



DAUPHIN COUNTY BOARD OF COMMISSIONERS

LEGISLATIVE MEETING

NOVEMBER 26, 2008

10:00 A.M.

MEMBERS PRESENT

Jeff Haste, Chairman
Dominic D. DiFrancesco, II, Vice Chairman
George P. Hartwick, III, Secretary

STAFF PRESENT

Chad Saylor, Chief Clerk; Marie E. Rebeck, Controller; Janis Creason, Treasurer; William Tully, Esq., Solicitor; J. Scott Burford, Deputy Chief Clerk; Randy Baratucci, Director of Purchasing; Mike Yohe, Director of Budget & Finance; Kay Lengle, Personnel; Leila Brown, Solicitor's Office; Steve Suknaic, Director of Juvenile Probation; C. Jeff Patton, Juvenile Probation; Steve Farina, Prothonotary; Steve Chiavetta, Director of Registration & Elections; Gary Serhan, Deputy Controller; August Memmi, Community & Economic Development; William Struemke, Solicitor's Office; Brooke Beard, Personnel; Gertrude Farling, Controller's Office; Kim Robison, Director of Domestic Relations; Jack Wright, Human Services Director's Office; Edgar Cohen, Director of Facilities Maintenance; Greg Schneider, Budget & Finance; Guy Beneventano, Esq., Solicitor's Office; Steve Libhart, District Attorney's Office; Mike Pries, Director of Safety & Security; Lisa Walk, Registration & Elections; Karen Breathwaite, Registration & Elections; Gail Nye, Commissioners' Office; Diane McNaughton, Commissioners' Office; Amy Richards, Commissioners' Office; Jena Wolgemuth, Commissioners' Office; Brenda Hoffer, Commissioners' Office and Richie-Ann Martz, Assistant Chief Clerk

GUESTS PRESENT

Hyleas Fountain, Allen Loomis, Dave Wuenschel, C. Peter Carlucci, Esq., WHP and Fox 43

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:00 a.m.

Before we get started, for those that are wondering, you will notice that Steve Chiavetta is wearing an NFL Football Jersey today. He heard that we had an Olympian here today and he brags a lot. He is doing that as a challenge. I think later in the afternoon he is going to you (Hyleas). That is the way Steve is.

Mr. DiFrancesco: You are getting in deep.

Mr. Hartwick: (Hyleas) I have my money on you.

Mr. Haste: So do I. I asked him if he was going to race you, jump or what he wanted to do. Steve thinks he can do it all. The reason behind this is if you remember when the Eagles played the Rams, one of the few games the Eagles were able to win, at the beginning of the season, I'm a big Eagles fan and Steve is obviously a big Rams fan and he was bragging and talking and he wanted to have this exchange of jerseys if we could do it. He thought I would have to sit here and wear a Rams jersey in a meeting. He thought that I forgot. I wanted to make sure that he wore it on a day that everybody would get to see Steve Chiavetta wearing an Eagles jersey. You will notice the name on the back (Haste).

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board approve the November 5, 2008 Workshop/Legislative Meeting Minutes; motion carried.

It was moved by Ms. Rebeck and seconded by Mr. DiFrancesco that the Board approve the November 5, 2008 Salary Board Meeting Minutes; motion carried.

ELECTION BOARD MEETING

A complete set of Election Board Meeting Minutes are on file in the Commissioners' Office.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Saylor: We met this morning in Executive Session to discuss matters of litigation and personnel.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time in the meeting for public participation. Is there anyone in the audience that would like to address the Board at this time? (There was none.)

DEPARTMENT DIRECTORS/GUESTS

A. Dauphin County Commissioners

1. Proclamation – Hyleas Fountain, Olympic Silver Medalist in Heptathlon

Mr. Haste: At this time it is my pleasure if our resident Olympian would come forward. This Board of Commissioners has taken a tremendous amount of pride over the years in the athletic ability of residents of this County, at the high school level and higher. It seems like we have been blessed with a fair number of state champions and qualifiers to come before us. It is always a proud moment when we get to do that. It is even a greater moment when the community can embrace someone who has not only represented our community, state and nation worldwide and has done it with the honor that you have been able to do that. It is amazing to look back and remember your high school career and to see where you have gone into the celebrity status you have now obtained. It is a great pleasure for us to be able to recognize you this day.

Mr. Haste read the following Proclamation.

Office of County Commissioner
Dauphin County, Pennsylvania

Proclamation

We, the Dauphin County Board of Commissioners, are truly honored to congratulate the 2008 Olympic Heptathlon Silver Medalist Hyleas Fountain, a gifted track and field champion and Central Dauphin East High School graduate who has had a record-breaking year, culminating in a silver medal at the 2008 Olympic games in Beijing;

Whereas, Hyleas fought her way to the top through sheer passion and determination, making her Olympic debut as a contender in one of track and field's most difficult events, the heptathlon, to become the only American woman other than Jackie Joyner-Kersey to ever win a medal in the heptathlon, and doing so with an incredible 6,619 points in the event, including clocking a personal best in the 800 meters;

Whereas, finishing the Olympic Heptathlon Trials at her personal best-- 6,667 points—and proving her mettle as both a superior athlete and a spirited team leader, this exceptional track star will be remembered for her decisive victories, her

strength of mind, and the honor and recognition she has brought to her country, the U.S. Olympic Team, and this very grateful and proud county of Dauphin;

***Whereas,** with patience and drive, Fountain, who did not even compete in the heptathlon until college, won the 2005 and 2007 heptathlon titles in the USA Outdoor Championships, five National Junior College Athletic Association titles and three runner-up finishes and clinched the 2003 NCAA heptathlon title and the outdoor long jump championship in 2004; this exceptional young woman embraced victory with the essence of good sportsmanship, team unity and personal character, verifying without a doubt that she is truly a winner in every sense of the word;*

***Whereas,** since the tender age of 7, when her mother introduced her to the sport, Fountain found inspiration in track and field legends Joyner-Kersey and Wilma Rudolph to become an outstanding jumper, triple jumper, high jumper and hurdler;*

***Therefore,** we join the 253,300 residents of Dauphin County in lauding Hyleas Fountain and wishing her enduring success, more national track and field titles, and Olympic dreams; we thank her for providing fans with not only the thrill of competition and the glimmer of Olympic medals, but, more importantly, with enhanced national unity and pride; and, in honor of her Silver Medal in the two-day heptathlon in the Beijing Olympics and her historic athletic accomplishments, we do hereby proudly declare November 26, 2008 to be "Hyleas Fountain Day" in Dauphin County.*

(Applause was given.)

Mr. DiFrancesco: I'm sure you get it a lot. There is a certain sense of excitement when a President walks in the room, but when you walked in the room with the medal on it was just like total excitement. You're playing on such a world stage. You are an amazing athlete and we love to celebrate our hometown heroes. It is just a delight to be able to honor you today and thank you for coming in. From a very selfish perspective and I don't know where your life is taking you now. Do you still consider this to be home?

Ms. Fountain: My family is here. I definitely come back quite a bit.

Mr. DiFrancesco: I was going to say because there are a lot of children we would love to have inspired by you in this local area so we can continue the trend of success. It is great to have you here today. Thank you for all your effort. I can tell you that this community takes a lot of pride and excitement with the fact that you have been so successful. Thank you for coming in and sharing it with us. We are very pleased and proud to honor you.

Mr. Hartwick: Hyleas what you have done is nothing short of phenomenal. If I'm not mistaken and I may be in this case, didn't you live in Steelton for a little while?

Ms. Fountain: Yes, I did.

Mr. Hartwick: I remember that. I would like to say that the things that you gained from a strong mother and a strong family...

Ms. Fountain: That's my sister. My mom is at work.

Mr. Hartwick: Excuse me! But I do know your mother and I actually know your father as well. I actually, believe it or not, there has been a lot of people around here that have been beating their chest to be related to you, know you or figuring out some way to be connected to you in some sort of way that approached me. You have given a lot

of people reasons to come out of the woodwork. To be extremely surprised and excited about what you have been able to accomplish. I remember you as a resident around horseshoe bend. Is that correct? By Schmidt's sausage?

Ms. Fountain: Yes. We used to go to his house a lot.

Mr. Hartwick: The things that you had to overcome. The challenges that you face have defined your character and not only to be good in one sport, but to be good in multiple sports and to be at the top of your game at each and every one of those sports, as I said, is truly nothing short of phenomenal. You have given me one more reason to pound my chest to be proud to be from Steelton, but to also be proud to be from Dauphin County and to have superior athletes who have taken those challenges that they have had in their lives and use them to further themselves on a world stage. We are extremely proud of you. Thank you for all of that excitement that you have given us to be able to watch you compete. We really appreciate it.

Mr. Haste: I thought of one more thing that is a true testament to you and your status is over the last week with people knowing that we were going to do this Proclamation, I had two young ladies, about 12 years old who are involved in sports in some way, came up and thought it was so neat that you were coming here. To see that you are truly a role model for young female athletes, young athletes altogether, is a true testament to what you are doing.

Would you like to tell us about the experience?

Ms. Fountain: Actually I want to say thank you everybody for cheering me on. It definitely was great to have everybody watching. Sometimes when we are there it is a little lonely. It is like a dorm room with no TVs. You are there by yourself. Just to be able to have the Patriot-News call me or the news stations, even though it was like 6:00 in the morning it was good to actually talk to people back home. Just knowing that people are really watching and that is why I always try to watch what I do. I do want to be a role model for the kids. I just appreciate everybody just watching and cheering me on, because I definitely felt the energy. I didn't actually get to participate in the opening ceremonies, because I was in a different town in the training camp, but I would say my opening ceremony was when I first walked out on the track to do the hurdles. Me and my friends were in the back talking and we were like no one is going to be here to watch us run. It is early in the morning. When we walked out we heard the crowd roar. It was just crazy. There were 90,000 people. I have competed at world championships and all those types of things, but just to... the hairs on my arms stood up and I wasn't nervous until that point. It was so crazy. I didn't know it, but my mom and my middle sister were sitting in the stands right by the hurdles. They didn't want to say anything to me because they didn't want me to fall over a hurdle. I was so nervous. I need to set my hurdles and not look at the people. There are too many people. Knowing that everybody watched it was just amazing. I appreciate everybody just backing me up and cheering me on.

Mr. Haste: Keep doing what you are doing.

Ms. Fountain: It is a very emotional experience for me, because it is something that I have been dreaming of my whole life. Not too many people can say that the things that they dreamed of they have actually done.

Mr. Hartwick: You have to dream it and believe it is true and then make it happen.

Ms. Fountain: I don't know what school the young ladies go to, but I definitely want to tell them that anything is possible in life.

Mr. Haste: They were Lower Dauphin students.

Ms. Fountain: Actually Lower Dauphin, the 6th Grade reading class sent me this folder of little personal letters. Each child wrote a letter and was asking me questions. I haven't gotten a chance to go to the school. If this is on TV, I just want to tell them thank you so much. That meant so much to me right when I got back. That was the first thing that I opened. It was from the reading class. They asked me questions like do you have a dog? Are you a millionaire? I'm like no we really don't get paid to compete in the Olympics. I always tell people that I have been really blessed to be on numerous world championship teams and I battled injuries through a lot of those world championship teams and I feel like those experiences really helped lead me up to my Olympic experience, because when I got there I was really calm and actually ready to compete. For me to actually go on the podium, that was one of my goals. It didn't really matter where I was. I just wanted to be on the podium and have my flag risen in the honor of me doing something for them. That was the biggest emotional experience for me. You probably saw the picture of me crying. It was a very emotional experience.

Mr. DiFrancesco: I can tell you that there were a lot of other people watching from a long distance away over the television crying too.

Ms. Fountain: So many people on my voicemail when I got back, it was so overloaded that I didn't even get half the messages. Track is my passion. There is nothing else I would really want to do, but run track. I would love to do something in my degree that I got from college, but track is a passion for me and I know that I can do that and help out other people.

Mr. Hartwick: Are you going to continue to compete on the national level?

Ms. Fountain: Yes, I'm still training. I have to train today. I've been training at the Y.

Mr. DiFrancesco: What is your degree?

Ms. Fountain: Child and family development.

Mr. DiFrancesco: So, when you are done competing you can come back.

Ms. Fountain: One of my dream jobs is to work in the Headstart program. I did an internship for a year and a half when I was at the University of Georgia and I really enjoyed that. I want to be a family service worker in the Headstart program.

Mr. DiFrancesco: I think the interview is done now.

Mr. Hartwick: You have an opportunity in Dauphin County.

Ms. Fountain: The program is really awesome for kids. I think it should be a little longer than what it is. I think it should go all the way up to high school. If you get those kids in that program you can mold them.

Mr. Hartwick: You have a national stage to be a spokesperson to increase funding for Headstart.

(Applause was given and pictures were taken.)

B. C. Peter Carlucci, Eckert Seamans

1. Tax Exempt Revenue Bond Financing for Visiting Nurses Association of Harrisburg (Item R under Matters Requiring Board Action)

Mr. Carlucci: I'm Pete Carlucci and I'm here on behalf of Dauphin County Industrial Development Authority. I'm here today to ask you to take action on Item R that is coming up in your Agenda, which is an approval under TEFRA. This is for the Visiting Nurse Association of Central Pennsylvania, previously known as the Visiting Nurse Association of Harrisburg. In 1999, the IDA did a financing for the VNA in the amount of approximately \$1,100,000. They have come back to us and are now asking that there be a refunding of the remaining portion of that financing, which is approximately \$465,000 plus they are going to be borrowing an additional amount of about \$300,000 to refinance an existing line of credit. The total amount for which approval is being sought is a maximum of \$770,000. As you recall this approval is a requirement under the General Revenue Code, whenever there is a 501(c)3 that is seeking to do tax exempt financing on a conduit basis through the IDA.

Mr. Haste: The TEFRA Hearing was already held.

Mr. Carlucci: It was held this past Monday at 11:00 a.m.

Mr. Haste: Any attendees or issues?

Mr. Carlucci: There were no attendees and no issues. The records will have a signed statement from Mr. Memmi in his capacity as the Deputy Executive Director to that affect.

Mr. Hartwick: This is a perfect example of how the IDA financing not only assists in solving some issues related to some of the financing concerns that the Visiting Nurse Association had, but also to step forward and help an organization take care of some of their needs, reduce their overall interest rate that they have in their current loan that was going on and also the Visiting Nurse Association is an unbelievably important part of our human services delivery system in this County and has suffered significant cuts from the administration. This vehicle will allow them the opportunity to take care of some of their capital needs, some of their improvement needs and also to reduce the interest rate that they currently have. It is a perfect example of how the public can play a significant role in assisting a very vital part of our human services delivery system and do it in a way that has a positive financial impact and still creates and generates some additional fees for IDA. I am fully in support of this project.

Mr. Carlucci: Thank you.

Mr. Hartwick: Do you need our action?

Mr. Carlucci: It is listed as Item R.

Mr. Haste: We will do it under Matters Requiring Board Action.

C. Allen Loomis, Jr. and Dave Wuenschel of Benecon

- 1. Administrative Services Only (Item U under Matters Requiring Board Action)**
- 2. Intergovernmental Cooperation Agreement (Item Z under Matters Requiring Board Action)**

Mr. Loomis: For the record I'm Allen Loomis and with me is Dave Wuenschel. We are with Benecon Group. We are here to talk to you about the Administrative Services Agreement and also the County Intergovernmental Health Insurance Purchasing Cooperative.

With regard to the Administrative Agreement, I just put three documents up at your desk and one of those is an Administrative Services Agreement, which is in sample form at the present time. Highmark will be finalizing that document after you approve the two other documents that I have given you. One of those is a proposal; standard operating procedure for these companies is to reduce their numbers to a proposal. It also includes the benefits that we are going to be providing here to the employees. You will need to sign off on those.

The other document, which I marked as Exhibit B to the proposal, is the document that will be part of the Administrative Agreement with Highmark. That sets forth the actual fees that we'll be paying over the three year period. Later on in your Agenda under U you have those actions to take. Once you approve those two documents, Exhibit B and

the proposal we will send back to Highmark and they will then finalize the full Contract and get that back to you in about three weeks for your final approval. That is the first item. That takes care of the ASO piece that we talked about last week.

With regard to the actual funding of your health benefits next year, at the last meeting we talked about doing self-funded through the Pennsylvania County Health Insurance Purchasing Cooperative. At that time you asked us to go back and see if that would be a possibility where you could do that without purchasing stop loss or aggregate coverage. The answer to that question you should have received back in the communication that we sent you and the answer is yes you can do that. We have also prepared an amendment to the Intergovernmental Agreement, which is also on your Agenda under Item Z clearly sets forth the Cooperative can create a membership class where there is no insurance purchased. Dave is with me and if you want to talk about any of the specifics on how that would work we would be glad to go into that.

Mr. Saylor: Commissioners, let me point out one thing before we get started. I think there is an issue with number 2, the Intergovernmental Cooperation Agreement, Item Z. Mr. Tully informed me that we need to do an ordinance for that. That is something that we will have to put some time in. I also sense that perhaps that is an issue that we need to discuss a little bit more before we move forward. In any case, I don't think we are in a position to move forward on that until we get an ordinance drafted and then advertised.

Mr. Tully: That is correct. You can give direction that that is where you are going, but for the Intergovernmental Agreement we would need an ordinance. I believe they have some proposed language that some other counties have utilized. Because we have the wheel already invented, I believe it can be a quick process. We just have to satisfy the advertising requirements.

Mr. Loomis: What you are doing if you do come into the Co-op is you are joining an Intergovernmental Cooperation Program and to do that you do need, under the law, I believe you must do that by ordinance. The ordinance will authorize you to execute the intergovernmental agreement and at that point you could sign the agreement. It is not uncommon for members to do that after the fact, after they have indicated that they want to become part of the program.

Mr. Hartwick: I received your email. Could you just quickly define the benefits to joining the Co-op?

Mr. Wuenschel: I put together a description addressing the charge that we were given at the last meeting. There are five key advantages as far as taking the approach that we had discussed at the meeting on the 19th into coming into the Co-op. In essence the way it would be structured would simply be that you would actually fund the different components into the Cooperative based on the normal program parameters as they are established. The big difference as it relates to any claims that would go over your specific deductible would be fully funded by the county into a separate isolated account.

The advantage there would simply be that it does create as we heard at the last meeting sort of almost like a lockbox as far as those funds that are allocated for claims that would go over the specific deductible threshold. Those monies would be isolated again in an individual interest bearing account for Dauphin County. Any claims that would actually breach the specific deductible would then be paid out of that fund. If in fact there are monies left over at the end of the year those monies would carry forward as a savings or a cushion to carry into subsequent years. We would actually establish it where if in fact there were not enough funds in that account we would notify you beforehand that it appears you need to fund a little bit more than was actually anticipated. All of the allocations would be actuarially determined using normal industry practice as far as what you ought to fund based on the risk that you present. We would use all the proper protocols assuming it were fully insured through a stop loss carrier as far as okaying claims that need to be paid out of the specific deductible fund and we would give you reporting and tracking and projections year-to-year as you move forward as to determining what is your liability. At that point you can always decide if you want to stay in that same course or whether you want to alter the course. You are funding that particular part of the risk.

Mr. Haste: What time of the year do you give us that anticipating number?

Mr. Wuenschel: It would be under the normal renewal process that we do for the Pennsylvania County Health Purchasing Co-op, which is around the beginning of October. Throughout the course of the year we will provide you monitoring performances as far as how it is performing so you will have some inclination moving forward as far as what your upcoming liability may very well be. Again, we would use the same practice that is used assuming it was fully insured. If there is a claim that is an ongoing type claim where typical that would have maybe lapsed as we had discussed in our prior meeting we will notify you that you have these types of situations out there so that you can make the best decision and also adequately budget moving forward as far as what that part of the plan's liability would be.

Mr. Haste: So administratively nothing changes, it is just instead of going to the insurance carrier it would be out of this self-insured account?

Mr. Wuenschel: Correct, which is basically your money. If you don't use all your money it stays there and carries forward. It would operate in the same fashion other than we are not sending the money to a third party entity. Are there any other questions as to the advantages?

Mr. Haste: I just thank you for going back and talking with them. I appreciate that.

Mr. DiFrancesco: There would be a benefit for the County in terms of rates for the ASO contract with Highmark?

Mr. Wuenschel: As this grows, the leverage as far as the collective purchasing of the whole Co-op will affect administrative rates and those types of components. It also will

give you a defined budgeting amount for the amounts outside of the specific deductible liability, which we'll also budget on an ongoing type basis for you for year-to-year.

Mr. DiFrancesco: You lost me on that one.

Mr. Wuenschel: Whenever the claim maximums for the amounts underneath your specific deductible would be locked in and then you would participate as far as in the Pennsylvania County Health Co-op program as far as locking in those maximum liabilities. The only variable would be the specific deductible amounts, in other words, the amount you are covering for claims that go over the specific deductible. That we would budget, but that could always be short and we would need to come back and request additional funds if in fact that fund were not to be sufficient to cover claims that went over the specific deductible. That would be the only variable.

Mr. DiFrancesco: How does the Co-op generate revenue to pay staff, etc.? What is it going to cost us to be part of the Co-op?

Mr. Loomis: Your administrative fee is \$6.25 per month per employee for the services. Each member pays a fixed rate per month into the Co-op. Out of that money they hire our services, which includes our actuarial services, administrative services and also to perform the audit each year for the group.

Mr. DiFrancesco: Are there other means by which revenue is generated? For instance we had talked about that middle ground between where the stop loss coverage is...

Mr. Loomis: The members fund that as part of their premium. You are not going to be purchasing that, because you are going to have your own.

Mr. DiFrancesco: Stop loss is for the consortium, but where does it kick in?

Mr. Loomis: It varies for the different members depending on their size.

Mr. DiFrancesco: I thought it was a standard number.

Mr. Loomis: No. Everybody pays their own premium based on the risk that they bring to the pool and the amount of stop loss they are buying that they want.

Mr. Haste: Under this it is \$90,000?

Mr. Loomis: We are going to use a \$90,000 figure for you in this arrangement.

Mr. Wuenschel: Anything over \$90,000 would come out of your specific deductible account, which would then be reimbursing the total claim. As far as any type of management fees it is a pure disclosed amount per employee per month, which really handles all the actuarial, management reporting and all the programs that we bring to the members as far as controlling their overall claim costs.

Mr. Loomis: The members benefit by some interest earnings based on the premiums that we are able to have in the PLGIT accounts during the year. That money is all calculated based on the percentage of premium everybody has and it is returned back to the members also.

Mr. Wuenschel: One other benefit that I would allude too would simply be that now granted in your particular situation you are funding the overall maximum claim liability, you really do benefit for the claims that are under the \$90,000 from a cash flow standpoint simply because we can pay those and draw from the account whether your own individual balance is enough to cover the claims that are actually being addressed by Highmark. Highmark we need to turn around the claims within a 48 hour turnaround time based on their contract. So, you do get some cash flow advantages as far as also being part of the County Co-op. You are not drawing funds out of your own reserves to basically process those claims.

Mr. DiFrancesco: Just to be clear, if we are going 100% self-funded, the \$90,000 has no impact at all?

Mr. Loomis: It is a measure to define the risk under a certain layer to try to quantify a certain layer of risk at which you will fund, as part of your monthly premium; you will fund that layer during the course of the year. I think we looked at that the last time it was like \$13 million in aggregate for the year. Any one that we don't need to pay claims under \$90,000 will be returned to you or will stay in your account, whichever you allow. In addition to that we are going to fund all those claims over the \$90,000 out of money that you would have transferred to the insurance company. We are going to hold that simply to cover those claims. In good years that will be enough and there may be some experiences where we need to come back and get more to help fund those as you realize. The advantage is when we can define what your claim number is you fund that on a normal premium your claims will be paid going through the year out of that and you will participate in the cross share with the other members in that layer, which gives you some added protection at that layer. So that \$13.5 is a pretty solid number for you.

Mr. Hartwick: You are also going to do all the administration, the lockbox, the whole piece that won't fall back on Personnel and won't fall back on Mike.

Mr. Loomis: Yes.

Mr. Wuenschel: As you had alluded to earlier, Commissioner DiFrancesco you had the point too that for this to work the specific fund, any surpluses do need to carry forward and be isolated, because next year you will fund that as it appears or you will present as the funding requirement so you create this cushion so whenever you do have a bad cycle or a bad year there are sufficient funds that have accumulated over the years and have not remained with the insurance company to actually cover that liability. What you are entering into is a fully self-funded arrangement in a structured environment that will actually allocate the proper funds in the proper places so that in fact when you do have

those surpluses they are actually allocated correctly and they are there for the year that you might not have as good of an experience.

Mr. DiFrancesco: It was again \$6.60 per employee?

Mr. Loomis: It was \$6.25 per employee per month.

Mr. Hartwick: So, we would be removing Item Z until we get the Ordinance.

Mr. Haste: I appreciate you going back and reviewing that. That makes it a good program.

Mr. Hartwick: Again, I'm still the nervous cautious guy who likes to talk about the stop gap and see if in fact whatever the leverage is that is the direction I would have preferred to go. I'm not going to oppose this, because I believe in the concept. I certainly think again Commissioner DiFrancesco and Commissioner Haste raised the idea that insurance companies are not going to lose money. This allows us, based upon our ability, to develop a reserve to actually be our own insurance company. I would prefer to err on the side of caution just as it relates to the public record. I'm going to be supportive of this and I hope my colleagues are able to see further and this works out in the appropriate way.

Mr. DiFrancesco: At this point in time I realize we will not be voting on this today, but I have a lot of homework to check out, because at this point I still am not supportive of joining the Co-op. I don't, personally, have enough information going forward. There were a couple options on the table and actually there was another option that I thought was a better option personally. I need to do a little more homework so I may be calling on you gentlemen because I'm not at all satisfied at this point with what I'm seeing and thinking the historic direction is the way to go. We will be chatting over the next week for sure. I don't know how long it is going to take to put the ordinance together, but I guess it will be here quickly.

Mr. Haste: What is the timeframe that you need the ordinance?

Mr. Loomis: If the County commits to coming into the Co-op, quite frankly the ordinance can actually be adopted in January. It is a practical matter. That is pretty much what happens. We need a commitment from the group.

Mr. Haste: I would prefer not to do it that way. I would like to have the ordinance.

Mr. Loomis: If you can get the ordinance in December that would be perfect.

Mr. Saylor: On the Agenda, Item U states an Agreement between Dauphin County and Highmark, but what we are actually doing is you are going to authorize us to negotiate that agreement and bring it back to you once it is complete.

Mr. Haste: That is what was explained.

SALARY BOARD

A complete set of Salary Board Meeting Minutes are on file in the Commissioners' Office.

PERSONNEL

Ms. Lengle: There are no changes to the Personnel Packet. There is an additional Addendum.

Mr. Haste: Are there any questions on the Addendum? (There was none.)

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve the Personnel Packet as amended; motion carried.

PURCHASE ORDERS

Mr. Baratucci: The Packet includes the items for the Northern Government Center that we discussed last week. All the budget issues have been resolved. Unless you have any questions, it is there for your approval.

Mr. Hartwick: Do we expect to be under budget with this furniture based upon this \$6,000 budget that has been set forth?

Mr. Baratucci: These items are showing under budget and the items that were put in these line items for each of the offices. The budget items are in here now. If you look at the top of each page Mike got the budgets from them per line item and they are all within those line item budgets. I do not know if there are any other items that they are contemplating purchasing, but these items are within the budgets that were set.

Mr. Hartwick: The reason why I'm doing the math. I was told that these chairs are extremely important and I want to find out how much we are spending for chairs. You said these are the chairs that we are supposed to be buying was what I was told.

Mr. Baratucci: The chairs, what they wanted to purchase, for the lobby area were over \$500 a piece for the front lobby. I thought that was excessive.

Mr. Hartwick: So do I.

Mr. Baratucci: We found a chair for around \$200, which is still a little bit higher than I would purchase, but it seemed like a good compromise, because they wanted a specific type of chair for that front area. What is on here now is these \$200 chairs, but there are additional chairs that are going in conference rooms that are now under \$100, which started out much higher as well. There were numerous conversations about the chairs

and the ones that are on here now are I would like to think a compromise. Although I did force some strong opinions towards them, because I was just really uncomfortable with presenting the \$500 chairs. I would have had to say this is their recommendation, but I would not be able to agree with it.

Mr. Hartwick: I was doing the math to assure that. As long as you are satisfied so am I.

Mr. Baratucci: I am now.

Mr. DiFrancesco: Randy, I wanted to take a minute to thank you too because one thing that I can rest assured of is when these purchase order packets come through I know that if there is furniture out there you are always watching that to make sure if there are less expensive options. I think a lot of our employees and I don't think they necessarily try to not be conservative with the money they are spending, but they don't realize that there are other vendors out there that can get the cost down on some of the same products. I appreciate the fact that you do the job the way you do your job.

Mr. Baratucci: Thanks.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve the Purchase Order Packet as presented; motion carried.

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

Mr. Yohe presented the following Report.

Report from the Office of Budget & Finance
November 26, 2008

- **November 7, 2008** transferred **\$8,349,654.52** to the **Payables** account and **\$1,894,202.07** to the **Payroll** account from the County's Concentration account for checks issued that week.
- **November 14, 2008** transferred **\$505,514.72** to the **Payables** account from the County's Concentration account for checks issued that week.
- **November 21, 2008** transferred **\$6,809,227.00** to the **Payables** account and **\$1,800,305.37** to the **Payroll** account from the County's Concentration account for checks issued that week.
- **Total Term Investments**
 - **\$10,000,000.00** 90-day CD (matures 12/30/08) at PA INVEST - rate **3.790%**
- **Balance today in INVEST account \$171,178.88 rate 1.615%**

- **Balance today in Susquehanna Bank investment account \$1,117,206.10 rate 1.650%** (This rate equals the Susquehanna Bank 90-day T-Bill rate plus 108 basis points. It is fixed for the month)
- **Balance today in Sovereign Bank investment account \$1,133,679.56 rate 1.350%** (This equals today's 1-month LIBOR rate of 1.450% minus 10 basis points)
- **Balance today in Citizens Bank investment account \$87,504,193.45 rate 2.750%** (This rate is fixed for the month)
- **Balance today in PNC Bank investment account \$1,000.00 rate 0.950%** (This equals today's Fed Funds rate of 1.000% minus 5 basis points)
- **Balance today in Graystone Bank investment account \$1,000.00 rate 0.800%** (This equals today's Fed Funds rate of 1.000% minus 20 basis points)
- **Balance today in Commerce Bank investment account \$100.00 rate 0.000%** (This equals today's 90-day T-Bill rate of 0.100% minus 25 basis points)

No T.R.A.N. Line of Credit required for 2008.

2009 BUDGET PRESENTATION

Mr. Yohe: Today is the day that we advertised to make the proposed 2009 Dauphin County Budget available for the 20-day inspection period. I have some handouts for those who don't have them.

Mr. DiFrancesco: Mike, that CD that you committed to is looking pretty darn good right now.

Mr. Yohe: I missed it by a day or it would have been higher.

Mr. DiFrancesco: It still is looking pretty good right now.

Mr. Yohe: As you are aware, this process started back in July when the budget packets were distributed. They were returned to my office. I met with all the departments through late August/early October. We did conclude public budget hearings just last week at which you are looking at here is a summary of the results of that whole process. Again, I want to emphasize that this is a 20-day inspection period and these numbers are still tentative. The budget will be approved three weeks of today, December 17, 2008. There is room for change. This is where we are at now. At some point in time I have to take a snapshot and say here's where we are at, this is what we are going to go with. Everything still looks fine. They are within our projections that we have been working off of the last several years.

Page 1 is a listing of all the County funds. This budget is only those funds that operate on a January to December basis. Obviously the General Fund is our main operating fund. As you see there are about 12 funds. There is a new one that we have added, the 158 Gaming Fund. I did go in and adjust the budget there. We did have a budget for 2008 that you will see on the 4th Quarter Budget Amendment Report. That is the only one that is new. The rest of these funds are existing funds and have been for years. You will notice the Spring Creek Fund, next year I'm going to get rid of that one since that won't be coming back. That prints out on this report. We are looking at a total budget for next year of \$204,498,955, which is approximately a \$15 million increase or 8.04% overall increase. If you have any questions on any of the other funds I'm going to focus the rest of the presentation on the General Fund. As you know, everything runs through the General Fund. All the other Funds are hooked up with the General Fund. The other runs are what the numbers look like as of today. Quite honestly they probably will not change. If any numbers change between now and the 17th most of it will be in the General Fund.

Page 2 summarizes the key points that are included in this Budget. Just on the General Fund, obviously no tax increase for 2009. We have not seen any need for a tax increase several years back and everything still looks good. We had a long discussion just before this on the medical and health benefit change that we will make next year. These numbers, this might be an area that might change. These numbers are what I had going in the last couple days with the numbers that Benecon had presented. I factored everything in and that is what is in there right now. If something changes obviously I'll get from those folks the new numbers and I'll try to get those in on the 12th. I'm pretty confident that the numbers I have in here for health benefits and prescription are sufficient. If anything we may be able to lower them a little bit. I don't know that we want to recommend doing that with we don't have any of that stop loss. Again, that brings me to point #3 after all the health, medical and prescription coverages in all the individual departments, I actually added \$1.8 million in to cover anything that might be over in one of those claims. That is included in here. So, when you are thinking about that in the next couple weeks this is in here. If we want to lower that we can lower that. The \$1.8 million is as high of any number that I have seen thrown out there for that purpose.

Number 4, we have been very successful that last few years with this \$600,000 vacancy adjustment. That is built in again. We have been well ahead of that the last several years. It is a very conservative number. We can play with that if you want, but I have been leaving that at \$600,000.

Number 5 is a big point here. Probably the biggest increase or hit that we have had that I have seen is our ARC, our annual contribution to the pension fund. Going into just yesterday I had heard that it may be as high as \$10 million. I ran the numbers based on that. I did get a little better number yesterday, but was not able to get it into the final print here. It came in less than that. Here is an area that I know for sure that will probably come down by the time we approve this on the 17th. Again it is still going to be a significant hit on what we had this year.

Number 6 when I got all the budget packets back...

Mr. Saylor: For the purposes of the record can I just ask a quick question? Assuming \$10 million ARC, you are saying it is \$6.6 million over 2008, what is the overall spending increase for the budget this year?

Mr. Yohe: In the General Fund it is \$13.7 million. That \$6.6 is overall total County. The ARC impact on the General Fund is about \$4.5 million. Of that \$13.7 increase \$4.5 of that was pension of the General Fund. When I talk about the ARC, it is all County funds. The General Fund piece alone should come down by \$1.3 or \$1.4 million by the time you approve it.

Mr. Hartwick: This would be after consecutive years of us actually taking our pension fund to being the best performing pension fund in the State. Our impact, based upon our allocations has fared out better than almost every other county in the Commonwealth. That tells you the type of impact that the stock market is having on everybody's bottom line/General Fund contribution because we were so well performing the past several years.

Mr. Yohe: There were 40 new position requests that came to me with the budget submissions. After our public hearings, we did very well. There were only ten that were approved. I think they made a strong case for many more than ten. You guys held the line on ten. Based on last year I think we approved about 30 new positions. I was very pleased with that effort.

Mr. Hartwick: People don't have the history. When this Board started we had about 2,100 employees. As of today we are hovering around 1,600. That is with the addition of these new positions. We are actually downsizing. We are down about 500 positions from when we started.

Mr. DiFrancesco: I think it is important to note that obviously there have been articles written about other counties and what is going on in other counties. One of the things that they talk about is hiring freezes being implemented. The fact of the matter is we have had an ongoing hiring freeze for five years and we monitor very closely each and every position that comes in. The bottom line is in a year when other counties are looking at cutting positions we have run this County government in a very lean way day-to-day through the good times and the bad times. When we look at the position, we look at the merit of what it is going to bring in terms of efficiencies. Generally speaking even when we add positions there are cost savings that we are looking for in other areas. The philosophy here in Dauphin County has been pretty strong in terms of every decision that we have made over the past five years is one to play like last year you mentioned we hired roughly 30 positions. Most of those positions the requirement was that they self-fund. There was some mechanism behind them. For instance, if we need more sheriffs we put more sheriffs on the street, but then they have to do more service to cover their cost. They in fact did that. It is important to note for the public record that

these decisions are not being made lightly that we are running it as efficiently as we have in years past.

Mr. Hartwick: What is our vacancy adjustment this year? About \$1.1 million and we budgeted \$600,000 every year so it just tells you the type of job that we are doing with holding off on positions.

Mr. DiFrancesco: I think it is important too to note and we said this before our department heads when they came in here I mean nobody came in here looking for Christmas morning. They came in here with budgets that they could stand up, they could defend and while they didn't get everything they wanted I think all the departments really came in here asking for a realistic budget.

Mr. Yohe: They have been very consistent and worked very well the last four or five years, particularly since you guys have been in office.

Number 7 and if you look back there is more detail on the new positions. We can go through those if you want. The union wages, this is one of the first times that I actually had union contracts for all but maybe one this year. They are pretty firm numbers in there for the unions. Last year we were guessing on probably four different ones at this time.

Number 8 we continue setting money aside for improvements to our two biggest needs for the buildings, the Courthouse and Prison. This \$1.5 million, they will each have well over \$1 million to work with next year on the capital projects fund for both those two facilities.

Mr. Hartwick: These are as opposed to a new Prison and keeping population low. It is better to replace a roof than it is to add millions of dollars to the County's debt obligation which we have been able to manage and have to make that investment over time.

Mr. DiFrancesco: Again, that was one of the big changes that has taken place with this administration whereas most capital projects were done with a credit card before and we are setting aside money now to make sure that we can replace roofs when roofs need to be replaced and HVAC systems need replaced.

Mr. Yohe: Number nine, this is one where it may change or not change, but as it stands right now what is laid out there we have a \$1.7 million payment to the Library System. It is a once and done deal. I think there is still some discussion on how we want to go with that. If that comes out that's all the better. That is in there right now and I think it is important to note. That is another reason driving up the increase this year.

Mr. Haste: That is a direct result of the State cuts to the library systems. The State has not kept up its obligation to fund them.

Mr. Yohe: That would be through the public hearings that would sustain them through the next three years minimum.

Mr. Hartwick: That is opposed to us raising taxes on citizens as being requested by the Library System to add additional money to the millage rate which would have a negative effect on everybody's tax bill. We figured out ways to come up with the share to support our libraries particularly in a time of economic crisis.

Mr. DiFrancesco: We talked about this a lot and Commissioner Haste is absolutely correct. The Commonwealth is back this year where they finally came back to their funding levels of four or five years ago. This Board realizes that those libraries are critically important to our communities, especially in times when families have less money in their pocket. Libraries present the opportunity for people to find employment, work on resumes and do research for jobs. It is a place where people can take their kids and spend time with them and it doesn't cost them anything. Our commitment has been very strong to the libraries and as Commissioner Hartwick mentioned the only means to fund libraries is through the millage rate and that would require a tax increase. We have been able to be creative once again and find ways where we don't have to shift that burden over as an additional burden to property tax owners when the economy is as tight as it is. I want to urge the Commonwealth to step up and realize how important libraries are to this State.

Mr. Yohe: Number ten is a new source of revenue. It is the only budgeted revenue from the Gaming Fund. Again, there is quite a bit of discretionary funding in there. This is the only piece that is directly tied into the General Fund for next year to cover our radio project costs for next year.

Number eleven, if you remember way back when you first started we took probably about the fifth year in a row we took a TRAN out to cover our costs in the beginning of the year. Again I see no need for that for 2009. As it stands right now this will be the first year that I do see, we are going to have to draw down on some of our balance. It will be the first time in about four years that we had to do that. The budget as it stands now is about a \$9 million drawn down on that. We discussed here, we know it is going to be \$1.3 million less from the pension and what else we do. Again, within the projections that we have had the last several years, but again it is important that we are drawing some money down. Last year we were able to finalize it, after a lot of work, we were able to get it to where we didn't have to draw any money down from our balance. In reality the balance grew this year again for 2008. Remember these are conservative numbers. We won't require \$9 million of fund balance next year.

Mr. Hartwick: The Library money is a one time deal over the next three years.

Mr. Yohe: The last one even with the way the numbers show here we will have a healthy fund balance of over \$40 million going into 2009.

The General Fund is the main operating fund. All of the funds live off of the General Fund. You can see the transfers the other funds that are required. The biggest one is the Children and Youth transfer of 6.77%, \$650,000 increase again. That is actually less than last year at this time we thought it was going to be. The other big one on there we are still putting some money aside in the capital projects fund for various projects so we don't have to borrow money to do them.

Page four is the itemization of the ten new positions. The first one is for Tax Assessment. It is a new position that will have to be created for next year. It is already on board; we will have to pay benefits for next year so there is a note to that effect. The second one the District Attorney has two positions. One of this is 100% covered by a grant with the understanding that if the grant goes away that position goes away. The only other one that I would make a note on is Adult Probation. I know it says OMHSA and I'm not sure what it stands for. My notes from the meeting were...

Mr. Hartwick: Office of Mental Health and Substance Abuse and Potteiger is already setting up the meeting.

Mr. Yohe: That position may be covered by that grant or at least a portion of it. The total cost for the new positions is about \$562,000 for next year.

The next four pages are the pie charts that show the breakdown of the money coming in and the money going out. Tax revenue makes up for about 64% of our budget. The next biggest is our charges for service at 16% and again we have the draw down on the fund balance as 6% of the pie this year. This is the first time that we have had that for several years. I expect that will be lower by the time we adopt the budget. Page six, salary and benefits make up 54% of the total General Fund expenses. Again, that is why it is so important to limit new position requests. Page seven is a breakdown of how the money comes in, the various categories. You can see some of them in the General Fund there is not a whole lot of money that comes in for human services, much more percentage goes out for human services within the General Fund. Judicial there is only 8% that come in, 32% are so of the judicial costs are to the other sources of revenue within the General Fund. Page eight you can see the breakdown. The judicial is the biggest piece of the General Fund budget of 32%, public safety next at 26%. Those are by far the biggest pieces that we have to fund every year. The last one just shows the proposed millage rate. The current millage rate is 6.876% and our proposed is 6.876%. There is no increase. You can see the various payments that would require based on the assessed values of the properties. The last four pages are just a summary by department and I'm not going to go through those. If you have any questions on anything that is laid out I will answer them. The millage rate for next year will not change.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to place the 2009 Budget on the table for public inspection; motion carried.

Mr. Yohe: This document will be out at the Receptionist's desk for the next 21 days.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: Commissioners, Scott has one issue he wants to bring to your attention.

Mr. Burford: As you know we are a member of the Central Pennsylvania Energy Consortium. That Consortium allows us as a County to purchase bulk fuels. It leverages our ability to drive down the rates with the membership and the participation. Typically these bids for bulk fuels goes out to the market in the springtime and take effect July 1 of each year. Given the volatility of the gas market over the past several months, going everywhere from \$4 down to less than \$2 now, the Consortium back in October made the decision to put the bulk fuels, the gas fuel bid out on the market with the anticipation of getting better rates. We did that and Dauphin County participated in that program and we were given a bid from Talley Petroleum Enterprises of \$2.19 per gallon. When this bid went out and we basically accepted that bid that is when fuel prices were closer to \$3.00 so we thought we were doing well with that firm price. Since that time the price has continued to dip. I'm not sure how these prices are going to play out eventually. What I'm here to advise you of is that the Consortium did put this out for bid in October in anticipation to get better prices. The contract term will begin July 1, 2009 so this is next year's contract, not the one that we are currently under. The Consortium does require that each participating entity submit a purchase order to secure this bid. Given that it is still 2008 Randy can't execute a 2009 purchase order yet. What I'm here to request and recommend for approval is that we send a letter to the Consortium, authored by Chad, to acknowledge and accept the bid as given with the understanding that a purchase order will follow when we start to release purchase orders in 2009.

Mr. Hartwick: Why would we do that?

Mr. Burford: Why would we participate in the bulk fuel program?

Mr. Hartwick: Is there no opportunity that we would rather put this thing out for bid at a different time? Like now.

Mr. Burford: We did that back in October. This was part of a decision to go ahead and put it out for bid because the fuel prices were beginning to drop at that time. We put it out for bid and at that time we received a bid of \$2.19 per gallon.

Mr. Hartwick: Are we bound by these bids?

Mr. Burford: We are bound by it because we are a member of the Consortium and the Consortium did agree to go out onto the free market to see if we could get better rates at the time.

Mr. Hartwick: How much gas does this commit us to?

Mr. Burford: We are committed to 80,000 gallons, which is less than our previous commitments. Typically we commit to 100,000 gallons per year. This year with the market so volatile we met internally and decided to only commit 80,000 because we felt that we could use the flexibility of our Voyager Card to maybe get better prices at the pump.

Mr. Haste: There is no way to go out to bid now?

Mr. Burford: No, that has not been discussed at the Consortium board.

Mr. Haste: Why wouldn't it be?

Mr. Hartwick: I wouldn't support spending more money than it costs per gallon at the gas pump now.

Mr. Baratucci: The price that he is talking about would be the price for next July 1, 2009. We are guessing right now I mean yes could gas prices continue to drop sure, but they also at some point, the Consortium anyway probably thinks that they are going to turn back the other way.

Mr. Haste: Why couldn't you reject this and go back out on a rebid right now?

Mr. Baratucci: I guess if enough of the entities...

Mr. Haste: Obviously if you went out now it's going to be less than \$2.19. At the time it was good.

Mr. Baratucci: All the vendors are going to be doing the same thing. They are going to be trying to guess what the price will be for next July 1 as well. We hope it will be less, but there is no guarantee.

Mr. Burford: I can take your request back to the Consortium Board with of course no guarantees, but I can take that request back to see when and if they plan to take this out for bid again. We have pretty much locked into this rate; I do want to say that.

Mr. Hartwick: Do enough people feel that this is going to be better than what they are going to get in July?

Mr. Baratucci: Big enough people in the Consortium would have to agree with what you guys are saying. If enough people in the Consortium want to do it over again the Consortium will do it over again. If more of the entities feel like...

Mr. Haste: Who else is in the Consortium?

Mr. Burford: Numerous school districts throughout Central PA, Lebanon and York Counties. When I say they are involved, they are involved in many levels. Some

participate in bulk fuels like we do. Some participate in bulk fuels, electric and natural gas. It is a variety of complements. There are a number of neighboring counties, Cumberland, Perry and Dauphin.

Mr. Hartwick: What is the most cost effective way to get this Board's position to the membership and request that they go ahead and do a rebid?

Mr. Burford: I'll pick up the phone and make a call.

Mr. Hartwick: Or do you want to send a letter?

Mr. Burford: We can do that too. Let me make the phone call first if I may and then we can send out a letter from the Board requesting that the Consortium goes out on the market for gas.

Mr. DiFrancesco: Again, if it comes back at \$2.15 there is no minimum purchase on that bid?

Mr. Hartwick: 80,000 gallons.

Mr. DiFrancesco: So no matter what we are using 80,000 gallons.

Mr. Burford: Keep in mind I think Randy somewhat alluded to this we have been winners in this program for years.

Mr. Hartwick: And we want to continue to be.

Mr. Burford: Everyone that is a member of the Consortium wants to be members. The market has just played out in a way that we did not anticipate it. We thought by bidding in the fall when the prices started to dip we thought that we were ahead of the game in being very progressive. We thought that based on industry trend that was going to be trough in the market. Once we placed the bid, received the bids then we found that prices continued to dip.

Mr. DiFrancesco: Just for future reference generally speaking commodity traders understand that there are also dips and rises and they are not going to be short-sided enough to say wow it looks like gas prices are going down and they are going to stay that way. Basically the rebid process is probably a good thing; especially with the new administration coming there is going to be a lot of changes in policies. There is no way that we are going to predict what is going to happen by somewhere next year.

Mr. Tully: Part of the problem is the October bid may have had a timeframe that was committed to that we may not be able to rebid. Make an inquiry as to why.

Mr. Haste: The \$2.19 come July may be a good price.

Mr. Tully: Absolutely.

Mr. Hartwick: And may not.

Mr. Haste: You're right.

Mr. Burford: I have to support what our Solicitor has said. I do believe there is a commitment that will make it difficult for us to back out of this.

Mr. Tully: That is another example of where the Consortium gives you the benefit of the economy of scale. That is kind of where we are.

Mr. Burford: If we initiate the letter to the Consortium and there is no opportunity that we have to accept this as is for now, do I have the Board's approval to go ahead and execute a letter?

Mr. Hartwick: I want to talk about it before we execute anything.

Mr. Haste: I'm not willing to execute a letter yet.

Mr. Saylor: Scott, while you are on the hot seat, do you want to maybe say a brief word about Item X, which is the Donahue and Associates?

Mr. Burford: Donahue and Associates, we are participating in a guaranteed energy savings program through the Governor's Office. It will allow us to, it's performance contracting, allowing us to upgrade our capital equipment throughout our different campuses. This type of program does require a level of technical expertise. We reached a point where we need to bring in a consultant to help guide us through the program, especially under the investment grade audit piece. This group of consultants will help guide us through the process.

Mr. DiFrancesco: How did we identify this consultant?

Mr. Burford: It was recommended by State contacts. I have spoken to them personally as has other members internally from our team. Matt has listened to them. I have listened to them and considered other options. This group crafted the Commonwealth's.

Mr. DiFrancesco: Is this the gentleman that was here before? Is he the one that brought the idea to the table or is this somebody else?

Mr. Burford: Completely different. The gentleman that brought the idea to the table is actually an ESCO, Energy Service Corporation. This is an opportunity to bring a third party expertise to the table. It will not only help guide us through the program, it will also protect the County's interest and ability to walk through the program.

Mr. DiFrancesco: I'm just not used to hiring a consultant without any sort of forewarning or briefing about who they are and who the others were and why them. It is just a very unusual occurrence for me. I don't know if the others have been briefed or not.

Mr. Hartwick: I asked those same questions and from what I understand from Scott this is completely something that was recommended by the State in order to have some sort of third party that is helping us evaluate the folks who will be coming in. This is to protect the Commissioners from having political decisions be made and evaluated based upon their experience. We have no connection with these people at all. I don't know who they are. The first time that I heard of them was when Scott had mentioned it. It is supposed to be a layer of protection for us.

Mr. DiFrancesco: Trust me I agree with bringing in a consultant because this is very technical, from the energy standpoint, but it is also a technical financial transaction that we will enter into. Again, not knowing who these people are and not knowing what other consultants are out there. Normally we understand why we are selecting the group that we are selecting and I don't know that I was given the opportunity to have that information provided to me. I will assume that they are good at what they do.

Mr. Hartwick: I only know based upon Scott's recommendation and based upon them being one of the better folks that have been in the field and was recommended by the State.

Mr. Burford: They come highly recommended by the Department at the State.

Mr. DiFrancesco: Just so you remember I think there was a particular radio system that was highly recommended by the State too and a number of other things that have been highly recommended by the State so that does not give me any confidence whatsoever. How much?

Mr. Burford: It's not to exceed \$29,000 and let me also say that this money does come back to us in the way that this program rolls out.

Mr. DiFrancesco: Is that included in the savings that we expect to receive?

Mr. Burford: That is included and that will be embedded in the RFP that goes out that the ESCO must satisfy to pay this consultant.

Mr. Saylor: We can pull this until next week.

Mr. DiFrancesco: If everybody else is comfortable.

Mr. Hartwick: I'm okay.

SOLICITOR'S REPORT – WILLIAM TULLY, ESQ., SOLICITOR

Mr. Tully: I have nothing to add unless the Board has any questions. (There was none.)

MATTERS REQUIRING BOARD ACTION

- A. Training Packet.
- B. Refund of 2006 and 2007 Real Estate Taxes – Hershey Foods Corporation – Parcel #24-029-034 and #24-029-040 - \$48,036.34.
- C. Award Bid for the remediation of outfall structures at the County Prison and Schaffner Youth Center to the low bidder, JVH Excavating in the amount of \$53,627.40.
- D. Satisfaction Agreements for:
 - 1. Kathleen Ewings on the property located at 811 Mountainview Street, Harrisburg, PA 17112 (\$5,000.00).
 - 2. Rodney J. Sheehan on the property located at 520 Main Street, Steelton, PA 17113 (\$5,000.00).
 - 3. Michael Washington on the property located at 2500 Derry Street, Harrisburg, PA 17111 (\$5,000.00).
 - 4. Sherry Groff on the property located at 504 Juniata Street, Dauphin, PA 17018 (\$4,712.00).
- E. Subordination Agreements for:
 - 1. Todd B. Bryant on the property located at 433 Hale Avenue, Harrisburg, PA 17104.
 - 2. Jennifer Alton on the property located at 2201 Kensington Street, Harrisburg, PA 17104.
- F. Commissioners' approval to contribute the County's pro rata share (\$234.00) for appraisal services and trial costs needed to ascertain true value for:
 - 1. Eric and Christine Brann property located at 1232 Upton Court, Tax Parcel No. 24-095-199 (\$234.00).
 - 2. 225 Market Street Venture, L.P., the "Old Colonial Theatre", Tax Parcel No. 03-001-045 (\$637.70).
- G. Maintenance Proposal from Controls, Service & Engineering Co., Inc. to furnish and install an Ultraviolet Air Purification system in the existing EMA HVAC units.
- H. Dauphin County Solid Waste Management and Recycling 2009 Comcast Television Schedule for PSAs.
- I. Purchase of Service Agreement between Dauphin County and Lackawanna County Commissioners for Dauphin County to accept juvenile detainees from Lackawanna County.
- J. Purchase of Service Agreement between Dauphin County (Schaffner) and Lackawanna County Commissioners for Lackawanna County to accept detainees from Dauphin County.

- K. Requisition to Stenograph Corp. for CaseCatalyst Court Reporting equipment, Elan Mira Stenographic writing machines and CaseView Net litigation support products.
- L. Proposal from Rae's Cleaning Services to provide cleaning services at the County EMA Office.
- M. Dauphin County Hazardous Material Emergency Response Preparedness Report for 2007.
- N. Adoption Assistance Agreement #2008-85.
- O. MH Purchase of Service Agreement between MH/MR and Northwestern Human Services of PA.
- P. Human Services Director's Fund Agreement between Dauphin County and Central Pennsylvania Food Bank.
- Q. Prothonotary Archives and Records Management Grant Application to the PA Historical and Museum Commission.
- R. Resolution #21-2008 - Tax Exempt Revenue Bond Financing for Visiting Nurses Association of Harrisburg project.
- S. Reimbursement to Steve Shaver in the amount of \$288.30 for a PEMA Quarterly Training that he attended on October 5-10, 2008 in Altoona, PA.
- T. Grant Agreement between Dauphin County and the Foundation for Enhancing Communities.
- U. (Negotiation of an) Agreement between Dauphin County and Highmark for Administrative Services Only.
- V. Approval to retain Donna M. Micklow as an expert witness with regards to the Jenkins vs. CHR case.
- W. Appointment of Jennifer Bush Archer as new Domestic Relations Solicitor.
- X. Purchase of Service Agreement between Dauphin County and Donahue & Associates, Inc. to assist in procurement and evaluation of competing energy services companies.
- Y. Waiver of Conflict between Dauphin County and McNees, Wallace & Nurick in connection with the Lease Extension of MDJ Stewart's Office.
- Z. Pennsylvania County Health Insurance Purchasing Cooperative Intergovernmental Cooperation Agreement. *****PULLED*****
- AA. Proposal from L. Robert Kimball & Associates to define space needs and floor plans.
- BB. 2009 Pay Day Schedule.
- CC. 2009 Dauphin County Holiday Schedule.
- DD. Intergovernmental Cooperation Agreement between Dauphin County and Township of Derry for the process of implementing a public safety radio system.

Mr. Haste: We have Matters Requiring Board Action, Item A through DD, with the removal of Item Z. Is there anything else that needs to be pulled out or discussed at this time?

Mr. DiFrancesco: Just as discussed. Is this dealing in particular are there elected officials that would be treated differently? Does this address that issue or will that be addressed at another time?

Mr. Saylor: That will be addressed at another time.

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board approve Matters Requiring Board Action, Items A through DD, minus Z; motion carried.

FORMER BUSINESS

(There was none.)

NEW BUSINESS

(There was none.)

CORRESPONDENCE

Mr. Haste: We have correspondence A through H, which will be handled by the staff appropriately.

- A. Notification from BL Companies advising that Berkshire Hudson Capital XI, LLC is applying to DEP for a General NPDES Permit for stormwater discharges associated with construction activities at the Orchard Park Retail Shopping Center in Swatara Township.
- B. Notification from Fischbach Morgan & Associates, LLC advising that Select Medical Property Ventures, LLC is applying to DEP for a General NPDES Permit for the construction of a medical facility in Derry Township.
- C. Notification from HRG advising that Boyd & Mahoney, G.P. is applying to DEP for a General NPDES Permit for stormwater discharges associated with construction activities of a commercial office building in Lower Paxton Township.
- D. Notification from Lake Roeder Hillard & Associates advising that Thomas DeDonatis is applying to DEP for a GP-5 Utility Line Stream Crossing Permit for a project located at the southwest corner of intersection Waltonville Road and Brookline Drive.
- E. Notification from dc gohn Associates, Inc. advising that Conewago Contractors, Inc. is applying to DEP for a General NPDES Permit for stormwater discharges associated with construction activities at the Stoneridge Commerce Park in Lower Swatara Township.
- F. Notification from HRG advising that the Dauphin County Commissioners are applying to DEP for a BWM-GP-11 Permit, a Water Obstruction & Encroachment Permit, for the Dauphin County Bridge #34 at Woodside Station Road (T-460) over Wiconisco Creek.

- G. Notification from Light-Heigel & Associates, Inc. advising that Pennsylvania American Water is applying to DEP for a General Permit 5 for the installation of water pipe underneath an unnamed tributary to Swatara Creek.
- H. Notification from HRG indicating that the Lower Paxton Township Authority is applying to DEP for a BWM-GP-11 Permit for the Crums Mill Road Culvert Replacement Project.

PUBLIC PARTICIPATION

Mr. Haste: We are again at the point in time for public participation. Is there anyone in the audience that would like to address the Board? (There was none.)

Before we adjourn we have a lengthy Retirement Board Meeting that we will get started at 11:55 a.m.

ADJOURNMENT

There being no further business, it was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board adjourn.

Respectfully submitted,

Chad Saylor, Chief Clerk

Transcribed by: Richie-Ann Martz