



DAUPHIN COUNTY BOARD OF COMMISSIONERS
LEGISLATIVE MEETING
WEDNESDAY, JANUARY 14, 2004
10:00 A.M.

MEMBERS PRESENT

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

STAFF PRESENT

Rick Wynn, Human Services Director; Steve Howe, Tax Assessment Director; Jennifer Kocher, Communications; Marie Rebuck, Controller; Bob Dick, Treasurer; Gary Serhan, Deputy Controller; Garry Esworthy, Risk Manager; Warden DeRose, Prison; Shari Eagle, Information Technology; Tom Guenther, Information Technology Director; Dave Schreiber, Personnel; Sharon Ludwig, Personnel; Chuck McLister, Schaffner; Randy Baratucci, Purchasing Director; Diane McNaughton, Communications; Edgar Cohen, Facilities Maintenance Director; Skip Memmi, Community and Economic Development; Kacey Truax, Commissioners' Office; Jena Wolgemuth, Commissioners' Office; Ritchie Martz, Commissioners' Office; Robert Burns, Chief Clerk/Chief of Staff; Julia Nace, Assistant Chief Clerk; Bill Tully, Esq. Solicitor; Melanie McCaffrey, Solicitor's Office; Mike Yohe, Budget & Finance Director; Dan Kern, Schaffner; Faye Fisher, Personnel Director

GUESTS PRESENT

Jack Shertzer, Mike Musser III, Joe Link, Brian Shunk

MINUTES

CALL TO ORDER

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

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have the December 9, 2003 Legislative and December 9, 2003 Election Board and December 16, Election Board and December 16, Workshop Minutes. It is my understanding in discussion with the Solicitors that this Board even though this wasn't the Board that had these this Board can take action basically to accept these Minutes. Plus I believe that these folks were in attendance at some of those and we will be accepting these for the record.

Mr. Tully: These are recorded in their entirety as well.

Mr. Haste: Could I have a motion to accept those four set of minutes

Mr. DiFrancesco: I will make that motion.

Mr. Hartwick: Second

Mr. Haste: All those in favor say, aye.

All: Aye.

Mr. Haste: Motion carries.

Now we will do the same with the December 16, 2003 Salary Board Meeting Minutes. The Salary Board is the three Commissioners and the Controller. Is there a motion to accept those minutes?

Mr. Hartwick: I will make that motion.

Ms. Reback: I will second those?

Mr. Haste: All those in favor say, aye.

All: Aye.

Mr. Haste: Motion carries.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Haste: Executive Sessions held between meetings, Mr. Burns?

Mr. Burns: Mr. Chairman, there was one executive session held on January 12, 2004 and at that time matters of litigation and personnel issues were discussed.

Mr. Haste: Thank you.

PUBLIC PARTICIPATION

Mr. Haste: We are at the part in time of the meeting that if anyone from the audience who wishes to address the Board of Commissioners at this point in time. Is there anyone willing to come forward? Okay, thank you

DEPARTMENT DIRECTORS/GUESTS

Mr. Haste: At this point in time we have the Engineer from the City, Joe Link to talk about a very important project not only for the City but also for the County and for this region. Joe, would you please come forward?

Mr. Link: Thank you Commissioner Haste, Commissioner DiFrancesco and Commissioner Hartwick. This morning we wanted to talk about the project that has come to be known as the Southern Gateway project. We are going to give you a brief presentation. We are going to give you a short presentation, just a few minutes on the project. In the mean time, just before we get started, we wanted to mention that I have given you some information on two other projects being carried out in the City right now.

One of them, the first one is the underpass reconstruction on City Island. That project is under design. It's also a project that is being funded through the transportation system by PENN DOT and the Federal Highway Administration. That project will have a public meeting this coming February.

The other project is the widening of 7th Street in the City of Harrisburg between Reilly and McClay Street. That project has had public meetings already. We are planning construction probably this October. The underpass widening construction will probably be in August. All of these projects are funded through construction. The Southern Gateway project that I am going to talk about now is funded through our design effort of the project, design and environmental analysis. The fact sheet accompanies this larger map and on the backside is an anticipated completion schedule and estimated costs. You can see that this project is going to be a fairly expensive project some where in the neighborhood of 50-70 million dollars. We aren't quite sure because what we are going to show you this morning are three possible alternative routes. The final process which will be based on the final selection of a route. Brian Shunk is here with me from Tran Associates. Tran Associates is the City's leading consultant on this project which we have been working with this project for two years. We have a lot of environmental work

to go through and engineering work to do which will commence as soon as we are finished with the public meetings. The public meetings commence tomorrow. We have three sessions scheduled tomorrow morning, afternoon and evening. This project has taken off a life of its own since it was proposed a few years ago. The Department of Transportation over the last year, year and a half, has instituted a Master Plan Study of I83. The intersection of 2nd and Front Street with the entrance and exit ramps of I83 at the southern end of the city has become a choke point in the city with traffic getting very congested during the rush hours. If nothing is done to improve that intersection, we are just going to increase the amount of traffic that gets stacked up over the bridge. I said to PENNDOT, we could build I83, 12 lanes wide, but if you can not get off to get into work in the morning, you are just going to sit on the bridge and wait until traffic clears so you can get off the bridge. And that is the reason we are taking this project seriously. The reason is so important because of the I83 Mass Plan Study has a potential for a billion dollar price tag as a special right now. Widening I81 to 6 lanes is going take another hundreds of millions of dollars additional. This project being in the \$50 to \$70 million range is another significant project. We want to consider all of these together. That is why we have these series of public meetings and started out with PENNDOT. They have been partners with us the entire time and so has the Federal Highway Administration. So they are all aware of what you are going to see today and everyone, well not everyone, but most have seen what we are going to present today and discuss in the public meetings. I am going to turn this over to Brian Shunk and he will take you through a short briefing of what the three alternatives are that we have come up with in this project.

Mr. Shunk: Thanks Joe. I am going to talk to you for just a couple of minutes on the background of this project for those who aren't familiar with it. We started out with three project goals that came out of the public involvement process. One was to create a Southern Gateway for the City. Basically, the problem is coming from I83. You come into the ramps and you don't really see where the City starts until about Chestnut Street which keeps the traffic flowing at a significant velocity. A lot higher than what the City would like to see. It keeps development from happening further to the south, which is one thing we want to create an urban edge to the City. Secondly, is to improve the transportation system. There are three or four little pieces that we want to get out of this. One is to extend the City grid. Right now the grid stops primarily at Chestnut Street because of where the Amtrak line is. You can't get through to Third Street to get further to the south. We have a redundancy issue right now if we have a festival on Front Street. It kind of shuts down the whole south end of the City. A truck stuck under the bridge on 2nd Street certainly shuts down the south end of the City. So this project, one of the things it is looking at is providing that redundancy in the southern end and to be able to accommodate pedestrians and bicycles and all the different modes of travel, including in and around the City. This is the largest residential area in the downtown in the southern end. We want to accommodate those folks to get in and out of the City without getting in their cars. Then hopefully expand the population downtown that is out of their vehicles. We also want to reduce congestion. We have some very critical intersections in this part of downtown. A lot of them are very congested in the peak hours. We want to make sure that whatever we do in the south end doesn't take those

intersections into a worse condition than what they currently are. We study an awful lot of things and have been working on this project for a very long time now. We did a real-estate capacity study. The study was to look at the vacant underdeveloped land in the City, determine what could be redeveloped and what the market could sustained in the future. The whole reason for doing that was to do our transportation projection to determine what viable amounts of traffic that may want to get into the City in the next twenty years. We also want to reduce congestion. After we do that, we move on to our environment scoping form which is a piece of document the Federal Highway Administration has to sign off on to determine the whole worth of an environmental clearance. We have to do this for the project. Our scoping form, which has a level of clearance of CE requires us to look at a lot of different things. We also have done an environmental inventory of the whole downtown area from Chestnut Street to Walnut Street all the way down the interstate ramps. All of you have been stopped a couple of summers ago or mailed a postcard that you filled out where you came into the City and where you parked your car. We had a lot of press then. We were stopping traffic on the entrance in and out of the City. Some of you remember that. We also have a volume needs document that documents what the traffic volume would be under the new condition and how that will affect the grand movement downtown as well as the entrance and exits from the City. A big part of our project has been the public involvement process. We have gotten a lot of people involved in this process. We have a steering committee and focus groups that have met continually throughout this project over the last couple of years. There are a lot of stakeholders and property owners that hired lawyers. They have called us and have asked questions with the general public at large. We do have a lot of people who commute in and out of the city that really don't fall under the property owner's category and are really affected by what this project is doing and where it is going. And as Joe had mentioned before, we definitely had PENNDOT and FHA actively involved in his project so we could move it forward. Now we are asked where you are at with the project since it has been going on for a long time, we are about half way through. We got through the existing information. We are now in the alternative development phase and are ready to show concepts of what the alternatives may be. Now the concepts that we have shown, are not cast in stone. There are a lot of decisions that still have to be made and a lot of engineering that has to be looked at to make sure that everything is still feasible but these concepts are internally feasible. We need to make sure that they are environmentally feasible as well. We still have to go through an environmental investigation. Our preliminary engineering and final design if it gets that far. Our alternative development was an interesting process, very different than if it was countryside or rural sides. We have studies. We actually had two studies. And I will talk about those in a minute that had to do with the downtown grid street options as well as coming with design concepts themselves. Now our study area, usually when you have transportation project, you have one primary study area. They look at everything well in an urban environment. It doesn't work quite like that because there is a ripple effect. If you make an improvement in the southern end of the City, you could affect something clear up to Division Street clearly because of how traffic flow shifts and move through time. So we had two study areas. Our primary study is for improvements primarily from Walnut Street to I-83 and from the Susquehanna River to the railroad. Our traffic study is from

I-83 beyond Division Street and again from the river to the railroad. So we can see what the ripple effects are on the downtown bridge. One of the things that we looked at is the grid and how it functions. We looked at converting roadways from one way traffic to two way traffic. All kinds of different scenarios were very vital so you could find out, is it better to run two way traffic when you run all these redundant accesses at the south end or not. What we came out with at the end of this was all three were critical intersections that dictate what you can or can't do in the downtown area. They are Front Street and Market, Front to Forester, 3rd to Walnut Streets. There's only so much expansion that you can do that won't have major impacts either on buildings, parks or other infrastructure. So those become our critical points in which you had to make decisions around. What we came out of, it is best at this point in time to keep 2nd St. and Front St. one way pair and have 3rd St. as a two way pair all the way through the City so the piece that is one way as part of this project will become two way and will be extended at where it stops on Chestnut Street to the I-83 area. Now two things that we are very cognizant of were the I-83 comprehensive plan. We wanted to make sure that whatever we did was consistent with the I-83 Master Plan. However the order of the project goes, we will stay viable with whatever happens with I-83 in the next 10-20 years. As part of our team, one of our consultants that was doing the I-83 Master Plan is also on our team. We had very good communications between the two projects so we knew exactly what they were doing and they knew what we were trying to do. They are very well melded. We also wanted flexible design so that in the future if for some reason the City would want to come back and change the flow of traffic on Front and 2nd street to 2 way traffic, or anything else, that whatever we are doing on the south end would still function so all of our design concepts from Vine Street south are going to have two-way traffic that will move traffic very well through the area. It provides good land access in and out of the areas. It just gives good flexible design for the future. We have three concepts as we have talked. They all start over here at the I-83 ramps and extend up to Walnut Street. This is concept A1. Concept A1 and A2 are similar with one exception and I will tell you that in a second. All of our concepts bring two lanes, off of I-83 into 2nd St. and two lanes of I-83 off to Third St. Third St. will extend all the way up through going under the Norfolk Southern land and underneath the Amtrak lanes so we could connect into the downtown grid lines street. All two options will be a continuous road to connect from Front St. to Third St. dividing two way traffic on Paxton St. that will relocate to the south to create a grid type of effect. This option includes five new structures, one over the rail lane, there's two underneath this rail line, there's new gateway structure and a new structure that takes Third St. back up and over west shore traffic to get from I-83 to Paxton St. through this ramp. It is intended to be a temporary ramp until the I-83 Master Plan construction occurs. One of their projects that occurs under their Master Plan is a new interchange at Cameron St. which will filter the traffic to Paxton St. which most of that traffic is headed over to Cameron St. and further into the City in that direction. When that interchange is built this ramp will no longer be necessary and could be removed from the interchange. This is A-2, it is pretty similar to A-1, with the exception of the ramp, that I was talking about a minute ago. This ramp is no longer there. The Paxton St. crossing over the ramp comes in from I-83 on this option. We have a direct connect from the west to service Paxton St. that comes from a ramp off the interchange. Through this intersection this ramp would allow traffic from both the east and west

shores to access Paxton St. directly again. It is a ramp that potentially would be temporary until the other interchange was built on Cameron St. This is concept B. Concept B is a little different from the concept A's, for outbound traffic. For inbound traffic it is the same which are still running two lanes into 2nd St. and two lanes into Third St. Concept A, the way out of the City is by Front St. or by coming Paxton St. or by Vine St. over. Then concept B provides a direct connection through ramps, that connect back up onto I-83. This concept has one additional structure over concept A, and does not have the traffic calming effects that A concept does because you do provide the free movement flow out of the City. What we envision is that you will get people like we do now on Front St. judging the signals and coming excessively fast on Third St. and get back on the interstate. So with that, those are the concepts that will be presented tomorrow. That is that. If there are any questions, I would be happy to answer them.

Mr. Hartwick: Third St., is there a lot of money put aside for property acquisition? That is a pretty narrow street to make a two way street. What are your plans in order to widen that street and make it two way?

Mr. Shunk: Up there in the area between Walnut and Chestnut Streets, right now we envision that we need to narrow the sidewalk by a foot on each side to provide enough space for two way traffic on that road. Right now you have two lanes of traffic and a parking lane. We are going to maintain a parking lane and two way traffic by just widening that out a little bit. The right of way of that is already owned by the city.

Mr. Haste: What about from Chestnut St. going South?

Mr. Shunk: From Chestnut South there is a right away acquisition that is going to need to occur. That will be done as part of the process of the project. We have not addressed that yet but a lot of the property down there is owned by Harristown or Pinnacle. They are part of our steering committee of the project. They are on board with the project and know what is going on. So everything has been favorable so far with them.

Mr. Haste: I know a little bit with being on HATS, but on this end in the 2nd St. corridor and the 7th St. widening part are really significant with where the City wants to go with reshaping of certain sections of the City and how it looks. If my memory serves me right, 7th St. is slated to finish a year before this is projected to finish?

Mr. Shunk: At least a year, yes, we are going to be starting construction on 7th St. this October. That ought to be finished this time next year or somewhere in that neighborhood.

Mr. Haste: And the ideas that the traffic comes from the North instead of bringing them up Front and out 2nd, the idea is that Cameron and 7th St. becomes the main corridor so that portion of the city can become residential. It is residential now but a nicer residential area.

Mr. Shunk: That is correct and we also talked about changing 2nd St. to two way traffic. We still are exploring that avenue but we got to get 7th St. widened first, get the traffic redirected to that area, and once we can determine how much traffic is using it, and what we think is the most favorable route, the traffic on Front and 2nd Street should lessen considerably and at that point and time, we can make some viable prediction and come up with some very good design alternatives for 2nd St.

Jeff: And Second will become two-way from McClay up?

Mr. Shunk: Either McClay or somewhere between McClay and Forester would be starting two-way traffic. That is yet to be determined. We are looking at that at this point in time. We felt that from Forester and South we will have to keep one-way coupled with Front and Second Street.

Mr. Hartwick: A timing question, where does this play with the I-83 Master Plan?

Mr. Shunk: The I-83 master plan is being considered by the Department right now and you may or may not know the 2005 TIP (Transportation Improvement Program) is being developed and some work is being done in trying to identify funds and packages of work. I don't believe they are ready to put it on the TIP yet. I think I-83 will come on there in the next two-year update, which will be before the 2007 update. By that time, we should have this in final design. We are expecting, I believe the schedule that I gave you on the backside of the sheet, it says the final design is programmed for 2006. So that ought to all be considered together with I-83. We feel that this construction, if it goes through with final design and is funded for construction will be in construction as I-83 is in design.

Mr. Hartwick: I just want to commend the City for having the vision to look into these issues, particularly I-83 coupled with this. The potential for additional redevelopment along the southern portion of Dauphin County becomes a lot more accessible for warehousing and hopefully the reinvestment in those communities that certainly have the infrastructure in place instead of moving into our suburbs and ruining what green space that we have left. Hopefully, we will be able to re-direct our growth in a smart way back into the industrial community along the 230 corridor. I just want to commend the City for the vision and if done and planned properly, it will have a great benefit to the southern portion of Dauphin County as well. Thanks Joe.

Mr. Shunk: Are there any questions? Thank you for your time.

PERSONNEL

Mr. Haste: Item A in the personnel packet.

Ms. Fisher: The personnel packet stands as presented. There are no changes.

Mr. Haste: Is there a motion to approve the Personnel Packet?

Mr. DiFrancesco: I make the motion.

Mr. Hartwick: Second.

Mr. Haste: All those in favor say, Aye.

All: Aye

Mr. Haste: Motion carries. I should make note that we are no longer in salary board

PURCHASE ORDERS

Mr. Baratucci: You finally did get a report with budget numbers. We only got these Monday. You didn't have it last week. There are some on here that are still showing over budget but I can assure you that one way or another they will be taken care of. One case that I will note for you is, we deleted an item. Others money was moved around in Mike's office. They have all been taken care of. None of these will be over budget when you approve them. On page 27, there is an item under Spring Creek, it is # 100521, that is being pulled. So when you approve it, you will want to approve it minus requisition number 100521, page 27. That is taken care of in that cost center and line item. There were four that were added to this packet. As I mentioned last week, some were added and didn't get in the packet last week. If you want me to I can identify those. One was on page 6 that was for I. T. # 100532 and page 11, Cl.D., page 27 Spring Creek, that 100522, and then last page. There was one that was added for Solid Waste. So, those four were added. That one that was mentioned should be deleted or approved with that deletion. Again all budget issues were fixed. So if you have any questions I will be happy to answer them. Hopefully, next week it will be run the usual way you will get a report at workshop. Any budget issues will be resolved between workshop and the Legislative Meeting. When you get a report at the meeting it should be a clean one hopefully. Are there any questions?

Mr. Haste: Is there a motion?

Mr. DiFrancesco: I will make a motion to approve the purchase orders, as amended elimination of #100521 from the packet presented.

Mr. Hartwick: Seconded

Mr. Haste: Any further discussion? All those in favor say, aye.

All: Aye

Mr. Haste: Motion carries.

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

Mr. Haste: Mr. Yohe

Mr. Yohe: Good Morning Commissioners. This will be the first routine investment report since you have been sitting there. What I would do normally at the legislative meeting is report on the amount of bills that were paid in the preceding weeks in the time between meetings and update on where we are with the investments and how much the rates are. It has been a while as you can see, since I have given one of these reports. We have to go all the way back to December 12th, 2003. The last report I gave was December 5th. These dates are all Friday's and are the dates that we actually fund the various accounts to cover the checks for that week. December 12th was a payroll week. We have two different accounts. We have a main checking account which is our concentration account. Everything is funneled in and out of that account. We have a payables and payroll account, payables meaning the routine bills that come in, electric, supply, payroll is obviously for the paychecks.

December 12, 2003 transferred **\$4,922,339.73** to the **Payables** account and **\$1,973,594.46** to the **Payroll** account **from the County's Concentration account** for checks issued that week.

December 19, 2003 transferred **\$7,759,039.00** to the **Payables** account **from the County's Concentration account** for checks issued that week.

December 26, 2003 transferred **\$2,597,079.26** to the **Payables** account and **\$1,904,426.22** to the **Payroll** account **from the County's Concentration account** for checks issued that week.

January 2, 2004 – No checks were issued this week.

January 9, 2004 transferred **\$6,475,703.65** to the **Payables** account and **\$1,949,451.34** to the **Payroll** account **from the County's Concentration account** for checks issued that week.

- Again, on normal weeks it would just be two weeks to report on, it's just highlighting just how much we have sent out on the previous two weeks. The bottom of the report is the investment report. We have term investments, if we had any outstanding CD's, if that environment turns around and that's better to go the CD route. That would go in there. Right now we have nothing in term investments. I keep a little bit at the state called Invest. That just gives me an idea of where the market is right now the actual market. We would just go out and put our money into any money market account, this kind of rolls with the tie with the interest environment at this time, as you can see it is .96% now. We have **balance today in INVEST account \$121,138.30 rate 0.96%.**

There are some funds in a Northwest Savings account that used to be our primary account when that opened up in 2002. They offered us 2½% incentive to put our money there, which was around 3 times what we were getting anywhere else. But that was only good for a year and has dropped off in the last 6 months. Now that is down to 1.4%. I have the **Balance today in Northwest Savings Bank Money Market account \$500,360.64** rate **1.40%**. But at 1.4%, I will probably phase that out in the next couple of weeks.

Our main account is at Community Banks, we have **\$16,470,530.83** at a rate of 2%. I have some paperwork from Commerce that will match the 2%. I think when the taxes start rolling in it will go up. I don't want to set that up right now until we have some money to put into it, just with this rate, and the environment we are in, I want to keep our cash flow current. I want to wait until taxes come in and then I will start putting some money into that Commerce account.

Mr. Hartwick: I know we had a discussion with Mike, are there any issues with liquidity with Commerce?

Mr. Yohe: No, it should function the same as the Community Banks, but the Community Banks account is going to continue to drop. We still have 16 million. Until taxes come in, I expect that to go down. Commerce alluded to the fact that they were looking for a little bit more money than that initially so I told them that taxes would start rolling in mid-March, and at that time, I will go ahead and get the account opened. Hopefully the interest rates will be favorable and I will split the money up between the two.

Mr. Haste: A couple of things Mike, on future reports, can you update us on the TRAN?

Mr. Yohe: Yes.

We have the TRAN in place, it is 15 million, we did squeak through this Friday, and some more money came in this week. I am not sure if we will need to tap into that next week. Most assured we will have to the beginning of the following week, at least a small amount. We got one of the large ones in the first week in January. Almost \$4 million for C&Y could come in at the end of the month or beginning. Fortunately it came in at the beginning, that is why we didn't have to tap into our TRAN on Friday.

Mr. Haste: Have you looked into it any further on drawing down the TRAN investing for the spread?

Mr. Yohe: No that is on my list.

Mr. Haste: Where are we with the answer from the state on the reimbursable from the pension fund? As you know the clock is ticking and we need to know what direction this is going. I wish you would send your picture to the Patriot, because I am tired of taking the hits for it.

Mr. Yohe: I think they have mine somewhere. I was on the phone for about an hour this morning with various state Departments. Bottom line they do not know what the answer is. No county has done it. This is what I got from DPW, obviously if it will enhance the state's position, we are all for it. If it is going to cost us more, we are not for it. I said that you are not going to know that answer. No one is ever going to know that answer until the end because that is the risk we are taking, and you will not know until the end of the issue, maybe 15 years from now, we will know, maybe.

Mr. DiFrancesco: Maybe you will know, it will be unlikely then if you will know.

Mr. Yohe: They have requested as recently as last week something in writing. I am trying to get an answer if they requested that in writing, because I didn't see it. It may have come to the consultant, Mr. Wenger. He has a meeting with the governor's staff on Wednesday of next week. I told him that is probably going to be too late for our purposes, but that was the earliest he could get in. Again, I have talked with those of Aging. That was not confirmed either way, in fact we will participate a 100%. They said they are still exploring that also. They are the two big players DPW and Aging. DPW has three different divisions all giving conflicting reports right now.

Mr. DiFrancesco: Mr. Chairman, I am basically looking at this now and saying that the clock is not ticking anymore and more or less that the clock has stopped ticking. We have more or less run out of time. Most of us have had the opportunity to read the paper today. Certainly it has been on record for most of the year where we are financially in the County but now we are getting at the point where we are going to have to make a very difficult decision very shortly. It is not just a matter of what the tax bills will be for the residents of this county. It is also a matter of when those tax notices go out and what position we are put in and the municipalities are pushed into as that gets delayed. All that being said I think in the very near future we need to make a decision on what we are going to do so the proper advertisements get done. If need be if we do have to open the budget up again, that we move forward on that, it is not going to get any more pleasant or more comfortable. Honest as we move forward, and it does not appear that we will be getting an answer from the state that is going to be to clean enough for us to make a decision.

Mr. Hartwick: My understating is that this is the first time the county has done such an issue. But I have also been made aware that cities have done similar pension funds in the past and have had issued the same reimbursement from the state without too much of a problem. It is the issue with defining whether or not counties are eligible for the same reimbursement. I believe the city of Pittsburgh and the city of Scranton both did similar pension fund deals. We are not provided with any bad response from the state as it pertains to the reimbursements from the state. I know clearly we are much more dependent upon state agencies in that area of Human Service for those reimbursements. I would just ask the Commissioners to try to give us until Friday to find a response. I am trying right now to work through channels to push that process along. You are right we will have to make a decision real soon, but I ask to see if we can find a

response from the Chief Counsel of the Governor's office by Friday and if we can wait until Friday to get that response.

Mr. Haste: You are correct that municipalities have been able to do this for quite some time. However we are under a different law than they are and even though the attempt has been made, it was made to give us the same latitude in 1995 or 1996. Unfortunately counties have not been in the position to have to go and ask for this before and we are dealing with different state agencies rather than local government. Local governments do not deal with DPW or Aging like we have to, so that is one of the difficulties we have. We are asking the state to get caught up in the learning curve and unfortunately they are not there, but everything is correct. We do have to deal with this. So I would ask that next week's agenda we have the re-opening of the budget. It either happens or it doesn't. We know where we are going. All I am saying is that if we are in fact in the position that this doesn't fly, we need to reopen the budget. We need some real hard numbers for next week so we know what is up.

Mr. Hartwick: My only comments relating to that are we need to spend next week, after we find an answer, to get a look at pressing up our alternatives. As well I am not here in this position to simply rely on a tax increase as a way to fund and offset that pension fund deal. We need to press on and upward with some of the restructuring and other items that we need to seriously take a look at. I was hoping we would have a year or two before this occurred. I want it for the record that we are not going to sit over the next week and just rely on a tax increase as a way to fund this pension fund. We need to put ourselves to task and try to think about all alternatives, a way to see what we can do to offset whatever increase could occur as a result of that deal not going through. I will be contacting the administration to talk about the pension fund deal right after this meeting. Hopefully, I will get through this time. Secondly, we will start to get to work immediately in preparations from areas of cuts, to restructuring, and a lot of other ideas. We discussed that may be on the table next week.

Mr. DiFrancesco: I do believe that obviously the picture continues to be bleak. In the past week, and in fact earlier than that, we made some real gains in doing some things to help the budget. We do have to go back to our oversight Departments in looking at other ways to cut because you are right we can not just sit here. There will be a substantial tax increase that is already on the books. But as we continue to make gains, maybe this week we need to be a lot more diligent in that and look at other areas. We can reorganize, reevaluate, look at and find some space. And reality is that you both know that we have already taken a hard look at it. There isn't a whole lot more to cut but I think this is the time to take a look at it again. I guess what I am doing is asking that the various Departments in this room and throughout, reevaluate and take a look again and see if we can squeeze a little more out of it.

Mr. Hartwick: Just to be said, municipal and state taxes are going up, and I think we have been dealt an antiquated way to fund our services here with property taxes, and until tax fairness changes it is going to be a tough nut to swallow for the citizens of this

County to have an additional tax increase. I know we will all do our part to minimize this impact.

Mr. Haste: I will ask again since next week is workshop, that we broaden this discussion a little bit more and that our two financial experts who quite frankly have seen this budget process quite a few times take a look at this budget. If Marie and Bob have any suggestions, I ask that you to bring them to the table next week. As I have said before, the Board of Commissioners is ultimately responsible for this budget but there are forty Department Directors or Elected Officials that are also directly involved. I ask that if any of you have suggestions, that they bring them forward. I know you may have that and I want the two of you to know that the table is open for your suggestions as well. I do not want any stone unturned.

Mr. Yohe: I will relay this message to all Department heads after the meeting today, to go back and look at their budgets. I will put together whatever ideas I can come up with on my end too.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – ROBERT BURNS

Mr. Haste: Report from the Chief Clerk.

Mr. Burns: I want to discuss with the Board, as you know, your staff has been involved in meetings and discussion with several entities who have expressed an interest in coming in to manage the Spring Creek Nursing Facility for the County. I would like to ask the Board to authorize the Solicitor's office and other staff to attempt to negotiate an agreement with a management company to assume the administrative duties of managing the facilities of Spring Creek as soon as possible. If we are able to reach an agreement, we will bring that to the Board next Wednesday for your ratification.

Mr. Haste: I think that is probably the best way. I know Commissioner DiFrancesco has been working hard on this. We hoped to have a company before us today to vote on, unfortunately we are not there. The proposals weren't quite what we were expecting. There has been some conflicting passage in each one of them that we need to clarify and on the other hand, time is ticking. We need to do at Bob's suggestion give them authorization to negotiate a deal for us to ratify next week. So it means that if we can reach a deal on Friday. We can begin the process. If that happens, then this Board can ratify it next week. Is there a motion for the Solicitor and the Chief Clerk to negotiate with the firms that expressed interest to get the best deal possible for the County?

Mr. DiFrancesco: So moved.

Mr. Hartwick: Second.

Mr. Haste: Any further discussion? Bill do you have anything to add to that?

Mr. Tully: No just that I accept the responsibility.

Mr. Haste: All those in favor say, aye.

All: Aye.

Mr. Haste: Motion carried. Again even though next week is Workshop, make sure that if we have a contract we have it for ratification.

Mr. Haste: Solicitor's report.

Mr. Tully: Essentially unchanged, but I want to point out that there are a number of those items on the report that were not ready to go forward for Board action that will be carried over for next week. We will have the terms and language satisfactory to the County's interest before we take action on those. One point of order, item B on Items Requiring Board Actions on the counties depositories, I want to point out that under the County Code, it requires the vote of the Treasurer with the Board of Commissioners pursuant to section 1762 of the County Code. So you may want to vote on that separately.

Mr. Haste: Anything else?

Mr. Tully: Nothing else, but I would be happy to answer any questions.

Mr. Haste: Any questions for the Solicitor?

MATTERS REQUIRING BOARD ACTION

Mr. Haste: Matters Requiring Board Action, training packet, Bob do you want to update us?

Mr. Burns: There were some additions since the workshop meeting and there are 22 requests.

Mr. Haste: Is there a motion to approve the training packet?

Mr. DiFrancesco: So moved.

Mr. Hartwick: Second.

Mr. Haste: Any further discussion? All those in favor say, aye.

All: Aye

Mr. Haste: Motion carries. We now have items B through II, most of which were on the Solicitor's Report last week and have been brought before us. We know item B needs

to be voted on separately. Are there any of items C-II that any member of the Board would like to vote on separately?

Mr. Haste: Is there a motion to approve C-II?

Mr. DiFrancesco: I make the motion.

Mr. Hartwick: Second.

Mr. Haste: Any further discussion? All those in favor say, aye.

All: Aye.

Mr. Haste: Motion carries.

Mr. Haste: Item B, Bob, you are up to speed on this?

Mr. Dick:: Yes, I spoke to Mr. Yohe yesterday.

Mr. Haste: At this point in time is there a motion to accept the nine designations of county depositories for 2004?

Mr. DiFrancesco: Can I ask the question before I make the motion? Do we have all the questions that need answered on that?

Mr. Yohe: Commissioners, I was examining this with Mr. Tully regarding the need of a resolution and bonding requirements. If you are satisfied that this is the proper way to do this, then I have no problem to move forward with this.

Mr. Tully: I think it should be done by resolution which we can word designating them now to have the signed resolution.

Mr. DiFrancesco: The question that was presented was that by law they have to provide us with proof.

Mr. Tully: It is after designation when they have to comply with bond and other requirements.

Mr. Haste: Then it is my understanding that if they do not do that, they are not a depository.

Mr. Tully: We cannot deposit there until they do.

Mr. Haste: What we will be doing is voting on resolution 2-2004, is that correct Bob?

Mr. Burns: That is correct Commissioner.

Mr. Haste: So the motion should be that we adopt Resolution 2-2004, which would designate these nine community banks as a depository contingent upon them providing the necessary bonding to us once they are designated.

Mr. Tully: That is correct.

Mr. Dick: I had a question, is it a bond or collateral?

Mr. DiFrancesco: Collateral, generally speaking with municipal deposits, it should be collateral. It should be a bond pool collateralizing these deposits.

Mr. Tully: It says to furnish a bond.

Mr. DiFrancesco: I make a motion to adopt resolution 2-2004.

Mr. Dick: Second.

Mr. Haste: Please make note in the minutes that Treasurer Bob Dick seconded. All those in favor say, aye.

All: Aye. (including Mr. Dick)

Mr. Haste: Motion carries

COMMISSIONERS' DISCUSSION & ACTIONS

Mr. Haste: Does anyone have anything they would like to discuss at this time?

FORMER BUSINESS

Mr. Haste: Any former business? (There was none.)

NEW BUSINESS

Mr. Haste: New Business? Any Commissioner Comments? (There was none.)

CORRESPONDENCE

Mr. Haste: You have seen on the agenda the correspondence received by the Board of Commissioners this week A-L, which will be handled appropriately by the staff.

PUBLIC PARTICIPATION

Mr. Haste: We are again at the point in time for Public Participation. Is there anyone of the public who would like to address the Board at this time?

ADJOURNMENT

Mr. Haste: Seeing none is there a motion to adjourn?

Mr. Hartwick: So moved.

Mr. DiFrancesco: Second.

Mr. Haste: All those in favor say, aye.

All: Aye.

Mr. Haste: Motion carried. Thank you.

Transcribed by: Kacey Truax

Respectfully submitted,

Robert Burns, Chief Clerk/Chief of Staff
printed 7/20/04