

WEST HANOVER TOWNSHIP AUTHORITY
SPECIAL MEETING MINUTES
November 18th @ 6:00 p.m.

28 attendees including board, staff and solicitor

1. **CALL TO ORDER:** Mr. Fowler called the special meeting of the West Hanover Township Authority at 6:04 pm.
2. **ROLL CALL:** Alexis confirmed all board members are present
3. **APPROVAL OF THE MINUTES:**
 - a. Regular Meeting Minutes of November 4th, 2020
Mr. Fowler entertained a motion to approve the minutes.
Moved Steinmeier moved, seconded by Mr. Geppert. Motion passed.

4. PUBLIC COMMENT:

Before public comment, Mr. Fowler addressed a question by Mr. Enck from a previous meeting regarding West Hanover Elementary being billed for stormwater. Mr. Fowler confirmed that Central Dauphin School District was billed for 148,000 sq. ft of impervious area relating to West Hanover Elementary.

Mike Kreiser - 483 Hershey Road

States the rural community is aware that the authority is responsible for operation and maintenance of the township's stormwater service. Mr. Kreiser understands everyone needs to contribute however doesn't understand why rural properties are expected to pay more than a minimum payment when their runoff is not discharged into the township system. The Authority is required in their MS4 permit to fix the flooding and pollution issues, which have nothing to do with their property. Proponent of the flat fee.

Mr. Fowler thanked Mr. Kreiser for his comment

Tina Baker – 487 Hershey Road

Agrees with Mr. Kresier's comments. Flat fee proponent

5. ADOPTION OF STORMWATER BILLING METHOD FOR 2021

Mr. Fowler stated the Authority has been looking at options other than the current ERU system for the last 6 months. HRG rate study was the last piece of information to helped solidify any thoughts our board members may have regarding the appropriate billing method. Mr. Fowler asked the board members to think about current system with the proposed modifications that HRG suggested:

Lower billing threshold to 500 sq. ft., changes to non-urbanized parcel credit to reflect the amount we budgeted for pollution control projects within the urbanized area. That gives a

break to non-urbanized residents, so they don't pay for the MS4 mandated projects in the permit. 2021 doubling up on permitting of remaining projects due to delay in DEP issuing permits so they can be done in 2022. The projects need to be complete by March of 2023. Approximately one-third of the parcels are subject to the non-urbanized credit. We can consider keeping the same ERU system, flat fee, or tiered. We've given up on capping due to legal issues.

Mr. Fowler asked to go around the table with board members for a consensus.

Mr. Steinmeier stated about 500 households had zero bill, not fair to other township residents. Concerned with the residents at the higher end as well as residents on the lower end. Mr. Steinmeier agrees with the flat fee or tiered system. He would also like it to be an easy billing transition with Keystone. Switching billing methods will trigger questions, which is why we have the mailing to explain to the residents in December to explain the new billing method and have a detailed parcel explanation how it is calculated with credits. Mr. Fowler stated we need to define single family residential. Different townships have different definitions.

Mr. Geppert asked how much is billed commercially vs. residential? Mr. Fowler responded its around 50/50. If we would offer a tier system that applies to commercial as well. Mr. Shradley stated in the residential flat alternative, 3,734 parcels have impervious area over 500 sq. ft. that 43.5% of properties. Mr. Geppert believes a flat fee will work. Mr. Steinmeier brought up the Light Heigel study that 72% were under \$136 a year. Mr. Fowler responded the issue with flat fee if you compare a small residential parcel is it fair for them to pay the same fee as someone who has 10x the impervious area? The issue in this township we have a lot of parcels that are mixed use. They wouldn't qualify for the flat fee. With the credit system, it helps the people that are on the higher end.

Mr. Steinmeier asked about our credit allocation, can that be changed? Mr. Fowler responded yes, and we can do a more thorough analysis. When we get to our next permit cycle, we may want to rethink some of the credits. DEP says non-urbanized may go away. There will be no differentiation between the two.

Mr. Geppert stated he supports the flat fee. Mr. Steinmeier is not a fan of the flat fee, cannot go through what we went through the last year. 72% of households will be angry. Mr. Geppert responded that is less than 40% of our budget. Mr. Steinmeier stated 72% paying less than 1.25 ERU, which is almost a flat fee. Mr. Geppert asked what would the flat fee rate be? Mr. Fowler responded that the HRG study indicated a \$108 ERU fee or a \$137 flat fee. Since then, if we adopt automatic low impact parcel our revenue requirement, assuming 15% delinquency, right now we are at 23%. Mr. Fowler stated the low-impact automatic credit affects 20% of properties and cost us \$75,000 equals about \$7 an ERU so we are at \$115 if we stick with the ERU system and the flat fee will go up. Delinquency if that stays at 23% that is a huge number that we need to make up.

Mr. Steinmeier stated you can't have the amount of credits and have a low flat fee. With our credit allocations we'd go bankrupt. Also, residents won't make changes to their stormwater runoff issues if we have a flat fee and that is ultimately why we have the stormwater fee.

Ms. Zimmerman believes we are not going to make everyone happy. We keep being compared to Lower Paxton. They have a lot more commercial than we do that can offset the costs for residents. If we have credits, the residents must apply for them. Mr. Fowler responded the perfect example is the low impact, approximately 900 properties qualify. We may give them back their \$25 application fee if we make it automatic. Mr. Fowler agrees it's difficult to compare to townships. We are closest comparable to East Hanover, who is just starting to institute its Stormwater program. Mr. Steinmeier stated if we continue with our current structure, the 50% Covid will make everybody happy but then we need to see where we want to go with 2022 and in the future. 5 tier system is something we need to take seriously. Smallest tier is \$44-48. Mr. Fowler responded the Covid credit is because they paid the fee this year. Impervious area on smaller properties, if you read EPA literature, even undeveloped properties develop stormwater. Mr. Fowler asked Mr. Stinnett for his recommendation on this.

Mr. Stinnett responded that the HRG suggestion is a minimum 500 sq. ft. We can look at how the number breaks out and determine if there is a more appropriate level to trigger developed parcels. Most of the case law evaluating whether a storm water fee has a threshold where a property becomes developed. There will need to be a minimum, we can look at what is reasonable to address that concern with Mr. Steinmeier and the board.

Mr. Shradley agrees with Ms. Zimmerman that we are not going to please everyone. He doesn't agree with flat fee because of the single family residential and wonders how many people will be disqualified from that. Mr. Shradley would choose alternative alternate 2A 5 tier fee.

Mr. Fowler believes everyone should pay on impervious area, doesn't agree with flat fee. He is comfortable with modified ERU system and tiered system, which would now be based on sq. ft and applies to both commercial and residential. We don't have to go through and correct all the mistakes on land use. Mentioned Tina Baker as an example, has a property classified by the County as apartment 1-4 units and also has a business so it wouldn't qualify for a flat fee. We would have a lot of appeals and be stuck arguing over land use classifications. Mr. Fowler supports the 5-tier program.

Mr. Shradley wanted confirmation that they are setting on a billing method tonight and confirming ERU rate at the next meeting. Mr. Fowler confirmed.

Mr. Fowler asked for anyone to entertain a motion to adopt a billing method for 2021.

Ms. Zimmerman made a motion for the 5-tier system. Mr. Fowler stated moved by Ms. Zimmerman. Mr. Steinmeier seconded. Motion passed unanimously.

Mr. Fowler confirmed we are going to adopt a 5-tier system for billing for 2021. We will look at expanding the lower minimum sq. ft. and have HRG crunch some numbers and give a recommendation. Mr. Geppert believes that the residents of the Township will feel better knowing that everyone is paying something to contribute.

6. ANY OTHER BUSINESS THAT MAY COME BEFORE THE BOARD:

a. Request by Linda Garman for waiver of late fee

Mr. Fowler stated Ms. Garman put a payment in mailbox on 8/31, post marked 9/2, she got a late fee from Keystone, they assessed a \$5 late fee. Keystone's rule is you must pay them, or it has to be postmarked by the due date. Ms. Garman tried to pay final 2 installments. Keystone took 1st installment and added \$5 fee and refunded the remaining balance. Keystone does not process partial payments. She is asking for the fee to be waived, Mr. Fowler asked the board what do they think? Mr. Steinmeier agreed to waive it, Ms. Zimmerman agreed. Mr. Fowler asked to make this a motion.

Moved by Mr. Steinmeier, seconded by Ms. Zimmerman to waive the late fee. Motion passed.

Mr. Shradley asked how are we going to refund her? Mr. Fowler noted that we will write her a check. Checks have been ordered but let Ms. Garman know it will take a couple of weeks to get the refund. Mr. Fowler advised Ms. Garman to issue a check to Keystone for the final installment due December 1st and we will issue a check for the late fee. Alexis will let you know when that is ready.

b. Adjustments to Credit Policy:

We've discussed these. 4 suggestions by HRG.

- i. Non-Urbanized – increase to 25% to reflect 2021 Budget
- ii. Water Quality – reduce to 25% to reflect 2021 Budget
- iii. Low-Impact Parcel – eliminate additional requirements & make automatic
- iv. Agricultural Use – revisit after January 1st. Mr. Fowler stated we have no applications for this, so it doesn't affect anyone right now.

Mr. Fowler asked if anyone had any questions. We will incorporate these into the rates rules and regulations along with the new billing method.

Mr. Stinnett suggested working with HRG to get those documents ready for the next meeting to review and get additional comments by the Authority. Then we can have the final set for adoption at the first January meeting.

Mr. Fowler entertained a motion to make those 4 adjustments to the credit policy as presented. Moved by Mr. Geppert, Seconded by Mr. Shradley. Motion passed unanimously.

PUBLIC COMMENT:

J. Durney

Thanked the board for listening to complaints for the last 9 months. Agrees it is impossible to make everyone happy. Ms. Durney asked about credits, people were waiting to see what the

board was doing before applying. She does not like that the board first looks at needed revenue and divide by who is paying in. Since revenue needs change, our rates will change from year to year. Convenient to know ahead of time for rate changes for budgeting.

Tracey Lewis

Thanked the board for taking the time to listen to the public. She agreed with Ms. Durney and believes residents don't apply for credits is because it was very confusing during a difficult time of Covid. Spending a lot of time to get cost as low as possible for residents but not be too cheap because people budget and its possible it could increase. Automatic low impact credit, at some point that may go away, people become accustomed to that. Ms. Lewis has stormwater maintenance facility built into property, spent over \$30,000 to have it installed, which the township required. Ms. Lewis asked Mr. Stinnett if he could explain if it is fair or legal? She understands the Authority is in a tough position.

Mr. Fowler asked Mr. Stinnett if we can address Ms. Lewis in a letter? Ms. Lewis asked if there is an exemption from storm water maintenance fees? Mr. Stinnett offered to have a sidebar conversation. Ms. Lewis asked generally how it is fair and not arbitrary? Mr. Stinnett responded the Authority has a comprehensive stormwater plan pursuant to the municipality authorities act they are authorized to charge reasonable and uniform rates to fund a comprehensive stormwater plan as that has been defined by the Authorities act. Ms. Lewis responded that part of that plan is the newer developments create stormwater BMPs to assist with that stormwater management. Mr. Stinnett responded Ms. Lewis is correct and that perhaps she is eligible for credits, which will bring her fee down and there are areas in the program that she may not be aware of. Ms. Lewis stated when things calm down with Covid, she is going to drill down on this and make sure it is fair to everybody. Mr. Stinnett again mentioned he is happy to have a conversation with Ms. Lewis and will do that free of charge to the Authority. Ms. Lewis thanked him. Mr. Fowler joked if they could have a motion on that. Mr. Stinnett joked that is only good for Ms. Lewis.

Mike Kreiser

Very displeased with adoption of 5 tier system. His rate is going to go up slightly. The Authority provides him with no services. He would like to review the calculations involved with coming up with the 25% unurbanized credit.

Corinne Hankins

Agrees with Ms. Lewis. It all boils down to communication. Communication to township residents needs to be better. Hopes the tier system will be more manageable for residents.

Tina Baker

Lives in an unurbanized area, received no services from township for stormwater. 16% coverage, less than the residential properties in developments. Believes the Authority doesn't listen, and she is being charged unfairly. Her fee will be the same or go up with the new method, doesn't qualify for low impact. Mr. Fowler responded in many of the townships multi-family developments, the townships open spaces (driveways, sidewalks, some roads, etc.) are

not owned by the homeowner but rather than an HOA. The HOA receives a separate bill for impervious areas and passes along a pro-rated stormwater fee to residents as a part of their monthly or quarterly HOA fee. Townhouses have 65% open space, which is not reflected in the townhouse owners parcel information, neither is the prorated stormwater. All newer medium and higher density developments must meet strict stormwater water control requirements. Many must control stormwater rates that are 70% of the predevelopment rate. These costs are passed off to residents by higher purchase rates and HOA fees. A modern townhome with stormwater control has less Stormwater impact than a 30-year single family home with larger lot and no stormwater control. The PA DEP prefers cluster developments meeting these standards.

Tammie Cassell – Devonshire Heights Road

Disappointed for no flat fee. No transparency with residents, that goes a long way.

Richard Enck – 7712 Hillside Road

Asked about developments example Winslett, not picking up roads and sidewalks for HOA?

Asked if the 28% delinquency will make up the rate? How is that fair to those that do pay?

Maybe people won't pay because rates go up. Asked if the possible \$25 credit application fee refund, could be deducted from the next Keystone bill? Mr. Fowler thanked Mr. Enck for his comments.

Alexis asked the public if there were any further comments? There were none. Mr. Fowler stated that concludes the second public comment section.

BOARD MEMBER COMMENTS:

- a. Gloria Zimmerman - reminded that the Authority has had several public meetings for stormwater for all residents to attend. Wishes everyone a safe and Happy Thanksgiving, thanked Mr. Fowler for all his hard work.
- b. Mike Geppert – thinks 5-tier method will work well with some modifications. Everyone should share the burden of the expense and we will continue to try to keep the expenses low. Happy Thanksgiving and deer season.
- c. Max Shradley – thanked Mr. Fowler and wishes everyone a Happy Thanksgiving.
- d. Don Steinmeier - no easy way to solve this. 5-tier will work well. Sometimes people don't understand when there are new developments that those new homeowners are paying for storm water management fees that are incorporated on their property. Happy Thanksgiving. Thanked Mr. Fowler.
- e. Robert Fowler – wished a safe Thanksgiving and deer season. Now that we moved passed the billing method, next year we will have time to look at our expenditure budget so we cannot face rates increase each year. Under MS4 permit we are required to spend what is necessary to comply, the township will have to step in. We are still looking at ways we can trim. Thanked board for patience over the last 5 months dealing with presentations and reports. We will be sending out a letter to everyone explaining the new program and changes.

ADJOURNMENT

Mr. Fowler entertained a motion to adjourn.

Ms. Zimmerman moved; Mr. Steinmeier seconded. Motion passed. Meeting adjourned at 7:56 pm

Next Regular Authority Board Meeting on December 2nd, 2020 @ 6:30 pm