



DAUPHIN COUNTY BOARD OF COMMISSIONERS

LEGISLATIVE MEETING

TUESDAY, MAY 13, 2003 (10:00 A.M.)

MEMBERS PRESENT

Jeff Haste, Chairman
Lowman Henry, Vice Chairman
Anthony Petrucci, Secretary

STAFF PRESENT

Robert Burns, Chief Clerk; Julia Nace, Assistant Chief Clerk; Bill Tully, Esq., Solicitor; Marie Rebuck, Controller; Randy Baratucci, Director of Purchasing; Mike Yohe, Director of Budget & Finance; Rick Wynn, Director of Human Services; Mike Pries, Director of Safety and Security; Edgar Cohen, Director of Facility Maintenance; Jennifer Kocher, Director of Communications; Anthony White, Director of Fiscal Affairs; Bill Wenner, Director of CID; Bob Knupp, Esq.; Greg Schneider, Commissioners' Office; Kacey Truax, Commissioners' Office; Dan Mosel, Human Services; Gary Serhan, Controller's Office; Sharon Ludwig, Personnel; Melanie McCaffrey, Solicitor's Office; George Connor, Economic Development; Kelly Wolf, Recycling Coordinator; Jeff Patton, Juvenile Probation; Shari Eagle, Information Technology.

GUESTS PRESENT

Sondra Mosten, Bill Cluck

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 no Minutes to approve.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Haste: Executive Sessions held between meetings, Bob.

Mr. Burns: Mr. Chairman, there was one Executive Session on May 6, 2003 at which time we discussed collective bargaining issue and that is an exception to the open meetings requirement of the County Code.

PUBLIC PARTICIPATION

Mr. Haste: Public participation. This is a time set at our meeting for anyone from the public who would like to address the Board. Are there any comments?

DEPARTMENT DIRECTORS/GUESTS

Mr. Haste: Department directors. Anything from the directors?

SALARY BOARD

The Salary Board Minutes are on file in the Commissioners' Office.

PERSONNEL

Mr. Haste: Personnel packet.

Ms. Ludwig: The Personnel packet stands as it was presented last week.

Mr. Burns: Mr. Chairman, I think Commissioner Petrucci at the last meeting had asked if Bill Wenner or Ed Marsico could attend today to talk about the CID position that is being requested and Chief Wenner is present.

Mr. Wenner: Good morning.

Mr. Petrucci: My question had evolved around the degree to which your department is doing work for municipalities. I think in the summation of the request there was the stipulation of something like 20 municipal police forces that your department helps work with. I was trying to get a handle on the extent to which our Criminal Investigation

Department is making this contribution to municipal police assistance. Can you give me some idea about that?

Mr. Wenner: Yes, Commissioner. Pretty much that's just standard work and has been in these justification forms since I've been around in CID for 16 years. I guess the most recent example of when we're called upon to assist and really we're called upon to provide man power assistance in many cases. Obviously because we have the ability to send our detectives to much more technical investigative schools than the average police department and we have been fortunate because the Board has given us the training budget to allow us to do that.

It has really come full circle with this triple murder in Middletown where the detectives from our Criminal Investigation Division have played a very, very key role in that case. That case has just, something that started out as a really circumstantial case, because of a lot of hard work and a lot of man hours and a lot of good policing, that case has really come together from all ends. I really attribute that to the level of experience and expertise that we have in that division downstairs.

Now again, some agencies, and normally the requests for assistance come to us from some of the smaller agencies. When you are talking about some of the smaller boroughs in Dauphin County, Penbrook Police department has 5 full-timers, Paxtang might have 3, when they have a major criminal incident out there, many times they have got to reach out to an organization such as ours to give them the main power and technical assistance to investigate some of these cases. One such case last year, Paxtang Borough had a series of armed robberies at some of their banks out on 29th Street. The FBI, because of post 9/11 duties now, will not even investigate a bank robbery whether they are Federally insured or not. So small agencies now that don't have a full time Criminal Investigation staff have got to look to us at the District Attorney's office to help investigate those cases.

I would think, Commissioner, over a year major cases where we are committing 80 hours of full time work to a police department might only occur one or two times a year. Now again, the Middletown murder case was something out of the ordinary. I don't know if we have ever had a triple homicide in Dauphin County. That obviously was the exception to the rule. On the most part, Commissioner, we are really not called upon to do many of these multi-jurisdictional cases on a year to year basis. But again if those requests come, Ed and I have always believed that we need to be there for these other local police departments.

Mr. Petrucci: I would too. I was trying to grapple with the extent to which we did that. I also wanted to inquire about overtime in your department. On occasion I see overtime there. As we get into fiscal constraints across the board here, my mind starts going toward prioritizing. Surely investigations of serious crimes would be on the top of the priority list. But even there I would ask would any of your overtime be for any kind of drug offenses, where you are out there trying to investigate and do drug cases? To me,

filling up the Prison with a bunch of druggies in a market that we're never going to stop would be a low priority compared to overtime for handling a triple murder in Middletown.

Mr. Wenner: The overtime that is expended out through the Cid budget, Commissioner, is reimbursed to our County budget from the Drug Forfeiture Fund. So every hour that we put in for drug investigations that is initially taken from our CID budget on a quarterly basis we work with Mike Yohe and those monies are put back into my CID budget dollar for dollar from the Forfeiture Fund. Again, that Forfeiture Fund is the money that is brought in through drug investigations where we confiscate monies.

Mr. Petrucci: I had asked Ed for some kind of financial statement in regard to the Drug Forfeiture Fund. He indicated to me that some rough approximations, that varies from year to year but he was estimating somewhere around \$300,000 in a typical kind of a year for drug forfeiture.

Mr. Wenner: Commissioner, I couldn't even comment on that. I don't see, and I don't get the budget print outs for the Forfeiture Fund. That stays on his side. I don't even know. For instance the other night our unit was on a drug investigation in Steelton. A large quantity of crack cocaine was confiscated and over \$12,000 cash which will of course be forfeited. That's the kind of money that goes into the Forfeiture Fund.

Mr. Petrucci: As well as vehicles and any land?

Mr. Wenner: For the most part, Commissioner, we haven't had any large property forfeitures in a long time. Where those usually come and we have been very fortunate that we have a great working relationship with the Federal Drug Agencies. As we assist them, as they forfeit and they are normally the group that forfeits large properties and large monetary forfeitures. Normally we receive some percentage of proceeds off all the Federal cases that we assist on. So we have been doing very well with the Federal units giving us money.

Mr. Petrucci: Just a final comment or question. Does the DA have accountability for financial disclosure in regard to the Drug Forfeiture Fund to anybody?

Mr. Wenner: I don't know the answer to that, Commissioner.

Mr. Tully: I have a little bit of experience back in the DA's office. Yes, there are annual audits to the Attorney General's office that monitors expenditures and proceeds on those accounts.

Mr. Petrucci: It goes to the Attorney General?

Mr. Tully: Correct.

Mr. Petrucci: Ok. Thank you.

Mr. Henry: Commissioner, I think that we should not let Mr. Wenner leave without saying some appropriate words about his service as our director. To a degree regrettably he is going to be leaving that position having recently been confirmed as the new District Justice for the northern half of Lower Paxton Township. It is a tremendous plus for those of us who live in Lower Paxton Township, to have Bill taking that role. Under his guidance and his leadership CID has really grown and prospered. It has been one of the most effective. It is often a model for other similar agencies around the Commonwealth. I think we owe him a tremendous amount of gratitude and appreciation. I'm sure we will do the appropriate formal thing at a later date but Bill, thank you for everything you have done. We greatly appreciate it.

Mr. Petrucci: Indeed.

Mr. Haste: Thanks Bill. Any further questions o the Personnel packet? Is there a motion to approve?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: There's been a motion and a second. All those in favor signify by saying aye.

All: Aye.

Mr. Haste: The Personnel packet is approved.

PURCHASE ORDERS

Mr. Haste: Purchase orders.

Mr. Baratucci: Commissioners, the purchase order packet is as it was presented last week with the additions that I brought to your attention. Those have all been incorporated into the packet. There is one other item here that I would like to pass out that just came up prior to the meeting. Edgar, our Facilities Maintenance director, has been working with Kelly Wolf and Solid Waste. She has some money budgeted for vehicles this year. What you have in front of you is a copy off the State Contract for a state body vehicle. I don't know if you recall but our department had a state body vehicle that is about 20 years old. It was transferred to us from Dauphin Manor way back when. About six months ago we transferred it over to Solid Waste because we got a new vehicle. The vehicle is on its last legs. Edgar can attest to it. We put about all we can into this thing and it is just ready to croak. Like I said, Kelly has the money in her budget to purchase a new state body truck and we checked it out and this Friday is the last day to order 2003 vehicles off the State Contract. We just found this out like a half hour before the meeting. I hate to bring these things up at the last minute but what we would like to do is add this item. It will be paid for out of the Solid Waste fund. I

believe that Kelly can address this but she said about 90% of it is through a grant. The rest is out of the Solid Waste funds. Nothing from the General Fund. What we are going to do to keep in compliance with the most recent review from the Solicitor's office, this will be a purchase right off the State Contract for the amount that you see there of \$23,188. In addition I have a little note at the bottom, we are going to make a separate purchase of a van body with a lift gate to put on the state body because our department in Purchasing plus Facilities Maintenance share the use of this vehicle. It is really under Solid Waste but we are all going to be using it. This would be a separate purchase not off the contract. The two items together would be approximately \$27,000 again all coming out of the Solid Waste Funds. I believe by doing it this way we will be in compliance. We haven't gotten the final written policy yet out of the Solicitor's office but from talking with Bill and talking with Guy Beneventano I believe that is what is going to come down, that we need to do these State Contract purchases this way in order to be in compliance. So if you have no problem with it, in order to meet this deadline of Friday, I would like to add this item to the purchase orders. There will be two PO's, one off the contract for \$23,188 and the other one is approximately \$3,900. They will be added to the packet.

Mr. Haste: Kelly, what do you use this vehicle for?

Ms. Wolf: (Not on microphone) The state body vehicle is used to pick up the County's toters at all the facilities that collect paper and then our guys would drive the state body to Harrisburg Waste Paper or Spectrum.

Mr. Henry: Randy, is there a reason why we are purchasing this from a dealer in Manheim as opposed to one in Dauphin County? There are a number of Ford dealers in Dauphin County.

Mr. Baratucci: They are the ones who have the State Contract. We have to purchase the vehicle from the vendor that has the State Contract. In this particular case it happens to be Phillips in Manheim.

Mr. Henry: Nobody in Dauphin County has a contract for this particular vehicle?

Mr. Baratucci: Not for this particular vehicle. There are different vendors for different contracts. For the type of vehicle that we need, this is the vendor who has the contract. That's one of things that we have been reviewing with the Solicitor's office. We need to make sure that for instance even if another vendor would meet that contract price in order to be in compliance with piggy backing off the State Contract you have to follow the letter of the contract which here says these people were awarded this particular vehicle. There are probably 50 vehicles on this contract and they are spread out to different vendors. They bid to the State and obviously the low bid gets it.

Mr. Henry: Thank you.

Mr. Haste: Any further questions?

Mr. Petrucci: A question on page 29. Randy, is this programs that we do regularly through Parks & Recreation where some of our employees arrange for trips?

Mr. Baratucci: Yes, this is part of Parks & Recreation's standard programs. This money all comes back to Parks & Recreation. In fact they usually make a little profit on it. We pay up front to Lowie's group sales who coordinate these for Parks & Recreation. This is all pass through money. I think they try to make a small profit on it. These are regular programs that they have every year. The one Christmas spectacular is every year and there is another Broadway show.

Mr. Petrucci: Thanks.

Mr. Haste: Any further questions? Is there a motion to approve the Purchase Order packet with the addition of the state body truck for Solid Waste?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries. Thank you.

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

Mr. Haste: Mr. Yohe.

Mr. Yohe: Budget Report.

- **May 9, 2003** transferred **\$255,567.35** to the **Payables** account **from the County's Concentration account** for checks issued that week.
- **Total Term Investments – N/A**
- **Balance today in INVEST account \$120,392.72 rate 1.24%**
- **Balance today in Northwest Savings Bank Money Market account \$66,472,650.53 rate 2.5%**

Just an update. We are in the middle of the Fiscal Budget process. I am meeting with all the departments. May 29th will be the public review. Just wanted to make everybody aware of that.

Mr. Petrucci: Question, Mike. Last week you mentioned that a good part of the revenue from our taxes had come in. I was wondering if you were able to look at that number and see if it was comparable to the estimates that we had made in regard to the revenue that we had expected to collect. Did it come in as expected, less than expected or more than expected and has it altered your projection for the year end in our General Fund?

Mr. Yohe: I haven't checked that. I will check and I'll have an answer for you next meeting. I have reason to suspect that it isn't right on the estimate.

Mr. Haste: Thank you, Mike.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – ROBERT BURNS

Mr. Haste: Report from the Chief Clerk, Bob.

Mr. Burns: Mr. Chairman, I just have one item today to bring to your attention. For about the past year we have been working on trying to identify a new source of revenue for the County and that would be in the form of a contract between Dauphin County and the Social Security Administration. We do have a contract proposal from them now that will be coming to you as soon as the Solicitor's review it. Under the terms we will help them to track inmates at Dauphin County Prison and identify any of those inmates who may be receiving Social Security Benefits that they are not entitled to. Anyone that we can identify we will receive a percentage of the savings and in similar size third class counties the savings have gone up to about \$35,000 per year. So we finally have that contract with SSI and hope to bring it to your attention within the next week or two. That's all I have today, Commissioners.

Mr. Petrucci: Mr. Chairman, if I might ask the Chief of Staff a question. Last week there was a request from the Board that a memo be sent to department directors regarding special council. Have we sent that memo to the department directors yet?

Mr. Burns: We have sent that, Commissioner. We have identified several departments specifically who it applies to primarily and have made a special effort to communicate with those departments. We think it will impact primarily Dauphin Manor and Solid Waste and I believe Voter Registration also.

Mr. Petrucci: Thank you.

Mr. Haste: Anything else, Bob?

Mr. Burns: Nothing, Mr. Chairman.

MATTERS REQUIRING BOARD ACTION

Mr. Haste: Are there any additions with the Training packet, Bob?

Mr. Burns: I noticed that we received a new packet that eliminated the 6 items that the Board approved at last week's meeting. So we have 12 items plus one addendum that we received yesterday and you are being asked to vote on those today.

Mr. Haste: Ok. We have items requiring Board action from A through T. Are there any items that a Commissioner would like to have pulled out separately?

- A. Training Packet
- B. Approval of FY02/03 & FY03/04 Per Diem Rates between the Children & Youth Agency and:
 - 1. Bruce Schaffer (FY03/04)
D&A, pregnancy, & STD prevention training: \$475.00/session
 - 2. Family Service Partners d.b.a. Children's Service
of the Capital Region (FY02/03)
Counseling copay for M.S. family \$15.00/session
- C. Subordination Agreements with the following individuals:
 - 1. Charles Kleckner III & Kristin Klechner for property located at 337 Springhouse Road, Harrisburg, PA.
 - 2. Karen Tillman for property located at 608 Benton St., Harrisburg, PA.
 - 3. Yetta L. Porter for property located at 1958 Bellevue Road, Harrisburg, PA.
- D. Satisfaction Piece with the following individuals:
 - 1. Bethany M. Waiwada for property located at 1210 Derry St., Harrisburg, PA, for a payoff amt. of \$3,500.
 - 2. Donna J. Winslow for property located at 333 Hoffman Ave., Middletown, PA, for a payoff amt. of \$3,021.
- E. Amendment #1 to Contract No. 22-747-0020 between Dauphin County Weatherization and PA Dept. of Community and Economic Development for the Weatherization Assistance Program for low income persons in the amt. of \$45,671.00.
- F. Renewal Agreement between Schaffner Youth Center and Kint Corporation for Fire System Inspections.
- G. Lease Agreement between Dauphin County and Town Associates for office space for District Justice Pianka's Office.
- H. Maintenance Service Agreements between Dauphin County Prison and G. R. Sponaugle & Sons, Inc., for the HVAC control system for staff office areas.
- I. Engineering Services Proposal with Herbert, Rowland & Grubic, Inc., for the preparation of an update Act 167 Stormwater Management Plan Phase I - Scope of Study for the Spring Creek Watershed.
- J. Renewal Agreement between Dauphin County and Environmental Options Group, Inc., for Infectious Chemotherapeutic Waste Removal.

- K. Agreement between Dauphin County and Comcast Cablevision of Southeast, PA for installation of Commercial Cable at the Dauphin County Courthouse.
- L. Consultation Agreement between Spring Creek Rehabilitation and Health Care Facility (Dauphin Manor) and Michael S. Greevy to perform psychological services.
- M. Reimbursement of \$2,222.33 to the Best Western Inn & Suites of Middletown for credit of the 3% Hotel Tax they paid during the year 2002 to the County that was not collected from State employees.
- N. Northwestern Human Services, Inc. Tax Assessment Appeal. The Commissioners will agree not to authorize intervention and allow the Board of Assessment Appeal to reverse the decision by the Pennsylvania Supreme Court and grant exemptions for the 14 parcels listed below:

1.	2421 N. Front Street	Tax Parcel #10-067-015
2.	1801 N. Front Street	Tax Parcel #11-012-007
3.	8044 Redstone Drive	Tax Parcel #25-013-083
4.	1802 Eastfield Road	Tax Parcel #35-013-021
5.	1510 Doris Drive	Tax Parcel #35-015-173
6.	1215 Griffin Street	Tax Parcel #35-020-182
7.	4608 Harwich Road	Tax Parcel #35-090-104
8.	5726 Cricket Lane	Tax Parcel #35-096-025
9.	133 Huntley Drive	Tax Parcel #35-100-065
10.	727 North Highland Drive	Tax Parcel #35-117-055
11.	219 Delmont Avenue	Tax Parcel #36-009-123
12.	5669 Chambers Hill Road	Tax Parcel #63-037-017
13.	1480 Berrysburg Road	Tax Parcel #65-018-017
14.	7191 Catherine Street	Tax Parcel #68-029-021
- O. Allocation of \$44,272.00 of the FY2002 Un-programmed CDBG Funds to the Berrysburg Municipal Authority Cost Overrun Project.
- P. Adoption Assistance Agreements:

1.	2003-6
2.	2003-7
3.	2003-9
- Q. Agreement between Dauphin County Community & Economic Development Dept. and Mullin & Longergan Associates, Inc., to provide general technical assistance for the County's 5 Year Consolidated Plan and Annual Action Plan in reference to the CDBG and HOME Programs.
- R. Amendment #6 to Contract between Dauphin County and Gannett Fleming to increase the scope of Mechanical/Electrical Engineering and Vertical Transportation Design services for Phase I renovations to the Dauphin County Courthouse.
- S. Change Order No. 08 with Alexander Constructors, Inc., Construction Manager, in the amt. of \$104,300.00 for renovations at the Dauphin Manor project covering the following Cost Events: #50, 90, 99, 110, 114, 116, 117, 118, 119, 120, 121, 122, 123, 124, 126, 127, 128, 129, 130, 132, 133, 134, 135, 140. This Change Order will increase the GMP and be paid for from the Owner's Contingency.

- T. Equipment Lease Agreement between Juvenile Probation, the Prison and Dauphin and Hewlett-Packard Computer Corporation for 51 personal computers. State Contract #5850-01.

Mr. Petrucci: There is an item that I would like to ask a question about for clarification and that is item N. I don't see anyone from the Tax Assessment office here but perhaps the Solicitor can clue me in here a little. I read this about four times and I am trying to understand exactly what it is that we are doing here when we are agreeing NOT to authorize intervention and then it says "allow the Board of Assessment Appeals to reverse the decision by the Supreme Court and grant exemptions for the 14 parcels." Can you explain exactly what that means?

Mr. Tully: What I will do is try to put it in English. Essentially it was a controversy over whether certain operations would be tax exempted. We had taken a position involving three prongs. The third prong was the one that we relied upon to continue to tax them. The Supreme Court, in an unrelated case, eliminated that third prong and essentially said that is no longer a criteria. Taking that out these 14 parcels then would essentially be tax exempted. We don't have a basis to go forward. So essentially there isn't an appeal. The only way we could appeal would be to take the affirmative action to intervene but again since there is no basis for the appeal, there is no basis for an intervention. Theoretically we could have let it just slide but in any of those cases not only for action or lack of action I like to come to the Board of Commissioners just so that you are aware of what is going on at that front. There simply isn't a legal basis to fight that battle anymore. That is one that we simply lost statewide.

Mr. Petrucci: Is Northwestern Human Service then a profit making enterprise or a non-profit?

Mr. Tully: It is a hybrid which is really what they are going from. They are essentially non-profit. There is a couple of areas where they might turn a profit but they say that is no longer....we can't hang our hat on that small portion that is potentially profit based.

Mr. Petrucci: So we in effect, we are going to grant them tax exemption on these properties.

Mr. Tully: Because we really don't have a viable choice. We fought the battle, the good battle and essentially lost it on that front.

Mr. Petrucci: What are all of these 14 properties? Are these locations for service or are they investment holdings of Northwestern?

Mr. Tully: They are all service locations.

Mr. Petrucci: These are service locations.

Mr. Tully: Correct. The third prong that they were really talking about was supposedly that we had insisted that they prove that they were doing a major portion of services for

us. What they are saying is they no longer have to prove that part as long as it is clearly those non-profit activities that are being provided, they fall within that. Whether they can demonstrate a substantial County load has been satisfied by their activities is no longer the criteria. That was the third prong that has gone by the way side.

Mr. Petrucci: So they had been paying taxes to the County, municipalities, and school district and now are going to be exempt on these properties.

Mr. Tully: Correct.

Mr. Petrucci: Ok.

Mr. Haste: Any further questions?

Mr. Petrucci: No that will do it.

Mr. Haste: Any other items that need to be discussed or pulled out?

Mr. Petrucci: I did want to comment on item K. This is a request for cable television for the Judges office I guess.

Mr. Haste: Jury assembly room.

Mr. Petrucci: Jury assembly room. Not for the judges?

Mr. Haste: It is my understanding that it is the jury assembly room.

Mr. Petrucci: Then I understand. If that was for the judges I was going to suggest that in addition to...

Mr. Henry: They can all watch Judge Judy and see how to run a courtroom. That didn't come out quite right, did it?

Mr. Petrucci: I was going to suggest that the Administration Building should as well have access to cable. At least one office somewhere. I was thinking that the public relations office would be a good spot. I recall having to run down to her office and watch news from these rabbit eared things that really didn't give us a really good picture of what was going on. So sometime we might want to consider putting that in a budget so that we have at least one location in the Administration Building that has access to CNN and other news entities as well.

(Someone is speaking off microphone. Inaudible.)

Mr. Petrucci: I'm done.

Mr. Haste: Is there a motion to approve items A through T?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All : Aye.

Mr. Haste: Motion carries.

FORMER BUSINESS

Mr. Haste: Anything under Former Business?

Mr. Petrucci: Yes, Mr. Chairman, I do have a couple of items that I wanted to raise under Former Business. I have again received information from Mr. Bendego in Rush Township in regard to his airport. I must say that I am disheartened that we have been unable to find leadership to negotiate out some kind of a relationship with him in regard to his taxes on his airport. I don't know if, well I'm certain to Mr. Bendego that the excuses that each of the requested departments come up with stating that it is not their fault, that it is somebody else's fault is not making him a happy camper. The fact is that he has invested substantial personal money to create an airport. He has been able to get grants and assistance for some of that. But he has still been given no leeway what so ever in regard to the taxing of what has become a public asset. A potential Economic Development tool for the Northern end. Some kind of compromise in regard to his taxes has not been able to be forthcoming and it is threatening to basically put this guy into bankruptcy just from the taxes on this airport. I am dismayed that we haven't been able to find a way to compromise and find a middle ground where he is relieved of partial amounts of his taxes for the aspect of a public safety, for emergencies, for Economic Development opportunities that his airport provides to the Northern end. So I raise that as a continuing and festering issue that I think we have yet to resolve.

Mr. Haste: Actually I had a lengthy discussion with him and he wasn't very happy but he basically wanted me to order the Tax Assessment office to just change his taxes. I tried to explain to him that we can not do that. There is a procedure to go through. I know that means him hiring an attorney to do it which he did not want to hire an attorney to do. I still think he needs to go through the process. He needs to go through the Appeals Board. There is a system that is in place for him to do that and it is not having us go in and change his taxes for him. I know he wasn't happy with that answer but that is basically what he wanted us to do.

Mr. Petrucci: I thought he had gone through the Tax Appeals Board and that the Tax Appeals Board had turned him down stipulating that they have no State statutory authority to be able to offer any kind of partial exemption.

Mr. Haste: That is correct.

Mr. Petrucci: So to me he already went through all the hoops and was relying on leadership from this Board to step into the picture.

Mr. Haste: I know but we can't, and I talked to the attorneys from Tax Assessment, I don't see any way we can do that. If we were able to do that for him for his airport we would be in a position to be able to do that for others for other reasons and we can't do that. I tried to explain that to him. It is to protect the citizens as well as ourselves from going in and changing the taxes for people we have a liking to. We just can't do that. I understand his situation but quite frankly his property has been improved substantially. The value of it has gone up substantially because of those improvements which mean his taxes go up substantially because of those improvements. I understand what he is saying and the State is the one who poured a lot of that money into there. I don't know if there is a way for him to work with the State but they are the ones who primarily have gotten him, well have helped him get into this situation. I understand what he is saying but I also don't see how we can do anything. We can't.

Mr. Henry: His process now would be to appeal to Common Pleas Court. That is the State specified path for pursuing it.

Mr. Petrucci: I guess he could create a non-profit organization and donate the airport to that and then pay no taxes what so ever to the County.

Mr. Haste: You are right. There are loop holes but unfortunately I don't see anyway that we can go in and change his taxes for him. There is a legal procedure and we can't do that.

Mr. Tully: This is the first I heard of the issue but everything you say seems to be consistent with the statutory scheme and the constitutional prohibition against special legislation which is aimed at a particular individual. So absent something that I can't come up with I think you are right on the mark on that.

Mr. Petrucci: Somehow or other fairness and justices and right have to find a way to surface. Sometimes our laws are really stupid. Individuals here develop something that became a public asset and he is being choked for it.

Mr. Henry: It is privately owned.

Mr. Petrucci: Yes it is.

Mr. Henry: Therein lies the problem. The Assessment Appeals Board can only operate within the confines of the laws set by the Legislature as can we . His process now would be to appeal to the Common Pleas Court.

Mr. Haste: Or somehow as you suggested change ownership.

Mr. Henry: You may want to discuss with Dan Robinson the possibility, I don't know if it would meet the criteria but perhaps it could be designated as a KOZ that would enable other development to occur around it and give him some tax relief in that way. That would be the only thing that I could think of that he might want to look into.

Mr. Petrucci: Thank you. The second issue that I wanted to raise was one that came to my attention through the Harrisburg Magazine. They had an insert dealing with golf. The Dauphin Highlands Golf Course managed by our General Authority is mentioned here. Its green fees are way out of line relative to other public golf courses. They priced themselves here at \$40 for weekday price which the next highest fee is \$28 at Hershey's South Country Club. I continue to be dismayed at the failed management of Dauphin Highlands by the General Authority. I think they are enormously overburdened with their hotel in Pittsburgh and their Forum Place and a batch of other things. I hope that my request to the Solicitor to initiate undertaking to relieve them of some of their burdens is continuing.

I did note in reading their March minutes to the General Authority that Mr. Zwally has recommended another refunding issue on the golf course debt. A small one but this would be the third refunding issue for them. This to me is something that really just sets the stage or creates an opportunity for the County to do what it should do and that is to grab back from the General Authority an asset that this Board initiated and would ultimately get control over at sometime in the future the resolution was, that 20 years the golf course would come to the County. The fact is that the bonds there are backed by this Board and its taxing authority. Therefore it is a constant liability onto our taxpayers. It is one therefore that we should pay special attention to and should grab back from the General Authority and manage it through our Parks & Recreation department which can pay due diligence to the operation of that course in a manner sufficient to reflect the interests of our population. I think ulterior interests are dominating the discussions at the General Authority and this is pushed to something that just kind of crops up as a little problem to them. I relate this very much to our County having to take over the State run airport of HIA and the Capital Airport. The State was the owner and manager but it was a distant one and had no appreciation for the Economic Development spill over effects of those airports. We grabbed a hold of it and began to do something with it and I think that is the same thing that ought to happen to this golf course from the General Authority.

I hope that the Solicitor's office is continuing to pursue the way in which our Industrial Development Authority can relieve the General Authority of its bond issue and have it managed by our Parks & Recreation Department. Under the previous Board prior to our new chairman the majority Commissioners were of a notion to sell the golf course. They themselves have already pointed out the fact that those bond holders could be found new owners for. So I am thinking that the new owner ought to be a new Board, our Industrial Development Authority Board. That way we can bring into the Courthouse, into a director that is hired and fired by this Board and put together a

management team that has our citizens' interests at heart. Therefore, I am further encouraging the Solicitor's office to move forward with this endeavor to get control over the Dauphin County Dauphin Highlands Golf Course.

Mr. Henry: Commissioner, I find it continually amusing that you are trying to find a solution for a problem that you yourself created. Number one, the management at Dauphin Highlands has never been better. I will point out that this year for the first time Dauphin Highlands will go into the black in terms of its operating. Two years ago, a year and a half ago, the General Authority brought on board a course professional whom they were able to hire through a series of fortunate incidents from the Country Club in Hershey who has revitalized the Pro Shop. Last year they opened a new restaurant out there, 19th Hole, that is now also turning a profit. The golf course is consistently rated among the finest municipal golf courses in Central Pennsylvania.

I don't know exactly how you are looking at the fee schedule but the fees are not out of line. Suffice it to say the fee schedule that we have at the golf course is experiencing a very brisk business to the point of some days having to actually turn business away because you can only fit so many people on the course in a given point in time.

The reason why the golf course was not sold and I agree, my goal for all the properties owned by the General Authority are that they be sold and not that they simply be moved in a shell game to churn fees for professionals to other authorities but that they be sold into private ownership where they can go on the private tax rolls and generate taxes for the municipal bodies. The reason, you may recall, that Dauphin Highlands was not sold and we talked to at least three different national chains, we had the course appraised. Unfortunately, because of the debt that you entered into, and let me stress you entered into, you paid twice for it what it was worth. Therefore, we owe somewhere in the neighborhood of \$11-\$12 million in outstanding debt obligation on the course and it is only worth about \$6 million. Hence, we could sell the course today for \$6 million. The question then becomes where do the other \$4-5 million come from? So having learned that, the next step of the General Authority management which I think was prudent at the time and remains prudent is to manage the course into the black so that it not be a drain on General Authority resources. The General Authority has never come to the County for County tax dollars to subsidize operation of that golf course. However they do want to manage it in a way that it will not be a drain on other General Authority resources. They have now put it back into the black, or put it into the black for the very first time which would seem to me would be to the credit of their managerial ability and the goal is to reduce the debt burden on the golf course to the point where at some point in the future the debt burden would match its market value. At that point whatever Board of Commissioners may be seated at that point in time, the County could consider putting the golf course back into private hands.

I might point out that the Authority was successful in moving Bedford Springs out of its ownership a couple of years ago. It has cleaned up the operations and finished construction at the hotel in Pittsburgh and is now ready to market it. Forum Place, I

won't even go into. As we have mentioned a very convoluted set of activities. Simply moving it from one Authority to another, yes it would create, and this is why the General Authority is in the position it is in right now. The shell game of moving properties from one authority to another authority simply for the purpose of generating fees for attorneys, for bond counsels, for financial advisors, for underwriters. Every time you move it you spend hundreds of thousands of dollars doing that. I don't think that we ought to be in the business of churning fees for these people. This is why Forum Place and everything else is in the predicament that it is in. So these are failed policies from the past. We ought not do it again. At some point perhaps Dauphin Highlands should come to the Industrial Development Authority or even just generally under the ownership of the County without having to go through an Industrial Development Authority. That is something that can be considered. Keep in mind right now you would have to go out and find bond holders who would be willing to invest twice what the property is worth in order to sell those bonds. If you can find bond holders willing to do that let me know because if I have any personal money invested in their funds I want to withdraw it real quickly before they lose my money. The crux of the problem is you paid twice for it what it was worth. That's the crux of the problem. We are working to bail our way out of that problem.

Mr. Petrucci: Mr. Chairman, we did pay \$8.3 million to buy the land and develop the golf course and later on there was a refunding issue that I still haven't been able to fathom after looking at mountains of paper. Another \$4 million issued and put into government treasury bonds. Basically from looking at the financial records from 2001 we still owe after all this time \$8.9 million in regard to debt on the golf course. To me after this amount of time you would think that in five or six years you would have paid down something on the debt but somehow or other given the managerial nature of things the debt has risen instead of gone down. I'm just curious about that.

Mr. Henry: It was two years. You are clearly not a professor of mathematics. It was not five or six years it was two years since we last looked at that. As you may know as with any debt...first of all they are just now doing refunding to take advantage of lower interest rates and you are attacking their effort at cutting those interest rates down.

Mr. Petrucci: No I'm not.

Mr. Henry: That's what they are attempting to do. The financing that was put into place was put into place years ago under a General Authority appointed by and documents signed by you. They have been living under that financing scheme since you set it up. They are only now trying to change it to capture the benefit of lower interest rates. So it is not the management of the current General Authority. It was the management of the General Authority that existed some 7-8 years ago or whenever it was that you purchased the course.

Mr. Petrucci: Well if they're going to, as you call it, churn fees for the financial people and do a refinancing right now, why not churn the fees and do the whole thing over to

the Industrial Development Authority? You are talking about a set of churning yourself when you do a refunding here for a lower interest rate. Why not do the whole set?

Mr. Henry: Because they are refunding a small portion of the debt. They are not refunding the entire thing. The fees are based on the overall amounts of the issue. It would cost much more. All you would do would be to move it from one authority to another authority. My view is we ought to move it from authority or governmental ownership to the private sector so that it then pays taxes. That's the goal that I have looked forward to seeing it achieve and it is the goal that the Authority Board is moving toward. Moving it to one authority to another simply means it goes from one authority to another. Keep in mind the last time, well the first time the General Authority sold a golf course because mysteriously we also owed one in Franklin County, the golf course was sold to a newly created authority in Hummelstown which is now going into default and bankruptcy over it because they couldn't sustain the cost and the debt on that authority. Our Dauphin County Industrial Development Authority is pristine. It is in solid financial health and I think that we ought to very carefully look at any projects we bring into the Industrial Development Authority because it is bad enough that we have one County related Authority that has be destabilized by these horrendous deals. I don't think we want to compound the problem and pollute a second authority with bad deals. Now to the degree that we get the golf course to a point where its value and its debt are roughly equal, if at that point the Board of Commissioners seated at that time wants it as park land at that point it is a prudent financial move to bring it into County ownership. Because then the value and debt would be equal. Eventually as the debt gets paid down you would have an asset that would be greater than the debt owed on it which would be even better for the County. It is going to be a number of years before we are going to be in that position. Now we are trying to get there. That's the goal. But we are not there yet.

Mr. Petrucci: There was flawed structure created in the ordinance and resolution that started this thing. Of course being a minority Commissioner never had any real control over the language.

Mr. Henry: You signed it.

Mr. Petrucci: Yes I did. It was better than not signing it.

Mr. Henry: Only two Commissioners signed it and you were one of them.

Mr. Petrucci: That's right.

Mr. Henry: So you were acting as a majority on that particular vote.

Mr. Petrucci: At the time the General Authority was different than it became. There have been several transition groups in control over the General Authority over time. But the flawed language is one which says that 90% of the profit of the course was to come to the General Fund and 10% of the profit of the course stay with the General Authority.

Since the creation of that there has never been one dollar in profit from that course come to the Commissioners. I am delighted to hear you say that the course is in the black because I'm expecting a check in the mail now any day for our 90% but somehow or other I doubt ...

Mr. Henry: You will at the end of the season.

Mr. Petrucci: Somehow I doubt that at the end of the season we will even see that. So my concerns are that we have in place an incentive program that says the General Authority can keep changing the bond issues, changing the principle, changing the interest that we have to pay and never really receive a profit out of the course. I keep waiting.

Mr. Henry: You may want to send them a letter advising them that they should not in the future then take advantage of lower interest rates for cost savings if that's what you don't want to see happen.

Mr. Petrucci: The last refunding issue came in 1998 in which interest rates were at their highest level and they refunded \$4 million at the high interest rate. I'm thinking that they should do, that by doing a whole new issue from a new Industrial Development Authority we could definitely save an awful lot of money for the County by looking at that prospect. That's what I'm asking for.

Mr. Haste: Anything else under Former Business?

Mr. Petrucci: No, that will do it. Thank you, Mr. Chairman.

NEW BUSINESS

Mr. Haste: Anything under New Business?

COMMISSIONERS' DISCUSSION & ACTIONS

Mr. Haste: Commissioners' discussion and actions. Any further Commissioners' discussion or actions?

CORRESPONDENCE

Mr. Haste: You will notice the correspondence that the Board has received over the past week. It is with the Chief Clerk.

- A. Notification from Bethlehem Steel Corporation indicating they intend to submit an application to DEP materials to transfer ownership and control of a closed residual waste facility located in Lower Swatara Township, Dauphin County.
- B. Notification from Buchart Horn, Inc., on behalf of Derry Township, indicating they will be submitting a small projects application to U. S. Army Corps of Engineers for a bicycle and pedestrian trail crossing of an unnamed tributary to the Swatara Creek.

- C. Notification from Rettew Associates, Inc., on behalf of Eldorado Properties Corporation, indicating they intend to submit a Title V Operating Permit renewal application to DEP for the bulk gasoline terminal located at 3300 Industrial Road, City of Harrisburg, Dauphin County.
- D. Notification from the PA Department of Environmental Protection indicating they are preparing a National Pollutant Discharge Elimination System permit application for discharge of storm water into the waters during the reclamation of a 4.5 acre abandoned coal processing area located in Washington Township, Dauphin County.

PUBLIC PARTICIPATION

Mr. Haste: We are now at the second Public participation. We are at the opportunity where if there is anybody in the audience who would like to address the Board please do so.

ADJOURNMENT

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

Mr. Henry: So moved.

Mr. Haste: Is there a second?

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All: Aye.

Mr. Haste: We are adjourned.

Respectfully submitted,

Robert Burns, Chief Clerk/Chief of Staff

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