

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Workshop Meeting held December 9, 2014

A 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 Robin Lindsey.

Also in attendance was George Wolfe, Township Manager; Steven Stine, Township Solicitor; Steve Fleming, Herbert, Rowland and Grubic, Inc.; David Blain, Sewer Authority Board; William Weaver; Sewer Authority Director; and Watson Fisher, SWAN.

Pledge of Allegiance

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

Public Comment

No comments were presented.

Continued discussion with the Township Engineer regarding 2015 rates for service

Mr. Steve Fleming, HRG, noted that he appreciated the opportunity to come back to discuss the 2015 retainer agreement with the Township. He noted that he emailed the revised retainer agreement earlier this week, stating the revision contains no changes from the current 2014 Retainer Agreement for 2015.

Ms. Lindsey noted that Jason Hinz is attending the Planning Commission meetings now in place of Mr. Fleming and she questioned if we pay the same amount for his services as we would for Mr. Fleming's services. Mr. Fleming answered that the meeting attendance is covered under the retainer charge noting that there is a flat annual fee for meeting attendance as well as other phone calls and emails that do not have projects assigned. He noted that whether he attends the meeting or Jason Hinz attends the meeting there is no different in the fee.

Mr. Seeds questioned if we are going back to the old agreement that provides the discount after a certain figure is met. Mr. Fleming answered that is correct.

Mr. Crissman thanked Mr. Fleming and his firm who listened to the Board's concerns and returned with this proposal. Mr. Fleming answered that Mr. Crissman was welcome.

Mr. Fleming noted that he submitted an Authority Retainer for the work that HRG is currently doing through the Township's retainer agreement. He noted in the past, it was a small amount of work but moving forward since the amount of work has picked up he thought that it would be contractually more appropriate to have a separate agreement with the Authority so that their staff can direct his firm.

Mr. Wolfe noted that the Authority Retainer agreement is in the packet but he does not plan on discussing it until the next Authority meeting. He noted that he will place the Township Retainer Agreement on the December 16th business meeting agenda.

Review of a proposed policy establishing a sanitary
sewer rental billing and collection policy

Mr. Weaver provided a draft Resolution 14-15 and the Sewer Rental Billing and Collection Policy that was reviewed by the Authority Board at its last meeting and tabled at that time and he was requested to amend the policy under Section Seven, Item 10, billing errors and also Item 14, to limit the amount collected for unbilled services for a period not more than five years from the date of discovery. He noted they are the only changes made from the Authority Meeting.

Mr. Weaver explained that the review was requested by the collection agent, Modern Recovery Solutions to protect against any challenges in litigation with customers who do not have public water. He noted that the policy will establish procedures for staff for the collection of unbilled properties that are discovered at property settlement, specifically staff has been implementing all these policies for the billing of collection of sewer accounts with the exception of the filing of civil complaints and the collection of unbilled accounts. He noted that the policy contains eight different sections: 1) Goals of Sewer Rental Billing and Collection Policy; 2) Personnel: Duties; 3) Billing; Notice to Ratepayers; 4) Actions of Collection Agency and

Collection Attorney; 5) Tax Sale; 6) Bankruptcy Matters; 7) Miscellaneous; and 8) Owner Ratepayer Rights and Responsibilities.

Mr. Weaver noted that he has also included the three accounts that are in discussion with the Board for action at the next Authority meeting for 5613 A Akron Drive, 360 Colonial Road and 6536 Baywood Drive. He explained that he provided a breakdown of costs for a five-year period with the adjustment credit from the beginning of the settlement date. He noted for the Akron Drive address, he also provided a four-year breakdown due to the property owner's request that they settle for only four years.

Mr. Crissman noted in Mr. Weaver's memo dated December 4, 2014, you stated that the action will be taken at a meeting on December 16th. Mr. Weaver answered that there is another item he needs to mention. He noted before the Board can take action on December 16th, it was conditioned that the solicitor review the case law regarding Section Seven for the collection of unbilled accounts. He noted that Eric Rowe, who is the trustee for the Akron Drive property, provided some case law supporting collection of three to six years depending on the case. He noted that before the Authority Board took any action on the policy, Solicitor Stine needed to review the case law. Mr. Stine noted that the cases that Mr. Rowe cited in the email favor the Authority as it talked about the Doctrine of Nullum Tempus and how the statute of limitations do not apply to Authorities since they are viewed as a Commonwealth agency. He noted that these statute of limitations do not apply for those reasons and furthermore, this is not a contract situation. He noted that it is a legislation situation where the Authority legislates what its rates are and the Authority can increase or decrease the rates at any given year with people being required to pay their bill. He noted that it is not based on a contract, rather in the Township Ordinance, the Authority Resolution, and the Municipalities Authorities Act.

Mr. Hawk noted that we will place this on the agenda for the December 16th Authority Meeting.

Continued discussion with the Meadowview Village Homeowners
Association regarding construction of retaining walls

Mr. Hawk noted that this item was removed from the agenda this evening and will be tabled until the January workshop meeting.

Final review of the 2015 to 2019 Strategic Plan

Mr. Wolfe noted, as you are aware, the Board started the Strategic Plan for Lower Paxton Township in June of this year. He noted that the Strategic Plan provides for a five-year plan of expenditures for new items not currently funded in the Township. He noted that the 38 items included in this plan have been programed from 2015 through 2019. He noted that the programing of the items in 2015 has been used in part to prepare the 2015 Budget. He stated that he has provided some mathematical computations at the bottom of the sheet indicating the level of funding that will be necessary to support the plan over time. He noted that he has prepared a draft resolution that will provide for adopting the plan.

Mr. Wolfe noted that he has thought about the draft resolution prepared for the Board and he plans to add to the resolution verbiage to conduct an annual review of its Strategic Plan, understanding that although items are contained in the plan, they are not, by this plan, funded. He noted that they are only funded when the Board actually includes them in the budget and adopts the budget for a specific fiscal year. He noted the fact that the Board has these 38 items and has programed them out for five years, has estimated a cost for the items, identified the funding stream necessary for them, it does not mean that anyone of these items will actually occur until the Board budgets it in a fiscal year.

Mr. Wolfe noted since the last time the Board reviewed the Strategic Plan two minor changes were made. He noted that per the Board's instructions, he took the Park and Recreation additional improvements to rehab existing facilities and merged it with the ADA parks improvement into one item. He noted that the Fire Services Study was removed from the plan to be funded by another funding source if it is deemed to be necessary.

Mr. Wolfe noted that he wanted this to be a final review and hopes to be able to place it on the agenda for the December 16th meeting.

Mr. Crissman noted that Mr. Wolfe recommend that the Board should review and update the Strategic Plan through the course of the year. Mr. Wolfe noted that the way the Board approached this year, starting in June as a pre-budget process, worked very well as we actually had the major decisions on new items completed by the time we started our budget and prepared

the budget based upon normal operating needs. He noted that it extended the process but actually assisted staff in knowing what the major decisions were before we started the annual budget process.

Mr. Hawk noted that each year, based on the budget figures themselves, the Board may make some alterations to the Strategic Plan but it provides a good road map up to 2019. Mr. Wolfe noted that is correct, as it is the point of beginning but it is not the actual decision, noting that comes in the budget process.

Mr. Seeds noted that he did not recall the Reverse 911 item under Administration being in the budget. He questioned what that is. Mr. Wolfe explained that the Reverse 911 is the mechanism by which the Township can place phone calls to the citizens in the community, much like Waste Management does, providing a notice of important activities, events or emergencies. Mr. Crissman noted such as a disaster. Mr. Wolfe explained that he is very slow to embrace electronic and social media but it is the growing wave of communication with citizens, and many municipalities have active Facebook and Twitter accounts as well as municipal blogs. He noted that item would provide some funding to implement those activates in the Township. He suggested that the first recourse should be a Reverse 911. Mr. Seeds noted that he did not remember that being on the list before, maybe it was stated a different way. Mr. Wolfe answered that it has always been on the list.

Mr. Crissman noted that there was federal or state money for grants to help fund this type of thing. He noted that he did not know if the funds still exist but it was used for some communities and was a great asset during Hurricane Sandy.

Mr. Crissman noted that we need to place this on the agenda for adoption at the December 16th meeting.

Ms. Lindsey noted that she has been commenting on Item 5 prior to this meeting, noting that the option to hire an additional staff person for the Public Works Department is in the plan. She questioned if we will keep it in the budget but decide when to fill that position, and questioned if we must fill that position. Mr. Wolfe answered, when you prepare a budget, by that budget adoption, the Board has authorized to move forward and implement, noting the item in question is an additional employee in Public Works. He noted if at any time you adopt a budget

and include it, staff will not move forward with it until it receives the Board's permission. He noted if you include something in the budget and later decide that you don't want it that is your decision. He noted if you decided later that it is justified and we should move forward then we will at that time.

6536 Baywood Drive

Mr. Wolfe noted that Mr. Weaver has asked to address the Board at this time.

Mr. Weaver explained, this afternoon he spoke to the owners of 6536 Baywood Drive regarding their unbilled account. He noted that it is one of the three properties that is in the packet that we have discussed at previous meetings. He explained that he spoke to Gregory Juris today and asked him to submit a proposal by email and he would forward it to the Authority Board or they could attend the meeting. He noted that he did not realize that they were in attendance and as he was leaving they grabbed him and explained that they wanted to address the Board in regards to the billing issue.

Wendy Juris noted that she lives at 6536 Baywood Drive and is in attendance at the meeting with her husband, Gregory Juris. Ms. Juris noted that she had been speaking with Mr. Weaver indicating that it came to the Authorities attention that they had not paid their sewer bill since they moved into their home in December 1999. She noted that they moved into that property from another township and did not know that they were not being billed for that service. She explained that they never received a bill and just assumed that it was part of their taxes. She noted that it was not part of their closing paperwork so it was a surprise to them to receive Mr. Weaver's call. She noted that they need to remedy that and asked for a waiver since they were not aware that they were not being billed for that service. She noted that it occurred around the year 2,000 and noted that she works for an insurance company who does reports every month for clients to make sure that the billing information is correct so they get billed each year. She noted for 15 years they did not receive a bill and she questioned why the Township was not aware that they were not paying for their service. She noted if they had received a bill, they would have been prepared to pay it, but they were not aware of it.

Mr. Hawk questioned if this has been going on for 15 years. Ms. Juris answered yes, noting that they were not aware of it. She noted that she was not negligent; it is just that we were not aware.

Ms. Lindsey questioned when Ms. Juris bought the home, did they tell you that it had public sewer. Ms. Juris answered they did not as it was not part of the closing paperwork. Ms. Lindsey questioned if they indicated to you that you have public sewer and public water when you were looking at the house. Ms. Juris answered that she did not recall but she did know that she gets a water bill each month. She noted that we get a tax bill from the Township each month so they are aware that we own the property. She suggested that someone over the past 15 years should have become aware that we were not being billed. Mr. Crissman noted that it would have been included in the sales agreement. Mr. Stine noted that it would have been part of the disclosure that there was public water and public sewer. Ms. Juris noted that you are indicating that it should have been part of the sales agreement. Mr. Crissman answered yes. Ms. Juris noted that she would have to research that.

Ms. Lindsey questioned if the Juris's are being billed now. Mr. Weaver answered that they will receive their bill with the January mailing in the second week of January. He noted that we need to resolve the policy issue with unbilled accounts.

Ms. Lindsey questioned what the total amount is. Ms. Juris answered that it is \$5,775.75. Ms. Lindsey questioned if that includes the collection fees. Mr. Weaver answered that is what the total amount would have been since 1999. He noted under the policy the Board anticipates taking at the December 16th meeting, it would reduce their amount to \$2,395. He explained to Mr. Juris this afternoon that as part of the policy it does provide an equal amount of time to pay the bill in five years. He noted if it is split over four quarters, for a five-year period it amounts to \$119 per quarter on top of the regular quarterly payment of \$130 totaling \$249 a quarter over a five-year period. He stated that the Juris's felt that it is a lot of money but he countered that they should have realized that they were not paying for their sewer bill. He noted that this was found through the recent Gap Analysis Study completed by GHD. He noted that we have 15,800 accounts and there is no way for the auditor to find this. He noted when he was asked why the Authority did not know that it was not sending out this bill. He explained that we have many

people living in the Township who are not on public sewer and the only way to determine what accounts are being billed is by conducting a Gap Analysis Study.

Mr. Juris noted that it was not an evasion on his part, it was not deliberate. He noted if he had received even one bill from the beginning and failed to receive subsequent bills he would have been alerted to a problem and would have made contact with the Sewer Authority, the same as any other bill that we have paid for the last 30 years. He noted that we did not receive a bill, we did not know that we were to be billed, or to look for something that we were not aware of. He noted now, 15 years later, it is being dropped in our laps and we are being asked to pop out the dough.

Mr. Hawk questioned Mr. Weaver if he referenced a payment of \$200 a quarter. Mr. Weaver answered that \$119 would be their payment over five years per quarter. Mr. Hawk noted that would be in addition to the current rate of \$130 per quarter. Mr. Weaver noted that it would be roughly \$250 per quarter. He noted that the Board could make provisions to extend it out ten years noting that they would only owe \$60 extra a quarter.

Mr. Crissman noted that the total bill was reduced from \$5,775.75 to \$2,395.

Ms. Lindsey questioned if the Juris's would sell their house prior to it being paid off in ten years, would the new homeowner be responsible for that. Mr. Stine answered that it would be paid out at settlement.

Mr. Hawk noted that they would have to pay \$130 per quarter but the question is how much more you want to tack on to that payment. Mr. Juris noted that it is an additional \$130 that is appropriate that others in the Township are paying for their sewer bills. He noted that it is \$130 that he and his wife currently do not have budgeted. He noted that he and his wife work full time and they have daughters who are in college and they are paying tuition, and he does not anticipate a raise this year that would be commensurate with that increase. He noted that it is \$130 plus \$119 on top of it. He noted that the money that the Township will reclaim from him over five years or whatever agreed upon period is negligible against the impact that he will suffer financially for something that was not his fault. He noted that there was no evasion, it was not deliberate. He noted that the Township made an oversight and his wife and he failed to catch it and call it to the Authorities attention. He noted that we simply were not aware of it, but not to

come back 15 years later and say we don't know how it happened and we can't explain it but you guys owe us \$5,775.75.

Mr. Crissman noted that it should have been resolved at settlement, you had the information, there has to be a fairness for all the citizens of the community. He noted that he can emphasize with you having students in college and paying tuition bills as he has also been there and had to do that while continuing to be obligated to his other financial responsibilities to the community. Mr. Juris questioned 15 years in arrears. Mr. Crissman noted, in the meantime, in your situation, you were paying nothing for the service that you were receiving. He noted at some point someone has to pay for the service that was rendered. He noted that you should review your settlement papers as it would have been in the disclosure.

Ms. Juris questioned if it was not in the papers, but you are saying that it should have been in the papers. Mr. Juris questioned, if it was in the closing papers why were we not billed. He noted that he did his part, and have done nothing wrong. He stated that he pays his taxes on time, the taxes that we were billed for and we were not aware of this. Mr. Weaver noted that you were not billed due to human error noting when the property was transferred, the billing clerk must have removed the address. He noted that human error does occur, and with over 15,000 accounts, only having three or four accounts that have gone unbilled, that is pretty good. He noted the Board is being very reasonable as the solicitor is saying that the Authority could collect all the funds, but the policy is only going after five years. He noted that you will be receiving a significant adjustment and Mr. Juris should not lose sight of that. He noted if the Board chooses to extend the time period that it must be paid back then basically he does not see a hardship.

Mr. Hornung noted if the Board wanted to, it could charge \$5,775.75, which it has every right to but it could also say that it wants the funds now and on top of that it could add penalties. He noted that from the people who have had to pay every year that in addition over the last 15 years you received a \$6,000 bonus that you didn't have to pay and at the rate that we are going now, we are going to give away \$3,400 to you and in addition to that we will not charge interest or penalties that could be as high as \$700. He noted that we will let you pay the fee over a five-year period with no interest. He noted that you may think that it is unfair because we made the mistake by not billing you but many other residents may think that it is unfair to give you a

\$3,400 credit and not charge you interest since they had to pay. He noted that we have a fiduciary responsibility to a whole bunch of people. He explained that we are asking you to pay \$40 extra a month and he understands that it may be difficult however he has the responsibility for all the other residents in the Township that did pay their sewer bills. He noted that the Board is trying to be fair and reasonable and not to be punitive and overly harsh since the Juris's are not the only ones in the same situation. He noted that the Board wants to adopt a policy that is fair to all the residents, and at the same time, try to be reasonable to the people that all of sudden received a bill for close to \$10,000. He noted that is where we are at. He explained that it is not good timing especially since it is so close to Christmas but you will also get another bill of \$130 in the new year. He noted that we have one of the lowest sewer rates in the area, so you have that advantage. He explained that many of the sewers in the Township are not functioning properly and staff is working to repair them.

Ms. Lindsey questioned if over those 15 years your neighbors never said anything about their sewer bill. Ms. Juris questioned if you talk about sewer bills. Ms. Lindsey noted that the rate has gone up and the neighbor might say, hey do you know the sewer bill went up. Mr. Juris noted that he and his wife were discussing that this evening on the way over, noting that it is not like you go to a Christmas party and the first thing you talk about is what do you think about the sewer bill. Ms. Lindsey noted that Mr. Weaver mentioned that there are over 15,000 accounts and there is only three that we missed, that is pretty good.

Mr. Hornung explained about 20 years when he first came on the board he was talking to a neighbor about his sewer bill and she stated that she never pays her bill. She noted that they never say anything so she throws it away. He explained that we have changed that quickly and we now have a company that collects on those people who don't pay their sewer bills and are very harsh on them as it was a problem. He noted that he did not know how that woman got away with it for so long, but she had to pay her overdue bills to include penalties.

Mr. Juris noted that he wished he would have gotten a bill 15 years ago. Mr. Hornung noted the Authority wishes that as well as it would be \$5,000 richer.

Review of municipal fees and charges for services

Mr. Wolfe noted that during the last workshop session, he presented the current municipal charges for certain permits, fees, and activities that Lower Paxton Township is involved with. He noted that many of the fees are in the Community Development Department, while others are Police Department related, such as parking fines. He noted that after that discussion was held at the last workshop session, the Board directed him to prepare an increase to the municipal fees based on inflation. He noted that most of the fees were increased in January 1, 2011, and the fees you see before you have been increased by roughly 5% where possible or rounded to a dollar amount that was believed to be appropriate.

Mr. Wolfe noted that before he places it on an upcoming agenda for Board action he thought that the Board might want to review the proposed fees and provide comments. He noted that he could go through these individually as there are two and a half pages of fees or the Boards could pick out the ones it wants to discuss.

Ms. Lindsey questioned when was the last time the fees were increased. Mr. Wolfe answered that most were increased in January 2011, four years ago.

Mr. Hornung noted that he had a question in regards to the sign permits. He noted that the jump is not commensurate percentage wise with some of the other jumps. Mr. Wolfe noted that if you look at how sign permit fees are structured, they basically go up from 20 square feet to 40 square feet, with a fee change of \$75 to \$100. He noted for the next three categories they go up by \$75 each but the last one it takes a huge jump. He noted that he made the jump from \$600 to \$700 based upon the level of jump between the items. He stated that he struggled with that and he would be fine with moving it back. He noted that he was looking for logic and sometimes it gave way to something that may be illogical.

Mr. Hornung noted that it makes sense to him now.

Ms. Lindsey questioned if we had any sign permits for the largest request. Ms. Wolfe answered yes.

Mr. Crissman noted that all the fees are in small increments with nothing taking a giant step. Mr. Wolfe explained that some fees were not increased, noting the zoning permit fees and stormwater permit fees were only established last year. He noted that the zoning amendment fee

is already viewed by the development community to be onerous. He noted that we have only had one zoning amendment since that fee was set.

Mr. Hawk noted that some of the fees go from as little as \$5 increase to \$20, while some haven't changed at all, noting that there are a lot of \$25 increases.

Mr. Crissman noted that the largest increase was for the largest sign permit going from \$600 to \$700. He suggested that they are well within the parameters.

Mr. Wolfe noted that the recreation in lieu fee is not one that can be arbitrarily affected as there is a formula for that. He noted that staff will review the formula at the beginning of the year. He noted that although this Board is responsible for setting the tax collectors fees, it is based upon a request from the tax collector. He noted that staff has not received a request to increase those fees at this point.

Ms. Lindsey questioned if the fees are pretty comparable to others. Mr. Wolfe answered that our development fees have always been comparable. He noted that he could point out municipalities that have higher fees and developers will show municipalities that have lower fees. He noted that the Township has never had a challenge to its fees or a request that a fee is outrageous. Mr. Crissman suggested that the fees are fair and equitable. He noted that this should be placed on the agenda for adoption for the December 16th meeting.

Mr. Wolfe noted that it would take an amendment of 20 or 30 resolutions so it won't be put on the agenda until the first meeting in January. Mr. Stine suggested that you could do it with one resolution and change the way you do it as opposed to having all the individual ones. He noted that as long as you have a resolution it does not matter if they are grouped together as one. He noted that it would be much easier to deal with.

Mr. John Trish, 600 Prince Street questioned if the list would be on the website. Mr. Wolfe answered that it is not but he would be happy to do that.

Mr. Trish noted that Waste Management was at his house at 5:31 p.m. this week. Ms. Lindsey questioned Mr. Trish if he had his trash out. Mr. Trish answered that he did. Mr. Wolfe responded that he would look into this.

“Otta Know” Presentation: Federal Emergency Management
Agency (FEMA) Community Rating System

Mr. Wolfe noted that he received an email from George Connor from Dauphin County in regard to a community rating system project for flood insurance which the Township would like to participate in. He noted that Dauphin County has approached its municipalities and offered to assist in their participation in the Federal Emergency Management Agency (FEMA) Community Rating System. He noted that the program allows municipalities to reduce the flood insurance premium of its residents by undertaking and meeting certain program goals. He noted that Dauphin County has retained a consultant that will work with its municipalities to get them to participate in the FEMA Community Rating System and help each municipality qualify under the system for the highest possible reduction in flood insurance premium possible. He noted if a municipality is accepted into the program, the initial reduction for residents who live in an accepted municipality is a 10% premium reduction. He explained that he is not sure to what level the premiums can be reduced but the municipalities would be responsible to do certain things to reduce and prevent flooding to qualify their communities for reduced flood insurance rates. He noted that the first part of the program is for the Township to be accepted if it desires to do this project, then Dauphin County will provide the Township with technical assistance through their consulting firm, Tetra Tech, Inc. to apply to the FEMA program.

Mr. Wolfe provided the Board with a letter from George Connor explaining the offer from the County noting that Mr. Connor requested that the Board send a letter back to Dauphin County indicating its willingness to support the program. He noted that he did not feel that official Board action was necessary in regard to this but he wanted to verify that the Board was fine with it before he proceeded.

Mr. Hawk questioned if anyone had any comments. Mr. Seeds noted that the letter was sent to the Board members individually and he had a discussion with Mr. Wolfe about it a week ago. He noted that it would help the residents with their flood insurance. Mr. Hawk noted that we are all in agreement with it and he would sign the letter.

Improvement Guarantees

Mr. Hawk noted that there are three improvement guarantees.

Chelsey Falls, Phase II

A reduction in a letter of credit with Susquehanna Bank in the amount of \$155,256.75 with an expiration date of May 6, 2015.

The Arlington Group

A reduction in a letter of credit from First National Bank in the amount of \$282,949.48 with an expiration date of March 4, 2015.

5710 Union Deposit Road

A release of a letter of credit with Integrity Bank in the amount of \$439,347.12.

Mr. Crissman made a motion to approve the three improvement guarantees. Ms. Lindsey seconded the motion. Mr. Hawk called for a voice vote and an anonymous vote followed.

Mr. Richard Stottlemeyer, 96 Eric Drive questioned why the Meadowview Village item was removed from the agenda. Mr. Wolfe answered that he received an email from Liz Todaro asking to remove it from the agenda and to reschedule it to the January meeting.

Adjournment

There being no further business, Mr. Crissman made a motion to adjourn the meeting and the meeting adjourned at 7 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

William L. Hornung
Township Secretary