she came back to the Township Building to look at the 2016 Meeting Minutes and was told by Ms. Ruth Ann Moyer that they could not be found. Ms. Mallatratt then clarified with Ms. Moyer if Ms. Ohlinger was at the office earlier in the day requesting these documents. Ms. Moyer then stated that she thought they were all online. Mr. Swavely then asked Ms. Moyer if she stated they were not available to Ms. Ohlinger. Ms. Moyer said that yes, that is what she told Ms. Ohlinger and that she could not find them. Ms. Moyer said yes, she should have looked and that was a mistake.
- Wayne Becker, Jr. – Stated that in April 5, 2017 in the Administration Report that the funds in the current Everbank account were liquidated in anticipation of the purchase of the new tanker truck. It was stated that the money would be held in the General Fund until receipt of the tanker and subsequent invoices.
- Jamie Lucas – Mr. Lucas stated that he understands the previous fire tax that was imposed. He believes the Supervisors should have done a better job with monitoring the Fire Company. He also stated that the Fire Company should make all their records accessible to the Township and the public. He feels that why we are at this point is because of previous mistakes and that our Supervisors are requesting appropriate information and that they are acting appropriately.
- Phil Kline – stated that as a previous Supervisor he acted in a responsible manner. He further stated that at no time did any previous audits ever address the Fire Company's funds, their documents, or any of that information. He questioned whether this information was really in the 2017 audit report. Ms. Mallatratt stated that the audit report does contain those findings. Mr. Kline stated that something must have sparked this interest. He further stated that the Township paid all of the bills that were presented and that any bills presented that were "excessive" were reviewed and discussed. He believes the auditor's findings should have been addressed at a public meeting and that the Supervisors should take immediate action and what they are doing is ludicrous.

SOLICITOR'S REPORT: Mr. Swavely had nothing.

BUILDING CODES / ZONING:

- Ordinance 2018-03 – Adoption of the 2015 Property Maintenance Code. The Ordinance has been advertised and by adoption will align the Township with the code that is currently recognized by the Commonwealth of Pennsylvania. David Barth made the motion to adopt the Ordinance, seconded by Sam Mallatratt, and the motion carried.

ADMINISTRATION:

- Geico Claim Settlement. There was an accident on Skyline Drive. The Township has received a payment in the amount of \$7,390.10 which was the quote amount presented by Eshbach Brothers for the wall repair. The Business Manager is looking for authorization to contact Mr. Eshbach to tell him to move forward with the repair. Sam Mallatratt made the motion to authorize this activity, seconded by David Barth and the motion passed.
- Ms. Mallatratt stated that she had a conversation with the Berks County Conservation District regarding grants that would be available to homeowners. This money will be available for removal of the Tree of Heaven. Mr. Druckenmiller of the BCCD will be sending Ms. Mallatratt an email when this money is available. Ms. Tammy Bartsch of the BCCD was in the audience and reiterated that there will be Standard Operating Procedures to follow and encouraged the public to get in touch with them for more information. The BCCD will be applying for \$150,000.
- The Business Manager also discussed a potential event to be held on October 1st with speakers on the Lanternfly and MS4 issues.

RECREATION BOARD: The final numbers for the Recreation Board with 142 registrants with many “guests”. Two monetary donations were also received. The program finished with a balance of \$2,241.75. With the money new gutter systems are planned for the pavilion as well as new basketball nets.

SUPERVISORS: Nothing to report.

PUBLIC COMMENTS:

- Keith Blankenbiller – Stated he has been trying to reach Mr. Ebert for several weeks with a few questions and has been unable to speak with him. Mr. Blankenbiller asked about the potential of different pipe sizes along the sewer extension. Mr. Stump explained that Mr. Ebert hasn’t prepared the final design and that no final decisions have been made. Mr. Blankenbiller asked if the Supervisors are in the process of moving the lines. Mr. Stump stated that the line on Mr. Blankenbiller’s property is still in question regarding moving to the rear of the properties. Mr. Blankenbiller requested the pumping station be moved to Freeman Drive.
- Mr. Blankenbiller then asked about “No Parking” signs on Pricetown Road. Mr. Stump stated that they do not want these signs along this roadway. Mr. Blankenbiller stated that he is willing to pay for and install the signs.
- Mr. Blankenbiller – wants to thank the Township for getting the debris picked up from Spring Pointe Apartments.
- Ms. Becker – asked Mr. Swavely if she should get in touch with their attorney or whether he would be in touch with him directly. Asked what is happening to the Fireman’s Relief

Money that is typically given to the Fire Company. Mr. Barth explained that it will be divided amongst the three primary fire companies currently serving the Township. Ms. Becker also asked about the reinstatement being in time for the grants that they are applying for currently. The grant money that they are applying for is to pay for the tanker for the next year. Ms. Becker also reminded the Township that they have Knox boxes in the Township. Mr. Stump stated that we would work on the issue to see if there is a way to make this better for the Township.

- Darlene Bartsch – Ms. Bartsch described an incident on Antietam Road. Mr. Stump explained that PA State Police have reached out to him on several occasions regarding incidents where signs are knocked over.
- Phil Kline – asked a follow-up question about the timing of the review and whether it is going to be finalized at the next meeting. Mr. Stump stated that he hopes so but will make no promises. Mr. Barth further stated that they are not willing to make any further promises. Mr. Mallatratt stressed that there are inconsistencies and discrepancies that need to be resolved. He also said he faces an ethical conundrum, regarding his concern about the full operations of the Fire Company including money coming from all sources. Mr. Mallatratt states he believes it has transcended bank statements and by-laws. Mr. Stump repeatedly stated that the documents will be reviewed.
- Patty Purcell – asked why the information from the audit wasn't provided to the Fire Company. Ms. Mallatratt explained that the information is in the audit and can be provided upon request at any time.
- Kelly Brown – asked what the By-Laws have to do with anything. The Business Manager stated it will answer some organizational issues.
- Darlene Bartsch – pleaded with the Township for reinstatement of the Fire Company.
- Phil Kline – asked additional questions about the purchase of the tanker truck. Ms. Mallatratt explained that while the meeting minutes reflect the discussion regarding the purchase of the tanker truck, there are no meeting minutes which show a motion and a vote by the Board of Supervisors at the time of the purchase. The request for these meeting minutes came from the financial institution providing the swing loan. Ms. Mallatratt stated that she could not provide them as they didn't exist. Ms. Becker was contacted at that time and provided meeting minutes from the Fire Company Board for the purchase of the tanker truck. That Board did not have the authority to purchase the truck. The auditor also asked the question regarding this same topic of Ms. Becker and was concerned as there was no elected official vote.

Mr. Stump asked for a motion to adjourn the meeting. David Barth made the motion to adjourn, seconded by Sam Mallatratt, and the motion was approved. Adjournment was at 8:55 pm.

Respectfully Submitted,

Kimberly Mallatratt
Business Manager/Secretary/Treasurer