

MINUTES

NON-LEGISLATIVE MEETING

NOVEMBER 2, 2011

The Non-Legislative Meeting of the Lower Swatara Township Board of Commissioners, held at the Lower Swatara Township Municipal Building, was called to order at 7:00 P.M. by President Frank Linn, Sr.

Roll call was taken with the following officials in attendance:

- Frank Linn, Sr., President
- William L. Leonard, Vice President
- Thomas R. Clark, Commissioner
- Robert L. Loych, Commissioner
- Thomas L. Mehaffie III, Commissioner
- Ronald J. Paul, Manager
- Harry N. Krot, Manager
- Peter R. Henninger, Solicitor
- Ryan Hostetter, HRG, Engineer
- Richard T. Wiley, Police Chief
- Steven W. Anderson, Public Works Director
- Jean R. Arroyo, Recording Secretary

Residents and visitors in attendance:

- Mike Davies (525 Constitution Dr.)
- Michelle Kenney (310 Dauphin St.)
- Jon Wilt (1257 Longview Dr.)
- Chris DeHart (Lower Swatara Fire Dept.)

President Linn welcomed the visitors to the meeting, and opened the floor for public comments.

PUBLIC COMMENT:

Michelle Kenney, 310 Dauphin Street, explained that she lives in the Eagle Heights area, where construction is occurring for the student housing project. She expressed concern that Lawrence Street and Wood Street were being blocked by this construction. Access was blocked for the school bus, and this would have presented a problem if emergency vehicles needed to get through. Ms. Keeney stated that she had received a notice from the School District that it was considering changing her child's bus stop due to the street being blocked for three consecutive days. Since then, she has talked to the School District and the construction workers, who informed her it was a temporary situation. Ms. Keeney noted that she just wanted to address this with the Board. In response to a question from President Linn, Ms. Keeney stated that the workers had knocked down a tree, which created the problem. President Linn stated that the residents will need to work with the contractors during this construction period. He added that since the present Lawrence Street will be eliminated and moved in the future, the bus stop will most likely need to be relocated anyway. This will be decided by the School District. Mr. Paul agreed that discussions need to be held with the School District to adjust the bus route while Lawrence Street is under construction. He added that the Township will speak to the contractors and stress that the access cannot be blocked by construction vehicles. Chief Wiley reported that he had met with the contractor, GreenWorks Development, today and it will not only keep the access open but will also widen it. There should be no problem with school bus access during this phase of the project.

Ms. Keeney also inquired if the Township has a noise ordinance, and if Penn State Harrisburg must abide by it. Chief Wiley confirmed that there is a noise ordinance, and Penn State Harrisburg must indeed abide by it. He noted that residents are asked to call to file complaints about noise. Ms. Keeney explained that she had called the Lower Swatara Township Police Department, and her call was directed to the Penn State Police Department, which informed her this is private property and therefore it doesn't have to abide by the Township's noise ordinance. Chief Wiley stated this is not true; Penn State must abide by the same regulations. Ms. Keeney stated that specifically, she has been disturbed by the campus loudspeaker announcing soccer games and also some very loud karaoke singing at an alumni event after 10:00 P.M. during a week night.

Ms. Keeney questioned the increased break-ins occurring in the neighborhood and stated that police were up there again tonight. Chief Wiley stated this was in response to a domestic dispute; he is unaware of any reported break-ins. Ms. Keeney added that there are also people

parking across from her home so they don't have to pay parking fees at Penn State. This is private property, owned by the Middletown Cemetery. Chief Wiley provide his business card to Ms. Keeney, and asked her to phone him to further discuss these concerns.

President Linn stated there are several items that require formal action tonight and asked that the Board address them at this time.

A motion was made by Commissioner Clark, seconded by Vice President Leonard, to approve Application for Payment No. 19 in the amount of \$59,725.57 and Application for Payment No. 20 in the amount of \$108,847.13 to Leon E. Wintermeyer for construction phase services related to the Meade Avenue Project. The motion was unanimously approved.

A motion was made by Commissioner Loych, seconded by Commissioner Clark, to approve Payment No. 14 in the amount of \$16,360.80 and Payment No. 15 in the amount of \$19,393.91 to Navarro & Wright Consulting Engineers for construction phase services related to the Meade Avenue Project. The motion was unanimously approved.

A motion was made by Commissioner Mehaffie, seconded by Vice President Leonard, to approve the payment of Proposal for Engineering Services, Supplement No. 6, in the amount of \$5,000.00 to HRG, Inc. for construction phase services relative to the Meade Avenue Project. The motion was unanimously approved.

A motion was made by Vice President Leonard, seconded by Commissioner Loych, to approve the payment of \$3,393.65 to HRG, Inc. for construction phase services relative to the Meade Avenue Project for the period September 5, 2011 through October 2, 2011. The motion was unanimously approved.

A motion was made by Commissioner Mehaffie, seconded by Commissioner Clark, to approve authorization of payment for the Highspire Borough Authority Waste Water Treatment Plant BNR construction upgrades, Requisition 18, in the amount of \$62,552.88 to Highspire Borough Authority. The motion was unanimously approved.

Mr. Paul reported that the next item for formal action is approval of a contract with Constellation New Energy, pending review and concurrence by the Township Solicitor. He stated that Mr. Krot has been working on this item, and asked him to provide a report. Mr. Krot noted that he had been requested to shop for electric utility rates for the Township. He had contacted two entities, and feels the utility alliance program through the PLC (Pennsylvania League of Cities)

would best suit the Township's needs. The PLC provides a no cost quote and works exclusively with municipalities. Mr. Krot referenced the attached memo provided to the Board, and explained that Tammy Blymire, Township Accountant, had provided an analysis of the Township's electric usage over the past twelve months. The rates provided vary according to contract length. The Township would save approximately \$15,000 with a one-year contract, or roughly \$12,000 with a four-year contract. Commissioner Mehaffie inquired if the Township could save more thru a one-year contract than a four-year contract. Mr. Krot agreed this is correct. Commissioner Mehaffie stated that rates could go up during that time, so entering into a four-year contract is basically a gamble. Mr. Krot noted that based on his past experience, he has observed that many municipalities go with a two-year contract. Commissioner Loych asked if there are other alliances out there. Mr. Krot stated there may be other utility alliances, but the rates are probably comparable. Vice President Leonard inquired why the Township would enter into a contract with escalating costs. Mr. Paul explained that this is due to the likelihood of increased costs. Commissioner Clark stated that Derry Township has been participating in this program through the PLC for three years, and approves one-year contracts. Solicitor Henninger clarified that this is not really an escalating contract. There would be a flat rate for 12 months, a flat rate for 24 months, a flat rate for 36 months, etc. The longer the contract, the higher the price. He added that after reviewing the agreement, he feels comfortable with the fact that this contract has a flat rate which doesn't change if the usage goes up, goes down, or stays the same. Mr. Krot added that the quote given has expired, and he will need to obtain a refreshed number. A motion was made by Commissioner Loych, seconded by Commissioner Mehaffie, to approve a one-year contract with Constellation New Energy, pending review and concurrence by the Township Solicitor. The motion was unanimously approved.

ENGINEER'S REPORT:

Ryan Hostetter, HRG, updated the Board on the Meade Avenue project. The ribbon cutting ceremony for the opening of Meade Avenue was held on October 18. Meade Avenue is fully open to traffic. The contractor is now completing the punch list of items and has submitted a time extension request, extending the contract date to November 18. The previous extension was until August 15, so this is a 105-day time extension, and is based on additional work items requested as well as the flood event, which was a state of emergency in PA. Mr. Hostetter explained that he will

need some type of concurrence from the Board to accept this time extension request. Penn DOT will also need to review and accept it. In response to a question from Mr. Paul, Mr. Hostetter explained that it is very likely that Penn DOT will accept the time extension due to the state of emergency in PA. A motion was made by Commissioner Loych, seconded by Commissioner Clark, to grant the time extension on the Meade Avenue Project. The motion was unanimously approved.

Mr. Hostetter reported that he had also spoken to Mr. Paul about the question of bicyclists accessing Route 230 from Meade Avenue. The Board had heard a complaint about the small shoulder from where the curb line meets Route 230. Mr. Hostetter explained that basically, bicyclists are also motorists, and therefore need to abide by the traffic control devices like the yield sign. Cyclists should be coming to a stop or yielding when they merge out into Route 230. In addition, a larger shoulder could provide a false sense of security to the cyclists. As the Board is aware, there is an entrance to the shopping center right down the street from Meade Avenue. More than likely, the motorists using this entrance will pull off into the shoulder to slow down. This could create problems for the cyclists. President Linn asked Mr. Paul to relay this information to the resident.

President Linn reported that the Board had met in executive session after the October legislative meeting to discuss personnel matters, and will be meeting in executive session again tonight upon conclusion of the meeting in order to discuss personnel issues.

FIRE DEPARTMENT REPORT:

Chris DeHart, 1st Assistant Chief, reported that a training class will be held this weekend at the old Days Inn. Last weekend, the Department responded to 40 calls during the snow event. The Fire Department was approved for the 2011 PA State Fire Grant. There will be no fundraising dinners until January. There were 79 calls for October. Calls for 2011 total 684 so far, which is the most calls ever, with two months yet to go. This has been an extremely busy and trying year. Chief DeHart reminded the Board and public that the Fire Department is still selling calendars at \$15.00 each. He also advised the Board that the second half of November would be a good time to have the yearly budget meeting with the Township. He asked the Board to check its schedule and let him know what dates work. Chief DeHart thanked Mr. Anderson, Public Works Director, for taking care of the fire station parking lot and ramp during the recent snowfall.

There have been 8000 volunteer hours so far this year and that is only the events that the Department tracks. Chief DeHart surmised the actual figure would be over 12,000 hours. This is a tremendous effort and the Township is fortunate to have these volunteers. Commissioner Loych asked the number of active volunteers. Chief DeHart responded that there are approximately 72 active volunteers on the books, although there is always a core group of about 20 – 25. In response to a question from Vice President Leonard, Chief DeHart stated that there are presently five live-ins at the station, although one is leaving in December. Vice President Leonard stated that he is finding that the benefit of having live-ins is they get out the door quickly. Chief DeHart agreed that this is very beneficial. Commissioner Loych asked how many live-ins the station could handle. Chief DeHart stated that his ultimate goal is to have eight. President Linn asked Chief DeHart to convey to the Fire Department volunteers that the Board appreciates the fine work they are doing and is extremely proud of them.

PUBLIC WORKS DEPARTMENT:

Steve Anderson, Public Works Director, reported that the Township is still waiting on Verizon to relocate its pole to complete the work on Greenwood Circle. Repairs have been made to some of the damage to the yard at 2 Greenwood Circle, including completion of the foundation for the relocation of the owner's shed. The Department will move the shed as soon as weather permits. The pumping at Lisa Lake should be completed by the end of this week. So far, the water level has been lowered six feet. The pumping operations were suspended for an additional week, to allow the drainage work on the Meade Avenue project to be completed. Pumping operations to lower Lisa Lake were resumed on October 31. The Guide Rail on Nissley Drive incurred damage from two separate accidents; the individuals were billed for the damage. Estimates were received for the repair/replacement of the guiderail and the repair was scheduled with L.S. Lee Inc. for the October/November timeframe. The Township received one reimbursement of \$995.00. Leaf collection should be back on schedule by Friday; it was interrupted by the snowstorm. In conjunction with leaf collection, the Department is mowing the Township right-of-ways and should finish them by Friday. Two road paving repair projects were completed due to damage during the flooding (Lumber Street & Spring Garden Drive and Highspire Road and Fulling Mill Road). Eight culverts were also repaired. In preparation for the winter/spring growing season, the Soccer Complex was treated with a lime application, a compost application, aeration and disc type re-

seeding. After the snowstorm, arrangements were made with the Middletown Woody Waste Facility to allow residents to take their tree debris, at no cost, to the facility until November 5 at 7:00 P.M. The Township incurred tree damage in all of its parks except Greenwood Hills, and the batting cages in three of the parks were damaged due to the heavy wet snow. The Athletic Association is checking its insurance policy to see if the damage is covered. There was also damage to one of the soccer goals at the soccer complex. The Municipal Authority repaired a broken sewer line in the vicinity of Longview Drive and Hollywood Drive. It also completed its preparations at the Jamesway pump station and is waiting for the equipment to arrive to bring that station back into operation. During the snowstorm, eight mailboxes were damaged by the heavy wet snow coming off the end of the plows. The dumpster will be open Saturday, November 5, from 8:00 A.M. to noon for Township residents.

Commissioner Loych asked if there was any word from Penn DOT about clearing the pipe that goes under Fulling Mill Road. Mr. Anderson stated that he had attended a meeting on winter partnership, and did talk to Penn Dot about this. Penn DOT is aware of this issue, but has not yet addressed it. Commissioner Loych also reported that he went out with Mr. Anderson during Saturday's snowfall. He commended the Public Works crew for a great job on snow removal, especially with the fact that the Department was down several workers.

Commissioner Clark added that when he and Mr. Anderson were at the winter maintenance meeting, he had also reminded Penn DOT about the need for maintenance of the pipes under the Airport Connector. Penn DOT is slowly moving forward with plans for this work.

POLICE DEPARTMENT REPORT:

Richard Wiley, Police Chief, reported that work on the information sharing grant continues. The process is definitely complex. Issues include connection problems and how and where to house the equipment/servers. The funds from the in-car video grant from Representative Payne's office came in, and the Department purchased units for two vehicles. Chief Wiley has developed a policy on these, and it has been reviewed by District Attorney Ed Marsico for legality. The policy should be implemented soon.

Chief Wiley reported that traffic is always an issue, and truck traffic seems to be particularly problematic in the Township, especially with the various construction projects in and around the community. Fulling Mill Road is one area of these complaints. Chief Wiley reported that he had

recommended these construction trucks avoid Route 441, and instead use the Airport Connector to get off at Route 230. He stated that the developers have agreed to cooperate with this request.

BUDGET AND FINANCE REPORT:

President Linn asked Vice President Leonard, Chairman of the Budget and Finance Committee, to present a briefing on the proposed 2012 budget. Vice President Leonard provided to the Commissioners three documents: the preliminary and confidential detailed budget with revenues and expenses for 2012, a summary of changes only, and a narrative.

Vice President Leonard explained that significant time has been spent reviewing the budget. The proposed 2012 expenses compared to the 2011 budgeted expenses are basically flat. In fact, the 2012 expenses are \$11,000 below the 2011 figure. At the end of the Budget & Finance Committee review, projected revenues are at \$4,321,900 and projected expenses at \$4,847,614. These expenditures ensure that essential services are maintained and staffing levels are kept intact, except for plans previously discussed and agreed to by the Board, and also maintains the Township's AA bond rating. The difference between expenditures and revenues leaves a \$525,000 gap. Contributing factors to this shortfall include rising oil prices (which also impacts the cost of materials), unanticipated expenses for natural events such as snowstorms and Tropical Storm Lee, increased legal costs associated with the tax collector issue, and tax assessments being lowered resulting in decreased tax revenues. Basically, costs are going up but revenues are not. The beginning cash balance is not what it has been in the past.

Vice President Leonard added that the proposed budget not only looks at 2012 but also sets some plans in motion for 2013 and 2104; it is a multiple year forecast. The Board needs to determine if it wants to build some of its contingency funds and if so, how to go about doing this. The revenue fund trend in Lower Swatara Township is going down, and 33% of the Township is not revenue producing. Although the Township is fortunate to be the home of Penn State, HIA, and the Turnpike Administration Building, these are all non taxable entities. Essentially, Lower Swatara Township has the land mass of a larger township, but the revenues of a smaller one. Vice President Leonard added that there are still un-knowns with the flood situation. The Township has applied for FEMA grants, but it does not know how much will be reimbursed or when these funds will be available.

The original proposed budget had a gap of \$664,175.00 which the Budget & Finance Committee was able to decrease by \$138,461. That is where the \$525,714 shortfall comes in. Vice President Leonard explained that ideas had been given to decrease some of the planned expenses in various areas. These generated an additional decrease of planned expenditures by \$117,289.00. If the Board agrees to these cuts, it could reduce the deficit to \$408,425.00.

Vice President Leonard stated the focus will be on addressing the \$525,714 shortage, since this is what the Budget & Finance Committee is recommending to the Board as a starting point. A one mill tax increase would generate \$601,280.00 which would cover all expenses and help build reserves for things like flooding, escalating fuel prices, etc. It would provide for maintenance of services, staff and bond rating and provide funds for cash reserves. A $\frac{3}{4}$ mill tax increase would provide \$450,425.00. This wouldn't cover the gap of the shortage, and would require implementing additional adjustments, and depleting some funds. It wouldn't allow for the building of any additional funds for future purposes. A $\frac{1}{2}$ mill tax increase would generate \$300,640.00. This wouldn't cover the gap, would deplete a significant amount of the reserves, and wouldn't provide any future reserves.

Again, Vice President explained the proposed budget for 2012 is \$525,714 short. The Board needs to collectively decide how to proceed, since the proposed budget needs to be advertised in November, and voted on in December. Ideas that Board members have brought up are included in the handout and need to be discussed. Vice President Leonard stated that the Budget & Finance Committee is looking at the \$525,714 gap and recommending it be addressed through a 1 mill tax increase. He noted that nobody, including himself, likes a tax increase. However, this is being proposed to maintain services, staff, and financial rating. Commissioner Mehaffie asked Vice President Leonard to explain to the residents what this would mean to them. Vice President Leonard explained that on a property assessed at \$100,000, this would equate to an increase of approximately \$100/year or about \$8.00/month. Basically, it would equate to an additional \$100 a year on every \$100,000 of assessed value. Solicitor Henninger added that the assessed value of a home is not what necessarily the value of a home. For tax purpose, the assessed value is usually less.

President Linn explained that for the past four years, the Township has been absorbing the increased costs instead of raising taxes. Since the School District has been raising taxes every year, various Board members felt that the Township couldn't raise taxes too. Now there is simply nothing

left in the cookie jar. Every Board hates to raise taxes. However, the residents enjoy and depend on the services they receive from the Township, and wouldn't want to see them cut. President Linn noted that he is also a member of the Budget & Finance Committee, and concurs with the recommendation to approve a 1 mill tax increase.

President Linn asked if any Board member would like to comment. There were no comments offered.

FINAL COMMENTS:

Vice President Leonard thanked the Public Works Department, Police Department, and Fire Department for their efforts during Saturday's snow fall. He also thanked the Board and staff for the many long hours spent working on the proposed budget. He again stressed that he is not a fan of a tax increase but if it is necessary to provide services, it must be considered.

ADJOURN AND CONVENE INTO EXECUTIVE SESSION:

Hearing no other business, a motion was made by Commissioner Loych, seconded by Commissioner Leonard, to adjourn the meeting and convene into executive session. The motion was unanimously approved, and the meeting adjourned at 8:15 P.M.

ATTEST:

Ronald J. Paul,
Manager/Secretary