

MINUTES

AUGUST 5, 2015 WORKSHOP MEETING

LOWER SWATARA TOWNSHIP BOARD OF COMMISSIONERS

The August 5, 2015 Workshop Meeting of the Lower Swatara Township Board of Commissioners was called to order at 7:00 P.M. by President Thomas L. Mehaffie III. President Mehaffie called for the pledge of allegiance followed by a moment of silence.

Roll call was taken with the following officials in attendance:

- Thomas L. Mehaffie III, President
- Jon G. Wilt, Vice President
- Laddie J. Springer, Secretary
- Michael J. Davies, Assistant Secretary
- Samuel D. Monticello, Township Manager
- Peter R. Henninger, Solicitor
- Erin G. Letavic, HRG, Engineer
- Robert S. Greene, Planning and Zoning Coordinator
- Richard D. Brandt, Police Chief
- Daniel L. Wagner, Public Works Superintendent
- Jean R. Arroyo, Recording Secretary

Absent:

- Dominic D. DiFrancesco II, Commissioner

Residents and visitors in attendance:

PLEASE SEE ATTACHED SIGN-IN SHEET

Solicitor Henninger noted that for the record, Vice President Wilt is participating by telephone this evening. He was phoned just prior to the opening of the meeting and confirmed the required password with Solicitor Henninger, as pursuant to Township resolution.

President Mehaffie stated that prior to public comment, Ray Brown of Waggoner, Frutiger, and Daub will present the 2014 General Fund Audit.

PRESENTATION OF THE 2014 GENERAL FUND AUDIT:

Ray Brown, partner at Waggoner, Frutiger and Daub, stated that he had gone through the entire audit report in depth with Mr. Monticello and the accounting staff. He has pulled out some pertinent information from the report to review with the Board this evening. He first pointed out that the audit report is what is referred to as an unqualified opinion, which is a clean opinion. If there were any problems, they would have to qualify it. Also, there is a section called the MD & A, which is Management Discussion and Analyses. This was put together by the Township staff. Mr. Brown also suggested the Board take a look at the notes to the financial statements, which provide additional detailed information.

Mr. Brown referenced a comparison of budgets for the last five years. For 2014, total revenues were at \$5,651,954. The budgeted amount was \$5,315,076. Expenditures totaled \$4,732,495 and the budgeted amount was \$4,990,683. Revenues over expenditures were at \$919,459. Other sources and uses, which included transfers to other funds, was at \$102,132. The net change in the General Fund was a positive change of \$817,327. This was the best year out of the last five. The Fund Balance at the end was \$2,311,675. The Fund Balance as a percentage of the annual expenditures exclusive of grant expenditures was 49%. The estimated number of months' expenditures in the fund balance is six months. The Fund Balance as percent of annual revenue exclusive of grant revenues was 41%. Mr. Brown noted that the GFOA recommends, at a minimum, that general purpose governments maintain unreserved fund balance in their general fund of no less than five to fifteen percent of regular general fund operating revenues, or no less than one to two months of regular general fund operating expenditures. Again, the Township is at 41% and six months, which is very healthy. He pointed out that included in that fund balance of \$2,311,675 is \$678,650 which was to be transferred over to Capital Reserves but was not actually moved over until 2015. If that is deducted, the Township is still at 29% and four months. A pie chart illustrates Governmental Fund Balances. The largest category was Unassigned (31%) which can be used for anything. A breakdown of general fund expenditures shows the majority is for Public Safety (which includes fire and police), followed by Public Works, General Government, and Other Expenditures.

Mr. Brown explained the current year changes. GASB 67 (Financial Reporting to Pension Plans) revises the existing guidance for the financial reports of most governmental

pension plans. The main impact is the presentation of the required supplemental information schedules for the plans. The Actuarial Valuation as of January 1, 2013 received from Conrad Siegel was rolled forward and additional information was provided to confirm with the requirements of GASB 67.

Future changes include OMB A-133 Requirements. Beginning with the year ended December 31, 2015, the threshold for a Single Audit will be raised from \$500,000 in cumulative federal expenditures for the year to \$750,000 cumulative federal expenditures. Also, GASB 68 (Accounting and Financial Reporting for Pensions) will revise and establish new financial reporting requirements for most governments that provide their employees with pension benefits. This is effective for periods beginning after June 15, 2014 (FY 2015). Employers will be required to recognize a liability as employees earn their pension benefits (that is, as they provide services to the government). For the first time, employers participating in agent plans will recognize their specific pension amounts which include net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The Township will receive an Actuarial Valuation as of January 1, 2015 from Conrad Siegel that will address the changes required by GASB 68. Once the information is received by the auditor, it will be reviewed along with implementation guidance from the GASB to determine if additional information is required.

Mr. Brown referenced the management letter, which points out a few things that can be improved to the internal controls. He noted that he had reviewed this with Mr. Monticello and the accounting staff. Now that there are two individuals in the accounting department, these suggestions should be able to be implemented and better controls possible. For example, the person that is responsible for paying the bills should not be doing the bank reconciliations. Also, some approvals should be documented. In response to a question from President Mehaffie, Mr. Brown explained that there are still a few payroll items that should be documented and signed off on.

Commissioner Davies stated that the Township has made progress on increasing the funding ratios for both pension funds over the last four years. He asked if this is something likely to continue, providing things remain essentially the same and the market does not dramatically change. He also asked if there is any advantage to the Township taking any type of extraordinary measures to increase funding. Mr. Brown explained that this is a question better suited for an actuary. However, he pointed out that the underfunded liability for the police

pension fund is at \$778,000. If projections are off by one percent, it could make a huge difference if performance is not as expected. The bottom line is that it never hurts to get as fully funded as possible. Mr. Brown noted, however, that the Township is way ahead of the curve compared to other municipalities, state pension funds, and school pension funds. While Lower Swatara Township is in very good shape, improvements are always possible.

The Board thanked Mr. Brown for his informative presentation this evening. Mr. Brown added that the staff, as usual, was wonderful to work with and very cooperative during the audit process.

President Mehaffie opened the floor for public comments.

PUBLIC COMMENTS:

Ron Fisher, 220 Dauphin Street, explained that he is the one property in the Township that borders the new student housing development and the cemetery field. Penn State came in and put a fence along the whole area but ended it at his property. His concern is that he will have students coming through his property, as his driveway is a straight shot to the soccer field. He stated that the student housing developer should have the fence circle around to enclose the entire development. Mr. Fisher added that he is aware that the housing development is in the Borough of Middletown, but as a Lower Swatara resident he will be calling the Township police when he has problems. Mr. Greene explained that this is the old section of Dauphin Street which was abandoned; Mr. Fisher is using it as a driveway. His property would be at the far east end of where the fence is now terminated along Dauphin Street. Mr. Greene reported that the fence was not a part of the original plan for that development, but was only added due to the soccer fields. Mr. Fisher also expressed concern that there is not an opening in the fence. President Mehaffie explained that the intent is probably to force the students to use the lighted pedestrian walkway on the other side. He suggested the Township wait and observe the traffic movement of the students. If things get bad, the staff can certainly talk to Lift Development, the owner of Nittany Place, to see what its thoughts are and what can be done to remedy any problems.

DEPARTMENT REPORTS:

Fire Department – Chief DeHart – reported that the calls for the month of July totaled 53, with a total of 365 so far in 2015. Eleven member recently completed the Water Rescue Awareness Level course, nine members completed the Water Rescue and Emergency Response course, and nine members completed the Boating Safety Education Certificate course. Future training includes an Emergency Boat Operations and Rescue, and an NFPA class. Upcoming fundraisers include a Turkey Dinner on August 16. Chief DeHart noted that the Fire Department will be asking the Township for sponsorship of a Casino Grant to pay down debt on the new Ferrara fire engine. The amount being requested is \$200,000. This letter of sponsorship will appear on the August 19 legislative agenda for formal action. Chief DeHart also reviewed with the Board the chart of incidents by district.

Police Department – Chief Brandt –referenced the monthly report and reviewed call and crime statistics for the month of July. There were 618 total calls for service, which is consistent with the number of calls this summer. There was 1 DUI arrest, 50 traffic citations, 7 non-traffic citations, and 33 warnings. President Mehaffie referenced other local communities that sponsor a “National Night Out”, and stated that he has been asked why Lower Swatara does not hold this event. Chief Brandt explained that the Township actually participates in the Borough of Middletown’s event. He added that the National Night Out was originally established to help take back bad neighborhoods from the criminals. Lower Swatara Township does not fit into this category. However, over the years the event has become more of a street fair. He stated that it takes a lot of preparation, and is costly due to overtime. President Mehaffie observed that the nice thing is that it gets the officers out with the public. He suggested the Township consider doing this in the future, perhaps at the Lions Club.

Planning and Zoning/Codes Department – referenced the inspection reports, permit reports, and complaint reports. He reported that Sheetz had its grand opening last week. Mr. Greene reported on the Final Land Development Plan for Penn State University, Student Enrichment Center, PSU Campus, File #2014-03. The Township is in receipt of the Letters of Credit for sanitary sewer and site improvements, the Security Agreements and the O&M Agreement. The Security Agreement and Land Development Plan can now be signed for recording. Mr. Greene explained that since it has been more than 90 days from the original approval of the plan, the Board is required to reapprove the plan in order for it to be recorded. President Mehaffie asked if everything is settled

with the Municipal Authority. Mr. Greene stated that it is, as far as he knows. President Mehaffie recommended approval be contingent upon the fact that all Municipal Authority issues have been resolved. A motion was made by Vice President Wilt, seconded by Commissioner Springer, to reapprove the Final Land Development Plan for Penn State University, Student Enrichment Center, PSU Campus, contingent that everything is in place with the Municipal Authority. The motion was unanimously approved. Mr. Greene noted that there was no Planning Commission meeting in July. A Land Development Plan for UPS, File No. 2015-01 located at the SARRA property has been submitted and will be considered at the August 27 Planning Commission meeting. There was no Zoning Hearing held in July. Mr. Greene reported that in regards to the PSU Soccer Field, he had spoken to Bonnie Kiner, resident spokesperson, concerning the fence screening. Ms. Kiner had reported that all residents along Dauphin Street are in favor of removing the screening slats from the new fence. A zoning permit was issued for the soccer field and the installation of a new chain link fence along Dauphin Street, which includes modifications to the Spring Street Properties LLC Stormwater Management Plan. The permit was issued in conjunction with Board action with conditions. President Mehaffie recommended that Mr. Greene obtain the signatures of the impacted residents to reaffirm that they are indeed in favor of removing the screening slats from the fence. Mr. Greene, Mr. Monticello, and Mr. Fure met with Mike Yingling (HIA), Dave Williams (UPS), and Jim Burgess (USA Modular) regarding the new UPS distribution facilities to be constructed on the SARRA property as part of their expansion plan. Submission of the Land Development Plan is currently in the process. A kick off meeting of the Comprehensive Plan update was held with the appointed Steering Committee Members on July 23. The agenda was as follows: 1) Welcome and Introductions 2) Overview of the Comprehensive Plan, Purpose and Outcome, Technical & Public Outreach Tasks, Role of the Steering Committee. 3) The Past 10 Years. 4) Issues and Opportunities from now to 2025. The next meeting is planned for late August or early September. A meeting is scheduled for Thursday, August 20 with Gil Hirschel, from DCCD working with the PA DCED to conduct a Community Assistance Visit (CAV) and discuss community participation in the National Flood Insurance Program. Mr. Greene, Mr. Knoche, Mr. Fure and Mr. Monticello will attend. Mr. Greene added that this is the same gentleman who will be providing a presentation on MS4 at the Board's October workshop meeting. The Township has received notice from the DCCD that the NPDES Permit for stormwater discharge associated with construction activities from the Fulling Mill Road Retirement Community has been issued. The permit became effective on

July 10, 2015 and will expire July 10, 2020. Solicitor Henninger added that he had spoken to Kent Patterson, solicitor for the Highspire Borough Authority, and was informed that developers have signed the revised agreement with Highspire and have posted their bonds. This is good news for that project. The Township has received notice from the DCCD regarding the 2016 Dauphin County Gypsy Moth Suppression Program that will be offered to county landowners. They are proceeding with the program under the assumption of a projected cost of \$56-\$60 per acre due to possible lack of federal funding. This amount would again be a 50-50 cost share between County and Township. The DCCD is asking the Township to review the information, make a determination for participation, and reply in writing by August 21, 2015. Mr. Greene stated that the Board can perhaps take action on this at the legislative meeting. The Board discussed possible areas of the Township which may benefit from this. Mr. Green added that the Township can offer to participate, but it is ultimately up to the landowners. Solicitor Henninger expressed concern that the Board will not know this in two weeks. Mr. Greene added that there are requirements for participation, including that the tract be 23 acres and qualifies with the type of forestry. Mr. Greene agreed to look further into this. President Mehaffie thanked the Code Department for taking care of the issue with overgrowth on lots owned by Fine Line Homes. He suggested they be asked to be good neighbors and attempt to keep the grass cut on a regular basis. He also referenced the MS4 speaker which will provide a presentation to the Board on October 4. He asked Ms. Letavic if the Township should invite the area municipalities to attend. She agreed that this would be beneficial to them, and will forward the list of email addresses to Mr. Monticello.

Public Works Department – Daniel Wagner – reported that plans are to pave Candlewycke Drive and Blacklatch Lane next year. Most of the work is done except for some pipe replacement. Once that is complete and the sewer job is done on Blacklatch Lane, both roads will be ready for paving. Mr. Wagner informed the Board that crack sealing is scheduled for the week of August 17, weather permitting. President Mehaffie observed that Derry Township sands over its crack sealing. This prevents it from sticking to the tires. Mr. Wagner explained that the crack seal material the Township has used over the past years does not track like the AC20. In fact, it can be driven over in seconds without being pulled up. Fall paving is tentatively scheduled to start September 14. The last of the new trucks purchased this year, a F550, will be delivered tomorrow. The old dump truck which mechanic Rodger Mason worked on, including completing redoing the bed and some other hydraulic work, will probably be out front at the next

meeting for the Board to look at. As requested by Chief DeHart, the Department did repairs and improvements to the access on the connector which is used by the Fire Department and emergency vehicles. The irrigation system at the soccer fields is running well. Commissioner Springer agreed that the fields look excellent. He has received many compliments on them. President Mehaffie asked Chief Brandt to have the soccer fields patrolled late in the evenings, as there are some concerns there. Mr. Wagner noted that while digging today on Richardson Road in front of the Hollywood Motel, another sinkhole was discovered. This will be worked on tomorrow. There is an electric line on Pennsylvania Avenue that will be removed. Along with that, there is a sewer line project scheduled for this street within the next two to three weeks. The same company that is doing the sewer line work will also be doing the water line replacement on Pennsylvania Avenue. It is hoped that everything will be completed by mid-September. Mr. Wagner reported that there are some serious stormwater issues with piping on Nissley Drive near the Star Barn. Staff is getting a plan together to correct this. Mr. Wagner requested Board approval to spend some liquid fuels money for core sampling of Blacklatch Lane, Candlewycke Drive, and Riverview Drive. This would help prepare for the 2016 paving by giving an idea of what kind of mix needs to be used to make these roads strong and stable. The cost will be in the \$12,000 range. The Board had no issue with this. Line painting will be done this year as soon as paving is complete. Mr. Wagner noted that at some point, he would like to meet with the Board to address some liquid fuels questions. Specifically, the questions regard roll over from year to year and what is left in the liquid fuels budget. He explained that he was caught off guard when he discovered that last year's balance was put into the Highway fund. Fall paving could be a bit tight because he was depending on the roll over balance being there. He estimated the shortage could be \$10,000 - \$12,000. President Mehaffie asked Mr. Wagner to bring the project numbers in; the Board will go from there. Mr. Wagner concluded his report by noting that the dumpster was open on August 1, and will be open again on September 12 from 8:00 A.M. to noon for all residents.

MANAGER'S REPORT:

Mr. Monticello updated the Board on the 2015 Local Share Gaming Grant Application for the Richardson Road Bridge Replacement. He met with staff of the Dauphin County Gaming Advisory Board as part of the pre-application process. Plans are to submit the application on

August 24 to meet the September 1 deadline. In conjunction with this, two documents need Board approval tonight.

A motion was made by Commissioner Davis, seconded by Commissioner Springer, to approve Resolution No. 2015-R-3. This resolution authorizes the filing of an application for a Local Share Municipal Grant request of \$200,000 to be used for the Richardson Road Bridge Replacement. The motion was unanimously approved.

A motion was made by Commissioner Davies, seconded by Commissioner Springer, to approve a Certification of Non-Contingency. In response to a question from President Mehaffie, Solicitor Henninger explained that this basically states that Mr. Monticello, who is signing the application, is swearing under oath that the Township has not hired a lobbying group on a contingency basis to lobby for the grant or compensation for the grant. The motion was unanimously approved.

Mr. Monticello requested an executive session immediately upon conclusion of this evening's meeting in order to discuss a single personnel issue.

ENGINEER'S REPORT:

Erin Letavic, HRG, updated the Board on the Municipal Separate Storm Sewer System (MS4). HRG is working on a method with staff and the solicitor regarding inspections on private stormwater BMPs installed after March 2003 in accordance with the permit requirements. Stormwater education materials is being developed for the new Township map guide.

Ms. Letavic reported on the Richardson Road Bridge (funded by DCIB Loan and Gaming Grant). Design has been initiated. Surveying has been completed, and the project is being coordinated with UGI for the gas main relocation. Bidding is intended to occur this winter, with construction initiating in the spring of 2016. The bridge will be monitored closely and will be closed if necessary. A more detailed project schedule will be developed within the next month.

Afternoon peak timings for the Fulling Mill Road and Union Street Traffic Signal will be addressed next. A site visit was completed and a letter will be sent to PennDOT regarding a request to revise afternoon peak timings.

Ms. Letavic presented the Scope of Work for the Strites Road Project, which was previously discussed with the Board. This is a drainage project entirely along Strites Road, just north of the last phase of Old Reliance Farms. It is intended to be designed and constructed in

conjunction with a water line project already scheduled for this area. President Mehaffie asked Mr. Monticello where the funding for this project will come from. Mr. Monticello stated that the Capital Improvement Fund could be used. Solicitor Henninger added that it could also be taken out of the Capital Reserve. Commissioner Davies stated that he would not have a problem taking it from the Capital Reserve, since he has personally observed the water issue here. President Mehaffie noted that this project is time sensitive due to United Water doing work in this area. A motion was made by Commissioner Springer, seconded by Commissioner Davies, to approve the Scope of Work for the Strites Road Project, at a cost of \$17,200 to be taken from the Capital Reserve Fund. The motion was unanimously approved. Ms. Letavic asked that anyone observing water issues on Strites Road snap some pictures and send them to her.

Ms. Letavic reported that discussions continue on the Capital Improvement Plan, which is under development. Meeting topics have included discussion on the aging infrastructure issues and wanting to be more proactive and make sure plans are in place to address needed improvements. There have been talks about possible scopes of work as well as possible coordination with Municipal Authority projects. Commissioner Davies noted that the meeting he attended on this subject was very interesting. It will be quite challenging just to keep up with stormwater improvements as well as paving improvement's facing the Township in the coming years. The Township will have to think about scheduling and planning the financing of these needs, perhaps by doing a 10 or 20 year projection. The Township should consider thinking about other facilities and equipment needs and putting all of this on a master plan. This will allow a plan to fund these items by the most affordable methodology. It only makes sense to take care of these infrastructure needs before paving over problems. President Mehaffie agreed, and stated that planning allows the Township to look into funding options such as grants, a County infrastructure loan, Penn Vest monies, etc.

SOLICITOR'S REPORT:

Solicitor Henninger clarified that at the last meeting, Mr. Monticello had requested an executive session to discuss a personnel issue. He explained that this was mischaracterized. The purpose was really to discuss intermunicipal agreement issues with SARAA in regards to the Sheetz property. Also discussed in that executive session was the possibility of acquiring 10.77 acres of property at the terminus on Fulling Mill Road, down by the Swatara Creek. He asked that the Board

act on acceptance of this tract. A motion was made by Commissioner Davies, seconded by President Mehaffie, to approve acceptance of the deed of dedication of 10.77 acres from MRPI Fulling Mill LP, with gratitude from the community. The motion was unanimously approved. Solicitor Henninger noted that the Township cannot do anything to impede the flow of the water down there, so the tract must be used for things like soccer fields with removable facilities. Vice President Wilt asked if acquisition of this tract would be a burden on the Township as far as maintenance. Mr. Wagner stated that it should not be a burden, as it would require once a year mowing and weed control. President Mehaffie asked Ms. Letavic if it would be possible to put a boat launch there. Ms. Letavic agreed this could be a possibility, but would require a DEP permit and funding.

Solicitor Henninger referenced three proposals received from Cohen Law Group: a Proposal to Perform Services Regarding Wireless Facility Management (not to exceed \$3,500), a Proposal to Perform Services Regarding Right-of-Way Management (flat fee of \$4,500), and a Proposal to Perform Services Regarding a Cable Franchise Audit and Audit of Service Availability of Comcast and Verizon (flat fee of \$7,900), as submitted by Cohen Law Group. Solicitor Henninger recommended the Board move ahead with approval, providing the money is available. President Mehaffie asked where this money would be taken from in the budget. Mr. Monticello responded that he would have to look into this. Commissioner Davies suggested the Board revisit this motion in two weeks in order for the Manager to peruse the budget for funding. Vice President Wilt suggested the Board move on this tonight in order to ensure the Township is in compliance and get these concerns resolved. It needs to be done regardless. President Mehaffie agreed, but stated that the budget is lean. The Board agreed that, if necessary, the money can be taken from the Capital Reserve Fund. A motion was made by Vice President Wilt, seconded by Commissioner Springer, to approve the Proposal to Perform Services Regarding Wireless Facility Management, to approve the Proposal to Perform Services Regarding Right-of-Way Management, and to approve a Proposal to Perform Services Regarding a Cable Franchise Audit and Audit of Service Availability of Comcast and Verizon, as submitted by Cohen Law Group. The motion was unanimously approved. Commissioner Davies referenced the right of way study, and expressed concern that companies that are placing pipelines are, in reality, not required to specifically provide accurate information on the placement of the pipes. This is very dangerous during construction. He suggested the Township consider placing in its ordinance the requirement of an enhanced level of

accuracy of reporting when these lines are placed. President Mehaffie asked if HRG can implement this in the GIS system. Ms. Letavic explained that they have been able to receive such information from some utilities. She stated that she would be interested to see if pipeline locations are a national security issue. Solicitor Henninger added that he will ask Attorney Cohen if the Township can require as-built plans.

ADJOURN AND CONVENE INTO EXECUTIVE SESSION:

With no further business to discuss, a motion was made by Vice President Wilt, seconded by Commissioner Davies, to adjourn the meeting and convene into executive session. The motion was unanimously approved, and the meeting adjourned at 9:00 P.M.

ATTEST:



Jean R. Arroyo, Recording Secretary

