

MINUTES

LEGISLATIVE MEETING – NOVEMBER 20, 2013

The November 20, 2013 Legislative Meeting of the Lower Swatara Township Board of Commissioners was called to order at 7:17 P.M. by Vice President William L. Leonard, Jr.

The following officials in attendance:

- William L. Leonard, Jr., Vice President
- Michael J. Davies, Secretary
- Thomas L. Mehaffie III, Commissioner
- Jon G. Wilt, Commissioner, Commissioner
- Dominic D. DiFrancesco II, Commissioner
- Brenda W. Stouffer, Planning and Zoning Director
- Marylou M. Rittner, Financial Administrator
- Peter R. Henninger, Solicitor
- Jean R. Arroyo, Recording Secretary

Residents and visitors in attendance: PLEASE SEE ATTACHED SIGN-IN SHEET

Vice President Leonard opened the floor for public comment.

PUBLIC COMMENTS:

Dale Mease, 1529 Farmhouse Lane, referenced the recent accident involving Township employee Brett Shope. He stated that as a long time friend of Mr. Shope and his family, he is naturally concerned about him. However, he is also concerned about the impact this had had on those first-responders, specifically staff members. The Dauphin County Mental Health Services has a crisis interview team that may be able to provide assistance and counseling to these individuals. Mr. Mease provided an email with this contact information to the Commissioners. The Board thanked Mr. Mease.

Roy Honeycutt, 328 Dauphin Street, stated that he was here at the last meeting to discuss his concerns with the possible relocation of Lawrence Street, next to his home. He has since spoken to Commissioner Mehaffie and Matt Genesisio about his issues. Mr. Genesisio assured him that he is willing to work with him, and has offered to put some recording equipment in his house during the actual construction on the street near his home. This will allow them to record the amount of disturbance should there be any foundation damage. Mr. Genesisio also agreed to

use a different type of construction on the road. Mr. Honeycutt noted that his other big concern was access to his back yard. He learned tonight that there will now be a curb cut to allow him access. Mr. Honeycutt stated that his only other concern is the ability to keep on-street parking in front of his house. He expressed hope that the Board will work with him on this. He noted, however, that he is happy to report that most of his concerns have been addressed.

Jason Finger, 1799 Mountain View Road, explained that his home sits on a corner lot. He had called the staff in late August to discuss putting up a 6' privacy fence. At that time, he was never informed of the zoning changes that were being considered which would impact these plans. Therefore, he purchased the very expensive 6' privacy fencing. When he turned in his application two weeks ago, he was informed that only 3' fencing would be permitted. Mr. Finger explained that his dog will be able to jump a fence of that height. He asked if the Board would consider granting him a variance or exception to allow him to put up the 6' fence on the Hanover Street side of his property instead of setting it back 35' from the sidewalk. Vice President Leonard explained that this zoning change was very recent. He asked Solicitor Henninger to explain the process. Solicitor Henninger explained that in reality, a corner lot has two front yards. The Board, after recommendation of both the Township Planning Commission and the Dauphin County Planning Commission, did revise the regulations to provide consistency. Unfortunately, if Mr. Finger's permit application came in after the ordinance change took effect, this Board cannot grant any relief since this is a zoning issue. The relief would need to be requested from the Zoning Hearing Board. Brenda Stouffer, Planning and Zoning Officer, would be able to provide guidance on how to apply for this request. Commissioner Davies noted that there are specific criteria for making such a request. He suggested Mr. Finger look at the ordinance and tailor his request accordingly.

APPROVAL OF MINUTES:

A motion was made by Commissioner Davies, seconded by Commissioner Wilt, to approve the Minutes of the October 16, 2013 Public Hearing. The motion was unanimously approved.

A motion was made by Commissioner Mehaffie, seconded by Commissioner Davies, to approve the Minutes of the October 16, 2013 Legislative Meeting. The motion was unanimously approved.

A motion was made by Commissioner Wilt, seconded by Commissioner Davies, to approve the Minutes of the November 6, 2013 Workshop Meeting. The motion was unanimously approved.

APPROVAL OF BILLS:

A motion was made by Commissioner Davies, seconded by Commissioner Wilt, to approve the payment of bills as presented on Warrant No. 2013-10. The motion was unanimously approved.

APPROVAL OF TREASURER'S REPORT:

A motion was made by Commissioner Davies, seconded by Commissioner Mehaffie, to approve the Treasurer's Report for October 2013. The motion was unanimously approved.

ENGINEER'S REPORT: None

SOLICITOR'S REPORT:

Solicitor Henninger referenced a copy of draft Resolution No. 2013-R-16 pertinent to the Keystone Opportunity Zone. Back in July, this Board approved Resolution No. 2013-R-10 agreeing to allow certain parcels on Airport property to be a part of a proposed Keystone Opportunity Zone, which would provide ten years of real estate tax relief. Unfortunately, the resolution showed an end date of December 31, 2022. This date needs to be revised to December 31, 2023 in order to be consistent with the law. Basically, this amended resolution will change the end date so the ten years runs from January 1, 2014 through December 31, 2023. A motion was made by Commissioner DiFrancesco, seconded by Commissioner Wilt, to approve Resolution No. 2013-R-16. The motion was unanimously approved.

Solicitor Henninger requested a brief executive session immediately upon conclusion of this evening's meeting in order to discuss a pending threatened litigation matter.

MANAGER'S REPORT:

Commissioner Mehaffie reported that the Township's insurance carrier, Wells Fargo, has been bought out by Gunn Mowery. At this point, the Township's contact person is gone. A previous contact person, Noreen McKenrick, is with AIA. The Township was provided a letter that would permit AIA to take over as the Township's representative for Traveler's Insurance. There would be no cost factor; this would simply allow the Township to have representation for the last thirty day of its insurance policy. This action is being recommended by Marylou Rittner, the Township's Financial Administrator. Commissioner Mehaffie noted that the staff would like to get this approval letter back to AIA by December 1. He forwarded the letter to Solicitor Henninger and asked that he review it in order for action to be taken later in tonight's meeting.

COMMITTEE REPORTS:

Police Committee – Vice President Leonard -- reported that Chief Brandt had been filling an open detective position with existing staff. He has decided to appoint Ryan Gartland to the position. The Police Department is now up to a full compliment as far as staffing. "SCHOOL" signage has been ordered by Mr. Anderson for the Lumber Street side of Kunkel Elementary, as discussed at the last Board meeting. Vice President Leonard noted that Commissioner DiFrancesco had attending the Fire Department's presentation before the Gaming Commission for a grant for a new boat and utility truck. Commissioner DiFrancesco stated that the Fire Department representatives did a great job on presenting the grant request. While there is no way of knowing if the request was successful, there were a few questions raised during the hearing. One comment was that the Township has additional unspent money from the Meade Avenue project grant that can perhaps be redirected to this project. Commissioner Mehaffie noted that the audit for this grant was completed, and he is not aware of any leftover funds. Marylou Rittner, Financial Administrator, agreed that she is unaware of any residual monies. Commissioner Mehaffie agreed to contact HRG to confirm this. Commissioner DiFrancesco added that it was also suggested that the Fire Department get its community partners to help out with contributions towards this purchase. There is definitely a justifiable need for the equipment purchases, so hopeful the grant request will be looked on favorably.

Public Safety – Commissioner Wilt – referenced information received from Alan Knoche, EMA Director, regarding the flood hazard mitigation grant program. Demolition has been completed on all fourteen properties. There are still issues with the reimbursement for the Jamesway pump station, and yet more documentation is being requested.

Public Works – Commissioner Mehaffie – referenced Commissioner Wilt’s comments about the additional documents required for the pump station reimbursement, and noted that Alan Knoche, EMA Director, has been doing a tremendous job. He has written letter after letter in response to requests for additional information. Commissioner Mehaffie reported that leaf collection continues. The Olmsted Regional Recreation Board meets tomorrow evening at 6:00 P.M. Commissioner Davies stated that he plans to be in attendance. The finance staff will be meeting tomorrow to go over the proposed 2014 budget for the Municipal Authority. The GIS is moving forward.

Budget and Finance – Commissioner Davies – reported that cash receipts for the month of October totaled \$292,583.74. The major sources of revenues were from the Act 511 taxes— including per capita, occupation, earned income taxes and real estate transfer taxes; permit fees; SARAA patron parking taxes and other miscellaneous receipts. Cash expenditures totaled \$615,724.07 and were comprised of the two transfers to the payroll account, the transfers to the pension funds to meet the Township’s portion of the 2012 MMO, the final payments for the 2013 Penn Dot approved project, and all invoices due and payable. Investments totaled \$921,829.25 with an average annual yield of 0.25%.

Community and Economic Development – Commissioner DiFrancesco -- reported that he plans to attend the Airport meeting tomorrow pertinent to the Master Plan.

UNFINISHED BUSINESS:

A motion was made by Commissioner Davies, seconded by Commissioner Wilt, to table the Final Land Development Plan of Residential Retirement Community, Phase 1, located along Fulling Mill Road at the intersection of Nissley Drive, prepared by Navarro & Wright, Inc. and submitted by Fulling Road LLC. The plan was recommended for approval by the Planning Commission on November 15, 2007 with stipulations. The plan was due to expire on February 20, 2008. 90-day time extensions were granted by the Board on February 20, 2008, May 21, 2008, August 20, 2008, November 19, 2008, February 18, 2009, May 20, 2009, August 19,

2009, November 18, 2009, February 17, 2010, May 19, 2010, August 18, 2010, November 17, 2010, February 16, 2011, May 18, 2011, August 17, 2011, October 19, 2011, January 18, 2012, April 18, 2012, July 18, 2012, October 17, 2012, January 16, 2013, April 17, 2013, July 17, 2013, and October 16, 2013. The plan will expire on January 13, 2014. The motion to table was unanimously approved.

A motion was made by Commissioner Davies, seconded by Commissioner Wilt, to table the Revised Land Development Plan for KGH Properties – Campus Heights Village Wood Street Access, prepared by Forino, Inc. and submitted by Campus Heights Associates I, LP. The initial Plan submittal was due to expire on December 26, 2012. A 90-day extension was approved by the Township on December 19, 2012. Additional 90-day time extensions were approved by the Township on March 20, 2013, June 19, 2013, and September 18, 2013. The plan will expire on December 21, 2013. This plan remains tabled by the Planning Commission. The motion to table was unanimously approved.

A motion was made by Commissioner Davies, seconded by Commissioner Mehaffie, to approve acceptance of a 90-day time extension, as requested by the developer, on the Final Land Development Plan for Middletown Home Access Driveway/Parking Revisions, prepared by Schlouch, Inc. and submitted by the Middletown Home. The initial Plan submitted was due to expire on May 29, 2013. 90-day time extensions were granted by the Board of Commissioners on May 15, 2013 and August 21, 2013. The plan is due to expire on November 25, 2013. With acceptance of the 90-day time extension, the plan will expire on February 23, 2014. The plan remains tabled by the Planning Commission. The motion was unanimously approved.

NEW BUSINESS:

A motion was made by Commissioner DiFrancesco, seconded by Commissioner Wilt, to approve the acceptance of a 60-day time extension, as requested by the developer, on the Final Land Development Plan for New High School, prepared by Raudenbush Engineering, and submitted by the Middletown Area School District. The initial Plan submitted was due to expire on November 20, 2013. The plan will expire on January 19, 2014. The plan remains tabled by the Planning Commission. The motion was unanimously approved.

Commissioner Mehaffie noted that the next agenda item is to consider approval, with conditions the Final Lot Consolidation and Land Development Plan for Campus Heights Village II, submitted for Campus Heights Associates I, L.P., and prepared by Forino Company, L.P. One waiver has been requested. The agenda states that the Planning Commission requested that the waiver be approved conditioned on the requirement to construct the relocated Lawrence Street to a binder course condition prior to the demolition and closing of the portions of Dauphin and Lawrence Streets what are planned to be vacated. The plan is due to expire on January 22, 2014.

Chuck Hess, Forino, stated that the request for conditional approval is based upon the timing of the approvals and timing for construction, as the goal is to have the student housing ready for occupancy by the fall semester of next year. Tonight, they are before the Board asking for a waiver of the preliminary plan as well as the Board's consideration for approval of the Final Lot Consolidation and Land Development Plan with the condition that all review comments are addressed, as well as acknowledgement or approval of the Developer's Agreement which does spell out the developer's obligations and responsibility during the construction period. Mr. Hess stated he would like to make one clerical note. The agenda wording does say "The Planning Commission requested that the waiver be approved conditioned on the requirement to construct the relocated Lawrence Street to a binder course condition prior to the demolition and closing of the portions of Dauphin and Lawrence Streets what are planned to be vacated." The Developer's Agreement as written and in accordance with legal requirements, requires the relocation of Lawrence Street to be mud-free and in a passable condition.

Mr. Hess briefly explained the improvements and the project site, which would be one building housing 46 apartment units for student housing. During the planning process, concerns from the Township and the residents were addressed. Mr. Hess referenced three reviews letters: one from the staff, one from HRG relative to the site, and one from HRG with respect to the Municipal Authority and sewer service. He stated that comments in these three letters are relatively minor. Just today they also received the first review from the Middletown Borough Authority with regard to water service. Again, these comments are general in nature, and nothing that cannot be addressed or will impact the layout of the project as shown. Mr. Hess noted that he did make an informal submission by email to the staff today, but realizes that the

staff would not have had time to review them to confirm or deny that the comments were addressed. The major stumbling block now is outside agencies. They are waiting for information from PPL regarding new street lights for along Lawrence Street. The other review necessary is from the Dauphin County Conservation District. Approval is needed on the erosion and sedimentation control plan and also a NPDES permit. Mr. Hess anticipated approval by the Conservation District by the end of this week. The last agency approval that is needed is from the Middletown Borough Authority, and an on-site meeting is scheduled with them on Tuesday. Mr. Hess summarized that the plan is in good shape. He did not want to make a formal submittal today, and then receive these three other outside agency reviews and have to make yet another plan change. The intention is to make a formal submittal to the staff of all changes probably next week, before Thanksgiving, or right after it at the latest.

Mr. Hess again explained that the request tonight is for action on the waiver of the preliminary plan and conditional approval of the plan which would allow the developer to proceed with finalizing the financing for this project. This then will enable the developer to settle on the sixteen various properties owned by twelve individuals. The property owners can then take the money, move into their new accommodations and get their own lives back in order.

Commissioner DiFrancesco questioned if his understanding is correct that there are notes that still need to be addressed, and the Township has not seen or reviewed these plans yet. Mr. Hess agreed that this is correct. Ms. Stouffer clarified that the staff has reviewed the first submission. Mr. Hess agreed that there have been two reviews now, and the final review is forthcoming. Ms. Stouffer reported that during the Planning Commission meeting, the Fire Chief had asked for another review of the plans. She asked if this had occurred. Mr. Hess explained that through email conversations, he had provided some sketches to Chief DeHart. He explained that Chief DeHart had requested a pull-off area on Lawrence Street for a fire truck to have access to the fire department connection. Chief DeHart had indicated that he was satisfied with what is being proposed, and this is reflected on the plan that was submitted by email.

Ms. Stouffer noted that the Planning Commission also discussed the schedule of the closing of Lawrence Street in fairly good detail. Mr. Hess explained that a construction schedule had been added to the plan to address this discussion. The developer intends to begin construction as soon as everything is in place. In the meantime, if he can settle on these properties, he may come in and ask for demolition permits simply to be able to take down some

of the vertical walls. There will be a lot of hazardous investigation and utility coordination for this demolition work. Again, no earthwork or utility work will commence until such time as the Township has accepted the plans and they have been recorded. It is anticipated that in December/January, the earthwork will begin which will be focused on Lawrence Street and working to get that street in a mud free and passable condition for emergency use. It will eventually be paved; however, asphalt plants are not open that time of year due to cold weather, and PennDOT would not allow placing of asphalt that time of year anyway due to temperatures. The demolition of Lawrence Street would then commence and work on the building site would be next. The goal is to have the building and all site work finished by the fall of 2014, which is a pretty aggressive schedule. Ms. Stouffer asked if a more detailed schedule could be provided, such as the anticipated date of the closing of the existing Lawrence Street, getting the new one constructed, etc. Mr. Hess responded that after speaking to the contractor, he feels it will take six to eight weeks to get this roadway into passable condition.

Solicitor Henninger stated that he had provided the Board with a copy of the proposed Developer's Agreement which details a lot of this discussion. He agreed that in accordance with First Class Township Code, the road only needs to be in a mud-free and passable condition. Only then can the contractor begin to take out Dauphin Street and Lawrence Street. The Agreement also provides that the developer must maintain it once it gets to this state, including the providing of snow removal service. The Agreement provides that binder course will be laid as soon as practicable, which is really based on when asphalt plants open, but no later than May 1. Solicitor Henninger explained that this is very similar to how the first phase of Campus Heights was handled.

Commissioner DiFrancesco expressed concern about approving any plan with a lot of open-ended questions. He stated he finds this a bit unnerving, since this is not what he was used to when he served on this Board ten years ago. Mr. Hess assured Commissioner DiFrancesco that there is nothing substantial in the review comments that will impact the layout of the plan. Mr. Genesio added that these comments are very similar to the conditions in Phase I of Campus Heights. This conditional approval tonight will not accelerate his construction schedule, since full approvals still must be received from Dauphin County Conservation District before he can put a shovel in the ground. What it will do is give the bank a comfort level that there is an approved Land Development Plan. It will then allow him to obtain financing for the property

owners to be bought-out. Mr. Genesio also noted that he has a tenure and experience with the Township, and has shown that he does follow through with his promises and commitments.

Commissioner DiFrancesco asked Solicitor Henninger and Ms. Stouffer if they are comfortable with this conditional approval. Ms. Stouffer agreed that the plan itself will remain as is after the comments are cleaned-up, but she does feel that it is important that the Board understands the timing of the road project. Solicitor Henninger agreed that there are more comments than usual for a conditional approval. These conditions, however, are not uncommon and must be addressed anyway before the plan gets recorded. He also agreed that the issue tonight is a timing one as far as the developer obtaining financing to buy-out the impacted homeowners.

Commissioner Mehaffie added that the comments from the first review were also lengthy, but were addressed very quickly. He attended the Planning Commission meeting, and that Commission was content with the conditional approval. This action will also help the residents who have already moved or are trying to move. Commissioner DiFrancesco stated that he realizes the importance of helping the residents, but feels that first and foremost, the Board must make sure everything is right with the project. Attorney Ambrose Heinz added that the comments are very technical and limited in their scope, and will not affect the layout or design of the project. This is why the conditional approval is being sought. Vice President Leonard questioned that if the comments are that easy to address and noted in letters several weeks old, why are they not already addressed? Mr. Hess explained that they are actually addressed. They are simply waiting on the County Conservation District and the Middletown Borough Authority to submit their changes so one submittal can be provided to the Township. Mr. Genesio summarized that in essence, there are five review letters. They have addressed everything in three, and are now waiting for approvals from the other two outside agencies. They did not want to submit a plan that did not address all review comments. Commissioner Mehaffie noted that HRG had actually recommended that comments from all entities be addressed in one submission.

Vice President Leonard agreed that the developer did a nice job on the first phase. It appears they are looking at a fast paced eight months for the next phase. He reviewed the sequence of the project again. The first goal is to get the reconstructed new Lawrence Street in as quickly as possible. During this construction period, the existing Lawrence Street and

Dauphin Street will remain. Mr. Genesio confirmed that this is correct. Vice President Leonard added that he does share the concerns expressed by others regarding the outstanding comments, since there are about 45 listed. He asked for assurance that they will be addressed before anything moves along. Mr. Genesio confirmed that this is correct.

A motion was made by Commissioner Mehaffie, seconded by Commissioner Wilt, to waive the Preliminary Plan for the Final Lot Consolidation and Land Development Plan for Campus Heights Village II, submitted for Campus Heights Associates I, L.P., and prepared by Forino Company, L.P. The motion was unanimously approved. A motion was then made by Commissioner Wilt, seconded by Commissioner Davies, to conditionally approve the Final Consolidation and Land Development Plan for Campus Heights Village II, subject to all engineering and staff review comments, Middletown Borough Authority comments, obtaining of all applicable permits, posting of all applicable financial security, and execution and recording of a Developer's Agreement as proposed. The motion was unanimously approved.

A motion was made by Commissioner DiFrancesco, seconded by Commissioner Wilt, to approve a Right-of-Way agreement with PPL Electric Utilities for an easement to include an anchor from an existing utility pole being replaced and abandonment of the portion of the existing right-of-way to the north where the overhead lines are being removed in Greenfield Park. The motion was unanimously approved.

A motion was made by Commissioner Wilt, seconded by Vice President Leonard, to approve a Stormwater O&M (Operations and Maintenance) Agreement for 201 Fulling Mill Road. The motion was unanimously approved.

Commissioner Mehaffie noted the next agenda item is relative to advertisement of the 2014 General Fund budget. He turned the floor over to Commissioner Davies, Budget and Finance Chairman. Commissioner Davies read aloud the 2014 Budget Report, as prepared by Marylou Rittner, Financial Administrator:

2014 Budget Report

Revenues

The year 2014 budget for Lower Swatara Township reflects total revenues and beginning cash balance as \$5,145,575. Given the current economic conditions, the Commissioners and staff worked diligently to present the Township residents a fair and fiscally sound policy for the upcoming year. This budget for 2014 has \$218,986 less in revenues and beginning cash balance than the revised 2013 budget.

Revenues from the Local Enabling Act Taxes are budgeted at slightly more than the year 2013 revised budget. The tax rates for Act 511 Taxes levied on behalf of the Township will remain unchanged. These taxes include the Township Per Capita, Occupation, Earned Income Tax, Real Estate Transfer Taxes and the Local Services Tax (LST). Real Estate Transfer Taxes are budgeted as less than the revised year 2013 revenues. Due to these uncertain economic times, it is difficult to predict the movement of property sales. 2013 had seen the unplanned sale of a couple of large parcels. We have budgeted an increase in the Earned Income Tax receipts. The Local Services Tax (LST) tax is levied on those employees who work within the corporate boundaries of Lower Swatara Township and who earn \$12,000.00 or more. The Township wants to reinforce that this tax is levied on those people who work (and not necessarily reside) within Lower Swatara Township. These are some of the same people who utilize our services—such as the Police, Fire Department and roadways—while working in our area.

The Township is anticipating a grant in excess of \$15,500 from our very successful Recycling Program. This projection is somewhat less than in previous years but the revenue flow comes from the Commonwealth and we have no control over the allotment. Revenue of approximately \$87,000 is expected from the School Resource Officer Program (SRO). The Township and the Middletown Area School District have partnered to enter into this very worthwhile program. The partnership pays for portions of the salary for the officer and his benefits.

Revenues from permits are expected to be less for 2014 than for 2013. It is likely that townhouse development will continue as well as a few single family homes. It is anticipated that commercial activity will be somewhat less than in 2013. The code office has budgeted for anticipated additions/alterations to existing commercial properties. The construction of the privately owned student housing units along the Main Street area continues to proceed. Unlike other such housing units on the PSU grounds, these buildings will appear as taxable properties. The Township has all of the amenities which define a desirable community—such as a nationally recognized University, state of the art schools, and a first class international airport. However, we would like to once again point out that these attractions as well as other non-taxable parcels lead to having almost 1/3 of our Township being tax exempt.

Expenditures

Expenditures are projected at \$5,145,575.

In the administrative categories minor changes have been budgeted. Wage increases are minimal. 2014 should see the hiring of a new Township Manager. Due to prior years' poor economic returns on the pension funds, the Township is still faced with making up any unfunded liabilities in its share of the Minimum Municipal Obligation (MMO). Increases are shown for employee benefits due to our anticipating a lesser return of our premium costs.

By and large, the Police Department's budget is slightly more than the year 2013 adjusted budget. Wages for the officers have been stated in accordance with the contract that was settled in 2012. Additional staffing was added during 2013 to bring the force up to its full complement. The Township has an informal Capital Asset Acquisition plan that we follow to routinely replace aged equipment and vehicles. For 2014, two fully equipped squad cars as well as upgraded computer equipment have been budgeted. These updated systems not only help our officers to better protect our citizens but also offer our officers better means of communication and add to their safety. In recent years the Township had leased some of its fleet but for 2014 it was more economically feasible to purchase the equipment outright.

A new five year agreement was reached between the Township and the Penn State Hershey Medical Center for the providing of emergency medical services. The savings will allow the Township to build its reserves for future needs.

The Protective Inspection department is somewhat greater than the year 2013. A 2014 vehicle has been budgeted to replace the 1995 Blazer. After 18 years of service it is felt that major repair issues were imminent.

The Planning and Zoning Department is greater than the 2013 year. Engineering fees are higher due to major plan design for the Richardson Road Bridge. Other costs within in this line item are offset by higher revenues in general government portion of the budget. Contracted services are higher due to the year one phase of updating the Township's Comprehensive Plan.

In the Public Works Budget, a slight decrease is shown for 2014 from the revised 2013 budget mainly due to current and retired employee benefits. The public works superintendent has tentative plans to do major roadwork on either Woodridge Drive or Riverview Road. Most of the funding for this project will be through the Liquid Fuels Account. The budget does reflect minor costs to maintain the existing equipment. This maintenance program will keep the department operating at maximum efficiency. In the Traffic Signal category please be advised that the old style bulbs have now been replaced with LED devices in all of our traffic lights. As a result we have experienced a significant reduction in the electric costs. The Public Works labor forces will mainly be expended on maintaining the existing roadways and the recreational areas.

The parks and recreation are under the domain of the public works. This budget is showing a slight increase in maintaining the land—mainly the new soccer fields. An aerator has been budgeted to help in this area.

The Debt Principal and Interest areas are budgeted at a lesser amount than in 2013. We still have several ongoing lease purchases that appear in this category. The budgeted squad cars, computers for the police, and the code office vehicle for 2014 are not shown here as they are being purchased outright.

Pollution reduction measures with the Chesapeake Bay area are ongoing and the Township is facing some mandated costs for this purpose,

Insurance premiums for property and liability are expected to decrease for the year 2014. The Township has been able to continue to contain the escalating health insurance costs due to our having joined in a consortium with several other Municipalities to purchase our insurance through the Pennsylvania Municipal Health Insurance Group. Also, the Non-uniformed and Police employees had agreed to some benefit changes which resulted in lower premiums.

As a consequence of the levying of the Local Services Tax (LST), the Township will be able to continue to transfer \$81,000.00 to the Capital Improvements Fund. Those funds then assist us in repaying the outstanding debt issues. The remainder of these funds will assist us in funding the contracted Emergency Medical Services and to assist in the purchases for the police and public works departments.

Each department was very frugal in the decisions to make any purchases for their respective division. After numerous budget meetings, all line items were examined closely to maximize revenues and/or to minimize expenditures.

The finance committee, manager and staff report that no real estate tax increase for general purposes will be necessary. With prudent cash flow monitoring of the general fund, we will be able to meet the unfunded mandates such as the costs associated with the MMO and the Chesapeake Bay pollution reduction measures. We will also be able to set aside some funds into the Capital Reserve Fund so that we meet the funding reserve standards recommended by various professional agencies. Finally, we have always had an informal Capital Acquisition schedule, but

we must realistically look at the need to begin a replacement schedule for the public works equipment. One of their pieces is 46 years old and the average age of the trucks is 18 years old.

Miscellaneous Funds

In addition to the General Fund, the Township maintains several miscellaneous funds. The activity in two of these funds should be noted. As the Township grows, the impact of these funds is also magnified.

1. Highway—Liquid Fuel

The anticipated allocation of State Funds for 2014 is \$190,380.71. The Township will use a portion of this sum, along with some General Fund revenues for the major reconstruction of the previously mentioned roads on Woodridge Road or Riverview Drive. Let it be noted that the State’s allocation is based upon the fuel purchased, the miles of township roads, the population, and is allocated to each municipality by a complex state formula. The lesser allocation is the result of people driving fewer miles due to the higher costs of fuel and driving more fuel efficient vehicles.

2. Capital Improvement Fund

The taxes generated for this fund, coupled with the transfers from the general fund and the fire department help to pay the note on the municipal building and the bond obligations for major projects. Another expense that will be borne by this fund for 2014 is the remaining fees related to the buy outs and related costs of the flood damage properties.

Respectfully submitted,

Marylou M Rittner, Financial Administrator

A motion was made by Commissioner Davies, seconded by Commissioner Wilt, to approve advertisement of the 2014 General Fund budget as presented. The motion was unanimously approved.

A motion was made by Commissioner Mehaffie, seconded by Commissioner DiFrancesco, to approve the following list of Budgetary Adjustments for 2013:

	Debit	Credit
Adjustments to 2013 budget		
310.100 Adjust for increase in real estate transfer taxes		\$ 125,000.00
362.410 Adjustment for building permits revenue		\$ 70,000.00
492.300 Adjust for transfer to Capital Reserve Fund	\$ 250,000.00	
401.120 Adjust salary for vacancy (manager)		\$ 60,000.00
413.740 Adjust for purchase of program for code office	\$ 5,000.00	
	\$ 255,000.00	\$ 255,000.00

The motion was unanimously approved.

Commissioner Mehaffie asked if Solicitor Henninger could address the insurance letter mentioned earlier, since he has now had a chance to review it. Solicitor Henninger stated that the letter is to Traveler's and PennPrime pertinent to the Township's various insurance policies as a result of the Wells Fargo buy-out and the Township's representative moving to another firm. He noted that he is in agreement with these letters which recognize Darrell Diodato of American Insurance Adjusters Administrators Inc. of Mechanicsburg as insurance broker with regards to the existing insurance programs. Commissioner Mehaffie again explained that this will expire on December 31. These individuals have managed the Township's accounts for many years and are simply helping the Township through this interim period, which is quite admirable. A motion was made by Commissioner Mehaffie, seconded by Commissioner Davies, to approve signing the aforesaid letters. The motion was unanimously approved.

A motion was made by Commissioner DiFrancesco, seconded by Commissioner Mehaffie, to approve the Municipal Animal Protective Service Agreement with the Humane Society of Harrisburg Area, Inc. Said agreement will expire on December 31, 2014. The motion was unanimously approved. Commissioner Mehaffie noted that the cat population has gone up, and suggested that the Board revisit the idea of utilizing the very successful Steelton Community Cats Program. Since the Humane Society Agreement is not an exclusive agreement, this would be permitted and could save the Township money. The Board expressed no objections to having a representative from this group come to a future Board meeting to discuss this possibility.

A motion was made by Commissioner DiFrancesco, seconded by Commissioner Wilt, to approve Resolution No. 2013-R-15. This resolution amends, changes and modifies the Code of Ordinances of the Township of Lower Swatara, Ordinance No 448, Fee Resolution, as same pertains to Solid Waste Program Administration. The motion was unanimously approved.

Commissioner Mehaffie noted there is a change in the next agenda item, which nominates two representatives to the Tri-County Regional Planning Commission, Dauphin Southwest Plan Development Section. One of the suggested nominees, Denny Beaver, has indicated that he is not interested in being re-nominated. Frank Chlebnikow from Susquehanna Township has expressed interest in serving in this role. A motion was made by Commissioner Mehaffie, seconded by Commissioner Wilt, to approve nomination of Bill Hawk (Lower Paxton Township) and Frank Chlebnikow (Susquehanna Township) as representatives to the Tri-County Regional Planning

Commission, Dauphin Southwest Plan Development Section. The motion was unanimously approved.

FINAL COMMENTS:

Solicitor Henninger reminded the Board that he had requested an executive session this evening.

Commissioner DiFrancesco wished the Board and residents a wonderful Thanksgiving.

ADJOURN AND CONVENE INTO EXECUTIVE SESSION:

With no further business to discuss, a motion was made by Commissioner DiFrancesco, seconded by Commissioner Davies, to adjourn the meeting and convene into executive session. The motion was unanimously approved, and the meeting adjourned at 8:36 P.M.

ATTEST:

Jean R. Arroyo, Recording Secretary