

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of a Budget Workshop Meeting held July 31, 2012

A budget workshop meeting of the Board of Supervisors of Lower Paxton Township was called to order at 6: 10 p.m. by Chairman William B. Hawk, on the above date in the Lower Paxton Township Municipal Center, 425 Prince Street, Harrisburg, Pennsylvania.

Supervisors present in addition to Mr. Hawk were: William C. Seeds, Sr., William L. Hornung, Gary A. Crissman, and David B. Blain.

Also in attendance were George Wolfe, Township Manager; Brian Luetchford, Parks and Recreations Director; David Johnson, Public Safety Director; Tim Houck, Finance Director; Sam Robbins, Public Works Director; and Watson Fisher and Ted Robinson, SWAN.

Pledge of Allegiance

Mr. Hornung led in the recitation of the Pledge of Allegiance.

Public Comment

No public comment was presented.

Discussion regarding the continuation of firework displays in Township parks

Mr. Wolfe noted that he included a memorandum with several attachments for the packet. He explained that following the July 3rd fireworks display at Koons Park, several weeks later, the Township encountered unexploded fireworks ordinance when an employee cutting grass ran over a shell and it exploded.

Mr. Wolfe noted that Mr. Luetchford and PSD Johnson can report the specifics for what has happened to include multiple sweeps that have been conducted in Koons Park, to include using arson dogs. He noted that three additional unexploded ordinances were found, one of which was being played with by two boys. He noted that Mr. Luetchford had Sky Shooters Display, the fireworks company that put on the display, provide a memorandum regarding the event and the fact that they had some issues. The memo noted that employees were disciplined and they have changed how they will conduct fireworks in the future.

Mr. Wolfe noted that less than an hour ago, he received a phone call from Sam Robbins who reported that Bobby Hulsizer was cutting grass under the bleachers in Koons Park and

found a fifth unexploded ordinance. He noted that it was missed by the arson dogs, and unfortunately, Mr. Hulsizer carried the unexploded round back to the Public Works building where it was placed in a bucket of water. He noted staff is not trained how to handle these items, and suggested that the Township has been very lucky.

Mr. Wolfe explained that he noted two instances in the packet where communities have not been so lucky. He noted in Massachusetts, a Pennsylvania fireworks company has had multiple instances where they had unexploded rounds in municipal parks and the first one was uncovered the same way ours was, however, in that instance the lawn mower was damaged and there were no injuries. He noted that a Kansas volunteer who was helping to clean up after a fireworks display found an unexploded ordinance and as he approached it, it blew up and he died.

Mr. Wolfe noted that Sky Shooters Display, the fireworks company that put on this recent display as well as most of the prior ones, is scheduled to display again in George Park for the Paxtonia Fire Company on September 3rd as part of the Labor Day weekend events.

Mr. Wolfe noted that Mr. Luetchford and PSD Johnson are present to answer any questions the Board members may have. He noted if the Board desires to continue to have fireworks, staff proposes that policy issues be discussed prior to the next event.

Mr. Hawk noted that he would prefer to hear from staff as to their comments and reactions to what has happened. Mr. Luetchford explained that he has worked with fireworks for almost 30 years in the City of Harrisburg and for the Township, and you take a risk of shells going array, shooting sideways, or they can explode too early, resulting in a variety of dangers for any location. He noted that it cannot be considered entirely safe at any given moment. He noted that the providers are licensed pyrotechnicians and have the proper insurance in place. He noted that he could not say that this would never happen again, because, at any time, although this was considered a bad batch of fireworks that is rare, you can have individual shells that don't explode. He noted that the nature of the fuse is that once the lifting charge goes off it is supposed to light the next fuse, however, it won't happen 100% of the time.

Mr. Luetchford noted that the issue becomes, does the Board feel comfortable enough with what the suggested safety procedures would be even though it would not guarantee that you won't find a shell under a bleacher. He noted that it is extremely difficult to detonate a shell

unless you are trying to do so, but a young person finding a firework may be tempted to light it. He noted that it is very much a judgment call.

PSD Johnson noted that he agrees with almost everything Mr. Luetchford stated but anytime you engage in this type of activity you will run the risk that a shell will not explode or may even leave the property which is beyond the control of the Township. He noted that speaking with the fire companies, the fireworks are very important to them, they are adamant that they are willing to do just about anything to continue the display. He noted that may entail a manpower operation after the fireworks show to ensure that there are no unexploded fireworks in the parks and even in the parameter of the park, into the adjoining neighborhoods.

Mr. Blain questioned if any ordinances were found from previous fireworks display. Mr. Luetchford noted that one was found immediately after the show. Mr. Seeds stated that it occurred in 2004. Mr. Blain questioned why this year, and wondered if it was a new company that the Fire Company used. Mr. Luetchford answered that he did not know how often the Fire Company hired this fireworks provider, but the fireworks company has since stopped using that manufacturer of fireworks. He was told that it was considered a bad batch and that is relatively rare in the industry; however with all the fireworks shows there are always some issues of concern. Mr. Crissman noted that is not to say that the Township could not experience another bad batch of fireworks. He noted that he is very concerned with a child picking up a shell and taking it home with him.

Mr. Blain questioned how other communities in the area handle this. Mr. Wolfe noted that most fireworks display in a similar fashion as we do, and they are lucky for the most part. He noted, two years ago, Palmyra had an incident where the fireworks were shooting in the direction of the people in the stands. Mr. Luetchford noted that a rack fell down. Mr. Blain noted that a kid was badly burned.

Mr. Crissman noted that many of the large operations are displayed over water. Mr. Luetchford noted that is what the City of Harrisburg does. Mr. Wolfe noted that water makes a difference. He suggested that Springettsbury Township had a similar incident several years ago to what we experienced. He noted that there is no way to guarantee this will be foolproof and although many communities do it without problems, every year some one has a problem.

Mr. Seeds noted that more has to be done than what has been done in the past and he likes the idea that the firemen were planning to get lights from Station 37 and to use dogs to search the area. He noted if we continue to do this, we need to take better measures such as getting the lights and dogs to search the area after the show ends. He noted that we will have to do more. Mr. Blain questioned how much would that cost the Township to have the dogs and other resources. PSD Johnson answered that the dogs won't be an expense as the Capital Police Sheriff's Office needs to work their dogs and they are more than willing to bring out the dogs for those events. Mr. Hawk noted that the dogs missed an unexploded shell. PSD Johnson noted that he did not know what the grass is like under the bleachers where the shell was located, but we had a lot of people like fire fighters, fire marshals, and staff walking the area in a grid.

Mr. Blain questioned what bleacher was it found under. Mr. Wolfe answered that he did not know. Mr. Blain noted that people sit on those bleachers every night watching games. Mr. Luetchford noted that a kid may have picked up the shell and moved it to that location.

Mr. Hawk noted that he is hearing that there is nothing that staff can do that is foolproof. Mr. Wolfe noted there is one thing that needs to be discussed and that is that he can't guarantee at this point in time, given that we have found five unspent shells, that there aren't more out there, and that one hasn't gone home with a kid. Mr. Crissman noted that is what scares him. Mr. Wolfe suggested that staff might want to issue a press release about this.

Mr. Crissman noted that the Board must decide if it wants to cease and desist, and move forward, especially since another event is planned for the near future. He noted the other issue to be decided is if a press release should be done.

Mr. Luetchford noted for the firing site at George Park, a prevailing wind could project an unexploded shell into the woods and not into open ground. He noted if you had personnel in locked step looking for shells, it would be much harder to find a shell in the swamp and woods in the Nyes Road direction.

Mr. Hawk questioned why it is so important for the fire companies. PSD Johnson answered that it is the community involvement and the relationships that they developed with the members of the community, especially the people from Linglestown Fire Company. He noted that they were adamant that they be allowed to continue this event and they were willing to do just about anything to keep it going. Mr. Luetchford noted that they feel that it is a very patriotic

thing to do. Mr. Hawk questioned if someone is hurt, how adamant will they be then. PSD Johnson questioned their response if someone's arm or hand is blown off, or worse.

Mr. Crissman noted that there will be lawsuits.

Mr. Blain questioned what staff's recommendation is. Mr. Wolfe answered that he would be the first to say that he doesn't want to do it anymore. Mr. Luetchford noted that it is not that we can't do a good show in the right location; however, Koons Park is not that area. He noted that it is small and there are safety zones and procedures that are needed around the site, needing at least 280 feet and more if possible. He noted that prevailing winds could carry a shell in the direction of Balthaser Street and even further into someone's yard. Mr. Wolfe noted that the Township has had complaints from property owners in the past that the debris has fallen on their property.

Mr. Hawk noted if someone gets hurt we will be the first to be blamed. Mr. Crissman noted that we will be named in the lawsuit.

Mr. Seeds questioned if there was anywhere else in the Township that it could be done. Mr. Luetchford answered that you need a large area, preferably one with water to fire over. He noted when they did shows up at Lake Tobias; they fired over the pond and the City of Harrisburg uses the river. He noted that they create big safety zones. He questioned if, for the future, Wolfersberger Park could be a potential place to display fire works, as it is bigger but there is no lake or river to fire over. He noted that most municipalities fire over a field. Mr. Seeds wondered if Linglestown Elementary School would be a good area as there is no school in session around the 4th of July. Mr. Luetchford answered that you would have a rooftop to think about. Mr. Crissman noted that there are the surrounding homes as well. Mr. Luetchford noted that a fireworks show requires a large area with distance between the fireworks and the audience.

Mr. Hawk noted that it would take a tremendous manpower effort to search the property and there are still no guarantees. He noted that it was mentioned that the dogs need the practice. PSD Johnson noted that there is no guarantee that if the shells land near Balthaser Street, people leaving the fireworks could pick up one and take it home.

Mr. Blain suggested that staff is telling him not to do this. Mr. Luetchford answered that it is not necessary to do it. PSD Johnson noted that it is very important to the fire companies however he can't continue to recommend it and next year a kid gets hurt.

Mr. Wolfe noted that there are many positive things that could be said for the fireworks as it brings a ton of good will to the community, and it is nice, especially for Linglestown that has had years of experience making it a family event. He noted that given the geography and limited abilities with this type of event, he questioned how the Township could continue to do it and do it safely.

Mr. Blain questioned if someone got hurt who the responsibility would be one. He questioned if the Fire Company has insurance to cover it would it be the Township since it is a municipal park. Mr. Crissman answered that the lawsuit would be a shotgun approach, the manufacturer, operator, Township, and Fire Company. Mr. Wolfe explained that the Township requires that the fireworks companies have their own insurance as well. Mr. Seeds suggested that they have \$5 million in coverage. Mr. Wolfe noted that the Township would be included as well, but he did not know if the Township could be self excused due to governmental immunity. He noted that part of the issue with that is having prior knowledge of the issue as we are now discussing the geography in the park and five unexploded shells. Mr. Crissman noted that the history would not hold any place in court.

Mr. Crissman explained that he supports stopping the fireworks. Mr. Hawk noted that he, at the very least supports a moratorium on them. Mr. Wolfe noted if the Township issues a moratorium, the question is going to be, what does that mean. Mr. Hawk noted that he threw it out as an option, but his first wish would be to eliminate the fireworks.

Mr. Blain questioned if the Paxtonia Fire Company is prepared to do their Labor Day fireworks. Mr. Luetchford explained that they signed a contract, and made a deposit. He noted that he spoke with Chief Fife and he indicated that he could cancel and get his money back. Mr. Wolfe noted that the company that is displaying for Paxtonia is the same company that we had for Linglestown who had the mess in Koons Park. Mr. Wolfe noted that staff needs to know what to do now. He noted that we also need to know how to reduce the Township's exposure as some of these things require immediate action. He noted if you close the park until the next day when a daylight sweep of a park could be done, then Mr. Luetchford will have to notify the pavilion renters that their Labor Day morning picnic will have to be delayed. Mr. Crissman noted that does not preclude someone from picking up a shell that night on their way out. Mr. Wolfe noted that we would have to secure the park overnight, a fifty-acre site.

Mr. Blain questioned if the City of Harrisburg shoots all their fireworks over water. He questioned if they shoot fireworks at the Senator's games. Mr. Luetchford answered that they fire from the outdoor fence of the ball field. Mr. Blain questioned if they would have the same problem. Mr. Luetchford answered that he does not know if they use salutes or the ones that explode in the air or they simply go up in the air. Mr. Blain noted that he does not know but they display fireworks at the end of the baseball games. Mr. Luetchford noted that the fireworks at the Olympics were the type that simply go up and shine. He noted in that instance you can have fireworks without explosives.

Mr. Wolfe noted that he could get a long list of pyrotechnic-type events that are done in similar situations. He noted that he never realized how uncertain the explosion process was with these things and that no one can guarantee that you will not have kids playing with the unexploded shells in the park.

Mr. Blain noted that two years ago we decided that there were safety concerns as well as plowing concerns with having basketball hoops in the street. He noted that we did not want kids playing out in the roads. He noted that we never had an issue with someone being hit by a car, but we also realized that we didn't want kids on public roads playing basketball because as soon as someone got hit by a car, then the liability would fall with the Township because we knew it was a safety concern and we didn't do anything about it. He noted that he looks at it as being the same thing. He noted that no one has gotten hurt, but that is not to say that someone won't get hurt.

Mr. Seeds noted that it has never really been enforced. He noted that he sees a lot of basketball hoops over the street. He noted that they are there and you know it. He noted that they will move them right back out as soon as they are told to remove them.

Mr. Hornung questioned if the ordinance comes from a particular type of firework. Mr. Luetchford answered that he did not analyze the fifth one, but for the three that were found, two were 2 ½ inch diameter salutes producing a bank and the other was a color shell that looked like an onion. Mr. Hornung questioned if we could eliminate a certain type of firework. Mr. Luetchford answered no. He explained that the 2 ½ inch explosive remained in the body of the shell that was fired. Mr. Seeds questioned if the gentleman who owns the fire works company stated that he would not purchase fire works from that company anymore. Mr. Luetchford

answered that he received a letter indicated that they did a full testing on 10-shell strings and didn't find any issues with any of them as far as their ability to fire. He noted that they felt that it was a one-time deal. Mr. Seeds noted that the fireworks owner made a statement that he was going to discontinue using that particular type of fireworks. Mr. Luetchford noted that they need those sizes as that is what they use for the majority of the booms for the shells. He noted that a 2 ½ inch is a standard size shell and used constantly as the main body of the shell. He noted that he could choose not to use that manufacturer again.

Mr. Wolfe noted that typically the fire works are imported from China so we are not talking about something that has been approved. Mr. Crissman questioned if the five discovered shells were all the same. Mr. Luetchford answered that two were salutes and the first one exploded so he did not know what type it was and he had not seen the fifth one yet. Mr. Luetchford noted that most likely it was a salute as they are the ones that explode on a hard impact.

Mr. Wolfe noted that staff will do as directed but it needs some direction. Mr. Crissman noted that his decision is not to do the fireworks. Mr. Hawk noted that is two Board members in favor of disbanding the fireworks.

Mr. Seeds noted that he would like to continue with the dogs, the lights, and procedures and shut the park down maybe until noon the next day and hopefully find other measures to take. He noted that other areas are doing this.

Mr. Blain questioned if Linglestown Fire Company pays for this. Mr. Wolfe answered for part of it as the Township pays for half the cost. He noted that the Paxtonia Fire Company pays for their fireworks. Mr. Luetchford noted that Linglestown Fire Company gets \$4,000 from the Township. Mr. Blain noted even if they do have insurance, since we paid for half of the costs, we would still be on the hook liability wise since we funded it. Mr. Wolfe noted that the event occurs on Township property.

Mr. Hawk noted when he handled medical malpractice claims for the insurance companies, when something happens they sued anyone who walked and the Township will be included. Mr. Crissman noted that it will be a shotgun approach.

Mr. Blain questioned if Palmyra is still doing fireworks. Mr. Luetchford answered he did not know. Mr. Wolfe suggested that they are but they have changed how they are doing it, they

no longer allow people to set up as close to the display as they have in the past and they may have changed the vendor.

Mr. Blain questioned if it makes sense not to let Paxtonia do the fireworks since we don't trust the provider, it is getting late in the game. He suggested that we should reassess how we do fireworks to determine if we can do it safe and better before next year. He noted if it is found that we can't do it safely; then we shut it down completely.

Mr. Hornung questioned if it is a wasted effort, questioning if there is any advantage to doing more investigations suggesting that we will come up with the same answers. Mr. Luetchford noted that it will be a judgment for whether you feel safe enough. He noted because an unexploded shell was found does not mean that playing with it would make it explode as that is highly unlikely; however, if a child takes one home and decides to cut it open or soaks it in gasoline it could result in an explosion. He noted that is what a 12-year old might do.

Mr. Hornung noted that once it gets out that they have been found and left behind the kids are going to go looking for them the day after the event. He noted if you are a 12-year old kid it would be fun stuff and they could be setting them off in someone's mailbox. He noted that the current issue is with someone finding a firework on purpose, as they will try to do something with it. He noted that it could result in a more significant injury. Mr. Luetchford explained that the fireworks that were found had fuses hanging out of them. Mr. Hornung noted that it is strange that someone did not try to light it to see what would happen. He noted unless you can guarantee him that it will not happen again, he is not interested in fireworks.

Mr. Wolfe noted that he is confident that we can't guarantee that it won't happen again. He noted that we can do things to reduce the possibility of unexploded shells being found by members of the general public, but after what we found today, even after multiple searches, even after having dogs search the area, and after having cut the grass we still found another shell. He noted that we cannot guarantee it at this point, only reduce the possibility.

Mr. Crissman noted that he is not willing to take a chance on one life.

Mr. Wolfe noted that in following Mr. Blain and Mr. Hawk's solution, we could call a moratorium and get additional information. He noted that we could plot Koons Park to show the radius that you have and how it butts against residential properties. He noted that the same could be done for George Park allowing for prevailing winds and where the shells would fall. Mr.

Hornung noted that you can do it but I always look at things from a benefit/risk ratio and there is a benefit for the community to have the fireworks but he is not sure if it goes away it would cause significant damage or publicity for the Township. He noted that there may be other ways to get the benefit like using pyrotechnics to put on a show or other ways to have a community event. Mr. Wolfe noted that National Night Out for Public Safety will be held on August 7th. Mr. Hornung suggested that it is a better event than the fireworks and a lot would be accomplished with a much less danger involved.

Mr. Hawk noted that anytime you take an action like this there are other ways to benefit the Township. He noted that we may receive some upheaval initially but once people understand the health and safety issue, they will realize that it is the Board's responsibility to provide for public safety.

Mr. Wolfe questioned if the Board wants to meet with the fire companies to talk to them about this. Mr. Hawk noted that it would become a who-done-it kind of thing for lack of a better explanation. Mr. Crissman said no. Mr. Hornung noted if they asked to meet with the Board we would not say no. Mr. Crissman noted that this is an easy decision for him to make as it parallels for what he did when he worked for the school district when he cancelled school for a snow day and by 9 a.m. the sun was shining. He noted that he had to think of the buses traveling along Potato Valley Road when he made the decision and he would say to the parent that called him, that yes, we have to make up snow day, but we didn't lose a life or having any injured children or staff. He noted that he is not willing to take a change since for him it is a health and safety issue and that is his responsibility and there are other ways to accomplish the goal.

Mr. Hornung noted that is one no vote. He asked Mr. Blain what he thought. Mr. Hawk noted that he is no vote as well. Mr. Blain noted that before we shut it down completely we need to do more due diligence on the matter as there are clearly a number of communities that continue to do it and we should see if there are better ways to improve the safety. He noted if we come to the conclusion that we can improve the safety and could move the location to a new venue, but still can't guarantee that there won't be an unexploded shell, then he would agree to shut it down. He noted that we had an instance of unexploded shells, and it raised the Board's awareness that we have potential safety issues, and although he is sure that other communities have the same concern, he questioned if it made sense to do due diligence for how they are

handling it and what they are doing. He noted that after that is done, the Board might decide that it doesn't make sense to do it and then shut it down. He noted that he would feel better if we did more due diligence.

Mr. Hornung noted until we come up with a means to do it safer, we could put it out to the fire companies to find a way. He noted that we need a guarantee that no one will get hurt.

Mr. Crissman noted that he is willing to listen to new proposals but as of now he thinks that it needs to be shutdown.

Mr. Blain noted that we must tell the Paxtonia Fire Company that they can't do it until we review the safety and security issues and concerns. He noted that we must look at safety first to determine if there is a better way to do it. He noted that he would not want to shut it down until we have done our due diligence. He noted that there are a lot of communities that continue to do fireworks, even Palmyra who had a bystander burned by their display. Mr. Crissman noted that the other communities are doing it but he assumed that these issues have not been brought to their attention. He noted that it has been brought to our attention and we would be negligent if we didn't act in a positive way. Mr. Blain agreed that the Paxtonia fireworks should be shut down providing plenty of lead time to inform the Linglestown Fire Company that they can't do it next July 4th.

Mr. Seeds noted that we must do due diligence, however, they did propose more safety measures like using the bomb dogs and lights. He stated that he did not know if that would be enough measures. Mr. Crissman answered that it is not a guarantee. Mr. Seeds noted that there are no guarantees.

Mr. Blain noted that the venue at Koons Park is not very good but he questioned if George Park is any better if it is set up appropriately and questioned if Linglestown would have to have their fireworks at George Park. He noted if we find out that the venues don't work then we forget it.

Mr. Wolfe noted that it is the consensus that Paxtonia must be told that they cannot display fireworks for Labor Day with staff providing with additional information. Mr. Hawk noted that the general feeling is that, at this time, it is a no unless they can substantiate a greater degree of safety.

Mr. Crissman noted that the answer is no for him, but if they want to bring back proposals for how they can do it safely then we will consider it.

Mr. Wolfe noted that the one remaining issue is, should the Township issue a press release and should it be generic or specific. Mr. Hornung answered that we should not do a press release however this decision provides the fire companies time to come back with a solution. Mr. Wolfe noted that the purpose for the press release is to warn the community that fireworks are dangerous and anyone who finds fireworks in Koons Park should not be playing with them or attempting to set them off, and that they should call the appropriate authorities.

Mr. Luetchford noted that some residents in the area of the Koons Pool also launched fireworks in the days that followed so it is possible that there could be unexploded ordinance from a residential display. He noted that the press release would cover all types of fireworks.

Mr. Hawk noted that he was fine with it. Mr. Crissman questioned if we would do the press release. Mr. Blain suggested that the press release was fine. He stated that he wanted to know what the Board was doing, was it stopping the fireworks immediately or allowing the fire companies to come back with ideas or suggestions for how to do it another time. He questioned if we should listen to proposals or put it on hold until we get more information about what can or cannot be done. He noted that it is two different concepts.

Mr. Wolfe noted that he understood that there will be no more fireworks displayed in the Township; Paxtonia was to be told that they could not have their fireworks; and that staff was to report back on a greater due diligence efforts in regards to fireworks. Mr. Blain noted that is what he thought it was, noting that we need to shut down the Paxtonia fireworks, and then look at the entire concept of fireworks, and if it found that the Board can't control it then we should tell Linglestown by the end of the year that they are over.

Mr. Hawk noted if there is sufficient evidence that it can be done safely it would be allowed. Mr. Blain noted that it does not make sense to shut it down now and never do it again when the only upcoming fireworks display is the Labor Day event. He noted if that one is shut down and we conclude that there are no safe options, it should be shut down permanently.

Mr. Hawk noted that this is the first time that two beats three as there are three votes to shut them down permanently. Mr. Blain noted if there are three votes not to do fireworks anymore than that is fine. Mr. Hawk noted that Mr. Hornung, Mr. Crissman and he do not want

the fireworks. Mr. Seeds noted that he is the lone voice who wants to continue doing them with the dogs, and the lights etc. Mr. Hornung noted if the fire company can come back at a later date and provide a solution that we will never have another incident like this again he would reconsider his vote, but at this point it is a no. Mr. Blain noted that the vote is to shut it down, to inform the fire companies that there will be no fireworks; however, if they can provide a foolproof plan to do it, the Board will listen and may change its mind. Mr. Seeds noted that it is impossible to guarantee that it would never happen again. Mr. Crissman questioned if we should send out the press release. Mr. Wolfe questioned if the press release should be more specific. Mr. Hawk suggested that it should be as specific as possible.

Review of a proposal from Pinnacle Health to provide the
Township with emergency medical services

Mr. Wolfe noted that he and Public Safety Director David Johnson met with representatives from Pinnacle Health (PH) who made a proposal for Life Team Ambulance to serve the Township with the same service that is currently being provided by South Central Emergency Medical Services (SCEMS).

Mr. Wolfe noted that SCEMS provides 24/7 service to the Township with 2 ALS units stationed at a garage on Blue Eagle Avenue, and in August of 2012, it plans to add two additional Advanced Life Support (ALS) units in the Township; whereas PH proposes to provide 24/7 service to the Township with 2 ALS units, supplemented with an ALS/BAL Advance Life Support/ Bariatric Ambulance Lifer unit when needed. He noted that PH has 142 employees and plans to hire 24 full time employees to provide service to the Township. He noted that SCEMS has 76 employees for its multi-municipal service area. He noted that SCEMS possess no station in the Township at this time, although they are constructing a station next to the Paxtonia Fire Company on Johnson Street. He noted that PH would be willing to lease the Township's old sewer garage on Walnut Street to use as the base of operations for the Township. He noted that they currently serve Swatara, Susquehanna and Middle Paxton Townships as well as the City of Harrisburg

Mr. Wolfe noted that the current response time for SCEMS for the 432 June calls was that of those 400 were covered by SCEMS with a 93% coverage rate and an average response time of 7.1 minutes.

Mr. Wolfe noted that the Township's contribution to SCEMS is currently \$224,000 but SCEMS proposed to reduce that to \$204,000 in 2013, where as PH proposes an annual cost of \$200,000 at \$4.30 per person in the Township. He noted that the resident membership fee for PH is \$45 where as the membership fee is \$50 for SCEMS.

Mr. Wolfe noted that the operating budget for PH is \$2,025,500 and they expect to cover 99% of all calls for service in the Township with the resulting calls covered by mutual aid. He noted that they predict receiving 4,240 calls per year, an average of 353 per month.

Mr. Wolfe noted that SCEMS had \$4,032,015 in revenues and \$3,564,135 in expenses for total operations. He noted that these figures are for their total services to include other municipalities. Mr. Blain noted that it was mentioned during an earlier meeting the PH was operating in the black. He questioned if Life Team was a non-profit organization. It was noted that the proposed agreement states that it is a Not-For-Profit, 501 (3c) operation.

Mr. Blain suggested that the Board had many questions and it would need to meet with PH to discuss the proposal and then go back to SCEMS and let them know what the offer is. He noted that it would allow SCEMS to make some changes to their proposal to see what they could provide. Mr. Crissman noted that he did not mind meeting with both parties and he does not mind if they know that we are meeting with both of them.

Mr. Blain noted that PH stated that they would operate in the black by \$150,000; he questioned if that would include the \$200,000 contribution. Mr. Wolfe answered yes. Mr. Blain noted, without the contribution from the Township, they would have no room to move on the contribution because if we were to say we would only do it for the contribution they would be operating in the red and they couldn't do it. Mr. Crissman noted that is why their proposal is subject to negotiations between the parties. He noted that he is always for negotiations, noting that he wants to see the best services for the money he needs to spend.

Mr. Ted Robertson questioned if the patient would have a choice of hospitals to go to if the Board chose to go with PH. PSD Johnson answered that the patient always determines what hospital to use. Mr. Crissman noted that is currently true for SCEMS. PSD Johnson noted that the only time that would not apply is if you are on death's bed and a family member chooses another location; however, if they have to travel that far and the patient might not make it, they will go to the closest hospital.

Mr. Hornung suggested that the Board should pursue both providers to find out who would provide the best service for the Township. He noted that he was concerned about if the Township chose to change from SCEMS, people will lose their jobs, however PH stated that they will hire some of SCEMS employees. He noted that he would like to pursue that if we choose to go in that direction since those people have worked for substandard wages for quite a time to provide the Township with a great service. He noted that he would not want to walk away from them without giving them their fair day in court. He noted that it is a consideration, but there is more than that, and it warrants more investigation. He noted that due to things that were done previously, by the prior SCEMS administration, this has created an interest in pursuing a new provider and he stated that he did not know if he wanted to stop at this point, since if we go down this road, we could lower the contribution to SCEMS to \$200,000 and provide for a savings. He noted that he wants to offer both providers an opportunity to be heard.

Mr. Hawk explained, what concerns him is if the Township makes the move to switch to PH, it may be the death of SCEMS. He noted that the contract is for two years, and it is renewable unless a 90-day notice is provided by either party. He questioned what would happen if PH decides it does not want to renew the contract and SCEMS is out of business, what would we do. Mr. Hornung noted that there are advantages for choosing either provider, but SCEMS needs to know that we are looking for another provider. Mr. Crissman noted that is why we need to hear both sides. Mr. Hornung noted, if there is no competition, what is to stop PH from demanding \$300,000 for the next contract.

Mr. Seeds suggested that it is similar to what happened when Comcast became the cable provider.

Mr. Hornung noted that there is much to consider. Mr. Hawk noted that PH wants to be the provider in the area. PSD Johnson noted that PH is responding to the Township's request, he did not know that they are looking to put anyone out of business. He noted that they are moving into municipalities where the ambulances are going under, which is the norm across the United States. He noted that many ambulance companies are being taken over by hospital-based services.

Mr. Hawk noted that he would not want to find, two years down the road, the Township is held by a gun for a much larger contract amount. PSD Johnson noted, if you talk to the people

in the field, the general consensus is within ten years, it will be Penn State Hershey in one area of the county and PH in another. Mr. Hawk noted that there are no guarantees and you have to cast your vote and take your chances.

Mr. Seeds noted that a few years ago, the Township paid nothing for these services.

Mr. Crissman noted that he would like to meet with the two providers as soon as possible. Mr. Blain noted if a change is made it should start on January 1, 2013. Mr. Wolfe suggested that it would be an hour discussion with each presenter, allowing ten minutes in between. He noted that it would be good to provide each organization a month to prepare their presentations. It was decided to meet August 21st at 5 p.m. prior to the Board meeting. He noted that food would be provided at 4:30 p.m.

Review of draft Request for Proposals for Bond Counsel, Financial Advisor, and Underwriter, including standard specifications and conditions

Mr. Wolfe explained that he prepared Request for Proposals (RFP) for Bond Counsel, Financial Advisor and Underwriter. He noted that the scope of services provides what we want each group to do for us. He noted for the bond counsel we are asking that:

1. Rendering the bond counsel opinion regarding the validity and binding effect of bonds issued by the Township, including the source of payment and security for the bonds and the excludability of interest on the bonds from gross income for federal tax purposes.
2. Preparation and review of documents necessary or appropriate to the authorization, issuance, sale, and delivery of, coordination of the authorization and execution of these documents, and review and, where appropriate, drafting of enabling legislation.
3. Assisting the Township in seeking from other governmental authorities any approvals, permissions, and exemptions necessary or appropriate in connection with the authorization, issuance, sale, and delivery of bonds.
4. Reviewing legal issues relating to the structure of the bond issue.
5. Preparing election proceedings or pursuing validation proceedings, if necessary.
6. Reviewing or preparing those sections of the offering document to be disseminated in connection with the sale of bonds, including financing documents, bond counsel opinion, and tax exemption certificate.

7. Assisting the Township in presenting information to bond rating organizations and credit enhancement providers relating to legal issues affecting the issuance of bonds.
8. Reviewing or preparing the notice of sale and bond purchase contract, and reviewing or drafting the continuing disclosure agreement.

Mr. Wolfe suggested that proposals be returned by August 31, 2012, and that the Board hold interviews in September and choose the firm by the end of September.

Mr. Wolfe noted for the Financial Advisor he would like to have the proposals returned by August 30, 2012, to include the following scope of services:

1. Present information regarding methods of sale, including publicly offered and privately negotiated options.
2. Analyze and report on the advantages and disadvantages of each proposed financing option.
3. Assist in the selection of the financing team, including preparing a list of services required by the underwriter, verification agent, paying agent and other professionals.
4. Implement and facilitate the sale and marketing of bonds.
5. If applicable, prepare prior to sale, a Preliminary Official Statement (POS) describing the financing, the Township, and legal structure of the issue.
6. After the sale and prior to closing, revise the POS to reflect the actual rates of interest and other issue details which will become the Official Statement (OS).
7. Prior to closing a sale, the Financial Advisor shall submit written recommendations for the investment of proceeds and assist with the investment process. Investment analysis should include all permissible investments.
8. If applicable, prepare a report detailing the underwriter's purchase proposal in terms of interest rates, call features, and underwriting spread.
9. After the sale is complete, a report shall be prepared outlining recent comparable bond issues in terms of interest rates, call features, and underwriting spread.

Mr. Wolfe noted that this would also allow for a month to respond with interviews to be conducted in September with a decision to be made in September. Mr. Crissman noted that this should be made prior to the bond counsel. Mr. Wolfe noted that the financial advisors should help to pick the underwriter. He noted that the Board indicated that it wanted the RFP'S to go to

Rhoads and Sinon, LLP, Eckert Seamans Cherin and Mellott, LLC, and Mette Evans and Woodside for Bond Counsel. He noted for the Financial Advisor it would be, Boenning & Scattergood, Susquehanna Group Advisors and Public Financial Management, Inc. He noted that it would provide for six interviews in September and then the Board would have to determine how to pick an Underwriter. He noted that RFP's for the Underwriters were sent to Boenning and Scattergood, PNC Capital Markets, LLC and M&T Securities, Inc.

Review of the 2nd Quarter Key Indicator Report

Mr. Wolfe suggested that this is the best quarterly Key Indicator Report (KIR) the Township has had in about four years, although it is still not that good. He noted for 2012, the General Fund (GF) budget, to include State Aid was \$19,170,478 for revenues with expenditures of \$18,556,924 providing a balance to help reestablish the Township's Fund Balance. He noted that the GF Balance at the beginning of the year was \$4,831,413 and the General Improvement Fund (GIF) budget for this year was \$2,182,700 and of this \$40,000 is expected to come from the GF.

Mr. Wolfe noted that the Fire Equipment Capital Fund beginning balance was \$586,822 and the Length of Service Awards Program (LOSAP) was \$240,937. He noted that the Friendship Center (FC) had revenues of \$2,109,950 with expenditures of \$2,139,073. He noted that the FC Capital Fund had a beginning balance of \$167,686 with \$50,000 in proposed expenditures.

Mr. Wolfe explained that the Authority Funds will be discussed at a later meeting.

Mr. Wolfe noted that real estate and earned income tax revenues and any revenue associated with a development activity, including real estate transfer taxes, building permits, etc, were reduced or declined significantly. He noted since 2007, the Board has adjusted to that in a reduced workforce and this year the Township issued a tax anticipation note in the amount of \$2.3 million. He explained that the note has been paid back. He noted that the Township borrowed \$750,000 for road and storm improvements along roads from the Pennsylvania Infrastructure Bank and issued a \$2 million bond of new money for stormwater and municipal center improvements as well as the financial management package. He noted that the Township has been borrowing for long-term capital improvements and the GF budget for this year for

capital equipment items was dependent upon leasing public works trucks and equipment and police vehicles, a first time event for the Township.

Mr. Wolfe noted at the end of the 2nd Quarter, the GF had a positive cash flow with revenues in excess of expenditures of \$1,306,396. He noted that real estate taxes are received in lump sums in March, April and May and the revenues are where we should be. He noted that real estate tax distribution is up from previous years due to the increase in the tax rate, but also due to increase productivity from the collector noting that she has new software that allows her to scan bills that was provided by the Dauphin County Treasurer's Office. He noted that the Earned Income Tax (EIT) is higher by 11% and this could be due to the County-wide collection system. He noted that that the Local Services Tax (LST) receipts are down and we are not sure why. He noted that the Real Estate transfer tax is non-existent as well as Community Development revenues. He explained that development activity in the Township is still at a standstill. He noted that overall for 2012, at mid year; the revenues are 8% higher than they were in 2011 and expenditures are 1% higher than they were in 2011. He noted that staff has done an extremely good job in keeping expenditures in check, noting that the Departments are either under 50% or slightly higher. He noted some items for expenditures are over budget but none of them are big ticket items. He explained that we had an unexpected police retirement in the beginning of the year, and an unexpected Health Department cleanup.

Mr. Seeds questioned if police officers retired in 2011. PSD Johnson answered that one retired in 2011 and another in January 2012.

Mr. Wolfe noted that the fund balance as of June 1, 2012 was \$6,137,809 which is the first time in a long time that that number looked good. He noted that State Aid amounts to roughly \$1 million each year for road maintenance use. He explained that we zero that account out during the course of the year. He noted that for the FECEF, the current balance is \$786,867 and before long the fire companies will want to spend those funds.

Mr. Seeds questioned when the fire company sells equipment, regardless of who owns it, does the money go to that fund. Mr. Wolfe answered that only the primary fire fighting apparatus that we purchased would go into that fund. Mr. Seeds questioned if it is a piece that the fire companies bought, does the funds go back to them. Mr. Wolfe answered yes.

Mr. Wolfe noted that the LOSAP program has a fund balance of \$301,021 and he will provide the Board with a new actuarial valuation in the near future. He suggested that the contribution rate to maintain the benefit level is going to increase and it may increase from \$60,000 to \$75,000.

Mr. Wolfe noted that the GIF expenditures are only \$214,681, however, the stormwater project is in place and Mr. Robbins will have that money spent by November, totaling over \$1 million. He noted in regards to the municipal center, the malfunctioning HVAC unit was replaced at a very reasonable cost of \$50,000. He explained that it would have been twice that amount if we would have had to bid it but we did not have to do that due to the increase in the State bidding requirements. Mr. Wolfe noted that staff has not done anything yet in regards to the roof replacement. He noted that there will be much more movement for the GIF in the 3rd quarter.

Mr. Wolfe noted that the FC budget for midyear is positive at \$183,599 versus a negative \$47,237 at this time last year. Mr. Luetchford explained that is due to the fact that he has not made a payment on his interest and principal for the mortgage. He noted if that was made, the net would not be as good as it was last year.

Mr. Seeds noted that there was a decrease in revenues of 47.8% and a 59.6% decrease in expenditures. Mr. Luetchford noted that the annual memberships continue to drop but the losses are made up in programming, and in guest and day passes. He suggested that the economy has not improved enough to impact the discretionary income for households.

Mr. Wolfe noted that the Board approved a new capital reserve fund resolution the beginning of this year and the fund balance is \$167,740. He explained that it provides for the replacement of the existing capital as identified in the plan at the FC. He noted that the membership has been relatively stable or slightly on the increase but the issue is that we are losing annual memberships as there is a trend for more month-to-month memberships.

Mr. Wolfe noted that the Authority budget, for operations, has revenues of \$5,840,277 with expenditures of \$5,301,242. He noted that capital expenditures are \$2,881,488. He noted that the Sewer Authority is currently managing a large number of mini-basin contracts and the ones that are currently active total \$21,261,985.

Mr. Seeds noted that the cable franchise revenues had a budget of \$1,025,000 and we have only received \$223,804. He noted that last year, at this time, we had \$934,669. Mr. Wolfe noted that part of it is the timing of receipts and it is all dependent on revenues generated by Comcast and Verizon. Mr. Seeds questioned if we should have all that money by the end of the year. Mr. Wolfe answered yes.

Mr. Seeds questioned why the expenditures list the FC & Library revenues together. Mr. Wolfe noted that the Township provides \$100,000 contribution to the FC, and the rest is the tax money that goes to the library.

Mr. Seeds noted that it lists the 2012 budget amended, and he questioned what that means. Mr. Houck noted that the software company, Harris lists it that way.

2013 General Fund Budget

Mr. Wolfe noted that he intends for this to be a general review of where we will be at the end of the year and what is proposed for 2013. He noted that we will not review specific items this evening as the budget that was prepared in draft form for 2013 is balanced with revenues in excess of expenditures of \$548,616. He noted that he expects to end 2012 with a positive balance of \$244,240. He noted that it is the first year that we have had a year-end balance in a while but the budgeted amount for the balance was \$573,000. He noted, at this time, we are \$330,000 short of where we want to be by year-end. He noted that it is not an expenditure issue, noting that we are where we planned to be, rather it is a revenue issue primarily related to development line items.

Mr. Wolfe noted that he has asked the Department Directors to provide a summary for their Departments, to include where we expect to end up at the end of 2012, and what is budgeted for next year. He noted that he asked the Directors to highlight areas of concern or interest and to identify specific items that are not included in the budget given the fact that we have operated very leanly over the past years; items that they wish were in their budgets based upon need.

Administration, Shade Tree, Community Development, and Health

Mr. Houck noted that the EIT is higher than budgeted but the LST is down as the new collector is concentrating more on the EIT as opposed to the LST. He noted that the Township

had to get out of its contract for LST from Berkheimer to move to Keystone, however, some employers are still sending their funds to Berkheimer. Mr. Blain questioned if they could be misclassifying LST as EIT. Mr. Houcks answered that he was not sure about that. Mr. Blain suggested that it may be misclassified and asked Mr. Houck to look into this.

Mr. Houck noted that the electricity costs are much lower than budgeted expecting to come in around \$45,000 this year, budgeting \$50,000 for next year with a 2012 estimated budget of \$68,000. Mr. Hornung questioned if it was due to lower prices or usage. Mr. Wolfe answered that the usage is about the same and no energy improvements have been made to the Municipal Center; however improvements were made at the FC and staff is trying to track the uses. He noted that electric and gas rates are at an all time low.

Mr. Houck noted that the recycling program grant is expected to receive \$100,000; however, Mr. Shoaff suggested that it would be closer to \$54,000 this year and \$60,000 for next year, noting that is a reduction of \$46,000. He noted that the Health Department cleanups are higher now but we should be getting some of that back in reimbursements. Mr. Wolfe noted in regards to the Health Department we have submitted a grant application for equipment. He noted that the State still owes the Township a 90% reimbursement on \$500,000 worth of equipment that we purchased for the Compost Facility over five years ago. He noted that staff submitted the application and was told that the maximum grant would be \$250,000, noting that it is the first time they had an open window in three years due to State budget issues.

Mr. Houck explained that \$250,000 used to come from the Real Estate tax that was in the GF that the new auditors force him to move into the FECEF. He noted that Real Estate taxes will be \$250,000 less compared to last year but there will also be that much less in expense in Department 110 because it used to be funneled through Department 110 which was FECEF. He noted if you review the Real Estate tax and think there is a gap, the funds were just moved from one fund to another.

Mr. Houck noted that the Codes Enforcement revenues were down; however, more revenues have started to come in. Mr. Seeds questioned why that is occurring. Mr. Wolfe answered that no one is building anything. Mr. Seeds noted that he was thinking more of codes enforcement violations. Mr. Wolfe noted that enforcement costs money and the Township is lucky if its breaks even.

Mr. Houck noted for Planning and Zoning, the subdivision application fees are up a little. Mr. Wolfe explained that the Board has not seen a residential plan in a long time noting that the three big plans for the last year were Bishop McDevitt High School, Holy Name of Jesus Church, and Pinnacle Health. He noted, other than Sheetz, there has been no private sector plans.

Mr. Houck noted that the insurance will meet its budget; however, for 2013 he is increasing it by \$15,000 to have Ruth Moraski provide an assessment of insurance needs and rebid it. Mr. Wolfe noted that Mr. Houck is requesting pricing proposals from a select few as what was done in the past, however, we have not conducted a full blown analysis for insurance in four or five years. Mr. Crissman noted that it is time to do it. Mr. Houck explained that there is a firm in Lancaster that was interested and would like to submit a bid to provide competition for Brown and Brown.

Mr. Wolfe noted that the one item that will be significant and its overall impact is unknown, would be the bond refinancing of over \$10 million that is coming up the end of the year. He noted that it will lower the interest rates and reduce the debt service unless the Board decides to add new money on top of it. He noted that this will come into play in 2013.

Mr. Hornung questioned if the sale of the cell tower would be for 2012 or 2013. Mr. Wolfe noted that the Board awarded a bid of over \$303,000 and Mr. Stine is working through the paperwork with AP Wireless. He noted that he needs to add that to the budget.

Mr. Crissman questioned if Mr. Houck would need to say something to the auditors if we get a reimbursement from the State that is five years old. Mr. Houck made a note of it. Mr. Wolfe noted that it comes to the Township as a grant.

Police Department

PSD Johnson noted the 2012 amended budget was \$5.2 million with a projected year-end budget of \$5.3 million, with the difference being the unexpected payout for a retirement. He noted that he budgeted zero for the forfeitures funds, money sitting in an account from the Federal government.

PSD Johnson noted if the gasoline prices stay down, as well as overtime payments, he could trend a little lower than the projected \$100,000 over budget. He noted that the Department is significantly under its overtime budget, only spending \$37,000 for the first half of the year,

with a yearly budget of \$105,000. Mr. Crissman questioned if that was due to the rescheduling of personnel, and if that is so, it is a credit to your name. PSD Johnson noted that he is doing what he can to keep it at minimum. He noted that the Department has experience numerous Crises Emergency Response Team callouts and each person is guaranteed four hours minimum pay. Mr. Seeds questioned if the Department gets reimbursed from Dauphin County for the callouts. PSD Johnson answered that he occasionally receives a check from Dauphin County. He noted that it is unlike the Drug Task Force commitment where the Township gets reimbursed for all the overtimes.

PSD Johnson noted that every other line item is pretty much where it needs to be. Mr. Blain questioned who he was planning to promote to Sergeant. PSD Johnson answered that we are planning to do this but that is why that category is under budget. He explained that due to injuries and illnesses and the departure of Detective Goodrow, he was not yet able to fill that spot. He noted that he had two people who were on long-term injuries for multiple months. He noted that the testing for Sergeant will take place on August 15th. Mr. Crissman noted that PSD Johnson intended to fill the position, but was delayed based on all the items he mentioned. Mr. Hornung questioned if he would have to hire someone to fill the void. PSD Johnson answered that he would not and would be moving personnel around. He noted that he did hire someone to replace Goodrow, so he is at the compliment of 53 officers excluding him.

PSD Johnson noted that he is constantly evaluating the level of efficiency and although the Department is getting the job done he is not happy with where we are and he thinks that he could do a whole lot better. He explained that he needs to speak to Mr. Wolfe about making some changes. Mr. Crissman stated that was excellent.

PSD Johnson noted when he took over, he noted that he would always be evaluating how they do things and if it is not working, he will redo it or come up with something new.

PSD Johnson noted for 2013, the proposed budget is \$5.4 million and the increase is mainly due to union contracts and the requirement to replace body armor every five years. He explained that the manufacturer can't guarantee that a bullet won't penetrate the armor after five years. Mr. Wolfe questioned if we trade in the old armor. PSD Johnson answered no since it is no longer dependable. Mr. Crissman questioned what you do with it. PSD answered that it was used for the Citizen's and Youth Police Academy when they were doing firearms exhibitions. He

noted that the remainder we donate to a group that sends them over to foreign countries for military personnel who do not have vests for their officers. He noted that they are worthless and most departments throw them in the trash.

Mr. Seeds questioned if they have a calibration for a certain caliber of weapon. PSD Johnson answered yes noting that there are certain levels of vests, and they suggest that you should be wearing for a caliber that can stop that bullet. He noted that it would be a level three for our Department.

Mr. Hornung questioned if PSD Johnson was buying new vehicles. PSD Johnson answered that he was leasing new vehicles. Mr. Hornung questioned if he purchased any new vehicles. PSD Johnson answered no. Mr. Wolfe noted that the line item may not have been changed to show leasing. He noted that the payment for the 2012 lease and 2013 lease will be in this budget. He suggested that it would be roughly \$75,000. He noted in years past he budgeted about \$105,000 for four vehicles. Mr. Wolfe noted that it decreased this year by \$70,000.

PSD Johnson noted that there will be an increase in the longevity pay and in 2013 we may have to move to a county-wide records management system. He noted that the District Attorney's office is using gaming funds to purchase it, and D.A. Marscio has indicated that he will pay 50% of the fee for each Department with the Township being responsible for the other 50%. He noted that it could cost between \$40,000 and \$50,000. He noted if the DA gets more money from the Gaming Fund, then he could put more towards the system. He explained that the Department's Records Management system cannot communicate with other Departments which is a public safety issue. He noted that it is imperative that all the local police departments use the same records management system. He explained that the Police Department is not very happy with the current records management system that it is using. He noted that the service from the vendor is extremely poor. He explained that he does not know when this will occur as it could be in 2013 or 2014.

Mr. Seeds questioned if this records management program would be tied in with the Pennsylvania State Police. PSD Johnson answered no. Mr. Seeds questioned if it would be a benefit. PSD Johnson answered yes.

Mr. Hornung questioned PSD Johnson what he would like to have that he is not getting. PSD Johnson answered that the Department is fine at this time but he can't afford to lose anymore personnel.

Mr. Seeds questioned how the radios are working. PSD Johnson answered that the new radio system is outstanding. Mr. Seeds questioned what about communicating with the State Police. PSD Johnson noted that his personnel are able to communicate with them, but they are still having some issues. He explained that he would need to spend approximately \$7,000 as the radios warranty will expire in November of 2012 and the best option for next year is to enter into a service contract for them. He noted that the contract runs about \$2.90 per month for each radio and roughly \$5 for the mobile radios. He noted that the previous radios were covered under a service contract, and the average cost for a shop to look at a radio for service is roughly \$175. He noted that it would be wiser to have a service contract to cover all the Department's radios.

Mr. Hornung noted that some Township's are putting cameras in high crime areas and he questioned if the cameras that were used in the Forest Hills investigation could be used in other areas that are high crime areas. PSD Johnson explained that the cameras were loaned to the Department through the Attorneys General Office and they are always available to the Department as well as cameras from the Mid Atlantic Great Lakes Organized Crime Law Enforcement Network, (MAGLOCLLEN). Mr. Hornung questioned if the Department had to give the cameras back. PSD Johnson answered yes. Mr. Wolfe noted that we do not have the ability to get permanent cameras. He noted that they are very expensive and with as large as the Township is, they are mainly used in confined urban areas. Mr. Seeds noted that certain counties depending on their population can use them. Mr. Wolfe noted that any police department can use the cameras, however, he suggested that Mr. Seeds was referring to the red light cameras. Mr. Hornung noted that he was suggesting that they be used in areas of high crime; noting that PSD Johnson was speaking about efficiencies, and patrolling is always expensive and you can't be everywhere all the time. Mr. Wolfe noted that there are issues with installing cameras on private property, such as apartment complexes. PSD Johnson explained that the Department experiences trends, unlike in large cities where the crime is never ending. He noted that using cameras at one location for a couple months, and stepping up patrols to get rid of the problem, you could go years before another situation occurs. He noted that he would resort to using cameras in a

trending crime area after he has tried all other means of addressing the issue. He noted that he would also work with the owners of the private property as opposed to sticking cameras in an area. He noted at this time the issues are random crimes and not in one specific area. He noted that the Township recently experienced a problem with someone breaking into cars but the perpetrator was arrested.

Public Works – State Aid

Mr. Robbins noted that the Public Works Department Budget is in good shape as he budgeted \$2,445,416 for 2012 and he would expect the year-end to be \$2,472,809. He noted that he budgeted \$90,000 for vehicle maintenance but it will probably be \$95,000 as there were some unexpected expenditures for the older equipment. He noted that bridge maintenance was budgeted for \$50,000; however, if you recall, he came to the Board several weeks ago and asked for an increase in that contract to \$110,000 as staff did the work for the approaches for the bridges and cleaned the deck, only to find that the Goose Valley Road bridge was inundated with water and the wearing surface had to be replaced and a water proofing membrane was needed. He noted that he is in the process of rebidding that work. He explained that they are the two large items for the 2012 budget, and everything else is pretty much on track.

Mr. Robbins noted for the 2013 proposed General Fund budget, the skilled full-time labor contract must be honored noting that it provides for a 3% increase, as per the new contract. He noted that there was an increase in small tools line item as there were a few items he needed to purchase over and above the normal purchases. He explained that he needs a pipe laser, a device that dials the grades in the pipes or inlet structures, making staff's work much faster, at a cost of \$4,000. He noted that the mechanics would like to have a new tire changer, as the current one is over 23 years old at a cost of \$4,500.

Mr. Robbins explained that two staff members are dedicated to working on the drainage facilities and they need a small crane for lifting the inlets top to reset them to grade at a cost of \$3,500. He noted that the crane would be mounted to a truck.

Mr. Robbins noted that he has not budgeted for any paving or bridge work from the General Fund for 2013. He noted his 2012 budget is \$2,445,416 and for the 2013 budget, his request is \$2,144,774. Mr. Blain noted that it does not include any paving. Mr. Robbins noted that those funds come from the State Aid Fund in the amount of \$670,000. Mr. Wolfe

questioned how much was budgeted for 2012. Mr. Robbins answered that there is \$122,000 in the General Fund and about \$350,000 in State Aid. Mr. Wolfe noted that it would provide for roughly a \$200,000 increase.

Mr. Seeds questioned what the status is for the Pavement Management Program. Mr. Robbins answered that he expects to have the finished program and data provided to him sometime in October. He noted that HRG is doing the data extraction now, and he thanked the Board for providing that program for his use.

Mr. Seeds questioned what the status is for the Financial Management Program. Mr. Wolfe noted that staff has not started that process yet. Mr. Seeds questioned if it would be done this year. Mr. Wolfe answered that it would probably be next year. Mr. Houck noted that you need about a year to do that. Mr. Blain questioned the reason for delaying this purchase, wondering if it was as a result of funding issues. Mr. Houck answered that it was cash, however, now we have the bond money, and if we intend to use some of those funds, we could move forward with it for next year. He noted that he was leery on spending the cash because every time you turn around there is something else that you need to spend the money on. Mr. Blain noted that there is such a return on that program as staff can start to use the purchase card more. He noted that the Township doesn't use it enough and it is missing opportunities for cash refunds. He questioned if the current system does not accommodate for the purchase card with PNC bank. He noted that was the reason for purchasing the Financial Management System in order to utilize the Purchase Card Program that will help save money and offset the cost of the new system. He noted if we know we can get it done, get it done and don't mess around. Mr. Wolfe answered that staff can do that.

Mr. Seeds questioned Mr. Robbins how much was budgeted for storm sewer work. Mr. Robbins answered that it is not in the GF. Mr. Wolfe noted that it is budgeted from the GIF and it has not been done yet. He noted that staff ultimately had \$2 million to spend and about \$1 million will be spent this year between the bond issue and the PIB Loan. Mr. Robbins noted that the Board approved additional work for Sycamore and Winthrop Drives which was work staff could not get to and was added to the Wexcon contract.

Mr. Robbins noted that State Aid revenues are budgeted at \$995,275 but they actually came in at \$1,058,000. He explained he carried the same budget number over for 2013. He

noted that he budgeted \$245,000 for salt and he expects to be at \$100,000 at the end of this year. He noted that we experience a very mild winter this year. He noted the expenses were budgeted for 2012 at \$999,955 and he expects to come in around \$826,000. He noted that he was able to trim some expenses, and traffic signals were budgeted at \$132,000 and he expects to expend \$110,000. He noted that he was able to trim \$5,000 from the rental of equipment and he expects to be about \$160,000 under budget for state aid for this year.

Mr. Robbins noted that his budget for 2013 is very similar to 2012 with the exception that State Aid blacktop was \$122,009 in 2012 and in 2013 it will be \$598,000. He noted that the remaining items, such as line painting, traffic signal maintenance, salt, are the same; however, he has \$117,000 for State Aid equipment, and he is allowed to use 20% of the State Aid funds for equipment. He noted that \$55,000 would be for a new truck that will be ordered in 2013, \$27,000 for year two-lease payments for trucks, \$12,000 for a leased roller, and \$12,000 for leased pickup trucks. He noted that he will have another year of lease payments in 2014.

Mr. Hawk questioned how the State Aid funds are received. Mr. Houck answered that they are directly deposited into the Township's account. Mr. Seeds questioned if it is a lump sum received in April. Mr. Houck answered yes. Mr. Robbins questioned if the Township receives notification for what it would be for the following year. Mr. Houck answered that he gets a notification about a month or two before they send it and they inform him for when to expect it.

Mr. Blain questioned what roads are to be paved in 2013. Mr. Robbins answered that the mini-basin program directs a lot of the paving. He noted that those contracts put him in an odd position trying to be fair in what the Authority should pay for and what the Township should pay for. He noted that you may have a manhole that comes up on a street 1,000 feet long and a terminal manhole coming from the other direction 400 feet away, and that section of the road is not paved and as a result, he can't bill the Authority for that since they didn't do anything to the street. He noted that we use Township funds for fill in work and as a result, other projects for this year had to be delayed due to mini-basin work. He noted that he does not have the money to fill in the gaps for the mini-basin work. He explained that he used 100,000 pounds of cracked/seal as a low-cost maintenance however, we must continue to do this as it provides for longevity. He explained if we didn't do it we would have many roads that would just fall apart. He noted with a

\$450,000 budget, if you put down \$150,000 in crack-sealing and do some micro-surface work and poly patching, \$200,000 of the budget is gone.

Mr. Wolfe noted that Mr. Blain wants to know when the Huntfield Development will be paved and will it be completed in 2013. Mr. Robbins answered that the Pavement Management Program will be up and running and he would like to make a presentation on the findings. He explained that the Board will be able to set what number it wants from the AST rating to address what roads need work. Mr. Robbins suggested that we should probably finish the Huntfield Development but it will be expensive. Mr. Wolfe noted that it was a project over and above paving, as it turned out to be a road reduction project. Mr. Blain noted that the Board made a commitment to those people that we would do that project and we only finished half of it. He noted that it needs to be completed. Mr. Robbins noted that Mr. Blain is correct, however, when he completes that phase of the Development, what do we tell the people in next phase and where do you draw the line. Mr. Wolfe noted that we should not commit to any future improvements at this time. He noted that there was a commitment that we finish so much of additional paving and we haven't been back. Mr. Robbins explained that the roads that the Authority assisted in paying for this year and what work public works has tried to take care of make an all encompassing project very difficult. He noted if you don't crack seal the roads that you should be sealing, then they will continue to deteriorate and the cost per square yard goes up dramatically.

Mr. Robbins noted that his wish list would be more money for paving, and storm water as part of the mini-basin projects and part of the developments where the facilities have reached their useful life. He noted that we have talked about expanding the public works building, a significant expenditure, but it is very much needed. He noted that we need more office space, and there are issues when you expand the building as you have to sprinkler it. He suggested that the cost would be between \$3.7 and \$4.5 million to do the expansion. He noted that he needs a new radio system, however if he had to rank the wish list, the radio system is a lot smaller expenditure at \$120,000, and it is very important for staff to be able to communicate with each other under all circumstance especially when the weather is bad. He noted that the current radio system is old, outdated and tired.

Mr. Hornung questioned when Mr. Robbins expects to get the results from the Pavement Management System. Mr. Robbins answered in late October or early November. He noted that

it will take a couple weeks for staff to get up to speed with the new program. Mr. Hornung questioned if he would be able to rate the most critical streets. Mr. Robbins answered yes, and stated once they rate the streets, the Board has to decide what number it wants. He noted if you want the ASTM rate to be 70, then any road below a 69 will be on the list. He noted that he will not spend time looking at the roads that need to be reclaimed, as they will be in the 40 or 50 category. He noted that we need to get the roads in decent shape so they don't get any worse. He noted that we can do patch work for the streets that have paved and work with the mini-basin program, but we need to find for additional funding.

Parks and Recreation

Mr. Luetchford noted that for 2012, expenses are budgeted at \$605,950 and he expects the year end budget to be roughly \$601,500. He noted that revenues are expected in the amount of \$280,000, however, he hopes to receive around \$370,000. He noted that it is higher by about \$90,000 due to the fee-in-lieu funds. He noted that he only budgeted \$8,000 for that and so far he has \$54,900 from small developments. He explained that he hopes to receive an additional \$96,000 by the end of the year. He noted that for 2013, he budgeted \$100,000 for this. He noted for revenues, he expects the fee-in-lieu fund to increase by \$9,000 if we pay off the Wolfersberger Tract because the Township could receive income from the Paint Ball group that is currently using that tract of land. He noted that it was previously discussed to charge them a couple hundred dollars a month and at \$800 per month for twelve months, it would provide for nice revenue.

Mr. Luetchford noted that the other revenue numbers are about the same as this year, however, under expenses, the only significant change is under park purchases, being the \$40,000 for the final payment for Wolfersberger Park from the GF. He noted that it provides for a budget of \$646,360 with revenues of \$390,000 and a net cost of \$255,000 for next year.

Mr. Luetchford noted that it does not include the Koons Park/Wolfersberger Park Planning DCNR Grant of \$40,000 as it would be included in the GIF. He explained that he has paving issues with parking lots in the parks, basketball courts, and building roofs and pavilions roofs have not been repaired or replaced. He explained that he has not funds to be proactive to prevent problems. He noted that fencing needs to be replaced as it will not last forever.

Mr. Luetchford noted that he has issues with the FC; however, they will be discussed at a later time. He noted that he needs to spend \$170,000 for the replacement of equipment, noting that he has a control issue with the HVAC unit as it is almost unusable at this point.

Mr. Hornung questioned if anything more has been done with the contract for the fill for the Wolfersberger tract. Mr. Wolfe answered that an issue has arrived that the wetlands permit from the U.S. Army Corps of Engineers expired 18 months ago and it was expected that they would extend the permit but they did not and staff must conduct a new wetlands delineation and the estimated cost from HRG is \$11,000. He noted that it will take six months to complete the process. He suggested that the bid would not go out for the contract until the first half of 2013. Mr. Hornung questioned how much revenue was expected from that project. Mr. Wolfe answered that he did not look to generate revenue, only to get the land properly filled, compacted and placed so that we would have a level playing area at no cost to the Township. Mr. Seeds noted that we don't officially own that tract of land yet. Mr. Wolfe noted that we did a Phase One Environmental study when we contemplated CASA's operation. Mr. Luetchford explained that the Corp's assumption is that over the course of time, wetlands do not stay in the same place, and they want to know specifically where they are located. Mr. Blain noted that the Paxtonia Athletic Association has a concern that the wetlands at the end of the baseball fields, specifically the minor baseball fields have significantly increased over the years and that the minor field will become unusable at some point.

Mr. Wolfe noted that staff plans to move forward to fill the Wolfersberger Track and to possibly bid it so it could be done at no cost to the Township. He stated that it will be part of the budget presentation. He noted that it was not included in the 2012 Budget, however the costs of putting together the bid specifications and getting the wetland delineation recertified will probably cost around \$25,000.

Mr. Seeds questioned when the softball people would build the dugout. He noted that he received some complaints about this. Mr. Luetchford explained that they want to get through the playing season before starting the work. He noted that it would be located at Field No. 1 by the tennis courts at Koons Park. Mr. Seeds noted that they tore it down last year and it is an eyesore. He noted that the volleyball lights have been on all night again. Mr. Luetchford stated that he would look into this.

Mr. Wolfe suggested that Mr. Luetchford should explain the work of the Koons Park Master Plan Study Committee. Mr. Luetchford stated that the Board was willing to fund half of the Department of Conservation and Natural Resources Grant for this study and he is looking to move ahead. He noted that the Committee will be made up of 11 people, seven from the Parks and Recreation Committee, one from the Planning Commission, and three from the general public. He explained that he mailed the Request for Proposals about a month ago and five consultants have provided proposals as of last week. He noted that Mr. Wolfe and he have cut that number down to three possibilities, and the Committee will interview the three consultants on August 8th and be prepared to make a recommendation to the Board for this project. He noted that he intends to start the process in September and finish it by July 31, 2013. He noted that the plan would develop the two tracks as sister parks.

Mr. Wolfe noted that this was intended to be a general introduction to the budget process, and the 2012 YTD numbers look better than they have for the past couple years. He noted that staff was able to present a draft budget that is balanced that reestablished the GF balance; however there is much more work to do. He noted that the detailed narratives will be available for the next meeting along with a five-year projection for spending using the 2011 year-end numbers, the estimated 2012 year-end, and the 2013 budget numbers projected out to 2017.

Mr. Crissman thanks staff for curtailing the spending and holding to the budget.

Mr. Hornung noted that it does not seem like the economy will change much in the next two to five years, and he questioned if that was true. Mr. Blain answered that he does not think that anyone knows. He noted that he sees reports that construction will be way up next year but that manufacturing will be flat. He noted that he does not think that anyone knows what will happen.

Mr. Seeds suggested that people are holding onto their money to see how the presidential election goes. Mr. Blain noted that major economists from Wells Fargo and PNC Bank are saying that they don't project a recession; they just project slow growth for at least the year 2013. He noted that the Gross Domestic Product Rate is projected to only be 2 % to 3%.

Mr. Hornung questioned how long we can continue to go like this before we get into trouble with roads or parks. Mr. Wolfe answered that we are not making great strides but we have not fallen significantly behind and have continue to pave. He stated if we pave \$450,000 a

year, it does not include the \$1.5 million of sewer work over multi-years for paving as well. He noted that he is more concerned about storm water than the roads, as we have aging structures that have not been touched in mini-basin. He suggested that storm water is the next big nut to crack. He noted that it is not like we have stopped everything for the past three years and haven't done anything, we have.

Mr. Seeds noted that we are making progress using the borrowed money. Mr. Robbins noted that we are bidding BC-6 now and an additional one mini-basin that comes to his mind is Clermont as it has significant storm water failures. He noted that the stormwater loss could be as much as or higher than any mini-basin, and it is scheduled for 2018. He noted as it gets shoved to a later date, it may cost more for his Department to keep it going, however, if it drops down the list because flows go up it will become a priority. Mr. Wolfe explained that it is neighborhood with a complete underground system that is in as bad shape as the sewers and it and the curbing will have to be replaced.

Mr. Hornung noted that he listens to the struggles of the Department heads concerning items that continue to deteriorate without the ability to address those items. He noted that stormwater is at the top of the list, and hopefully, we may be able to incorporate it into the Sewer Authority to address some of those issues since that number is so large. He noted that we will be getting results for the Pavement Management Program but additional funding will be needed to fix the roads. He noted that Mr. Luetchford had stated that some of the items in the parks need to be replaced, labor contracts continue to rise 2% to 3% but the revenues are not rising by that amount. Mr. Wolfe noted that is not true, they are basically only increasing 1.5% per year, with two of the units frozen in 2013. He noted that the one that was frozen in 2011 is the one receiving the 3% raise. He noted that the personnel costs for the next several years will not be rising up at alarming rates and that includes the health care benefits as well.

Mr. Wolfe suggested that the Township is at a status quo and able to maintain, but it is not able to address the infrastructure problems over and above the \$2 million that the Township borrowed. Mr. Hornung suggested that we are losing ground at status quo and problems are getting worse and not being addressed, with stormwater being the major issue. He noted that it will not go away, and the roads and parks are also issues. He stated that the problem that he the Board will wrestle with at some point in time is can we do something differently knowing that

raising taxes is not always something that we can do. He stated that he does not know what the answer is.

Mr. Hawk noted that you can't tax yourself into prosperity and can only go to the well so many times before it is empty. He noted that it is a multi-faceted challenge that does not only rest with the Township, but also with the State and Federal government, and with unfunded mandates. He noted that the prevailing wage is another item, as well as transportation funding and they are not in the Township's control. He noted that staff does what it has to do to make ends meet to keep the Township ahead of the game or from falling too far behind. He noted that he has done a lot of background work on stormwater and has information to share with Mr. Wolfe because he can't be a one man band to get it going. He noted that he needs some supporting help, noting that he has a sample ordinance and information on funding capabilities. He noted that this needs to be discussed at another time. Mr. Wolfe noted that Mr. Stine is working on an opinion as to whether the Township is in a position to have a stormwater authority. Mr. Hawk noted that other Townships are doing it so there has to be a way to get it accomplished. Mr. Robbins noted that the Township has always been a trendsetter and we should not lose sight of that. He noted that we are doing things in the Sewer Department that is cutting edge and we need to keep on top of storm water solutions to chart the course.

Mr. Seeds noted that the new law that prevents an authority from taking funds from one entity to use it for another takes effect in September. Mr. Robbins noted the fact that they adjusted the bidding requirements for the Township provides that a little bit of money would go a long way for the parks, noting that he only needs \$20,000 to \$30,000 in some instances to do some projects. He noted that the roofs are shot for many buildings, and the siding is old. He noted that they don't have to be torn down to start over, but we need to maintain them. He noted that we can do a lot of those projects with a little bit of money if we don't have to pay prevailing wages.

Mr. Robbins noted that he is seeing a difference in storm water by being able to abide by the \$18,500 bid limit, noting that you can do double the amount of work if you are not paying the prevailing wage. He noted that contractors are hungry. Mr. Hawk noted that the Pennsylvania Legislature tabled that bill and it is going nowhere. Mr. Robbins noted if the prevailing wage was raised to what it should be; it would be astronomical for what he would be able to do.

Mr. Hawk noted that we have every right to blow our horn for the Township staff and Department Heads and for what they have accomplished.

Mr. Hornung noted that his comments were not made to force Department Heads to make more cuts as it is more of an issue for the Board to find more money to fund these items. Mr. Wolfe noted that staff expects to be challenged and told that we need to do certain things. Mr. Hornung noted that it is incumbent on the Board to understand what staff is faced with and to solve those problems. He noted that we need to figure how to fund the needs. He noted that cutting their budgets won't do any good and we need to address the problems. He noted that we need to look at the issues for five years forward assuming that it will not get any better.

Mr. Blain noted that he met with a financial advisor from Anchor Financial who had written an article last September that discussed the annual end of the road. He noted that every time bad news comes out, such as the collapse of the stock markets, and issues that would go down, a 50-year trend for the market showed that four out of every five years the market is up, no matter what the news is. He noted that the news portrays that Europe's economy is collapsing, or the American economy's will collapse but the market continues to stay in a consistent pattern. He noted that you have to sort through the doom and gloom and look at what the economic indicators are telling you. He noted that corporate earnings are up and that is what drives the market. He noted that you do not know what impact the European economy will have on the American economy but the economic indicators for the United States are stronger than anywhere else in the world.

Mr. Hawk noted that the market was over 13,000 today, the first in a long time. PSD Johnson questioned when inflation kicks in. Mr. Blain answered that he did not think it would be a factor anytime soon as the interest rates will remain low through 2013 and inflation will stay in check.

Mr. Blain noted that this is the worst drought in 50 years for the United States as over 50% of the Country is in an extreme drought state, but the corn yield is still projected to be the 3rd highest yield of all time. Mr. Hawk noted that beef is supposed to be down as the farmers are trying to unload since it will take two to three years to rebuild the beef stock.

Mr. Hornung noted that innovation and persistence has made America strong and when you take that into account, it changes the course of history, with people rising to the occasion, for

instance, finding a new way to grow corn. He noted that you end up with a different outcome than expected. He noted that is what keeps the United States consistent.

Mr. Blain noted as long as the Board does the fundamental things right, trying to fund operations without having to take out a significant amount of debt, keeping the debt service low, and continuing to stay focused on things like long term planning issues, such as road paving and things of that nature and not getting far behind for those types of things, we will be okay. He noted that the City of Harrisburg has infrastructure issues that they will never be able to rectify without spending millions of dollars.

Mr. Robbins noted that the Township spent hundreds of dollars this summer by recycling roads, taking up the asphalt and rejuvenating it and putting it back down. He noted that we must stay on top of the cutting edge programs to ensure we know what is going on in the industry with paving and the treatment of asphalt to stretch what we have as best as you can.

Mr. Hornung noted that staff has done that and he stated that he could not image going through hard times with a better crew. Mr. Robbins noted that he would let his staff know that.

Otta Know: There was noting to present for this item.

Adjournment

There being no further business, Mr. Blain made a motion to adjourn the meeting. Mr. Crissman seconded the motion, and the meeting adjourned at 9:08 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

Gary A. Crissman
Township Secretary