Borough of Highspire
Workshop Meeting
of the Highspire Borough Council
December 10, 2024

"Rejoice greatly, O daughter of Zion! Shout aloud, O daughter of Jerusalem! Behold, your king is coming to you; righteousness and having salvation is he, humble and mounted on a donkey, on a colt, the foal of a donkey."
— Zechariah 9:9

1. Call to Order

2. Prayer/Pledge of Allegiance

3. Roll Call

4. Acceptance of Minutes – Regular Meeting held on November 19, 2024

5. Financial Reports

    a. Treasurer's Report for November, 2024

    b. Monthly Financial Statements – November, 2024

        1. General Fund

        2. Sewer Administration Fund

        3. Sewer O & M Fund

6. Mayor's Report

7. Public Safety Director's Report – November-December, 2024

8. Fire Department Reports

    a. Fire Chief Report – Monthly Report for November, 2024

    b. Treasurer's Report

9. South Central Emergency Medical Services Report for October, 2024

10. Citizens' Comments (limit 3 minutes)

11. Committee Reports

    a. Public Facilities Committee

    b. Sanitation Committee

    c. Highspire Happenings

    d. Finance/Administration Committee

    e. Personnel Committee

    f. Community Development Committee

    g. Public Safety Committee

    h. Maintenance & Repair Committee

12. Staff Activity Reports

    a. Borough Manager's Report - Mark Stonbraker

    b. Code Enforcement Report - Deanna Proctor

    c. Public Works Department Report - Randy Kreider

    d. Highspire Authority – Bob Sutch

    e. Grant Administrative Report & Fire Department Financial Report

    f. Sewer Billing Adjustments & Reconciliations for November, 2024

    g. Safety Committee

13. Solicitor's Report

14. Engineer's Report

15. Old Business

    a. Motion to (approve/reject/table) Highspire Borough Ordinance No. 657 of 2024 amending Highspire Borough Ordinance No. 563 of 2007 by changing the term of office

of the Fire Chief from two (2) to Four (4) years.

16. New Business

a. Motion to direct staff to release the December, 2024 contribution to the Citizens Fire Company #1 of Highspire as indicated in the 2024 General Fund Budget (411.500). Amount to be paid to the Company $2,500.00.

b. Motion to (approve/reject/table) the 2025 Budgets, comprised of the General Fund, Sewer Operations and Maintenance, Sewer Administration, Storm Sewer / MS4, Highway Aid, Citizens Fire Company, Capital Projects budgets.

c. Motion to (approve/reject/table) Highspire Borough Council Resolution #34 of 2024 reappointing Boyer & Ritter, Certified Public Accountants to audit the Borough's books for the year 2024.

d. Motion to (approve/reject/table) Highspire Borough Council Resolution #35 of 2024 directing Dauphin County Tax Claim Bureau not to collect delinquent real estate taxes on behalf of the Borough of Highspire.

e. Motion to (approve/reject/table) the agreement between Portnoff Law Associates, Ltd. and the Borough for collection of delinquent real estate taxes and municipal claims on behalf of the Borough of Highspire.

f. Motion to (approve/reject/table) the publication of Highspire Borough Ordinance No. 658 of 2024 approving appointment of solicitor, interest assessment and attorney fees and collection fees added to the amount collected as part of unpaid real estate taxes and municipal claims for delinquent accounts.

g. Motion to (approve/reject/table) the employment contract for Randy Kreider, for the term January 1, 2025 through December 31, 2025.

h. Motion to (approve/reject/table) the employment contract for Deanna Proctor for the term January 1, 2025 through December 31, 2025.

i. Motion to (approve/reject/table) the employment contract for Mark Stonbraker for the ierm January 1, 2025 through December 31, 2025.

j. Motion to (approve/reject/table) the actions of Highspire Borough Manager Mark Stonbraker in the drafting of a Local Share Account Statewide Application Funding Commitment Letter for the Borough to provide a local match of not more than $126,000.00 for the Highspire Borough Roadway Rehabilitation Program.

k. Motion to (approve/reject/table) the actions of Highspire Borough Manager Mark

Stonbraker in the drafting of a Local Share Account Statewide Application Funding Commitment Letter for the Borough to provide a local match of not more than $130,000.00 for the Highspire Fire Department Fire Engine Purchase.

l. Motion to (approve/reject/table) the Humane Society of Harrisburg Area Municipal Domestic Animal Protective Services Agreement.

m. Motion to (approve/reject/table) the engagement letter for Cohen Law Group to perform Verizon Cable Franchise Renewal Services.

17. Approval of Payroll and Bills

18. Adjournment

"A good conscience is a continual Christmas gift." **— Benjaman Franklin**

PUBLIC NOTICE

BOROUGH OF HIGHSPIRE
SUMMARY OF PROPOSED 2024 BUDGETS AND TAX RATES
AS OF 11/14/2023

GENERAL GOVERNMENT BUDGET

Beginning Balance:		$0
Revenues:		
Real Estate Taxes		$ 1,556,814
Local Enabling Taxes		$ 456,900
Licenses and Permits		$ 38,700
Fines and Forfeits		$ 17,750
Interest, Rents & Royalties		$ 5,000
State Shared Revenue		$ 115,300
General Government		$ 750
Public Safety		$ 13,600
Sanitation		$ 347,424
Other Revenues and Reimbursements		$ 25,000
Transfers from Other Funds		$ 0
Total 2023 Revenues:		$2,577,238
Total Available for Appropriation:		$2,577,238
Expenditures:		
Administration		$ 242,024
Tax Collection		$ 8,828
Municipal Building		$ 45,806
Police Protection		$ 967,396
Emergency Services		$ 102,044
Fire Protection	$88,113	
Ambulance	$11,515	
Emergency Management	$ 1,736	
Fire Police	$ 580	
Act 13 Fees	$ 100	
Code Enforcement		$ 73,193
Highways		$295,735
Sanitation		$352,256
Recreation		$ 56,733
Municipal Insurance		$ 65,161
Miscellaneous Expenditures		$384,773
Debt Service	$ 202,153	
Capital Reserve	$ 34,339	
Capital Projects	$ 101,865	
Stormwater Management	$ 500	
Pension Distribution	$ 45,916	
Total Expenditures:		$2,577,238
Balance as of December 31, 2024		$0

SEWER DEPARTMENT BUDGET

Sewer Administration Fund

Beginning Fund Balance		$ 0
Revenues:		
Sewer Rentals		$1,370,082
Other Revenues		$ 0
Total Available for Appropriation:		$1,370,082
Expenditures:		
Administration		$ 280,072
Authority Lease Payments		$ 555,337
Other Expenditures:		$ 534,673
Authority Administration Expenses	$ 20,000	
Debt Service	$ 366,450	
Capital Reserve	$ 148,223	
Total Expenditures:		$1,370,082
Balance as of December 31, 2023:		$ 0

Sewer Operations and Maintenance Fund

Beginning Fund Balance:	$ 0
Revenues:	
Highspire Sewer Rentals	$ 555,337
Lower Swatara Sewer Rentals	$ 987,265
Other Revenues	$ 0
Total Available for Appropriation:	$1,542,602
Expenditures:	
Personnel and Benefits	$ 734,873
Operations and Maintenance	$ 807,729
Total Expenditures:	$1,542,602
Balance as of December 31, 2024:	$ 0

STORM WATER MANAGEMENT DRAINAGE & FLOOD CONTROL(MS-4) BUDGET

Beginning Fund Balance:	$ 75,000
Revenues / Interest	$ 65

Storm Water Fees	$ 147,250
Misc. Revenues	$ 4,000
Total 2023 Revenues	$ 226,315
Expenditures:	
Personnel and Benefits	$ 130,415
Operations and Maintenance	$ 75,900
Capital Reserve	$ 0
Authority Payment	$ 20,000
Total Expenditures:	$ 226,315
Balance as of December 31, 2024:	$0

HIGHWAY AID FUND BUDGET

Beginning Fund Balance:	$ 20,000
Revenues:	$ 78,551
Total Available for Appropriation	$ 98.601
Expenditures	$ 98,601
Balance as of December 31, 2024:	$0

TAX RATE

2024 Real Estate Tax Rate (no increase from, 2023) 19.00 mills

The Borough adopted Ordinance No. 622 of 2019 reflecting this Rate.

ASH AND GARBAGE FEES

2024 Ash and Garbage Fee will remain the same at $336 per annum per dwelling unit.

SEWER RENTALS

2024 Sewer Rentals	Residential - $75.00 per month, per unit Non-Residential - $100.85 per month, per unit Plus $5.89 per thousand gallons over one equivalent domestic unit (EDU)

The Proposed Budgets are available for public inspection at the Highspire Borough Municipal Building, 640 Eshelman Street, Highspire, PA 17034. From 8:00 a.m. to 4:00 p.m.. Monday through Friday. The final budgets and tax rate resolution will be adopted at the regular meeting of the Highspire Borough Council on December 19, 2023 at 7:00 p.m. at the Highspire Borough Municipal Building. All interested residents are encouraged to attend.

Michael J. Anderson
Borough Council President

Mark L. Stonbraker
Borough Manager/Secretary

HIGHSPIRE BOROUGH COUNCIL
RESOLUTION NO. 34 – 2024

A RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHSPIRE, DAUPHIN COUNTY, PENNSYLVANIA, REAPPOINTING THE BOROUGH AUDITOR TO AUDIT THE BOROUGH'S BOOKS FOR THE PERIOD JANUARY 1, 2024 THROUGH DECEMBER 31, 2024.

WHEREAS, the Borough of Highspire has provided for the appointment of an independent auditor in accordance with Clause 7 of Section 1005 of Article 10 of the Borough Code; and

WHEREAS, the Borough Code provides for the appointment of said auditor by resolution on an annual basis;

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Highspire that the firm of Boyer & Ritter, Certified Public Accountants, 211 House Avenue, Camp Hill, Pennsylvania, is hereby reappointed to perform a complete audit of the books of the Borough of Highspire as required under the laws of the Commonwealth of Pennsylvania for the year 2024 and to report their findings as required by law.

RESOLVED this 17th day of December, 2024, by the Borough Council of the Borough of Highspire, Dauphin County, Pennsylvania.

BOROUGH COUNCIL
BOROUGH OF HIGHSPIRE

ATTEST:

_____
Michael J. Anderson, Council President

_____
Mark L. Stonbraker, Borough Secretary

HIGHSPIRE BOROUGH COUNCIL
RESOLUTION NO. 35 – 2024

A RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHSPIRE, DAUPHIN COUNTY, PENNSYLVANIA, DIRECTING DAUPHIN COUNTY TAX CLAIM BUREAU NOT TO COLLECT DELINQUENT REAL ESTATE TAXES ON BEHALF OF THE BOROUGH OF HIGHSPIRE.

WHEREAS, the Borough of Highspire (the "Borough") is authorized to collect delinquent real estate taxes pursuant to the Municipal Claims and Tax Liens Act, 53 P.S. § 7101, *et seq.*, as amended (the "Act"); and

WHEREAS, the Borough has determined that it is in the best interest of all taxpayers and other residents to have vigorous enforcement of all delinquent real estate taxes and other unpaid charges, utilizing the procedures set forth in the Act; and

WHEREAS, the Borough has contracted with a third-party collector for the collection of delinquent real estate taxes, utilizing the procedures set forth in the Act; and

WHEREAS, the Dauphin County Tax Claim Bureau (the "Bureau") is an agent of the Borough as per 72 P.S. § 5860.208 of the Real Estate Tax Sale Law (the "RETSL").

NOW, THEREFORE, IT IS HEREBY RESOLVED, ENACTED AND ADOPTED BY THE BOROUGH AS FOLLOWS:

1. Until further notice, the Borough declares that it is collecting the delinquent 2024 real estate taxes and future delinquent real estate taxes utilizing the procedures set forth in the Act, exclusively and independently of any other statute governing the collection of taxes, including the RETSL, and independent of any county tax claim bureau.

2. Until further notice, the Borough directs the Bureau not to take any action to collect the delinquent 2024 real estate taxes and future delinquent real estate taxes, except that when the Bureau is selling any property at upset sale, private sale, judicial sale or repository sale under the procedures set forth in the RETSL, the Bureau is directed by the Borough to include tax delinquencies being collected by the Borough's third-party collector. The Borough further directs the Bureau not to incur any costs or liabilities for said delinquent taxes, except as necessary for the Bureau to include said delinquent taxes when the Bureau is selling properties at the Bureau's upset sale, private sale, judicial sale or repository sale pursuant to the RETSL.

3. The proper officials of the Borough are hereby authorized and empowered to take such additional action as they may deem necessary or appropriate to implement this Resolution.

DULY RESOLVED, ENACTED AND ADOPTED this 10th day of December, 2024, by the Borough Council of the Borough of Highspire, Dauphin County, Pennsylvania.

BOROUGH COUNCIL
BOROUGH OF HIGHSPIRE

ATTEST:

_____
Michael J. Anderson, Council President

_____
Mark L. Stonbraker, Borough Secretary

AGREEMENT FOR COLLECTION OF DELINQUENT REAL ESTATE TAXES AND MUNICIPAL CLAIMS ON BEHALF OF THE BOROUGH OF HIGHSPIRE

The Borough of Highspire ("Borough") and Portnoff Law Associates, Ltd. ("PLA") hereby enter into this Agreement for Collection of Delinquent Real Estate Taxes and Municipal Claims on Behalf of Borough (the "Agreement"), pursuant to the following terms and conditions:

1. Retention. Borough hereby retains PLA to collect its delinquent real estate tax accounts, beginning with taxes for tax year 2024, and delinquent sewer and stormwater fee accounts. All collections will be made *in rem* pursuant to the Municipal Claims and Tax Liens Act, 53 P.S. § 7101, *et seq.*, as amended (the "MCTLA"). Borough shall forward the following accounts to PLA as Borough's exclusive collection agent: (i) all real estate tax accounts that have been declared delinquent by Borough for tax year 2024; (ii) all sewer and stormwater fee accounts that have been declared delinquent by Borough prior to this Agreement that Borough seeks PLA to collect under this Agreement; and (iii) all real estate tax accounts and all sewer and stormwater fee accounts that become delinquent during the term of this Agreement. Borough must pay to PLA an annual fee of $2,500 per year for the first two years of this Agreement unless Borough places at least fifty (50) delinquent accounts at the initial placement. PLA shall have the discretion to refuse to accept or return any account. All accounts that have been or will be placed with PLA for collection shall hereinafter be referred to individually as an "Account," or collectively as the "Accounts." During the term of this Agreement, PLA shall have the exclusive right to collect the Accounts until the Accounts are paid in full (including all incurred PLA Fees and Costs, as defined in Section 4(b) below). PLA shall not be responsible under this Agreement to: (i) collect claims in assumpsit; (ii) collect claims pursuant to Section 7106(a)(2) of the MCTLA (also known as Act 93); (iii) collect claims that could be alleged to not attach to the underlying real estate pursuant to the exemptions of Section 7108 of the MCTLA; or (iv) defend challenges to Borough's ability to collect the underlying real estate tax, sewer fee, or stormwater fee.

2. Term. The initial term of this Agreement shall expire on December 31, 2027, subject to Section 15 below. After the initial term, this Agreement shall be renewed automatically under the same terms and conditions for additional two-year terms, unless either party provides written notice of termination to the other no later than ninety (90) days prior to the expiration of any current term.

3. Obligations of PLA. PLA agrees, on behalf of Borough, to:

(a) undertake the *in rem* collection of the Accounts in accordance with the MCTLA;

(b) respond in a timely manner to all requests and inquiries by Borough for information concerning any Account;

(c) collect, account for, and pay over to Borough, the proceeds of the Accounts collected pursuant to this Agreement, less any attorney fees and other charges, expenses, and fees payable to PLA;

(d) establish and administer a hardship program for Borough without additional charge; and

(e) provide financial information to auditors working on behalf of Borough with respect to routine annual audits.

4. Obligations of Borough. Borough agrees, as a condition precedent to PLA's obligations hereunder, to:

(a) provide PLA with the following information in electronic format with respect to each delinquent Account, which Borough confirms is lawfully due and owing to Borough: (i) name of each property owner(s); (ii) property address; (iii) billing address; (iv) tax parcel number; (v) account number associated with the delinquency; (vi) vehicle identification number (VIN) for mobile homes; (vii) assessed value of the property; (viii) docket numbers and copies of any liens, judgments or open litigation filed against the parcel by Borough; (ix) the amount of the delinquency, including an itemized and detailed breakdown of the dates and amounts of the following figures comprising the balance: principal, penalty, interest, finance charges, administrative fees, legal fees, costs, and any other individual charges; and (x) an itemized and detailed breakdown of the dates and amounts of any payments or credits applied to the Account;

(b) enact and maintain in full force and effect, and provide to PLA, any and all ordinances and resolutions required to: (i) collect the underlying real estate tax and municipal claim; (ii) authorize the entry into this Agreement by Borough; (iii) authorize PLA's attorneys to sign and file liens on behalf of Borough; (iv) authorize the imposition upon the delinquent property owner(s) of all attorney fees, unreimbursed costs, and other charges, expenses and fees charged or incurred by PLA, including all attorney fees, unreimbursed costs, and other charges, expenses and fees charged or incurred by any attorney(s) retained by PLA (collectively, "PLA Fees and Costs"), in connection with any Account; and (v) instruct the county tax claim bureau not to collect the Accounts;

(c) provide PLA with cooperation and candor at all times, and respond in a timely manner to all requests and inquiries PLA may have with regard to an Account or other matters related to this Agreement;

(d) upon receipt of a payment from a property owner on any Account, notify PLA of receipt of such payment and tender such payment to PLA;

(e) forward to PLA, in a timely manner, all legal notices received by Borough relating to any Account, real property or property owner against which PLA is collecting any Account, including all bankruptcy notices and notices of sale; and

(f) with respect to any claim commenced by or against Borough that in any way relates to the collection of delinquent real estate taxes, municipal claims, or any Account: (i) inform PLA, in a timely manner, of such claim; (ii) keep PLA advised, in a timely manner, of any developments that arise; (iii) allow PLA to have meaningful involvement in Borough's prosecution or defense of the claim; and (iv) allow PLA to intervene as a party in any litigation.

The failure of Borough to fully comply with any of its obligations in Sections 4(a) through 4(f) above shall constitute grounds to terminate this Agreement. If Borough is unable to provide PLA with the information required in Section 4(a) in electronic format, Borough may hire PLA to convert the data into electronic format at an hourly rate of $60.00. If the data provided contains errors or is not calculated or recorded in a manner that will allow PLA, in its discretion, to proceed with collection, Borough may hire PLA to reconcile the records at an hourly rate of $100.00. In either instance, PLA will not proceed without express approval from Borough.

5. Bankruptcy of Property Owner. As set forth in Section 4(e) above, it is important that Borough forward all bankruptcy notices and pleadings to PLA. If PLA receives notice of a property owner's bankruptcy filing at least thirty (30) days prior to the deadline for filing proofs of claim in a Chapter 13 bankruptcy case, PLA will file a proof of claim on behalf of Borough for all pre-petition Accounts that have been placed with PLA for collection. Unless Borough enters into a separate agreement with PLA to represent Borough in the property owner's bankruptcy case, PLA will cease its collection efforts on all Accounts for the bankrupt property owner while the bankruptcy case is open and will resume its collection efforts after the case is closed.

6. Mobile Homes and Trailers. As set forth in Section 4(a) above, Borough shall provide PLA with the vehicle identification number (VIN) for each mobile home and trailer associated with an Account. PLA shall not be obligated to proceed with collection on any Account where the mobile home or trailer is taxed separately from the real estate.

7. Sale, Assignment, or Transfer by Borough. The sale, assignment, or transfer by Borough, in whole or in part, of its rights with respect to any Account or with respect to Borough's current or future taxes, current or future sewer or stormwater fees, delinquent taxes, delinquent sewer or stormwater fees, tax liens, tax claims, municipal liens, or municipal claims, during the current term or future term of this Agreement, to any person, persons, entity or entities, without the prior written consent of PLA, shall constitute a breach of this Agreement and shall constitute grounds for PLA to immediately terminate this Agreement.

8. Consideration. In consideration of PLA's performance of its obligations under this Agreement, Borough hereby agrees to incur the attorney fees and other charges, expenses and fees payable to PLA in the amounts set forth in Exhibit "A" hereto (or as amended with PLA's consent by future ordinance of Borough), which amounts Borough acknowledges are fair and reasonable, and to reimburse PLA for all PLA Fees and Costs, subject to Sections 10, 15 and 16 below. Borough agrees that all PLA Fees and Costs, in connection with any Account, shall be part of the lien on the real property subject to the Account, and shall remain part of the lien until satisfied by payment in full of all PLA Fees and Costs.

9. Outside Attorneys. PLA shall be permitted, at its discretion, to utilize outside attorneys to assist PLA in the collection of the Accounts under this Agreement. The fees of such outside attorneys shall not exceed the amounts referenced in Exhibit "A" hereto (or as amended with PLA's consent by future ordinance of Borough).

10. Payment and Reimbursement of PLA Fees and Costs. Except as set forth in this Section 10 and Sections 11, 15 and 16 below, PLA shall attempt to collect PLA Fees and Costs directly from the delinquent property owner, pursuant to the MCTLA. PLA will not pursue payment of PLA Fees and Costs directly from Borough, unless:

(a) Borough, for non-economic reasons, suspends collection on any Account prior to payment in full. The failure to approve PLA's request to list any real property for sheriff's sale shall be deemed a suspension of collection. Borough shall not incur any liability to PLA for suspending collection on any Account prior to payment in full if PLA agrees that suspension is warranted. An Account shall not be considered to be "paid in full" unless all PLA Fees and Costs, in connection with any Account, are paid in full; or

(b) collection of any Account is discontinued, dismissed, or delayed due to an error on the part of Borough; or

(c) Borough sells, assigns, or transfers any Account to any person, persons, entity or entities, other than PLA; or

(d) this Agreement is terminated and Borough instructs PLA to cease collection of any Account; or

(e) PLA terminates this Agreement pursuant to Section 4 or Section 7 above.

In the event of the occurrence of any of the actions set forth in Sections 10(a) through 10(e) above, Borough immediately shall pay to PLA all outstanding PLA Fees and Costs, in connection with any Account.

If any payment or partial payment on any Account is made directly to Borough, or should Borough be obligated to make any payment to PLA under this Agreement, Borough shall immediately tender said payment to PLA. Should Borough fail to tender to PLA any payment owed to PLA within sixty (60) days of PLA's request therefor, Borough agrees that PLA shall be permitted to withhold the amount of said payment from Borough's remittances and apply same to the amount owed to PLA.

11. Notice of Delinquent Claim and Fee Shifting. On behalf of Borough, PLA shall provide property owners with notice of the delinquent claim and fee shifting required under Section 7106 of the MCTLA. The Account will be charged a fee of $40.00, plus applicable postage, per notice, to partially cover the costs associated with: (i) setting up a computerized file and data base for the Account; (ii) providing the initial notice of delinquent claim and fee shifting; (iii) communicating with property owners and establishing and monitoring hardship plans; and (iv) accounting to Borough for any monies received in response to the notice. Borough will be directly charged only for the cost of sending out the first notice and applicable postage (collectively, the "Notice of Claim Charge"), and any cost for additional notices will be charged to the Account. Borough shall adopt an ordinance that authorizes charging the above amounts to the delinquent property owner. Borough shall be reimbursed, and sent payments on a quarterly basis, for those Notice of Claim Charges that have been collected by PLA.

12. Application of Payments Received by PLA; Interest Waiver. Amounts recovered by PLA or Borough pursuant to this Agreement will be applied to the Accounts in the following order of priority: (i) reimbursement of costs and expenses incurred by PLA or any attorney(s) retained by PLA; (ii) attorney fees and other charges, expenses and fees charged by PLA or any attorney(s) retained by PLA; and (iii) amounts payable to Borough, including the face amount of the tax claim or municipal claim, the penalty, the Notice of Claim Charge, and interest. Borough hereby authorizes PLA to waive, on behalf of Borough, any interest owed by any property owner to Borough so long as PLA believes, in its discretion, that such amount is *de minimis* or that the cost or burden of continuing collection outweighs the benefit of collecting the interest.

13. Remittance and Reporting by PLA. PLA will remit funds collected no less frequently than once per month, and weekly when the amounts payable to Borough exceed $1,000, subject to Section 11 above. Remittance will be made directly to Borough's designated account via an automated clearing house (ACH) transfer. For each remittance, PLA will send Borough a detailed accounting in electronic format via email. If Borough requires additional accounting information, record organization, or custom financial reporting, Borough shall be charged at an hourly rate of $100.00 for this service, with a minimum charge of $40.00 per request.

14. Payoff Information. PLA shall provide payoff information in response to requests made by third parties, including, but not limited to, mortgage companies and title insurance companies. In consideration of providing payoff information, PLA shall be permitted to charge the requestor a fee of $25.00 per parcel, per request. This Section 14 does not apply to requests made under the Pennsylvania Right-to-Know Law, 65 P.S. § 67.101, *et seq.*

15. Rights on Termination. Upon termination of this Agreement, PLA shall have the exclusive option to continue to act, pursuant to the terms and conditions of this Agreement, as the exclusive collector of all Accounts that have not been paid in full, as defined in Section 10(a) above. If this Agreement is terminated by either Borough or PLA, and PLA ceases to act as the exclusive collector of any Account, Borough will take all steps necessary to free PLA of any obligation to perform further, including:

(a) Borough shall immediately execute and deliver any documents that are necessary to allow PLA to formally withdraw its appearance in any and all pending litigation;

(b) Borough shall immediately pay to PLA all unreimbursed costs and expenses incurred by PLA or incurred by any attorney(s) retained by PLA, in connection with any Account;

(c) Borough agrees that PLA shall be entitled to retaining and charging liens on the Accounts, collections, recoveries, tax claims and municipal claims, and client papers of Borough to secure the payment of all PLA Fees and Costs, in connection with any Account; and

(d) Borough agrees that all PLA Fees and Costs, in connection with any Account, shall be part of the lien on the real property subject to the Account, and shall remain part of the lien until satisfied by payment in full.

PLA shall have the right to terminate this Agreement immediately by providing written notice of termination to Borough upon the occurrence of any of the following events: (a) Borough fails to perform or comply with, or breaches, any material provision of this Agreement, including those set forth in Section 4 or Section 7 above; or (b) any representation, warranty, certification or statement of fact made or deemed made by or on behalf of Borough herein or in any document delivered in connection herewith shall be incorrect in any material respect when made; or (c) if any litigation, administrative proceeding or investigation ensues or is threatened involving this Agreement, or any agreement between PLA and Borough, and the adverse result of such litigation, proceeding or investigation would have, in PLA's opinion, a material adverse effect on either PLA's or Borough's ability to perform its obligations hereunder (clauses (a), (b) and (c) collectively, a "Termination Event"). In the event of a Termination Event or should Borough terminate this Agreement and request the return of any Account to Borough, or the transfer of any Account to any person(s), entity or entities other than PLA, in addition to the rights listed in Sections 15(a) through 15(d) above, Borough also shall immediately pay to PLA all PLA Fees and Costs in connection with any such Account, and Borough agrees that PLA shall be permitted to withhold all payments to Borough from Borough's remittances and apply same to the amount owed to PLA until all PLA Fees and Costs have been paid in full.

16. Indemnity and Liability. PLA shall indemnify and hold harmless Borough from and against any and all errors or omissions of PLA in the collection of the Accounts. Borough shall indemnify and hold harmless PLA from and against any and all losses, damages, claims, judgments, and costs of defense, including attorney fees, arising from any and all acts or omissions of Borough in connection with the property owner(s) or the collection of the Accounts, including, but not limited to, the placement for collection with PLA of an Account that is determined to be unauthorized by law in whole or in part, or the providing of and/or failure to update incorrect, inaccurate or incomplete information by Borough, or the failure of the property owner to receive notice of the underlying obligation, or the failure of Borough to provide information to PLA or to fulfill any of its obligations under this Agreement. Borough agrees that PLA shall have no liability, and Borough shall indemnify and hold PLA harmless, for any loss, damage or claim resulting from any obligation owed to, or alleged by, any county tax claim bureau, including, but not limited to, the payment or charging of commissions, or the filing of reports or annual returns.

Except as otherwise disclosed to PLA, there are no actions, suits or proceedings by or before any arbiter, court of law, or governmental authority pending against or, to the knowledge of Borough, threatened against or affecting Borough, that could reasonably, individually or in the aggregate, be expected to materially and adversely affect the ability of PLA or Borough to perform their obligations under this Agreement. In the event that PLA must refund any amounts paid by a property owner, including PLA Fees and Costs, as a result of a claim that the property owner failed to receive notice of the underlying obligation or that the amount of any tax or municipal claim is determined by any arbiter, court of law, or governmental authority to be excessive, mistakenly assessed, unreasonable or not authorized by law, Borough will pay directly to the property owner the amount that PLA is required to refund and will immediately pay to PLA all unpaid fees and costs incurred by PLA in connection with all such Accounts.

17. Conflict of Interest Waiver. There may be situations where PLA represents more than one municipal creditor (or assignee thereof) holding liens on a given property. To the extent that payments are received by PLA that are allocable to more than one delinquent account, a potential conflict of interest could arise, as one client may be paid before another. In these cases, payments will be applied to accounts as determined by PLA in its sole discretion, unless otherwise required pursuant to applicable law. To the extent that the property is sold at a sheriff's sale free and clear of liens and encumbrances, a potential conflict of interest could arise, given that the sale may divest all or part of the claims of one or more clients. Because distribution of the sale proceeds is made by the sheriff's office in accordance with established law, PLA does not believe that representing multiple creditors (or any assignee thereof) will impede PLA's ability to fairly and effectively represent each client. Borough confirms that it is aware of these issues and agrees to waive any potential conflicts of interest that may arise.

18. Dispute Resolution; Waiver of Jury Trial. Borough and PLA agree that any dispute arising out of, or relating to, this Agreement, or the subject matter thereof, whether sounding in tort, contract or otherwise, shall be submitted to binding arbitration, to be conducted by a single arbitrator agreed to by Borough and PLA in accordance with the rules of the American Arbitration Association, in lieu of any judicial determination of the dispute. In the event the parties are unable to agree upon an arbitrator, either party may petition the Court of Common Pleas of Dauphin County for the appointment of an independent arbitrator. Both parties waive the right to bring judicial proceedings in connection with any dispute arising under or relating to this Agreement, including the right to a trial by jury.

19. Records Retention. PLA may discard or destroy any and all records pertaining to any parcel five (5) years to the day after the earlier of: (i) the date on which all accounts relevant to that parcel are paid in full, or (ii) the date on which PLA has ceased collection on all unpaid delinquent accounts for such parcel based on its determination that such accounts are uncollectible with no hope of future recovery. PLA shall notify Borough by mail or email at least thirty (30) days prior to discarding or destroying records, and in the absence of a response, shall be permitted to proceed with discarding or destroying any and all records. If Borough notifies PLA within the thirty (30) day time-period that it wishes for any records intended to be destroyed or discarded to be returned to it, PLA shall return such records to Borough at Borough's expense. PLA shall not destroy any records for which Borough has notified PLA that such records may be relevant to any pending or reasonably foreseeable litigation.

20. Choice of Law. This Agreement shall be interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

21. Assignment. Neither Borough nor PLA shall assign this Agreement, or any part thereof, without the prior written consent of both Borough and PLA. Any attempted assignment by either party without such written consent shall be null and void.

22. Modification. No term of this Agreement may be changed or modified without the written consent of both Borough and PLA.

23. Severability and Waiver. In the event that any portion of this Agreement is declared invalid by legislation, or order, decree or judgment of a court, this Agreement shall be construed as if such portion had not been inserted herein, and the remainder of this Agreement shall be enforced with the invalid term omitted. The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future enforcement of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.

24. Headings. The headings used in the sections, paragraphs and clauses of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement.

25. Survival. All representations, warranties, covenants, and agreements made herein shall survive the execution and delivery hereof and shall continue in full force and effect regardless of the termination of this Agreement, so long as any incurred PLA Fees and Costs remain outstanding. Sections 8, 10, 12, 13, 14, 15, 16, 18, 19 and this Section 25 of the Agreement shall survive and remain in full force and effect regardless of the termination of this Agreement or any provisions hereof.

26. Effective Date. Notwithstanding anything to the contrary herein, this Agreement shall not become binding and effective until the date on which each of the following conditions is satisfied (or waived by PLA in its sole discretion): (i) the Agreement has been executed by Borough and PLA; (ii) PLA has accepted as satisfactory Borough's delinquent account data; (iii) the representations and warranties of Borough shall be true and correct in all material respects; (iv) no event that allows for the termination of the Agreement has occurred; and (v) the execution, delivery and performance by Borough of this Agreement have been duly authorized by all necessary action of Borough.

27. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto concerning the subject matter set forth herein and supersedes all prior or contemporaneous oral and/or written agreements and representations not contained herein concerning the subject matter of this Agreement. The parties acknowledge that they have had the opportunity to have this Agreement reviewed by counsel of their own choosing and to negotiate the terms hereof, and that no party is deemed the drafter of this Agreement.

BOROUGH OF HIGHSPIRE

Dated:_____ By:_____
Michael J. Anderson
Council President

Dated:_____ Attest:_____
Mark L. Stonbraker
Borough Manager

PORTNOFF LAW ASSOCIATES, LTD.

Dated:_____ By:_____
Michelle R. Portnoff, Esquire
Title: President

EXHIBIT "A"

Legal Fees

Initial review and sending first legal demand letter	$175.00
File Lien and prepare Satisfaction	$250.00
Prepare Writ of Scire Facias	$250.00
Prepare and mail letter under Pa. R.C.P. 237.1	$ 50.00
Prepare Default Judgment	$175.00
Research, prepare and obtain re-issued Writ	$175.00
Prepare Praecipe to Amend	$100.00
Prepare Motion to Amend	$150.00
Prepare Motion for Alternate Service	$250.00
Prepare Motion to Consolidate Claims	$250.00
Amend claim to add United States as defendant	$250.00
Prepare Writ of Execution	$800.00
Preparation for sheriff's sale; review schedule of distribution and resolve distribution issues	$400.00
Prepare Motion to Continue Sheriff's Sale	$ 50.00
Prepare Petition for Free and Clear Sale	$400.00
Preparation and service of Subpoena	$100.00
Presentation of Motion or Petition	$ 50.00
Services not covered above	At an hourly rate between $75-$275 per hour

Collection Fees

Validation notice	$ 25.00 per notice
Notice of delinquent claim and fee shifting	$ 40.00 per notice, plus applicable postage
Bookkeeping fee for payment plan of 3 months or less	$ 25.00
Bookkeeping fee for payment plan of more than 3 months	$ 50.00
Handling fee for returned check	$ 25.00

Payoff Fee

Providing guaranteed payoff to third parties	$ 25.00

BOROUGH OF HIGHSPIRE
DAUPHIN COUNTY, PENNSYLVANIA

ORDINANCE NO. 658 of 2024

AN ORDINANCE OF THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHSPIRE, DAUPHIN COUNTY, PENNSYLVANIA, APPROVING APPOINTMENT OF SOLICITOR, INTEREST ASSESSMENT, AND ATTORNEY FEES AND COLLECTION FEES ADDED TO THE AMOUNT COLLECTED AS PART OF UNPAID REAL ESTATE TAXES AND MUNICIPAL CLAIMS FOR DELINQUENT ACCOUNTS

WHEREAS, to be fair to all taxpayers and other residents of the Borough of Highspire (the "Borough"), it is necessary for the Borough to recover promptly unpaid, delinquent real estate tax accounts and unpaid, delinquent sewer and stormwater fee accounts, if necessary, by legal proceedings; and

WHEREAS, the Municipal Claims and Tax Liens Act, 53 P.S. § 7101, *et seq.*, as amended (the "Act"), provides a statutory framework for Municipalities to collect unpaid Tax Claims and Municipal Claims; and

WHEREAS, § 7101 of the Act authorizes a Municipality levying Taxes, Tax Claims, Tax Liens, Municipal Claims and/or Municipal Liens that become delinquent (each, an "Unpaid Claim") to recover the Charges, Expenses, Commissions and Fees incurred in the collection of the Unpaid Claims together with the applicable Unpaid Claim, provided that such Charges, Expenses, Commissions and Fees are approved by Legislative Action of such Municipality; and

WHEREAS, § 7106 of the Act requires that the applicable Municipality adopt by Ordinance a schedule of Attorney Fees for any Attorney Fees incurred in connection with the filing, preservation and collection of any Delinquent Account, including any Unpaid Claim; and

WHEREAS, the Borough has determined after due deliberation and investigation that it is in the best interest of the Borough to collect certain Unpaid Claims pursuant to the Act, and after careful review of the Attorney Fees and Collection Fees set forth in this Ordinance, to approve and adopt such Attorney Fees and Collection Fees pursuant to this Legislative Action in accordance with the Act.

NOW, THEREFORE, IT IS HEREBY ORDAINED, ENACTED AND ADOPTED BY THE COUNCIL OF THE BOROUGH OF HIGHSPIRE AS FOLLOWS:

Section 1. Attorney Fees and Collection Fees to be Added to the Unpaid Claims. The Attorney Fees and Collection Fees set forth below are hereby adopted, approved, and determined to be reasonable, including, without limitation, as contemplated by § 7106 of the Act. The Attorney Fees and Collection Fees set forth below shall be included and added to the applicable Unpaid Claims collected pursuant to the Act (such Unpaid Claims, the "MCTLA Unpaid Claims") in an amount equal to the amount set forth in this Section 1.

(a) Attorney Fees.

Initial review and sending first legal demand letter	$175.00
File Lien and prepare Satisfaction	$250.00
Prepare Writ of Scire Facias	$250.00
Prepare and mail letter under Pa. R.C.P. 237.1	$ 50.00
Prepare Default Judgment	$175.00
Research, prepare and obtain re-issued Writ	$175.00
Prepare Praecipe to Amend	$100.00
Prepare Motion to Amend	$150.00
Prepare Motion for Alternate Service	$250.00
Prepare Motion to Consolidate Claims	$250.00
Amend claim to add United States as defendant	$250.00
Prepare Writ of Execution	$800.00
Preparation for sheriff's sale; review schedule of distribution and resolve distribution issues	$400.00
Prepare Motion to Continue Sheriff's Sale	$ 50.00
Prepare Petition for Free and Clear Sale	$400.00
Preparation and service of Subpoena	$100.00
Presentation of Motion or Petition	$ 50.00
Services not covered above	At an hourly rate between $75.00-$275.00 per hour

(b) Collection Fees.

Validation notice	$ 25.00 per notice
Notice of delinquent claim and fee shifting	$ 40.00 per notice, plus applicable postage
Bookkeeping fee for payment plan of 3 months or less	$ 25.00
Bookkeeping fee for payment plan of more than 3 months	$ 50.00
Handling fee for returned check	$ 25.00

In addition to the Collection Fees set forth under Section 1(b) above, the amount of out-of-pocket charges, costs, expenses, commissions and fees incurred in connection with the filing, preservation and collection of the MCTLA Unpaid Claims, including, but not limited to, prothonotary fees and charges, sheriff fees and charges, postage expenses, title search expenses, vehicle identification number (VIN) search expenses, skip tracing and/or other investigatory service expenses, and the costs, fees, charges and/or expenses arising out of any payment by any credit card, debit card or any other payment medium, are hereby approved and shall be included, upon incurrence, together with the applicable MCTLA Unpaid Claim.

Section 2. Interest. Interest will be assessed upon the MCTLA Unpaid Claims at a rate of 10% per annum and added to the MCTLA Unpaid Claims. The Borough is permitted to waive any interest on any MCTLA Unpaid Claim when the Borough or any attorney and/or third-party collector collecting the MCTLA Unpaid Claim believes, in its discretion, that such amount is *de minimis* or that the cost or burden of continuing collection outweighs the benefit of collecting the interest.

Section 3. Appointment of Solicitor. The Borough appoints Michelle R. Portnoff, Esquire, as Solicitor for the limited purpose of collecting the MCTLA Unpaid Claims and hereby authorizes her, and all attorneys employed by Portnoff Law Associates, Ltd., to sign any and all documents, including tax claims, municipal claims, and liens, on behalf of the Borough.

Section 4. Severability. Should any section, paragraph, clause, or phrase of this Ordinance be declared unconstitutional or invalid by legislation or a court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby and shall remain in full force and effect.

Section 5. Inconsistencies. All prior ordinances, resolutions and/or other official acts or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Section 6. Capitalized Terms. Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Act.

Section 7. Effective Date. This Ordinance shall take effect on the earliest date permitted pursuant to applicable law.

DULY ORDAINED, ENACTED AND ADOPTED BY THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHSPIRE THIS 21ST OF JANUARY, 2025.

BOROUGH COUNCIL
Attest: BOROUGH OF HIGHSPIRE

_____ _____
Mark L. Stonbraker, Borough Secretary Michael J. Anderson, Council President

APPROVED this 21st day of January, 2025 by the Mayor of the Borough of Highspire, Dauphin County, Pennsylvania.

By: _____
Von E. Hess, Mayor

The Proposed Ordinance will be considered for adoption at the regular meeting of the Highspire Borough Council on January 21, 2025 at 7:00 p.m. at the Highspire Borough Municipal Building. All interested residents are encouraged to attend.

AGREEMENT

THIS AGREEMENT, made this 10th day of December 2024, effective January 1, 2025, by and between the BOROUGH OF HIGHSPIRE, Dauphin County, Pennsylvania, (hereafter sometimes "Borough") and RANDY L. KREIDER, (hereinafter "Kreider").

The Parties hereby agree as follows:

1. Kreider is hereby appointed as Public Works Superintendent of the Highspire Borough Public Works Department which includes the Wastewater Treatment Plant, the Highway Department, and other public works of the Borough of Highspire, and other duties as assigned to him from time to time by the Borough Manager. This Agreement is subject to the laws of Pennsylvania and the ordinances of the Borough of Highspire. It is understood that Kreider is an exempt salaried, managerial-level employee.

2. Kreider shall devote his full time to working in the above referenced position. It is recognized that a full-time work week consists of at least forty (40) hours per week.

3. In consideration for his services to the Borough, Kreider will be paid a salary of $92,776.91 per annum through to December 31, 2025, in equal bi-weekly payments.

4. As additional consideration for his services to the Borough, Kreider shall receive Health Insurance benefits that shall be the same or equivalent to those provided to Borough Public Works Department Employees. Should any change be made in those benefits as a result of collective bargaining over the terms and conditions of employment of the Public Works Department employees, Kreider hereby agrees to accept any changes so made.

5. Kreider shall be eligible to participate in the Non-Uniform Employee Pension plan of the Borough. Should any change be made in those benefits as a result of collective bargaining over the terms and conditions of employment of the Public Works Department employees, Kreider hereby agrees to accept any changes made.

6. Kreider's work day shall be an eight (8) hour work day and he shall keep regular, posted office hours of at least eight (8) hours per day, Monday through Friday, 7:00 a.m. to 3:30 p.m. Any changes in his work hours shall be approved by the Personnel Committee of Borough Council with at least thirty (30) days advance notice. It is understood, however, that Borough business may require Kreider to exceed the regular workweek of forty (40) hours and to attend to Borough business outside of his normal working hours when necessary, including attendance at Borough Council meetings, committee meetings, and meetings of Borough boards, authorities and commissions, as required or necessary to carry out his duties. It is understood that Kreider shall make no claim for compensatory time or additional wages for such work.

7. Kreider shall receive the following benefits that shall be the same as those provided to Borough Public Works Department employees: vacation, sick, Holiday, personal leave, bereavement leave, jury duty leave, and military leave. Leave requests shall be subject to the approval of the Borough Manager. Kreider's vacation usage shall be governed as prescribed in Article 17 of the Agreement between the Borough of Highspire and the Chauffeurs, Teamsters and Helpers Local Union No. 776. Kreider shall also be entitled to accrue sick leave in the same manner as prescribed in Article 18, Paragraph 1 of the above referenced Agreement. Borough Council and Kreider recognize that the Borough engages in collective bargaining over the terms and conditions of employment of the Public Works Department employees, and that these aforementioned benefits may change as a result of that bargaining. Kreider hereby agrees to accept any changes made in those benefits.

8. Kreider shall be allowed to submit claims for compensatory time for emergency call outs, snow, winter, weather emergencies and staffing the Woody Waste Yard. Kreider shall carryover, from year to year, no more than sixty (60) hours compensatory time. Should Kreider accumulate more than sixty (60) compensatory hours as of the submission of the final payroll for the year, of any calendar year, he shall be paid for such excess accumulation at his current rate of pay.

9. Kreider shall report to the Borough Manager, who shall meet with him to evaluate his performance as the Borough Manager deems appropriate. Although Borough Council or its Personnel Committee shall discuss the criteria and provide input under which Kreider shall be evaluated, his evaluation shall be conducted by the

Borough Manager.

10. The terms and conditions of this Agreement shall commence January 1, 2025, and continue until December 31, 2025. Nonetheless, Kreider shall at all times be considered an employee at will. Should either party to this Agreement wish to terminate it without cause during its term, thirty (30) days prior written notice shall be given to the other party and this Agreement shall then terminate. Should Borough Council terminate this Agreement during its term for willful misconduct by Kreider or other compelling reason(s), as determined by Borough Council, termination shall be effective immediately upon notice to Kreider. Should Borough Council terminate this Agreement during its term for reasons other than willful misconduct, the Borough shall provide Kreider the equivalent of three (3) months of his salary and benefits at termination. Should Borough Council allow this Agreement to lapse and not enter into a new Agreement with Kreider, then Council shall pay Kreider the equivalent of his salary and benefits for three (3) months at the end of this Agreement's term.

11. Should the parties wish to continue this Agreement after December 31, 2025**,** either party may do so by notifying the other party in writing prior to its expiration of that desire and obtaining the other party's written consent. It is understood that the Borough may extend this contract only by resolution of Borough Council.

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties have executed this Agreement below.

_____
Randy L. Kreider

Date: _____

ATTEST:

_____
Mark L. Stonbraker
Borough Manager

BOROUGH OF HIGHSPIRE

BY: _____
Michael J. Anderson, President
Borough Council

Date: _____

AGREEMENT

THIS AGREEMENT, made this 10th day of December 2024, effective January 1, 2025, by and between the BOROUGH OF HIGHSPIRE, Dauphin County, Pennsylvania, (hereinafter sometimes "Borough") and Deanna J. Proctor, (hereinafter "Proctor").

The Parties hereby agree as follows:

1. Proctor is hereby appointed Assistant Borough Manager / Secretary and Code Enforcement / Zoning Officer of the Borough of Highspire and is vested with the powers and duties of those offices as defined in the Borough Code and other laws of Pennsylvania and the ordinances of the Borough of Highspire. It is understood that Proctor in her position as Assistant Borough Manager / Secretary, and Code Enforcement / Zoning Officer is a salaried, managerial level employee of the Borough. Proctor shall also be responsible for coordinating all Planning Commission activities and meetings, assisting the Borough Manager, and other duties as assigned to her from time to time by the Borough Manager. This Agreement is subject to the laws of Pennsylvania and the ordinances of the Borough of Highspire.

2. Proctor shall devote her full time as Assistant Borough Manager and Code Enforcement / Zoning Office. It is recognized that a full-time work week consists of forty (40) hours.

3. In consideration for her services to the Borough, Proctor will be paid a salary of $71,897.79 per annum from January 1, 2025 through to December 31, 2025, in equal bi-weekly payments.

4. As additional consideration for her services, Proctor shall receive Health Insurance benefits that shall be the same or equivalent to those provided to Borough Public Works Department Employees. Should any change be made in those benefits as a result of collective bargaining over the terms and conditions of employment of the Public Works Department employees, Proctor hereby agrees to accept any changes so made.

5. Proctor shall be eligible to participate in the Non-Uniform Employee Pension plan of the Borough. Should any change be made in those benefits as a result of collective bargaining over the terms and conditions of employment of the Public Works Department employees, Proctor hereby agrees to accept any changes made.

6. It is recognized that Proctor's workday shall be an eight-hour workday, plus she shall be expected to attend to Borough business outside of regular working hours when necessary, including attendance at Borough Council meetings, committee meetings, and meetings of Borough boards and commissions, as required or necessary to carry out her duties.

7. Travel - Borough Business. Proctor shall use his personally owned vehicle to conduct Borough related business. Proctor shall have access to a Borough fuel card and permitted to put fuel in her vehicle as needed when said vehicle is used solely for Borough business.

8. Proctor shall be entitled to accrue one work-day of sick leave per month, to a maximum accumulation of 120 sick days. Proctor shall be entitled to accrue paid vacation leave at the rate prescribed in the public works employees collective bargaining agreement as it relates to vacation and length of service (160 hours). Proctor may accumulate and carry over into the following year up to ten (10) unused annual leave vacation days or 80 hours. Leave requests and usage shall be subject to the approval of the Borough Manager based on the operational needs of the Borough. Vacation Leave utilization shall not be unreasonably withheld. Should Proctor fail to use or schedule more than ten (10) days of vacation or annual leave days prior to her anniversary date, the Borough Manager may schedule, at his discretion, any unused or unscheduled vacation leave over the maximum allowed to be carried from year to year. It is understood that a reasonable effort shall be made to have Proctor schedule her leave before leave is scheduled by the Manager. Should any change be made in the vacation schedule as a result of collective bargaining over the terms and conditions of employment of the Public Works Department employees, Proctor hereby agrees to accept any changes made. In the event that Proctor has earned, but not used vacation leave as of the termination of

this Agreement or the termination of her employment, she shall be paid for those accrued vacation days.at her regular rate of pay.

9. Proctor shall receive the following benefits that shall be the same as those provided to Borough Public Works Department Employees: holidays, bereavement leave, jury duty leave, and military leave. Proctor shall receive paid personal days that shall be the same as those provided to Borough Public Works Department Employees. Council and Proctor recognize that the Borough engages in collective bargaining over the terms and conditions of employment of the Public Works Department Employees, and that these aforementioned benefits may change as a result of that bargaining. Proctor hereby agrees to accept any changed made in those benefits.

10. Proctor shall keep regular, posted office hours of eight (8) hours per day, Monday through Friday, 8:00 a.m. to 4:00 p.m. It is understood, however, that Borough business may require Proctor to exceed the regular work week of forty (40) hours and to attend to Borough business outside of his normal working hours. It is understood that Proctor shall be allowed to submit claims for compensatory time for flood, winter weather and other emergencies. Proctor shall carryover, from year to year, no more than eighty (80) hours compensatory time. Should Proctor accumulate more than eighty (80) compensatory hours as of December 31st of any calendar year, she shall be paid for such excess accumulation at her current rate of pay.

11. The terms and conditions of this agreement shall commence on January 1, 2025 and continue until December 31, 2025. Proctor shall at all times be considered an employee at will. Should either party to this Agreement wish to terminate it during its term for any reason, thirty (30) days prior written notice shall be given to the other party and this Agreement shall then terminate. Should Borough Council terminate this Agreement during its term for willful misconduct of Proctor or other compelling reasons, as determined by Borough Council, termination shall be effective immediately upon notice to Proctor. Should Borough Council terminate this Agreement during its term for reasons other than willful misconduct, the Borough shall provide Proctor the equivalent of three (3) months of her salary and benefits at termination. Should Borough Council allow this

Agreement to lapse and not enter into a new Agreement with Proctor, then the Borough shall pay Proctor the equivalent of her salary and benefits for three (3) months at the end of this Agreement's term.

12. Should the parties wish to continue this Agreement after December 31, 2025**,** either party may do so by notifying the other party in writing prior to its expiration of that desire and obtaining the other party's written consent. It is understood that the Borough may extend this contract only by resolution of Borough Council.

IN WITNESS WHEREOF, the parties have executed this Agreement below.

_____
Deanna J. Proctor

BOROUGH OF HIGHSPIRE

ATTEST:

BY: _____

_____
Mark L. Stonbraker
Borough Manager

Michael J. Anderson
President, Borough Council

:824960

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter "Agreement") is made this 10th day of December, 2024, effective January 1, 2025 between the *BOROUGH OF HIGHSPIRE*, Dauphin County, Pennsylvania (hereinafter referred to as "Borough") and *MARK L. STONBRAKER*, an adult individual (hereinafter referred to as "Stonbraker").

BACKGROUND

1. Stonbraker is presently the Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator for the Borough.
2. The Borough and Stonbraker desires such employment with the Borough upon the terms and conditions hereinafter set forth.

NOW THEREFORE, the parties hereto, intending to be legally bound agree as follows:

1. ***BACKGROUND.*** The above background is incorporated herein as part of this Agreement.

2. ***EMPLOYMENT.*** The Borough hereby agrees to employ Stonbraker as the Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator, effective January 1, 2025. As the Borough Manager, Stonbraker is vested with the powers and duties of that office as defined in the Borough Code of Pennsylvania and the Ordinances of the Borough of Highspire. This Agreement is subject to the laws of the Commonwealth of Pennsylvania and Ordinances of the Borough of Highspire. It is understood that Stonbraker in his position as Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator is a salaried, managerial level employee of the Borough.

3. ***HOURS OF EMPLOY.*** Stonbraker will devote his best efforts and attention by working full time as the Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator. Stonbraker will work full-time. Stonbraker's work week will consist of an average forty (40) hours and shall work during the normal business hours of the Borough (8:00 AM. to 4:00 PM. except for lunch). It is recognized that Stonbraker's work day shall be on average an eight (8) hour work day, and that he shall be expected to attend to Borough business outside of the normal business hours of the Borough when necessary, including attendance at Borough Council meetings, committee meetings, and meetings of the Borough Boards and Commissions. Stonbraker shall keep regular, posted office hours of at least eight (8) hours per day, Monday through Friday. Stonbraker shall have the discretion to set his own hours provided they are between the hours of 7:00 AM. and 5:00 PM. and are regular from week to week. Any changes in his work hours shall be approved by the personnel committee with at least thirty (30) days advance notice.

4. ***CONSIDERATION.*** In consideration of his services to the Borough as Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator, Stonbraker will be paid the salary of $109,473.71 per annum (2.25% increase from 2024) through to December 31, 2025 payable in equal bi-weekly payments, as long

as Stonbraker retains the duties of Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator.

5. ***TERM.*** This Agreement shall continue as long as Borough Council, in the exercise of its absolute discretion, deems Stonbraker's performance to be satisfactory or until December 31, 2025. Stonbraker's position as Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator is at will. Should either party to this Agreement wish to terminate Stonbraker's position as Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator during its term, thirty (30) days prior written notice shall be given to the other party of this Agreement shall then terminate. Should Council terminate this Agreement during its term, due to Stonbraker's willful misconduct or other compelling reasons, termination shall be effective immediately upon notice to Stonbraker. Should Council terminate this Agreement during its term for reasons other than Stonbraker's willful misconduct, the Borough shall provide Stonbraker the equivalent of three (3) months salary and benefits at termination. Should Council allow this Agreement to lapse and not enter into a new agreement with Stonbraker, the Council shall pay Stonbraker the equivalent of his salary and benefits for three (3) months at the end of this contract's term.

6. ***BENEFITS.*** While employed as Borough Manager, Public Safety Director and Chief Administrative Officer of the Police Department, Stonbraker shall receive Health Insurance benefits that shall be the same or equivalent to those provided to the Borough Public Works Department employees. Stonbraker shall be eligible to participate in the Non-Uniform Pension Plan of the Borough. Stonbraker shall receive the following benefits that shall be the same as those provided to Borough Public Works Department employees: vacation, sick, holiday, personal leave, compensatory time, bereavement leave, jury duty leave, and military leave. Should any change be made in those benefits as a result of collective bargaining over the terms and conditions of employment of the Public Works Department employees, Stonbraker hereby agrees to accept any changes so made. It is understood that Stonbraker shall be allowed to submit claims for compensatory time for hours over his eight (8) hour work day when conducting Borough business (not while attending required meetings on behalf of the Borough) including, but not limited to, training, serious criminal investigation and emergencies due to flood, winter weather and all other hazards.

Vacation - Stonbraker will receive twenty (25) vacation days per year. Council will be notified in writing of any annual leave in excess of five (5) continuous days not less than thirty- days (30) prior to the vacation. Stonbraker shall carry over, from year to year, no more than forty (40) vacation days. If by years end Stonbraker has accumulated more than forty (40) vacation days as of the submission of the last payroll for the year, of any calendar year, he shall be paid for such excess accumulation at his current rate of pay.

Compensatory Time - Stonbraker shall carry over, from year to year, no more than eighty (80) hours compensatory time. Should Stonbraker accumulate more than eighty (80) compensatory hours as of the submission of the final payroll for the year, of any calendar year, he shall be paid for such excess accumulation at his current rate of pay. Should Stonbraker accumulate more than

fifteen (15) hours as of the submission of the final payroll for the year, of any calendar year, he shall be paid for such excess accumulation at his current rate of pay.

Personal Days – Stonbraker shall accrue one (1) personal day for every quarter (three (3) months) of the year for a total of four (4) personal days a year. All personal days must be used prior to the end of the year (December 31st).

Sick Days – Stonbraker shall accrue one (1) sick day for every month worked. Should Stonbraker accumulate more than one hundred and twenty sick days (120) as of the submission of the final payroll for the year, of any calendar year, he shall be paid for such excess accumulation at 1/3 his current rate of pay.

Gym Membership - The Borough shall provide to Stonbraker and at no cost to him, a membership to a local gym.

Equipment & Shoe Allowance – The Borough shall provide Stonbraker an equipment and shoe allowance as outlined in the current Highspire Police Association contract.

7. *POST RETIREMENT MEDICAL BENEFITS.* Upon retirement the Borough will pay 75% of Stonbraker and spouse's health (including dental and vision coverage) insurance premium from date of retirement until the date Stonbraker becomes Medicare eligible. The level and type of coverage provided for Stonbraker and his spouse shall be the same as is provided for all active full-time employees. Upon becoming Medicare eligible, Stonbraker may choose to continue group health benefits provided by the Borough's group health plan by purchasing both Dental and Vision under the Benecon and Borough of Highspire COBRA Administration Agreement.

8. *WORK PERFORMANCE.* Stonbraker and Borough Council, or a committee of Council, shall meet to evaluate Stonbraker's performance as a manager as they deem appropriate. Stonbraker's duties, responsibilities and work hours as Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator shall be as designated in the Borough Code except as specifically set forth in this Agreement.

9. *TRAVEL-BOROUGH BUSINESS.* Stonbraker shall use his personally owned vehicle to conduct Borough related business. Stonbraker shall have access to a Borough fuel card and permitted to put fuel in his vehicle as needed when said vehicle is used solely for Borough business.

10. *POLICE DEPARTMENT.* The parties acknowledge that with Stonbraker having to spend his work time managing the Borough, assistance will be needed in the Police Department. As long as Stonbraker is serving as Borough Manager, Public Safety Director, Chief Administrative Officer of the Police Department and Emergency Management Coordinator, a sergeant's position shall be created and filled in the Police Department. Stonbraker may delegate to the sergeant certain duties, including, but not limited to, basic schedule development, daily report reviews and additional duties all under the approval and supervision of Stonbraker. Also, Stonbraker is permitted to hire and maintain a full-time administrative assistant to be employed by the Borough with duties to be assigned by Stonbraker provided said cost stays within the current approved budget of the Borough for 2024.

11. ***NOTICES.*** All Notices required or permitted to be given under this Agreement shall be in writing and served by hand delivery or by certified mail to Stonbraker's last known residence or to the Borough's principal office in Highspire, Pennsylvania.

12. ***GOVERNING LAW.*** This Agreement shall be interpreted, construed, and governed according to the laws of the Commonwealth of Pennsylvania.

13. ***COUNTERPARTS.*** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one in the same Agreement.

14. ***LEGAL CONSTRUCTION.*** In case anyone or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in it.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the above date with the intent to be legally bound hereby.

BOROUGH OF HIGHSPIRE

By: _____

Michael J. Anderson, Council President

By: _____

Von E. Hess, Mayor

STONBRAKER

_____

Mark L. Stonbraker

The Borough of Highspire
640 ESHELMAN STREET
HIGHSPIRE, PENNSYLVANIA 17034-1698
Office 717/939-3303
Fax 717/939-3371

November 22, 2024

PA Department of Community and Economic Development
Center for Community Enhancement
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

RE: Highspire Borough, Dauphin County
Local Share Account (LSA) Statewide Application
Highspire Borough Roadway Rehabilitation Program
EXHIBIT 5: FUNDING COMMITMENT LETTER

To Whom It May Concern:

The matching funds for this project will be the responsibility of Highspire Borough. The Borough has committed to provide a local match in the amount of $126,000.00. These funds will be made available through the Borough's General fund.

Please feel free to contact me if you have any questions or require additional information.

Sincerely,

Mark L. Stonbraker
Borough Manager, Public Safety Director
& Emergency Management Coordinator

The Borough of Highspire
640 ESHELMAN STREET
HIGHSPIRE, PENNSYLVANIA 17034-1698
Office 717/939-3303
Fax 717/939-3371

November 22, 2024

PA Department of Community and Economic Development
Center for Community Enhancement
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

RE: Highspire Borough, Dauphin County
Local Share Account (LSA) Statewide Application
Highspire Fire Department – Fire Engine Purchase
EXHIBIT 5: FUNDING COMMITMENT LETTER

To Whom It May Concern:

The matching funds for this project will be the responsibility of Highspire Borough. The Borough has committed to provide a local match in the amount of $130,000.00. These funds will be made available through the Borough's General fund.

Please feel free to contact me if you have any questions or require additional information.

Sincerely,

Mark L. Stonbraker
Borough Manager, Public Safety Director
& Emergency Management Coordinator

Humane Society
OF HARRISBURG AREA

7790 Grayson Road
Harrisburg, PA 17111
(717) 564-3320
Fax: (717) 564-1867
www.humanesocietyhbg.org

To Whom It May Concern,

Thank you for your continued partnership with the Humane Society of Harrisburg Area to provide animal protective services to your municipality's residents. We are grateful for your shared commitment in ensuring the animals and residents of Perry, Cumberland, and Dauphin Counties are safe and well cared for. We also want to note that our organization is grateful for our municipal partner's support during our affiliation with the Brandywine Valley SPCA. This affiliation has led to tremendous growth for our organization and has allowed our organization to reach No-Kill Status in just under a year, a trend we're eager to see continue for years to come.

As we reflect on this year's tremendous growth we've also kept in mind the struggles of the previous years under the organization's preceding leadership. Part of this reflection included carefully reviewing our Municipal Animal Protection Services Agreements in anticipation for next year's contracts. We are thrilled that many of our municipal partners have embraced the amendment that we've made to last year's contract and joined our organization in doing away with antiquated policies such as Breed Discrimination.

As we enter a new contract year, we have made minor modifications to the Domestic Municipal Animal Protection Agreement. To provide greater transparency and understanding, we have bulleted out the changes below.

- **Annual Contract Fee**: The Annual Contract fee guarantees the retainment of the Humane Society of Harrisburg Area's contracted services regardless of service volume. This fee allows HSHA to recover costs associated with being "service ready" that are not otherwise covered by the animal intake fees. These costs include but are not limited to the cost of maintenance and care of shelter facilities, shelter staff training and continuing education, and administrative time to prepare and disseminate monthly billing, etc. The Annual Contract fee of $250 has remained the same throughout the years of service our organization has provided and unfortunately, does not begin to cover the rising costs associated with inflation, procurement of goods and materials, and the increasing wages of our vital staff.
- **Animal Acquisition Fee:** The Animal Acquisition fee has increased to $300 for each Stray Dog and $200 for each Stray Cat or Other Non-Dog Species received by the HSHA from the Municipality. The Animal Acquisition Fee strictly applies to the care and housing of the animal(s) including veterinary examination, medication, vaccinations, food, bedding, sanitation, utilities, and the per diem cost of shelter staff to provide care. This fee only covers a small portion of the *actual* costs to receive, house, and care for stray animals. We've also updated the terms to include animals who have been seized through cruelty/neglect cases that are investigated in the municipal boundaries. These Humane Law Enforcement (HLE) services are an exclusive benefit to our contracted partners.

The fees outlined in our Municipal Contract only offset a portion of the costs that HSHA incurs in providing these essential services. Our devoted Shelter Operations team dedicates hours to consulting with police and government officials, investigating animal cruelty/abuse, and providing necessary education and resources to your constituents. These are considered unbillable hours that the HSHA proudly provides in pursuit of decreasing animal cruelty/abuse and overpopulation. The HSHA also provides additional services to the Municipalities and their residents that are outside of the scope covered in the Service Contract including free vaccination clinics, Community Cat assistance and education, and intake intervention and prevention services.

In an effort to further streamline our services and the intake process, we have also updated our Intake Authorization Form so that all municipalities are utilizing the same form. We've included a copy of this form with this contract and letter. We will also be happy to email your designated representative with a digital file for printing and a link to electronically submit forms when in person completion is not possible.

Again, we appreciate your township/municipality's continued partnership and we look forward to continuing to provide your constituents with the highest level of quality service.

With respect,

Adam Lamb, CEO
Humane Society of Harrisburg Area and
Brandywine Valley SPCA
(484) 302-0025

MUNICIPAL DOMESTIC ANIMAL PROTECTIVE SERVICES
3 YEAR AGREEMENT

Annual Contract Fee: $1,200.00
To be paid thereafter by January 1st of each successive year in the term of this agreement.

Billing for animal acquisition and housing stray animals from _____ will be calculated on a monthly basis at a rate of $300.00 per acquired dog and $200.00 per acquired cat or other non-dog domesticated species.

_____ _____
Authorized signature for: Date

Unless other specific arrangements are made, signed contract must be received by December 15th, 2024 to initiate the Municipal Domestic Animal Protective Services Agreement.

Please sign and return this page and signed contract to:

Humane Society of Harrisburg Area
Attn: Director of Operations
7790 Grayson Rd., Harrisburg, PA 17111

This agreement (the "Agreement") is made this ____ day of _____ 20___, by and between the Humane Society of Harrisburg Area in affiliation with the Brandywine Valley SPCA, located at 7790 Grayson Rd., Harrisburg, Pennsylvania, a non-profit corporation (the "Society"), and _____, (the "Municipality"), (the "Society" together with the "Municipality", the "Parties").

The Parties hereto, intending to be legally bound, agree that in consideration for the payment of the fees (the" Fees") set forth in this Agreement, the Society shall provide the Municipality with the services described in this Agreement (those services being collectively referred to as the "Animal Control Program"), all as more fully set forth below

1. The Society will accept domestic dogs and domestic cats from the Municipality surrendered by authorized personnel as housing space allows in exchange for the fee in Section 7. Under no circumstance, other than an emergency, such as the intake of an injured animal or aggressive animal, an animal brought in by a dog warden from the Bureau of Dog Law Enforcement, or an animal who is part of a cruelty or neglect investigation will the Municipality be charged any fee for animals surrendered by anybody other than authorized personnel unless the party surrendering the animal submits an Authorization Form which is approved by an authorized person of the Municipality. This Agreement does not include placement services for owned animals. The Society, will accept feral cats secured in humane traps with the understanding that Society will spay/neuter, vaccinate, ear tip, and return these cats to the location they were found. Feral cats are only accepted by authorized personnel as described in the terms above and the Municipality is not obligated to participate in this offered service. The Parties acknowledge the Society may temporarily shut down its facility due to an outbreak of a zoonotic disease, severe canine or feline disease, or over-population of animals. In the event that the Society temporarily shuts down, the Society will make every effort to assist the Municipality by providing food, bowls, and other supplies to the Municipality, however, the Municipality will not be entitled to any financial recovery.

2. The Society will respond to animal control calls from the Municipality as soon as practically possible, generally within twenty-four (24) hours of notification, unless such call is received on a holiday (New Year's Eve Day, New Year's Day, Easter, Memorial Day, July 5th, Labor Day, Thanksgiving Day, Christmas Eve, Christmas Day) or weekend. A holiday, weekend call, or a call made during weather emergencies will be responded to on the next regular Society business day.

3. The Municipality will be indemnified and held harmless from any actions of representatives of the Society relative to the provisions of this Agreement only. Further, the Society states that it has adequate liability insurance coverage and that the personnel provided by the Society are the exclusive employees of the Society.

4. During the term of this Agreement, and except as set forth elsewhere in this Agreement, the Society will be responsible for all costs incurred by the Society and the Municipality will be responsible for all costs incurred by the Municipality with respect to performance under this Agreement. The Society will be entitled to the recovery of any and all fees with respect to the surrender, holding, redemption, or disposition of animals entrusted to the Society pursuant to this Agreement.

5. Pursuant to the By-Laws of the Society, the Society has the organizational authority to engage in the activities undertaken by it pursuant to this Agreement. In consideration of the receipt of the Fees

payable hereunder, the Society will perform its tasks relative to matters involving cruelty to animals within the area of the municipality at no further cost to the Municipality except for in the case of animals being received by the Society in performance of these tasks. The Municipality shall provide assistance in the investigation and prosecution of all violators of the Pennsylvania Dog Law of 1982 whenever possible at no cost to the Society.

6. The term of this Agreement is from January 1, 2025 to December 31, 2027 (the "Initial Expiration Date"). Unless this Agreement is renewed or replaced by a writing signed by parties, any request for, or use of, the services included in this contract to be provided by the Society after the Initial Expiration Date shall be denied.

7. In consideration of the foregoing, the Municipality shall pay the Society a non-refundable contracting fee of $1200.00 annually. Municipalities will be billed by the Society on a monthly basis for all animals received during that billing period.
   a. The fees for animals are $300 per dog and $200 per cat.
   b. The Parties agree that the fees do not represent a daily fee obligating the Society to accept an unlimited number of animals from the Municipality on a daily basis.

8. Each of the fees named in paragraph 7 shall be subject to an annual increase of four percent (4%) as of every January 1st after the first-year subsequent year of the Agreement.

9. Fees remaining unpaid 30 days or longer after the due date ("Delinquent Fees") shall bear interest at the lesser of 1% per month (12% per year) or the highest rate allowed by law. Delinquent Fees remaining unpaid more than 30 days after becoming delinquent will be grounds for the Society to terminate this Agreement.

10. Any other domestic animals such as rabbits, ferrets, guinea pigs, iguanas, or other unique or exotic species of animal taken in from the Municipality will result in an additional fee of $200 per animal billed monthly.

11. The Society will provide after-hours access to the Municipality via its security system for animal drop off if the Municipality requires it.

12. Any changes to this agreement must be executed via an amendment signed by the Society and the Municipality with a copy returned to each party.

13. This Agreement shall be come effective only upon signature by both the Society and Municipality with a copy returned to each party.

14. This contract does not preclude the Society from charging any resident of the Municipality fees for adoptions, euthanasia, cage/trap rentals, or any other service offered by the Society. The law deems animals as personal property therefore, all costs incurred are the responsibility of the owner.

IN WITNESS WHEREOF, the undersigned Parties, intending to be legally bound herby, have hereunto set their hands and seals as of the date first set forth above.

FOR THE SOCIETY:	FOR THE MUNICIPALTY:
_____	_____
printed name	printed name
_____	_____
title	title
_____	_____
signature	signature
_____	_____
date	date

December 10, 2024

Daniel S. Cohen
Cohen Law Group
413 South Main Street
Pittsburgh, PA 15215

RE: Capital Region COG: Engagement of Cohen Law Group to Perform Verizon Cable Franchise Renewal Services

Dear Mr. Cohen:

This is to inform you that the Borough of Highspire has decided to engage the services of the Cohen Law Group to assist in a franchise fee audit and cable franchise renewal negotiations with Verizon. This engagement is made pursuant to the Proposal to Perform Cable Franchise Renewal Services ("Proposal") submitted to the Capital Region Council of Governments (the "COG") on November 19, 2024. The Proposal includes the scope of services for the project as well as the cost of services on a flat fee basis. The flat fee includes discounts for the COG and also includes all expenses. We understand that CLG will bill one-third of the total fee by invoice upon engagement, one-third at the middle of each project, and one-third at the end of each project.

While our municipality is engaging the Cohen Law Group individually and, upon conclusion of the project, we will obtain our own individual franchise fee audit report and franchise renewal agreement with Verizon, we understand that the franchise renewal negotiation will be in conjunction with other participating municipalities in the COG. This joint effort increases our negotiating leverage and reduce our attorneys' fees. As described in the Proposal, our fee is discounted based on our municipality's population and the number of municipalities that participate. We look forward to working with your firm on this project and obtaining all of the financial and other cable-related benefits to which we are entitled.

Sincerely yours,

_____

Mark L. Stonbraker
Borough Manger, Public Safety Director
& Emergency Management Coordinator

PROPOSAL TO PERFORM

VERIZON CABLE FRANCHISE RENEWAL SERVICES

submitted to the

CAPITAL REGION COUNCIL OF GOVERNMENTS

by the

COHEN LAW GROUP

413 South Main Street
Pittsburgh, PA 15215

www.cohenlawgroup.org

(412) 447-0130

November 19, 2024

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I. INTRODUCTION

The Cohen Law Group ("CLG") welcomes this opportunity to submit a proposal for legal services to assist the eligible municipalities of the Capital Region Council of Governments ("CapCOG" or "COG") in a franchise fee audit and cable franchise renewal negotiations with Verizon of Pennsylvania, Inc. ("Verizon"). Based on our records and the COG Managers who have contacted our law firm, our understanding is that there are approximately 28 municipalities in the COG with Verizon franchise agreements that are set to expire next year.[1]

As such, now is the time to begin the franchise renewal process. Franchise renewal is the best opportunity for local governments to obtain significant benefits and to assert their legal rights with their cable company. A multi-municipal negotiation also increases the negotiating leverage of each of the municipalities and, as detailed in Section V below, reduces their attorneys' fees. Our law firm has been privileged to represent the CapCOG municipalities in their franchise renewal negotiations with both Verizon and Comcast over the last 26 years. We would welcome the opportunity to assist the COG again in this upcoming Verizon franchise renewal.

There have been changes in video technology since the commencement of the municipalities' current Verizon franchise agreements, especially the continued growth of internet-based video services (also referred to as video streaming) such as Netflix, Hulu and Disney+. In addition, there have been changes in the franchise operations of Verizon as the company is experiencing more competition today than it did when the current agreements went into effect. Finally, there have been changes in federal law and regulations applicable to cable franchising in that time period.

[1] The municipalities are: Camp Hill Borough, Carroll Township, Derry Township, Dillsburg Borough, East Pennsboro Township, Fairview Township, Hampden Township, Highspire Borough, Hummelstown Borough, Lemoyne Borough, Londonderry Township, Lower Allen Township, Lower Swatara Township, Mechanicsburg Borough, Middletown Borough, Monaghan Township, New Cumberland Borough, Paxtang Borough, Penbrook Borough, Royalton Borough, Shiremanstown Borough, Silver Spring Township, South Hanover Township, Steelton Borough, Susquehanna Township

As described in this proposal, we recommend that the COG: 1) **conduct a franchise fee audit** to ensure that each municipality has received all the franchise fee revenue to which it is entitled from Verizon; and 2) **negotiate a new franchise agreement** that addresses the changes since the last franchise and secures maximum financial and legal benefits for each municipality.

Municipal officials have two critical roles when it comes to renewing (or, in the rare circumstance, not renewing) a cable franchise. First, they are effectively the landlords of their cable company. The cable company utilizes the public rights-of-way to operate its cable system. Municipal officials manage those rights-of-way as a public trust and are entitled under law to a fair return for the cable company's use of those public properties.

Second, municipal officials have an obligation to protect and advance the interests of their residents. This means not only getting the best possible services from the cable company today, but also doing everything possible to prepare for the future. Video and internet technologies change very rapidly. A cable franchise agreement must provide for the benefits available from existing technologies as well as those that may become available from future technologies.

CLG is uniquely qualified to represent the Capital Region COG in cable franchise renewal negotiations. For over 26 years, our firm has specialized in cable franchise matters on behalf of local governments, and we have negotiated more franchise agreements than any other law firm in Pennsylvania and surrounding states. We have represented over 500 municipalities in six states in negotiations with their cable companies. We have also negotiated over 200 franchise agreements with Verizon. We know Verizon's corporate franchise policies, its negotiators assigned to the COG region and their negotiating tactics.

Swatara Township, Upper Allen Township and Wormleysburg Borough.

The principal of the firm is Dan Cohen. Aside from his work as a telecommunications attorney, Mr. Cohen is especially qualified to represent municipalities because he was a municipal official himself. With 12 years' experience in municipal government, he has first-hand knowledge of the practical needs and the financial constraints facing municipal officials. In addition, the Cohen Law Group has a strong and experienced team that includes attorney Phil Fraga, attorney Stacy Browdie, attorney Mike Roberts, attorney Joel Winston, and Office Manager Victoria Novak.

CLG has developed a three-step approach to cable franchise renewal projects. The first step is to identify the clients' specific needs. Since these needs often become better defined as the negotiation progresses, we maintain flexibility throughout the process to achieve a franchise agreement that accomplishes the client's specific goals. Second, we negotiate firmly and deliberately to reach agreement in a timely fashion. Third and finally, our attorneys work efficiently in a manner that is cost effective for our clients. We are keenly aware of the fiscal constraints facing municipalities, and focus, therefore, on keeping attorneys' fees and costs as low as possible.

II. POTENTIAL FRANCHISE BENEFITS

There are significant benefits available to municipalities in a cable franchise renewal agreement with Verizon. The key to receiving these benefits is to know the law and the regulations relating to each benefit and to negotiate firmly to obtain them from the cable operator. The following is a list of some of the more important potential benefits:

1. Franchise Fee Revenue

Under federal law, municipalities may assess a franchise fee of up to five percent (5%) of the cable company's "gross revenues" for cable services derived from their municipality. The central subject of negotiation with the cable company is the specific revenue sources to be included in the definition of "gross revenues." **CLG has developed a comprehensive list that now includes 27**

eligible revenue sources. The addition of new revenue sources in the definition of "gross revenues" would increase franchise fee revenue to the municipalities.[2] Moreover, we intend to address the issue of whether revenue from video streaming services may be classified as "cable service" revenue subject to franchise fees. Please note that all franchise fees are passed through to cable subscribers as a separate line item on their bills.

2. Franchise Fee Accountability

In addition to franchise fee revenue, it is essential for the municipalities to require franchise fee protection and accountability. In a franchise agreement, these include the following: detailed franchise fee reports, the right to conduct franchise fee audits without impediments, the ability to collect franchise fee underpayments along with corresponding penalties, and protections against fee reductions due to bundled service packages (also referred to as the "triple play" of television, internet, and phone).

3. Service to Unserved Areas

Depending on whether there are areas in your municipality that are unserved by Verizon, it is important to include requirements that the cable company extend the cable system to those areas. These include, but are not limited to, the following: negotiating an expansion of the cable system within a specified time frame; inserting a lower density number (the number of homes per mile necessary for Verizon to extend the system to those homes) in the franchise agreement; and securing a strong line extension requirement for homes with long setback distances.

[2] Note that the decrease or increase in the number of cable subscribers in each municipality will also impact franchise fee revenues.

4. Right-of-Way Protections

Because Verizon places wires and other equipment in the public rights-of-way, it is critical that a franchise agreement include practical and legal protections for the municipalities and their residents. These include protections in the event of storms, accidents or cable company delays. Examples include trees falling on wires, damage to property by cable company contractors, installation of "double poles," presence of hanging wires, and any other damages or injuries that may occur. Protections in the renewal agreement should include, but not be limited to, requirements for timely repair and restoration of damage within a specified time frame, prohibition against double poles and hanging wires, access to service area maps, emergency removal of wires and equipment, indemnification of the municipality and full insurance coverage.

5. Customer Service Standards

In a franchise agreement, municipalities may impose customer service standards on the cable company to which the company must comply. It is important to include comprehensive and enforceable standards, including but not limited to, telephone answering time limits for customer service representatives, refunds for service interruptions, rules for resolving customer billing disputes, appointment windows for cable technicians to arrive at your home, and a prohibition against the premature application of late fees.

6. Services to Community Facilities

It is common in a franchise agreement for cable companies to agree to provide complimentary cable services to municipal facilities, schools and libraries. The major subjects of negotiation are the types of facilities (including municipal buildings, fire stations, public and private schools, and public libraries) that obtain the service, and the level of service obtained. Please note

that this benefit will be significantly impacted by the FCC's *Third Report and Order ("Order")* and the 2021 decision of the Sixth Circuit Court on appeal from the *Order*.

7. PEG Channels

Municipalities have a legal right to dedicated channel space for public, educational and governmental ("PEG") programming. A PEG channel may be used to inform citizens by cablecasting government meetings, public safety alerts, local announcements and/or athletic events. Depending on whether a municipality currently has a PEG channel, the renewal agreement may require improvements, such as high definition (HD) format and digital programming titles, or it may reserve the right for a channel in the future.

8. Reporting Requirements

It can be helpful for municipalities to obtain periodic information from the cable company related to financial and customer service issues. Depending on the municipalities' specific needs, a franchise agreement may require the cable company to provide written reports to the municipality on such matters as franchise fee verification, construction activity in the public rights-of-way, customer service complaints and service interruptions.

9. Enforcement

Once Verizon agrees to provide certain benefits in the franchise agreement, the municipalities must be able to enforce these obligations. It is important to include practical and effective enforcement tools to ensure the company's faithful performance of its obligations under the agreement. These include, but are not limited to, predetermined monetary fines (known as liquidated damages), a performance bond, and the right to revoke the franchise under extreme circumstances.

10. Competitive Equity

Cable companies typically request that, if your municipality grants a franchise to another cable company (e.g. Comcast), then that franchise agreement cannot be more favorable to the competitor than the new agreement is to Verizon. While in theory this is a fair principle, in practice it can have the effect of impeding cable and broadband competition. We will ensure that any such provision, if demanded by the cable company, will not undermine competition in your municipality.

11. Length of Term

Because cable technology changes so rapidly, municipalities typically seek a shorter length of term in the franchise renewal agreement and cable companies typically seek longer terms to protect their capital investment in the cable system. Verizon does not embrace this industry standard, however, and to date, has sought shorter terms due to business conditions and changes in video technology. This issue will be resolved through negotiation.

III. SCOPE OF SERVICES

The following is the scope of services that the Cohen Law Group will perform if hired to assist the CapCOG municipalities in cable franchise renewal with Verizon.

A. Preliminary Setting of Priorities

We will first arrange an initial kickoff meeting (either in-person or virtual, depending on the COG's wishes) with at least one representative from each participating municipality. During the meeting, we will describe the franchise fee audit and franchise renewal process, including both the formal and informal processes prescribed by the federal Cable Act. We will inform the officials of their legal rights, including the substantive areas in which they have legal authority over the cable company and those areas in which their legal authority is limited. We will also outline the potential benefits available to the municipalities and solicit their concerns with respect to Verizon. Finally, we

will provide the municipalities with public notice and written talking points for a public hearing on cable franchise renewal. Section 626 of the Cable Act includes a "notice and comment" requirement, and we typically recommend that this requirement be satisfied by a public hearing.

B. Franchise Fee Audit

During the preliminary stage, we recommend a franchise fee audit of Verizon for each of the municipalities. Our firm conducts such audits on a regular basis. In 2022-24, we did over 120 audits and discovered underpayments approximately 65% of the time. During the last CapCOG Verizon franchise renewal, our firm conducted a cable compliance review that included a limited franchise fee review. That review uncovered franchise fee underpayments that were paid by Verizon. Of course, we cannot guarantee that we will find franchise fee underpayments for each of the COG municipalities. It will depend on the specific financial records applicable to each municipality.

Franchise fee revenue may be one of the most unaccounted for revenue items in the municipal budget. Section 626 of the federal Cable Act requires that municipalities, as part of cable franchise renewal, review the cable company's past performance. A franchise fee audit is a key component of assessing past performance. It is the best method to hold the company accountable for past franchise fees and to ensure the municipality receives the future revenues to which it is entitled.

The federal Cable Act allows municipalities to assess up to five percent 5% of the cable company's "gross revenues" for cable services derived from the municipality. "Gross revenues" consists of numerous revenue sources, including both subscriber and non-subscriber revenues. We will prepare a Request for Information and Documents ("RFID") to Verizon for specific franchise fee information and worksheets relevant to <u>each</u> municipality. CLG will then undertake the following:

- Make a determination of all eligible revenue sources for each municipality based upon the municipality's current definition of "gross revenues." There are currently 27 eligible revenue categories and many sub-categories.

- Review Verizon's supporting documentation for franchise fee revenue, including quarterly spreadsheets, worksheets, and other revenue reports for each municipality.

- Identify the revenue sources that Verizon has included in its franchise fee documentation for each municipality. Determine whether it has applied the fee to all eligible revenue sources and, if not, identify the sources that are not included in "gross revenues."

- Ensure that all eligible revenues recorded in Verizon's financial records are accurately included in the franchise fee payments in accordance with each municipality's franchise agreement.

- Determine whether non-subscriber revenues, such as advertising revenues, home shopping commissions and leased access fees, which are typically recorded on a regional rather than a local basis, have been properly calculated and properly apportioned to each municipality.

- Review certain special revenue sources, such as "trouble call" fees, video downgrade fees, broadcast retransmission fees, franchise fee-on-fees, and others to determine proper inclusion in the determination of franchise fees for the time period under review.

- Obtain a "homes passed list" from Verizon for each municipality to determine whether the cable operator is properly coding all cable customers to the correct municipality. This includes asking each municipality to compare the homes passed database against its residential database for possible errors.

- Re-perform a select number of cable company calculations determining franchise fee revenues. These calculations include, but are not limited to, figures underlying the amounts reported for revenue sources on specific items comprising general franchise fee categories such as "miscellaneous revenues" and "installation revenues" (which include, for example, installation, disconnection, relocation and change-in-service fees).

- Ascertain trends of major revenue categories to spot discrepancies and/or inconsistencies in the reporting of revenues over time and making inquiries with the cable company to explain such discrepancies and/or inconsistencies.

- Report trends in the number of Verizon subscribers in each municipality for the period under review.

- Determine whether there are franchise fee underpayments to each municipality for the period under review, the amount of any underpayment, and whether penalties and/or interest apply in accordance with each municipality's franchise agreement.

We expect to review four (4) years' worth of financial information, which is the "look back" period permitted by the current franchise agreements we have in our possession. Typically,

our investigation includes follow-up requests for further information and discussions with the cable company. Once the audit is completed, we will prepare a written report for each municipality that summarizes the results of the audit, describes the areas of inquiry and provides charts showing subscriber and revenue trends. While CLG is fully qualified to file legal action against Verizon to collect underpayments, the flat fee for this project does not include litigation (or mediation or arbitration). Such actions would require a separate engagement.

C. Drafting of Proposed Agreement

After the setting of priorities stage is completed, we will draft a proposed master franchise agreement with Verizon to provide the municipalities with all of the benefits and legal protections to which they are entitled under current law and technology. The agreement will include the results of the setting of priorities stage discussed above, as well as our judgment as to the legal provisions that would advance the municipalities' interests and meet their future cable-related needs. We will then submit the draft to the municipalities for informal review and comment. Suggested changes will be incorporated into the agreement and the proposed agreement will be presented to Verizon.

D. Negotiation with Verizon

The most important stage in the process is negotiating a franchise renewal agreement with representatives of Verizon. CLG has negotiated over 200 franchise renewal agreements with Verizon. We know Verizon attorney assigned to the COG and the company's franchise policies. The working document for the negotiations will be the draft franchise agreement informally approved by the COG. We will preserve the municipalities' legal rights under the formal process, but negotiate with Verizon under the informal process outlined in the federal Cable Act.

The negotiation typically consists of many negotiation sessions with representatives of the cable company, status conferences with the clients, multiple revisions of the proposed franchise

agreement, redrafting specific franchise agreement provisions, and editing the final draft of the master agreement. We will then proceed to customize the master agreement to each municipality.

E. Consideration by the Municipal Governing Bodies

After tentative agreement with Verizon has been reached, CLG will report to each municipality on the substantive provisions of the deal. Specifically, we will present each municipality with its final customized franchise agreement negotiated by the parties and recommended by CLG. We will also draft an executive summary of the final agreement. Finally, we will draft an approval ordinance or resolution (depending on the classification of each municipality) for consideration by each Township Board and Borough Council.[3]

IV. PROFESSIONAL BACKGROUND

For over 26 years, the Cohen Law Group has specialized in representing municipalities in cable, wireless, and broadband matters. Collectively, our attorneys have worked on cable franchise issues on behalf of municipalities for over 70 years. CLG has represented over 500 local governments in six states in negotiations with cable companies. Our full array of legal services includes the following:

- Drafting cable franchise agreements
- Cable franchise renewal negotiations with cable companies
- Franchise fee audits
- Cable compliance reviews
- Broadband expansion planning and implementation strategies
- Drafting wireless facilities ordinances and design standards
- Negotiation with cellular tower and antenna companies
- Wireless facility litigation
- Drafting right-of-way ordinances and development of right-of-way fees
- Drafting pole attachment agreements and pole attachment negotiations

[3] The PA Second Class Township Code requires that cable franchise agreements be approved by ordinance. The codes for other municipal classifications do not have this requirement.

As an active member of the National Association of Telecommunications Officers and Advisors (NATOA) and other professional organizations, CLG stays current with frequent changes in cable, wireless, and broadband law. Dan Cohen served on the NATOA Board of Directors from 2017-21 and was Co-Chair of NATOA's Policy and Legal Committee from 2021-22. CLG attorneys have written articles on cable and wireless matters that have been published in the *Pennsylvania Township News, Pennsylvania Borough News,* and the *Pennsylvania Municipal Reporter*. They are also frequent speakers at municipal conferences.

Mr. Cohen is especially qualified to represent municipalities because he was a municipal official himself. He served as an elected official on the Pittsburgh City Council for 12 years. He has firsthand knowledge of the challenges and opportunities confronting municipal governments. Mr. Cohen served as Chair of City Council's Cable Television Committee for 10 years. He led Pittsburgh's efforts to regulate cable rates, which resulted in a refund ordered by the FCC for all City of Pittsburgh cable customers. Mr. Cohen graduated from Yale University and Stanford Law School.

In addition to Mr. Cohen, CLG has a strong and experienced team that includes attorney Stacy Browdie, attorney Phil Fraga, attorney Mike Roberts and attorney Joel Winston. Our Office Manager is Victoria Novak.

V. COST OF SERVICES

The following represents CLG's cost of services to perform **both franchise fee audits and franchise renewal negotiations with Verizon** on behalf of the eligible CapCOG municipalities. We propose to perform these services on a flat fee basis, because our significant experience in performing these projects lends predictability to our efforts on behalf of the COG. In addition, a flat fee provides "price certainty" to the municipalities. Given our longstanding relationship with the COG and the efficiencies involved in group negotiations, we are offering our services at a discounted

rate depending on the population of each municipality and the number of municipalities that participate. The chart below shows our standard single-municipality flat fees based on population, followed by COG discounts based on the number of municipalities that participate in the project.

FLAT FEES FOR FRANCHISE FEE AUDIT AND FRANCHISE RENEWAL NEGOTIATIONS WITH VERIZON

Standard Single Municipality Fees (based on population prior to discount)

< 3,000	$8,000
3,001-7,000	$9,500
7,001-15,000	$11,000
> 15,000	$12,500

COG Discounted Fees (by population and number of participating municipalities)

25+ Municipalities - 20% Discount from the Single Municipality Fee

< 3,000	**$6,400**
3,001-7,000	**$7,600**
7,001-15,000	**$8,800**
> 15,000	**$10,000**

18-24 Municipalities - 15% Discount from the Single Municipality Fee

< 3,000	$6,800
3,001-7,000	$8,075
7,001-15,000	$9,350
> 15,000	$10,625

10-17 Municipalities - 10% Discount from the Single Municipality Fee

< 3,000	$7,200
3,001-7,000	$8,550
7,001-15,000	$9,900
> 15,000	$11,250

2-9 Municipalities - 5% Discount from the Single Municipality Fee

< 3,000	$7,600
3,001-7,000	$9,025
7,001-15,000	$10,450
> 15,000	$11,875

The flat fees above include all expenses. They do not include the unlikely possibility of extraordinary services outside the scope of services in this proposal or any significant unforeseeable developments. In the event of such extraordinary or unforeseeable developments, CLG will contact the affected municipality to discuss such developments prior to rendering services related to then. If such services were authorized, CLG would charge a fee of $320 per hour. It is not expected that we will need to travel for this project; however, if travel is required, we would charge on-half of our hourly rate or $160 per hour for travel time. We do not charge for mileage. Please note that our billing policy is to bill one-third of the flat fees above at the commencement of the entire project, one-third at the middle of each project, and one-third at the conclusion of each project. Thank you for the opportunity to submit this proposal.