

LOWER PAXTON TOWNSHIP/
BOARD OF SUPERVISORS

Minutes of Board Meeting held May 13, 2008

A workshop meeting of the Board of Supervisors of Lower Paxton Township was called to order at 4:03 p.m. by Vice-Chairman William C. Seeds, Sr. on the above date in the Lower Paxton Township Municipal Center, 425 Prince Street, Harrisburg, Pennsylvania.

Supervisors present in addition to Mr. Seeds were: William L. Hornung, Gary A. Crissman, and David B. Blain.

Also in attendance were George Wolfe, Township Manager; Steve Stine, Township Solicitor; Lori Wissler, Community Development Manager; Dianne Moran, Planning and Zoning Officer; Steve Quigley, H. Edward Black and Associates, P.C.; Mr. Dean Weidner, Community General Osteopathic Hospital; Sam Robbins, Public Works Director, Kirby Lentz, Robert Snyder, Jeff Kline, Kathy Morton, and Tracy Mummert, Public Works Employees; Paul Zook, E.G. Stolfus; Mark Spatz, Kendale Oaks; Daniel Bair, Public Safety Director; Jeffrey Myers, Conrad Siegel; Tom Swank and Dan Crum, Colonial Park Fire Company; and Francis McNaughton and Joel McNaughton, McNaughton Homes.

Also in attendance for the CTCB agenda item were:

Don Steinmeier, West Hanover Township	Dorothy Steinmeier, West Hanover Twp.
Ted Robertson, SWAN	Watson Fisher, SWAN
Deborah Kane, CTCB	Jamie Kreps, CTCB
Ken Cramer, Penbrook Borough	Mike Brehm, CTCB
Denny Beaver, Paxtang Borough	Ken Beard, Paxtang Borough
Thomas VanWagner, Middle Paxton Twp.	Ford Thompson, CDSO
Kathy Stone, CDSO	Justin McShane, CDSO
A. J. Sallusti, CDSO	Karen McConnell, CDSO
John Scola, CDSO Superintendent	Ken Cramer, Penbrook Borough
Adam Klein, West Hanover Township	Larry Hartman, West Hanover Township
Michael Rimer, Mgr., West Hanover Township	Rick Mullen, West Hanover Township
Bill Bostic, Lower Paxton Township	Jim Pollihan, CTCB
Lucinda Glinn, Attorney for CTCB	Donna Speakman, Fin.Dir, Low.Pax.Twp.
Paul Cornell, Administrator, Swatara Twp.	Gregory Ricci, Swatara Township

Pledge of Allegiance

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

Public Comment

No public comment was provided.

Meeting with the Central Dauphin School District and its member municipalities
to discuss Earned Income Tax Collections

Mr. Seeds invited all members present to introduce themselves.

Mr. Wolfe explained that the Board of Supervisors directed staff to invite the members of the former Central Dauphin Area Income Tax Office (CDAITO) to discuss the potential for the municipalities to leave the Capital Tax Collection Bureau (CTCB), given the recent action taken by the Central Dauphin School District (CDS) to make notification of its intention to leave CTCB.

Mr. Wolfe explained that the Board of Supervisors of Lower Paxton Township has not been satisfied with the performance of CTCB in the collection of its Earned Income Tax (EIT) for approximately two years or longer. He noted that the Board has met with representatives from CTCB in regards to this matter and have not received satisfactory responses; as a result, it has met with other municipalities in investigating other service providers. He noted that the Board of Supervisors have participated in a joint presentation conducted at North Middleton Township early this year in which three EIT collectors provided presentations in regards to the services they could provide to the municipalities. He noted that recently the CDS also hosted a public meeting whereby the same service providers made presentations to provide services to municipalities joined with the CDS.

Mr. Wolfe noted that the Lower Paxton Township Board has yet to make a decision; however, under the agreement with CTCB, the municipality is required to inform CTCB of its intention to withdraw its membership by June 30 of any year. He noted that that deadline is fast approaching, and there has been no discussion among the municipalities associated with CDS since its announcement of its intention to leave CTCB.

Mr. Wolfe noted that the Board members would like to make further comments and solicit comments from the attending municipality members as well.

Mr. Blain questioned where the CDS is in its process, since it made its announcement to withdraw from the CTCB. He questioned if a formal Request for Proposal (RFP) process would be completed. Mr. Sallusti explained that the Board took a vote to provide him, as president of the CDS, to sign the letter to make a notification of withdraw. He noted that the letter must be sent by June 30, 2008. He noted that he was not present for the three presentations made by possible new tax collection agencies.

Ms. McConnell stated that she would set up appointments with Centax and Berkheimer to answer questions, and further explain their proposals to the CDSO. She suggested that one set of numbers was presented at the North Middletown meeting, and another set of numbers were presented at their meeting. She noted that she needs to get clarification from the tax collectors. She explained that there has been no official RFP process as she is awaiting word from the solicitor who will determine if an RFP is necessary.

Mr. Seeds questioned if the CDSO has notified CTCB of its intent to withdraw. Ms. McConnell noted that the Board has authorized the writing of the letter, but it has not been prepared, noting that it must be delivered to CTCB by June 30, 2008.

Mr. Seeds noted that a discussion needs to be held with the municipalities connected to the CDSO as it could amount to a tax burden for the residents if there is more than one tax collector for the payment of taxes for the CDSO. He noted that there have been problems with the CTCB, and some of those problems may have been corrected.

Mr. Sallusti questioned if the boroughs of Penbrook and Paxtang have chosen to remain with CTCB. Mr. Rimer noted that West Hanover Township voted at its last meeting to stay with CTCB. Mr. Beard noted that Paxtang Borough has also voted to remain with CTCB. Mr. Cramer noted that Penbrook Borough voted last night to remain with CTCB. Mr. VanWagner noted that Middle Paxton Township has not voted; noting that the CDSO moved their vote ahead of the date that it was proposed to vote. He noted that this puts his Township up against the wall, since if they choose to remain with CTCB, the residents will have two collectors and it will be a nightmare for employers as well.

Mr. Crissman noted that it is May and the CDAITO members need to move quickly on this matter. He requested the CDSO to expedite the process as quickly as possible rather than wait to July in order to keep the process moving.

Mr. Blain questioned where CDSO is in the process of moving toward an RFP. He also questioned if CDSO would allow the municipalities that are interested in changing to participate in the discussion process. Dr. Scola noted that he has two Board meetings in June, the 7th and the 23rd, and the latest that the Board would make a recommendation would be June 23rd. He noted that he would like to start the process to meet with Berkheimer and Centax after this meeting. Mr. Crissman questioned Ms. McConnell if CDSO makes a decision on June 23rd for implementation for July 1, 2008, would there be enough time. Mr. Blain explained that the implementation would be for January 1, 2009. Ms. McConnell stated that she is interested in hearing what will result from this meeting, but noted that she and Dr. Scola are moving forward

with the process. She noted that West Hanover Township's vote to remain with CTCB was surprising to her, and wanted to receive feedback from the other CDAITO members as well.

Mr. Blain noted that he wanted to know where the other municipalities are at this time. Mr. Hornung questioned if the CDSB has definitely decided to withdraw from CTCB. Mr. Sallusti responded that the Resolution gave him the authorization to write a letter of withdrawal from CTCB. He noted that the intent is to sign the letter.

Mr. Hartman noted that the reason West Hanover Township voted the way it did was because he was told that they should decide how their Board was going, but he later found out that CDSB has already made their decision without any input from any municipality. He noted that that vote was not on the agenda for CDSB's meeting the night it voted, and now they want to know what the other municipalities are going to do. He noted that he has never had an issue with CTCB, and has never seen anything to show that municipalities have been shortchanged. He noted that members of the LPT Board feel that they have been shorted hundreds of thousands of dollars. Mr. Seeds noted that Ms. Speakman could speak much better to this than he could. Ms. Speakman explained that the Township has had variations from year to year, and at the same time, CDSB was experiencing the same variations. She noted that this is what started the whole inquiry process. She noted that the Township experienced several slow years in a row, and suggested that the funds were not distributed in a correct manner, as the funds are being held and not distributed in a timely manner. Mr. Seeds noted that he did not want to get into the specifics, but it is very difficult to prepare budgets when the numbers keep changing. He noted that both Centax and Berkheimer have told the Township that they could provide weekly checks. Mr. Hartman noted that he was curious about the bi-weekly claim, since the taxes are only due quarterly. He questioned what would be sent to the Township on a weekly basis. Mr. Cornell noted that the tax collector would also be handling the Local Services Tax (LST) as well.

Mr. Hartman stated that CTCB is doing all it can to correct all the issues that have come before it. Mr. Cornell disagreed with that statement. He explained that they have not moved on a number of things that were brought to them over a year ago. He explained that he met with Mr. Wolfe over a year ago, and started to discuss budget numbers for the Swatara Township (ST) budget. He noticed that the growth curve for population and housing units does not match the revenue received from CTCB. He noted that this is how the whole process started. He noted that when ST was a member of the CDAITO, the detail from the employers was provided with the payments to the tax bureau that indicated who the money came from and what municipality should receive it. He noted that CTCB does not do that until after the April tax returns are filed

for the following year. He noted that there is no way to coordinate the money to ensure that it is being distributed to the proper municipality until the next year. Mr. Hartman explained that it is done in the manner the members of the Board of Directors have instructed them to do it. Mr. Cornell noted that three of the largest municipalities that participate in CTCB are present and they are not very happy with the way CTCB collects the taxes. Mr. Seeds noted that the Board depends on Mr. Wolfe for the everyday operations, and if Mr. Wolfe doesn't do a good job, then he would be fired. He noted that it is the same for CTCB, they must run the day-to-day operations correctly, and if they don't, then they would be fired. He noted the same goes for the CDSB.

Mr. McShane noted that the CDSB has been shorted approximately \$200,000 that required a one-time payback. He noted that CTCB found their own mistake because they overcharged their commissions. He noted that if he used a tax collector for five years, and was told that they overcharged their commissions in year two, and was told that they would make it right, he suggested that, in real life, he would thank them for finding the mistake, but inform them that that they would never touch my tax return again.

Mr. Klein noted that he had issues with CTCB when he first got on the Board, noting that there were issues with how long it took to receive the funds. He noted that he eventually became involved with the CTCB Board, but he stated that he too must depend on Mr. Rimer, as his Township Manager to keep him up to date, and he was told by him that the thinks things are okay. He suggested that Mr. Rimer really has no proof of this. He noted that if the members of CTCB want the detail, then it should be provided to them. He noted that it may cost more money, but it can be done. Mr. Cornell noted that it has been more than a year that this was requested and it has not happened. Mr. Blain noted that it was part of the Resolution signed by the municipalities that was sent to CTCB last year. Mr. Klein noted that West Hanover Township does not have the problems that the other three municipalities do. He noted that the membership decided to go with an estimated system, and explained that West Hanover Township had to return funds since the estimate was off. He noted if the majority of the membership wants a detailed system, it could be changed. He noted that when he was on the Finance Committee, he never heard anyone talk about the amount of taxes that were distributed to them. Ms. McConnell noted that this has occurred over a number of years. She noted that in one year, she had to pay back \$584,000. She noted that CTCB couldn't reconcile the cash, and it has been one thing after another. She noted that enough is enough.

Mr. Wolfe noted that every municipality in this room adopted a Resolution 18 months ago asking CTCB to provide specific items, and respond to certain requests, and it has not been done. Mr. Hartman noted that it was mentioned that it was like the “good old boys club” for the Executive Board, and since he has joined the Board, along with Mr. Cornell, they are trying to make things right. Mr. McShane noted that when he attended a meeting some of the general membership were sleeping, couldn’t hear, and some looked to others to ask how to vote. He noted that there is an institutional-wide problem. He noted that if you have two members on the Finance Committee who are contrary to the other members, trying to make changes, it doesn’t make a difference if the other ten members continue to keep things the way they are. He noted that it is an institutional problem. He noted that CTCB could be saved but it would require a massive amount of change in a very short order.

Mr. Mullen noted that he has very little confidence in CTCB, and he noted that he feels that it should not be his burden as a supervisor for West Hanover Township to baby-sit them. He noted that all the members have their own budgets and more important things to do, and he should not have to worry about how CTCB conducts its business. Ms. Stone noted that the CDSO discussed that they should be able to depend on CTCB, and not have to worry about the day-to-day operations. Mr. Beaver noted that the CDSO are owners of the operation. Mr. McShane noted that the majority of the membership is not willing to change, and he noted that the bureau is clearly broke and needs to be fixed in a significant way, and there are not enough people who are willing to do this.

Mr. Hornung noted that his primary job as a Board member is to the citizens of the Township to ensure that they get the right amount of tax money. He questioned why he would want to stay with an organization that is slower and less efficient. He noted that it is not his job to salvage CTCB. He noted if they want to compete, then they need to compete. He noted that he did not understand why the municipalities would not want to look at who can provide the service quickly, efficiently, and at the lowest possible rate. He noted if CTCB can’t do this, then why entertain this issue any more. He noted that he wants a tax collector that can do the best job for the Township.

Mr. Blain noted that the good news in the process is that CDSO, ST and LPT have done significant research into what the other tax collectors can do, and he found that they can provide superior service for tax collection. He noted that LPT, along with CDSO, and ST, have visited these sites and have completed significant research on the tax collection system. He noted that the other two vendor’s technology is far superior to CTCB. He noted that CTCB would not be

able to compete with the other tax collectors. He noted that the infrastructure investment that CTCB would have to make would be overwhelming.

Mr. Ricci noted that he agreed with everything that Mr. Hornung said, noting that Swatara Township has no confidence in CTCB to do an efficient job. He noted that his primary responsibility is to spend the Township's money wisely, and collect it wisely. He noted that he is done and has no confidence in CTCB. He noted that he needs a tax collector he can trust, and one that he does not have to worry about.

The following comment was made by a worker from CTCB. She noted that she has worked for CTCB for 14 years, and was a member of the Central Dauphin Tax Office. She noted that when she heard that all this money was missing, and there was a call for a full audit, the audit was completed and everything checked out. She noted that it seems that more issues continue to arise, but it was her understanding that all concerns, to include security concerns, have been addressed by CTCB. She noted that CTCB is a non-profit organization, whereas, the other two tax collectors are for-profit organizations. She questioned who would absorb the extra costs, the tax payers. Mr. Crissman noted that the membership is not present to respond to CTCB.

Mr. Ricci noted that you could find anyone who would perform the work for service and cost, but the confidence in the purveyor is critical. He noted that he is tired of discussing this issue.

Mr. Dennis Beaver requested Mr. Blain to present his suggestion, which he made to the CTCB. Mr. Blain explained that he would like to make his presentation to the CTCB Board, but he was not asked to do so since he was removed from the Finance Board, and has not been asked to do this. He noted that he understood that it was on the agenda to be discussed at the May 15th meeting. He suggested that it should be presented at that meeting first since CTCB must determine if it is a viable solution. Mr. Beaver questioned if he was planning to attend the meeting. Mr. Blain noted that he was not as it did not fit into his schedule, and he was never invited to attend.

Mr. Hornung questioned why we would want to try to fix CTCB. He noted that it is not the Board's job to do that. He noted if CTCB wants to fix itself, and present itself to the Township as a possible vendor, then do it. Mr. Blain noted that the historical reason for the original merger between CDAITO and CTCB was because CTCB held significant sums of money that belongs to the CDAITO members and vice versa. He noted that it was thought in order to eliminate the transfer distribution process, which is the biggest issue in the

Commonwealth, it would be better to merge. He noted, at the time, it made sense, but the only problem was that there was not enough due diligence completed on CTCB, because its infrastructure could not handle the amount of workload that doubled as a result of the merger. He noted that he is for using a new tax collector that would offer lower commission rates and faster distribution, but it would insert another tax collector in the process. He noted that the majority of people who live in the CDSB work in Harrisburg or the West Shore. He noted that CDSB would be depending on CTCB to collect the funds from the city of Harrisburg and remit it to Berkheimer or Centax. He noted that there would be no incentive for CTCB to remit the funds quickly to the new tax collector since they would not be getting the Township's business back. He noted that this would slow the distribution process. He noted that Berkheimer and Centax would do a superior job, and that their commissions are far less than what CTCB charges. He suggested that CTCB would need to raise their rate since its commission would be driven by the amount of funds in the bank account and their interest earnings. He noted that the prime and interest rates are decreasing, and the other two tax collectors could perform the services at a much less cost, since they have critical mass, and are collecting for hundreds of school districts and municipalities. He noted that that is the way it should be done to prevent the collector from having to transfer the funds to the numerous other tax agencies. He noted that the ball is in CTCB's court, and they must make a serious decision to find the right infrastructure and leadership to run their organization.

Mr. Ricci noted that CTCB is going to have less business, but his Township needs to be concerned about something else, and he doesn't care if he has to pay more for their services. He noted that he must be accountable to his constituents. Mr. Seeds suggested that when the municipalities receive their funds faster, it is better for them.

Mr. McShane noted that the tax payers would have to file two returns, noting that it would be a nightmare scenario for the tax payers to have to file two or three returns. He noted if the municipalities chose to go with different tax collection agencies, it would be more complicated. He noted that he does not want the taxes to go up, but there is a fiduciary responsibility to distribute the funds in a timely and accurate fashion.

Mr. Seeds noted that the LPT Board must make their decision soon, and the suggestion that Mr. Blain made to the CTCB is on the agenda to be discussed this Thursday, but Mr. Blain was not invited to discuss the suggestion with the CTCB members. Mr. Wolfe noted that Mr. Blain sent correspondence to CTCB on behalf of the Township indicating a potential way to improve the organization by having CTCB contract its services with a provider, such as

Berkheimer or Centax. He noted that the letter was sent on April 24, 2008, and LPT has received no response from CTCB regarding the letter. He noted that the Township has not been informed by CTCB that it intends to discuss the proposal. Mr. Seeds noted if CTCB chose to do something like this, it would possibly sway his vote.

Dr. Scola noted that the CDSB Board has discussed this issue for several months, and there has been no positive discussion concerning CTCB. He noted that it is a concern for them as they prepare their budgets, especially since the funds get tighter every year. He noted that he wants to move forward, and so do LPT and ST. He noted that CDSB would be willing to commit to a joint RFP process with LPT and ST, and also to CTCB if they chose to join the group. He noted that the bodies must get the best rates and service for the tax payers, since that is who these bodies represent. He noted that every person present has their own jobs, and he would not ask CTCB to run the CDSB and he should not have to run the CTCB. He noted that there should be a certain amount of reliability for the tax payers.

Mr. Hartman noted that CTCB is in the process of amending the bylaws to address many of the concerns, and the Executive Board structure to correct the perceived problems that everyone has. Mr. Cornell noted that he was the chairman of that committee and helped to rewrite those bylaws. He noted that they have not been adopted, and it would probably take until fall until each municipality adopts the changes, but it doesn't solve the problems. He explained that the organization was 7,000 days behind in collection, noting that it was not the employees fault, it starts at the top. He questioned if West Hanover Township's manager was 7,000 days behind in work if he would still have a job. He questioned how CTCB was allowed to get 7,000 days behind in work.

Mr. Rimer questioned if the bylaws would permit a private firm to be hired to do the work. Mr. Cornell noted that the bylaw changes are silent on that topic, dealing with structure and process. Mr. Blain noted that the intent is two-fold, noting that critical mass is needed to be an effective collector, and to have CDSB, LPT, ST hire a new collector. He noted that CTCB is doing the surrounding municipal work; therefore the process would slow down since the operation would be much slower in the collection and processing. He noted that a regional collector would be the best solution to eliminate all the transfers back and forth. He noted that it would also position the local governments well when Act 1063 comes into play, having the potential to have the surrounding areas all under the umbrella of one tax collector. He noted that Lebanon County is interviewing tax collection agencies to collect on behalf of Lebanon County EIT. He noted that it would be similar to a Council of Government Intermunicipal agreement that

helps to centralize purchasing, negotiations for agreements, and joining in common struggles such as the Chesapeake Bay Watershed Initiative. He noted that it would result in a minimum infrastructure investment. He noted that, long-term, this would be the end for CTCB. He noted that when CDS D leaves, they will lose 35% to 40% of collections and commissions and will not have the funds to invest in infrastructure updates.

Mr. McShane noted that he did not think that CTCB members would vote to vendor the process. Mr. Blain noted that it would make good business sense but the ball is in CTCB's court. He noted that to be more competitive, a business would either enter into a cooperative agreement with a competitor or someone who offers a similar service to help become more competitive. He agreed with Mr. McShane that CTCB would not go with his suggestion.

Mr. Klein noted that most municipalities have made their decisions, and he questioned what the municipalities that are leaving would be doing. He noted that he hoped that they could get together and agree to use the same vendor. Mr. Blain noted if CTCB is not interested in his suggestion, then the Board members would be interested in working with the CDS D RFP process. Mr. Ricci noted, if there would be two tax collectors, what difference would it make if ST chose a third tax collector.

Mr. Beaver noted that there are three different organizations who obviously feel very strongly against CTCB, and yet neither one has taken definitive action to leave. He noted, if the three have made their decisions, then they should move on. Mr. Seeds noted that, of course, it would be better for the tax payers if it was one tax collector, but the municipalities and school district need to be more open and sharing. He noted that the reason the meeting was called was to work together for the benefit of the taxpayers. Mr. Blain noted that the purpose of the meeting was to find out what CDS D was going to do after it voted to leave CTCB. He noted that the other municipalities have shared what they intend to do, so now it is decision making time.

Attorney Lucinda Glinn questioned if the Lebanon County Tax Office is a membership organization. Mr. Blain answered that it is a non-profit agency, but they now have a membership Board. She noted that it was stated that it is not CDS D's job to oversee CTCB, just as CTCB does not have to oversee CDS D. She noted that as a membership organization, each member of CTCB has a fiduciary duty to CTCB as a member of the organization. She noted that CDS D does not seem to believe that that is the case. She questioned if Mr. Blain felt that he had a fiduciary duty to CTCB. Mr. Cornell noted that, two years ago, he sent, to the entire membership body, a notice that they had a fiduciary duty to look into the problems, and two years later it has not been completely addressed. He noted that he has not received an answer from the meeting held in

December that they broke down the zip code issue, and that the issue was resolved. He noted that he has not seen anything in writing yet, and it has been four or five months. He noted that, in a membership body, you have a certain responsibility to oversee, but when it is a three to ten, or two to nine decision, and the body is going in a direction that you don't feel comfortable with, then you have to make a decision to stay and take a risk or leave.

Mr. Wolfe noted that, Mr. Blain, as a member of CTCB, and one-time member of the Finance Committee, has a fiduciary responsibility to the organization and to the end. He noted that he had submitted correspondence to CTCB in what he believes is the proper way for the organization to proceed to correct its ills, but the organization has not responded. He noted that Mr. Blain also has a responsibility to the tax payers in the community. He noted that, if the Township does not get a response from CTCB, as per the fiduciary responsibility, the Board must address what is right for the taxpayers. Ms. Glinn stated that she is a resident of the Township and a resident of the Central Dauphin School District and was interested in hearing the discussion.

Mr. Seeds noted if anything good comes from this issue, it may be a forum for better communication between the municipalities and the CDSB.

Mr. McShane noted that the decision is based on two principals, the first being the rate of delinquencies from the three tax collectors. He noted that the second reason for not signing the letter right away was because the moment the letter is served to CTCB, according to the bylaws, the member stops participating in the equity distribution. Mr. Beaver stated that that was incorrect. Mr. McShane noted that his equity distribution was in the neighborhood of \$247,000, and he explained that he asked Mr. Harbeson if the CDSB would get those funds if it served notice to CTCB, despite the fact that the payments would come in later in the year, and he was told that the funds would come to the CDSB. He noted that technically, when those funds are on the table, he would not want to take any risk of not receiving the funds, therefore, he urged the Board not to deliver the letter until the last moment to exercise its fiduciary duty to taxpayers. Mr. Beaver noted that once a member submits its letter, they would still be a member until the end of the year, and if there was a distribution, the member would receive their share. Mr. McShane questioned Mr. Beaver where it states that in the bylaws, and he questioned Mr. Beaver if he had read the bylaws. Mr. Beaver stated that he had not read the bylaws.

Mr. Beaver questioned Mr. Blain what he thought of this. Mr. Blain answered that he did not recall what the bylaws stated in regards to distribution. Mr. Beaver noted that Mr. Harbeson stated that distributions would be paid. Mr. Cornell noted, for the original agreement that was

drafted for the merger, it did not change in the bylaws. Mr. Crissman noted that that was correct, and the wording remained the same. Mr. McShane noted that it could be found in paragraph 16 in the Articles of Incorporation.

Mr. Ricci noted that Mr. Beard questioned why everyone was present at the meeting, and he stated that he is happy that CDSO has not sent the letter yet. He noted that he has discussed the CTCB's operations for more than a year and a half, and ST is not happy. He noted that CDSO sending a letter to CTCB shows, at a minimum, a lack of confidence in the system. He noted that it would have an affect on the rest of the membership, and how they performed their job. He noted that the members are here to say that they don't have confidence, and are about to make a change. He noted that he wanted to do this a year ago, but provided time to CTCB to make changes. He questioned how this would affect the other members when CDSO pulls its membership. He questioned if it would impact the confidence that their constituents have and the job that they are doing. He suggested that it would. He noted that it would affect him, and even more so, if he fails to use the same vendor as the CDSO. He noted that he does not know who ST will pick as their vendor.

Mr. Hartman noted that there are many problems with CTCB, noting that he had issues a few years ago, with it being the "good old boy network", making change impossible. He suggested that the membership does care about what is best for their constituents. He noted that CTCB is trying to make the changes that have been suggested. He noted that he never heard CTCB say no to a suggestion. He noted that he was unaware that Mr. Cornell still has unanswered issues, and suggested that he could get the answers for those questions. He suggested that it can be fixed. Mr. Crissman noted that it is not the job of the LPT Board to fix the problems.

Ms. Cathy Stone noted that she was surprised when she heard that some of the municipalities have voted to stay with CTCB, but she noted that she has been a member of the CDSO Board for quite awhile, and there has been a tremendous amount of discontent with CTCB. She noted that CDSO had a meeting and allowed the three vendors to make their presentation, and not many people came. She noted that Mr. Hartman stated to her at that time that if CDSO left, West Hanover Township would also leave. She noted that LP also stated that it would follow CDSO and leave as well. She noted that when she hears the anger in some of the municipalities regarding the CDSO decision, she is confused, because she believed that the Board was asked to show its hand to work together to come up with the best solution. She apologized if it seemed that CDSO was forcing municipalities to make a change as that was not

the Board's intention. She noted that the intention was to look at all the facts, and make the best decision for the citizens of the CDSO. She noted that the CDSO Board members are constantly scrutinized in regards to developing the budget, and she noted that that Board felt this was a very important decision.

Mr. Seeds noted that he was disappointed in the numbers who attended the CDSO presentation meeting. Ms. Stone noted that Mr. Beaver stated that Paxtang was the only member who would remain with CTCB. She noted that she came to the meeting thinking that the members would work together to determine who the best tax collector would be, but everyone seems to be rehashing their stances. Mr. Ricci questioned if the CDSO led the other CDAITO members to CTCB in the first place. He noted that he listened to CDSO once, but he would not blindly listen to them again. He noted that ST would be open to see if the members could be unified in this issue, but he would not blindly follow the lead of CDSO. Mr. Crissman explained that he was part of that transition process for the CDSO in the move, noting that when CDAITO had the office, the members were extremely happy with its operations, and how it maintained its records accurately, and how the checks were distributed in a timely fashion. Ms. McConnell noted that CTCB should have merged with CDAITO. Mr. Crissman noted that it was thought that the merger would be in the best interest for all members because CTCB was larger and better organized. He noted that unfortunately, it was a horrible move, but he still had the highest regard for the old Central Dauphin Income Tax Office employees.

Mr. Blain noted that the CDSO has made a decision, and ST and LPT are looking to move as well. He noted that he would like to work with CDSO to determine who the right tax collector would be. He noted that LPT could possibly use a different vendor from CDSO, but he would like the three entities to work together. He noted that he would also like to recommend to the other municipalities, in the audience, who have decided to stay with CTCB, to spend the time to review the other two vendors and see how their operations run. He noted that the other two vendors have superior technology, and they can process collections quickly and efficiently for less cost.

Mr. Sallusti suggested that LPT and ST should get together with the CDSO to discuss the future changes, and the RFP process. Mr. Ricci noted that this would occur only as equals. Mr. Blain agreed.

Mr. Seeds adjourned the meeting at 5:19 p.m. to move to Room 174.

Mr. Seeds re-adjourned the meeting at 5:25 p.m.

Status Report from Community General Osteopathic Hospital
regarding future development plans

Ms. Wissler explained that Mr. Steve Quigley, H. Edward Black and Associates, P.C., and Mr. Dean Weidner, are present to provide an update for the plans for the Community General Osteopathic Hospital (CGOH).

Mr. Quigley noted that CGOH is looking to make additional improvements to the hospital. He noted that CGOH would like to add a 46,000 square foot cancer center to the front of the hospital, partnering with Fox Chase out of Philadelphia. He noted that Fox Chase has approximately a dozen facilities in the northeast. Mr. Crissman noted that Fox Chase has had a relationship with PinnacleHealth for some time. Mr. Quigley noted that the new unit would include radiation and chemo therapies, infusion and blood transfusion therapies, supports groups, cancer risk assessments, and the MRI unit will be moved to this location for imaging services. He noted that it would include digital mammography, ultra sound, biopsies, bone density testing, and additional MRI capabilities.

Mr. Quigley explained that he would take the opportunity to reorganize the parking configuration to provide for better movement in the parking lot. He noted that the hospital receives numerous complaints that patients and visitors have a long way to travel from the parking lot to the hospital. He suggested that the current configuration is not conducive to good walking movements.

Mr. Quigley noted that Phase II would include an addition on the western side of the Bloom Building. He noted that it would provide for more room for day surgeries that are already occurring at this site. He noted that, if CGOH does not receive permission from the Department of Health, (DOH), then it would provide room for more doctors' offices instead. He noted that, if this occurs, then additional parking would be needed, and the apartments would be razed to accommodate this. He noted that he would have to complete additional land development work to accommodate the three buildings, noting that Phase I would include the cancer center, and Phase II would include the addition to the Bloom building, and Phase II would provide for additional parking and demolition of the apartments.

Mr. Crissman questioned if the project would be in the flood plain. Mr. Quigley answered that the project would stay out of the floodplain. He noted that he would not touch the storm water maintenance system that is connected to the apartments. Mr. Crissman questioned if this

would impact the neighbors on the contiguous properties. Mr. Quigley answered that it would have no impact at all, providing for green space, staying out the floodplain area.

Mr. Crissman questioned how much impervious coverage would be connected with the plan. Mr. Quigley noted that he would not have a problem meeting the ordinance regulations for impervious coverage.

Mr. Weidner noted that, during the Comprehensive Plan process, the Township moved the Institutional zoning line north to include the apartments.

Mr. Hornung noted that, as the Township continues to approve more Residential-Retirement properties, there would be an impact to the Township for where these people would go if they become ill. He noted that as you get older, you tend to spend more time in the hospital, and a burden would be placed on the Township to provide more transportation to get people to the hospital and facilities, to receive care. He noted that the Board should discuss, with PinnacleHealth, the number of projected Residential-Retirement housing units, and the fact that it would provide a much higher demand for the facilities at CGOH. He noted that a discussion should be held as to how CGOH plans to solve this potential issue for the future. He noted that South Central Emergency Management Services (SCEMS) should be included in this discussion to ensure they have the proper facilities to cover this.

Mr. Seeds noted that the Township contributes funds to SCEMS, and they currently have a need to expand their services. He explained that they have looked at property on East Park Drive, noting that they take many calls for the interstate highways. He suggested that SCEMS should have a better cooperative agreement with CGOH. He noted that the Township is in business to provide services to the public, and there seems to be a problem in this area. Mr. Quigley noted that he would share this concern with the administration of PinnacleHealth.

Mr. Seeds noted that the payments SCEMS receives from Medicare do not begin to cover their costs. Mr. Hornung noted that SCEMS costs would be much higher if they had to transport residents to hospitals outside the Township. He noted that it is important to keep facilities in the Township. Mr. Seeds suggested that SCEMS should have a place to house their equipment in that area, and suggested that it would be good for them to work with CGOH to improve their facilities. Mr. Crissman noted that the hospital is an asset to the community, and the Board needs to be helpful to make it work.

Mr. Quigley explained that a portion of the hospital was built to add two additional floors, and at some point in the future, based on need and DOH approval, the two floors would be built, and at the same time, a one-story part of the building would be demolished, to provide

room for a parking structure. He noted that the building would be designed to provide for a future second story deck to link to the parking garage.

Mr. Quigley noted that he is aware that the traffic study must be reviewed. Mr. Crissman thanked Mr. Quigley for keeping the Board members informed of CGOH's intentions for future development. Mr. Weidner noted that this is a change from what was last discussed.

Mr. Seeds adjourned the meeting at 5:40 for the members to take a short break to eat dinner.

Mr. Seeds re-adjourned the meeting at 5:55 p.m.

Presentation by Public Works Department employees regarding preparation of draft vision, mission, and culture statements

Mr. Wolfe explained that the Public Works Department has undertaken a visioning process, noting that the Board of Supervisors has also undertaken its own visioning process, having completed its mission statement, slogan, and a detailed list of projected activities that it is working to implement. He noted that the Police Department is in the second year of its three-year plan of action, and through that process, the Department has become accredited at the State level. In addition, he noted that the Township has been forced to vision for sanitary sewer needs by Pennsylvania Department of Environmental Protection (PADEP) at a \$70 million cost for implementation for the Paxton Creek Basin, and another \$30 million for the Beaver Creek Basin.

Mr. Wolfe explained that the Public Works Department employees have begun their visioning process, and they are present to update the Board of their actions, to ultimately have the Board adopt these statements by Resolution. He noted at that time, the Board would hold the Public Works accountable for implementing their visioning process.

Mr. Robbins explained that the Public Works Department contracted Rising Sun Consultant, Jim Rowell, to develop a mission, culture, and values statements and an action plan. He noted that this was accomplished during several three to four hour sessions. He explained that ten to twelve employees worked on the mission statement, including employees from different sectors of the job, management and Mr. Wolfe. Mr. Robbins proceeded to read the Department's Mission Statement.

Mr. Robbins explained that once the Mission Statement was created, the group moved to develop the Cultures and Values statement. He noted that this was developed by the core group and all staff members. He noted that this was accomplished over two, three-to four-hour sessions. He proceeded to read the Cultures and Value Statement.

Mr. Robbins noted that he would like to have the members of his core group review the Culture and Values Statements.

Respect – Mr. Snyder

- Listen
- Be fair
- Treat others as you would expect to be treated
- Treat others as adults, speaking in a normal tone
- Be understanding
- Give and receive constructive feedback

Safety – Mr. Lentz

- Minimize exposure and liability to danger
- Operate safe and well maintained vehicles and equipment
- Do not push or take short cuts to do jobs – Safety First
- Conduct proper training
- Always be aware of your surroundings

Communication – Mr. Kline

- Explain what the final outcome should be for a job
- Ask questions
- Be open-minded
- Make sure all affected people get the proper and specific information both verbally and/or in writing
- Give proper instructions

Honesty – Mr. Kline

- Accept responsibility
- Tell the whole story and not leaving anything out
- Be consistent with how you present and carry yourself
- Tell the truth

Teamwork – Mr. Mummert

- Have a positive attitude
- Switch people and not have the same people on certain jobs all the time
- Be loyal
- Trust each other
- Use individual strengths for the good of the final goal
- Take initiative without being asked
- Be a leader
- Work together toward a common goal even if your opinion differs from the majority

Quality of Work – Ms. Morton

- Think quality and not quantity
- Have pride in your work
- Treat property of the community as if it were yours
- Conduct proper inspections
- Do the job right the first time and it will save time and money
- Complete jobs professionally
- Be accountable

Mr. Wolfe noted that these Value Statements have been developed specifically by the employees of the Public Works Department, who worked together to determine the values for their Department. Mr. Hornung noted that it speaks highly of Mr. Robbins as he was sure that the entire experience was not all positive, noting that it is a good sign to bring issues out into the open.

Mr. Robbins noted that once this work was completed then Mr. Rowell assisted with the Action Plan that consists of three phases. He explained that Phase I lists eight key items to be completed over a period of eight to nine months. He noted that a pre and post survey will be distributed to the employees the week of May 22nd, and he would use the survey as a gauge, with the survey to be repeated in six months. He noted that Phase I included the sharing of the Mission, Culture Statement and Action Plan with the Board members. In addition, the core group would develop a means to post the values within the work place, create a suggestion box, and provide an awards/recognition program. He noted that staff felt that it was critical to communicate the values to each other periodically, possibly at staff meetings. He noted that it is important to assign work in such a way that feedback can be provided, or concerns by the employees can be addressed. He noted that toolbox sessions, as they relate to crew functionality, will occur as needed.

Mr. Robbins noted that Phase II includes the weekly reviews of projects with staff. He noted that toolbox sessions would be held; new hires would be provided a copy of these documents, as well as time to explain and discuss the contents. He noted that experienced people would be teamed with non-experienced people, educating all and doing all.

Mr. Robbins noted that Ms. Morton felt that she was not assigned certain jobs because she is a woman, and there is no reason why she could not do those jobs.

Mr. Wolfe noted that he would like to reduce this process in writing in a Resolution and present it to the Board of Supervisors to be adopted at a business meeting.

Mr. Blain noted that he was impressed by the work, and he complimented the personnel for what they are doing. He noted that this could be a model for all the departments in the Township.

Mr. Crissman noted that it is extremely important that the document came from staff. He explained that there is a demonstration model presented to various places that discusses teamwork in the workplace, and showed how efficient the product was when people work together in the workplace. He noted that putting experienced employees with non-experienced employees would be a good way to enact a mentor program, for a period of time, to help the new learn their job. Mr. Crissman noted that he teaches the demonstration model and he would be willing to help out if needed.

Mr. Robbins explained that Steve Koup walks the new hires through the time clock process, and he tries to place them with employees who will assist them to learn the process. Mr. Robbins noted that the only way they will learn is if they are shown the proper way to do their work. Mr. Crissman noted that when an employee is left to flounder, they tend to do unsatisfactory work, but teamwork results in a much better product. He noted, when employees are part of a team, the organization moves forward much better.

Mr. Crissman questioned if the employees that are present are the team leaders. Mr. Robbins explained that Ms. Morton is a laborer, but she also works, out of class, as a truck driver and will be next in line to be promoted as a truck driver. He noted that Mr. Mummert is an operator that has worked for 16 years for the Department. Mr. Kline is an operator with 23 years of experience, and sometimes fills in as a crew leader. Mr. Snyder and Mr. Lentz are crew leaders with over 70 plus years of combined service.

Mr. Seeds noted that the Board needs to make sure that when a job is open, the person is promoted right away.

Mr. Seeds noted that he has a concern with the added work associated with the building of more parks. He questioned how the work would be done. He noted if the parks look good, then everyone looks good. He noted that people like the improvements made to the Compost facility.

Mr. Crissman noted that the toolbox job sessions are a very good idea, especially since some people like to hang on their particular piece as it is a power play, not allowing anyone else to do it. He noted that when people are willing to share their skills and knowledge with others it results in teamwork with the employees trusting each other. He noted that it is essential to do this as it benefits the entire organization.

Mr. Robbins noted that the key to the process is having everyone involved so they can't state that they were not part of the process.

Mr. Wolfe noted that it was an interesting process to experience with 35 employees working together for the four hour sessions. He noted that he was surprised at the level of participation by all employees.

Mr. Hornung noted that once you establish a culture statement, it is sometimes difficult when new people are hired to have them fit into the system. He noted that once you have something, it provides a mechanism for the new hire to fit into.

Mr. Robbins noted that some of the new hires are very young, and should be working for the Township for a long time, and it is important to train them right in the first place.

Mr. Crissman questioned if this was the final document. Mr. Wolfe answered that it was a draft document and should be completed within six months. Mr. Wolfe noted that a Resolution would be presented before that time.

Mr. Seeds questioned if the employees would be upset if the Leaf Waste Program was discontinued. Mr. Robbins answered that he would not be terribly upset, but if the program was continued, he would provide the service. Mr. Robbins noted that the program is very hard to schedule since it only operates every other week using three to four employees.

Mr. Seeds noted if the program became a mandatory program, there would be fewer residents visiting the site. Mr. Lentz noted that he visited a site in Bethlehem, where they have a yard waste program, in addition to operating a recycling site, and in some cases it is like a social gathering for some residents. Mr. Mummert suggested that 75% of the people who visit the site are elderly and may only have one bag. He noted that the amount of traffic has slacked off recently, but it was very busy when it was first open. Mr. Robbins noted that the work will build up heavily again in the fall. He noted that more material would be brought to the site if the program was mandatory. Mr. Mummert noted that he takes the leaves and clippings and grinds it into black dirt. He noted that it takes time to make it and the residents like to use it.

Mr. Seeds adjourned the workshop meeting at 6:30 p.m. to conduct a special business meeting of the Board of Supervisors.

Mr. Seeds re-adjourned the workshop meeting at 8:00 p.m.

Discussion with Kendale Oaks Homeowners Association and E. G. Stoltzfus, Inc.
regarding building construction concerns

Mr. Wolfe explained that the Board has been requested by Mark Spatz, a member of the Kendale Oaks Community, to convene a meeting between the residents of Kendale Oaks and the builder, E. G. Stoltzfus, represented by Mr. Paul Zook, in regards to a fire that occurred at a home in the development. He noted that the Board members visited the home that was significantly damaged by that fire during its recent Road Tour. He noted that the cause of fire has been traced to a front porch light. He explained that the builder, after having discussions with the Township's Fire Marshal, issued a statement requesting the residents not to use their porch lights, and to date, the notice has not been rescinded. He noted that he was not aware of any other correspondence that may have occurred with the residents. He noted that the residents are looking for a dialogue with the builder, noting that the Board could serve as a forum for a dialogue, with no decision making authority.

Mr. Spatz explained that from what he has been told by the Fire Marshall, that he could not determine that the light was the cause of the fire. He noted that he stated that the fire started above the porch, but Mr. Spatz noted that the only thing that is located above the porch that could start a fire is the light. He noted that the homeowner's insurance company is conducting an investigation; however, no official report has been released to date.

Mr. Spatz noted that Mr. Zook requested him to send a letter or email message to the residents telling them not to use the front porch lights in February, and no update has been provided to the residents since then. He noted that the homeowner of the home that caught fire stated that his front porch light was not on at the time of the fire. He explained that there was a community meeting at which time the residents voiced their concerns. He noted that everyone assumes that the fire was caused by an electrical problem, and that a subcontractor for E. G. Stoltzfus did the work. He noted that the residents paid more than \$350,000 for their homes, and they want to be able to use their front porch lights. He questioned what the solution to this problem would be. He noted that he does not expect to have a solution today, but he would like to have an answer, as this problem would not fade into the background. He explained that some residents wanted to go to the newspaper, but he suggested that they should calm down and wait. He suggested that he is not present as the Home Owners' Association President, rather, just as a resident of the development.

Mr. Zook explained that he agreed with what Mr. Spatz stated, noting that that is where the problem is at this point. He noted that no cause has been determined, and his insurance agent

has informed him that everything seemed to be okay, and that there was no evidence to support any error to do with the light. He explained that he is using the same type of light that he used for the past ten years.

Mr. Spatz questioned if, from an E. G. Stoltzfus standpoint, he could send out another email stating that it is okay to turn on the front lights and that as far as they are concerned, it would be safe to do so. Mr. Zook noted that he could not say that. Mr. Spatz questioned when it would be okay for the residents to turn on their front porch lights.

Mr. Blain questioned why Mr. Zook could not make the statement. He noted, if the insurance company feels that the light was installed properly, then why can't Mr. Zook make the statement. Mr. Seeds noted that it was asked if it was safe to turn on the lights. Mr. Zook noted that he is using the same lights like he has for the past ten years. He noted that he stopped for a two-week period, noting that the Fire Marshall stepped in due to some allegations, but the lights were installed correctly. Mr. Zook noted that he brought a sample of the type of recessed light that was used in the home. He noted that the controversy occurred when the Fire Marshall visited the site and found that the wire was not strung through the grommets in a cutout as was previously done. He noted that the manufacturer has provided a small open area to install the wire in the corner of the box. He noted, if someone pulls on the wire, it would not pull the light apart. He noted that the first allegation was that the grommet was not used and the lights were wired incorrectly. Mr. Wolfe noted that the Fire Marshall stated that this concern was expressed to him. Mr. Hornung noted that the box was wired properly, using a newer and faster method. Mr. Zook noted that the box is designed that the wiring harness would not break lose, as opposed to using a romex connector.

Mr. Seeds noted, if this is the new method of installing a light, then why wouldn't Mr. Zook state that it was safe to operate the porch lights. Mr. Zook noted that he believes that the lights are safe, but, no one can promise that in his one-hour drive home, he would get home safely.

Mr. Seeds questioned why the breaker did not trip the light. Mr. Zook noted that it would provide that level of protection, but, he is not sure that it was the light that caused the fire. Mr. Seeds questioned if a bird could have built a nest, and the nest material could have caused the fire. Mr. Zook noted that the additional protection from the heat is that the light would cut off if it gets too hot. Mr. Hornung noted that a fire could be started by mice, as they can chew through the wires. Mr. Wolfe noted that the Szeles home was destroyed by a nail that was nailed through a wire.

Mr. Spatz questioned if it would be okay to tell the residents that it is safe to turn on their front porch lights. He questioned if he could inform the residents that the light was wired correctly, by code, and that it is okay to turn on the front porch light. Mr. Zook stated that he was concerned that he could never say that a fire could not start, in a perfect setting. Mr. Seeds questioned if the proper bulb was used for the light. Mr. Crissman questioned if the insurance company would issue a statement, then it would take Mr. Zook off the hook, as it would protect the company. Mr. Zook noted that there is litigation pending, and they are working it out. Mr. Crissman suggested if litigation is pending, then no one would make any statements. Mr. Wolfe suggested that it may take two years to litigate. Mr. Crissman noted that Mr. Zook could make a statement that litigation is pending, and E. G. Stolfus could not make any statements at this time. Mr. Blain noted that it would not help as the people would not be told that they could use their front porch lights. Mr. Crissman noted that he would not mention the lights at all. Mr. Wolfe questioned if it would help to say that the initial report that stated that the light was wired improperly appears to be inaccurate. Mr. Zook noted that from what he understood, the wire grommet situation was inaccurate, and the current installation method, is in fact, the standard for wiring.

Mr. Zook questioned what would happen if after an email is sent that it is okay to turn on the lights, something happens. Mr. Spatz noted that something has to be said, since the people were instructed not to use their front porch lights. He suggested that some residents may go to the newspaper. He noted that this cannot go on forever, and it would be perceived that the Home Owners Association (HOA) is doing nothing about this.

Mr. Zook questioned what the Fire Marshal's opinion is. Mr. Wolfe answered that he did not have any more information that any of the people in the room.

Mr. Hornung questioned if an investigation was completed to determine the cause of the fire. Mr. Zook noted that four sets of forensics experts have make reports. Mr. Hornung questioned if the reports are available. Mr. Zook answered no. Mr. Hornung suggested that the HOA could hire its own expert. Mr. Zook explained that the house has been rebuilt.

Mr. Zook noted that he should be provided an opportunity to send a letter to the residents. Mr. Spatz noted that nothing is happening, and that is why he brought the issue to the Board members. Mr. Zook noted that he would speak to the developer to see if he could issue a letter and do this by the end of the week. Mr. Spatz noted that no one hired an engineer to inspect their homes as they felt that they spent a lot of money for their homes and that it was not right to expect them to spend more money to inspect their homes. Mr. Hornung questioned Mr. Zook if

he could hire an electrician to inspect each home. Mr. Zook noted that he could never state that a house would never burn down. Mr. Hornung noted that, as a builder, he would want to do this, but the insurance company may not like it. Mr. Zook noted that the light is covered by drywall and siding. He noted that if you push the side panel out, you could view the wiring, but the hard part would be getting the panel back on. He noted that you would not be able to see the wire to the switch. Mr. Hornung questioned if there was a thermo-overload protector. Mr. Zook answered yes.

Mr. Zook questioned if he sent the residents a letter to state that there is no evidence to support any allegation that the light is defective or the wiring was installed correctly, and that they could continue to use the lights, would this suffice. Mr. Crissman noted, if Mr. Zook is willing to do this, then each individual owner would need to make their own decision. Mr. Zook noted that he is available by phone, from 8:30 to 4:30 everyday. He noted that he uses a good electrician. He explained that the company has only had three fires in the forty years that it has been in business.

Mr. Spatz noted that many of the residents have complained of other electrical issues that have not been resolved. He noted that he started a forum on the website for people to log them, but none have been logged. Mr. Zook noted that people know how to make contact with him, and some people do call the office. Mr. Spatz noted that the builder has fixed any problem that he has had. Mr. Zook noted that he would be available to fix any electrical problem for the lifetime of the home. He noted that he is not stating that he would fix it for free, but he would find a way to get it fixed at a minimal cost.

Presentation of the actuarial valuation for the proposed implementation of a Length of Service Award Program (LOSAP)

Mr. Wolfe explained that Jeff Myers, from Conrad Siegel is present to explain the Length of Service Award Program (LOSAP) that was included in the 2008 Year Budget at the request of the Township's three fire companies. He noted that \$60,000 was put into the budget for this line item, taking \$50,000 from the existing Fire Equipment Capital Fund and moving it to the LOSAP line item He noted that an additional \$10,000 was authorized to fund the LOSAP.

Mr. Wolfe explained that this issue has been discussed numerous times by the Board members, and the LOSAP as presented by the Fire Companies is very similar to a defined benefit pension program. He noted that the Township currently operates two defined benefit pension programs, one for the Police Department, and another for the non-uniformed pension program.

Mr. Wolfe noted that he proposed to the Fire Companies that the Township operate the LOSAP, much like the pension programs, setting the program parameters, hiring an actuary to determine the costs for the program, and funding the program through the Boards' annual \$60,000 allocation. He explained that actuarial evaluations have been prepared by Jeff Myers in accordance with certain performance proposals presented by the Fire Companies for the rosters that the Fire Companies have determined to be the eligible firefighters.

Mr. Myers noted that the first study, dated April 14, 2008, was based upon preliminary discussions held. He noted that two scenarios were addressed by that study; noting that Scenario A has a benefit formula of \$10 per month, per years of service, and the maximum total service credit would be 25 years of service with a benefit of \$250 per month. He explained that the study used an inception date of January 1, 2008. He noted that any firefighters that have been in service for more than 15 years would have a maximum amount, at inception, of \$150.00.

Mr. Myers noted that attached to the study is a list of firefighters that was presented to him, with the benefits based upon the dates given to him. He noted that Scenario A shows three different columns; the first with an amortization period for the past service liability that would be the costs earned prior to the conception of the plan for 29 years, with the second column showing 15 years, and the third column showing 10 years. Mr. Wolfe suggested that this would be similar to a mortgage with 29 years, 15 years, or 10 years on the debt. Mr. Myers agreed, noting that he listed the 29 years, since the expected future service until retirement for this group of firefighters for the active members is 29 years. He noted that there is no legal reason to do this, but he suggested that it would be more appropriate to pay it off over a shorter period of time. He explained that the costs for Scenario A for paying this off for 29 years would be \$35,535.00. He noted that the normal costs are the same for each column since that is the cost of the benefits accruing during 2008, noting that the cost is \$14,288.00. He noted that the more significant cost would be to pay off the past service liability, noting that for the shorter the time period versus the 29 years, the amortization rate is considerably higher.

Mr. Wolfe noted that any of the options for Scenario A works within the \$60,000 budget, however, the costs incurred to fund the actuarial evaluation for the plan would be a cost to the plan. He noted that some expenses would go against the \$60,000, which would be a plus or minus of \$4,000.00.

Mr. Myers noted that Scenario B provides for a greater benefit of \$15 per month per year of service with a retirement benefit of \$375 per month after 25 years of service. He noted that the

costs are greater for this scenario, noting that the funding for this plan exceeds the budget allowance for two categories.

Mr. Wolfe explained that he and Chief Bair met with several firefighters and presented this information to them. He explained that they requested more information on a middle ground between Scenario A and B. He noted that they requested a \$300 per month benefit to stay within \$55,000 for annual costs. He noted that Mr. Myers' second actuarial evaluation for this benefit is dated May 8, 2008.

Mr. Seeds noted that he likes Scenario C, since it goes back 15 years, around the time the Township started the Fire Capital Equipment Fund. He noted that it provides for 15 years of service with an amortization period of 15 years. Mr. Wolfe noted that Scenario A also has that provision. Mr. Seeds noted that it provides for a payment of \$12 per month with a maximum of \$300 and that it is more of a middle of the road approach for benefit service. Mr. Myers explained that Scenario C and D are basically the same except the prior years for service is capped at 15 years for Scenario C and for Scenario D it is capped at 20 years of service. He noted that when the expenses are added, it would bring both scenarios close to \$60,000.

Mr. Wolfe questioned why Scenarios C and D are so close in costs when you are increasing prior years of service by five years. Mr. Myers noted that there is not much difference between 15 and 20 years for past service for the firefighters, so it is relatively a small number.

Mr. Wolfe asked Mr. Swank if he had a preference. Mr. Swank explained that he and Chief Crum and Chief Cerzullo met with Mr. Wolfe and Chief Bair and requested a second study. He noted that they were looking for a \$300 amount for the maximum payout. He noted that he has been a firefighter for more than 24 years, and volunteers because he likes to do it. He noted that he appreciates the offer made to the firefighters and he would be willing to accept whatever the Board chooses to award. He noted that there is no current provision for a LOSAP, and the Board has already purchased three pieces of fire apparatus for the three companies, and he suggested that this would set a model for the surrounding communities.

Mr. Seeds noted that none of the Scenarios provide for a credit beyond 20 years of service. Chief Swank noted that the norm is from 15 to 20 years for active volunteers.

Mr. Wolfe questioned if the Board was willing to authorize staff and the firefighters to proceed with developing a LOSAP by putting this into a formalized Resolution process. Mr. Hornung noted that he should proceed. Mr. Seeds suggested using Scenario D with the 15 year amortization.

Mr. Hornung noted that the reason for creating a LOSAP was to enable the fire companies to recruit and keep more volunteers. He questioned if this would do that. Mr. Swank noted that it is a good idea, and he explained that he is in the process of applying for a grant to cover some of the up-front costs. He noted that he would know more in the near future if the program would qualify for this.

Mr. Seeds thanked the firefighters for all they do for the Township.

Continued discussion regarding the draft Patton Road roadway improvement agreement and recreation facilities in the Autumn Oaks preliminary subdivision plan

Ms. Moran noted that there are two issues to be discussed, the actual planning of the realignment for Patton Road, and who would be responsible for acquiring the permits for the project. She explained that Mr. Stine found a discrepancy in the way Mr. McNaughton prepared the developer's agreement.

Mr. Joel McNaughton noted that he received a draft agreement on April 14, 2008, and read it in conjunction with the Board minutes from the December 11, 2007 meeting, and as a result he redlined some pages in the developer's agreement that was returned to the Township on April 22, 2008. He noted that during the December 11, 2007 Board meeting, it was agreed that the construction of the improvements to Patton Road would be done in conjunction with Phase III of the development, assuming that all the permits and approvals would have been received. He noted that the draft agreement provided to him indicated that the improvements would be required in Phase II or upon occupancy of 60 dwelling units. He noted in his redlined draft, he changed it back to Phase III. He noted during the same meeting, it was stated that the McNaughton Company would prepare and do all the work necessary to develop the permits, to include studies, engineering, etc. Mr. Hornung questioned if Mr. McNaughton wished to change the agreement to Phase III and 60 units. Mr. McNaughton answered that the only change is to Phase III. Mr. Fran McNaughton explained that there are more than 60 units proposed for Phase I alone. He noted that to constrain the request to 60 units would not work. Mr. Hornung questioned if Mr. McNaughton could suggest another number. Mr. Fran McNaughton stated that 300 units would be the right number. Mr. Seeds questioned what the total number of units to be developed would be. Mr. McNaughton noted that he would be bonded; therefore, he did not want his project to be held up due to the Township's ability or inability to get the required permits.

Mr. Seeds noted that the responsibility for the permits is another issue, but he explained that the reason it was suggested to use a certain number of units for improvements is because, if

a plan has various phases, in the past, a developer held off on completing the phase that was necessary for the improvements. He noted that it is much better to base the improvements on the number of units, and not the phasing. Mr. Stine noted that if the improvements were based on Phase III, a developer could build Phases I, II, IV, V, and VI, and save Phase III for last.

Mr. McNaughton questioned how long it would take the Township to acquire the permits. Mr. Seeds asked how many total units would be built. Mr. McNaughton answered that there are 203 units. Mr. Wolfe noted that a number could be inserted into the agreement, and it would be conditioned upon the Township, or whoever, having obtained the necessary permits. He questioned if this statement was added to the agreement, what number of units Mr. McNaughton would suggest. Mr. McNaughton noted that it was stated in the agreement that it would be contingent upon the Township's receiving the permit, and if the permits were not received, they would bond the project.

Mr. Seeds noted that Mr. McNaughton wants the Township to acquire the permits. Mr. Fran McNaughton suggested that it would be better for him and better for the Township since the work crosses the Township property. Mr. Stine explained that Mr. Grubic made comments for the original agreement, and he suggested that the Township should not be the permittee. He noted that he had been involved with another Township, where they were the permittee, and every time the developer did something wrong, then the permit people were knocking on the Township's door, telling them that they had to fix the problem. Mr. McNaughton noted he does not need the permits to complete the first couple phases for his development. He noted, if he files for the permits, then he would join the entire complex together, and he would need the permits, so he can't proceed until the permits are satisfied. He noted that once the Township has the permits, he becomes the co-permittee. He noted that it is not that he is not looking to accept the responsibility for the work; he just does not want the delays.

Mr. Seeds questioned Mr. Stine if he had a comment. Mr. Stine explained that it was Mr. Grubic's comment. Mr. Seeds questioned if it was a legal issue. Mr. Wolfe noted that it is not a legal issue, rather a question of who the Board wants to be the permittee. He noted that the engineer is recommending that it not be the Township, and the developer is requesting the Township to do it. Mr. Seeds questioned if there are any costs involved. Mr. McNaughton stated that his company would be doing all the work. Mr. Stine questioned if the agreement references this. Mr. McNaughton noted that it is stated in the third paragraph, the next to last sentence. Mr. Crissman noted that since Mr. Grubic is not present, the Board can't ask him if this is acceptable.

Mr. Joel McNaughton noted that 102 units would be completed through Phase II, and the end of Phase III would have 126 completed units. Mr. Wolfe questioned if there was a certain time limit for the information necessary to apply for the permit. Mr. McNaughton answered that the studies must be completed. Mr. Wolfe questioned if the agreement is conditioning everything upon obtaining the permit using the Township as the permittee, noting that the Township can't apply for the permit until it receives the necessary design and submissions. He noted that Mr. McNaughton could purposely delay the submissions to delay the work. Mr. McNaughton noted that he would talk to his engineers and Mr. Grubic, and develop a timeline for the submission of the permits. Mr. Seeds noted that he needs a response from Mr. Grubic before he could make a recommendation. Mr. Crissman noted that the Township pays for Mr. Grubic's professional opinion and it would need to consult with him on this matter. Mr. McNaughton suggested that the Board permit him to meet with Mr. Wolfe, Mr. Stine, and Mr. Grubic to resolve the issues. Mr. Seeds noted that he would be okay with that. Mr. Wolfe requested Mr. McNaughton to provide the Township with a timeline for the permit work. Mr. Crissman suggested that Township staff should meet with Mr. Grubic to get advice on this issue. Mr. McNaughton questioned if there was a reason that he could not meet jointly with staff. Mr. Crissman noted that it is an in-house decision. Mr. Seeds noted that Mr. Grubic could talk with Mr. Wolfe and Mr. Stine, prior to meeting with Mr. McNaughton. Mr. Crissman noted that that is what he would prefer to be done.

Mr. Seeds noted that the Board needs to decide on the number of units that need to be completed prior to the start of the improvements. Mr. McNaughton noted that he stated that he would start the project at the end of Phase III, with the projection of 123 units. Mr. Seeds questioned what the total number of units is for the entire plan. Mr. Joel McNaughton noted that he is building 203 units in the RC section. Mr. Hornung noted that Mr. McNaughton needs to sell so many units to make a profit to pay for the improvements. He noted that he would rather tie the agreement to a number of units than the completion of a phase. It was agreed that 126 units would be acceptable to those present.

Ms. Moran noted that there needs to be further discussion for the recreation uses. Mr. McNaughton questioned if the fee-in-lieu is at the discretion of the developer or the Township. Mr. Stine explained that the Township can obligate the developer to donate land, and if the two parties agree, it can be a fee-in-lieu of dedication of land, or a combination of it, or a combination of recreation improvements. He noted that the Township could only obligate a

builder for fee-in-lieu to donate land. Mr. McNaughton noted that he tried that, but the land wasn't acceptable, therefore, he proposed to pay the fee-in-lieu.

Mr. Seeds questioned what the Parks and Recreation Board wanted. Mr. Joel McNaughton noted that the May 9, 2008 letter from Mr. Luetchford, requested a fee-in-lieu with some credit associated with recreational improvements. Mr. Seeds noted that the Parks and Recreation Board asked for a walking trail. Mr. McNaughton noted that they asked for a walking trail and a bike path, but he would prefer to pay the entire fee. Mr. Seeds noted that the Parks and Recreation Board would like the walking trails that would tie into the Greenway Plan. Mr. McNaughton noted that he is concerned with building an eight-foot wide walking trail, as he proposed a four-foot walking trail, and he thinks that it is adequate as it was shown on the plan. Mr. Stine suggested that a six-foot walking trail would be better. Mr. McNaughton noted that it would be more treacherous for people to walk on because of the bicycles and inline skates. Mr. Crissman noted that the Parks and Recreation Board has expertise on this and they would not recommend it if it was not safe. Mr. McNaughton did not agree, and he noted that he is proposing a four-foot path. Mr. Seeds noted that since this trail ties in with the Greenway Plan, he would like to see Mr. McNaughton work this out with the Parks and Recreation Board. Mr. McNaughton noted that four-foot is the width of a sidewalk. Mr. Stine noted that two people can't walk side-by-side on a four-foot sidewalk. Mr. McNaughton suggested that five feet would be acceptable. Mr. Wolfe noted that it has to be a minimum of six feet wide. Mr. McNaughton noted that he would agree with six feet. Mr. Seeds noted if the Parks and Recreation Board is okay with it, he would be fine. Mr. Crissman noted that they want an eight-foot wide pathway. Mr. Hornung suggested that they should be asked if they would accept a six-foot pathway. Mr. Wolfe noted that the Board has accepted the fee-in-lieu, and will check with the Parks and Recreation Board to determine if it is in agreement with a six-foot walking path.

Discussion with Yingst and Stoltzfus regarding pedestrian mobility in the Shadebrook TND

Mr. Wolfe noted that this item was removed from the agenda at the request of the applicant.

"Otta Know" Video Presentation: Workforce Housing

Due to the late hour, it was decided to table the 30 minute presentation to another meeting.

Continued discussion on the Capital Tax Collection Bureau

Mr. Blain explained that Berkheimer has provided a 1% rate to the Central Dauphin School District for the work. Mr. Seeds noted that he is more convinced that the Township should leave the Capital Tax Collection Bureau (CTCB), and hire Berkheimer as its Tax Collector.

Adjournment

There being no further business, Mr. Crissman made a motion to adjourn the meeting. Mr. Blain seconded the motion, and the meeting adjourned at 9:02 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

Gary A. Crissman
Township Secretary