

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Board Meeting held December 1, 2015

The business meeting of the Board of Supervisors of Lower Paxton Township was called to order at 7:30 p.m. by Chairman William B. Hawk, on the above date, in the Lower Paxton Township Municipal Center, 425 Prince Street, Harrisburg, Pennsylvania.

Supervisors present in addition to Mr. Hawk were: William C. Seeds, Sr., William L. Hornung, Gary A. Crissman, and Robin L. Lindsey.

Also in attendance was George Wolfe, Township Manager; Steve Stine, Township Solicitor; Jay Wenger, Susquehanna Financial Group; Tom Smida, Metter Evans and Woodside, Mike Bova, Boenning and Scattergood; and Watson Fisher, SWAN.

Pledge of Allegiance

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

Approval of Minutes

Mr. Hawk noted that there were no minutes to approve this evening.

Public Comment

Ms. Mary Ann Haschert, 5908 Pine Hollow Court noted that her home is one of the homes that have been damaged by the vibrations caused by the projects at Locust Lane and Porsche Drive, Lower Paxton Public Works Facility property. She noted that she would like to comment on the Public Works Building expansion and the consideration given to our neighborhood. She noted when these projects came to our notice about two months ago when her neighbors woke up to trees being unearthed in front of the boundary lines in their backyards, she could not understand how our entire neighborhood could not have known about such a project right there in our backyards. She noted that eventually she found the minutes of the Township meeting and read hundreds of pages with great interest. She commends the Supervisors for the

amount of time and effort that they obviously put into the many issues that the Township faces. She noted that the amount of time that you serve in these rolls and the issues you face are quite complicated. She noted that she learned a lot of that through reading the documents.

Ms. Haschert noted through all her reading she tried to better understand the project at hand. She noted that she particularly drew interest from the April 2014 Board of Supervisors workshop meeting involving the review of the Public Works Expansion Feasibility Study. She noted that she later obtained that study from Mr. Wolfe and if anyone wants to look at it they are welcome to. She noted that the minutes describe what was in the documents noting that it is described as a conceptual analysis and included eight options for the Supervisor's consideration. She noted in order to refresh the Board member's memories, as it was over a year and a half ago, Options 5 through 8 were eliminated before costing them out as they were deemed to be too expensive as they involved expansion to the south or the west. She noted that Options 1 through 4 were presented with cost estimates ranging from \$3.9 million to \$5 million. She noted that Option 1 was for 80,000 additional square feet of garage space to the south of the existing building. She noted that Options 2, 3, and 4 were for approximately 16,000 square feet of garage space using a connected expansion or separate building primarily to the north of the existing building, other options also included additional square footage for offices and personal facilities. She noted that the study identified boundary restraints including the residential neighborhood to the west. She noted that we at least knew that you knew that we were there. She noted the advantages and disadvantages for all four options were described including whether ballfields would be impacted, sprinklers were needed, buildings would be separated or connected, was there a need for an elevator or not, and how much dirt would need to be moved. She noted that there was discussion about the importance of the vehicle wash, the need to provide for the future, and the need to hire more people.

Ms. Haschert noted that Mr. Seeds expressed concern about losing a ballfield; Ms. Lindsey emphasized the need to protect the assets in the garage; Mr. Hornung stated he wanted to know what the actual needs were and build accordingly. She noted that Mr. Robbins expressed the preference to have the extension space connected to an existing building. She noted that no one commented about the residential neighborhood to the west.

Ms. Haschert noted in the following months, through the summer of 2014, at various Board meetings there were multiple discussions regarding the five-year strategic plan which would go through 2019 based on rankings which were either the Supervisors rankings or they were included, perhaps there was other personnel, she was not sure. She noted that the top ten list included the public works building improvements as well as hiring three additional staff in the Public Works Department. She noted this repeatedly confused her because the Township's response a few weeks ago was that the expansion was for current operations only.

Ms. Haschert noted at a September 2014 Board of Supervisors Workshop meeting there was a presentation by the athletic associations as they heard that Hurley Fields might be eliminated due to the Public Works expansion. She noted that they knew they had to meet with the Supervisors to express their concerns. She noted that Mr. Hawk noted that if the Board goes ahead with the Public Works expansion, it would be ridiculous if we don't sit down and make sure we are all in agreement with the who, what's and how. She noted that Ms. Lindsey noted if they moved the front field from the facility they would still have Mateer Fields. She noted that Mr. Crissman stated that all needs have to be taken into consideration and planned for and that there is another piece that we can't discuss at this time. She noted that would also have to come into play as well. She noted that no one suggested contacting the bordering neighbors. She noted very interestingly at that same meeting, there was a request from Devonshire Memorial United Brethren in Christ Church to amend the zoning ordinance regarding impervious coverage in an

R-1 district. She noted that she barely knows what that means to be honest, however the engineer from the church noted that the Institutional uses require a 30-foot wide vegetative buffer that goes around the perimeter of the non-residential use property that abuts any residential use. She noted that Mr. Crissman stated that his concern is with residents who live close to Devon Drive. She stated that he noted that there are three homes behind the church property and questioned about the drainage. She noted that Ms. Lindsey questioned if anyone has spoken to the residents in the surrounding area. She noted that the applicant said that the neighbors sort of know what is going on and Mr. Crissman answered that sort of doesn't count. She noted that Mr. Crissman stated that once the project is complete we don't want the neighbors coming in to complain why the Board allowed the project as they now have water in their basements. She noted that Ms. Lindsey suggested you need to contact the neighbors behind the property and to the side as it looks like it would be a pretty big building. She noted that it was mentioned that the applicant would have to demonstrate that the property owners in the area don't have any objection. She noted that Mr. Hawk stated that the people who live in the three homes on Devon Road are worthy of consideration and Mr. Crissman again noted that he wanted the neighbors to be contacted.

Ms. Haschert noted that she learned from reading the many months of minutes and she wished that she could have gone back further that the Board does Road Tours. She noted that she only moved into the Township a year ago, but she had never heard of such a thing. She noted if she understands correctly, all of the Supervisors travel together in a van to look at locations of concern. She noted that several projects discussed in the minutes were either scheduled for road tour or had already been an agenda item on a previous Road Tour. She noted that our neighborhood has requested several times for the Supervisors to come and see what has

happened to our homes and our backyards; she noted that no one suggested that this could be an agenda item for a Road Tour.

Ms. Haschert noted that there were additional mentions of the project in subsequent meetings going into early 2015 mostly in the form of strategic planning or budget or approval of engineering or design contracts, and a memorandum of understanding drawn up with all the athletic associations which goes into great detail ensuring that the needs of these associations will be met. She note that the one conversation was interesting as Mr. Seeds noted that there is a problem with balls that go over the fence and strike the existing Public Works Building. She noted that no one commented about the balls that goes over the fence to the Hare's or Field's yards and no one suggested a memorandum of understanding with these neighbors.

Ms. Haschert noted that recently the Township replied to some of the residents written submitted questions. She noted in one response the Township stated that it is not practically possible to expand the public works building to the south. She noted that it is due to the slope and fill issues of the property south of the existing building. She noted in at least two responses the Township stated that the Public Works building expansion is to accommodate existing operations and the Township is not increasing the size of its fleet or it number of employees. She noted that there were numerous mentions in the various meeting minutes about hiring three additional people in the Public Works Department including the 2015 budget and the five-year strategic plan. She noted that Option 1 in the feasibility study, which was the least expensive option, provided an 80,000 square foot garage expansion to the south of the existing building. She noted that this option was eliminated even though it would accommodate existing operations and it was the least expensive. She noted that no one contacted the neighbors for their input on the eight options.

Ms. Haschert requested that the project be put on Road Tour where the Supervisors walk the property line from our view. She requested that the Supervisors look at our damages and ask that you sit and discuss and give consideration to all options for the building expansion. She requested that the garage expansion is built to the south as shown in Option 1 in the original plan. She noted that Ms. Lindsey noted regarding the church project near Devon Road, the neighbors need to be contacted because it looks like a pretty big building.

Ms. Virginia Alexandre, 5906 Pine Hollow Court noted that she wants to address the proposed Public Works building expansion. She questioned why the option to expand the facility to the south, where you own many more acres that are zoned Institutional, was not given more consideration. She noted that it was her understanding that it was not considered because it would cost more to expand to the south and thus you went with the less expensive option to expand to the north onto land zoned residential. She noted that it will now be sitting right off their backyards. She noted if her calculations are correct this building will be over 41,000 square feet and the noise from that facility as it sits now is beyond what you would call a nuisance level. She noted that the option you have chosen has now shifted a financial burden to the residents of the Pine Hollow development and other surrounding neighbors. She noted that she ran some very conservative numbers based on the realtors opinion that you are in receipt of and their small development of 15 homes will lose over \$400,000 in property value as a result of the earthworks project and it will be more if you tack on the damages to our homes that is being done with the vibratory compacting rollers running at times only 40 to 50 feet from our house. She noted that she is also one of the neighbors who has damage. She noted that the residents are bearing the financial burden as we have to pay lawyers' fees, again residents bearing the financial burden. She noted that you can't put a dollar figure on the loss of our quality of life that was invaluable. She noted that we are told when we go to sell our homes we have to disclose the noise from the

Public Works facility, and the fact that there has been seismic activity in the neighborhood, again putting a financial burden on the residents. She noted that any way you look at this it could never be viewed as fair and reasonable to put that kind of financial hardship on the residents, remember the citizens are at the top of the Township flow chart. She noted that these citizens of Pine Hollow that you are crushing financially have paid over \$1.8 million in property taxes, we were and we are worthy of consideration.

Ms. Alexandra noted now, to add insult to injury you are going to increase taxes on all the residents of the Township further shifting the financial burden to us. She noted that we are also concerned with preserving the residential character of the neighborhood as the project is destroying the character. She noted that quite simply it is our opinion that if you didn't have the finances to do the project right you shouldn't have done it all or at least waited until you had the finances to do it, without putting such a high financial burden on the residents. She noted that you have put the residents of Pine Hollow in the worst possible situation and we ask that you reconsider expanding the Public Works building towards the neighbors and go backwards onto the land that is zoned for this type of facility. She noted that it might cost more but it would go a long way in lessening the financial hardship on us and demonstrate some good will on your part to show us that we matter. She noted in closing, we ask once again, to please visit our backyards, not the earthwork project, we want you to see it from our perspective, please put us on the Road Tour.

Mr. Herb Stoner, 1516 Pine Hollow Road noted that it has come to his attention that in the initial subdivision plan the portion of land that was considered for the site of the DJ's office was land that sits behind the water tower and is currently zoned Institutional. He noted somewhere along the line, in the planning process, it was decided by the Township to move it although the Dauphin County IDA was fine with that plot of ground. He noted that it was

decided to move it up to Locust Lane on a portion of land that is currently zoned residential. He noted that his concern is with the movement of that office to that residential land. He noted that we would like to submit, as a community and group, we would be willing and find it acceptable if the Township would decide to go back to the land that sits behind the water tower that is zoned IN to put the DJ's office. He noted our concern is that by putting it along Locust Lane it totally changes the character of the neighborhood, and will no longer be residential. He noted if you put it behind the water tower and put something like a playground or something else in that forward space, that area from Locust Lane would still appear to be very much residential which would be in keeping with the zoning that is currently in place. He noted that we want to go on record this evening with the Township that we would be totally amendable to a shift back to that original plot of land for the DJ's office.

Ms. Karen Hare, 5902 Pine Hollow Court questioned in regards to the vibrations, has the Township received the final vibration report from Vibrotech as a result of the testing done on November 5th. Mr. Wolfe answered that he has not but Andrew Kenworthy from HRG probably has but he has not received it. Ms. Hare noted that we would be interested in picking up a copy of it. She thanked the Township for honoring our request and installing a vibratory monitor on her property, noting that it was installed on November 19th and she appreciates the Township's honoring the request. She noted that she spoke to a person from Vibrotech and was told that the equipment will monitor the vibration as it occurs from 6 a.m. to 6 p.m. for 30 days and also that this one piece of equipment will cover all the resident's property that has damage to date. She noted the last time they had three different monitors but now they have only one. He noted that she was told that it would cover the entire area to do the monitoring. She noted that he also told her that in addition to the 30 days that it could be extended in case the work with the vibratory

rollers is not completed at that time and that the monitoring will continue until this work is finished. She questioned if that is true. Mr. Hornung answered yes.

Mr. Don Haschert, 5908 Pine Hollow Court, noted that he would like to take the opportunity to give the Supervisors a chance to speak about the issues that we brought forward today. He questioned if Mr. Crissman had any comments. Mr. Crissman answered that his position at this time is to be good listener, you have the opportunity to make comments to us, they are being recorded for us to review, if you have any specific questions we will be more than happy to respond in writing, but at this time he needs to be a good listener.

Mr. Haschert asked Mr. Seeds. Mr. Seeds noted that he agreed.

Mr. Haschert asked Mr. Hawk. Mr. Hawk noted that Mr. Crissman said it well, you have given us a lot of information and we need an opportunity to take a look at it.

Mr. Haschert questioned if there is any plan date for getting back to us with comments, schedule. Mr. Hawk questioned what plan you are referring to. Mr. Haschert questioned if there is any plan for the Supervisors to respond to the issues that we brought forward this evening. Mr. Hawk noted that Mr. Crissman stated it very well. Mr. Haschert noted a date, a time, some schedule next week, next month, next year, next election cycle. Mr. Crissman questioned what plan you are asking about. Mr. Haschert questioned some kind of response. Mr. Crissman noted that two weeks ago we did ask you if you had questions to put them in writing and we said we would respond to those in writing, we did so. He noted that is why we said tonight, if there were questions, we would record them, there were a couple questions; Ms. Hare raised a question and Mr. Wolfe was able to respond to it immediately but most of the things that he heard tonight were comments not questions, that is why he responded to you by saying I am here in a listening mode.

Mr. Haschert questioned what about the Road Tour.

Mr. Hawk noted that he wrote comments that you all made and he would not want to get into a verbal battle back and forth. Mr. Hornung noted that he would not be surprised if this would not be on the Road Tour but he does not know when it would be. He noted that we heard comments that you would like to see us explore other sites for the DJ Office expansion. He noted that we could talk about that but he is not sure what the outcome would be. He noted if you want to know the if and when, we can say in the next couple of weeks, it would be a fair assumption to say that we would go over what you have asked.

Mr. Seeds noted that your comments this evening in regards to the options that we had at one time and your suggestions as to what we should do is the consensus of the group. He questioned if you could put it in writing and then we could look at it and think about your suggestions and talk to engineers. He noted that he can't answer the questions this evening without looking at the experts to know what is doable. He suggested that you should put it in writing.

Mr. Dana Fields noted that she lives on Pine Hollow Road...Mr. Seeds noted that most of us have been over there as we normally do two Road Tours a year, one in the fall and the other in the spring. He noted that he has been over there personally and so has many of the other Board members. Ms. Fields noted that she has not seen anyone personally. Mr. Seeds noted that he did not knock on anyone's door. Ms. Fields noted that the residents are looking for a response. She noted from the beginning we are looking for conversation, looking for communication, we are not the enemy, we don't see you as the enemy, we see you as the Supervisors who help to make decisions for us and we want communication and conversation. She noted that we want to work together and we are pursuing you, we don't see the Township pursuing us to come up with some type of resolution. She noted that she wanted to clarify if you are hearing comments, we are saying we see in your minutes that you communicated for other projects, you talked to other

community members and got their input. She noted what we are looking for is that same consideration and we are wondering when that would be able to take place. She noted that it is the same question that we asked from the beginning. She questioned if that is something that would have to be written since it has already been asked. Mr. Hawk noted that all the years he has been on the Board we have always promoted that we have been a listening Board and we do listen. He noted that sometimes the decisions are not always the citizen's way but we do listen and we will get back to you. He noted that there is a lot of information and he has taken notes.

Mr. Seeds noted that heard suggestions on the County's parcel that they own, he questioned if there has been any proposals. He noted that we sold that property so... Mr. Stoner noted that conversation has been taken place with the County IDA and they informed us that they were perfectly happy to purchase the piece of land that sat behind the water tower and that it was the Township's decision to go with the piece of land on Locust Lane. He noted that we are aware that you sold it to them but what we are asking is for you to reconsider noting that they would be willing at least this is what they communicated with us to take the piece of land that they originally were looking at, the land behind the water tower, so we are simply asking you to reconsider that to look into making that the site of the DJ's office. He noted what we are saying is we will drop all of our objections to the DJ's office if you locate it on that piece of land because it will not be as conspicuous and will not have the same impact on the residential character of our neighborhood. He noted that he is submitting that request to the Township.

Ms. Lindsey questioned Mr. Wolfe and Mr. Stine, has the County contacted you on this because nothing has been relayed to the Board. Mr. Wolfe answered that the County has met with residents but he has not had an official contact from them in regard to any specific change.

Ms. Field noted that she was told that Mr. Diamond contacted Mr. Stine. Mr. Stine noted that he did contact me about the IDA meeting with the residents. Ms. Fields questioned if any

additional information was passed on to him. Mr. Stine answered that we did not discuss much but he did say he was trying to set up a meeting with Mr. Wolfe and himself... Ms. Fields noted that it should include the Board of Supervisors, she apologized to Ms. Lindsey that it was not relayed to her but yes there is a meeting that we are inquiring about to include the Board. Mr. Stine noted that it was not requested for the Board to be there, it was for only a couple of Township representatives, Mr. Diamond mention Mr. Wolfe and himself, but he did not say anything about the Board.

Ms. Fields noted that you may want to follow up with Mr. Diamond but we are inviting the Board of Supervisors and we would love to hear your input as well during this meeting.

Mr. Hawk noted that we need to move on at this time.

Manager's Report

Mr. Wolfe had nothing to report.

OLD BUSINESS

Continued discussion regarding funding for strategic capital projects as part of the 2016 Township budgets

Mr. Wolfe noted that the Board asked that he prepare a memorandum in regard to specific needs that the Township has faced and the Board discussed as we prepare the 2016 fiscal year budgets. He noted that he detailed five specific items with one having four subparts.

Mr. Wolfe noted that Board is aware that it needs to spend funds for sanitary sewer facilities and stormwater facilities. He noted that when the Board undertakes sanitary sewer improvements it does it through the Township Authority but stormwater improvements have been done through general fund borrowing under general obligation bonds. He noted over the last three years the Board has spent at least \$1 million a year in stormwater improvements. He noted that you have borrowed sufficient funds to continue stormwater improvements through 2016 and at that point in time the funds that you have on account will be exhausted. He noted

that it has been suggested that the Board borrow an additional \$4 million to continue stormwater improvement projects as required by the NPDES Permit for Lower Paxton Township as well as the Paxton Creek TMDL limits through to 2019. He noted that the amortization of the \$4 million borrowing would require approximately \$260,000 additional general fund spending annually.

Mr. Wolfe noted that the Board discussed increasing the allocation of the Township's Fire Equipment Capital Plan (FECP) by \$100,000 per year. He noted that currently you fund the plan at \$200,000 a year and you have a fund balance next year of \$1.6 million; however you are planning to purchase \$2.2 million of new equipment next year and go into deficit spending with the general fund providing the remainder of the necessary funds. He noted that increasing the allocation from \$200,000 to \$300,000 a year would greatly improve the FECP to meet the equipment needs of the fire fighters into the future.

Mr. Wolfe noted that the third project that the Board is considering is an additional allocation to SCEMS increasing its contribution from \$50,000 a year to \$100,000.

Mr. Wolfe noted that the Board has discussed increasing the amount of money spent for annual roadway paving; however you previously determined that additional funding that you will be receiving through 2018 in the State Liquid Fuels allocation can be applied to roadway paving. He noted that the State Aid Liquid Fuels allocation will go from \$1,050,000 in 2013 to \$1,600,000 in 2018, providing an additional \$550,000 that will more than double our annual allocation of funding to roadway paving over that five-year period. He noted as a result he did not propose additional general fund revenue to that item in future years.

Mr. Wolfe noted that you have one-time capital projects that you have discussed and since they are one-time projects they can be programed over a period of time. He noted that he prioritized the projects with the first being the update of the Township's Comprehensive Plan with a budget estimate of \$150,000. He noted that we have applied to Dauphin County for Local

Share grants for this project but receiving the funds is not a guarantee. He noted the second project is funds to improve the Township's Compost Facility with a request to the Dauphin County Local Share grant fund of \$200,000. He noted once again there is no guarantee that the funds will be allotted and it should be a potential draw upon the general fund if no grant funds are received. He noted that the third item is the development of Wolfersberger Park, a project that is several years out as the Township is filling the park with sanitary sewer and stormwater fill spoil materials that are coming from our many projects throughout the Township. He noted once the park has been properly filled it would then be time to start park development and it would occur after the Comprehensive Plan and improvement to the Compost facility are completed.

Mr. Wolfe noted that last item listed are transportation improvements noting that the Township participates with PennDOT in transportation improvements, having a contribution of anywhere from 5% to 20% for significant capital projects that occur along State roadways within the community being anywhere from something as complicated as the Village of Linglestown to a simple traffic signal. He noted that we have no specific projects in mind at this time, but several are under discussion such as the Colonial Road corridor effecting Valley Road up through Crums Mill Road and Devonshire Road. He noted that Devonshire Heights Road at Nyes Road is also under discussion. He noted that it is impossible to budget a number for this item.

Mr. Wolfe noted if you take the items that he has listed as budget allocation for the general fund you have a total allocation of \$750,000 that would require an additional .25 mills increase in taxes to fund. He noted that one mill of real estate tax generates \$3 million so a quarter of a mill would generate \$750,000. He noted that he has more information in regards to budget and taxation as it relates to other municipalities in Dauphin County. He noted this item is

open for discussion and it is an item we need to put to bed by next week as we need to adopt the budget at the December 15th meeting.

Mr. Crissman noted that we have a balanced budget at this time with no tax increase projected but when we look at the five issues before the Board it will require us to go the taxpayers and ask for additional funds. He noted, in his opinion, these are not items of want, but items of need. He noted that there is a difference between what you want and what you need and he believes that they are genuine needs. He noted that we have storm water issues in the Township that need to be addressed, and as we continue to put it off, it will cost more money in the future. He noted that we have an obligation to the fire companies to make certain that they have adequate equipment so the community is protected. He noted that we have a continued obligation to SCEMS as we need the emergency service for our community. He noted that it is a need, not a want. He noted that we have roads in the community that need to be repaired and the Compost Facility needs to be done. He noted that some people may argue that we don't need to update the Comprehensive Plan; however, we need to submit it to Dauphin County by March of 2016. He noted that it is a need that must be completed. He noted that it is incumbent on the Board in order to maintain this community at the standard that the citizens enjoy as residents; he is forcing himself to say that we need to go for the .25 mill increase for the \$750,000.

Mr. Crissman explained for a home that is assessed at \$200,000, what would the increase be from this year to next year. Mr. Wolfe answered that the current real estate tax at 1.7 mills for a property assessed at \$200,000 requires 1.337 mills for the general fund generating \$267.40; .322 mills for fire protection generating \$64.40 and the library tax at .041 mills generating \$8.20 for a total of \$340.00. He noted if you would increase the rate of taxation .25 mills to 1.925 mills it would provide for 1.554 mills for the general fund generating \$310.80; .355 mills for fire

protection generating \$67.00 and the library tax would remain at .041 mills generating \$8.20 in revenues for a total of \$386.00 providing an increase of \$46.00.

Mr. Crissman noted that he wanted the residents to have an idea of how it would impact the resident.

Mr. Crissman noted with the mileage increase how does the Township compare to the other municipalities in the area. Mr. Wolfe noted that he distributed a chart from the Dauphin County Tax Assessment website listing the real estate tax rate of all 40 municipalities in Dauphin County. He noted if you drop out the two that don't have real estate tax and the four that have taxes of more than ten mills, the average is 2.5 mills. He noted that Lower Paxton Township is currently at 1.7 mills and proposing to go to 1.95 mills.

Mr. Hornung noted that it is important that the \$46 is a yearly figure boiling down to \$4 a month. He noted when people complain to him about their taxes and he asks them what percentage of the taxes actually go to the Township. He noted that some come up with as high as 80% or 90% but it is only 6%. He noted that the other 94% goes to the School District and Dauphin County. He noted that it is a struggle to raise taxes. He noted that we have been borrowing money to fix the stormsewer and due to many of the recent rain events it has exasperated it. He explained that we can't keep borrowing money without doing something to pay it back. He noted that the \$260,000 to amortize the debt is something he can agree to as it is a 50 year asset to pay it back over time. He noted, in some cases, people's basements are getting flooded or roads have become impassable. He noted that we have to fix them fairly soon.

Mr. Hornung noted for the three fire companies, if you go to their banquets you find people who do 300 fire calls a year. He noted that one call takes at least a couple hours and they are volunteers. He noted that they used to have to raise funds to buy their own equipment noting that it took about a quarter million dollars to buy a piece of fire apparatus and now it is up over a

million. He noted to ask the volunteers to fundraise to buy the equipment is unreasonable. He explained that we are fortunate to have volunteers, if not this figure that we would pump into the fire budget response would be four times what we are paying now. He noted that it is difficult to say no to the fire companies when they are asking for more equipment to respond to fires when they are the ones that are doing it for free. He noted that SCEMS, the demographics for the Township's citizens is that we are not getting any younger and are generating more calls noting that their payments are going down in response to those calls as Medicaid is cutting back, so it seems the burden is coming back on us.

Mr. Crissman noted in talking about our fire equipment, it is not like they are not buying additional equipment, this is replacement equipment that is needed to replace the current equipment that they are using beyond its life expectancy. He noted that our people work very hard to keep the equipment in good running order to run efficiently beyond the normal life expectancy and he applauds those efforts by the volunteers.

Mr. Hornung noted that we will sell the equipment and those funds will be applied against the new equipment. He noted if you don't replace the equipment, then we have to rehab it so he noted that it isn't good to ask volunteers to use equipment that may not be up to standards.

Ms. Lindsey noted that the fire calls that Mr. Hornung mentioned does not include all the training that they must do and with SCEMS the public needs to know that last month they had 500 calls and have now put a fifth rig in the Township. She noted that is why she feels that we need to increase our contribution.

Mr. Hawk noted that this is not the first time we have looked at the mileage for all 40 Townships in Dauphin County. He noted that there are only three municipalities that currently have a lower tax rate than we do; Middle Paxton Township, Rush Township, and West Hanover Township. He noted that we are not out of line and still extremely low. He noted that no one

wants to discuss a tax increase but we have all seen what is happening to the price of services as it is going up and he does not like to pay the taxes any more than anyone else but in order to maintain the quality of life that Mr. Crissman refers to, it is important to be able to provide the services that we do.

Mr. Crissman noted within Dauphin County the low is .22 mills and the high of 17.5 mills. Mr. Wolfe noted that is correct but there are two municipalities that do not have real estate taxes, Middle Paxton Township and Conewago Township. Mr. Crissman noted that it goes from zero to a high of 17.5 mills and we are at 1.7 mills. He noted that many are in the 4 mill range and up. He noted that it is another view for where we are within other municipalities but it is more important to look at what services we provide, how we provide them, and the quality of what we provide to our community.

Mr. Seeds noted that the comments are correct and none of us want to raise taxes and in particular those of us who are senior citizens who rely on Social Security as we all know that there will not be an increase next year as it makes it doubly hard. He noted that the problem is we have many mandates and most people are going through a sewer replacement project that is costing us million and millions which we had to raise the rates as we are mandated to fix it. He noted that now we are going through the same thing with our storm sewers and the Chesapeake Bay problems. He noted that we are mandated to repair things so that is where many of the costs come from. He noted that we have to borrow to fix the storm sewers and have to figure how to pay for it. He noted that we are against a rock and a hard place but he would like to see this Board, next year, look at a different way; noting that Hampton Township recently enacted a charge for stormwater runoff which in some cases is much fairer than raising taxes. He noted that we are not sure of the extent of all the stormsewer issues that we have and are beginning to fix them. He noted that we need the funds to do this and we have to borrow to do it and we have to

figure out how to pay for it. He noted that we don't have a choice at this point and he is in agreement with everything that was stated this evening.

Mr. Crissman noted if there is unanimity for this then we need to direct our Township Manger to put this in the budget for us to take it under consideration. Mr. Seeds noted that we had an article in the newsletter about this but there may be someone in the audience that wants to speak to this. He noted that there are still opportunities to speak on the budget but this would direct the Township Manager to include it in the budget presentation. Ms. Lindsey noted that would be December 15th.

Mr. Hornung noted that he is struggling with item five. Ms. Lindsey questioned which part. Mr. Hornung answered all of it. He noted for the first two bullet points there is no defined amount as we are waiting for grants, but it is not set in stone that we will be awarded those grants. He noted that he struggles if we should do it. He questioned if we should put something there in case they don't approve the grants. He noted if the grant application is approved, we will have to do the work noting that it will be in the neighborhood of \$200,000 and we can't turn that back. He noted that the development of the Wolfersberger Tract, there is no estimate at this time for what we would do with the money, so he struggles with putting money there and the same for the funds needs for transportation improvements, they are yet to be determined. He noted that he struggles with raising taxes in those areas at this time.

Ms. Lindsey noted for the Comprehensive Plan. She questioned Mr. Wolfe if it should be done every ten years and we are now at 13 years. Mr. Wolfe noted that the Municipal Planning Code recommends that you visit your Comprehensive Plan every ten years. Ms. Lindsey noted that we are at year 13. Mr. Wolfe noted that it has been 13 years and by the time we are finished, it would be at least 15 years. Mr. Hornung noted that several of those years have been during a rate of low expansion, but it is not quite as bad as it sound. He noted that the Comprehensive

Plan is a rather arduous task. Ms. Lindsey noted that they said ten and we are year 13 so that is why she was questioning it. Mr. Hornung noted that there hasn't been much development but if it would start to change we need to be better prepared for it.

Mr. Crissman noted that Mr. Wolfe needs to prepare the final budget and he questioned if we should include those items with a value of \$340,000. He suggested that we can put it in but we still have a week to think about it and if we so desire we can withdraw it. Mr. Seeds noted that \$750,000 is the increase so we would have to go to a little over a tenth of a mill. Mr. Hornung noted we wouldn't start the process until the latter half of the year and if we get a grant noting that we may only get one grant, he would be willing to put \$100,000 in that column to provide for a tax increase of .16 mills.

Mr. Seeds noted that he would like to stay at the 1.95 mills in 2016 and take a good look at the stormwater issues in a different manner as he did not think we will get into those projects in 2016. He suggested that we could look at more places to cut to get that money. He noted that everyone has a tough time raising taxes and he would want to stay at the .25 mill increase.

Mr. Hawk noted that it still puts us at the low end of the mainstream from all the other Townships in Dauphin County.

Mr. Hornung questioned Mr. Seeds if he is in favor of increasing the taxes .25 mills. Mr. Seeds answered that is correct. Mr. Crissman noted that it would include all five items. Ms. Lindsey noted that she is in agreement with the .25 mills. Mr. Crissman noted that we would give Mr. Wolfe direction to raise the tax millage rate to 1.95 mills. Mr. Hornung noted that he understood what Mr. Seeds was saying and he understand that you want to make the new millage rate 1.95 mills.

Ms. Lindsey noted that we won't know what we could get with the grant applications. Mr. Crissman noted that we must give Mr. Wolfe direction in the preparation of the budget. Ms.

Lindsey noted that these are not wants, they are needs, noting things that need to be taken care of and haven't been, especially the fire fund as it needs more money that hasn't been added in a long time.

Mr. Crissman questioned if we have consensus to stay with .25 mill as the rate of increase. Mr. Hornung noted that he would prefer to have it at .16 but he is only one vote. He noted that it sounds like it will be .25 mills as that is what the other Board members want. Mr. Wolfe noted that he will prepare the budget that way, but we still have two weeks.

NEW BUSINESS

Ordinance 15-04; authorizing the issuance of General Obligation Bonds not to exceed \$35 million

Mr. Wolfe noted that he had Mike Bova from Boenning and Scattergood on a conference call and Tom Smida from Mette, Evans and Woodside, and Jay Wenger from Susquehanna Financial Group are present to speak to a general obligation debt issuance that would be done as Ordinance 15-04.

Mr. Jay Wenger noted that last week he presented information for the Authority Board and would not want to repeat all that information; however he could take any questions that the Board may have. He noted that Mr. Smida has prepared a parameters ordinance, which sets forth a maximum borrowing amount and other parameters that when we go to the market we will have to be in compliance with in order to receive approval from the Department of Community and Economic Development (DCED). He noted that this ordinance would be for a maximum of \$35 million, but the reasonable expectation would be that you would borrow \$25 million for Authority projects and \$4 million for stormwater projects for a total of \$29 million. He noted in order to comply with state law the authorization is for \$35 million, noting that the project would be less. He noted that over the next few weeks he will go back to the rating agency to have the Township's credit rating reevaluated based on the new debt. He suggested that he should have

that by the end of the month and the plan is to be in the market in early January so the Board would have the funds no later than February for the sanitary sewer projects coinciding with the depletion of current funds on hand. He noted that it replenished the funds for those projects for 2016 and beyond. He noted that Mr. Smida will provide a summary for the ordinance.

Mr. Crissman questioned if it will be level debt. Mr. Wenger answered that it will be. Mr. Crissman noted that level debt has the least impact on taxpayers. He questioned if there is anything that Mr. Wenger, Mr. Smida, or Mr. Bova perceive as any change in the rating. Mr. Wenger answered no, we do not. Mr. Crissman noted that it is crucial to maintain the rating, of course it would be great if it would go up. Mr. Wenger noted that we had this conversation at prior meetings, but down the road, it may be an issue but for now the current rating should be safe. He noted that this project plan was laid out with the rating agency in the last two financings. He noted that it will not be a surprise to them as we have pre-announced the long-term plan, they have seen it. He noted that he does not think it will be an issue this time; however, eventually the scope of the sewer replacement will be a lot of Township debt, even though it payed for utility user fees. He noted because the Township is the guarantee, there will be a tipping point and we will have to evaluate when we think that will be and how to address it. Mr. Crissman noted that is extremely important and he does not want to wait until that point and suddenly, oh, he wants Mr. Wenger to be pro-active in serving as both he and Mr. Smida live in the Township and pay taxes. He noted as you see that approaching, Mr. Wenger needs to have the Board take action for offensive measures.

Mr. Tom Smida noted that the purpose of Ordinance 15-04 is to incur debt in the aggregate principal amount of \$35 million. He noted since the Authority meeting, it has been determined that it will be in the range of \$4 million for Township stormwater projects and \$25 million for sanitary sewer projects. He noted that Mr. Wenger stated that the general financing

will be in the range of \$29 million even though the parameters authorizes \$35 million for state law purposes and for purposes to provide Mr. Wenger and Mr. Bova to structure the debt ultimately in the best circumstances for the Township over the term of the bonds which is 20 years.

Mr. Smida noted that the ordinance parameters target the higher number which the Township will receive approval from DCED. He noted once the financing is consummated and closed to the extent that we do not use the \$35 million we will file a certificate of non-completion with the DCED and it will bring down the final outstanding debt that the Township has incurred to accommodate the loan number. He noted that the ordinance sets forth the summary description of the projects for the Paxton and Beaver Creek basins and the stormwater sewer projects for remediation and new construction. He noted that it set forth all the requirements for the Local Unit Debt Act, pledging the general obligation to the payment of the debt and it authorizes entering into a subsidy agreement with the Authority which will pledge revenues from the operation of the sewer facility back to the Township for repayment. He noted that the Authority will take that action during its December 15th meeting.

Mr. Smida noted that the ordinance also provides all the requirements under the Federal Tax Laws concerning arbitrage, utilization of the funds, promising that the Township will commit to the expenditure of these funds over three years. He noted if there would be any arbitrage, it would be impossible in the current market, they can repay it to the federal government and also provides the requirements under the securities exchange Act of 1933. He noted that it recommits the continuing disclosure obligation which you are required to report to the service known as EMMA, certain financial and other occurrences to the Township over the course of the outstanding term of the bonds which the Township is now in compliance with. He noted that it provides the substantial form of the bond and gives the authorization to the

Township Manager and a member of the Board of Supervisors to approve the form of the final bond purchase agreement with Boenning and Scattergood for the purchase of the bonds.

Mr. Smida noted that is a thumbnail sketch and he would be happy to answer any questions the Board may have. He noted that there will be a post-adoption advertisement that will be run in The Patriot News based upon the assumption that you favorably consider this ordinance this evening.

Mr. Seeds noted that we have to do it as we can't continue with the projects unless we do.

Mr. Mike Bova noted that he has been working closely with the Susquehanna Group over the last couple of months watching the financial market information regarding the timing for the bond issue in as much as the funds won't be used until February or early March, he has determined that the best time to take the bonds would be in January. He noted historically, January has been a very strong month for new issuance, typically at the end of the year you see many going in to get deals before the end of the year, this year it will most probably happen since interest rates are still relatively low and there is a great expectation that the Feds will raise the interest rate by 25 basis points on the 17th of December. He noted that has caused a tremendous amount of volume to come in, noting that there were seven deals brought to the marketplace today and we are seeing a lot of issuance. He noted that the initial bond volumes fell for the third straight month in November and refunding's declined by more than one third for the same months last year. He noted that the long-term municipal bond issuance declined \$26.1 billion for the same period. He anticipates that this trend will continue and will provide for a favorable market, even though there is some volatility in the other market with a taxable 25 basis point increase, thinking that will be built into the market and hopes that the rates will spike with taxable rates, as everyone thinks the rates will be raised in December. He noted that one of the

things that is happening is that we are not issuing enough bonds to keep up with the number of bonds that have been called. He noted the supply and demand with supply decreasing and the demand staying the same, there is a demand for the bonds and the rates are staying low or even lower than what is anticipated. He noted that he was involved with a group of underwriters that had about \$300 million for the Pennsylvania Turnpike today and we did a call with the turnpike yesterday and gave them a scale with five underwriters in that deal and every one of the underwriters thought that the scale was very aggressive, and the deal was very successful, and ended up with interests rates anywhere between 8 and 12 basis points which was a phenomenal performance for an issuance that has billions and billions of dollars outstanding.

Mr. Bova noted that the Township has a solid credit rating and anytime you have a AA credit rating without bond insurance they are all favorably received. He noted that the State has not passed a budget this year and it has impacted school districts who rely heavily on subsidies from the State. He noted that he is seeing that the school district issues are shrinking anywhere between three and ten basis points cheaper meaning higher yields than what we would expect for Lower Paxton Township's trade. He noted that is also in our favor, and lastly we have done several of these for the Township and have a good marketing place of clients that we show to credit their bonds before and we will be going for those clients first to show the bonds to them. He stated that any time after the tenth of January will be an excellent opportunity to get in the market early to try to establish rates, and with the AA level that we will have, we should be able to bring very favorable market rates on this issue.

Mr. Wenger noted that this does not obligate anyone to do anything, but it allows everyone to move forward with the credit work and get the DCED filings done so we can be in the market in January. He noted if we get to a point between now and the second week of January, and the market has changed substantially we will be back here having another

discussion to determine if you want to move forward. Mr. Crissman noted that way he will know that there is good monitoring on all parts. He noted that the Board is not obligated to move forward based on its action at this meeting.

Mr. Crissman noted that this past Saturday was shop at local businesses and he likes using hometown people so he thanked Mr. Wenger and Mr. Smida. Mr. Crissman made a motion to approve Ordinance 15-04; authorizing the issuance of General Obligation Bonds not to exceed \$35 million. Mr. Hornung seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Change Order No. 1 to the contract with M. F. Ronca and Sons, Inc., for the Trunk G Replacement and Springford Village WWTP project

Mr. Wolfe noted that this change order with M. F. Ronca and Sons, Inc. is the final closeout change order based upon quantities used within the project. He noted as a result of less quantities used, this change order is a decrease of \$26,823.08.

Mr. Crissman made a motion to approve Change Order No. 1 to the contract with M. F. Ronca and Sons, Inc. for Truck G replacement and Springford Village WWTP Project with a reduction in the amount of \$26,823.08. Ms. Lindsey seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Change Order No. 4 to the contract with Pennsy Supply, Inc. for the 2015 paving project

Mr. Wolfe noted that this is a closeout change order based upon quantity of material used by Pennsy Supply. He noted that because we used more blacktop material than what was expected, it is an increase in the amount of \$17,906.06 taking the total contract price to \$923,013.91.

Mr. Crissman made a motion to approve Change Order No. 4 to the contract with Pennsy Supply, Inc. for the 2015 paving contract with an increase of \$17,906.06. Mr. Seeds seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Resolution 15-26; approving collection procedures and adopting attorney fees in regard to the collection of delinquent sanitary sewer accounts

Mr. Wolfe noted that the Board discussed this at its Authority meeting and also during a Board of Supervisors workshop meeting. He noted that it is a schedule of attorney's fees to be added to the amount collected as part of the municipal plan for delinquent sanitary sewer.

Mr. Crissman questioned if anything has changed since the last review. Mr. Stine answered no.

Mr. Crissman made a motion to approve Resolution 15-26; approving collection procedures and adopting attorney fees in regard to the collection of delinquent sanitary sewer accounts. Ms. Lindsey seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Improvement Guarantees

Mr. Hawk noted that there was four Improvement Guarantees and one Stormwater Guarantee.

Shadebrook, Phase I

A reduction in a letter of credit with Farmers and Merchants Trust Company, in the amount of \$1,986,464.19 with an expiration date of June 16, 2016.

Meadowview Village – Office Building

A release of a bond with Lexon Insurance Company, in the amount of \$78,767.26 (Plan withdrawn, new plan submitted as Meadowview Village Lot 1B.)

Meadowview Village Lot 1B

A new escrow with Orrstown Bank in the amount of \$77,298.65 with an expiration date of December 1, 2016.

John and Sandra Byerly – 1600 Parkway West

An extension in an escrow with Lower Paxton Township, in the amount of \$7,678.90 with an expiration date of December 1, 2016.

Stormsewer Guarantees

1078 Twin Lakes Drive – Jeremy Shyk

A reduction in an escrow with Lower Paxton Township, in the amount of \$1,000.00 with an expiration date of November 2, 2016.

Ms. Lindsey questioned on the Meadowview Village release, does it have anything to do with the roads over at that location. Mr. Wolfe answered no, noting that it is for Lot 1B which was originally the medical building lot, noting that it will be released and then a new one will be established with slightly different improvements under a different developer.

Mr. Crissman made a motion to approve the four improvement guarantees and one stormsewer guarantee. Ms. Lindsey seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Payment of Bills

Mr. Seeds made a motion to pay the bills of Lower Paxton Township, Lower Paxton Township Authority, and Payroll checks. Mr. Crissman seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Adjournment

There being no further business, Mr. Hornung made a motion to adjourn the meeting, and the meeting adjourned at 9 p. m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

William L. Hornung
Township Secretary