



DAUPHIN COUNTY BOARD OF COMMISSIONERS

Legislative Meeting

Wednesday, May 19, 2004 (10:00 AM)

MEMBERS PRESENT

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

STAFF PRESENT

Faye Fisher, Director of Personnel; Diane McNaughton, Communications; Bob Burns, Commissioners Office; Jennifer Kocher, Director of Communications; Garry Esworthy, Risk Manager; Robb Wentzel, Director of EMA; Steve Chiavetta, Director of Elections and Registration; Dave Schreiber, Personnel; Bruce Foreman, Esq., Solicitor's Office; Chip Vance, Esq., Solicitor's Office; Jeff Patton, Juvenile Probation; Steve Suknaic, Director of Juvenile Probation; Melanie McCaffrey, Solicitor's Office; Carolyn Thompson, Court Administrator; Steve Howe, Tax Assessment; Randy Baratucci, Director of Purchasing; Mike Yohe, Budget Director; Barry Wyrick, MH/MR; Elke Moyer, Human Services; Gary Serhan, Controller's Office; Kay Sinner, Personnel; Mike Pries, Director of Safety and Security; Edgar Cohen, Director of Facilities Maintenance; Marie Rebuck, Controller; Bob Dick, Treasurer; Chad Saylor, Chief Clerk; Bob Knupp, Assistant Solicitor; Julia Nace, Assistant Chief Clerk; Richie Martz, Commissioner's Office; Kacey Truax, Commissioner's Office; Jena Wolgemuth, Commissioner's Office; Fred Bowling, Spring Creek; Tanya Bethea, Spring Creek; Joyce Muniz, Spring Creek; Kathleen Regal, Spring Creek; Julia Laura, Spring Creek.

GUESTS PRESENT

William Welch, Benchmark Solutions, Inc; Lou Colon, Harrisburg City.

MINUTES

CALL TO ORDER

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

MOMENT OF SILENCE

Everyone observed a moment of silence

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance

APPROVAL OF MINUTES

Mr. Haste: We have the April 21st, 2004 Legislative meeting and the April 28th, 2004 Workshop meeting minutes. Is there a motion to approve?

Mr. DiFrancesco made the motion to approve the Legislative and Workshop minutes. Mr. Hartwick seconded the motion. Mr. Haste—Aye. Mr. DiFrancesco—Aye. Mr. Hartwick—Aye. Motion carries.

Mr. Haste: Now we have the April 21st Salary Board meeting minutes. The Salary Board consists of the three Commissioners and the Controller. Is there a motion to approve?

Ms. Rebuck made the motion to approve the Salary Board minutes. Mr. DiFrancesco seconded the motion. Mr. Haste—Aye. Mr. DiFrancesco—Aye. Mr. Hartwick—Aye. Ms. Rebuck—Aye. Motion carries.

ELECTION BOARD

A complete copy of the Election Board minutes is on file in the Chief Clerk's office.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Saylor: The Commissioners met twice in Executive Session. Once on the 5th of May and once on the 13th of May 2004. On the 13th of May we discussed numerous issues including personnel and litigation.

PUBLIC PARTICIPATION

(There was none.)

DEPARTMENT DIRECTORS/GUESTS

COMMISSIONER DiFRANCESCO

Proclamation presentation recognizing “National Nurses Week”, May 6-12, 2004—Representatives from Spring Creek present.

Mr. DiFrancesco: This is the fun part of the meeting when we get to address the many people in our community who do so much to make Dauphin County and the communities that we live in so special. We have some honored guests here today and before I introduce them I would like to read the proclamation.

We, the Dauphin County Board of Commissioners, proudly honor the registered nurses, licensed practical nurses and certified nursing assistants at Spring Creek Health Care and Rehabilitation Center and all homes and health care facilities during the week of May 6 to 12, 2004, National Nurses Week;

Whereas, in the proud tradition of Florence Nightingale, whose birthdate marks the end of this special week, we hail all nurses, who ensure the health of this nation by their capable and compassionate delivery of primary and preventive health care;

Whereas, the demand for nurses is greater than ever and will continue to spiral upward with the aging of the American population, the ongoing utilization of life-sustaining technology, and the explosive growth of home health care services;

Whereas, nurses are in the front lines of our health care delivery system, a cost-effective, high-caliber and considerate component of our hospitals, nursing homes, doctors' offices and schools, acting simultaneously as medical expert, caregiver, cheerleader, adviser and friend;

Whereas, we enthusiastically join patients and families across Dauphin County and the United States in applauding the ability of nurses to inspire smiles amidst sickness and pain, mending wounds and broken bones, lifting spirits, touching hearts and saving lives;

Whereas, when we are at our sickest and weakest, nurses are at their best;

Therefore, on behalf of the 251,300 residents of Dauphin County, we formally declare May 6 through May 12, 2004 as “Nurses Week” in Dauphin County, and we heartily applaud the life-altering, life-sustaining and life-saving labor of love performed day in and day out by our beloved nurses.

It is signed by the Board of Commissioners and to receive this proclamation, I'd like to call forward Julia Laura, LPN; Tania Bethea, CAN; Kathy Regal, RN; Fred Bowling, CNA and Joyce Muniz, RN. Would you all come up and join the Commissioners for a photo? (Photo was taken.)

WILLIAM J. WELCH, BENCHMARK SOLUTIONS, INC. (WITH LOU COLON, HARRISBURG CITY)

Extension of the Natural Gas Agreement

Mr. Colon: Good morning Commissioners my name is Lou Colon. I work at the City of Harrisburg in the Mayor's Office of Special Projects. The Mayor's Office of Special Projects does administer the cities energy office, where we work with Benchmark Solutions to purchase energies for the city, the County, the school districts, the parking authorities and several members of the Inter-Government Cooperation Agreement,

IGCA as it is called. We wanted to present today the highlights of the natural gas program, as well as, the extension of the gas-purchasing contract. To do so I will introduce Bill Welch from Benchmark Solutions, Inc.

Mr. Welch: Good morning Commissioners. What I wanted to do this morning was basically give you some information about what we do and what we've attempted to do with Dauphin County, as well as with many of our other clients in the Central Pennsylvania Region. Basically, Benchmark is the energy consultant to the Inter Government Cooperation Agreement with which the County participates. The goal of the cooperation agreement is to secure the best prices for natural gas supplies, as well as delivery services. In order to do this we bid out the prices for supplies and when there is only one vendor providing the supplies or services we negotiate for the best prices. Over the past two years the County has participated in this program and we have saved the County over \$300,000 in your natural gas bill, which amounts to about 26%. We also provide consolidated billing of electricity and natural gas. In this process there are approximately 60 accounts where electric or gas bills are rendered every month. We audit those bills to make sure that they meet the requirements of the PUC tariff. We also check them for normal usage patterns. In this regard over the past two years we have uncovered approximately \$30,000 in errors in those bills. We had them corrected and resolved and the county has been repaid the errors that were assessed against them. One of the goals this year that we have is to take a look at conservation savings for the County. It's not our role to do that but what we'd like to do, if possible, is work with the facilities managers and maintenance people in the County. We look at it and say, if we could save 10% in the County on their natural gas bill it would amount to \$50,000. That is a significant savings. Now maybe a lot of work has been performed. We'd like to find out what has been done and work with and cooperate with the maintenance people and see if we can get any more additional savings for the County by doing energy conservation. When it comes to the extension of the Natural Gas Agreement, let me say where we are right now, mostly it is an information giving session for that, the reason is this. We have extension terms on the Natural Agreement that are currently in place for two years, this year and next year. At this point in time we are working with the supplier for natural gas and we're asking them for additional prices for transportation of that natural gas from east Louisiana, up to the city gate. The reason we're doing that is this, they're different transporters of natural gas and each has a different set of tracers. What we're trying to do is find out the best prices for next year. Once we find out those prices for next year we'll be better able to take a look at that contract. The only things that they are allowed to change on that contract are the prices, which they don't control. What we want to know before we sign off on an additional option year are what are those prices for transportation up to the city gate and we want the best prices for our clients. At this time I don't have the extension to give to you until I review what prices they are quoting for their transportation. Their profit margin is not allowed to change. They are not allowed to change any of those things. Their price last year was exceptional their profit margin was 50%. Their prices were absolutely unbelievable. We've agreed to extend, in spite of the fact that natural gas supply prices have gone up, their contract. We need to know what the transportation cost is going to be. I am not prepared to give that to you this morning. I was prepared to give you this

information and I am here to answer any questions that you might have. One of the things that I have to say is. We think that with what we are doing with the consolidated billing, as well as, with the Natural Gas Purchase Plan and the IGCA that we are saving the County \$300,000 over the past two years, but we are also probably saving money for support people and office staff that you wouldn't have to have because we have this consolidated billing program going on. We think that we offer more than just price savings to the County but we also offer savings in personnel costs. With that I will answer any questions you may have for me.

Mr. Hartwick: Do you currently look at all of the Senior Centers and other County affiliated, funded and operated locations? Is that included in your plan?

Mr. Welch: We have taken a look at the County Senior Citizens Centers. Lou is a member of the Board of the Heinz-Whitaker Center, which is a Senior Citizens Center.

Mr. Hartwick: We've talked about that.

Mr. Welch: We have looked at them. There are things that we can do with them and what we've been waiting to do is talk with Bob Burns who I understand may come on, or may not come on, I don't know. But we would like to do that. We think that there is an opportunity there to save money. There are certain things in PPL turf that permit savings on electricity for Senior Citizens Centers. We'd like to take advantage of that for the County. There are other agencies in the County, for example, we'd like to talk to the Dauphin County Housing Authority and find out if we can get in there and help them save some money joining this program. I am sure there are others we could look at. All I need to do is get the list from Chad and we can review it. To answer your question, yes, we would be delighted to take a look at that. Who knows, because we've already talked to the Heinz-Whitaker people about how we can save them money on their utility bills.

Mr. Hartwick: How cooperative have the affiliates and the County been in providing the information you need in order to make the assessments and to be of assistance to the County?

Mr. Welch: Very helpful. We have a couple outstanding issues that have to be resolved but I think we are working well together. We are saving the money as we set out to do. We have to meet some of the people at Spring Creek. I have talked to some of the management people out there and this afternoon I am going to go out and meet with one of the Facility Maintenance fellows at Spring Creek. I think that it's a process, but everyone is getting to know each other and what we can do and what we can't do. We are trying to work together to make it work for everybody. I think that the County has provided the level of cooperation that we need and we keep trying to improve it.

Mr. Hartwick: With a time of rising gas prices and a tight budget here in the County it is more important that we try to be as inclusive as possible and try to find the most amount of savings with all County run offices and affiliates. If we can extend you to anyone else we certainly would be willing to do that.

Mr. Welch: I appreciate that and we will do our best if that happens.

Mr. Haste: Marie, I know they work with your office. Do you have anything to add?

Ms. Rebeck: Initially when the program started we did have some issues that needed to be addressed but for the most part I think everything has been addressed and things are going quite well right now with the Controllers office.

Mr. Welch: I think we know where we've got to be and what we've got to get. It's working good. We'll get there.

Mr. Haste: Edgar, have you had a chance to talk about this next phase of looking at the ways to be more efficient.

Mr. Cohen: No I haven't. I am going to meet with Chad and Mr. Welch; I have a couple questions that I would like to pose.

Mr. Haste: Okay. So you guys are going to get together?

Mr. Welch: We will.

Mr. Haste: Alright. Very good. Thank you.

SALARY BOARD

A complete copy of the Salary Board minutes is on file in the Chief Clerk's office.

PERSONNEL

Ms. Sinner: I have an overtime request that I have added to the Personnel Packet. Nick you are familiar with this. It is for EMA. It is not to exceed over 25 hours of overtime for an employee in EMA who is helping two individuals from InterGraph Public Safety as they are upgrading the County's computer aided dispatch system. That is for next week.

Mr. DiFrancesco: It is actually an EMA computer employee. They are updating their CAD system and this person was the one assigned to work side-by-side with the company and given that these are systems that are online and need to be maintained they try to come in and do it in a very concise time frame.

Ms. Sinner: I have no other changes to the Personnel Packet. We did approve some items last week.

Mr. Haste: What was that, Adult Probation?

Ms. Sinner: In the changes, yes. It was the two positions that were being switched in Adult Probation. Then the new hires, we approved items #9-16.

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

Mr. Hartwick made the motion to approve the remainder of the Personnel Packet as presented. Mr. DiFrancesco seconded the motion.

Mr. Haste: Any further discussion?

Mr. DiFrancesco: I just wanted to note that we are approving today the Assistant Administrator position out at Spring Creek. For many months we were disassembling the association and now we are starting to put it back together and I am pleased to say that I think we got an excellent qualified candidate. He spent some time doing this type of emergency stabilization in some other facilities. Scott Burford is his name. He started this past Monday and I think he is just going to be a real strong addition.

Secondly, I think we are real close to locking up a Director of Nursing as well. We are starting to put the pieces back together.

Mr. Haste—Aye. Mr. DiFrancesco—Aye. Mr. Hartwick—Aye. Motion carries.

PURCHASE ORDERS

Mr. Baratucci: Commissioners since last week there were two items that were added to the packet. Both were approved by the oversight Commissioners. The first one is on page three of the packet. That is an order for some juror qualification questionnaires that somehow got lost between here and the Courthouse. We located it and put it into the packet because they need to be printed and go out shortly. That was okayed by Commissioner DiFrancesco. On page seven there was an item for the Prothonotary's office. They have been working on a program with our IT Department to get some of their records computerized imaged microfilmed. This is a project, from what I understand, that will generate some funds for us. We would like to get that one through this week so that we can proceed. So with the additions on page three and page seven the rest of the report stands, as it was last week and all of the budget issues have been resolved. If you have any questions I can answer them, otherwise it is there for your approval with those two additions.

Mr. Hartwick: Just one comment procedurally. I received an email about a truck repair for Meals on Wheels. It was an emergency order and I just wanted to get clarification with the Board President about those emergency orders. Can they be approved by the oversight Commissioner but we want to make sure that everybody is brought up to speed on those things and as long as we are all okay with that procedure I'll be passing that information on to you and I made that approval this morning.

Mr. Baratucci: That is the plan. Anything that is of an emergency in nature I have asked people to contact their oversight and get their approval and then it may or may not need some paperwork. For instance, on repairs we have a program in place at the Controller's Office that if it is a repair it will not need to have a purchase order because it will be after the fact, as long as the approvals are given. Emergencies, I believe have no dollar limit, just approval of the Department Head and oversight. If it is an emergency that still needs a purchase order that will get done through the normal packet, but the item will be okayed by oversight, of course let the other Commissioners know and it will still go through the normal process so we can get the bills paid. We have a program in place and I think it is working well.

Mr. Hartwick: That was just an update and procedural question. Thank you Randy.

Mr. Baratucci: Any other questions?

Mr. DiFrancesco made a motion to approve the Purchase Orders. Mr. Hartwick seconded the motion. Mr. Haste—Aye. Mr. DiFrancesco—Aye. Mr. Hartwick—Aye. Motion carries.

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

Report from the Office of Budget & Finance May 19, 2004

- **May 7, 2004** transferred **\$427,854.12** to the **Payables** account **from the County's Concentration account** for checks issued that week.
- **May 14, 2004** transferred **\$9,939,797.76** to the **Payables** account and **\$1,842,232.94** 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 \$121,535.30 rate 0.99%**
- **Balance today in Community Banks investment account \$67,589,345.90 rate 2.10%**
(This rate is good through October 2004)
- **Balance today in Commerce Bank investment account \$0.00 rate 2.00%** (This rate is good indefinitely)

\$15M TRAN Line-of-Credit Status at PNC:

- Draw #1 on 2/5/04 - \$2,850,000.00
- Draw #2 on 2/19/04 - \$1,800,000.00
 - o Total \$4,650,000.00

- April 1, 2004 – TRAN was paid back with \$11,232.21 for interest expense.

Mr. Yohe: Commissioners there have been two payout weeks since our last meeting. On May 7th, 2004, which was a non-payroll week, we had \$427,854.12 transferred to our payables account. This past Friday May 14th, 2004 we had \$9,939,797.76 to payables and \$1,842,232.94 to payroll. We have no term investments. Our account at Invest at the State today has \$121,535.30 and we are almost up to 1% we are at .99%. At Community Banks we have \$67,589,345.90 and I received word yesterday when they heard that Commerce Bank was joining the mix at 2% they called and bumped their rate up to 2.1%. I relayed that to Commerce. Maybe they will come back and bump theirs up, I'm not quite sure about that. We are now up to 2.1%, which is good at Community. Commerce we have nothing in there yet but I understand there is a small glitch in the paperwork. I talked to Ken Miller at Commerce today and he said the account is ready to go we don't need that paperwork. We could get money in there pending a positive resolution to the paperwork or we could just wait until...

Mr. Haste: We will wait for the paperwork.

Mr. Yohe: Okay that is fine. Just thought I would run that by you. That would conclude my report. When we get that settled we will get some money in there, but as it stands I'm still going to give more to Community.

Mr. Hartwick: I say we continue to shop everything.

Mr. Haste: Any more questions? Thank you, Mike.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: Commissioners I have one item that I want to make you aware of. In regards to the County's property along Paxton St., as you gentlemen know, when we demolished the old Dauphin Manor and constructed Spring Creek that left approximately 4.1 acres of land along Paxton St. A year 2000 study by Crossgates identified that as a strip of land that could be developed and provide the County with key ownership that would provide a stream of cash and a new source of revenue for the County. With the turn around of the mall and BassPro certainly the attractiveness of that site is growing. To that end an ad hoc committee was formed of, myself, Steve Howe, Director of Assessment, Skip Memmi, Deputy Director of DCED, and Rick Martzoff, Solicitor to the Tax Assessment Office. We have been looking into the matter. We have discovered that the previous Board did contract with an engineering firm to do a plan for that area of land. That firm has gone through a couple of changes and is now the RBA Group and Mark Gains is the engineer on that plan. We will be meeting with him. We have the information from them as to the maps and I think I have showed them to one or two of you and we can do that if you have an interest in seeing them. We will be meeting with him to discuss the situation. There are additional plans that need to be done. Correct me if I am wrong, I think a Storm Water Plan is the one big thing that we needed to have developed. We are going to ask them to give us a proposal as to what

will be needed and what the cost will be and anything else that needs to be done out there. One additional thing, I would at least respectively take a look at and that is the track of land down by Rt. 441, which is east of the District Justices office. Right now it is kind of an open plot. Perhaps we can get a proposal from RBA as to what could potentially be done to make that a site as well to generate additional income. Maybe we could look at some other properties down there to figure out what is going on. Skip has met with folks in Swatara Township to make sure we know what we are doing. They are on board with everything. We are going to continue to have meetings with them. We also want to review the McDonald's deed restrictions, which tells us what can and what can't go into those pads as they are fairly close to the McDonald's franchise. From what I understand they give restrictions on that. So that is where we are with that and that's the only thing I have to report at this time.

Mr. Hartwick: Just one comment. Mr. Saylor, thank you for aggressively moving forward on this. As you know I have been pushing and trying to move forward with that plot of land. We need to make sure we maximize any potential revenue source and stream. That one seems like a pretty good homerun. Particularly in light of the timing as you suggested. I don't know if necessarily the 441 piece needs to be contracted with the same engineering firm. Maybe we want to bring in a number of folks to take a look at providing an offer. That's the only comment I want to add on that other piece.

SOLICITOR'S REPORT – ROBERT KNUPP, ESQ., ASST. SOLICITOR

Mr. Knupp: Mr. Chairman and members of the Board we have no changes except for one to the Solicitor's Report submitted at the Workshop. The one change has already been discussed by Mike. We have taken the resolution that was prepared by Commerce and we reviewed it. It was the judgment of the legal staff that it did not comply with Section 1762 of the County Code. We have presented a re-drafted resolution to counsel for Commerce Bank and also we have given it to Mr. Dick so that he and his lawyer might review it as well since Mr. Dick is an integral party to that resolution by Statute. The major problem, if I can touch upon it, is that when you have an account that greatly exceeds the FDIC limits of \$100,000 the County has to be protected. The Code calls for some form of protection to be offered within the form of the bond or other pledge of stock to the County for the excess over the insured amount. That was not provided for in the prior resolution that would have harmed the County and we have corrected that now. We are waiting for a response from Commerce Bank. I expect it would be ready for your action next week. I can take any questions from the Board.

Mr. Haste: Any questions for Bob? (There were none.)

MATTERS REQUIRING BOARD ACTION

Mr. Haste: We have items A through X for Board approval. Is there anything we need to know about the Training Packet Chad?

Mr. Saylor: There are no changes since the Workshop.

Mr. Haste: I see one large item is to host the Family Group Counseling Conference.

Mr. Hartwick: I would like to note that this has all been covered by a grant. It is outside of any General County funding.

Mr. Haste: This is actually a Penn National Conference award to the area for the work that they have done.

Mr. Hartwick: It is a great recognition. We are going to have a banner that's going to be hung right outside of the City. The Governor's going to be there and we are inviting the Commissioners. Because we received the grant we are extending the opportunity for a great deal of community members and County employees to also participate in the Conference. We are all proud of the work that has been done in Family Group Conferencing.

Mr. Haste: Are there any items A through X that need to be pulled out and voted on separately? Does any discussion need to occur on any of them?

Mr. DiFrancesco: I just have one question on item X, the Modified Therapy Agreement. There was an issue of date that had to be resolved with the Solicitor's. Has that been resolved?

Mr. Knupp: I can't answer that question because I did not review it. I believe Guy did review it.

Mr. DiFrancesco: It was actually brought to my attention at one point, and it may have already been corrected. There was a one-month difference in when it should have been initiated. I just want to be clear. This is coming to me from the Spring Creek facility. Was it corrected?

Mr. Knupp: I don't know the answer.

Mr. Saylor: It was my understanding that it was. It was retroactive to a month, that is the way it was explained to me.

Mr. DiFrancesco: In the agreement they had made it retroactive to a certain month but the agreement as it was put forward, at least in one draft form, did not include that retroactive component.

Mr. Saylor: That's right. Dolores Reidenbach had me negotiate it so that it would be retroactive for another month's savings to the County in the neighborhood of about \$10,000 or so. It is my understanding that Guy had drafted it to reflect that. We never got that.

Mr. DiFrancesco: I am going to request that it be pulled.

Mr. Haste: Okay. Anything else?

Mr. Hartwick: No, I had all of my questions asked and answered.

Mr. Hartwick made the motion to accept the Matters Requiring Board Action items A through W. Mr. DiFrancesco seconded the motion. Mr. Haste—Aye on all items except for item E. Mr. DiFrancesco—Aye. Mr. Hartwick—Aye. Motion carries.

FORMER BUSINESS

(There was none.)

NEW BUSINESS

(There was none.)

COMMISSIONERS' DISCUSSION & ACTIONS

Mr. Haste: I know Nick wants to bring a proposal before us dealing with the management of Spring Creek.

Mr. DiFrancesco: I eluded earlier to the fact that we are in the process right now of reconstructing a facility that I have said all along, has been a very good quality facility. Great, caring people work there and yet it is a facility that is in great need of repair, in terms of organization and management. This Board did take very decisive action early on to address a lot of the management issues. As all of you know we brought ZA Consulting in to stabilize the facility where it was at the point that it couldn't accept new patients and was literally on the verge of a major crisis in terms of funding had our Federal Funds been cut off. ZA Consulting did come in and stabilize as we had asked them to do and now it comes to the point where ZA's contract will expire. The Board has to address the greater issue of how do we move forward and what management philosophy do we employ out there? I am happy to say that the manager that was brought in under the ZA Consulting contract, they used a subcontractor Complete Healthcare Resources (CHR). The Nursing Home Administrator that was brought in under CHR has gained the respect of all the people in the facility. Her reputation has been fantastic and in fact she is exactly the type of person that we had asked them to bring into the facility. Moving forward, one option that this Board has and it is an option that I will be recommending that we look further into and possibly agree to, is that we bring CHR on, under contract, for an extended term. Roberta Cunningham would remain as the Nursing Home Administrator giving us some more time to go out and recruit what ultimately would be a County Employee again. What I have to share with the Board at this meeting is the fact that not only was the highest level of management not as productive as we would like them to be. What I am finding in working more and more with the facility is that those middle level managers are very committed to Spring Creek and the residents there. But they really haven't been given the guidance that they

need to do their job. They haven't been trained in effective leadership. The budget process has been closely guarded with the upper level people that are no longer working there. Realistically we are giving them their first opportunity to express themselves as leaders and to actually lead. They need to repair many things like, the budgeting process is broken and needs to be fixed. The environmental side of the house, this is a brand new building and yet many of the infrastructure components of the older systems are in total disrepair and for too long have been neglected. There are no resources set aside to do capital improvements. There is not a plan to do capital improvements. It's been haphazard. If something breaks we go out and fix it at top dollar to keep the place operating. From an environmental side the place needs to be repaired. Those were probably just two examples of many others within the facility where we need to institute some sort of stable structure if this operation is ever going to get back on its feet. The proposal that we have before us today is from CHR and would in fact bring tremendous resources to our table. The managers would be paid by the County and be more or less County employees with the exception of Roberta Cunningham. What this proposal is really about is giving those managers out there the support they need to go through sort of a restorative, if you will, process where we do a top to bottom evaluation in much more detail than the crisis evaluation that was done. Now we are not talking necessarily about the quality of care but how we provide the care, how we maintain the building, how we clean the rooms and housekeeping, how we do the laundry and what needs to be done out there. Have the resources available from people who have been very successful in the field to stand by those managers. Tell us where we are inefficient and where we need to make it more efficient. Also, they can give support and let us know what needs to be done and mentor them in the right ways to do things. I think there is a lot of value to the contract. I have reviewed it pretty thoroughly. I have put them through the ringer and I would ask that the two of you also review it very closely and put them through the ringer. CHR will actually be here next week to answer questions. We are talking about a contract proposal that is a sizable dollar value to this County but one that there is guarantee in the proposal that they will recover their cost plus, in terms of just making the facility more efficient. My goal that I had put down to them was the fact that right now Dauphin County gives an additional reimbursement to Spring Creek to the tune of somewhere between \$3.2 and \$3.5 million out of General Fund revenue. That needs to stop. I told them that. They've got to drive cost/savings that will take that burden off the backs of Dauphin County tax-payers and make that building self-sufficient, which is something we have been told for a long time should be happening out there. I can go on for quite some time in terms of things that need to be fixed. I can go into detailed statistics about numbers that aren't where they should be and if they were put back into the right order we would be bringing in more revenue. There are a lot of things that need to be looked at but what I want to say to you is, we've got a very capable, professional work force that wants this facility to succeed. I think this Board has been more than clear in their intent to make sure the building succeeds. I think what this proposal does is it gives us more than what we need in terms of resources. I would like to say that I could go out there as the oversight Commissioner and put the building back in shape. Unfortunately, the bottom line is that I don't have the professional expertise and the depth of knowledge of regulation and experience that it would take to put this place back in order. I present it to you. Each of

you has a copy. I will work with you as best I can throughout this week, but I strongly suggest when we are talking about spending the dollar value that we are talking, you are going to have questions. CHR will be here next week to answer those. They have adequately covered the questions in my regard. Like I said I put them through the ringer, our first meeting was not pretty. I tend to be a really nice person but I was not a nice person at this meeting. But they have heard my questions and they have responded accordingly. I'll answer any questions you may have.

Mr. Haste: I know they are coming in. If you could just elude them to two things I will ask them. If they could come in next week and talk about the cost reduction plan. I can't remember if I have seen parts of it or heard parts of it, but if they could have a one-sheet synopsis of what that is. Secondly, I think they are suggesting for us to be able to do this they will need to be able to go until December 31, 2006?

Mr. DiFrancesco: Right. It is a two and a half year commitment.

Mr. Haste: What if we get all of the plans in place and we find that ideal Administrator?

Mr. DiFrancesco: Where we find that we no longer need CHR?

Mr. Haste: Right. I wouldn't want to be in a situation where we would be stuck. I think ultimately we want to hire our own Administrator.

Mr. DiFrancesco: Right.

Mr. Haste: What do we do if we find that person in the mean time? Is there a way that we can?

Mr. DiFrancesco: Yes that is part of it. If we would find that Administrator tomorrow, we could replace Roberta instantly. She would go back into the pool at CHR and she would find her next facility that is in an emergency situation. That has been built into the plan. The other thing that I requested, just because I am a fan of these, is there are options in this that if we complete everything and we feel we are in good shape, we can sit down and discuss not completing the full two and a half years. The way it's been presented to me. They are looking at saving this County, in the next six months, approximately \$500,000. In the year following that \$1.1 million and then in the last year another \$500,000 is projected to be saved. Their proposal before us, and that's if we accept everything, if we look at their plan and agree to this, they expect to save us at least \$2.1 million dollars over the next two and a half years. That is basically the challenge I have put to them. I said look I don't expect you to make it all go away overnight because it took a long time for us to get to this position but the bottom line is that \$3.2-\$3.5 million supplement has to be addressed. It has to go away in order for this facility to remain open and as an option to the community. They are willing to do that. Basically again, day-to-day management would be our staff. If I could suggest to you, review this as them (CHR) supporting our employees. Now granted, Roberta would be theirs but she would be answering to us as if she was one of our employees. We would be in fact

paying her salary outside of the \$24,000. Everything else in terms of support would be covered, the evaluations that they would do. The training they would do. The Department of Health would come in to do their Annual Review to make sure we have everything up to snuff and they can then make recommendations. All of those things come under the fee of what they are charging us. There would be no additional fees.

Mr. Hartwick: I haven't had a chance to review the contract but I'll submit a list of questions that you can forward to them before next weeks meeting.

Mr. DiFrancesco: That would be great. I will forward it to them, that way we can have a productive discussion. The other point I wanted to make is that for too long this facility has probably not gotten the attention of the Board of Commissioners that it should have. The other thing that this proposal does is each of us would get a monthly report. Basically we would get a very comprehensive report of numbers that would look at the finances, the occurrence of incidences of resident problems and it would allow us to see track records and trends that will tell us if there are issues coming, before they actually get to the emergency level. CHR would treat us as the Board of Directors of an organization. The management team would run the place, but we, as Commissioners, would have the oversight to look at these numbers and figures. As you know there were some incidents that were made public early on for example, a resident lives there for six years and doesn't pay any of his bills. When we look at the financial numbers we would see the discrepancy. They outlined the top five cases where money is due to accounts receivable. We would be able to look at that each month and say to the manager what's going on here? We've got some bad numbers. We could actually pay the attention that we need to pay the facility. Again, to support it and make sure the job is getting done. If you could submit questions that would be great. Jeff, if those are your only two, great. George, I look forward to getting yours and then I will share them with Mike and he will be here next Wednesday.

Mr. Hartwick: Great.

Mr. DiFrancesco: If we could make sure that they are on the agenda, I would appreciate it.

CORRESPONDENCE

Mr. Haste: We have some correspondence brought in front of the Board. This week we have items A through L, which will be handled appropriately by the staff.

PUBLIC PARTICIPATION

Mr. Haste: I would like to note at this time for the record that today is the last meeting that Jennifer Kocher will be joining us as a member of the staff. Jennifer has decided to further her career and move forward. I would like to take this opportunity, Jennifer, to thank you for your service to the County and wish you lots of luck in your future endeavors. Is there anything you would like to say?

(She did not.)

ADJOURNMENT

Mr. DiFrancesco made a motion to adjourn the meeting. Mr. Hartwick seconded the motion. Mr. Haste—Aye. Mr. DiFrancesco—Aye. Mr. Hartwick—Aye. Motion carries. Meeting is adjourned.

Transcribed by: Jena Wolgemuth
May 21, 2004

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff
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