

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Board Meeting held March 2, 2010

A business meeting of the Board of Supervisors of Lower Paxton Township was called to order at 7:41 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; Steven Stine, Township Solicitor; Tom Smida, Mette, Evans and Woodside; and Ted Robertson and Watson Fisher, SWAN.

Pledge of Allegiance

Mr. Hawk suspended the recitation of the Pledge of Allegiance as it was recited during the Authority Meeting.

Approval of Minutes

Mr. Crissman made a motion to approve the minutes of the December 8, 2009 workshop meeting, and the February 16, 2010 business meeting as presented. Mr. Blain seconded the motion, and a unanimous vote followed.

Public Comment

Mr. Mark Levine, 1507 Knollcrest Road, stated that he had two items of concern to address to the Board members, and he was making his comments as a private citizen and not as a member of any committee or group that he belongs to.

Mr. Levine noted, on Crums Mill Road, at the intersection of McIntosh Road, there is a knoll in the road. He noted in the northbound direction of Crums Mill Road, before the knoll, there is a diamond shaped sign with a right-angle arrow noting that a sharp right turn is ahead. He noted from the top of the knoll, there are three or four arrow signs located at the bottom of knoll on the left side of the road. He requested one additional arrow to be placed close to the top of the knoll on the left side of the road. He explained that the three or four arrow signs that are located down in the hollow can not be viewed prior to the turn in the road. He noted that there are many accidents in that location and he requested additional warning signage at the top of the knoll.

Mr. Levine noted that property formerly owned by Eric Kessler on Colonial Road was to be sold to George Zimmerman. He noted that the property is located south of Epiphany Lutheran Church. He noted that an agreement was made with Mr. Kessler to upgrade the pumping station on Colonial Road as part of the agreement to approve the plan. He stated that he was told that the requirement to upgrade the pumping station was off-the-table because Mr. Zimmerman was making arrangements to develop the land, and there is litigation for the plan. He explained that taxpayers should not be made to pay for the pumping station upgrades in order for a developer to develop the land. Mr. Wolfe noted that he does not have the file for that plan in front of him, but the sewer rate payers would not pay for an upgrade to any facility that is necessary to serve one development. He recalled that the pump station upgrade was proposed and agreed to by Mr. Zimmerman as part of his development plan that never received a final approval from the Board of Supervisors. He noted that that plan no longer exists and neither does Mr. Zimmerman's desire to upgrade the facility. Mr. Levine questioned what happened to Mr. Kessler's plan. Mr. Wolfe answered that there is no approved plan for the property at this time that required any

upgrade to the pump station. Mr. Wolfe noted that several plans were submitted for the parcel, but he did not recall any plans receiving final approval. He noted that he would research the matter to find out. Mr. Levine stated that he was under the assumption that Mr. Kessler's plan was approved, but he had to add additional parking. Mr. Crissman noted that the first plan that Mr. Kessler submitted included offices and it was defeated, and then Mr. Kessler came back with a second plan. He noted that he did not remember approving that plan. Mr. Seeds noted that Mr. Kessler and Mr. Zimmerman do not own the land. Mr. Wolfe suggested that no development is proposed for that site at this time. He noted that a preliminary approval could have been given for that site, but he would have to check into it. He noted that he is not aware of a final approval or any development taking place for that parcel. He noted that the requirement for a sanitary sewer upgrade would only be required if development took place. Mr. Hawk noted that he would have Mr. Wolfe research the plan with his staff.

Chairman & Board Members' Comments

No comments were presented by Board members.

Manager's Report

Mr. Wolfe explained that staff implemented a new Township Newsletter/Program Guide format. He noted that in the past, the Township Newsletter had been mailed to 30,000 residents four times a year. He noted that it was typically a 12-page document. He noted that the Township Program Guide that lists recreation programs for the Parks and Recreation system and the Friendship Center is also mailed four times a year to 35,000 households. He noted, in a cost savings measure, the Board approved combining the two publications netting a savings of \$25,000 in printing and mailing costs. He noted that The Newsletter and Program Guides follow a format similar to The Patriot-News' Sport Section, when one section is printed in one direction,

and a second section is printed in reverse and backwards. He noted that printing the information in this fashion has produced a document that saves the Township considerable funds. He noted that the new document is a little larger and will be mailed four times a year to each household. He noted if anyone wishes to make comments on the new format, they can do so by contacting the Township office.

Mr. Crissman noted that the publication is nicely condensed, a cost savings, and it is a win-win situation for the Township. Mr. Seeds questioned if the Township has received any comments. Mr. Wolfe answered no.

OLD BUSINESS

Ordinance 10-01; authorizing the issuance of general obligation bonds, Series 2010, in the amount of \$16,630,000 to PENNVEST

Mr. Tom Smida, Bond Counsel, Mette Evans and Woodside, explained that Ordinance 10-01 has been prepared in accordance to the Local Governing Debt Act, for the Township General Obligation Debt in the amount of \$16,630,000. He explained that the original application was made to PENNVEST, in the name of the Authority, however, for Debt Act purposes, and in combination with other financing that the Township undertook in 2009 for the Build America Bonds, the debt structure required the application to be restructured, therefore, the Township is now the owner of this debt.

Mr. Smida explained that the Ordinance sets forth the terms of the bond, a 20-year maturity, with two interest rates, the first interest rate is 2.44% for a period of five years, and then it would change to 3.35% for the remainder of the term. He noted that it is a significantly better interest rate that what the Township would obtain on the competitive market at this time.

Mr. Smida noted that this is a brand new project for PENNVEST, noting that it was processed via a computer, and in some cases, has proven to be a very frustrating process. He

noted that the loan will close on April 6, 2010. He noted that the Township is incurring the debt in the aggregate amount of \$16,630,000 but ultimate size of the debt with PENNVEST will probably be \$14,630,000. He explained that certain projects had to be removed from the original application that were going to be re-financed and the Township would have been reimbursed from the bond proceeds. He noted that the Internal Revenue Service (IRS) would not permit this for Federal Income Tax reasons. He noted that the loan would be scaled back and funds would be reallocated to those projects from additional financing to occur in the future. He noted that the Township would be applying to have this debt excluded as a subsidized debt. He noted that Mr. Wendle from CET would be writing a certificate for the self-liquidating nature of the application that will be filed with PENNVEST.

Mr. Hawk questioned if it was a PENNVEST requirement that the loan be a GEO Bond. Mr. Smida answered that it was not a requirement, but it is the only mechanism that will allow the Township to satisfy the Township's overall financing of the structures. He noted when the Build America Bonds were issued; it was done in anticipation of this financing, and contemplated at that time, that this financing would be in place by January 2010, noting that the overall debt structure for the Township has to be structured on an annual level debt service structure. He explained without this being in place, the Township would not be able to do that.

Mr. Crissman questioned if the newly added debt that the Township is assuming would be infused into the Township's overall debt structure to maintain level debt service. Mr. Smida answered yes, noting that entire structure for the Build American Bonds and the PENNVEST loan was incorporated into the debt structure. He noted that there would be no spikes in the debt service.

Mr. Stine noted that this is the time and date set for the public hearing to be held on Ordinance 10-01, authorizing the issuance of general obligation bonds, Series 2010, in the amount of \$16,630,000 to PENNVEST. He questioned if anyone in the audience wished to be heard on this item. Seeing no response, he noted that it would be in order to close the public hearing on Ordinance 10-01, and the Board may take action if it so desires.

Mr. Crissman made a motion to approve Ordinance 10-01, authorizing the issuance of general obligation bonds, Series 2010, in the amount of \$16,630,000 to PENNVEST. Mr. Blain seconded the motion. Mr. Hawk called for a roll call vote: Mr. Blain, aye; Mr. Crissman, aye; Mr. Hornung, aye; Mr. Seeds, aye; and Mr. Hawk, aye.

Resolution 10-09; accepting a Solar Energy Program Grant from the
Commonwealth Financing Authority

Mr. Wolfe explained that the Board adopted, at the February 16, 2010 meeting, to accept the Commonwealth Financing Authority (CFA) Grant in the amount of \$3 million for a solar energy project by Resolution 10-09. He explained that the resolution contained a typographical error, noting that the total development costs were listed as \$14 million, but the grant application listed the total project costs as \$16 million, which is the correct total project cost. He noted that the Resolution needs to be amended to correct the total project costs. He noted that within the Resolution, the words “amended and affirmed, March 2, 2010” are found under the adopted date of February 16, 2010.

Mr. Crissman made a motion to approve the amended Resolution 2010-09, to accept the Solar Energy Program grant from the Commonwealth Financing Authority in the amount of \$16 million. Mr. Blain seconded the motion. Mr. Hawk called for a roll call vote: Mr. Blain, aye; Mr. Crissman, aye; Mr. Hornung, aye; Mr. Seeds, aye; and Mr. Hawk, aye.

NEW BUSINESS

Resolution 10-10; authorizing the destruction of certain municipal records in accordance with the Pennsylvania Municipal Records Manual

Mr. Hawk noted that the Township adheres to the Pennsylvania Municipal Records Manual which calls for specific time frames for the destruction of certain documents. He noted that this resolution authorizes the destruction of certain municipal records in accordance with the Pennsylvania Municipal Records Manual.

Mr. Wolfe noted that the resolution and appendix were prepared by Ms. Heberle. Mr. Crissman questioned if the records are sent to be shredded. Ms. Heberle answered that the Township is using the Dauphin County Recycling Center to shred the documents. Mr. Blain questioned if the documents would be shredded. Ms. Heberle answered yes, and stated that Dauphin County provides a certification that the documents have been shredded. Mr. Blain noted that he want to know that there is proof of when and where the documents were shredded. He questioned if Dauphin County picks up the documents. Ms. Heberle explained that Mr. Hogentogler uses a Township truck to transport the documents to the Recycling Center. She noted that staff is present with the documents until they are shredded.

Mr. Crissman made a motion to approve Resolution 10-10; authorizing the destruction of certain municipal records in accordance with the Pennsylvania Municipal Records Manual. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Resolution 10-11; Recommending the appointment of Supervisor William B. Hawk to the Tri-County Regional Planning Commission

Mr. Hawk noted that Resolution 10-11 recommends the appointment of Supervisor William B. Hawk to the Tri-County Regional Planning Commission. Mr. Hawk explained that he already sits on that Commission, noting that it is a yearly appointment.

Mr. Crissman made a motion to recommend the appointment of Supervisor William B. Hawk to the Tri-County Regional Planning Commission. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Final subdivision plan for Chelsey Falls, Phase II

Mr. Hawk noted that the final subdivision plan for Chelsey Falls, Phase II was pulled from the agenda.

IMPROVEMENT GUARANTEES

Mr. Hawk noted that there were eleven Improvement Guarantees.

Estates of Forest Hills, Phase I, II, III, IV-A, IV-B, V, VI, VII

An extension and change in a Letter of Credit from Susquehanna Bank, combining all eight phases together, in the amount of \$144,920.56, with an expiration date of March 2, 2011.

The Townes at Forest Hills

An extension and 10% increase in a bond with Insko Insurance Services, Inc., in the amount of \$83,676.65, with an expiration date of March 2, 2011.

Quail Hollow, Phase V

An extension in a bond with Developers Surety and Indemnity Company, in the amount of \$229,333.00, with an expiration date of March 2, 2011.

Old Iron Estates, Phase IV

An extension in a letter of credit with Fulton Bank, in the amount of \$13,000.00, with an expiration date of March 2, 2011.

Stratford Woods, Phase III

An extension, 10% increase, and a change to an escrow with Lower Paxton Township, in the amount of \$11,147.13, with an expiration date of March 2, 2011.

Briarsdale Road – 4 Story, 30 Room Hotel

An extension and 10% increase in a letter of credit with Graystone Bank, in the amount of \$5,082.00, with an expiration date of March 2, 2011.

Keystone Center

An extension and 10% increase in a letter of credit with Members 1st Federal Credit Union, in the amount of \$22,627.00, with an expiration date of March 2, 2011.

Kings Crossing, Phase C

An extension and 10% increase in a letter of credit with Fulton Bank, in the amount of \$38,695.80, with an expiration date of March 2, 2011.

Rite Aid Corporation

An extension and 10% increase in a bond with Westchester Fire Insurance Company, in the amount of \$54,171.70, with an expiration date of March 2, 2011.

Autumn Ridge, Phases II & III

An extension and 10% increase in a letter of credit with Fulton Bank, in the amount of \$55,299.42, with an expiration date of March 2, 2011.

Quail Hollow, Phase IV

An extension in a bond with Developers Surety and Indemnity Company, in the amount of \$70,863.00, with an expiration date of March 2, 2011.

Mr. Seeds questioned the status of the Rite Aid Corporation Improvement Guarantee. Mr. Wolfe explained that this was for the proposed Rite Aid to be located at the southwest corner of Route 22 and Devonshire Road. He noted that no work has been done for this plan.

Mr. Crissman questioned if there were any reasons to limit the extension requests for the eleven plans. Mr. Wolfe noted that most of the extensions are for sidewalks in developments

where no development is occurring. He noted that it is standard practice to wait until a home is built before installing a sidewalk.

Mr. Crissman made a motion to approve the eleven listed Improvement Guarantees. Mr. Blain seconded the motion. Mr. Hawk called for a voice vote, and a unanimous voice vote followed.

Payment of Bills

Mr. Seeds made a motion to pay the bills of Lower Paxton Township and Lower Paxton Township Authority. Mr. Crissman seconded the motion, and a unanimous vote followed.

Adjournment

There being no further business, Mr. Crissman made a motion to adjourn the meeting, and the meeting adjourned at 8:15 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

Gary A. Crissman
Township Secretary