

GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY JULY 31, 2003 MINUTES

The regular meeting of the General Municipal Authority of the Township of Manheim was held on Friday, July 31, 2003 at 7:30 a.m. at the Manheim Township Municipal Building, 1840 Municipal Drive, Lancaster, Pennsylvania. Authority members present were: John H. Kadel, J. Michael Flanagan, Harry Ritter, Roger St. Germain and Elmer Wagner. Also present were Solicitor William McCarty of Hartman, Underhill & Brubaker, Finance Officer Valerie A. Calhoun, and Township Manager James M. Martin. There were 27 people in the audience.

Mr. Kadel said they were here basically to talk about miniature golf and Manheim Township. The Overlook Foundation and the Commissioners did approve the concept of a double-ended driving range combined with miniature golf and concessions. The Commissioners did guarantee a bond to provide seed money for the Authority to finance a miniature golf course and the driving range. The Municipal Authority authorized the preparation of specs and received bids to support the project financially. The bids have been received and it is the Authority's responsibility now to either approve or reject the bid to the lowest responsible bidder. He said he would now like to entertain a motion with respect to the awarding of the contract to the lowest responsible bidder.

Mr. Wagner moved to award the contract for the miniature golf course to Harris Miniature Golf, who is the lowest responsible bidder, at a cost not to exceed \$239,000.00. Seconded by Mr. Ritter. Mr. Kadel said the motion has been moved and seconded. He asked if there was any discussion from the members of the Board? There was none. He asked to entertain any comments or questions from the audience, only from those persons who did not express their opinion at the July 18 meeting, unless they may have some new evidence or ideas to be presented at this time. He asked them to please come forward, state their name clearly and where they live.

Paul Bodell of 1953 Heatherton Drive said he prepared some questions and he distributed written copies to each of them. First of all he said he's got three kids, so they don't object to the idea of a miniature golf course. He said what he was questioning was how sound a business plan this is in these projections. So in a last minute effort to try to understand exactly what the opportunity is, he went out last night to a miniature golf with his kids during their peak hours. He made some observations; he spoke with the manager. He said he would share with them some of the observations that he shared with him, and then he'd present five questions to them. It was July 20th, a beautiful night last night; he visited a four-year-old miniature golf course, four and a half miles from Manheim Township. At the high end landscape course, this is what he got from the manager. The peak season is Memorial Day to Labor Day; business dies outside of that window. Right now July and August are the busiest time of year. The busiest time on any given day is 7:00 p.m. to 9:00 p.m. They are closed from November to March. Business is completely weather dependent, the adjacent hotels to this course help support the business. His other comment, which he found interesting, he didn't solicit this but he said: if he were building a golf course, make sure to install security cameras because of the persistent problems with teenagers. So that's just an observation but it's relevant to his later questions. He asked him about revenue, he wasn't up-forth coming with revenue figures completely but he shared this with him, \$100,000.00 in revenue would be a good year, \$150,000.00 would be a stretch. He also mentioned that 30%

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of the revenue, now the \$100,000.00 is strictly golf course revenue, 30% of the revenue for the entire entity comes from the golf course; 70% comes from the restaurant. He said he stayed from 6:50 p.m. to 8:00 p.m. and all this information is available to them. He said he counted the number of adults, teens, and children that visited the golf course. Now the adults and teens were charged \$5.50; children were charged \$5.00. The total revenue for, this is their peak time of the evening, more than an hour of their peak time, of which is two hours, was \$370.00. He said he did some calculations, based on some assumptions that he spoke with the manager, and they are all outlined here, that would put their peak season revenue at about \$83,000.00. He said they could look at any of these figures, he had the spreadsheets, he'd e-mail them to them if they want to play with different figures. It assumes 75 out of the 90 days are sunny. It assumes that daily flow, and he described yesterday as a heavy evening, would be three times the revenue of that peak hour and a half that he was dealing with. He said he seemed to think that was reasonable. That was the information that he collected in an hour and a half exercise; not very difficult information to collect. He said he had five questions. First, East Hempfield, which is a similar town to Manheim Township, has a miniature golf course at Four Seasons. How do the proposed revenue figures for this miniature golf course compare to their revenue figures over the last three years? He said he assumed they have done that research, and asked if that was a safe assumption? He asked if they knew what East Hempfield's miniature golf course revenue figures are?

Mr. Ritter said what has happened here and what was done, is the Overlook Foundation group did a study, and they projected to them the income figures for this as a unit, not only the miniature golf, but the miniature golf, the driving range and the concession stand. And they looked at and determined how they would pay back. The Commissioners as a Board did not go out and look at each individual place; they are the ones that did all the research, and came back to the Commissioners with a sheet saying how they could or could not justify it. Mr. Bodell said this is not an exhaustive study though. What they were talking about is a phone call to somebody at East Hempfield and saying hey, what were your revenue figures for the last three years? Mr. Ritter said he did not know if the Overlook Foundation included that in their study or not. Mr. Bodell said OK. Mr. Ritter said they did not, it was not theirs to go out and look at each individual's, they rely on the Foundation and the people on the Foundation Board. Mr. Bodell asked if there was a business plan? He asked if there was something that shows, this is kind of 101, this is basic planning-a-business information, market data? Mr. Ritter said they showed them information with this as a group, showing how the return would be paid, showing how the debt would be paid off over a period of 5 years from the, as a group, from the complex, the three things, as he said the concession, the golf and the driving range. Mr. Bodell said right, but obviously those things have got to be isolated, the three different entities, even though they are a combined revenue, may have some parasitic affects where the larger, the revenue of the three combined is going to be greater than the individual entities. Yet, he said they can't have this based on fiction, they have to have any kind of a plan like that based on fact; where are those facts? Who did we solicit? Are there other municipalities that we talked to that own miniature golf courses that say hey, here is what we generated each year in revenue from this miniature golf course. He said that's not difficult information to gather. Mr. Martin said yes, they did that. Mr. Bodell said OK, so where is that information available? Mr. Martin said they have it in a report that

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the Foundation put together. They also looked at other places. He said Mr. Bodell happened to pick East Hempfield, which is low on anybody's study and report. He said he talked to the manager, they haven't kept it up, they are not using it as Manheim Township plans to use it on this site as a part of the overall complex. Mr. Bodell said but that's got a driving range, concessions and a golf course. He said he would think it's virtually identical, and it's in the same part of the country in a similar township. Mr. Martin said it's not, because they are not putting as much energy and effort into their miniature golf as they are in the rest of the complex. Mr. Bodell said there is probably a good reason for that Jim. Mr. Martin said it very well may be. Mr. Bodell said again there is probably a good reason for that. Mr. Martin said but they don't want to.

A member of the audience asked Mr. Bodell if he could take a question. Mr. Bodell said yes, please. The member of the audience asked if he said that 30% was from the miniature golf and 70% was from the concession stand? Mr. Bodell said yes, his comment was ... The member of the audience asked if that was revenue or profit? Mr. Bodell answered that's revenue, that's top line. He said he asked him specifically, and he said he wouldn't give him specific numbers, but for every \$600.00 they make at the golf course, they make over \$1,000.00 at the restaurant. He said he would like to see that report that shows what there ... He said just to show, even if, he said he understands that the East Hempfield golf course is not a state of the art golf course; it's kind of run down, it's not well maintained. He said to assume that our revenue figures would be double that, where would that put us? He said he would just like to see that. That's where they've got to base it on. He said he didn't know how else to write a business plan, other than when they have facts that you have access to, you use those facts to make your business plan. He said do the revenue projections for the miniature golf course, and he thought they were somewhere around 150K, does that include any revenue from the restaurant? Members of the Board answered no. Mr. Bodell said OK. He asked if the current bids that they were talking to the various people who bid on the project, does that include a security camera system? Mr. Martin answered it does not. Mr. Bodell said Ok, the peak season revenue of \$83,000.00, which he just whipped up, and he said this is not well researched, but he was sitting there counting people as they walked through the gate and multiplying their bodies by the fee that they were paid; \$83,000.00 in the peak season, how does that compare to the peak ... is there a peak season that was considered for the Overlook Golf Course, what was that peak season and what was the revenue figure of that peak season? Mr. Martin said the peak season is generally the same as the miniature golf at the other ... Mr. Bodell said so Memorial Day to Labor Day. Mr. Martin said and it may be a few weeks before and a few weeks after. Yes, generally that's the peak season. Mr. Bodell said OK, and they are closing, does this golf course plan to be closed during November to April like the others generally are in this area except for in heavy tourist district? Mr. Martin said it will depend on the season. If the weather is good then they may extend it; if it's not, they may not. Again, even the driving range and the golf course are dependant on the weather, though a lot of things that are outdoors are dependant on the weather. Mr. Bodell said he did assume by the way in the \$83,000.00, and he didn't know if he mentioned that earlier, that 75 out of the 90 days of peak season would be sunny, which he thought was a very generous estimate for revenue. He said he has seen a business plan again, so it could be well researched, it could have wonderful facts and it could be right on

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target. He said he didn't disagree with that. He has not seen it yet and he would like to see it. One of the things he would challenge or suggest to really use as a sounding board is a local private equity group. He suggested they present their business plan to somebody like the Lancaster Angel Network, just as a sounding board, not for investment purposes, and see what kind of response they get. He said he's done that, he's presented to private equity investors, and he knows that if he didn't have a well-researched business plan it dies there; he said they should at least do the same for themselves. We shouldn't have any, his opinion is that we should be able to present this to the most sophisticated investors out there and have them say this is a very sound plan, well researched, great factual information. It definitely makes sense that this will happen if the revenue projections were based, will occur based on the research that they have done. He asked if that was something that they have ever done? He said because right now he has not seen what he considers a good business plan; he hopes to see that very shortly. Mr. Martin said the Township does not use groups like that to do this; we use our own auditors, we use our own counsel to look at these plans; and they look at it and make recommendations. Mr. Bodell said OK, he would give them each a copy of this. He said he had some extras for other people. He said his name and information is on the bottom. He then asked when can he get a copy of the business plan that shows the market research and things like that? Mr. Martin said he would make it available to him later today. Mr. Bodell said OK. He had to leave for D.C. unfortunately, but he'd stop by tomorrow. Mr. Martin said he'd be around. Mr. Bodell said he'd leave other copies up here for anyone who would like them. They thanked him.

Donald Reed of 76 Glen More Circle said he's been a resident for 36 years. He said he would just like to quote from two different papers. The first one is the Lancaster Intelligencer Journal: Mini Golf Back on Manheim Township Agenda. He said he was sure they've all seen it. He said he would just quote certain parts. Larry Downing, a member of the Foundation development committee which is drafting a report, said a decision on what to say about the miniature golf in the report has not yet been made. That's one of the most difficult issues, so we're leaving it until the end. He said he would read another part, the Foundation would lease the land to the Municipal Authority which would build and own the golf course. The Township parks and recreation department would operate the facility. Another portion, the Commissioners ask the Foundation to take a second look at the financial projections for the miniature golf course and to prepare the presentation scheduled for August 11th. Finally, Reinaker also said he's concerned about the Authority moving ahead with the project July 31st, when he doesn't know if the Foundation members support it. Reinaker said he would like the Foundation to take a vote on the project at a public meeting, so that it's on the record how each and every board member feels about it. Now that's one article. The second article is this morning's paper. It says East Hempfield considers hiking taxes to buy parks. And what it says is that East Hempfield is going to put a referendum on the ballot in which the voters of East Hempfield will decide whether or not to expand their parks. He said he thought they were doing it right. He said he thought we are doing it very wrong. Third, he said he knows that there is a petition which is now available on premises owned by Manheim Township to support the golf course, and he said he would like to know whether we could put a petition on premises in Manheim Township opposing the golf course. There was applause. He said that's all he had. There was more applause. He asked if he could have an answer

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to the last question first. Mr. Kadel said your first question Don, the Foundation has approved this project, it was a unanimous vote. Mr. Reed said it was not, that is incorrect. A member of the audience said he never heard them vote and he was at every meeting. Mr. Reed said he was at the meeting and addressed Mr. Kadel and said he was at the meeting. He said Mr. Kadel was sitting at this end of the table. It was not a unanimous vote. He asked how long ago was that taken, and why then is it a question of whether the Foundation will make a presentation as to whether they support it, and Larry Downing who is going to be a Commissioner, is stated as saying a decision on what to say about miniature golf in the report has not yet been made. He asked if that was a correct statement? Mr. Martin answered that that is a correct statement because the committee is looking at a statement on everything on the whole complex. They are looking at a statement on the community center, they are looking at a statement on everything that is happening out there. And the report has not been finalized; that is a correct statement. Mr. Reed said OK, therefore what they can do is they can table, he said he understood the bids are good for 60 days, they can table a vote until such time as the Foundation makes a presentation to the Commissioners indicating whether they truly do support the miniature golf course, and asked if that was a correct statement? He said they have 60 days? Mr. Martin said that is a correct statement. Mr. Reed said OK, fine, then why in the heck is all this work being done out there, ruining all the land around the building in order to put the golf course in, now? Mr. Martin answered because the work that is going on out there now is not only for miniature golf; it's for the whole complex. This phase of this started at mid-last year to get the thing going, to get it moving and the next phase for the infrastructure will be to connect, next year and the year after, to connect the internal road/water/sewer network to develop the whole complex. It's not just for miniature golf; it's for the whole complex. Mr. Reed said again he'll point out, he thinks East Hempfield knows what they are doing; he thinks Manheim Township has gotten out of control. Then he stated end of quote.

Pat Villella of 110 Prentis Place said following up what Mr. Reed said, she had two articles from the Intelligencer Journal, after the May meeting and the June meeting of the Overlook Foundation and the Commissioners. She said she would just like to read two other quotes. She said you guys say that the decision has been made. After the May meeting, this is a May 14th article, and she quoted Commissioner Dennis Reinaker on Monday night said it was his understanding that the miniature golf course plan is on hold while financial projections are being reviewed, but the plans for the driving range are moving forward. Commissioner Robert Bledsoe who also sits on the Foundation Board said Tuesday that no decision has been made on the miniature golf course. Are we moving in that direction? Yes. Has a final decision been made? No. The June 20th article: members of the Manheim Township Overlook Community Foundation Board Tuesday night said they are not yet committed to building a miniature golf course and a driving range next to the Overlook golf course. In March the Township Commissioners ordered the Foundation Board to prepare a report outlining the development of the property and how that development would be funded. Sandy Kime, Chairman of the Foundation Board said he expects that report to be presented to the Commissioners at their June 30th meeting. He said the public would have a chance to comment on the Board's plan. She said so far that has not been made, that presentation has

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not been made, the citizens have not had a chance to comment on it, and she said she wanted to know why they were moving forward so quickly on it. Mr. Martin said he didn't think they were moving forward quickly. This whole plan started several years ago to develop the whole project. He said he thought if any one of them have been on committees doing reports, as the report gets bigger and bigger it takes time to put it together. And the decision on the Foundation was to present it to not only the Commissioners, but the Authority, the Foundation and the public at the same time. Now there will be a review period after that to look at the overall development of the complex, of the site. Ms. Villella said now if you ... Mr. Ritter said ... on August the 11th, that they're going to present is a presentation for the entire ... Mr. Martin said that's what he was saying, on the 11th, the directive from the Commissions to the Foundation was to look at developing this site without tax dollars, and that's what they were working on right now. Ms. Villella said and they are looking for comments from the public. If a decision is made today, what good would the public comments be at the August meeting? Mr. Martin said well, if they don't focus on one thing, there are other things going on on the site and the Foundation is looking at the total development of the site. And to develop it without tax dollars, they are looking at other options. Other options are user fees, advertising, any kind of contributions, grants, etc. Ms. Villella said to Mr. Martin if a decision is made today it is a moot point. Mr. Martin said if a decision is made today to go ahead with the miniature golf, that's going to fit in with the overall plan to look at money generators to help support those items that don't generate money. Ms. Villella said right, but it's a moot point to solicit comments if on ... Mr. Martin said it's not a moot point because they're only talking about one project on the overall site. Even if they look at the community center, the next issue that they're going to be challenging is the fitness area of the community center which the public is already challenging, and the research that we have already done on that shows that a community center without a fitness component isn't going to work. Now the question the Foundation has to address is, if that doesn't go in what happens with the income from the whole site, to help promote a library that doesn't generate anything, to promote a teen center or a senior citizens center. It's a part of the whole complex. A part of the miniature golf and the driving range is to generate people to use the whole complex, and that's a part of the original plan to develop the Foundation property. Ms. Villella said she understood that. She said her question was, if the bids are good for sixty days, if the sixty-day window extends beyond the public meeting, why must they vote today? Mr. Martin said because the project is moving. Mr. Martin started to say something else, when there was a very loud noise on the tape. Ms. Villella said it will still be moving. There was laughter. She continued if they ... Mr. Martin said the bids that they put out for the infrastructure, they are out there doing it now. Ms. Villella said right. Mr. Martin continued, if the weather had not delayed them, they would have probably been finished with the whole thing by now. Ms. Villella said right, but that's already a project that is being done. This is a separate entity, this is a new project. She said if they award a bid today they will be doing the exact same thing they did on the infrastructure, and building the parking lot that they are now in the process of doing. Mr. Martin said that is correct. Ms. Villella said all she was saying is wait until after ... Mr. Martin said OK, if this Authority this morning chooses not to do that, or not to bid, then they can do that. This is a part of the overall process to develop the whole site. Ms. Villella said well then she urged the Authority members to not award the bid today, to at least table it until after the public has a chance to comment on it. A member of the audience said that he

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thought that what she was saying was that if we were to bid today, any discussion subsequently is really academic. Ms. Villella said right, that's exactly what she was saying. Mr. Ritter said in reference to the golf course ... Ms. Villella said right exactly. Mr. Martin said something that was inaudible.

A member of the audience said just from a legal standpoint, does the Foundation have anything else that needs to be done in order to make this miniature golf course and driving range happen? Or he asked if this was really it? Mr. Martin and someone else answered yes, this is really it. Ms. Villella said she urged them to please table this.

Larry Gagnon of 1723 Santa Barbara Drive said first of all to Mr. Kadel, a question. He asked if Jim Martin as the business manager, is an official member of this committee, a voting member? Mr. Kadel answered he is not a voting member of this Authority, no. Mr. Gagnon said OK. He said it would seem to him that many of the statements and comments that Mr. Martin has been making, should be made by the Authority members to allow them to know what they know and how they have been considering this. And that Mr. Kadel, as the Chairman, when he needs information, he should ask Mr. Martin to speak, but as, would it be correct to say he's an ex-officio member of this group? Mr. Kadel answered yes. Mr. Gagnon said it would seem that that would be a more logical and reasonable means of handling the discussion; that's his comment. Secondly, he said he was at the meeting that he thought Mr. Kadel was referring to, when he said that the Overlook Foundation approved the miniature golf. He addressed the audience and said ladies and gentlemen, at that meeting the individual Foundation member who seconded it, seconded it with the clarification of comment that the purpose for considering this motion and approving it was to allow the Commissioners to have an opportunity to explore securing bonds. It was not that seconding motion, and he said they could see the heads nodding, that seconding motion was not an approval of the miniature golf. Thirdly, there have been discussions in the community that he said he would like to share with them, that Commissioner Bledsoe has presented to the Authority a plan as to why it is very important to the success of the Overlook Foundation attempt to raise money to facilitate the operation of the activities that the miniature golf course be included in it. He said he thought it was very important that this information is made available for study especially with the fact that we have 60 days, they have 60 days representing them to carefully consider this. He said he thought that this is one reason why a vote today would be premature. A second reason for the vote being premature is the statements which have been quoted and referred to by two prominent citizens; that Reinaker, our Commissioner, has said he can't understand why we are going so quickly on this, because we haven't heard from the Overlook Foundation. He said he thought in fairness to the Authority, in fairness to the Commissioners and the Overlook Foundation, the necessary time should be taken and considered not to do a rush job on this situation, so that once again we can try and reason together and to think this through. He said he thought that also he would strongly suggest to each member of the Authority that if they do vote on this tonight they make a statement, this morning, stating what they consider to be the pros and cons of this situation and what their position is. He thanked Mr. Kadel.

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Christine Sable of 238 Heatherstone Way said she had been sitting there trying to get up the nerve to get up and talk and face all this opposition. She said she happens to be someone who is for the miniature golf course. She said she felt that the benefits greatly outweigh any disadvantages to the Township. She said she felt that our children need a safe and wholesome place to go, and she was very much in favor of this. She said she was responsible for the petitions that are at the Township public places and offered to remove them if they wanted her to or if they offend anybody. She said she did gather some signatures. She's been very busy over the last three days, and she really didn't have much time to do this, but said here are a few pages of signatures that she had gathered. She said about out of every ten people, maybe one out of ten said they didn't want to sign it, so to her that is saying that the vast majority of people that at least she's been in contact with are very much in favor of this. Even those that wouldn't sign it weren't saying that they were opposed, they just said they weren't sure. She said she's finding that in her circle of people that she knows, her neighbors, friends, people she runs into at the pool, they are very much in favor of this. She said she'll say this again, she's said it before, but this Township doesn't have any downtown, or main street, or meeting place, or any real place you can call a sense of community, like a town like Lititz or Ephrata would have. She said she thinks our community is really found in our recreational facilities, and as a parent it is very important for her to have a place that she can go with her children that's safe. She said there's just not enough for kids to do in this Township. She said she finds that most of the people who oppose it seem to be people who don't have young children and she said she certainly can appreciate their point of view. There are a lot of people out here that she knows and likes and respects, and didn't want to offend, but she has her opinion too. She said she knows that there has been a lot of discussion about can this course support itself, and we have been comparing it to several other golf courses, Boulders, Waters Edge, Strasburg. She said she took the liberty of doing some demographics which she said she would present to them. But this is an example comparing Manheim Township to the Strasburg location. In the one-mile radius, we have three times as much population, in a three-mile radius we have six times as much population as Strasburg, and in a five-mile radius we have four times as much population. Just as an example, in the five mile radius we have surrounding Manheim Township, in this particular site, we have 153,431 people; that same number for Strasburg is 39,800, the same number for Mountville 77,761, which is double, we have double what they have, and for Waters Edge, which is in Bird-in-Hand, they have 37,767. She said she guessed what she was trying to say is that we certainly seem to have a significantly higher density of population and households in this area. The Township also has a much higher household income than competing areas. She said she really didn't think that something like this is going to fail. In other words, she said when they're comparing courses, she thought they would need to compare apples to apples. Certainly an area that has two or three times or even six times the population of some of these other locations is going to do a lot better. We also have going for us two main arteries: Fruitville Pike and Lititz Pike, that have outstanding traffic counts. She said she didn't look these up this time but she has looked them up in the past for other projects. They have more than 24,000 vehicles per day; most of those other locations don't have that. She said she would just like to present this to them. She just brought this one copy, but she did show the radii of those four sites and she thought it was important to consider that. She also looked up on the web site Harris, who is going to be building the

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course, and their projection for, they run projections from 108,000 to 324,000 but the 108,000 for the four month window of May 15th to September 15th, she said they were talking about 80 rounds played during the day, 100 played during the evening. So the lowest income they have here is 108,000, and that's from somebody that builds these courses. She said she would think that if they were building a brand new, state-of-the-art course, that to compare this to something like the Four Seasons or something much older is not really a good comparison. She said she was just asking them to take her information into consideration, and this, she was sure was available to them, but it is on the web site. She thanked the Authority.

Sally Vanderslice, a 32 year resident at 2838 Fiddlers Green Road said she wondered if the members of the Authority would be willing to tell them what new information and what is different from two weeks ago, when they all met before and they were not able to get a second to this resolution, and what the purpose of this special meeting is and what the new information is to call it. Mr. Kadel said what has happened in the meantime, they've gotten some updated figures, indicating the validity of the numbers that they started with in the first place and he thought that was the reason that spurred them to have this meeting. Ms. Vanderslice asked if he would be willing to share those numbers with the audience please, so they, as the residents of this Township, have the same information. Someone said sure. Ms. Vanderslice said when you're a Township resident you're in one state of information gathering. When you're a member of a board you're in an entirely different state; you have all the details, you have all the basic groundwork. When you're a resident, what's happened with these projects, is they have learned about this kind of late. Having gone to, and she said this is another subject, but having gone to another meeting on another project of the Commissioners, she has found that LASA has been working on sewer business since December of '02. She said they just learned of these things through the newspaper, or she said they might air it at a meeting. So that they feel kind of lost. She said that's where they are all coming from. They are not getting the information that they need to have in order to be able to support a project that they're doing. And when it turns out that, oh well, gee whiz, we've got to tell the residents what's happening here, they feel kind of like the second fiddle. She said they have elected the Commissioners to their positions, but are not getting the trust of the Commissioners to keep them informed and that's the bottom line. There was applause. She continued that here they are two weeks later, if they didn't read the newspaper or have a network of people, there are a lot of people that don't know the Authority is meeting now. Is this a way to start a project? She said that was her question.

Kevin Kratzert of 462 Dolly Drive said as a Township resident and a partner in the ownership of Boulders Miniature Golf, Mainstay Hotel, Sleep Inn, and Boulders, he said he'd like to voice their opposition to this project. In their partnership they're getting hammered on two sides. He said he didn't have any opposition to a miniature golf course if it is done by a private individual. There was some applause. Mr. Kratzert continued who come up with their own financing. He said in their case they're competing against Authorities, and now Foundations. He said they have two hotels that are going to compete against 100,000 room nights that are going into downtown Lancaster. Its not a private deal, it's a publicly financed thing. He said he would like to just say that they are opposed to it, especially if it's being

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done by an Authority or a Foundation. He said that was all he had to say and thanked the Authority.

Patti McClune of Candlewick Road said she was not per se against miniature golf, but she was against government getting into it. She said if they were going to do it, let a private enterprise do it. She said her second question was, is there a special wording in the clause that if they should say no to this, that there's a clause in there letting us get out of it, or will we still have to pay the lowest bidder. She asked if we have wording in there that allows us to get out of it? Mr. Flanagan said if we reject the lowest bid, then there is no contract with anyone, so yes, we are not bound to anyone. Ms. McClune said we are not bound to it? Mr. Flanagan said that's correct. Ms. McClune asked if they could table this for 60 days and let the public know more about this. She said they were rushing it. They've only seen about it bits and pieces in the paper. She said if she would not have read in the paper that they were having a meeting today, she would not have showed up until October, because at the last meeting that is what they told them, October 17th they would have the next meeting. So she asked if they could just table this for 60 days, take another look at it? She said they've already heard from, what is it, Caddy Shack, they've heard from Strasburg, their numbers are way down, and that our figures that we are projecting are way higher than what they're even pulling in? She said, and as the gentleman said, he can't compete with Foundations or with government because we have tax exemptions that they don't have, and we are not being fair to them. She said if we want private enterprise to come into our community, then we need to support them and not dissuade them.

There was murmuring among the Authority members.

Manny Murry of Hunsicker Road came to the microphone and said good morning. He said he's only attended one meeting in this building so probably he will have to come up to speed a little. He said he only knows basically what he reads and what he hears on the street. He said he wanted to tell them that what he hears on the street is not good. He said he wouldn't want to be sitting on any board right now in Manheim Township, because quite frankly the people don't trust them; it's that simple. He said we heard about having to make a decision real quick here. Mr. McCarty or the Solicitor can disagree with him, the low bidder can always extend his bid, that's the one paragraph sentence that he has on his typewriter that pumps it out and a guy signs his name and extends his bid for 30 or 60 or 90 days or whatever. So the time of the window really isn't that important. He said he wasn't sure, he had a question for them, he heard the language used that no taxes will be used in developing this property, and asked if that is a correct statement or not? Mr. Martin said that is an incorrect statement. Mr. Murry said it is incorrect? Mr. Martin said yes. Mr. Murry said so they are going to use taxes to finance this project? Mr. Martin said no, to develop the property. Mr. Murry said to develop the property. Mr. Martin said the infrastructure is going in, and the sewer and the water are being used by the Township Commissioners, which is tax dollars. Mr. Murry asked where is the money coming from for this project and the next one? Mr. Ritter said this project, there was a bond taken out by the Authority. Now the future projects, as far as the community center, the library, etc. he said he had no idea where that's coming from, and he didn't think anybody at this point knows. He said if Mr. Murry wants to

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give them some money, they'll build the community center. Mr. Murry said thank you, he appreciated the invitation. Mr. Ritter said they are open to all donations. Mr. Murry said he guessed where his concern was, the Authority, is their debt is guaranteed by the taxpayers, is that a correct statement? Mr. Kadel and Mr. Ritter answered yes. Mr. Murry said it is. So it's just another vehicle in the middle to shift things and take the heat off here and so forth. Mr. Ritter said somebody is always responsible in the end. Mr. Murry said he always found out when you borrow money you have to pay it back. Mr. Ritter said somebody does. Mr. Murry said and unfortunately it's the people here and the rest of the taxpayers who are going to have to pay it back. So are you going to use tax money, so lets not throw up any ... Mr. Ritter said they have to pay it back if it doesn't pay itself. Mr. Murry said quite obviously, let's not be naïve here and he laughed. Mr. Ritter said no, let's not. Mr. Murry said no, let's not be naïve, we are all adults. He said he hoped there were enough business people here to realize that everything they've heard on this miniature golf course is that it won't pay for itself. He said we all know that when politicians try to run businesses, where does the business go? Right in the hole, and who bails it out? It's the taxpayers. Politicians can't run businesses, they are not business people. They come and they go, but the debt stays with all of these people. They're the ones that have to recognize; the old saying, the preachers come and go but the debt stays with the church, it goes with politicians also. There is no question about it, he didn't think, there are a lot of questions out there by the public, what's going on, what's going on? He said he is hearing this more and more since he's gotten active in the fed-up organization. He said there is no question he thought in their minds, they want to do a little more research; that these taxpayers have been subsidizing the whole Overlook operation. The golf course, it's a losing proposition. It was a profit-making proposition until they bought it. Another example of politicians trying to run businesses, and where is the money coming from? These people and taxpayers are subsidizing the losses on the golf course, and will have to subsidize the losses on this miniature golf. There's no other way to look at. He asked them what does this create? The taxpayers are subsidizing through the leadership of the Commissioners, unfair practices, unfair competition. He asked now what happens with our big government? Japan wants to dump some steel, and we say no, we're going to smack your fingers, no unfair competition. He said this boils down to nothing more than an unfair competition funded by the taxpayers of this Township. He said this cancer has just started, lets operate on it, let's try to get rid of it. He said to remember the only business that Manheim Township has ever run that made money was the sewer, made probably around 2 million dollars a year, and asked if that was right, Mr. Manager? Mr. Martin said about half that. Mr. Murry said half, a million, that's not bad. They made a million dollars a year and what do they want to do? They want to sell it, when we can't get the good, real true reason is out there, there is a lot of speculation. He said thank you very much and he hoped that they do give this serious consideration. There was applause.

Mr. Bob Bledsoe, Manheim Township Commissioner, introduced himself and said contrary to Mr. Murry's comments about the golf course, his opposition, he wanted to sell the golf course. If it was making money he said he guessed he wanted to make more money by selling building lots, he wanted to build a large building development there. Had the Commissioners accepted that at the time there would have been tremendous increases in requirements for road infrastructure, school building cost; it would have cost the taxpayers a lot of money. The

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Township took over this golf course, invested a lot more money into the golf course, it was in a state of decay, it was not being well maintained, they redid holes. He said at this point if he looked at the cost of operations of the golf course, they're projecting that it will make anywhere from \$15-\$20,000.00, that includes paying the bond cost. At the end of the bond payment, year 2008, the golf course will generate a surplus of \$400,000.00 in terms of revenues to help fund other recreational activities in the Township. He said they've done some cost projections on this total project of mini golf, concessions, driving range, and they feel it is going to generate about \$50,000.00 of surplus revenues over expenses until the bond is paid back. When the bond is paid back, they are projecting somewhere in the range \$175.00 surplus revenues over expenses. That's almost \$600,000.00 in terms of revenues. The school building project which fed-up is working on now, is going to be very expensive for the taxpayers. He said they said because of that burden that the taxpayers are going to face, because of the new school building project, is that they are not going to ask citizens to pay more to the taxes. He said they haven't raised taxes in this Township for 13 years. He said his vote as Commissioner is not to raise taxes for the next two years, if he serves again, 6 years, if he opts to do that. He said when he looks at the needs of Manheim Township residents in total, one of the biggest problems we have, crises we have, is health concerns. We have obesity in our children, 55 and over population, which he said he is a member of and it's a big slug of people, and the health concerns we all have as we get older. We don't stay active, there are not the opportunities to use those kinds of facilities, that leads to lots of health problems. He said everything he reads says providing recreational activities and being affordable to the citizens of our Township is something that is a responsibility of the government. He said they acquired this land; they are trying to develop the land. It takes some money to do that. It's a trust we have in this Township, we have a golf course that's making money today. Its going to generate lots of excess revenues in the future. The projections they did on this combined project shows the same thing. So he has trouble sitting here as a Commissioner saying that they are not listening, that they are not doing the right thing. He said he thinks they are doing the right thing. He said he could sit here as a Commissioner and do nothing, just do nothing. He said if he listened to these folks he would do nothing in this Township. He would probably close up the streets at 12:00 at night and say you can't come in til we open up the next morning. He said if he's going to be in this position, he's going to be progressive, he's going to be looking at things that benefit the citizens of this Township. That's what he's going to do, that's his challenge, that's his vision. He said they were doing the same thing here in terms of these projects. He said there's always this controversy private versus public; it's always out there. That is something he's sensitive to, but he didn't want to step over the bounds, if there was a miniature golf course right here in Manheim Township we wouldn't be thinking about this. We are thinking about a combined facility. He said when they combine miniature golf, driving range and concessions they get synergies, things combined to develop a better overall, healthier project, and that's what they are doing here. He said those were his comments. He said he has given them numbers and figures. He said they feel confidant with the numbers they have given to them. He said they feel they have a solid plan moving forward here. He said they have developed soccer fields and ball fields in phase I. This is just simply phase II. Phase III hopefully is the community center and a library that will take place sometime in the future. He said his dream was to see that take place, and he hopes it does. He thanked the Authority.

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Mr. Murry asked Mr. Bledsoe if he was a Commissioner when the Township bought the golf course? Mr. Bledsoe answered no, he was not. Mr. Murry said he knew he wasn't and said he was glad he clarified that, because his facts are incorrect. He said he didn't know the facts. He said he didn't want to waste his time. They both spoke at the same time and their comments were indistinguishable. Mr. Kadel used the gavel.

Mr. Kadel said he had time for one more comment.

Cindy Fairchild, representing Village Greens Miniature Golf course, said the only new information she wanted to give was a response to Commissioner Bledsoe, who said that yes, recreation is wonderful here, but he said, they are making money on their golf course. She said she wished he would read their 2003 budget. She said their 2003 budget says that their golf course is projected to bring in \$1,001,800.00. It shows their proposed expenditures are \$984,827.00. She said it shows they're making about \$20,000.00, which is exactly what he said. She said it also says in the fine print, capital improvements continue to be budgeted in the general capital reserve fund. Under general capital reserve fund there is a line item under parks: Overlook Golf course, equipment, \$117,300.00, Overlook Golf Course, pro-shop aerator range, \$41,500.00. In private enterprise capital reserves come out of their income. She said that should be under here, and whispered that they are not making \$20,000.00 a year on that golf course. There was applause.

Ed McClune said he would like to comment on something that Mr. Bledsoe said. When we bought this property, it was not projected to be developed in one year, five years; it was projected to be developed over 20 to 25 years. He had stated that the soccer fields are in, the soccer club is paying for those fields. They went and backed up the money but the soccer club is paying it back. And now the baseball association is doing the same thing with the two baseball fields they are putting in. So there's none of our money being involved in this. And to say that a miniature golf, when these people have it and they are telling you they are not making exuberant money, why should we have that? He said and now since he brought up how much money about the golf course, he said he wanted to bring up something that he brought up at the Commissioners meeting, but he thought it sailed right over some of their heads. He said we have a compost site, but before we get to that, we get \$176,000.00 from the state of Pennsylvania for each one of these residents to carry that recycling bucket out every week. It doesn't cost us anything; we get \$176,000.00. He said he went to Jim Martin and asked for the figures of the operating costs of the mulch center. It's running all but \$84,000.00 in the red. He said now they can't even operate a compost site, how are they going to operate a miniature golf?

Gail Hines, of 102 Haskell Drive said she's been a resident of Manheim Township for a long time and she has raised children. She said she was opposed to the Township buying the golf course, the Overlook Golf Course, her husband plays golf. She and her family have horses and she suggested that when is the Township going to build an equestrian center? The point is, our kids can go to the schools, there are sports there, there is recreation. The Township roads are falling apart, crime is outrageous, government should be doing things like the

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roads, the schools, the police, sewer and water, not parks and baseball fields. She said when they have a family budget and they don't have enough money to pay their taxes and put food on the table, they don't worry about whether they have concert tickets. She asked if they got her drift? She said all this is about recreation; there are libraries that they could support and build and go to without building their own specific one. She asked where is it going to stop? Where is government, like downtown, competing against the private hoteliers, now they're going to be competing against the golf courses. Her husband is a golfer, and many, many times, and the Manheim Township resident pays for it, he can't get on that golf course because it's closed for a tournament, or out of state or out of the area golfers are there. That's happened more than once. And they're not making money on that golf course, and besides, even if they are, so what, are they going to open a movie theater complex, or how about a bowling alley? Where is it going to stop? She said government should be providing things like roads, public safety, things that the people can't do themselves; the rest of it should be on ... A safe place for the children to go is the school, the churches have things they can join. They could join the 4-H, they could join all kinds of clubs. She said they should support them instead of having the government be a babysitter or have adult centers and so on like that. Government should be doing, when we pay our taxes, it should be for roads and public safety things that private industry can't provide. There was applause.

Ms. Sable said she wanted to make one more comment, and that is that every single person that signed that petition agrees that government should provide recreation, specifically this type, for our Township. She said if they read the wording on there it specifically states that. She said she knows that there are a lot of people here that are against it. Using the rationale we have here today, she said she guessed we should never build a library either because that would be government competing with private bookstores, so she guessed we should never build anything. There was murmuring. Mr. Kadel used his gavel.

A member of the audience asked who is running this meeting, because Mr. Martin keeps pounding the table. He said he thought Mr. Kadel was running it and said he just wanted to ask. Mr. Martin said Mr. Kadel is the Chair, yes.

Mr. Flanagan addressed Mr. Kadel and asked if they were done with public comment? Mr. Kadel answered that they were finished with public comment, yes. Mr. Flanagan said he would like to adopt what one person said and make a motion to table this decision. There was applause. Mr. Martin said a tabling motion takes precedence on any motion on the table. They can make that motion, second it and vote on it. It depends on what happens after that. Mr. St. Germain seconded it. Mr. Kadel said it has been moved and seconded to table the motion. He asked if there were any comments from the Authority.

Mr. Flanagan said he would like to make a short comment. He said he thought many people in our Township are confused by which Board, which Authority is making which decision, and that's understandable. He said he was somewhat confused because he went back and looked at the minutes of the Foundation from February, and the Foundation unanimously approved the lease for this particular project. There is no further decision that is to be made by the Foundation. Yet in their first meeting there was a fellow here that was on the

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Foundation Board who was clearly opposing it. He said he still can't harmonize what the Foundation's view on this is. They are the ones who have most seriously and thoughtfully considered this, and before they act to accept or reject the bid and make some type of final determination, he said he would certainly like to have the Foundation consider looking what this cost is and see if they are still behind this project. The other thing is, Commissioner Reinaker mentioned that we shouldn't jump to do this, and the Commissioners have still not had a chance to fully look at the bids that they got here. He said he didn't want to jump the gun on him either. So that's the basis for his motion. There was some applause.

Mr. Ritter said he thought they ought to vote on the motion today. He said if they delay the motion, what's going to change? The bids are going to be the same, the projections are going to be the same, the objections pro and con are both going to be the same. Lets take a vote on it today. He said that was his opinion.

Mr. Kadel called for the vote on the question of tabling the motion that was on the table before. Mr. St. Germain, Mr. Flanagan and Mr. Kadel voted for and Mr. Ritter and Mr. Wagner voted against. Mr. Martin confirmed that it was tabled.

There being no further business, on a motion by Mr. Wagner, seconded by Mr. St. Germain, it was moved to adjourn the meeting at 8:35 a.m. Motion carried unanimously.

The next meeting will be Friday, October 17, 2003 at 7:30 a.m.

Respectfully submitted,

James M. Martin
Manager-Secretary