



DAUPHIN COUNTY BOARD OF COMMISSIONERS

Commissioner's Legislative Meeting

Wednesday, April 19, 2006 (10:00AM)

MEMBERS PRESENT

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

MEMBERS ABSENT

Jeff Haste, Chairman

STAFF PRESENT

Chad Saylor, Chief Clerk/Chief of Staff; Marie Rebuck, Controller; Bob Dick, Treasurer; Randy Baratucci, Purchasing Director; Diane McNaughton, Press Secretary; Edgar Cohen, Director of Facilities Maintenance; Kay Sinner, Personnel and Payroll Office; Mike Yohe, Director of Budget and Finance; Tom Guenther, Director of Information Technology; Guy Beneventano, Esq., Solicitor's Office; Kacey Truax, Commissioners' Office; David Schreiber, Personnel; Carolyn Thompson, Court Administrator; Mike Pries, Director of Security; Elke Moyer, Human Services Directors Office; William Tully, Esq., Solicitors Office; Gary Serhan, Deputy Controller; Julia Nace, Assistant Chief Clerk; Jena Wolgemuth, Commissioners' Office; Leila McAdoo; Solicitor's Office; Marielena Martinez, Commissioners' Office; J. Scott Burford, Administrator, Spring Creek; Sharon Way, Personnel; Faye Fisher, Director of Personnel and Payroll; Steve Howe, Director of Tax Assessment/Tax Claims; Yvonne Fuhrman, Facilities Maintenance; Ken Gordon, Tax Assessment; Greg Schneider, Budget and Finance; Donna Miller, Risk Management; Mike Burke, Security; Richie Martz, Commissioners Office.

GUESTS PRESENT

Velma Trather; Mary Schwanger, Central Labor Council; Marilyn Cleveland; Bonnie Lidle; Rose Guyer; Paula Kiennan; Earnestine Kears; Dorothy Banks; Mike Wilt, CCAP; Karla Hodge; Judi Heh, AFSCME; Gary Bullock; David Gist; Tina Coble; M.

Nichelle Chivis; John Bair, Lancaster Group; Pat Burns; Susan Sprenkler; M. Escubak; Scott Bingaman; Jeanette Hartwick.

MINUTES

Mr. Saylor: Commissioner Haste is unable to be with us today. He had minor surgery yesterday and he is home recuperating and will be back with us soon.

CALL TO ORDER

Mr. DiFrancesco, Vice 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. DiFrancesco: We have the March 29, 2006 Workshop Meeting Minutes, March 22, 2006 Legislative Meeting Minutes for approval.

Mr. Hartwick made the motion to approve the March 29, 2006 Workshop Meeting Minutes, March 22, 2006 Legislative Meeting. Mr. DiFrancesco seconded the motion. All were in favor. Motion carried.

Mr. DiFrancesco: We have the March 22, 2006 Salary Board Meeting Minutes for approval.

Ms. Rebeck made the motion to approve the March 22, 2006 Salary Board Meeting Minutes. Mr. Hartwick seconded the motion. All were in favor. Motion carried.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Saylor: There were no Executive Sessions held between meetings.

PUBLIC PARTICIPATION

Mr. DiFrancesco: I want to thank all of you for coming out today for such an important issue. This is definitely open for debate and it is best to be here to debate it than to ignore it and to support your position, whatever that position may be. Thank you.

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?

Judy Heh: Should I speak now or later?

Mr. DiFrancesco: There will be an opportunity for you to speak at the end of the meeting as well. Since no vote is being taken on this matter today, to speak at the end of the meeting would be the appropriate time.

DIRECTORS/GUESTS

A. Commissioner George Hartwick, III

1. Spring Creek Report

Mr. Hartwick: This is the first time that I have been placed on the agenda as a guest. I would like to set the stage for this report. One of the reasons why this Board of Commissioners has been so successful in running county government is because we have been able to turn the ship of county government is because we have been able to have conversations and disagree without being disagreeable. I do not want anyone to think at any given time that this is about personal attacks. It clearly is not! Each one of the Board of Commissioners has debated this issue and one of the things that has always been clear is the passion and commitment for the residents at Spring Creek and it has been at the front of all of our agendas. I have been involved in many public meetings as Mayor of Steelton and one of the things I will require today is I want people to be part of the solution. This is a very serious issue. The future of the nursing home is about the future of the residents and this is not about anything personal. When you talk about trying to promote solutions, those solutions should actually increase my report and show further reductions. Those are the type of solutions that we are looking for. I quite frankly care a lot that we keep this under county control for the residents to ensure that the quality of care remains the same. As we think about comments today, let's not make it personal. It doesn't make anyone a bad person for having different philosophies. We are willing to openly discuss our issues today and it is open to debate. Please keep it on that tone. I am going to actually read the report I prepared verbatim. I will comment as I move forward with the report.

I would like to acknowledge the task force members who have given their time, expertise and dedication to this project. I want to personally thank them for their efforts. Their efforts have made a difference. I am extremely pleased with where we arrived within five weeks. All participants put a great deal of effort into spending their own time and effort to solving problems that did not happen overnight. Their heart and soul went into this charge and they did it at no cost to county taxpayers. I thank them very much for it. They are the following:

- Pat Brady, Department of Welfare, 717-783-9821, patbrady@state.pa.us
- Barry Ramper, Executive Director of Homeland Center, former Administrator of Dauphin Manor, 221-7902, 717-221-7902, Homeland1@pa.net
- John Bair, Industry Consultant – The Lancaster Group, 717-805-8246, john.a.bair@comcast.net

- Sandra Bell, former Director of Nursing of Dauphin Manor currently school nurse
- Mike Wilt, CCAP, 232-7554 ext. 3133, mwilt@pacounties.org
- Bob Burns, AAA Administrator, 780-6315
- Sally Klein, former Dauphin County Commissioner, 232-3808, klein4720@comcast.net
- Judy Heh, President, AFSCME Council 13, 561-7074, j.heh@afscme13.org
- Rose Guyer, relative of Spring Creek resident, 766-3783
- Mark Stewart, Wolf Block, mstewart@WOLFBLOCK.com
- Scott Burford, Administrator, Spring Creek, 780-7353, sburford@dauphinc.org

(Applause was given to those task force members.)

The purpose of this task force was to identify innovative cost reductions and new revenue sources that would reduce the general fund obligation that supports Spring Creek to \$3 million annually.

Furthermore, we identified potential concerns related to long term care opportunities for the indigent and elderly population in Dauphin County. We have identified many new revenue sources that could be dedicated to the bottom line of Spring Creek. We have also examined the proposed DPW rate changes and what they will do to the bottom line of the facility.

Spring Creek's fundamental obligation and reason for its creation was to take care of our most vulnerable residents in the County. That was the guiding philosophy when Spring Creek was founded 120 years ago. We need to figure out a way to protect our taxpayers and to uphold our obligation to provide services to the frailest residents and that is what this task force was created to balance and we have!

It appears to me that over the past several years the management company, while suggesting ways to cut costs, has done little or nothing to implement any cost savings. Our agency costs, negotiated agency rates, and dietary costs are some of the highest in the industry. It is costing us \$25 a day per resident to provide meals. It would be cheaper to feed our residents three meals a day from McDonald's than what we are paying at Spring Creek. Our agency costs are not even close to meeting the negotiated rates that are standard in the industry. The union needs to agree to concessions, along with additional management rights which will result in significant cost savings. This needs to be agreed to immediately or no plan, regardless of how logical or creative, will work. At Spring Creek, employee related costs make up over 72% of the facility's costs. That number, along with many other facility costs, can be managed more efficiently, resulting in savings to taxpayers instead of winding up as profit for a company, unless this is our choice.

The path that Spring Creek has taken over the past several years has been a destructive, self-fulfilling prophecy that makes it almost impossible to keep Spring Creek under County ownership. It appears that all of the decisions that have been made have led us to the conclusion that there is no other option but a sale. With Spring Creek in

the paper it becomes more and more challenging to find talented employees and qualified nurses to provide quality and cost effective care to seniors, and other long term care residents. A required annual county contribution is not something new to Spring Creek. Since 1995, the county has contributed on average \$4.7 million per year out of our general fund to support the operation of the facility. This brings us to one fundamental point: does County government have the obligation to take care of its most needy residents at a time where they may have nowhere else to turn? I believe that there is an obligation to care for our most vulnerable citizens. That is why we have worked diligently to provide a county nursing home for our residents.

The first area of concern the committee identified was the absence of hard statistics on the socio and economic demographics of our senior population. That population is expected to increase by at least 20% over the next four years (from 53,200 to 70,000). What are the true long term care needs of our senior population in our county? Currently, I have directed Bob Burns from our AAA, to begin to develop a group and fund a study to determine the demographics and future long term needs are of those seniors. Quite frankly, we do not know what that picture looks like. As the baby boomers grow older, we need to understand what our long term care commitments need to be for our frail residents.

Secondly, we need to ensure that future needs of the indigent population, who are in need of long term care in Dauphin County, are met. The average resident in Spring Creek is an older female who has lived at Spring Creek for over two years and who does not have the financial resources or family support system to safely live outside Spring Creek. If Spring Creek does not remain in County control, where will this resident go?

It is difficult to determine what the Medicaid responsibilities will be in the future. What will we do when AAA cannot find placement for these residents? Where will they be housed in our system? There is no plan currently for them. In the past two years, we have had four nursing homes close in this market; Susquehanna Center, Villa Teresa, Integrated Health Systems of Hershey and the pending closure of the Pinnacle hospital-based skilled nursing unit. These changes in market stretch our long term care capacity in Dauphin County.

Third, we need to define the fundamental role of county government. Should county government continue to be involved in providing a safety net of care for the indigent and senior population? I believe we do have that fundamental obligation.

Should county government relinquish control to a private company whose motives are to make a profit? The argument for privatization could be made in many areas. Should we take a look at all county Department's that are not required by county code? An example is the following annual County contributions from the General Fund budget for:

- Dauphin County Prison \$25,788.681 (We are not required by county code to have a prison and the annual contribution each year comes from the general

fund. I care about the disposition of prisoners and how they are treated but quite frankly I care much more about the long term care of the most frail residents in this county.)

- Juvenile Probation \$4,576,269
- Adult Probation \$5,638,801
- Schaffner \$4,259,862
- CID \$1,722,320
- Tax Assessment \$2,803,160

I believe that care should be provided to seniors who lived their lives in our county and have paid their taxes and are now in need of our care. Isn't that a fundamental function of county government?

We are all aware that the Federal and State government has continued to place the responsibility for Health and Human Service care on the back of county taxpayers without accepting responsibility and funding for doing so. The bottom line is the federal and state level continues to push the responsibility of funding the most frail residents in our communities onto the Counties. County Commissioners are faced with very tough decisions. Do we cut the services for these individuals or raise taxes? When are we going to make our Federal and State Representatives responsible for continuing to cut funding for the people who need it the most? I think that day needs to come! County Commissioners continue to battle to ensure that our citizens do not go without essential services, despite the financial shift in responsibility. This is the case with long term care, Medicaid and Medicare reimbursements. These reimbursements are provided to nursing home facilities from the federal and state level. Of course, these reimbursements do not keep pace with the cost of care for long term care, especially the indigent. That is the structural financial challenge to operating a nursing home facility. The reimbursement methodology must change particularly for county owned facilities. DPW must implement a county home carve out in July 2006. The Metropolitan Statistical Area peer groupings must disappear so the smaller sized county nursing homes are not penalized. Additional revenue must be generated through facility operations by increasing Medicare Part A revenue while improving billing and collections.

DPW just published a notice in the Pennsylvania Bulletin (4/15/06) indicating their intent to begin a new payment system on 7/1/06. This proposal would separate county nursing homes from the rest of the nursing homes in Pennsylvania regarding payment for care of the indigent (Medicaid).

This proposal would include a better recognition of the costs incurred by county nursing homes and a mechanism to allow for increased reimbursement. This option would not be available to non-county nursing homes, and in fact, there would be a financial disincentive to private operators to serve some of the residents currently being cared for at Spring Creek. Any new buyer will have to consider these potential new changes in the Medicaid payment system.

This is a major recognition on DPW's part that county nursing homes serve as the "safety net" for the most vulnerable residents.

Another way to increase revenue would be to develop an outpatient therapy market and to conduct a needs assessment for long term care delivery (adult day care services). Furthermore, we could decertify two floors of the McBride Towers, renovate them with a CCAP grant and fully lease those floors to produce a minimum of \$640,000 in annual rental revenue.

Changes in the current labor contract must happen with a new forward leaning strategy with stronger work rules and more management flexibility. Concessions must be made in the current economic package to realize additional savings and restructure to mirror private sector benefits and maybe even future cost-sharing. Finally, this agreement needs to be a long term contract to include periods through 2008-2010. Long term labor contract with maximum concessions need to be secured to have employment terms mirror the private sector. This needs to occur no later than July 1, 2006.

While there is enough blame to go around, the most alarming discoveries that we found according to DPW's recent cost report data are that Spring Creek ranks last or nearly last in almost every single category. We hired a management company 2 ½ years ago to attempt to address the specific cost challenges and the news has gone from bad to worse. The below data represents this report:

- Resident Care costs are higher than other county facilities, other Dauphin county facilities, and other facilities in Spring Creek's peer group
- Other resident care costs are higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- Administrative costs are higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- Acuity adjusted nursing hours per resident day are higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- The acuity score or case mix index is lower than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- The percent of contract staff to total staff is significantly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- RN salary per hour is > \$1.00 higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- LPN salary per hour is slightly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- Benefits for salaried RNs are significantly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- Benefits for salaried LPNs are significantly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- Benefits for salaried nurse aides are significantly higher than other Dauphin county facilities or other facilities in their peer group

- Contract RN staff per hour rates are significantly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- Contract LPN staff per hour rates are significantly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group
- The MDS error rate is significantly higher than other county facilities, other Dauphin county facilities, and other facilities in their peer group

These performance measurements are unacceptable. Where is the responsibility for the county to address our bottom line financially that now ranks at or near the bottom in almost every category in efficiency ranking? Could you remind me what the responsibilities of the management company were? I still cannot figure it out.

Our task force has attempted to, in five weeks, define a plan that will reduce our general fund obligation to Spring Creek. In the past several years, we have not seen any implementation. Some ideas you will hear are not new ideas but are revenue generating and operating efficiencies that need to be implemented at Spring Creek regardless of the owner. The difference is the time lines and our resolve for implementation. Identifying the problems are not the issue; the resolve and inability to implement them appear to be the problem.

In this plan we will identify the ideas that will bring down the general fund obligation and correlation of cost savings. Most importantly, we will set a timeframe by which these solutions need to be implemented. The reduction in beds and loss of revenue clearly did not correlate with proposed implementation of expenditure reductions. Further bed size reduction we believe will have the same effect. That factor has also caused financial loss and should be deemed a significant error in judgment. The expenditures in Spring Creek are still out of control and loss of revenue with taking beds off line has only further hurt the bottom line of the facility.

Our recommended revised budget is as follows:

I have an updated model based on a 308 bed size with an average census of 300 (97%). This model is based on budget assumptions contained in the current 2006 budget with respect to Per Patient Day costs. The new "bottom-line" for a projected 2007 Budget is a loss of (\$2,700,000) including \$1,100,000 of indirect costs, or (\$1,600,000) without indirect costs.

The following initiatives will need to be addressed immediately and implementation of such initiatives within six months:

1. Annual Nursing expense savings from AFSCME of \$920,000
2. Annual Dietary expense savings of \$280,000 (10% of budget)
3. Annual Rental income realization of \$1,000,000
4. Medicaid revenue increase of \$19/day –
 - DSH - \$7/Medicaid day (\$700,000)
 - County Carve-out - \$3/Medicaid day (\$300,000)

Medicaid CMI Increase of 7% - \$9/Medicaid day (\$900,000)

We have arrived at some of these figures and it is important to know that we have taken conservative estimates of our ability to succeed. I have always believed in the employee's ability to respond when they believe they are part of the solution. If in fact this remains in county ownership, we are going to rely on you more than ever to step up to the plate. One of the biggest concerns we had was that the CMI was the lowest in the state. That is a critical component as it relates to Medicaid and Medicare reimbursement rates. We currently are at 1.12 and the state average is 1.29. We actually made it conservative and this is about having a nursing plan and appropriate documentation and having an ARMAC person staying on top of everything to do what is necessary to have the documentation. There is no excuse for not having this cmi. We actually took from 1.12 and our actual evaluation bumped it up to 1.2%, which is significantly below state average. If we just move it up to 1.2, it will increase revenue significantly for the county. This disproportionate share is something we have not received in the last two years. We are below our occupancy rate and it has not been up to 90%. We need to make sure our occupancy rate is up. For the new system of state reimbursements coming in, that is an additional \$3 for MA rate adjustment, which means about another \$1.9 million coming into that facility. The rental income coming in was about \$1,750,000 to \$960,000 that includes the rental fees for the McBride building, and the front side of Paxton Street (\$280,000 annual revenue). Both of those need to happen to be dedicated to help the bottom line of the facility. We have that about \$1 million increase revenue. All of the patient's costs per day were based upon 2006 current budget. Nursing and dietary costs were cut. The dietary costs under CHR's budget was \$25.55/day. The industry standard is \$13-\$15. We have reduced that to \$22.99. This would increase revenue by \$280,000. We can do better than that. We also showed an increase in depreciation expense which was not included in the original budget which is \$1 million. I have attachments of the revised budget and supporting documentation for those who wish to see the details.

In order to reduce county cost to operate this facility, dietary and nursing costs must drastically be reduced, additional Medicaid revenues and rental income must be realized, and collections from third party payers must be improved.

I have serious doubts that the buyer will be successfully able to operate this facility at a profit. They will have many of the same challenges as the county including: staffing issues, occupancy, payor mix and reimbursements.

I spent a good portion of the last five weeks discussing new changes in the extremely complicated regulatory environment of our county and private nursing homes in this state. I hope that any company that is considering buying this facility understands those financial and regulatory challenges. That is why I would recommend that if the Board of Commissioners is moving down the road of selling the facility, (let the record show that I will never vote for a sale. If we win the argument, we only begin the work and I will be as tough on everyone in this room as anyone could be in order to get you to perform. I am putting my neck on the line in order to try to make this work and I will be counting on

you to be performing efficiently and if you are not performing efficiently, you do not want to see me. It may be the last time you see me because you will not be at the facility for very long. Residents of this county and the nursing home are too important for us to short change them and we need to give them all of our efforts. Any company that may purchase this facility, I recommend that we form a group of individuals that we have faith and confidence in who are professionals in the nursing home business and understand the current regulations and trends in the local market. We need people who understand the long term care needs of this community, and allow them to meet openly with any prospective bidder to discuss those regulatory and financial challenges. I do not want to be in a position that we make a sale only to see the nursing home close because they are not able to turn it around. What will that mean to Dauphin County in real costs, and is this Board willing to commit to operating a nursing home if a private company goes out of business? Those are questions that we need answered. Who will ensure that it remains a county nursing facility for residents of this county and if so, how?

I request that the two bidders come before the Board of Commissioners, Mike Yohe, and certain task force members (John Bair, Mike Wilt, Barry Ramper and myself) to answer difficult operational and profitability questions to gain confidence that the buyer will adequately be able to turn around operations while continuing to care for our indigent.

In other words, we must allow for all of the details to be explained to any new prospective bidder. That would only be ethical and allow us to have the assurances that this transaction will be financially and morally possible.

We cannot be held responsible in two years to sell the facility below market value, similar to Lancaster County, or selling the facility to an operator that is unable to meet the needs of the county indigent and who sells the facility for a profit leaving us with more cost to re-enter the nursing home business. That concludes my report and I feel that we have been thorough in providing it.

SALARY BOARD

(A full report of Salary Board minutes is on file in the Chief Clerk's office.)

PERSONNEL

Ms. Sinner: I also have a Personnel packet addendum that includes a request to fill two part time Deputy Coroner positions. I am backing out two promotions in the Prothonotary's Office pending resolution with the union.

In the Personnel packet I presented last week, I have some items to pull. Please pull new hires 8 and 10.

Mr. Hartwick made the motion to approve the Personnel Packet with the exception of items 8 & 10. Mr. DiFrancesco seconded the motion. All were in favor. Motion carries.

PURCHASE ORDERS

Mr. Baratucci: Page 9, there is an item shown as over budget. It is the shared full court licenses and everyone is in agreement that everyone needs to share the cost in the Courts but there is a budget disagreement. These were originally budgeted in the Clerk of Courts' budget and we were under the impression that we needed to move that money from the Clerk of Courts budget to pay for these. Carolyn and Lowell are having discussions to make that happen and did not get a chance to make it happen yet and I am confident that will be resolved. The licenses are ongoing and we are using the product so I do think we need to approve the purchase order. Carolyn does have an alternative plan if need be. I am confident it will be resolved. Carolyn is here if you have questions.

Mr. DiFrancesco: I do not have a question but a specific comment. The one thing that I have a problem with is that these licenses have expired and we are more or less "under the gun." To approve this without fully resolving the budget issues. I do not know why the purchase order was held. Realistically, this should have been taken care of prior to the vote so we did not have to be concerned about it.

Ms. Thompson: Absolutely. I went out of state for Easter and when I came back yesterday, I found out it was still not resolved. We can transfer money out of vacancies, if need be. We put this money in our budget last year and at that time we put a note with it that we were going to transfer Lowell's licenses and he has money in his budget too. If you do not want to place the money in our budget right off, that is an option. Lowell needed to look at his budget. If it is easier, we can take money out of our vacancies. I apologize again and you are absolutely right it should have been taken care of before the hour.

Mr. DiFrancesco: I am confident you will straighten this out.

Ms. Thompson: If you are ok with us using vacancy money we absolutely will do that.

Mr. DiFrancesco: No, I actually would like this resolved with whatever the agreement was during the budget.

Ms. Thompson: I do not know if there ever was an agreement.

Mr. DiFrancesco: The only reason we can approve it today is because there is money that can be transferred from some other source. The Board is concerned when we get something to vote on that still has questions on it.

Mr. Baratucci: Item Y, under actions to approve today, two purchase orders will then need to be cut along with this but they are not in this packet because this agreement was just finalized. First one would be for Danaher for \$636,920 and second to Elec Tech for \$39,000; assuming that you approve the contract. If we do not add these to the packet, then it would be two more weeks until checks are cut because the purchase order is the way we pay from the contract. If you approve the contract I would appreciate the approval to add those two purchase orders necessary to pay the contractor.

Mr. DiFrancesco: Since we are up against the wire, I would ask Solicitor Tully to chime in. The Solicitors Office has been in charge of working on the contractor and we are under the gun with the federal government in order to access that money.

Mr. Tully: To make it easy, let's just amend Item Y to include the two purchase orders.

Mr. DiFrancesco: If you are satisfied with the overall agreement. I know it has been a rough road and if the county is covered and we will in fact have the appropriate machines up and running for election.

Mr. Tully: We are comfortable that we will be fully compliant. We may be one of the only counties in this state that is.

Mr. Hartwick: Who is Elec Tech?

Mr. Tully: They are a subsidiary that we insisted upon to be a party to the actual contract and are critical. This gives all three parties ties and all have accountability on all three.

Mr. Hartwick: Are they our watch dog?

Mr. Tully: No, we are.

Mr. Hartwick: What confidence do we have that Danaher will complete this job?

Mr. DiFrancesco: We have all the confidence that they will complete the job, the question is will we be in compliance at the time of election?

Mr. Tully: They are camping out here next week and if they can make Steve comfortable and accomplish that, then we are on track. The reason we were uncertain to the point is because until we had it in print and had all parties at the table and nailed down, we were reluctant. Now that it's there and all systems are going and for the first time I am confident on that issue.

Mr. DiFrancesco: Compliance is questionable; would we have the ADA piece taken care of by Election Day?

Mr. Tully: Yes. We will have one for every voting place.

Mr. DiFrancesco: We just want to run an integral election.

Mr. Hartwick: On page 14, that comes from the ACT 8 fund, not the general fund?

Mr. Baratucci: Yes.

Mr. Hartwick: On pages 28 and 29, in Children and Youth, why are we spending that much on chairs, \$420? Why not shop more efficiently? I have not seen this information and this is my oversight. I would like to pull this until I get more information from them contingent upon them convincing me there are emergencies in this package.

Mr. Baratucci: This is for the Systems of Care staff and it includes computerization as well as furniture.

Mr. Hartwick made the motion to approve the Purchase Order Packet, excluding pages 28 and 29 and adding purchase orders on to Item Y in Matters Requiring Board Action. Mr. DiFrancesco seconded the motion. All were in favor. Motion carries.

REPORT FROM BUDGET & FINANCE – MIKE YOHE

- **April 7, 2006** transferred **\$136,219.33** to the **Payables** account from the County's Concentration account for checks issued that week.
- **April 14, 2006** transferred **\$9,116,592.29** to the **Payables** account and **\$1,892,288.32** to the **Payroll** account from the County's Concentration account for checks issued that week.
- **Total Term Investments – N/A**
- **Balance today in INVEST account \$127,956.05 rate 4.680%**
- **Balance today in Community Banks investment account \$119,502.33 rate 4.780%** (This rate equals today's Community Banks 91-day TBill rate of 4.630% plus 15 basis points)
- **Balance today in Graystone Bank investment account \$20,000,000.00 rate 5.010%** (This rate equals last month's average 1-month LIBOR rate of 4.760% plus 25 basis points)
- **Balance today in Commerce Bank investment account \$26,500,302.41 rate 4.920%** (This rate equals today's 91-day T-Bill rate of 4.600% plus 32 basis points)
- **Balance today in Sovereign Bank investment account \$29,500,303.98 rate 4.960%** (This rate equals today's 1-month LIBOR rate of 4.910% plus 5 basis points)

No T.R.A.N. Line of Credit required for 2006.

Mr. Yohe: Due to time constraints, we will push back the Budget Amendments to another time.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: (There was none.)

SOLICITOR’S REPORT—BILL TULLY, ESQ., SOLICITOR

Mr. Tully: There is one addition on the revised report which is the leases on copiers, everything else is the same.

MATTERS REQUIRING BOARD ACTION

Mr. DiFrancesco: Let’s pull Item Y for separate vote.

Mr. Hartwick made the motion to approve Items A through Z, except Item Y. Mr. DiFrancesco seconded the motion. All were in favor. Motion carries.

Mr. Hartwick made the motion to approve Item Y including purchase orders for \$636,920 for Danaher and \$39,000 for Electech. Mr. DiFrancesco seconded the motion. All were in favor. Motion carries.

- A. Training Packet
- B. Approval of FY05/06 & FY06/07 Per Diem Rates between Children & Youth Agency and:
 - 1. Reigler & Shinevold – FY05/06
 - Bonding assessment performed by Licensed Psychologist: \$750.00
 - Court testimony \$125.00/hr.
 - 2. Lancaster County Youth Intervention – FY06/07
 - Secure detention \$270.50/day
 - Shelter \$170.00/day
 - 3. Southwood Psychiatric Hospital – FY06/07
 - Southwood Residential Center \$250.86/day
 - Prosperity House \$185.12/day
 - Promise House \$146.71/day
 - 4. Chariots, LLC – FY06/07
 - Traditional Foster Care \$54.55/day
 - Individualized Foster Care \$70.28/day
 - CRR Host Home-C&Y Funded room & board \$28.87/day
 - CRR Host Home-C&Y MA eligible treatment \$144.03/day
 - 5. Shawnee Academy, LTD – FY06/07
 - RTF-residential treatment-Shawnee \$217.42/day
 - RTF-residential treatment-Shawnee \$188.80/day
 - Personal Expenses & allowances \$2.00/day
 - 6. Halifax United Methodist Church – FY06/07
 - Delinquency prevention program \$15,707.06/ann
 - 7. Program for Female Offenders, Inc. of Greater Hbg. area – FY06/07

	Intensive In-home programming	\$30.19/day
	Detention Alternative program	\$36.22/day
8.	Life Management Associates – FY06/07 Therapeutic Counseling	\$80.00/hr.
	Reimbursement for fee to add the County as add'l insured	\$50.00/yr.
9.	King's Kids Camp – FY06/07 Registration fee/specialized camp experience	\$50.00/wk.
10.	SummitQuest Academy – FY06/07 RTF-(JCAHO)	\$259.49/day

C. Real estate tax refunds/exonerations:

1. Refund of 2006 real estate taxes to Richard & Patricia Schaefer, 229 Nelson Terrace, Upper Paxton Township, parcel #65-022-317, in the amt. of \$437.64.
2. Partial Refund of 2006 real estate taxes to Ronald Grenoble, 259 Saddle Ridge Drive, Susquehanna Township, parcel #62-087-162, in the amt. of \$114.02.
3. Refund of 2006 real estate taxes to Amergen Energy Company, 200 Exelon Wy., Kennett Square, PA, for parcel #34-027-102, Three Mile Island, Londonderry Township, in the amt. of \$12,392.59.
4. Refund of 2006 real estate taxes to Linda Savage, 100 Linda Lane, Halifax, Wayne Township, parcel #67-005-017, in the amt. of \$358.33.
Refund of 2002, 2003, 2004 & 2005 real estate taxes to Mary Nolt, for property located 830 Mohawk Lane, parcel #34-006-054, Londonderry Township, in the amt. of \$231.20.
5. Refund of 2002, 2003, 2004, 2005 & 2006 real estate taxes to Todd & Amy Macfarlane, 1535 Old Reliance Rd., Middletown, Lower Swatara Township, parcel #36-002-054, in the amt. of \$158.62.

D. Approval to strike off County and library taxes on parcel #10-014-090 for Daniel O. Webber for property located at 640 Radnor Street, Harrisburg, in the amt. of \$1,572.53 (Approved 2/22/06 from the repository list).

E. Amend Work Change Directive No. 1 (Change Order No.1) to Contract 05-04 with Total Heating & Cooling, Inc., for District Justice Office #12-2-05 from the amt. of \$3,200.00 to \$3,541.38.

F. Appoint John Kerschner to the Ag Land Preservation Board.
(Term expires – December 31, 2008)

G. Approval to participate in the Black Fly Suppression Program with DEP for the 2006 year.

H. Computer Lease Agreement for forty-eight (48) personal computers and eighteen (18) laptops from HP Financial Services that will be installed in various County departments. (IT)

I. Satisfaction Piece with Erica E. Fleisher for property located at 2125 N. 2nd. St., Harrisburg, PA.

J. Purchase of Service Agreements between Children & Youth Agency and:

1. Ministries of Eden, Inc. – FY05/06
2. Lancaster County Youth Intervention Center

- K. Independent Living Grant Application for Children & Youth Agency.
- L. Adoption Assistance Agreements:
 - 1. #2006-06
 - 2. #2006-08
- M. Purchase of Service Agreements for FY05/06 between Mental Health/Mental Retardation and:
 - 1. Mental Health Association of the Capital Region, Inc.
 - 2. Franklin County
- N. Medical Assistance Transportation Program (MATP) Annual Service Plan for Mental Health/Mental Retardation.
- O. Purchase of Service Agreement for FY05/06 between Human Services Directors Office and Barry Metz.
- P. Intergovernmental Cooperation and License Agreement between Information Technology and Susquehanna Township.
- Q. Authorize Sandy Moore, Human Services Director, to execute a Purchase of Service Agreement between Children & Youth Agency and Pseudo Tone Music Productions for musical entertainment at the May 19, 2006, foster parent appreciation dinner.
- R. Authorize Sandy Moore, Human Services Director, to execute an Exhibitor Agreement between Children & Youth Agency and The Patriot News for exhibitor space at the "Super Saturday" event on June 17, 2006 for foster parent recruitment.
- S. Authorize Sandy Moore, Human Services Director, to execute a Park Permit Application between Children & Youth Agency and the City of Harrisburg for rental of the Skyline Sports Complex for a foster family softball event on June 26, 2006.
- T. Approval of the FY2006/2007 Human Services Development Fund (HSDF) Pre-Expenditure Plan.
- U. Approval of the FY2007/2008 Dauphin County Mental Health/Mental Retardation Mental Health Annual Plan to be submitted to the PA Dept. of Public Welfare.
- V. EMA Financing – Authorize the financing team to proceed with the recommended plan for the EMA Project. This plan includes the issuance of \$17,000,000 of fixed rate bonds and \$16,600,000 of variable rate bonds. The variable rate bonds will be converted to synthetic fixed rate by entering into a forward starting fixed payor interest rate swap.
- W. 2004 Swaptions – Authorize the termination of three (3) interest rate swaption transactions. This motion also authorizes the Director of Budget and Finance to confirm the final terms of the terminations including the net benefit to the County.
- X. Grant Agreement between Dauphin County Area Agency on Aging and the PA Department of Aging effective dates July 1, 2006 through June 30, 2011.
- Y. Approval of Contract between Dauphin County and Danaher Control's and Electec, Inc., regarding improvement and modification to electronic voting

- system.
- Z. Lease Agreement between Dauphin County and Block Business Systems for copier leases.

FORMER BUSINESS

(There was none.)

NEW BUSINESS

(There was none.)

COMMISSIONERS' DISCUSSION & ACTIONS

(There was none.)

CORRESPONDENCE

Mr. Haste: You see the items of correspondence received by the Board lettered A through M that will be handled by the staff appropriately.

- A. Notification from Dauphin Engineering Company, on behalf of S & A Custom Built Homes, Inc., indicating they intend to submit an application to DEP for a notice of intent for coverage under the PA general permit for discharges of storm water from construction activities, erosion & sediment pollution control plan Union Deposit Road, Lower Paxton Township.
- B. Notification from Buchart Horn, Inc., on behalf of Derry Township Municipal Authority, indicating they intend to submit an application to DEP for a Part II Water Quality Management Permit for construction of improvements to two existing sewage pumping stations in the Township of Derry.
- C. Notification from Rob Hess indicating he intends to register for the use of a general permit 6 for the installation of an agricultural stream crossing on his property located in East Hanover Township.
- D. Notification from Light-Heigel & Associates, Inc., indicating Dauphin Borough intends to apply to DEP for a NPDES permit to discharge treatment plant effluent to the Susquehanna River at Market Street and River Road.
- E. Notification from Norfolk Southern Corporation reporting of upstream regulated substances in the Enola Yard located at 218 Enola Road, Enola, PA.
- F. Notification from Norfolk Southern Corporation reporting of upstream regulated substances in the Loucknow Yard, 3322 Industrial Road, Harrisburg, PA.
- G. Notification from Dauphin Engineering Company, on behalf of S & A Custom Built Homes, indicating they intend to submit an application to DEP for a general permit GP-5, utility line stream crossing and FP-7 minor road crossing Montrail, Union Deposit, Lower Paxton Township.
- H. Notification from Penn Terra Engineering, Inc., indicating that Lezzer Lumber intends to apply to DEP for a general NPDES permit for stormwater discharges

associated with construction activities at the site of The Lezzer Lumber Expansion located in West Hanover Township.

- I. Notification from Light-Heigel & Associates, Inc., indicating that Schroll-Smith Partnership will be applying to DEP for general permits (utility line crossings) and (minor road crossings) for wetland disturbances associated with construction activities at Hills of Hershey – 45 lot residential subdivision, Hummelstown.
- J. Notification from Brinjac Engineering, on behalf of the Central Dauphin School District, indicating they intend to apply to DEP for a general NPDES permit for the project consisting of the demolition of portions of Central Dauphin Middle School to make way for a proposed parking lot located at corner of Locust Lane and Houcks Road in Lower Paxton Township, Dauphin County.
- K. Received from the General Services Administration a draft copy of the environmental assessment and announcing a public hearing being held Tuesday, April 18, 2006 at the Benjamin Franklin Elementary School regarding the draft environmental assessment for site selection of the proposed U.S. Courthouse in Harrisburg.
- L. Notification from DEP indicating they are giving notice of application for a water obstruction and encroachment permit for a project along a tributary to Iron Run stream in Londonderry Township and the applicant will be Londonderry Township.
- M. Notification from Light-Heigel & Associates, Inc., indicating William and Sophia Kotsalos will be applying to DEP for a general NPDES permit for stormwater discharges associated with construction activities of a four acre residential development of Townhouses and single family homes, Canal and West Main Streets, Union Deposit, South Hanover Township.

PUBLIC PARTICIPATION

Ms. Judy Heh: I am from AFSCME District Council 90 who represents the employees who work and care for the Spring Creek residents. I want to compliment Commissioner Hartwick on his report and about caring for the residents. This is so important to us because the workers who work there everyday, do consider the residents family. I have some concerns, and one is the \$25 a day for dietary. I too, with being a member of the task force, did some research on that and I think we need some answers to that particular question. \$25 seems way out of line compared to other nursing homes which was \$7-\$9 a day. When you hear \$25, someone is asleep somewhere. I did check that the Director of Nursing makes \$66,000 a year. I do not know if the salary and wages are part of that composition. We need to look into that situation. What bothers me the most is that the LPN's who work there have reported to me that if a resident doesn't like their food, they are not capable of getting them a cup of soup. Something is wrong with a situation such as that. I am asking that to be looked into immediately. In addition, union is very interested in having Spring Creek remain a county owned facility. We went publicly with concessions we are willing to take. I wanted to give you a reminder that the majority of the employees who work there make \$8-10 an hour, gas prices have gone up, cost of living, property taxes, food, and so forth. We hope that you do understand while we are willing to make concessions, we do have families. That is an important aspect of this. Beginning when we talked, about all of the problems at Spring Creek, the mismanagement over the past six years even under the prior Board of

Commissioners, where this all started, I think we cannot pay for all of the sins of the past. An ill contrived, poorly constructed building that has cost the Dauphin County taxpayers in excess of \$25 million floating a bond and being responsible the fact that you had management consultants that have been paid hundreds of thousands of dollars, we are willing to be part of that solution but we cannot be the entire solution. If there is a task force, we have a stake in this. We have and are willing to make major concessions; we want to be a part and want to be a check and balance on the management. We do not manage ourselves. However, we have watched the facility be mismanaged for the past six years and have reported it each and every time. We have asked to have meetings on it. We want to be part of that solution. We do want for the residents and employees, our members, who work there every day to see it remain a county owned facility. We want to be part of the solution and know that management is doing the right thing as well and all have to be responsible in finding the solution to it. I want to thank the members who came here today and it is good to be interested in county government and if there is anything more we can do. We do want to get back to the table Nick. We are interested in finding some solutions but we need to know from the Commissioners that the mismanagement that is going on there is going to be corrected. I did see Barry Ramper here, as the prior administrator, where it had won awards as nursing home of the year for four years; he showed such dignity and respect to the residents and employees. There is a no cost item that you can direct your management to do and that is to show a lot more dignity and respect to the employees who do the toughest job on earth. Thank you for the opportunity for public comment.

Mr. Hartwick: The first thing that I failed to mention about the report is that if in fact I get another vote for the task force plan, we have committed to securing a spot for AFSCME on that task force for the implementation of the plan as we move forward. The workers need to be part of the solution and the ones that do the job everyday are the ones who make or break the organization. Sometimes if what you think what you are doing does not make a difference, Judy is right, these are low paying jobs, it is a tough job, I worked out there for a day as a nurses aide, and you are there for a higher purpose. I want to thank you for continuing to do that work for the residents, even in the face of adversity and not knowing what the future holds. We have a core group out there who continues to be committed to our residents. I want to say thank you.

Ms. Rose Guyer: My mother is a resident of Spring Creek and I am a member of the task force. The task force was a marvelous experience. I want to address each of you individually and as a Board. Mr. DiFrancesco, I know you have made a commitment to the citizens of Dauphin County that you would hold the tax line, etc. I understand why your stance is so strong in wanting to sell Spring Creek; however, I would think after Mr. Hartwick's presentation today, that there's room there for you to reconsider your position. Money is important but I do not think you can out weigh that when we are talking about lives. If we can make improvements as Mr. Hartwick and the task force is suggesting, we need to give Spring Creek a chance. I wish Mr. Haste was here because I see his name on a plaque at Spring Creek at the South Towers. I am sure he must have had great visions when he was part of the South Tower project. I do not think it is a lost cause. Together, with cooperation, sacrifice, etc., we can keep this for

our people. We need yes votes from both Mr. DiFrancesco and Mr. Haste to prove we are unified.

Mr. Hartwick, last but not least, from the bottom of my heart, I thank you. You have done so much to restore my own faith in politicians and our system. Thank you so much.

Ms. Patricia Burns: I am not for selling Spring Creek. There is a lot of jobs and everything at stake. Everyone is interested in money and greed. People just sell everything with no concerns about the people. All they are interested in is the money. You should do as much as you can and do not think about selling the place. You put a lot of money into the building and there are ways to make it work. I heard about salaries of the employees but no mention about the management salaries or cutting anything from them.

Mr. Hartwick: It is in there. There are significant reduction in management staff and salaries.

Ms. Burns: That is good. Selling is not the answer. In the United States, they are selling so many things, maybe even this city that is not disillusion. Foreign countries probably own our concrete for our walls for all that we know. Please try to find a solution without selling Spring Creek.

Mr. John Baird: I participated in the task force and wanted to commend Commissioner Hartwick for his efforts in understanding the issues, for formulating a plan and ready to execute on the plan if given the opportunity. The assumptions in this projected budget were conservative. The plan is viable and improvement in the bottom line is realistic if Spring Creek accomplishes the following: increase census, reduce staffing costs by restructuring certain personnel policies and realize certain rental revenue streams. The plan should be given 3-6 months to execute.

Mr. DiFrancesco: Question and if you don't want to do this here, we can do this afterwards, I know your strengths are in finance.

Mr. Hartwick: I would not have been able to do this without John.

Mr. DiFrancesco: When you talk about the conservative nature of the numbers, I have also seen correspondence from you that indicated it could be worse, with the final project, are you satisfied that we can achieve, when you say the three months, we wouldn't have the state implementation and cost structure and so forth by that time. How confident are you that we can get that down? When I saw a number below three million dollars that surprised me.

Mr. Baird: I believe the three to six month window really will be enough for us to get our arms around whether these initiatives are feasible, whether unions are going to agree to certain concessions, the state rates changing, whether we can turn the census around.

Some of the correspondence I shared with you earlier was based upon the union not agreeing to concessions as well as the census going down to 212. If we turn the census up to 308 and utilize the space with CCAP money, that you will see this is feasible. I have reconsidered my position in the past week. I believe it should be given a short period of time to see if we can execute on some of these issues.

Mr. DiFrancesco: In terms of census reduction, obviously, one of the reasons the deficit was so large last year was because we actually initiated the reduction of beds. While that offset continued costs of not being able to staff at a certain level and even not being able to fill beds at a certain level, it was still very costly getting there. In terms of it going down, if they change the peer groupings to allow it to be constant across the board, at the numbers you looked at, would that include the cost of reducing the size, which is the most inefficient operation you could have because when you are going down, or do you feel sustained long term under the new expectation that there would be no peer group, that there would be significant cost increases going down to the 212 level?

Mr. Bair: I think with the new system, the way Pat Brady explained it, with the intent of legislation to carve out the counties, counties will be reimbursed their costs collectively. Now we have to be cautious to the extent, lets say Spring Creek exceeds the average by 10-20%, similar to what Commissioner Hartwick mentioned, they may not be receiving the reimbursement from the state equal to those costs. What DPW is working on is pulling together all county costs for all county nursing homes and developing a comparison to what they were paid on the interim rate basis collectively. Once they determine how much over the actual costs were to the interim cost, then they will settle up with the group as a whole that is probably going to be worked out through CCAP and PACA, which counties get what funds, whether it will be dollar for dollar or whether some counties will get windfall and other counties won't be made whole. Obviously, the entire intent by the initiative of DPW is to maximize the federal match and bring federal money into the state in order to cover some of those long term expenses. It is a good assumption that the private operator that might be coming into the market probably is not aware of these. Pat Brady only made us aware as we were on the task force and it is an assumption that we do have to consider in this new environment.

Mr. DiFrancesco: I can assure you that whatever information is coming through is continuing to be transmitted to the entities at the table because the last thing the Board wants to do is enter into a sale with a blind eye institution in a short period of time. I appreciate your opinion. Thank you.

Mr. Hartwick: I think what changed John's mind is the 308 bed model. We have had a lot of discussion on that.

Mr. Bair: Right. As I tracked the historics for the past couple years, I know what the management company's initiatives were. Their main priority appeared to be to cut costs and cutting costs is only half the picture. The other half is cutting revenues and that is where you have seen the county contribution grow. The fixed costs, you have a big debt service out there and by reducing beds, you just cannot cover that debt service.

That is a big challenge as well as staffing reduction. Often the costs trail the revenue reduction. With staffing, there is probably creative ways to reduce those costs without cutting the wage. Certain personnel policies which Scott Burford has alluded to, can be corrected.

Ms. Elaine Barbara: I am an LPN at Spring Creek. I have been attending quite a few of these meetings and have learned a lot. Most of this is way over my head. I appreciate the report from the task force and I hope to see that. One thing the dietary number and cost per resident, was that before a lot of changes were made? Is that the cost today? There have been many things taken away from the residents and many changes that I can hardly believe spend more money than the industry standard. A lot of the supplements we used to give the residents which would help with their nutrients, we no longer have. An example, I had a resident who just came back from the hospital and didn't want what the kitchen served for lunch and I called the kitchen and asked for a bowl of soup and there was not any soup. Not even a cup of soup that I can mix on the floor. I find that number hard to believe. I believe a lot of things have been inflated. Recently the bottom line has been made to look worse then it really is. With the task force, management and all suggestions that have been made on ways to improve possibly if the management company did what they said they were going to do, there may have been some improvement. I feel like those working on the floors, etc. maybe we need to be included on some of these committees and our input sought after.

Mr. Hartwick: Agree.

Ms. Barbara: We do not see the management out on the floors anymore like we used to. They used to be hands on and interactive with us, I welcome that. I have no problem with someone being on my back. We need to see more of that.

Mr. DiFrancesco: I was going to sit back and not comment too much but some things must be stated for the record in order to give a true picture of what is going on. It is very disingenuous to say that AFSCME has not been invited to the table from day one for the past two years to be part of the solution. They have chosen not to be part of the solution. We have had many employees out there who are AFSCME members who have stepped to the table and brought very insightful ideas to the table, a long term programs being one of them. Literally, what was mentioned prior to that maybe management should be a little more respectful to the employees, I know of cases where individual members stepped up to assist and be part of the solution were literally chastised and disrespected by other union members. I want to paint a clearer picture because if we are going to solve this problem, it is through honesty and right now there is a lot of dishonesty and misinformation being passed around. It has been repeatedly said that there has been lack of implementation and state that for the record it is real easy to sit back and do nothing for two years then ignore the past two years. I see to a degree that is what happened because the fact of the matter is if CHR did not come in two years ago to resolve the issues, we were on a second provisional license and faced being shut down. When we talk about census numbers, the reason the census dropped so low was because we had a pin on admissions because once again the state had

stepped in and discussed our quality of care issues. For anybody to sit in this room and say CHR did not have tremendous impact on the quality of care side is being disingenuous. There were three set goals as a Board bringing CHR in and one being quality of care, which they did a very good job on, the other being financial which they completely were not able to meet those goals. The morale, of course looking around this room you can see that goal was not met either because people are chastising them. To say that the contract was a waste of money is being totally disingenuous to the taxpayers because quite honestly the reason we are able to have this discussion today is because the quality of care issues that almost forced the doors to be closed or at least the building receptive to receivership, I want to be clear on that. One thing, I would like to note, I understand that I am not going to over read this, I do want to be clear, greed is not the issue here, it is about money but not greed, to say it is about greed is to say that the taxpayers out there are on the verge of losing their home because they are on a fixed income and can no longer afford to pay higher taxes, and to totally ignore them and brush them aside and say you are not important and this Board has a commitment and responsibility to not do that. The fact of the matter is that this building individually has been driving the financial burden of this County more so then any single entity. That does not go into whether we should or should not go into this business. The simple fact is that we would not of had to increase taxes so drastically if this building had not been mismanaged. I agree that it started way back. Statistically, I was impressed that Cumberland County came out and said we are going to start to see a trend here that we do not like and we are on the front end of it. Let's look at ways to resolve it, if that had been done in Dauphin County six or seven years ago when the problem started, we may not have come to this point. There clearly was mismanagement over the years. Many of you know, the first day I walked into that building, and in the first thirty days and I don't know how many times I met with management at all times and with each successive meeting, the management team that was out there, we would come back to the table and literally the look would be as blank as it was the week before. I immediately made it a point to meet with all shifts and say I realize, when you talk about management not being on the floor, it is not compared to what it was, it is much better now. One of the most telling memories that I have was when I met with the midnight shift, literally two years ago and I had an individual come up to me and say to me, wow, I know a Commissioner, I have no clue who my Director of Nursing is. One of the goals was to get management in the hallways and let them know that you have a 24hour operation. You will come out and meet and I do not want you to do, a lot of times it is let's hit two shifts when they are coming out, no, you get out there and if the facility is running at 2 in the morning, you get out there at 2 in the morning, walking around and seeing the operation. To sit here and paint the picture that the opportunity did not exist the past two years that they were not part of the solution, is being very disingenuous. The other point that is very important, the assumption being made is that the sale will be a bad thing. You cannot make that assumption any more than I can say that a sale is going to go off without a hitch, we don't know. The most that we can do is to do our homework. We have done a very good job at doing our homework and evaluating these companies. We're talking about companies who invest their livelihood in making it their business and you do not do that without having compassion for the people you work with. To sit here and assume all of the nasty

scenarios about stockholders and those things, here again, it is someone's personal opinion and not necessarily a realistic look. I sent Scott out to visit the prospective buyers and sent them to the buildings. They are who they said they are and from a financial standpoint and quality of care standpoint, I can sit here and say that one of the positive issues facing Dauphin County is that we can make this decision and to just sit back and take the future that may look bleak. We have the opportunity to evaluate, and within our hearts, and heads make an honest determination on what is best for the county. Until a final vote is cast, even with my strong opinions today, I am constantly evaluating and I am going to take this report and review it. I said before that if someone comes up with a magic queue there is no way that I am going to sell the building, if in fact we can resolve the issues. Do I have a strong opinion today, absolutely. That is not carved in stone and looking at everything we accomplished, everything that we have been able to learn the past two years, at the responsibility of the county at the same manner that many services are provided at the county. If you look at MH/MR, Children and Youth, and the services we provide are all contracted services. When we came in we made a pledge that any contract for sale will include provisions that require them, they have not blinked an eye, and our expectations are that you will still reserve the same level of care in this community to indigent, to whatever it might be. They do not blink an eye. They are willing to accept that. To sit here and assume that if we sell, it means that there will be no services in the community for the elderly and frail and that they will not have a place to go, is disingenuous. We have looked into it. This Board's priorities all along have been to make sure good quality services are provided, to preserve the jobs, to preserve the beds but also to not forget the taxpayers who are struggling. There are a lot in the community that tote that fine line between being in that facility and being able to stay home. We want to make sure that they do not lose their home and we have that responsibility to look after both groups of people. I understand your passion. I saw it from day one when I walked into that facility, you can see the love. When you walk the hallways, you know that this is more than a paycheck and you know that the employees are committed to their residents. When somebody does something to their residents, we hear about it. That is the way it should be. There are two sides to the issue and I will evaluate the numbers, talk to the state and legislators. We need to have an honest picture of what is going on and to make the best decision for all of the people in Dauphin County.

Ms. Donna Green: I work in the activities Department. My concern is that all of our staff pitch in to make sure that none of our residents are lacking in any activity, such as birthday meals. They do not get that anymore. They are used to getting birthday cakes but they do not get them anymore. They are cut down to just getting a balloon unless a staff member orders a cake. They get one birthday party a month for the whole facility. Whatever I can do, I am willing to do to step up to the plate and work with the Board of Commissioners to change their minds and so is the rest of our group.

Ms. Cleveland: I just want to speak about the mentor program. I was a mentor and I feel as though the reason it did not work was because there was a lot of misinformation given to us and we got a lot of bad vibes from management. I am willing to take care of

the residents and I feel as though the residents are our livelihood and I will do the best that I can do to protect them.

ADJOURNMENT

Mr. DiFrancesco: Is there a motion to adjourn?

Mr. Hartwick made the motion to adjourn. Mr. DiFrancesco seconded the motion. All were in favor. Meeting adjourned.

Transcribed by: Kacey Truax

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff