

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Board Meeting held June 16, 2015

The business meeting of the Board of Supervisors of Lower Paxton Township was called to order at 7:35 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; and Watson Fisher, SWAN.

Presentation to the Board

Mr. Hawk noted that Jessica Bosley is present to make a presentation to the Township.

Ms. Jessica Bosley explained that she is the Outreach Coordinator for Commuter Services, a non-profit organization that aims to alleviate traffic congestion and assist commuters with their everyday commute by helping to connect them with other people that they can carpool with to and from work. She noted that they have a free rideshare program where Commuter Services can let people know who lives near them that would be traveling in the same direction to work at the same time. She noted that her organization will supply the information to interested parties for them to make contact with others if they choose to do so. She noted that they also have a free emergency ride home program for any commuters who are using the rideshare program. She noted as long as a person is using the program twice a week and if they carpoled with someone and did not have their car, if they became sick or something like that, Commuter Services will reimburse them for taxi fare and also cover picking up and taking a

child to a doctor's if that is the particular incident. She noted that they will reimburse a member up to six times a year up to \$100 per trip. She noted that the service is free.

Ms. Bosley explained that Lower Paxton Township has agreed to become a community partner to share information to its residents and she is present to present the certificate to the Board members.

Ms. Lindsey questioned if people sign up through the organization. Ms. Bosley answered that anyone interested in commuter information can log in at their website. She distributed brochures for the Board to review. She noted that a client would log in their information and have access to their online account. She noted that a client can change their information at any time and the matches will be generated automatically. She noted that the client would only be matched up with those who are already registered in the program. She explained that there are over 27,000 people registered at this time.

Mr. Hawk joined Ms. Bosley at the podium and thanked her for attending the meeting. At this time pictures were taken.

At this time Mr. Hawk recessed the meeting at 7:40 p.m. in order for Mr. Seeds to conduct the Authority meeting.

Mr. Hawk reconvened the meeting at 8:08 p.m.

Pledge of Allegiance

Mr. Hawk noted that the Pledge of Allegiance was recited during the Authority meeting.

Approval of Minutes

Mr. Crissman made a motion to approve the minutes from the workshop meeting held on May 12, 2015. Mr. Seeds seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Public Comment

No public comment was provided.

Board Members Comments

Mr. Hawk introduced Christopher Borgemenke Sr., Boy Scout Leader from Troop 68 from Linglestown Life United Methodist Church who was in attendance with the following Boy Scouts: Christopher L. Borgemenke Jr., Mike Barr and Gabe Bloom. He noted that they are working on their Citizenship in the Community Communications Badge.

Manager's Report

Mr. Wolfe noted that the 2015 TGIF Summer Concert Series will commence on Friday, June 26th at 7 p.m. at George Park. He noted that the Lower Paxton Variety Bank will be performing on June 26th. He explained on July 10th it will be The Little Brother Band/Mr. Music; July 24th Steve Rudolph; and on August 7th new Direction. He noted that the concerts are sponsored by Enders Insurance, Sprint and Hoffman Ford.

Mr. Wolfe noted that the Fourth of July celebration in Linglestown will be held in Koons Park on Sunday, July 5th with fireworks commencing at around 9:15 p.m. He noted that the community is invited to the event sponsored by the Linglestown Fire Company and the Lower Paxton Township Parks and Recreation Department.

OLD BUSINESS

Agreement with GHD for architectural services to design an addition to the Public Works facility

Mr. Wolfe noted that this agreement was discussed during the workshop meeting last week, and it is in the amount of \$168,000 to design a building at an estimated cost of \$4 million. He noted that the agreement will provide for the architectural engineering and design of the

Public Works building to include the preparation of bid specifications, advertisement and the award of the bid. He noted that it will not include building inspection as that will be determined by discussions with GHD at a later point in time.

Mr. Seeds questioned what percentage of the project is for engineering. Mr. Wolfe answered that it is approximately 4.5%. Mr. Hornung questioned if that was typical for this type of work. Mr. Wolfe answered that it is a little lower than average.

Ms. Lindsey made a motion to approve the agreement with GHD for architectural services in the amount of \$168,000 to design an addition to the Public Works facility. Mr. Seeds seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

NEW BUSINESS

Resolution 15-13; authorizing destruction of identified municipal records

Mr. Hawk noted that this resolution will authorize the destruction of identified municipal records as per the State Historical and Museum Commission guidelines.

Mr. Crissman made a motion to approve Resolution 15-13 which authorizes the destruction of identified municipal records in a timely fashion. Mr. Seeds seconded the motion.

Mr. John Trish, 600 Prince Street questioned if this included the minutes from the Township meetings. He noted that he went on the web site trying to get minutes from 2007 because during the last workshop session the Board discussed a developer's agreement and Mr. Wolfe was referencing minutes from a certain meeting. He noted that the Township was to pay for the Highway Occupancy Permit and he could not find those records noting that the website only has the minutes from 2008. Mr. Wolfe explained that we only have electronic versions of the minutes back to 2008; however, minutes are never destroyed and hard copies of minutes are

available at the Municipal Center during normal business hours. Mr. Trish noted that during the last meeting, Mr. Wolfe took a lot of time to look for information in the minutes.

Mr. Hawk called for a voice vote and a unanimous vote followed.

Seven Lease Supplement with Verizon Wireless for installation of
Facilities on traffic signal standards in accordance with the Master Lease Agreement

Mr. Wolfe noted that the master lease agreement was approved a year ago through a competitive bid process, with Verizon being the highest responsible bidder providing for the location of small cellular antenna facilities that will be mounted to traffic signal light standards and traffic lights standard boxes that are in signalized intersections. He noted that the lease payment to the Township for the seven locations is \$3,600 per year for a 25-year lease period with a \$1,000 additional sign on bonus to the Township should it act before the end of this month.

Mr. Wolfe noted that the Board has already authorized the master lease agreement and these supplemental lease agreements are set forth in the master agreement policy. He noted that they are to be brought to the Board every time Verizon looks to put a facility at a new location on Township-owned infrastructure.

Ms. Lindsey questioned where the Apple cell tower is located. Mr. Wolfe answered that it is located on Route 22 at Applebee's. Ms. Lindsey questioned where the Bed tower is. Mr. Wolfe answered that it is located near the Bed, Bath and Beyond store. Ms. Lindsey questioned where the Miller tower is located. Mr. Wolfe answered that it is located at Route 22 and Miller Road. She questioned if the Ford tower was located at Hoffman Ford. Mr. Wolfe answered that it was located at Route 22 and Carolyn Street. Mr. Seeds questioned where the seventh tower is located. Mr. Wolfe answered that it is located at Route 22 at Colonial Road. He noted that Verizon added a seventh location after the initial correspondence was received.

Mr. Crissman made a motion to approve the Seven Lease Supplements with Verizon Wireless for installation of Facilities on traffic signal standards in accordance with the Master Lease Agreement. Mr. Hornung seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Action on bids for the 2015 roadway paving program

Mr. Wolfe noted that Andrew Kenworthy from HRG has provided documentation indicating that upon the advertisement and the opening of bids, the lowest responsible bidder for the 2015 roadway paving program was Pennsy Supply. He noted that they were also the only bidder; providing a bid of \$843,896.35 for the base bid, including Alternates #1 and #2. He noted that the Township Engineer and staff recommends the Board act to award the bid to Pennsy Supply. He noted that the bid fell within the Engineer's estimate by a factor of 3% and although it is the only responsible bid received, the Township has never received more than three bids at one time for roadway paving.

Ms. Lindsey questioned if there is a certain area where the paving will take place. Mr. Wolfe answered that he can provide the list of the streets to be paved to the Board members.

Mr. Hornung questioned what is so specialized about this technology. Mr. Wolfe answered that the cold in-place asphalt recycling process utilizes very large pieces of equipment that only certain subcontractors in our area possess. He noted that HRG is aware of two subcontractors that Pennsy Supply partners with to do this job. He noted that other asphalt plants would have access to these two sub-contractors, but basically you are only talking about two that can do a good portion of the work and only one chose to bid.

Mr. Hornung questioned what is cold in-place. Mr. Wolfe answered that you grind up the existing street and put it back down with additional new material. He noted when you grind it up, you add rejuvenators to it, more emulsion, and then you put it back in place.

Mr. Hornung questioned if it is cheaper than doing it the old fashion way. Mr. Wolfe answered yes, as you have the ability to preserve your curb reveal as you are not going up as high as you would be, using the existing material. He noted that there is less trucking involved because you are doing less trucking of asphalt material and less energy involved because asphalt is heated to a very high temperature and trucked to the site. He noted that cold in-place asphalt recycling is an economical way to reconstruct a street that is in bad shape.

Ms. Lindsey questioned if the Township has ever done this before. Mr. Wolfe answered yes. Ms. Lindsey questioned if this was done on Londonderry Road. Mr. Wolfe answered no, that was an emulsion coating but it was started back when Dan Flint was the Township staff engineer in the 1990's. He noted that we used the cold in-place process on Pine Street in the Blue's. He noted that we have used this for many years.

Mr. Hawk noted that most people do the hot mix and it is more expensive, and the warm mix is coming into use. Mr. Wolfe noted that the contractor will grind up the roadway and put it back into place and a wearing surface of one inch and a half will be applied on top. Mr. Seeds noted that the wearing course is a new material.

Mr. Hornung questioned if this was in the budget for 2015. Mr. Wolfe answered yes.

Mr. Seeds questioned what Alternate #1 and #2 are. Mr. Wolfe answered that he knows what they are but he can't detail them without having the list in front of him, but he would be happy to provide the complete list to the Board. Mr. Seeds questioned what Alternate #3 was... Mr. Wolfe noted that it was outside of the budget and we could not afford to do it.

Mr. Crissman made a motion to approve the contract for the 2015 roadway paving program to Pennsy Supply Inc., for the unit price of \$843,896.35 which is inclusive of the base bid, Alternate#1 and Alternate #2 and subject to receiving the necessary documentation. Mr. Seeds seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

Approval of the Inter-Municipal Agreement for the Swatara Township Treatment Facility

Mr. Hawk noted that the Township has to approve the Inter-Municipal Agreement for the Swatara Township Treatment Facility. Mr. Wolfe noted that this is the same agreement that the Authority approved at the previous business meeting this evening.

Mr. Hornung made a motion to approve the Inter-Municipal Agreement for the Swatara Township Treatment Facility. Mr. Crissman seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

2014 4th Quarter Key Indicator Report

Mr. Wolfe explained that he was delayed in making this report as the Audit Committee met this evening with the Auditors to review the 2014 Audit Reports. He noted that he is now in a position to summarize what occurred financially for 2014. He noted that he is providing 16 slides for the audit but the Board members have a copy of the complete Key Indicator Report. He noted that Mr. Crissman, as Chairman of the Audit Committee will provide a few additional comments for the Township's 2014 Audit, noting that it was received without any findings or issues. He noted that this occurred during the time period that the Township converted to a new financial management package. He noted that we have a clean audit report for both the Township and the Authority for 2014.

Mr. Crissman noted this was a difficult year with the transition for the Township as we integrated a new financial computer system; therefore it was incumbent upon the software

company to ensure that the old records were readily available to the auditors as staff worked with the software company to ensure that the old records were available as well as the new program. He noted between the three agencies; financial Township staff, auditors, and software company it worked very well with little to no glitches. He noted that it made the auditor's job much easier and he was very happy with the report indicating that there were no violations found with the Audit Reports. He thanked all three entities for their hard work in making the audit a success.

Mr. Wolfe noted that Lower Paxton Township in 2014 had a spending plan of \$52 million: General Fund-\$19,662,475; Liquid Fuels Fund - \$1,007,280; General Improvement Fund - \$1,732,000 (expenditures); Fire Equipment Capital Fund - \$204,000 (revenues); LOSAP - \$77,520 (revenues) & \$30,000 (expenditures); Friendship Operating Fund -\$2,250,904 (revenues) & \$2,265,454 (expenditures); LPTA Operating Fund - \$13,800,000 (revenues) & \$12,403,888 (expenditures); and LPTA Capital Fund - \$14,746,500 (expenditures).

Mr. Wolfe noted in the beginning of 2014 the General Fund balance was \$7,187,495; General Improvement Fund had \$2,741,785; Fire Equipment Capital Fund had \$979,360; LOSAP fund had \$379,973; Friendship Center Capital Fund had \$60,660; Operating Fund had (\$36,553); LPTA Fund had \$22,977,547; and Pension fund had \$31,943,851.

Mr. Wolfe noted that the Historical Trends for the period prior to 2008 had growth in revenues and expenditures as the Township addressed increasing demands for municipal services. He noted from 2008 to 2011, the "great recession" caused reductions in municipal services in response to diminished revenues. He noted in 2012 & 2013 there was a moderate rebound in revenues, but not to pre-recession levels.

Mr. Wolfe noted that the chart shows the trend with revenues and expenditures increasing rapidly until 2008 and then there was a bumpy period of time where revenues and expenditures

are up and down showing a big gap where expenditures exceeded revenues for several years. He noted that we are now looking at the opposite for the last two or three years with 2014 ending in a slight deficit position.

Mr. Wolfe noted that the Board has addressed the need for infrastructure improvements and in 2012, the Township issued \$2,000,000 in new debt for municipal capital projects and received a Pennsylvania Infrastructure Bank (PIB) loan in the amount of \$750,000 for road maintenance and improvement projects. He noted in 2013, the Township issued \$4,000,000 in new debt for capital projects and in 2014, the Township issued \$7,000,000 in new debt for capital projects. He noted that the vast majority of the new debt has been for storm sewer improvements and also for the Public Works building addition.

Mr. Wolfe noted that the Township Capital Projects for General Improvement Fund expenditures over the past 6 years include: 2014-\$1,901,190; 2013-\$1,619,479; 2012-\$2,078,509; 2011-\$1,071,041; 2010-\$1,070,034; and 2009 -\$1,273,680, totaling \$9,013,933.

Mr. Wolfe noted that the General Fund Balance in the beginning of 2014 for the General Fund balance was \$7,187,495. He explained that Board policy requires that 25% of the \$19,662,475 budgeted for expenditures would be \$4,915,619. He noted at the end of 2014, the fund balance was \$6,787,393, noting that the policy has been exceeded by almost \$2 million.

Mr. Wolfe noted that the 2014 General Fund revenues were \$18,741,723 and expenditures were \$19,114,825, producing a net loss of \$400,102. He noted that overall the General Fund revenues were 2.2% (\$411,283) lower in 2014 as compare to 2013. He noted that General Fund expenses were 6.6% higher in 2014, compared to 2013, but at year-end were at 97.2% of budget. He noted in 2013 the surplus was \$1,189,239. 2014 ending with a deficit of \$400,102.

Mr. Wolfe noted that the 2014 State Aid began with a balance of \$235,438; spending \$1,201,227, with Revenues of \$1,126,820 ending with a balance on 12/31/14 of \$161,130. He noted that all of the State Aid funds are used to maintain municipal road facilities.

Mr. Wolfe noted the 2015 Fire Equipment Capital Fund began with a beginning balance of \$979,360 and at the end of the year, with revenues of \$204,537, and no expenditures, the year-end balance was \$1,183,933. He noted that these funds are set aside to replace nine primary pieces of fire equipment over time that are operated by the Township's three fire companies.

Mr. Wolfe noted that that The Length of Service Awards Program (LOSAP) provides a defined benefit stipend to volunteer firefighters and fire police officers who meet certain criteria. He noted that those fire fighters who have reached the age of 65 as dedicated volunteers are eligible to receive these funds. As of 12/31/14, 11 members were receiving a monthly benefit, with a maximum amount of \$250 a month. He noted that the beginning balance on 1/1/14 was with \$379,973 with Revenues of \$99,396 and expenditures of \$31,910 providing a balance on 12/31/14 of \$447,458

Mr. Wolfe noted that 2014 General Improvement Fund provided for onetime capital projects with expenditures for capital projects of \$1,901,190, noting that the vast majority was for storm water improvements. He noted that the beginning balance on January 1st was \$2,741,785, with Revenues of \$7,458,412 from bond funds; having expenditures of \$1,901,190. He noted that the account at the end of the year for future infrastructure projects was \$8,299,007.

Mr. Wolfe noted in 2014 Friendship Center (FC) revenues were \$1,785,523 and expenditures were \$2,049,303, producing a net loss of \$263,780. He noted that revenues were 6% lower as compared to 2013. He noted that the Board was aware that this would happen and it implemented free programs with memberships in mid-year. He noted that it will take a couple of

years to fully get in the cycle as our members realize that with their membership they get value by having free programs at the FC. He noted that the FC expenses were 1.5% higher as compared to 2013. He noted that the Operating Fund is expected to generate \$170,000 to fund the Capital Reserve Fund, and in 2014, the Township supplied \$292,454 to the Center composed of the \$100,000 annual contribution, \$25,000 to offset Senior Center expenses, and \$167,454 to smooth debt. He noted that memberships at the FC is stronger than it has been noting that the top line of the graph shows total memberships at the FC. He noted that total memberships are over 3,000, the highest it has been in the past five years.

Mr. Wolfe noted for the Lower Paxton Township Authority, the operating revenues were \$14,114,525 with expenditures of \$15,518,691. He noted that capital expenditures were \$20,318,778. He noted that the Authority experienced a net loss of (\$21,722,944); however in 2014, the LPTA borrowed \$25 million for continuation of the multi-year I&I. He noted that these expenditures are required as part of the Township's Consent Decree with the Pennsylvania Department of Environmental Protection. He noted that the Township is mandated by legal documents to update the sanitary sewer facilities to prevent them from overflowing. He noted that two weeks ago when this community received over two inches of rain in a four-hour period, a rainfall that would have caused 150 to 200 manholes to overflow ten years ago, we had no overflows.

Improvement and Stormwater Guarantees

Mr. Hawk noted that there were two Improvement Guarantees, one Stormwater Guarantees, and one developers' agreement with Shadebrook Development.

Stray Winds Farm, Phases I, IA, and IC

A reduction in a letter of credit with M & T Bank, in the amount of \$981,544.55 with an expiration date of March 17, 2016.

Shadebrook, Phase I

A new letter of credit with Farmers and Merchants Trust Company, in the amount of \$3,018,721.86, with an expiration date of June 16, 2016.

Stormwater Guarantee

5545 Old Locust Lane – Yingst Homes, Inc.

A release of an escrow with Lower Paxton Township, in the amount of \$4,500.00.

Mr. Crissman made a motion to approve the two Improvement Guarantees, and the one Stormwater Guarantee. Mr. Hornung seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Developer's Agreement

Cider Press Associates for Shadebrook Development

Mr. Wolfe noted that this is a Developer's Agreement for the facilities to be installed in the Shadebrook Subdivision Land Development Plan as set forth in the approval of this plan in 2008. He noted that the Developer's Agreements are very long and complex. Mr. Hawk questioned if several parcels need to be acquired. Mr. Wolfe answered that this does not identify any acquisition of land. He noted that this agreement does state that Lower Paxton Township would be responsible for acquiring any right-of-way that would be necessary for the traffic signal at Fairmont Drive and Locust lane.

Mr. Wolfe noted that you reviewed this agreement during the last workshop session and had significant discussion about it. He noted that the remaining issue at that time was if there was

prior Township action in regard to agreeing to acquire the right-of-way for the traffic signal. He noted that there was discussion in the minutes of the October 2008 meeting and there were notes that were generated that indicated that the Developer stated that the Township would acquire the right-of-way. He noted that he did not find any affirmative action of that by the Board of Supervisors. He noted that it does not mean that there could have been a consensus at that time to acquire the right-of-way but there was no official municipal action taken of any kind.

Mr. Hawk noted that we are approving the acquisition of the right-of-way by the Township. Mr. Wolfe explained that the right-of-way to be acquired is a small amount of land to provide for the traffic signal equipment, such as the mast arms, poles and control cabinet. He noted that it would be necessary to accommodate the traffic signal installation. He noted that we are not talking about acquiring people's property, just small slivers of land along municipal and state routes.

Mr. Seeds noted that this is a win-win situation for the people of Lower Paxton Township as we have needed a traffic signal at that location for a long time. He noted for the Township to assume the cost of small bits of land is a win-win situation for us.

Ms. Lindsey noted in compared to what the developer will pay, the Township's portion is nothing. She thanked Mr. Yingst for coming forward to put the traffic light in.

Mr. John Trish, 600 Prince Street questioned Ms. Lindsey how much is nothing compared to what the developer is going to make. He noted that the developer stated that the Board already stated that it would do this and Mr. Wolfe researched the record and could not find that the Board approved it. He questioned how much it will cost the Township as it is on a rebound. Mr. Wolfe suggested that the right-of-way along municipal or state routes for such facilities at all four corners of the intersection would cost less than \$10,000. Ms. Lindsey

suggested that the light would cost about \$200,000. Mr. Seeds suggested that it would be more than that. Mr. Trish questioned if the developer is paying for the light. Ms. Lindsey answered yes. Mr. Trish noted that the developer will get his money back as he is a developer. He noted that he does not want the Township paying for something that we don't have to pay for. He noted that he would not quiver over \$10,000 for a \$200,000 intersection. Mr. Hornung suggested that it would cost more like \$1 million. Mr. Trish noted that he is looking out for the Township's money and like he said earlier, it is an election year.

Mr. Crissman made a motion to approve the Developer's Agreement for Shadebrook as presented. Ms. Lindsey seconded the motion. Mr. Hawk called for a voice vote and a unanimous vote followed.

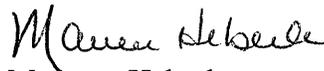
Payment of Bills

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. Seeds made a motion to adjourn the meeting, and the meeting adjourned at 8:50 p. m.

Respectfully submitted,



Maureen Heberle
Recording Secretary

Approved by,

William L. Hornung
Township Secretary