LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Board Meeting held November 13, 2007

A workshop meeting of the Board of Supervisors of Lower Paxton Township was called to order at 6:04 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., Gary A. Crissman, and David B.Blain.

Also in attendance were George Wolfe, Township Manager; Steve Stine, Township Solicitor; Tom Stang, Waste Management; Daniel Bair, Public Safety Director; Scott Buchle and Ginny Stapf, South Central Emergency Medical Services; Bill Harbeson and David Doyle, Capital Tax Collection Bureau; Fran McNaughton and Joel McNaughton, McNaughton Homes; Tim Mellott, Mellott Engineering, Robert Weidner, Capital Area Soccer Association; and Brian Luetchford, Parks and Recreation Director.

Pledge of Allegiance

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

Public Comment

Watson Fisher, 2023 Scott Meadow Court, explained that he spoke to the Board members at the November 5, 2007 meeting concerning the snow plowing problem for the Quail Hollow, Phase III Development. He explained that residents from that development prepared a letter reiterating their issues, and he distributed a copy of that letter to the Board members. He requested the Board members to look at the map on the third page of the letter to provide a better location of where the problem is occurring in the Quail Hollow development. He explained that Phases I and II are completed, Phases IV and V are starting construction, but the issue is with Phase III of the project.

Mr. Fisher explained that the streets that are not plowed are Thicket Lane and Scott Meadow Court, and range in a quarter of a mile in distance. He noted that the developer did not plow the streets last winter and does not intend to do it for the coming winter. He explained that he had been in touch with Township staff, and is well aware of the ongoing legal problems with the developer. He noted that the residents are stuck in the middle and he appealed to the Board members for any help in solving the snow plowing issue for the upcoming winter months. He

explained that the Township does plow a part of Thicket Lane, but turns around at the Phase III boundary.

Mr. Hawk stated that the Township has experienced continuous problems with the developer. Mr. Watson noted that the Township is stuck, but he appealed for any help the Township could provide. He noted if a heavy snow storm developed, it would be very bad for those residents.

Mr. Crissman questioned if the school bus enters the development from Crums Mill Road at the upper end. Mr. Watson answered yes. Mr. Crissman suggested that the buses travel the road even if they are not plowed. Mr. Watson answered that they did last winter, and apparently did not have any difficulties. Mr. Blain questioned Mr. Crissman why the School District would have a bus stop on an undedicated street. Mr. Crissman speculated that when the people moved in the houses near the cul-de-sac, a bus was needed to go into that area to pick up the children, but were unable to turn the bus in the cul-de-sac and could not turn the bus around on Thicket Lane where the dedicated street ends. He suggested that it was for the easy maneuverability of buses by the drivers. He noted that it was probably found to be unsafe for the children to walk from the cul-de-sac to Crums Mill Road.

Mr. Wolfe explained that staff met with counsel this past week to discuss the situation, and it was Mr. Stine's recommendation to present a Resolution for the Board to consider the acceptance of the streets in Quail Hollow, Phase III. Mr. Watson thanked Mr. Wolfe for that information. Mr. Seeds suggested that the Board would be setting a precedent with this resolution.

Kimberly Waiwada, 548 Downington Court, explained that she had several questions regarding the property that the Volunteers of America (VOA) are developing off of North Blue Ribbon Avenue in the Linglestown area. She noted that the area is zoned for flood plains, and she questioned if it was a flood way or a flood fringe. Mr. Wolfe answered that the area that is being developed is outside whichever definition she was using. He noted that the area that VOA is developing is zoned R-2, and not the flood plain. Ms. Waiwada noted that VOA bought a 4-acre tract and almost half of the land is flood plain. Mr. Wolfe noted that it is a designated wetland area, and the wetlands have been delineated. He explained that as a result of the questions that were presented to the Board members, at an earlier meeting, the Township has asked its engineer to review the development's wetland delineation plan. He noted that looking at the contours, the area that is being developed appears to be outside the wetlands.

Ms. Waiwada questioned if the Township adopted the FEMA Flood Plain. Mr. Wolfe answered that the Township is in compliance with Act 166 which mandates the adoption of floodplain management regulations. Ms. Waiwada noted that the land is very swampy and with it being such a low lying area, the water has to go somewhere. She noted that as of now, she does not have any flooding issues. Mr. Wolfe noted that this issue would concern storm water management, and he explained that a development cannot contribute any additional flow to the existing wetland area pre-development versus post-development. Mr. Wolfe explained that there would be a Storm Water Management Plan for this development.

Ms. Waiwada questioned if the plan was available for the public. Mr. Wolfe answered that the entire plan could be viewed at the Township Office, Monday through Friday, from 8 a.m. to 5 p.m.

Melissa Shilling, 546 Downington Court, noted that she is also present in response to the VOA plan. She noted that she has concerns regarding flooding, as the grass is very marshy in that area. She noted that she is very concerned with water runoff issues. She stated that some of the homes in the development must have flood insurance. She explained that the demographics of the neighborhood are very dark, with little lighting. She noted that many children, single women, and elderly live in the development. She noted that her concern regards the residents who will be living in the VOA homes. She questioned if the residents would be supervised; is it a facility where the residents would be monitored. Mr. Wolfe explained that the Township is not permitted to consider that as part of the Subdivision/Land Development process or for the occupancy of a house. He noted that the Township must treat everyone who occupies a house as a dwelling unit the same, no matter what their physical or mental abilities are. He noted that the Township does not have the legal authority to ask these questions.

Mr. Hawk noted that he has a valid nursing home administrator's license, and as an administrator all homes and facilities of that nature must have controls at the door, or monitors. Ms. Shilling questioned if that would be this type of facility. Mr. Hawk answered that he could not speak for that facility specifically. He noted that the State Department requires controls for anyone who takes care of these types of people.

Ms. Shilling questioned if the VOA was this type of facility. Mr. Wolfe answered that he is unable to ask that question. Mr. Wolfe explained that the development consists of townhouse units, with a manager's residence. He noted that they are all residential units. She noted that she was told that the residents are going to be individuals who suffer from moderate to severe mental problems, mostly post-dramatic stress syndrome. She explained that she did some research and

quoted from a diagnostic and statistical manual, "particularly in cases which the survivor has actually committed acts of violence as in war veterans, the fear is conscious and pervasive, and reduced capacity for modulation may express itself in unpredictable explosions of aggressive behaviors." She explained that that is incredibly concerning to the residents.

Mr. Wolfe noted that the Board shares the residents' concerns as individuals, but the Township has no legal ability to regulate the occupants for this development. Mr. Stine explained that the Township cannot regulate it and if it did, the Township would end up in Federal court with a civil rights action filed against it.

Ms. Shilling questioned how the safety of the residents could be insured. She noted that they feel safe in their homes now, but after reading and hearing about the other home that VOA has on Union Deposit Road, she noted that they have had issues with those occupants too. She noted that the residents did not know that the home was to be built, and then found out that the homes are also subsidized housing. She noted that it would have a great impact on the neighborhood, and their property values. Mr. Wolfe explained that the Township is not permitted to ask that question at the municipal level. He noted that Ms. Shilling would like the Township to be able to regulate the economic characteristics of the people who occupy the house or their physical or mental condition. He noted that the Township is not allowed to do this. Ms. Shilling noted that the plan has been approved, and it will happen, and it would drastically change her community.

Mr. Hawk questioned how Ms. Shilling knows that this would impose a threat. Ms. Shilling answered that the history and all the articles that have been written on cases like this suggest that it could be a threat to her community. She noted that she researched the topic and found over 15 articles on aggressive violent acts with people who have this type of mental illness. She noted that she is not saying that it is anyone's fault, but as a person who has to live in the nearby community, she would be afraid if fireworks could set a resident off. She questioned if there would be a privacy fence. Mr. Wolfe answered VOA is building townhouse units, and they are developed like any other townhouse units in the Township. He noted that the Township does not have the ability to make this developer install a privacy fence because his occupants may be low or moderate income, or may be mentally or physically disabled. He noted that the Township is not allowed to ask or make any requirements due to the characteristics of the occupants. He noted that the Township must treat that development like all the others.

Ms. Shilling questioned if there was a plan to install a fence. Mr. Wolfe answered that he did not know, and she was welcome to review the plan during normal working hours. He noted

that the plan is approved and had no issues from the land development standpoint in regards to the municipal regulations.

Discussion with Tom Stang, Waste Management, regarding trash and recyclable collection services

Mr. Wolfe noted that Mr. Stang, of Waste Management (WM), requested to meet with Board members to discuss trash services, and to explain that in nine months the Township would start the process to negotiate for services.

Mr. Stang explained that he likes to meet, occasionally, to discuss service outside of issues or complaints. He questioned what the Board members were hearing about WM service, and if they had any comments in regards to services. He noted that the contract ends July 1, 2008, unless option years were added.

Mr. Seeds suggested that Mr. Stang was probably aware of all the complaints the Township receives. Mr. Stang noted that he does receive some complaints. Mr. Seeds noted that he has been awakened at twenty minutes to six by the trash trucks, and they are not supposed to start before six a.m. He noted that the Township has received numerous complaints for this issue. Mr. Crissman noted that he has no problems with this as he is able to bring his trash cans in before he leaves for the day. Mr. Stang noted that the workers prefer to start early in the hot months. He noted that it was added as a specification in the contract that between Memorial Day and Labor Day, the workers could start an hour earlier. Mr. Stang noted that the contract allows work from 6 a.m. to 6 p.m. Mr. Hawk noted that the early pick up does not bother him, but his neighbor's bedroom is next to a commercial use that has a dumpster and the neighbor has complained about the loud noise from the dumpster in the early morning hours. He noted that he likes it when the trash is picked up early also.

Mr. Crissman noted that the Township switched from the spring and fall cleanup to the one-bulk item per week, and he liked this much better, but he questioned how the citizens liked it. Mr. Wolfe noted that the first couple of years, residents were still asking for the dates for the spring and fall cleanup, but now the residents are very comfortable with the one bulk item per week pickup. He noted that the Township had an issue with cardboard at one time, but he explained that he has always been able to sit down with Mr. Stang to resolve the issues, and that he is very prompt to address complaints.

Mr. Wolfe noted that the Township has had a fixed contract price for the past five years, and would soon renegotiate a new contract. Mr. Stang noted that the rate was $13.68 a month.

Mr. Wolfe noted that an escalator was added due to additional Dauphin County costs. Mr. Wolfe suggested that it was raised to $14.00 per month. Mr. Wolfe questioned Mr. Stang what type of increase he anticipated for the monthly rate. Mr. Stang answered that in the last two years, the bid results were in the range of $17 to $20 per month for service. He noted that he could provide the Township with bid activity for Cumberland and Dauphin Counties for the past two years, for townships with similar types of services. Mr. Wolfe noted that it would be a $3 to $5 increase. Mr. Stang noted that if the Township considered merging with the other three municipalities, it would result in a lower price.

Mr. Seeds questioned if it was beneficial to negotiate with the other municipalities. Mr. Stang answered that it has been in the past. He noted that East Hanover Township is experiencing a great amount of growth, noting that the community developments are similar in nature. Mr. Seeds suggested that it would be beneficial for East Hanover Township to negotiate with the Township. Mr. Seeds suggested that the increases have much to do with the increase of fuel. Mr. Stang answered that the price of diesel fuel is high.

Mr. Stang noted that he is happy to know that things are going well. He encouraged the Township to think of what other services WM could provide for the Township. He noted that there is much talk about global warming, and such things as trucks running on biodiesel fuels, and the proper disposal of fluorescent tubes are green affects that are very big in the community today. He noted that the Township may want to look at other types of service.

Mr. Seeds noted that some trash companies supply large containers that are automatically picked up by the trash truck using a side arm device. He questioned if WM provides this type of service. Mr. Stang answered that WM does, but not in the central Pennsylvania area. He noted that it is used in areas where there are no obstructions from trees or overhead wires. He noted that the community must be set up that the trash cans are placed in a way that a truck can be driven down the road and access all the cans without obstacles. He noted that this type of service is provided in flat level areas, such as the beach or the western part of the State. Mr. Seeds questioned if WM provides the containers. Mr. Stang answered that they do.

Mr. Seeds questioned if it would be less expensive since WM would only need one employee per truck. Mr. Stang answered that the set up costs would be more expensive as he would need to buy new trucks, and all the containers. He questioned if Mr. Stang could bid on this if it was part of the bid specifications. Mr. Stang answered that he would, but he suggested that it be bid as an option. He noted that he would bid the contract anyway the Township specifies. He stated that it would be a problem for the weekly bulk item collection since the

device could not pick up the bulk items. Mr. Wolfe noted that the truck would be on the street for a longer period of time as it is a slower operation.

Mr. Hawk thanked Mr. Stang for his presentation.

Discussion with Bill Harbeson, Executive Director of CTCB,
regarding EIT collection issues in preparation of the 2008 fiscal year budget

Mr. Wolfe explained that he invited Mr. Harbeson and Mr. Doyle, as per the request of the Board members, to further discuss issues with the Capital Tax Collection Bureau (CTCB) in relation to its Earned Income Tax (EIT) collection. He noted that he included a letter dated October 18, 2007 that was sent to Mr. Harbeson that address issues the Board members had with CTCB.

Mr. Wolfe noted the first topic of discussion would cover the EIT projections for the fiscal year 2007, and proposed income for the 2008 fiscal year. Mr. Doyle noted, that based on CTCB's analysis for the year 2007, he projected the Township to receive slightly over $6 million, noting that the Township had budgeted $5.8 million. He noted the reason for exceeding the budgeted amount was due to working with the Department of Defense Financial and Accounting Services (DFAS) for 2006 reconciliations that amounted to a payment of $97,000. He explained that a second check for $47,000 would be forwarded to the Township for the fiscal year 2005. He explained that CTCB was able to work with DFAS representatives who provided information for reconciliations for the year 2006 only, but were unwilling to go back beyond that. He explained that he used claims and W2's in an attempt to build the detail. Mr. Wolfe questioned how much DFAS funds totaled for this year's payments. Mr. Harbeson answered that the Township received approximately $97,000, plus $47,000 from 2005 funds. He noted that the second check would be distributed in December 1st payment.

Mr. Doyle noted that CTCB has had difficulties with collecting funds from the Lebanon and Lancaster Tax Bureaus, and the Lebanon Bureau paid $65,000 earlier in the year on older claims, and recently paid $107,873.00. He explained that not all of those funds belong to Lower Paxton Township, but suggested that this would bring the Township's revenues over $6 million for the 2007 year.

Mr. Doyle explained that he estimates for the 2008 fiscal year's budget, the amount to be $6.1 million for Lower Paxton Township. He noted that that would be for the EIT only.

Mr. Doyle noted that the Emergency and Municipal Services Tax (EMST) was recently renamed the Local Service Tax, (LST) and as a result of the change, it provided for numerous

exemptions for tax payers. He noted that there is a pre-exemption that allows the employer, after being notified by the employee, to exempt the payments. He noted that prior to that, the employee had to pay the tax and then provide a tax return to receive a refund. He noted that many tax bureaus estimate that the new changes would provide for a loss of 50% of the collection from previous years. He suggested that this tax may only generate 65% of what was received from the current year. He explained that there are many discrepancies from what the Department of Community and Economic Development requires for the tax bureaus for what is taxable as compared to what State Legislature requires.

Mr. Doyle explained that there are many items that are listed as legislative intent, and it is difficult to enforce something that is legislative intent. He noted that he and the CTCB's solicitor do not agree on all the fine points. He noted that there is an exemption for all active military, however all reservist are considered active military for their two-week summer camp, but he believes that it was not the intent of the legislature to cover these persons, noting that there are a number of reservists in the area. He noted that another example provides for a $12,000 mandatory exemption, but it covers earned income and net profit per municipality and not cumulative. He cautioned the Township to be careful in the budgeting process for this line item. He noted that these are the major points that would affect the revenues for the LST. He noted that it is a concern for enforcement as well.

Mr. Hawk noted that a concern that the Board members have is how they know that the money the Township receives is accurate, with complete reconciliation. He noted that in the past, the money was computer generated, but, now it is a manual operation. He noted that several months ago, Mr. Harbeson made a statement of expectations. He further questioned what CTCB was doing in relation to the proposed legislation regarding the merger of tax collection, reducing the tax bureaus from 501 agencies to 67 agencies. Mr. Doyle noted that Mr. Hawk was referring to legislation that was in the Senate, and not approved at this point. Mr. Hawk noted that the legislation would be going before the House of Representatives very soon. Mr. Doyle noted that if it would happen, it would be up to the individual representatives from Dauphin County to choose who would be the collector. He noted that CTCB currently collects for most of Dauphin County, but it is not anything that could be projected at this time. He noted that it is too encompassing to state that CTCB could collect for Dauphin County, at this time, since there are no specifications. Mr. Hawk suggested that CTCB should be aware that it is coming. Mr. Doyle noted that from the people that he has talked to he was told that there is extreme opposition to that, and there is more pressure to have one collector per School Districts to collect the tax. Mr.

Hawk suggested that Mr. Doyle is hearing from different people than he is. He noted that he heard that there is much support for it since the municipalities would have the ability to opt out of the system for costs. He questioned how CTCB would meet the new criteria for collection if this was passed.

Mr. Hawk noted that the Township has been concerned with CTCB's collection over the past few years, and at the amount of money in the pools of undistributed funds. He suggested that the pool of funds is very high, and he questioned how the Township knows that it is getting its fair share. He noted that one of the provisions of the Act, if it is adopted, would be that the tax collector would need to do a monthly reconciliation. He noted that CTCB cannot provide it now, and he questioned how this would happen. Mr. Doyle answered that CTCB does a monthly reconciliation. Mr. Hawk questioned why CTCB has $8 million in a pool of undistributed funds. Mr. Harbeson noted that it was overstated by $5.5 million. Mr. Hawk noted that it is still a lot of money.

Mr. Doyle explained if CTCB is not provided the information by the employer, then CTCB is unable to know where the funds belong. Mr. Hawk noted that he is very frustrated with Mr. Harbeson and Mr. Doyle's explanations. Mr. Doyle noted that you could find this situation with any collection agency and receive the same response. He noted that the information that the tax bureaus receive is paramount to being able to distribute it to the right entity. Mr. Hawk noted and he spoke with someone from the Berkheimer Tax Administrator Group who collects for the Schuylkill County area, and was told that they reconcile every month and it comes out to the penny. Mr. Hawk questioned why CTCB can't do that. Mr. Harbeson noted that there is a way of saying that, but they are only provided with quarterly details. He noted that there is no way to reconcile on a monthly basis as they are provided the detail on a quarterly basis.

Mr. Hawk stated that either he is not asking the right questions or he is receiving warm fuzzy answers. He noted that he is not comfortable with the situation. Mr. Doyle suggested that it would benefit the situation if he could sit down with the Board members and review the operations, and invite members from the West Shore Bureau to go over some of the concerns so that he would know exactly what the Board members are asking for. He noted that there could be a lot of confusion in the terms that are used.

Mr. Crissman questioned if Mr. Doyle could provide an estimate for the December payment to know what the ending balance would be for the 2007 fiscal year. Mr. Doyle answered that he projected that it would be slightly over $6 million. Mr. Crissman noted that Mr. Doyle suggested that the estimate for the fiscal year 2008 would be $6.1 million.

Mr. Crissman noted that Mr. Harbeson promised reconciliations to the Township for monthly reports. Mr. Doyle answered that those reports should start in December. He noted that the report broke down the current year tax dollars and showed what was earned from current year dollars and what was received from 2002 years, etc. He noted that it would provide for a better flow of what was coming in from the delinquent claims. Mr. Crissman questioned, in addition to the monthly statements, would the Township also receive the quarterly statements. Mr. Harbeson questioned if that was in regards to the enhanced distributions. He noted that it would show the total amount collected and the total amount being distributed to the Township. Mr. Harbeson explained that Mr. Doyle has the shell of the report configured, and he expects to have it ready to go for December. He noted that it would provide for a five-year history of distributions of actual distributions.

Mr. Crissman noted that this report would be an example of a new internal system. He questioned what the status of the SAS-70 Report was. Mr. Harbeson answered that CTCB had the pre-assessment report, and the draft of the Administration's report to that report will be presented at the CTCB meeting to be held December 5, 2007. He noted that he would present the final report and recommend its approval before the Board. He noted that this is only the pre-assessment report, and once he put the changes into the process, then the actual SAS-70 study will begin.

Mr. Crissman questioned if it is a requirement to complete monthly reports. Mr. Harbeson noted that he is doing the reports at the request of various members.

Mr. Crissman requested Mr. Harbeson to identify the specifics of the findings for the SAS-70 report. Mr. Harbeson answered that he did not have a copy of the report with him. Mr. Crissman questioned Mr. Blain if he had a copy of the report. Mr. Blain answered that he did, but he explained that he would not distribute a copy of the report without Mr. Stine's opinion. Mr. Crissman noted that he is responsible to the community, and Lower Paxton Township is the second largest contributor, therefore, he and all the Board members should be entitled to read the documents. Mr. Doyle explained that the document will be publicly announced at the December 5th meeting. He noted that there were some concerns since it was only a pre-assessment finding that the auditors did not want people to regard it in the same manner is if it were an opinion. Mr. Blain requested Mr. Stine if the report could be shared with Board members. Mr. Stine answered that the report could be distributed to the Board members since they are members of a governing body that are members of the CTCB. He noted that it could be distributed to the Board members only.

Mr. Crissman noted that he wanted to know what the findings were, and what Mr. Harbeson was doing to rectify weaknesses. He noted that it is crucial to the Board members to know this information. Mr. Doyle noted that the pre-assessment was designed to find places where the internal controls and operations could be enhanced, and he suggested that they did a good job with it. Mr. Blain provided Mr. Crissman his copy of the report. Mr. Crissman noted that he was looking for anything in the report that made any comments to the internal processing that would help release the funds back to the Township that have not been accomplished. Mr. Harbeson answered that that was not the emphasis. Mr. Crissman questioned if the auditors reviewed the large amount of unreconciled funds and suggested means to identify those funds to distribute them. Mr. Crissman noted that those funds continue to build up and up and are not distributed. Mr. Harbeson answered that that is not true; he noted that parts of those funds were distributed in the $47,000 check. Mr. Crissman noted that there was much more than $47,000 in those undistributed funds. Mr. Doyle explained that there are 70 members in the CTCB.

Mr. Crissman noted that he was interested in the undistributed funds, especially when it sits for a long period of time and continues to build. Mr. Harbeson noted that it is being distributed, and that CTCB also receives new unreconciled funds all the time. He noted that the balance could run from $2 million to $4 million in unreconciled funds against a total collection of over $120 million per year.

Mr. Crissman noted that he would like to read the report to find what weaknesses have been found, and what is being implemented. He questioned if there are internal controls that are not operating properly and what changes were being made. He noted that he is concerned with what has taken place that has caused the problem, and that funds are sitting and not being distributed. He stated that he hopes that the report addresses these issues.

Mr. Hawk noted that Mr. Harbeson's expectation is that there is no risk within the system, but there are no reconciliation controls over the tax advances. Mr. Harbeson explained that there is an annual reconciliation process. Mr. Hawk questioned if the $5.9 million surplus would disappear. Mr. Harbeson noted that the fund is more like $2.5 million. Mr. Doyle noted that the majority of the funds are DFAS related. Mr. Harbeson noted that there are methods, in place, where CTCB tries to identify the funds, and what happens if they can't be identified after six years. He noted that there is a CTCB Board approved distribution method that pays the funds to the members.

Mr. Hawk noted that he is concerned with the accuracy of the distribution. He noted that he does not want the Township's funds going to someone else. Mr. Harbeson noted that Mr.

Doyle does most of the coding for the Central Dauphin Area Bureau, but, basically he uses street lists developed from the real estate tax office. He suggested hat they should be very accurate. He noted that going forward, he would like to take the data and build it into an address database to use for the coding for the tax payments. He noted that that information is used now manually by the use of street lists.

Mr. Hawk questioned if Mr. Harbeson changed the automated process to a manual one. Mr. Harbeson answered that that process had to do with employer advances and not coding. Mr. Hawk questioned if Mr. Harbeson was trying to say that he was not getting the information from the employers. Mr. Harbeson answered that was true. Mr. Doyle explained that he had an employer who went bankrupt and took $7,000 of the funds that was withheld from employee's payroll. He noted that DFAS does not provide the detail; it is hard to get them to provide it. Mr. Hawk questioned if DFAS is in violation of a tax code, why they are not prosecuted. Mr. Harbeson stated that prosecution for the federal government doesn't mean anything to them.

Mr. Crissman noted that a weakness in the control design was found to be, "Various calculations and reconciliations related to the accuracy and completeness of earned income tax distributions are prepared by the Executive Director but are not subject to any secondary review." He questioned Mr. Harbeson if he does this manually or is it computer generated, and is there a check and balance for this. Mr. Harbeson noted that this speaks to reconciliation between the bookkeeping where the tax receipts are logged and the computer system that has all the detail of the payment. He noted that each month, it reconciles the computer detail with the books. He noted that his response is that a secondary review will be conducted by Mr. Doyle, and he and Mr. Doyle will switch jobs each month. He noted that it is very similar to bank reconciliation with a zero balance. Mr. Crissman noted that the purpose of having an audit is to have a third party, who is very objective in their work, study the operations to find fraud or problems. He noted that he would need more time to read the report in order to ask further questions.

Mr. Crissman questioned Mr. Harbeson if he was comfortable with the internal operations. Mr. Harbeson answered that he was. Mr. Crissman questioned Mr. Harbeson if he would stake his job on the internal operations. Mr. Harbeson stated that he would. Mr. Doyle noted that he agreed.

Mr. Doyle noted that with respect to the meetings with the Central Dauphin Area Income Tax Organization (CDAITO) members, for each member that responded, he met with them, was very well received, with no opposition and very few questions. He noted that the members were

very happy with the anticipated review and expanded distribution report that would be distributed. He noted that he included the Borough of Dauphin even though they were not included in the original resolution. He noted that he attached a synopsis and an agenda for each meeting.

Mr. Hawk noted that he wants to make sure that the process is right and not just a continuation of what was done in the past, right or wrong. Mr. Doyle noted that CTCB has completed the expanded financial audit and is in the process of the expanded SAS 70 audit, and both will shake out any problems. Mr. Doyle noted that his office is always open and he would be willing to discuss any item, at any depth, with Board members. Mr. Doyle noted that the reports would be discussed at the December 5, 2007 meeting.

Mr. Doyle explained that the overall meeting request of CDAITO members was missed by both he and Mr. Harbeson. He noted that he centered on the individual meetings, and no items of any great issue resulted from those meetings. He noted that two of the members stated that they would like to let the issue drop since they felt the issues from the Resolutions were met. Mr. Seeds questioned if Mr. Doyle and Mr. Harbeson told the Finance Committee that there was no need for an overall meeting. Mr. Doyle suggested that the overall meeting request was thought to be the initial meeting, and then it was found that the members wanted individual meetings. Mr. Seeds questioned if Mr. Doyle was directed by the Finance Committee to conduct a large meeting, and why didn't he do it. Mr. Doyle answered that he and Mr. Harbeson missed the request for the meeting. Mr. Seeds questioned if he would still conduct the overall meeting. Mr. Doyle noted that the meeting could be discussed during the Finance Board meeting to be held later this month. He noted that he was focused on the individual meetings.

Mr. Hawk suggested that it was found that there had been some discrepancies somewhere in the process to run manual calculations side-by-side for several months for accuracy. Mr. Harbeson noted that this does not speak to discrepancies but more so for tax reform issues that the current package could not handle. He noted that these issues have disappeared since it has been some time since the actual tax rate changed.

Mr. Hawk noted that CTCB's response to Stambaugh Ness, P.C. report is attached to the report. Mr. Doyle noted that he would be amiable to discussing the report with any Board members. He noted that there may be a need for clarification of terms. He noted that it was the Board members' belief that the pool of funds was much greater than what it actually was. He noted that the pool of funds was mainly from the DFAS funds, and some of those have decreased

since CTCB has received more detailed information. He noted that he now has contacts with the DFAS personnel who are helping him with the future payments.

Discussion with Barry Calhoun regarding various items affecting
South Central Emergency Medical Services

Mr. Hawk noted that Ms. Stapf was present in place of Mr. Calhoun. Ms. Stapf explained that the Board members should have received the Third Quarter financial statements, and she distributed the additional reports that were previously requested by Board members. She noted that they included the anticipated expenses for the end of the year, as well as the 2008 fiscal year budget. She noted that she made some changes as a result of comments received at a previous meeting.

Ms. Stapf noted that Mr. Crissman had questioned where South Central Emergency Medical Services (SCEMS) expects to be at the end of the year. She explained that she expects to be at the break-even point. She noted that that is what is shown for the estimate for the end of the year. She noted that the living wage increase is listed under the revenue for municipal contributions as well as operations payroll expense.

Mr. Blain thanked Ms. Stapf for providing the requested information, and he noted that the Board had requested this information for the past two years. Mr. Crissman also expressed his thanks, and requested one additional piece of information; the historical data. Mr. Crissman noted that the estimate for expenditures for the end of the fiscal year 2007 is $3,245,000 and the budget is $3,755,000, he questioned what the actuals were for the years 2006, 2005 and 2004. Ms. Stapf noted that in the packet that the Board members received, the information for the years 2006 and 2005 are included. Mr. Crissman noted that he was looking to determine the percentage of increase from 2004 to 2005 to 2006 to the estimate of 2007. He noted that he wanted to see what the trend in percentages would be. Ms. Stapf explained that she did not have the information for the fiscal year 2004 with her. She requested that any previous copies of proposed budgets be discarded and requested the Board members to use the new copies she distributed. Ms. Stapf noted that the current information is up to the period September 20, 2007.

Mr. Crissman noted that he was looking for the total operating expenses for the fiscal year 2006. Ms. Stapf explained that she did not have that information with her for the Third Quarter results, but she stated that she could provide that information for Mr. Crissman. Mr. Crissman noted that he is looking to find if there were any large differences, and if so, what the

reason for those increases was. He noted that he liked the summary sheet because it showed the projections.

Mr. Blain noted that the largest increased item is the municipal living wage contribution of $250,000 as an increase in payroll expense. He questioned what the response was from the other municipalities. Ms. Stapf explained that no budgets have been approved yet, but West Hanover and East Hanover Townships have both indicated verbally that they would budget what was requested from SCEMS. She noted that East Hanover Township actually budgeted more than requested, and West Hanover Township budgeted what was requested. Ms. Stapf explained that East Hanover Township's 2008 fiscal year amount meets the request, but the 2009 fiscal year is greater than what was requested. She noted that both budgets have not been approved.

Mr. Blain questioned how much their increase would be. Ms. Stapf answered that she did not have that information with her. She explained that East Hanover Township has not made an increase every year, but in the fiscal year 2006, they provided funds in the amount of a two year contribution of $2,500. She noted that West Hanover Township has increased their amount each year without being prompted to do so. She noted that they are increasing their contribution from $9,000 to $30,000. She suggested that the increases for the two Townships would be roughly $33,000. Mr. Blain noted that the Township is projected to provide an additional $217,000. Mr. Wolfe noted that the increase was $197,000 plus the additional $16,000 for operations which totaled $215,000. Mr. Wolfe noted that that is a decision that the Board of Supervisors has not addressed yet.

Mr. Blain questioned if the Board was unable to provide the requested increase of $197,000, and only paid $100,000, if there was a contingency plan if all the funds were not received. He noted that the increases requested from both East and West Hanover Townships is not that much, whereas, an increase of $200,000 is a different story. Ms. Stapf noted that the funds are earmarked for increases in salaries. She noted that SCEMS has open positions, and needs to be competitive in order to hire qualified staff to provide the quality of services demanded of Lower Paxton Township. She suggested that there may be other things listed in the budget that may not be necessary to keep the trucks running on the street. She noted that it is budgeted to purchase an additional van for the year 2008. She noted that this idea may need to be dropped from the budget.

Ms. Stapf noted that there are funds included for hiring and the retention of employees for the fiscal year 2008. She noted that they have advertised and are also working with Harrisburg Area Community College (HACC) to send personnel for training. She noted that in

2007, SCEMS had paid for personnel to attend training during work hours. She noted that she is prepared to train additional Emergency Medical Technicians (EMTs) as well. She noted that the increase in wages would not be as high if Lower Paxton Township could not provide its budgeted living wage increase. She noted that any additional funds received would go for salaries.

Mr. Crissman questioned if Ms. Stapf anticipated an ending fund balance for the year 2007. Ms. Stapf answered no, and stated that she expects it to be a break-even year. Mr. Crissman noted that she did not expect to have a major deficit, and with no projected deficit, if the year-end numbers are correct, it appears that SCEMS needs $510,000 to balance next year's budget. Mr. Crissman noted that he would like to study the patterns from one year to the next, to determine if the budgets are consistent. He noted that he did not think that, historically, the budget had increased $500,000 for each year, but he does not have any data to support that position. Ms. Stapf suggested that she had prepared a document with this information for Mr. Calhoun and thought that it had been distributed to the Board members in July for the years 2005 and 2006.

Mr. Seeds commented that the increase is mainly due to the living wage increase. Mr. Hawk noted that it is due to contractual allowances for pay scales. Mr. Hawk questioned if Ms. Stapf expected an increase in the revenues. Ms. Stapf answered that the calls have grown over the past years and the revenues have increased. Mr. Crissman noted that he could not judge the amount of the increase until he researched the normal trend for yearly increases. He noted that the additional funds that SCEMS is asking for is $200,000 for the living wage increase.

Mr. Seeds questioned what percentages of the total calls are for Lower Paxton Township. Ms. Stapf answered that it was above 65%. Mr. Seeds noted that West Hanover Township is projecting to budget $30,000 for 8,000 people, and the Township's population is over 47,000. He suggested that the Township pays a higher rate due to the Interstate highways and heavy traffic through the Township. He noted that SCEMS must justify the numbers as to why they have requested so much money from the Township. Mr. Buchle noted that SCEMS has never trended the calls for the Interstate, he noted that the vast majority of calls from the Township are from residents, businesses, and the nursing homes. Mr. Seeds questioned what the percentage for those calls is. Mr. Buchle answered that he could not speculate what it would be. Mr. Seeds questioned if the nursing homes are responsible for a large number of calls. Mr. Buchle answered that the nursing homes, as well as the assisted care facilities, and large group homes, are responsible for a large number of calls. He noted that the Township has a large number of elderly residents that

still live at home as well. He noted, in addition to the Interstate highways, there are many accidents on Route 22, Linglestown Road and Nyes Road. He suggested that the total number of car crashes on the Interstate highways would balance out the amount of accidents on the side roads. Ms. Stapf noted that a costly item for SCEMS is the calls that they cannot be reimbursed for. She noted that most of the calls that occur on the Interstate highways are fairly significant, and they are able to bill for those, but she explained that the majority of accidents that SCEMS responds to to insure that the victims are okay, are the ones that occur on the smaller side roads. She noted that there are more roadways in Lower Paxton Township than the other Townships.

Ms. Stapf noted that 78% of the calls occur in Lower Paxton Township. Mr. Buchle noted that the 2007 call volume had increased.

Mr. Seeds noted that the Board members are responsible to the tax payers, and must be able to explain and understand where the funds are going.

Ms. Stapf noted that, at a previous meeting, it was asked how much of the personnel were assigned to the Township on a daily basis. She noted that two units are dedicated to the Township, but if they are tied up on calls, the unit stationed at the West Hanover Township station moves into the Township. She noted that SCEMS does not do this for the other Townships, since statistically; the next call would be for Lower Paxton Township. Mr. Buchle noted that of the 6,500 calls for the year; only 140 were for South Hanover Township. He noted that, in the future, the casinos would have an impact for this area.

Mr. Hawk noted that a large expense area is the Operations' expense that shows an increase of $500,000 from last year's budget. Mr. Seeds noted that it is a result of the increase in the living wage. Ms. Stapf noted that the Department of Health requires SCEMS to have a Medical Director. She explained that this was staffed by a volunteer who is expected to retire, and this would mean that that position would need to be a paid position. She noted with the increase traffic on the highways, and population growth for the servicing areas, that additional crews would be needed.

Mr. Seeds questioned if there was any discussion in regards to the use of the old Township sewer building. He suggested if an arrangement could be made to permit this to happen, then it could be part of the Township's contribution. Ms. Stapf answered that there was no discussion on this topic at SCEMS's last Board meeting, but it is a topic to be discussed at a future meeting. Mr. Buchle noted that it is being reviewed, but the biggest obstacle is traffic and staff. He noted that every EMS unit in the area is short staffed, noting that it is a trend in the health care system. He noted that he can live in the current Lower Paxton station as long as he

can have trucks on the street to properly answer the calls. He noted that the biggest issue is to maintain the personnel for each truck.

Mr. Hawk noted that Ms. Stapf seems to be very informed of the entire operation of SCEMS and he appreciated her understanding of what was going on within the operations. Mr. Blain agreed.

Mr. Buchle questioned if the Board members, or staff, had any questions regarding the services provided to the Township by SCEMS. He noted that he is very proud of SCEMS reputation. Mr. Hawk thanked Ms. Stapf and Mr. Buchle for their knowledgeable presentation.

Continued discussion with the McNaughton Company on improvements to Patton Road as part of the Autumn Oak subdivision

Mr. Joel McNaughton explained that he requested to meet with the Board members to continue the discussions for the realignment of Patton Road as a result of the submission of the subdivision plan for the Residential Cluster (RC) portion of the Autumn Oaks Development. He noted that the plan was before the Planning Commission and will be represented a second time on November 14, 2007. He explained that he responded to the first round of comments provided by the Planning Commission, and has subsequently received a second set of comments, noting that the realignment of Patton Road continues to be an issue.

Mr. McNaughton noted that he researched this topic, and the first written documentation that he could find occurred in October 2004, setting forth important points for an agreement, noting that the Township would perform the design and engineering work, obtain the permits associated with the work, conduct inspections, and obtain suitable fill, since the realignment would occur in a wetland area. He noted that the McNaughton Company would have been responsible for the costs associated with construction. He noted that, at that time, the plan had 413 units. He noted that the current plan has 203 units. He noted that a second phase for the plan utilizes larger estate type lots that would be submitted next week, and that phase contains an additional 96 units realizing 300 units total for the entire Autumn Oaks Development.

Mr. McNaughton noted that the Township was going through the process of adopting a new zoning ordinance, and the McNaughton Company was involved in discussions on the open-space portion of the ordinance. He noted that suggestions made in November 2005 provided for two units per acre in the RC zone, which would permit 266 units. He noted that when that idea was rejected, a second suggestion provided for 20% density bonus on top of the yield plan. He noted that none of these suggestions were adopted in the new zoning ordinance. He explained

that he currently is in the process of submitting a plan for 203 units in the RC district. He noted that he would like to enter into a Developer's Agreement in conjunction with the approval of the plan for the 203 units. Mr. McNaughton noted that the most recent Developer's Agreement was dated January 2006. Mr. Stine acknowledged that he only remembers seeing a version of the Developer's Agreement. Mr. McNaughton explained that the draft divided the responsibilities with the Township being responsible for design and permitting, and the developer was to pay for the construction costs. He noted that the plan is on the Planning Commission's meeting agenda for tomorrow night, and he feels that a condition of approval will be a Developer's Agreement. He noted that he would like to discuss this issue with the Board members to determine if it is still a desirable request and the division of responsibilities for the realignment.

Mr. Seeds noted that McNaughton Homes has a condition for an approved plan that states the Township needs to reach an agreement as a condition of that plan approval. Mr. Seeds noted that the plan goes back to 1993, when the land was rezoned. He noted that discussions were held at that time for the realignment of Patton Road and contributions towards a traffic light at Patton and Linglestown Roads. He noted that Commerce Bank paid for that traffic light as part of their development. Mr. Seeds noted that there is no doubt in his mind that the road will be straightened, but it is a matter of how it would be accomplished, and who will pay for what.

Mr. Hawk noted that there had been discussions that the Township would be responsible for suitable fill, and he noted that the McNaughton Company discussed that they would provide that fill. Mr. McNaughton noted that the last agreement that he could find in his files was dated January 10, 2006, but, he noted that during subsequent meetings it was discussed that he would generate some of that fill on-site. Mr. Seeds noted that Mr. Fran McNaughton stated that if he was permitted some leeway, he could provide the fill that would be necessary simply moving it from one location to another. Mr. Fran McNaughton stated that Mr. Hornung would recall that discussion very well, but he noted that the real issue is the reduction in density with the changes that have transpired from earlier discussions. He noted that originally the plan called for 413 units, and the present plan is requesting 300 units. He noted that he had made an accommodation on density so as to accommodate some of the increased costs. He noted that one of the items discussed was a percentage bonus if using the open space criteria. He noted that it provided for an additional 20 percent of units. Mr. Hawk questioned Mr. McNaughton if that meant that he would not provide the fill. Mr. McNaughton answered that he has watched the site very carefully, and noted that most of the culverts were full and no water flowed through the culverts. He explained that once the culverts were cleared by the Township, there has been an

improvement in the flow of water. He explained that he had engineers review the area, and the studies showed the best way to straighten the road would be to build pylons and span the roadway on top of that. He noted that there is not much of a grade change, and the design may not require fill or having to disturb the site to facilitate permitting.

Mr. Seeds noted that the original plan was zoned under the old Cluster zoning. He noted that the 20% was a consideration under the land development ordinance during the joint meetings held with the Planning Commission. He noted that Mr. McNaughton never lost the 20%, as he never had the 20%. He noted that he had the same number that he had back in 1993. Mr. McNaughton did not agree as he suggested the 1993 plan was approved for four units to the acre, and the site is over 200 acres. Mr. Seeds noted that it was zoned Cluster in 1993. Mr. McNaughton stated that there has been a substantial reduction in the unit count.

Mr. Joel McNaughton noted that the lot next to the property line is owned by the Township. Mr. Wolfe explained that the Township purchased that land over 25 years ago. Mr. Stine suggested that it was acquired for the purpose of the realignment of the roadway. Mr. McNaughton noted that the lot is 90% wetlands, located mostly in the floodplain. He noted that the Paxton Creek runs through the property, and it was suggested to him to use a pylon bridge to cross the Paxton Creek and most of the wetlands. He noted that it would help with the grade issue since the area is virtually flat, and it may also help with permitting with DEP as they prefer bridges over the installation of pipes.

Mr. Mellott explained that the wetland impact would be over 100 feet, and that would put the project into an entirely different permitting process, therefore, if he could elevate the roadway above the wetlands, not just the flowing streams, it would help with the permitting process as well as provide the most economical approach due to the unsuitable fill material. He suggested that this may be the best solution for an environmental and economic approach. He noted that he is pursuing what options are available for both of these approaches.

Mr. Seeds questioned what the preliminary costs are for this project. Mr. McNaughton noted that he has not investigated any costs for the proposed suggestions. Mr. Mellott noted that there is a need for a bridge over the stream or some type of structure. He explained that the pylon theory is an option to be further pursued. Mr. Hawk noted that Mr. McNaughton would need to know what that would cost. Mr. McNaughton noted that the agreement states that the design is the Township's responsibility. Mr. Stine noted that the agreement was a draft only that was done by the offices of McNees, Wallace, and Nurick. Mr. Fran McNaughton noted that it was more of a discussion than an agreement held with the members of the Board of Supervisors. He noted

that it was his understanding, from those discussions, that those tasks were correctly identified in the agreement.

Mr. Mellott noted that the key item is that McNaughton Company would be responsible for the construction, but the design and permitting would be the responsibility of the Township. Mr. Stine noted that discussions were held, but the Board never agreed to anything. Mr. Seeds noted that there was never a signed agreement.

Mr. McNaughton noted that he needs to move forward with the project and determine who will do what. He noted that he needs some guidance from the Board members. Mr. Wolfe noted that the Township received a proposal from Dauphin Engineering, several years ago, to do the engineering work for $39,000. He suggested that the current cost would be between $50,000 to $60,000. Mr. Seeds questioned if that included the permitting. Mr. Wolfe answered that it only included the design work.

Mr. Seeds questioned if there would be a need for fill and where it would come from. Mr. McNaughton answered that it would depend on the design. Mr. Stine questioned if the project would need to receive a permit to fill the area, and suggested that this would be the bigger issue. Mr. Fran McNaughton noted that he did not want to disturb the soils. Mr. Mellott suggested that it is a safety improvement that would far outweigh the environmental issues that should be able to be mitigated. Mr. McNaughton noted that since it would be a costly project, he wanted to ensure that the Township did not feel that the funds could be spent better at another location.

Mr. Hawk questioned if everyone agrees if the project should move forward with the design, and questioned if the design would meet the requirements using the pylons. He questioned if this option was turned down, how it would impact the Township's fee and cost for construction. Mr. Seeds questioned if there could be a happy medium between what was shown on the plan and what would require less permitting in the wetlands. Mr. Fran McNaughton noted that he met with the Township Engineer, Mr. Snyder, and he stated that he didn't think that the realignment of the road would be justified. Mr. Joel McNaughton noted, at a staff meeting, the question was raised if the Board still wanted the realignment. He noted that the Board members, during a workshop meeting, stated that they still wanted the realignment of Patton Road. Mr. Fran McNaughton noted that the discussion came up at a staff meeting that it would cost a lot of money to do the project, and it was mentioned that it may be better to spend the funds elsewhere, but Mr. Snyder did not say that it was a bad use of funds.

Mr. Seeds noted that improvements need to be made where the road crosses the stream. He questioned if there was a way that the improvements could be done with the least amount of

expense. Mr. Mellott explained that the Police Department provides comments as part of the review process for the preliminary plan. He noted that a comment was made if the road was straightened, the traffic lanes would be wider and the traffic would flow faster. He noted that there are pros and cons for the realignment. Mr. Joel McNaughton noted that the realignment was provided to them by Dauphin Engineering. Mr. Wolfe noted that the Township only requested a price proposal from Dauphin Engineering.

Mr. Mellott noted that environmental permitting has become much more challenging in the past three years. Mr. Hawk questioned why Mr. McNaughton would want the Township to apply for the permits. Mr. Joel McNaughton answered that it is their experience that townships can typically, as the applicant, have a better chance getting the permit and a quicker turn around time. Mr. Stine noted that the Township has not had that experience with DEP. He explained that the Township has been waiting four years for a permit for a treatment plant, and three years for the Nyes Road permit for the Thomas B. George Jr. Park. Mr. Wolfe noted that he has found that DEP and the US Army Corps of Engineers treats the Township more stringently than it does the private sector because they believe that the Township has unlimited resources to do environmental improvements. He suggested that the requirements may be more arduous than those required by a developer. Mr. McNaughton noted that the permit climate may have been better in 1993.

Mr. Seeds questioned how the Township could make a decision since it has no idea how much it would cost, and if it can get a permit. Mr. Mellott noted that he is trying to coordinate with Mr. John Gibble, the US Army Corps of Engineer assigned to the area, for a pre-application meeting. Mr. Seeds questioned what it would cost to have an engineering firm provide alternative designs for the project. Mr. Mellott noted that the McNaughton Company stated that it would be responsible for the construction work.

Mr. Crissman noted that the Board must decide how much money it wants to spend to receive information for how much the design would cost and if it would be willing to pay for various design options. Mr. Hawk noted that the big question is if the Township wants to pay to have an engineering firm design the realignment.

Mr. Seeds noted that to get the information, he needs to make a decision for how much the Township would be willing to spend on an engineering firm to design a plan and do nothing, bring it halfway in between, or do it on pylons. He noted that Mr. McNaughton may balk at what the costs would be to fix the problem and state that he could not afford to construct it. Mr. Hawk noted that the point remains that someone has to come up with a design. He questioned Mr.

Seeds if the Township should take on the responsibility of the design work. Mr. Seeds answered that he would like to have the McNaughton Company perform the design work.

Mr. Crissman questioned if it would be to the advantage of the McNaughton Company to pay for the design work as they would be saddled with the construction costs. Mr. Joel McNaughton noted that the proposed agreement, based upon preliminary discussion, has provided his company the opportunity to work with the designer. Mr. Crissman questioned if the Township agreed to design the plan and the McNaughton Company built it, and if the Township makes a financial commitment to pay for design work, then he would want a firm commitment in writing that states whatever the design is, that the McNaughton Company would build it at whatever it costs. He suggested that the McNaughton Company is not ready to agree to this. Mr. Crissman suggested that it would be better for the McNaughton Company to pay for the design as they could work with the engineer knowing what they would have to spend for the construction costs. He noted that the only way that he would lend his support is if the McNaughton Company agreed ahead of time to pay for the construction regardless of the costs.

Mr. Fran McNaughton noted that the real question is if the design work is essential. He suggested that the Township's engineer suggested that that improvement is not essential. Mr. Crissman noted that Mr. Joel McNaughton stated that the engineer merely asked if the money could be spent for another purpose. Mr. Crissman noted that he would have to verify with Mr. Snyder that that is what he said. Mr. McNaughton suggested that this should be the starting point for further discussions on this matter. Mr. Crissman suggested that the Township was past this point as it has determined that this is a safety factor. Mr. McNaughton noted that his understanding is that the road configuration, as it currently is, is more beneficial to the Township than what the alternate design would provide. Mr. Crissman noted that he would like to hear other opinions on this issue, since others have stated that it is a health and safety issue.

Mr. Crissman suggested that he would like to have further discussion with staff to determine what should be done. Mr. Fran McNaughton stated that he would like to meet with the Township engineer. Mr. Crissman noted that the Board needs to determine if some improvements should be made to Patton Road, and then decide who will pay for what. Mr. McNaughton noted that there would have to be a control on the amount of money that would be spent for construction. Mr. Crissman noted that he would not pay for a design that would not be used.

Mr. McNaughton suggested that it would be an off-site improvement, but he questioned how he could move his plan forward. Mr. Stine suggested that it could be an off-site improvement but it was a condition of the plan that Mr. McNaughton accepted. Mr. McNaughton did not agree with this. Mr. Seeds noted that Mr. McNaughton accepted that there was a need for an agreement as part of the plan approval. Mr. McNaughton stated that he does not have an approved plan. Mr. Joel McNaughton noted that in December 2004, he did accept those conditions, but since bonding was never posted he allowed that plan to lapse. He noted that he has no approved plan for that property. Mr. Stine suggested that a plan would not just lapse. Mr. Joel McNaughton noted that he never met the conditions for that plan.

Mr. McNaughton noted that he would like to work something out to move the plan forward.

Mr. Hawk noted if Mr. McNaughton is correct and it is an off-site improvement, he suggested that both parties have a concern as to how much it would cost each party in the end. Mr. McNaughton noted that he would be amenable to say that he would agree to make a contribution of a certain amount to whatever the improvement would be, and if the Township decides to make the improvements, it could do so, but if it chooses to use the funds elsewhere, it could also do that.

Mr. McNaughton noted that it was his understanding that the Township engineer did not think that it was a beneficial improvement, and a good utilization of funds. Mr. Crissman noted that the statement does not fly. Mr. McNaughton noted that Mr. Crissman was not at the meeting. Mr. Crissman noted that he was not at the meeting, and that is why he would like to speak directly with the Township engineer.

Mr. Blain noted that a decision must be made to move this issue forward. Mr. McNaughton noted that he is of the opinion that it is an off-site improvement. He suggested that his plan would enable both parties to move forward. Mr. Hawk noted that he does not like Mr. McNaughton's suggestion, and he would prefer to move forward with the October 7, 2004 proposal. Mr. Seeds noted that there was a final/approved subdivision plan for October 28, 2004. He noted that the conditions stated that a land development agreement would need to be entered into between the McNaughton Company and Lower Paxton Township regarding improvements to Patton Road located at the southwest corner of the residential tract. Mr. Seeds noted that Mr. McNaughton agreed to this in October 28, 2004. Mr. McNaughton noted that he submitted a draft, but it was never signed.

Mr. Wolfe noted that he could ask Mr. Snyder to attend the December workshop meeting to discuss his comments for the improvements. He noted that he could ask Mr. Stine to review the current status of the approved plan, as well as the off-site improvement issue. He noted that he could ask HRG, Inc., to provide a price quotation to perform the engineering and design work as well as permitting costs. Mr. Crissman agreed that it was a good idea.

Mr. McNaughton noted that he would like to find a way to move forward with his plan. Mr. Stine noted that the agreement is dated 2006, and refers to a final/subdivision plan submitted in 2004. Mr. McNaughton questioned if there could be a condition placed on the plan that the Township and McNaughton Company would work something out on the realignment issue. He noted that he has a preliminary plan that is currently before the Planning Commission. Mr. Seeds stated that the issue needs to be resolved before any plans are approved. Mr. Hawk noted that Mr. McNaughton would like to have his plan reviewed by the Planning Commission to determine what their issues would be, and that these are two separate issues, the plan and the off-site improvements.

Mr. McNaughton noted that the previous plan was for only 12 lots. He noted that the current plan is for over 200 units. Mr. Wolfe noted that his recollection was that the 12 lots would be approved in order to get the initial work on Patton Road started, while the issues for the remainder of the vast majority of the tract would be worked out. He noted that the condition for the Patton Road improvements were carried through with the preliminary plan approval that incorporated the 12 lots in order to get a final land development approval, but he noted that he would need to research all of this. He noted that all this information would be available for the December workshop meeting.

Mr. Mellott questioned if the Planning Commission could be told that the Township and McNaughton Company would need to come up with some type of agreement and the extent and details would be completed at the planning level. Mr. McNaughton suggested that it could be made one of the conditions for plan approval.

Mr. Hawk recessed the meeting at 8:45 p.m. to go into Executive Session to discuss the real estate transaction with Capital Area Soccer Association and their interest in purchasing a portion of the Wolfersberger Tract. Mr. Hawk called the meeting to order at 9:50 p.m.

Status of Township efforts to address a DEP compliance review on the Township's EEOC compliance

Mr. Wolfe noted that the Township is dealing with an Equal Employment Opportunity Commission (EEOC) compliance review due to the large amount of 902 recycling grant funds that it receives. He noted that that the Township has received funds in excess of $100,000.00, and the Department of Environmental Protection (DEP) has requested a compliance review from the Township, and as a result of the response provided to DEP on August 1, 2007, a second letter was send requesting more changes. Mr. Crissman noted that Mr. Magaro's second response was a very straightforward and factual response. Mr. Wolfe noted that the first response to DEP was not as factual, therefore, the reason for the second letter. Mr. Wolfe noted that if the Board members are comfortable with the second response letter, then he will forward that letter to DEP. The Board members stated that Mr. Wolfe should send the letter as written.

Improvement Guarantees

Mr. Hawk noted that there were nine improvement guarantees for consideration.

Stray Winds Farm, Phase I

Establishment of a letter of credit with M & T Bank in the amount of $2,334,200.00 with an expiration date of October 31, 2008.

Old Iron Estates, Phase I

An extension and an increase in a letter of credit with Fulton Bank in the amount o f $6,270.00 with an expiration date of November 13, 2008.

North Mountain Office Court, Building 2

An extension in a letter of bond with Travelers Casualty and Surety Company of America in the amount o f $31,118.78 with an expiration date of May 13, 2008.

N. B. Liebman, One Story Building Addition

A release in a letter of credit with Commerce Bank in the amount o f $30,676.00.

Sean E. Mudgett & Ann G. Mudgett Zumbo, Charles and Donna Zumbo I

A release in a letter of credit with Fulton Bank in the amount o f $51.000.00.

Bern6, LLC

An extension and an increase in a letter of credit with Fulton Bank in the amount o f $10,994.06 with an expiration date of November 13, 2008.

Baker Subdivision

An extension and an increase in a letter of credit with Fulton Bank in the amount of $38,051.96 with an expiration date of November 13, 2008.

Victoria Abbey at Forest Hills, Phase 2

Establishment of a bond with the INSCO/DICO Group in the amount of $104,210.64 with an expiration date of October 31, 2008.

Victoria Abbey at Forest Hills, Phase 2

A release and change in a letter of credit with Integrity Bank in the amount of $94,736.95.

Mr. Blain made a motion to approve the nine listed improvement guarantees as presented. Mr. Hornung seconded the motion. Mr. Hawk called for a voice vote, and the improvement guarantees were unanimously approved.

"Otta Know" Presentation: United Water Video Presentation 2007

Mr. Wolfe explained that United Water Pennsylvania has provided to the Township a 15-minute video presentation on United Water PA's role in the community. Mr. Blain requested that, due to the late hour, this agenda item be tabled until another meeting. Mr. Hawk agreed, and Mr. Wolfe stated that he would schedule this agenda item for another meeting.

Adjournment

There being no further business, Mr. Blain made a motion to adjourn the meeting. Mr. Crissman seconded the motion, and the meeting adjourned at 9:55 p.m.

Respectfully submitted,

Maureen Heberle

Approved by,

Gary A. Crissman
Township Secretary