

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Board Meeting held April 15, 2008

An administrative workshop meeting of the Board of Supervisors of Lower Paxton Township was called to order at 4:12 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; Donna Speakman, Finance Director; William Weaver, Sewer Authority Director; Daniel Bair, Public Safety Director/Chief of Police; Sam Robbins, Public Works Director; and Brian Luetchford, Parks and Recreation Director.

Pledge of Allegiance

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

Public Comment

No public comment was received.

BUSINESS

Review of the 2007 Annual Report

Mr. Wolfe noted that he did not include the Annual Report in the packet due to the length of the document. He noted that he would like to have each Department Head review their report individually.

Community Development

Mr. Wolfe noted that the Annual Report is required by the Township's Ordinances. He explained that he would review the Community Development Departments information. He explained that this is the smallest operating department in the Township, and it has six full-time employees in an inspection capacity, two zoning officers, two building inspectors, one codes enforcement officer, a part-time codes enforcement officer, and a secretary. He noted that the building inspectors provide for the implementation of the Uniform Construction Code within the

Township, and the code enforcement officer is assigned to property maintenance issues in conjunction with the health officer.

Mr. Wolfe noted that there has been a decrease in the number of building permits issued for single-family construction by 36%, as well as a decrease in renovations and additions to structures. He noted that there has been a decrease in commercial alterations and additions as well, but multi-family construction has increased. He noted that there has been a dramatic increase in townhouse construction, most of which is age-restricted.

Mr. Wolfe noted that the Township has begun the implementation of the new zoning ordinance, and began the rewrite of the subdivision and land development ordinances (SALDO). He noted that the SALDO is 80% completed, noting the outstanding components are the completion of the recreation portion and the traffic calming portion. He noted that the Community Development Department handled 28 land development/subdivision plans, 16 variances, seven special exceptions, and issued 570 total building permits. He noted that the Resolutions and Ordinances originating from the Community Development Department are also listed in the report. He noted that there were no unusual events in this Department for 2007. He noted that the Township also amended the building code to implement the 2006 International Building Code volumes within the Township.

Mr. Wolfe noted that under the new Building code, there is no requirement for a permit for an accessory structure under 1,000 square feet, and it is a concern that the proper setbacks will not be maintained. Mr. Weaver noted that it would also be a concern for his Department as people will put structures over the sewer main.

Health Department

Mr. Wolfe noted that Mr. Shoaff is in charge of the maintenance of the closed municipal landfill, a liaison of the Recycling Committee, and Shade Tree Commission, and responsible for the Municipal Solid Waste Program in the Township. He noted that he is also responsible for sewage enforcement for private on-lot septic systems and does participate in property maintenance issues when health issues are involved. He noted that Mr. Shoaff maintains the maintenance of the methane gas collection detectors that abut the landfill.

Mr. Wolfe noted that the Township is required by law to have a sewage enforcement officer. He explained that Mr. Shoaff, along with CET Engineers are involved in what could be an amendment to the Act 537 Plan regarding the residential development around the Mt. Lou San Camp. He explained that the camp has a failing septic system resulting in potential

contamination to the surrounding wells. He noted that the preliminary report shows that there is very little well contamination, and that the vast majority of septic systems are functioning properly.

Mr. Wolfe noted that Mr. Shoaff provided a report from Waste Management on the amount of recycling materials collected in the Township as required by the Act 904 Performance Grant from the Department of Environmental Protection (DEP) in regards to recycling performance. He noted that the Township received funds in the amount of over \$100,000.

Mr. Blain questioned, on page five of the financial summary, what the \$46,000 expenditure was for the Health Department cleanup. Mr. Wolfe answered that this would be due to a property maintenance issue where the Township paid for the cleanup of a property and a lien was put against the home. Mr. Blain questioned what property that was for. Mr. Wolfe noted that it was for the Tolene property. Ms. Speakman noted that it should be listed as a credit of \$46,000 as it is the recovery of a lien from a prior year.

Mr. Blain questioned if the landfill maintenance costs were for the ARM Consulting Group. Mr. Wolfe noted that it also included the cost of methane gas wells.

Parks and Recreation

Mr. Luetchford noted that page two lists the Boards and Commissions and its members, as well as the Skateboard Group, Inspired Recreation, and various other sports organizations. In addition, he noted that he is a member of the Dauphin County Greenway Committee. He explained that the total of personnel working for the Parks and Recreation Department/Friendship Center is 349, an increase of seven positions from the previous year. He noted that there is also a listing of volunteer hours of 1,200 hours.

Mr. Luetchford noted that his section of the Annual Report is divided into the Friendship Center (FC) Operations and the Parks and Recreations Operations. He noted on page 12 through 15 lists the operations for the FC, and page 15 includes the marketing for the FC. He noted that marketing includes many things, including member retention. He explained that a new service I is now provided by the FC for new members. He noted that all new members would be contacted by a wellness coach seeking their input for assistance. He noted that he has implemented a mass email system to reach members, and the FC is advertised on local television channels.

Mr. Luetchford noted that page 19 indicates the total membership levels and the numbers indicate the amount of competition that the FC has in the area. He noted that the membership

numbers are on the rise. Mr. Hawk noted that the greatest category of loss was the adult-singles. Mr. Luetchford noted that that particular category has the greatest pull from the competition.

Mr. Luetchford noted that pages 20 through 24 lists the various programs offered by the Township. He explained that the number of programs tripled from last year. He noted that the largest programs are the playground, volleyball and basketball programs held during the summer months.

Mr. Luetchford noted that the Parks and Recreation Information start on page 26 of his report, starting with the list for the park system acreage. He noted that park maintenance improvements are listed on page 28, and pavilion rentals are listed on page 29. He noted that the Township has over 30 sports organizations using the park facilities. He noted that the parks programs are listed on pages 31 through 33.

Mr. Luetchford noted that the development of the Thomas B. George Jr. Park is continuing and the Greenway Plan was recently approved by the Board members. He noted that the report contains five addendums with statistics for the provided information.

Mr. Hawk noted that Mr. Luetchford has a lot of staff to keep track of. Mr. Seeds noted that the State maintains that the FC must have a minimum of two lifeguards, but recently announced that they are not going to staff the state parks with lifeguards.

Mr. Blain questioned what Mr. Luetchford's projections were for membership for 2008. Mr. Luetchford answered that there was a dip in membership from the first three years of the new facility, and the FC has entered a mature phase for its operations. He noted that he is marketing Family, Fun and Fitness as the motto for the FC. Mr. Crissman noted that there is a potential for an increase of funds from the seniors as a result of the Health Ways program. He noted that this is an agency that coordinates health companies to provide membership for seniors. He explained if a senior uses the facility at least once a month, the program will pay the center for a month's membership. Mr. Luetchford noted that there are at least six companies that are interested in paying \$30 per month for seniors to use the facilities. Mr. Crissman noted that one group would sponsor the Commonwealth's retired employees.

Mr. Blain questioned what other ideas the marketing plans came up with to close the gap on the funds needed to pay for the FC. Mr. Luetchford answered that he would continue to look to ways to cut expenses, especially in the area of energy, but he explained that it would involve capital expenses. Mr. Hawk questioned what the utility expenses are. Mr. Luetchford answered that electricity costs more than \$150,000 a year, and natural gas is also expensive.

Mr. Crissman noted that there is no reimbursement for cleaning and running the Senior Center. He noted that this is an additional expense that is not reimbursed.

Mr. Blain questioned if Mr. Luetchford should consider raising the membership rates. Mr. Luetchford explained that he does that every year. Mr. Blain suggested that the rates should be raised 10% annually, instead of only a flat \$3 rate. Mr. Luetchford noted that he sets his rates based on the market rate and competition. He noted that all the membership rates were not raised at the 3% level as some were raised at a higher rate, noting that the senior rate was increased more than the family rate. Mr. Blain questioned how Mr. Luetchford knew that the rates are consistent when targeting a specific market. He noted that you cannot target the family rate at the L.A. Fitness Club since they do not have the same type of facilities and activates offered that are offered at the FC. Mr. Blain noted that the FC is a unique entity, and suggested that it would lend itself to raise the rates higher. Mr. Luetchford explained that he reviewed what the local Young Men's Christian Association (YMCA) and the Jewish Community Center (JCC) are offering. He noted that the trends are moved by what is new in the market. He noted that the FC must always be renewing itself.

Mr. Seeds noted that the seniors are provided with many free services, therefore, they won't join. He suggested that they have the money to join the FC, but are satisfied with the free use of the facility.

Mr. Seeds suggested that there may be many extended family members and others sneaking into the facility. Mr. Luetchford noted that a new door will be installed in the next few weeks to help with the security of the system. Mr. Seeds noted that many people leave their clothes on the seats and do not use lockers.

Mr. Wolfe suggested that there is not a great amount of price elasticity. Mr. Hawk noted that the FC could price itself out of the market. Mr. Wolfe noted that for the past two years, the numbers have been down, but there has been a recent increase in the memberships. He noted if the county goes into a recession, members would not be able to handle an abrupt increase in rates. Mr. Seeds noted that some people will use the FC this summer instead of going on a family vacation. Mr. Blain questioned if a \$5 increase in the family membership would cause some people to go elsewhere. Mr. Luetchford answered yes, that some people will go somewhere else.

Mr. Seeds note that the FC is using the capital funds, and they should not be used for normal replacement of equipment.

Mr. Blain questioned if a survey was ever done questioning the income of the members. Mr. Wolfe noted that a survey was completed and people did not like answering that question. Mr. Blain suggested that members would be willing to spend an extra \$5 per month knowing that it is a place that their kids can go to keep busy. He noted that you can only cut expenses so much without reducing services, and a reduction in service would reduce memberships. He noted that the FC would need to raise the rates or get the funds from the General Fund of the Township, and he does not want that to occur. Mr. Wolfe questioned Mr. Blain if he was looking to have a mid-year rate increase. Mr. Blain answered yes, or the FC could wait to see what impact the senior health FC membership options make. He questioned how the FC would market to the senior options.

Mr. Blain noted that it is necessary for the capital fund to grow. Mr. Hawk noted that he did not agree with the mid-year increase. Mr. Blain noted that he did not say that, Mr. Wolfe said that. Mr. Blain noted that he is looking for ways to make up the needed revenue. He suggested that it may be possible to raise the rates higher at the end of the year. Mr. Wolfe noted that a new rental for Sunday morning's time slot could generate \$40,000 a year. Mr. Luetchford noted that, for this year, there is an increase in memberships and he is working towards further increasing memberships.

Mr. Luetchford noted that the Township does not want to have three years' of deficits, noting that the deficit for 2007 was more significant.

Mr. Seeds noted that PinnacleHealth's contract ends in two years. In addition, he stated that he has a concern with the pool liner. Mr. Luetchford noted that there is no problem with the pool shell, noting that the problem has more to do with the maintenance costs and having the liner last for a longer period of time. He noted that he will be in contact with the company tomorrow to have them fulfill their warranty for their work. Mr. Seeds questioned if the water is coming from the surface since there was a problem with compaction at the FC. Mr. Wolfe noted that there is nothing wrong with the integrity of the pool shell. He noted that there is no indication that neither of the pool shells have any structural defects. He noted that some of the welds in the liner were probably not done properly. Mr. Seeds suggested that there was no need to do all the patching that was completed. Mr. Luetchford noted that it is seven years old and is very heavily used. Mr. Wolfe noted that a pool shell under normal conditions only lasts five to seven years, and then it would need to be re-plastered. Mr. Seeds questioned what the liner cost. Mr. Luetchford answered that the materials and installation for the liner cost \$33,000, and came

with a 15-year life expectancy. Mr. Wolfe noted that if the company does not produce under the warranty, then the Township will take legal action.

Mr. Blain noted that the FC struggled for a while, but in the past year it has gained its identity, focusing as a family-orientated center, and not competing with the local gyms that cater to single-adults. He suggested that since the Township offers a unique service, the rates could be raised without losing members. He noted that, as a member he would be okay with raising the rates by 10% at \$5.

Mr. Weaver noted that many members left because people need change, and the high school kids are now going to Planet Fitness since they offer a monthly membership of \$10. In addition, many families's had two memberships, one at L.A. Fitness and the FC. He noted that to do a market analysis for the completion is not comparing apples to apples as they are completely different facilities. He noted that the market for the FC is families with younger children, and the older kids don't want to go to the FC because it is not cool. He suggested that it would be dangerous to raise the rates by 10%, explaining that he received 100 calls regarding the increase of the sewer rates.

Mr. Hawk noted that the family membership is the highest category at 892 memberships. He noted that the single memberships are starting to show an increase, and he suggested that the increase could be graded. Mr. Blain noted that the sewer services are a requirement, whereas the FC membership is an optional service. Mr. Crissman noted that if the country goes further into a recession, a person could not cut his sewer bill, but he could cut the FC membership. Mr. Weaver suggested that the FC should market outside the Township for its family memberships. Mr. Crissman suggested that the competition appeals more to single adults as it is more of a connection location.

Mr. Blain noted that the FC cannot continue to run a deficit and must find a way to break even. He noted that it must also find a mean to add funds into the capital fund. Mr. Wolfe noted that the HVAC will only last 15 years, the roof will only last 20 years, and these are things that will need to be repaired over time. He noted that, with the given trend, there is no money to fund these improvements in the future.

Mr. Blain noted that property taxes were increased 25% this year, and given the trends, there will be a need to do this again in the future.

Mr. Hawk recessed the meeting at 5:10 pm for dinner.

Mr. Hawk called the meeting to order at 5:30 p.m.

Police Department

Chief Bair explained that the calls for service have increased 11%. In addition two additional police officers were hired in 2007; bringing the complement to 61 sworn police officers. He noted that the average calls for service per officer in the year 2006 was 396, and for the year 2007 it was 427. He noted that the total crimes reported decreased by 122 in 2007, noting a decrease of 37%. In addition, the Township's clearance rate for crimes was 61%, noting that the state average is 48%. He noted that the decline in reportable traffic accidents continued from 351 in 2006 to 332 in 2007. He noted that traffic enforcement increased from 17,402 in 2006 to 19,072 in 2007. The amount of Driving Under the Influence (DUI) arrests increased from 149 to 192.

Chief Bair noted that the Directed Patrol Platoon was implemented in the year 2007, which consists of four officers that are assigned to problem areas during times when most crimes are occurring. He noted that these officers are assigned to The Brook and Pennswood Apartment complexes. He noted that an additional officer will be assigned to that platoon in 2008. He explained that these officers are used for special details, to include traffic, when needed. He noted that he has prepared a business plan for 2008 that will be explained to the Board members at a later date.

Chief Bair noted that the Union Deposit Road and I-83 corridor continues to be the number one traffic accident location since 1985. He noted that in 2007, the Department was able to reduce the number of accidents in that location by 27%. He explained that the Department conducted 566 intensive enforcement details in that area.

Chief Bair noted that most crimes that occur in the Township are basically property crimes, but there has been an increase in more person-to-person crimes. He noted that the vast majority of bank robberies or homicides have been solved.

Chief Bair noted that for revenues, the Department was 19% over budget; however, the Department was 4% over budget in expenses. He noted that this was caused by the payout of three officers, one retirement, one terminated, and one officer who died while employed. He noted that the budget only anticipated the payout for one officer. In addition, the arbitration award occurred in 2007, which resulted in the payment of salaries and other categories back to 2006.

Mr. Hornung questioned what the status was for the Township's involvement with the Dauphin County Response Team. Chief Bair answered that the Township is at full strength with six officers, and they are participating in all training activities and all call outs.

Chief Bair noted that for the Instep Program, the concentration is placed in a specific location for a period of time, providing a break, patrolling the area again, and then providing another break. He noted that it trains the drivers not to speed through the area for a long time. Chief Bair noted that the entire program is a 60-day program, and if the anticipated results are not met, it could be extended for 30-days. He noted, without the repeated enforcement, drivers would revert back to their prior driving patterns.

Mr. Hawk noted that he was impressed with the increase in DUI arrests. Chief Bair noted that three years ago the Police Department increased its concentration on DUI arrests. Mr. Hornung questioned if the Township sponsors DUI checkpoints. Chief Bair answered that there have been no checkpoints scheduled for the Township in over four years, noting that officers make their DUI arrests while on routine patrol. He suggested that the Department only catches a small percentage of the drivers who drive drunk on Township roads.

Mr. Crissman questioned if there were any new developments for the legal status for the Community Service Officer that was involved in the fatal accident on Mountain Road. Mr. Wolfe answered that he has attempted to make contact with the Attorney representing the Township for the Insurance Company, but he has not returned his phone calls. He noted that the Township is preparing to put the vehicle back into the fleet.

Public Works Department

Mr. Robbins noted that the budget for the year 2007 was \$3,104,783, but he expended \$3,219,187. He noted that the Department employs 34 full-time personnel, 29 of whom are bargaining unit members.

Mr. Robbins noted that April through October is the key time to get the bulk of the stormwater work completed as well as paving work. He noted that with all the other jobs that must be done, it works out to having 3 to 4 persons working on infrastructure.

Mr. Robbins noted that the Public Works Facility was built in 1988, and some maintenance was performed on the building in 2007. He noted that the police impound should be relocated to a different site on the property. He explained that he can now run sodium chloride through the trucks for salting, and he needs to expand the area for salting, cindering, and the salt

brine operations. He noted that the old sewer garage is used for storing inlet structures, pipes, and grates. He noted that this has been very helpful and a timer saver as well.

Mr. Robbins noted that the cell tower came on line in the end of 2007. Mr. Wolfe noted that the cell tower is up and running, has added tenants, and has increased the rental payments to \$1,200 per month.

Mr. Robbins noted that he has purchased equipment in addition to a new tandem axle truck that should be delivered within the next two weeks. He noted that this truck would also be able to provide brine for the roadway to reduce the amount of salt usage. He noted that this should show a significant reduction in the amount of salt use in future years. He noted that he is starting to see the need to do more storm water infrastructure work. He noted that Exhibit F contains a list of projects to be completed. He noted that the cost of the infrastructure is based upon length of pipe, and the inlets. He noted that the overall costs will be in the area of \$30 million to complete, and it is necessary to protect the existing roadways.

Mr. Robbins noted that park maintenance is a very large part of his Department's workload. He noted that he is short three employees this year to complete the summer work in the parks. Mr. Seeds questioned Mr. Robbins if he is having problems getting college students for summer work. Mr. Robbins answered that he is.

Mr. Robbins noted that the Compost Facility is now permitted through DEP, and has been shifted to the center of the site. Mr. Seeds questioned if it has been moved farther away from the neighbors. Mr. Wolfe noted that it has been. Mr. Robbins noted that he is generally hearing good things about the facility, but some neighbors are not happy. **Mr. Robbins noted that he has been in communication** with Mr. Steven Johnson regularly, and he plans to build a berm to help soundproof the facility. Mr. Seeds questioned if Mr. Robbins had tested the noise levels in the early morning hours. Mr. Robbins answered that he has. Mr. Wolfe explained that Mr. Robbins has taken decibel readings at various locations near Mr. Johnson's property, resulting in readings of 65 to 67 which is under the ordinance requirement. Mr. Seeds questioned what the ordinance requirement is. Mr. Wolfe answered that the noise level must be fewer than 70 decibels. He noted that Mr. Robbins has ordered a new muffler for the grinder, which, by the manufacturer's specifications, reduces the engine noise by 29 decibels. Mr. Robbins noted that there is noise from the engine and the grinder process as well. Mr. Seeds questioned if the work could be moved further away from the homes, or if there would be a need to move the grinder from that site. He questioned Mr. Robbins if he would be uncomfortable with the level of noise.

Mr. Robbins answered that he has asked the employees not to grind before 8 a.m. and the staff is normally done by 1:30 p.m. to 1:45 p.m. Mr. Wolfe noted that the backup alarm for the trucks also generate noise. Mr. Robbins noted that Mr. Johnson complains about the truck noise as well as the dust coming from the traffic. Mr. Seeds questioned what Mr. Johnson's address was. Mr. Wolfe answered that he would provide him with the address. Mr. Seeds noted that he would like to keep up on this matter. Mr. Robbins noted that he has received several calls noting that they are pleased with the new facility.

Mr. Robbins noted that the Leaf Waste Collection Program required a second crew for Mondays and Fridays, but for this year, the second crew may only be needed on Mondays.

Mr. Seeds suggested that the Public Works Department needs more personnel. He noted that there is more and more work to be done, and not enough people to do it. Mr. Robbins noted that park maintenance takes a lot of manpower to accomplish. Mr. Seeds questioned if Mr. Robbins considered hiring retired workers, noting that in many cases, they would take better care of the equipment.

Mr. Robbins noted that the new trucks should help to make the Fall Leaf Collection program much better. He noted that he only has from November 1st through December 15, depending on the weather, to pick up the leaves in the Township. He noted that he hopes to save time with the addition of these new trucks for winter maintenance programs as well. He explained that he used 2,864 tons of salt and 1,536 tons of anti-skid materials in 2007 and reported that salt costs roughly \$62 a ton.

Mr. Robbins noted that the shop mechanics maintain the fleet, and each year he continues to experience longer down times for some of the vehicles. He noted that the State Police Motor Carrier Division weigh each Township truck and found that some of the trucks are being very seriously overloaded during winter operations. He noted that it is okay to plow with those trucks, but they should not be used for cindering. He explained that he would like to purchase a 26,000 LB GVWR (non CDL) trucks which could haul a more significant amount of material.

Mr. Robbins noted that through road dedication process, the Township acquired an additional 2.5 miles of roadway in 2007, which brings the total road miles to 192.08. He noted that the Public Works Department paved 2.7 miles of roadway in 2007, a large part of that was for Conway Road. He noted that staff installed 492 regulatory signs, 269 new traffic sign posts, and 95 new street names. He noted that 272 road occupancy permits were issued, and 226 have been closed to date; the remaining permits belong to Verizon.

Mr. Robbins noted that the MS4 work has continued with 90 samples taken, and he suggested that another 120 samples would be taken in 2008. He noted that he hopes to educate the residents through the Township newsletter and flyers.

Mr. Robbins noted that he has significant increase in costs for the vehicle fuel budget line.

Mr. Robbins explained that he brought some traffic signal heads for the Board members to view. He showed that the electric box for the traffic signal is not water tight and completely rusted out, noting that it is approximately 25 years old. He noted that due to the age of the signals, the lights will go on flash which precipitates calling PERCS to make necessary repairs. He noted that he struggles when he reviews the PERCS' report; trying to determine what parts need to be repaired or replaced. He noted that he has more work to do with those reports to determine what work should be prioritized. He noted that the Township is also replacing many old signs that have lost their reflectivity. He proceeded to show the Board members rusted bracket that hold the traffic signal to the mast head. He noted that a standard signal head weighs roughly 50 to 60 lbs. He explained that the standard signal heads break down into three pieces, and as a result, they rust through. He noted that he has taken an older signal, and replaced the hardware to see if it would be cost effective to do this or replace the signal standard.

Sewer Department

Mr. Weaver explained that he does not include many of the exhibits due to the length of the documents. He noted that the Authority was created for 50 years, and extended from 2019 to 2023 for the re-issuance of the bonds. He noted that many more bonds will need to be purchased and the extension date will have to be extended again.

Mr. Weaver noted that the Rauch TV and sectional liner equipment was purchased in 2007, and that this equipment is being used daily.

Mr. Weaver noted that a decision was made in 2007 to raise the rates from \$96 to \$106 per quarter. He noted that for this particular rate increase, he received hundreds of phone calls from people complaining. He noted that he managed to explain the additional costs from the aging sewer system and the Chesapeake Bay Initiatives. He noted that he will work more diligently to explain this to the homeowners by means other than the Township Newsletter. Mr. Weaver noted that most people think that sewer rates increase due to new development, but the opposite is true, as they help to offset the costs. Mr. Wolfe noted that the \$10 increase will

be followed by numerous \$10 increases in the future. He noted that the residents don't relate the increase to the Paxton Creek Watershed and Chesapeake Bay Initiatives issues.

Mr. Weaver noted that the Spring Creek Treatment Plant will continue to operate for some time until the litigation is completed with South Hanover Township. He noted that he had a fire in the maintenance building, and CET is working to improve the safety of the area. He noted that the parts that are being replaced for that facility are not very expensive.

Mr. Weaver explained that the Authority is finally receiving money back from PENNDOT for the work on their projects. He noted that the Authority will have to have a special meeting to redo the Resolutions to send to PENNDOT to receive the past due funds.

Mr. Weaver explained that he reviews all the plans from the Community Development Department for their sewer facilities, and he noted that it is much more complicated to get these plans through the approval phase since the only properties that are left are new construction, noting that they do not have sewer facilities or there are wetlands issues. He noted that he is working with the Stray Winds Farm project for sewer replacement for the widening project along Colonial Road. He noted that a pump station must be reconstructed for the Eric Kessler project along Colonial Road, and that Mr. DiSanto will be attending a workshop meeting to discuss certain aspects of the pump station and the easement compensation from Sandi Prah.

Mr. Weaver noted that he has easement agreements for the Rosewood Development, and has been working with Mr. Hankin and Mr. Stine for the past six month on another easement agreement. He noted that many of the projects require more staff and engineering time to complete. He explained that he attempted to hire an engineer and did not receive any applications, and stated that he will attempt to hire an engineer later in the year.

Review of the Key Indicator Report dated 12/31/07 and 3/31/08

Mr. Wolfe noted that he would like to review the year-end 2007 Key Indicator Report (KRI) at the same time the Board reviews the 1st Quarter Key Indicator Report for 2008. He noted that the General Fund ended the 4th Quarter year of 2007 had \$16,975,125 in revenues and \$17,517,055 in expenditures, producing a loss for 2007 of \$541,930. He noted that when factoring for operations only, there was a surplus of \$458,070 since nearly a million dollars was transferred to the General Fund for ongoing capital projects. He noted that capital projects for the year 2007 were funded, half with current year revenue and half from the General Improvement account. He noted for the 1st Quarter, 2008, the Township is operating on a budget

of \$19,460,362; to date there is \$2,755,548 in revenues and \$4,863,936 in expenditures producing a deficit of \$2,108,388. He noted that the influxes of real estate taxes have not been received. Ms. Speakman noted that there were numerous high expense items purchased in the beginning of the year. She noted that the items that Mr. Robbins purchased will not be reimbursed in the current year, and the loss would show at the end of the year. Mr. Wolfe noted that Ms. Speakman transferred \$550,000 to the General Improvement Fund for capital expenditures, primarily for the grinder unit used at the Compost Facility. He noted that a 90% reimbursement is expected from DEP on an out-year basis.

Mr. Wolfe noted on page six, that the real estate tax distribution for the year 2007 was on budget, however, earned income tax (EIT) distributions were 13% higher than expected. Mr. Blain noted that the EIT is also up 20% for the 1st Quarter of 2008. He noted that the Emergency Municipal Services Tax (EMT) was slightly lower than compared to 2006 and the revenue for 2008 is down 15%. He noted that this loss was budgeted for a higher rate for the 2008 budget. Ms. Speakman suggested that it may be more than 15%.

Mr. Seeds questioned if \$2 was taken from his pay for the Local Services Tax. Ms. Speakman noted that the Board members would not have enough tax taken from their payroll to make the \$52 mark. She noted that this is how all part-time personnel are paid, noting that they will have less deducted from their pay at the end of the year. Mr. Blain suggested that the law reads that deductions should be made at \$1 per week. Mr. Wolfe suggested that it should be \$2 for a bi-weekly pay. Mr. Seeds questioned if he must file an exoneration form since he would not meet the \$12,000 limit. Mr. Wolfe suggested that Mr. Stine should be asked if the proper amounts are being deducted from the Board member's pay when he arrives for the next meeting.

Mr. Wolfe noted that the Township now collects \$1,250 per month for the cell tower rental. He noted that in the 1st Quarter for 2008 the interest income is down substantially, and the real estate transfer taxes are also down. He noted that the expenditures for each Department for the year 2007 were, for the most part, within budget. He noted that \$2,345,000 was spent for capital projects in 2007. He noted that the Police Department and Public Works Departments both had overages for their year-end budgets, but for the current year, most Departments are below 25% in each operating budget. He noted that the end of 2007 and the winter of 2008 had a significant expenditure for road salt and anti-skid materials due to weather conditions.

Mr. Wolfe noted that at the end of the year 2007, there was a General Fund Balance of \$9,648,000. He noted that the Township is surviving on this fund balance since the Township

does not do tax anticipation borrowing. He noted that the fund balance is now \$7,500,000. He noted that the State Aid Fund is used for roadway improvements, and the expense items are listed on the bottom of page nine. He noted that the Township has not received the State Aid check yet, but the funds have been spent for the purchase of salt and a vehicle which results in a deficit of \$300,000. He noted that for the Fire Equipment Capital Fund, a balance for the 1st Quarter of 2008 in the amount of \$1,292,666. Ms. Speakman noted that since Paxtonia has purchased their apparatus, there is roughly \$65,000 remaining in the account. Mr. Wolfe noted that all three fire companies have made their purchases. Ms. Speakman noted that Linglestown Fire Company received the delivery of their apparatus. Mr. Seeds noted that Linglestown Fire Company wanted to sell their tanker truck to the Halifax Fire Company for \$15,000 after receiving a bid for \$31,000. Mr. Wolfe explained that he would not permit them to sell the rig at the lower price.

Mr. Wolfe noted that for the General Improvement Fund for the 1st Quarter of 2008, the income items have not changed significantly, noting that it includes funding for the Linglestown Improvement Project, grants for George Park, transfers from the Park escrow account, and transfers from the General Fund.

Mr. Seeds questioned if the Township is putting funds into the Fire Equipment Capital Fund for the Level of Service Awards Program (LOSAP). He questioned if it would come from the \$60,000 remaining in that fund. Ms. Speakman noted that \$10,000 would also be included from the fire tax increase, as the Township changed the millage rate for that line item. Ms. Speakman noted that the \$250,000 was put into the PLGIT account plus another \$10,000. She noted that whatever is left from the purchase of the fire trucks would be available to fund the study. Mr. Wolfe noted that the Board needs to meet with the firefighters. He noted that he received an actuarial evaluation for several draft LOSAP programs, noting that the programs are in the \$40,000 to \$80,000 range to fund. He noted that he would share this information with Mr. Keith Cerzullo, and discuss it during the next workshop meeting. He suggested that the Board could develop the program on or before June 2008. Mr. Seeds suggested that it should be discussed with the members of the Public Safety Committee as well. Mr. Wolfe noted that the Fire Equipment Capital Fund Resolution would need to be amended, in addition to creating a LOSAP program.

Mr. Wolfe noted that on page 12, the primary activities for the capital projects have involved the Linglestown Square Project and the Public Works Department's purchase of

equipment. He noted that the Linglestown Parking Lot and George Park work are pending due to weather conditions.

Mr. Wolfe noted that in 2007, the membership was slightly ahead of the year 2006, and it is almost even for the comparison for 2007 to 2008. He noted that there are a large number of customers taking advantage of the monthly debit plan as opposed to the lump sum payment plan. He noted that there is a continuing increase for program revenues which is partly due to an increase in programs. He noted that the costs to fund the Senior Center for the FC are roughly \$54,322.

Mr. Wolfe noted that attendance is up due to the new equipment that was purchase.

Mr. Hornung questioned if the day passes were increased or limited. Mr. Wolfe answered that the day passes were limited for non-residents to five uses per year. Mr. Luetchford suggested that it has resulted in a decrease in that revenue. Mr. Wolfe noted that the Township could generate more revenues from guest or day passes, but it has had a negative affect on the annual memberships.

Mr. Hornung questioned if there have been any inquiries to fill the church vacancy for Sunday morning. Mr. Luetchford noted that he has received two inquiries.

Mr. Wolfe noted on page 14, the Township Authority year-end for 2007 was very good since the Authority was not undertaking certain capital projects. He noted that the Authority has increased rates gradually in anticipation of future capital projects. He noted that the cash on hand for capital projects is \$23.5 million for the I & I Program. He noted that it is pledge to improvements under design and permitted in the Beaver Creek basin. He stated that the Paxton Creek Improvements are expected to cost over \$70 million over a 20-year basis. He noted that there is not enough money on hand to fund the planned expenditures in accordance with the Capital Program.

Mr. Weaver explained that he received the encroachment permit in advance for the NPS Permit for the Beaver Creek Plant as requested by CET, noting that the site needs to be filled and it must sit for six months before the start of construction. He explained that he met with the Zoning Officer for South Hanover Township to begin completing the Zoning Permit. He noted that he was informed by the Zoning Officer that she would have to consult with the Chairman of the Board of Supervisors and legal counsel before taking any steps to issue the permit. He noted that this would affect wetlands and the plan for clearing the site.

Mr. Wolfe noted that the annualized return for the police pension fund for 2007 was 5.3%, and for the non-uniformed pension fund was 5%. He noted that both funds possess minor amortized liabilities, but for the most part are in good financial shape. He noted that the 1st Quarter summary was not available at the time the Key Indicator Report was created.

Status report regarding PENNDOT efforts to improve Nyes Road and discussion regarding the Township providing engineering for a traffic signal at the intersection of Nyes Road and Locust Lane

Mr. Wolfe noted that he was provided with a proposal from Buchart- Horn to engineer a traffic signal at Nyes Road and Locust Lane. He explained that he offered to PENNDOT a location for a significant amount of fill material at the proposed Wet Weather Treatment Plant site, which is near the project limits, and would reduce the project costs. He noted that since this would reduce PENNDOT's overall cost, they could include a traffic signal for Nyes Road and Locust Lane. He noted that there is no final decision, but he received an acknowledgement that the site exists and that they would consider the request. He noted that PENNDOT has agreed that any turn lanes required on Nyes Road to accommodate a signal would be installed as part of the construction project. He noted that PENNDOT has not stated, either way, if they would fund the signal, but they noted that they would not pay for the design of the signal. He noted that Buchart-Horn would do the engineering work for PENNDOT's project for a not to exceed amount of \$29,500 which is a fair amount for a signal design. He noted that he received an email from Mr. Keiser from PENNDOT explaining if PENNDOT paid for the design; it would result in a six month contract amendment process that would further delay the overall project. He noted that PENNDOT would like to start construction of the Nyes Road project in early 2009, and if the Township would retain the engineer and pay for the study, it would not impact the overall project schedule.

Mr. Wolfe noted that there is a problem in that the Township's engineering work is pledged to HRG, Inc. He noted that PENNDOT does not want the Township to use HRG, Inc, because Buchart-Horn is already involved in the project. He questioned the Board members if they would be willing to agree to have Buchart-Horn do the engineering work. He noted that he would have to research HRG, Inc.'s contract with the Township. Mr. Hawk suggested that it could be explained that PENNDOT has asked the Township to tag along on this project.

Mr. Seeds noted that the intersection of Nyes and Devonshire Roads has the six highest number of traffic accidents. He questioned where PENNDOT stopped with the improvements to Nyes Road. Mr. Wolfe answered that the road improvements stopped 100 feet from M Street at Devonshire Heights and Nyes Roads. Mr. Seeds suggested that the Township should push PENNDOT to repair this area as well. Mr. Wolfe noted that that area is not under consideration at this time. Mr. Blain noted that the Nyes Road Improvement Project starts at Willoughby Road to Red Top Road at this time. Mr. Wolfe noted that PENNDOT knows that the entire road needs reworked, and given their current funding levels, they will work the area from Red Top Road south, except for the Union Deposit intersection that was recently completed. He noted that PENNDOT knows that they must move immediately on this project since part of the road is ready to fall into the stream. He noted that they would consider the middle phase of Nyes Road at a later time.

Mr. Hawk questioned how many times HRG, Inc. has requested to do work outside the Township. Mr. Wolfe answered that under the current contract, there have been no requests. Mr. Hawk noted that this has happened in the past. He noted that it would be crazy for HRG, Inc., to deny this to the Township. Mr. Wolfe noted that he would speak to Mr. Grubic about this, but he recommended the Board to move ahead with Buchart-Horn since the project is priced right. He noted that the worst part of the Nyes Road construction could be underway this time next year, and the Township could possibly end up with a traffic signal at Nyes Road and Locust Lane. He noted that it may only cost the Township \$30,000, and provide fill for the Wet Weather Treatment Plant. Mr. Hawk and the remaining Board members agreed that Mr. Wolfe should pursue this option.

Mr. Wolfe noted that due to the time, the following items on the agenda would be discussed at another meeting. It was suggested to schedule the Road Tour for April 29, 2008 at 4 p.m. and following with an Administrative Workshop at 7:30 p.m.

Presentation of the status report on the Police Department 2008 Business Plan
Presentation of and status report on ongoing sanitary sewer capital projects
Discussion regarding initial efforts to develop a pavement management program
Review of capital projects identified in the Strategic Plan

There being no further business, Mr. Crissman made a motion to adjourn the meeting.
Mr. Blain seconded the motion, and the meeting adjourned at 7:20 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

Gary A. Crissman
Township Secretary