



**DAUPHIN COUNTY BOARD OF COMMISSIONERS**

**LEGISLATIVE MEETING**

**TUESDAY, AUGUST 26, 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; Guy Beneventano, Esq., Assistant Solicitor; Marie Rebeck, Controller; Bob Dick, Treasurer; 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; Bruce Foreman, Esq.; Bob Knupp, Esq.; Richie Martz, Commissioners' Office; Jane Gordon, Commissioners' Office; Kacey Truax, Commissioners' Office; Gary Serhan, Controller's Office; Sharon Ludwig, Personnel; Garry Esworthy, Risk Manager; Diane McNaughton, Communications; Melanie McCaffrey, Solicitor's Office; Phil Intrieri, Deputy Court Administrator; Steve Howe, Tax Claims; Carolyn Thompson, Court Administrator; Donna Price, Controller's Office; Shari Eagle, Information Technology.

**GUESTS PRESENT**

Chuck Zwally, Loretta Barbee Dare, Diane Bowman, Norm Allen.

**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 before us five sets of Meeting Minutes. We have the July 22, 2003 Legislative Meeting, July 22, 2003 Salary Board, August 7, 2003 Workshop, August 12, 2003 Legislative, August 12, 2003 Salary Board. We will pull out the July 22<sup>nd</sup> and August 12<sup>th</sup> Salary Board minutes. We will vote on them separately. Those include the three Commissioners plus the Controller. Is there a motion to approve the Minutes?

Mr. Henry: Mr. Chairman, I will need to not vote on the July 22<sup>nd</sup> Minutes as I was not present for that meeting. You and Commissioner Petrucci will have to do that motion.

Mr. Petrucci: So moved.

Mr. Haste: Is there a second? I will second. All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Opposed? Motion carries. August 12<sup>th</sup> Salary Board minutes, is there a motion?

Mr. Henry: So moved.

Ms. Rebuck: Second.

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

All: Aye.

Mr. Haste: Motion carries. Now we have the three Commissioners for the July 22<sup>nd</sup> Legislative, August 7<sup>th</sup> Workshop, and August 12<sup>th</sup> Legislative. Is there a motion to approve those minutes?

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.

### **EXECUTIVE SESSIONS HELD BETWEEN MEETINGS**

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

Mr. Burns: Mr. Chairman, there were no Executive Sessions since our last public meeting.

Mr. Haste: Thank you.

### **PUBLIC PARTICIPATION**

Mr. Haste: Public participation. We are at the point in time at the Commissioners' Meeting where it is open for the public to address the Board. Is there anyone in the audience that would like to address the Board at this time? Seeing none.

### **DEPARTMENT DIRECTORS/GUESTS**

Mr. Haste: Department directors. I see Mr. Zwally is here for Tom.

A. Thomas F. Smida, Esq.

1. Adopt Ordinance #3-2003 to incur debt not to exceed \$5,000,000 in connection with the refunding by the General Authority of its 1998 Bonds. These bonds were issued for the acquisition of 100 Chestnut Street.

Mr. Zwally: Good morning, Commissioners. I am substituting for Mr. Smida. I apologize for him not being here. We are here this morning on behalf of our client, the Dauphin County General Authority. The General Authority is recommending to the Board that we do a refunding of the outstanding bonds on the 100 Chestnut Street Project. If you will recall, 100 Chestnut Street is owned by the Authority. It is leased to the County. It has been used for a combination of County offices and privately leased offices. When the Project was originally financed in 1998 there was an arrangement whereby there were taxable and tax free bonds were issued at that time. The taxable bonds matured by 2006 and under the lease arrangements at that time all private leases would have to terminate in 2006. So all the private leases that we have in that building are scheduled to terminate in 2006. When I say private that also includes the Federal government because the Federal government is not considered a nontaxable entity for lease purposes because the interest on its bonds are taxable. The nontaxable part of the building, the only qualified tenants would be State or Municipal entities.

With the market conditions recently, the Authority reviewed this matter several months ago and proposed a refunding because we were realizing a fairly significant savings approaching \$200,000. Unfortunately, as you all know, the market has moved

away from us very recently. At this time this refunding would show saving of only \$54,000. There would be, after the refunding, bonds outstanding of \$3,850,000. They are currently at \$4,300,000 now outstanding. The advanced refunding allows the lower principal amount but over the life of the payout there are only savings of \$54,000 achieved. While this does cover the out of pocket cost of issuance it doesn't cover the full cost if you include bond discount. The bottom line here is that if it were the issue of savings alone we would not recommend that this be done. We are recommending it primarily because after the refinancing the building for the remaining life of the bonds will be able to continue on a 65/35% of nontaxable and taxable entities. In other words you can continue to have 35% private or Federal government tenants in the building. As we have looked at it and of course with our unfortunate experience with the Forum project, we know the difficulty in getting tenants of the governmental type, State and municipal. In discussing with your staff, I think there was some uncertainty as to whether or not the County would be able to fill up the building for the remaining life of the bonds which would be required beyond 2006.

We are making this recommendation to you primarily to be able to provide the County with more flexibility in terms of utilizing the building and producing sufficient revenues to pay debt service and operating costs. Do you have any questions?

Mr. Haste: So are these taxable bonds that are being issued?

Mr. Zwally: We are issuing the refunding bonds are a combination of taxable and nontaxable. 65% nontaxable and 35% taxable.

Mr. Haste: Can I ask why we didn't go higher on the taxable?

Mr. Zwally: It is a matter of market rates. The higher you go on the taxable the higher the cost and less saving.

Mr. Haste: Right, but easier to lease.

Mr. Zwally: We approached it by utilizing the percentage breakdown which we now have in the building in terms of taxable and nontaxable tenants.

Mr. Haste: Has someone looked at that and they feel comfortable that it will be fully leased with that scenario?

Mr. Zwally: In the first place, as far as we know, our current taxable entities are happy with the building. In fact there is one law firm in there that has been pressing us for a renewal of his lease and they wish to go beyond 2006. We can't do that unless we do this refinance. We are quite sure that we can keep the taxable tenants in there and it is really up to the County in terms of usage of the rest of the building.

Mr. Haste: For some reason, let's say the County doesn't have enough to move over there?

Mr. Zwally: If the County is unable to use it's 65% we will have to find other tax free tenants.

Mr. Haste: I am wondering why we aren't going higher on the taxable tenants. I understand what you are saying. But it that allows us to be more creative or have more options for those who can lease that space, I know the rates aren't where they were, but they are still reasonable.

Mr. Zwally: But they keep moving away and we are also concerned that further delay is going to eliminate the small savings we now have. If we change the percentages, it is my understandings that the overall cost would increase and you probably wouldn't realize any savings. It is however, primarily the decision of this Board, the General Authority is recommending this only because they see this as a way to avoid a potential problem in 2006 for the County. After all it is under a master lease to the County so the utilization of the space is primarily the risk of the County.

Mr. Haste: Rick, what is your projection on that 65%.

Mr. Wynn: If I remember correctly in that building Juvenile Probation has one whole floor which is County funds. I don't think theirs will change. On the first floor, the plan is when Drug & Alcohol move out MH/MR and Adult & Family Services will occupy it so that would cover the whole first floor so I guess that is the 65% roughly. That leaves one floor for private leasing. I don't see any change. I can't predict the future but I think it is pretty stable. We have funds for the MH/MR part.

Mr. Haste: Any other questions?

Mr. Petrucci: Yes, Mr. Chairman. What is the interest rate that you are able to achieve for the re-issuance?

Mr. Zwally: Well, the interest rates are, let me see if I can give you a range. The tax exempt portion of the bond issue will range from 2.7%-4.72%. The taxable will range from 1.7%-4.85%.

Mr. Petrucci: Secondly, I would ask why was it necessary to go out of policy in regard to bringing this issue before a Workshop instead of bringing it directly to a Legislative meeting for a vote?

Mr. Zwally: I think, Commissioner, I apologize for that, I think it was timing. Frankly, as I said, we have been working on this for some time and we had a project set that I believe we were going to bring to Workshop Meeting, the earlier version which showed significantly more savings but as you know in one week the market made a material turn. So we put the project aside. Then I believe there were discussions between the staff and the Authority, I was not involved in them, and the suggested was made that perhaps even if the savings are lower we should proceed simply because of the problem that will approaching in 2006. We have proceeded and at this point in time, in

order to realize these savings we need to close as soon as possible. So it is a matter of timing.

Mr. Petrucci: How long has the Authority been working on this proposal?

Mr. Zwally: A period of months. I know that we had our financial advisor begin looking at it. As you know, we recently refunded the Dauphin Highland bonds and it had a little higher priority. But as soon as we completed that they were looking at 100 Chestnut Street.

Mr. Petrucci: Would you have any difficulty with your percentages on leasing if these bonds instead of being produced by your client were produced by the Industrial Development Authority?

Mr. Zwally: No. I don't know that there would be any difference. Of course for the Industrial Development Authority to issue the bonds we would have to convey the project to the Industrial Development Authority. I think you will have higher cost of issuance. You are going to completely eliminate your savings but certainly that could be done.

Mr. Petrucci: I'm wondering why the Industrial Development Authority would have higher interest rates.

Mr. Zwally: No I don't think they would have higher interest rates, it would just be higher cost and you will also be subject to some delay because you have to do the necessary action by the Industrial Development Authority. I could see a delay of at least a month. You are going to have another set of lawyers involved. You are going to have to get an agreement of sale negotiated, entered into. You will have to do the conveyance cost so there will be some additional costs of issuance. Basically the security here is the County's lease. Whether it is the General Authority or the Industrial Development Authority I don't think the market would view the interest costs any differently.

Mr. Haste: Any other questions? Commissioner.

Mr. Henry: The only thing I want to say is I will abstain from this vote. It is a little known fact that I'm going to be doing some work for the General Authority and that could possibly be a conflict if I voted on this matter. So there won't be any question I will be abstaining.

Mr. Haste: Is there a motion to approve? I will make the motion to get it on the floor. Is there a second? Seeing no second, the action dies. I think we need to take a look at this and it is not an issue that should go away. In fact the County is in a bad situation come 2006, if in fact we are obligated to put 100% government related entities in this building. My hesitation was, I would have preferred more taxable in this the better I would have felt just to give us that level of comfort. I would have been willing to go with

this only because of the bigger issue of not saddling the County with 100% lease which is really what we are doing. We are obligating the County to fund this 100%.

Mr. Zwally: Just so the Commissioners understand, if you look at the breakdown between tax exempt and taxable bonds, market conditions apparently such that you are unable to issue the taxable bonds for as long of maturities. The buyers don't like to go as long of term. If you look at the maturity in 2010 which is when the taxable bonds would mature they are carrying a coupon rate of 4.75 and an actual yield cost of 4.85. If you look at the same maturity on the tax exempt side they are carrying a coupon rate of only 3.3 and a yield of 3.45. That is more than a point difference. So as you increase the taxable you are going to substantially increase the cost. I think you will probably reach a line there where it just doesn't make sense. I must advise the Commissioners that we are going to have to be advising people who are looking to have leases be renewed that we are unable to renew them, the private leases will have to look elsewhere. The market could of course come back but we expect the market to keep drifting.

Mr. Haste: I think you are correct on the market. It appears that it is recovering.

Mr. Petrucci: I would remind the Board that I did make a proposal several Commissioner Meetings ago that we have the General Authority convey all of its assets to the Industrial Development Authority and the Solicitor's office was asked to look into and give a report about the process of doing that. Here is another case where I feel that these issues should be conveyed over to the Industrial Development Authority and that they be the issuers of the bonds.

Mr. Knupp: We have research that and it can not be done as you proposed. There is a section, 53 PS section 5619A, which clearly takes about the conveyance of projects. It is statutory law and it requires that it not that it be conveyed to another authority. You can't do it. You have to convey it back to the County after you pay all of the indebtedness. So with respect to the most debt laden project, The Forum Place, it would be required for the County to pay all of the indebtedness to the bond holders which I'm sure the Forum Place bond holders would be pleased about and then the County can convey the project to the Industrial Development Authority. It can not be a direct transfer from one authority, General Authority, to the Industrial Development Authority. The County has to be the recipient of the project according to law. That's been pined upon by the Supreme Court of Pennsylvania in a case called Allegheny County vs. Boon Township Municipal Authority. We had this and I prepared a memorandum and it was in Mr. Tully's hands. He is on vacation today but I wanted to make you aware of it. I don't believe that it can be done. There is no quick fix that would allow debt to be transferred from one authority to another in my opinion.

Mr. Petrucci: I don't think you indicated that it couldn't you just indicated that you couldn't directly. We have a financial report coming up stating that the County has \$56 million in accounts. We could have the County take over the bonds and then

immediately have the Industrial Development Authority reissue those bonds and pay the County back. That would be a process to do it but it might take a little time.

Mr. Zwally: I don't know if Commissioner Petrucci would be interested in my two cents or not. I think it would be, not only the legal difficulties that Mr. Knupp indicated, which I agree with, there are also some very real practical considerations. Certainly you don't want the County either to take over or to assume any responsibility for project of the General Authority which at this point in time is only revenue bonds. That would increase the County's risk. I think that could be done, could be looked out much easier on a project by project basis. There is no reason why we could not convey this 100 Chestnut Street to the Industrial Development Authority. That could be done. In terms of this refinancing though as I indicated earlier, timing would be a problem. There are other projects that we could convey as well where the County is already obligated, such as Dauphin Highlands. There are certain projects, I don't think that to be fair to the Industrial Development Authority they would be interested in taking, number one. And number two, certainly the County wouldn't want to increase its exposure on some of our other projects. Frankly for projects such as the school pools, I don't think the Industrial Development Authority would be equipped to handle those. We have a staff and operation set up for Dauphin Highlands. I don't know that it would make much sense to convey or transfer those to the Industrial Development Authority. I don't think they are equipped to do that either. But there are other projects that certainly could be done.

Mr. Haste: Seeing that we are at a stalemate and I think a critical one, because I don't want to further obligate the County to space that we may or may not need come 2006. I would ask Mr. Burns, if you could get together with Dan Robinson, Mr. Zwally, Mike Yohe and for next week give us a report on what obligations the County would be facing if in fact this was to stay as is and nothing happen. Also look at the cost of moving Chestnut Street to the Industrial Development Authority. I would like to see something from the Solicitor's office and Mr. Zwally that says how that could occur, what those costs would be, and the pluses and minuses of doing such a thing. We have to assume that the Industrial Development Authority would have an interest in even doing that.

Mr. Zwally: 100 Chestnut Street is a good project. I don't see any reason that the Industrial Development Authority wouldn't want to do it if the Commissioners want them to do it. It is a County lease so it is the call of the Commissioners as I see it. I'll be happy to talk to my client about whether they have an interest in doing that. I don't know why they would not.

Mr. Haste: I would like to see all the expenses that are involved in that so that we have in front of us what our potential liabilities may be.

Mr. Zwally: The big question is whether or not we can get it done in time to still preserve the current savings and rates.

Mr. Petrucci: One last thing if I might. For Mr. Zwally and his clients, at this point I'm going to tend for the near future here to pretty much go by the sense that I'm not going



to be voting favorable nor making motions nor seconds from anything coming from your client until I have a democrat on the General Authority. And until I see the management of the golf course transferred over to the Parks & Recreation department. There would have to be some really extenuating circumstances before you would get some kind of a positive vote out of me until I see some movement along those lines. That's where I'm standing now.

Mr. Zwally: I will pass that on, Commissioner.

Mr. Haste: Thank you.

### **SALARY BOARD**

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

### **PERSONNEL**

Mr. Haste: Personnel packet. Bob, are you doing this as well?

Mr. Burns: Yes. It is the same packet that was presented at Workshop. No changes.

Mr. Haste: Are there any questions for Bob on the Personnel packet? Is there a motion to approve the Personnel packet?

Mr. Henry: So moved.

Mr. Haste: Is there a second?

Mr. Petrucci: Second.

Mr. Haste: Any further discussion? All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries. Thank you.

### **PURCHASE ORDERS**

Mr. Haste: Mr. Baratucci, purchase orders.

Mr. Baratucci: Commissioners, the packet from last week, all of the budget items has been resolved. We did add one item which is on page 15. What that is, is a couple of week's back we did a bid for the rehabilitation of bridge number 43A. We awarded that bid and now we need to generate a purchase order in order to pay the bills that will be coming in for that. In addition there is a change order later on the Agenda. We have

that accounted for in the purchase order also. With that one addition the packet stands as presented.

Mr. Haste: 43A is which bridge?

Mr. Baratucci: Farm bridge I believe.

Mr. Haste: Henninger Farm Bridge, covered bridge.

Mr. Baratucci: It's the one that we just did for Jbeitz Enterprises. It is a change order for \$11,270. The item is actually on your agenda today to approve. I'm not sure what it consists of but it came from HRG as a recommendation.

Mr. Burns: Commissioner, that work is to address additional work to assure the integrity of the stone masonry substructure. I spoke to Ed Baker about it and this will come from our Liquid Fuels budget.

Mr. Haste: Ok. Jennifer, Ed Chubb and I were at the bridge and I know one of the things they were trying to do is to save some of the wood. Unfortunately when they got into it there was a lot more damage than was anticipated. Not necessarily fire damage but insect damage as well. So unfortunately a lot of the wood that we were hoping to save was not salvageable for reconstruction as a bridge. They were going to try and find ways to reuse that wood if not there in other historic spots and other places so that we could in fact preserve as much of the wood from that bridge as possible. Are there any further questions for Randy? Is there a motion to approve the purchase orders?

Mr. Henry: So moved.

Mr. Haste: Is there a second?

Mr. Petrucci: Second.

Mr. Haste: Any further discussion? 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: Good morning, Commissioners. Unfortunately I don't have a handout. I had a little bit of a problem with my computer and printer right before the meeting so I will see that you get those as soon as I am able.

- **August 15, 2003** transferred **\$249,836.46** to the **Payables** account **from the County's Concentration account** for checks issued that week.
- **August 22, 2003** transferred **\$5,034,225.39** to the **Payables** account **and \$1,804,399.56** 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 \$120,736.91 rate 0.99%**
- **Balance today in Northwest Savings Bank Money Market account \$45,149,021.62 rate 2.5%**

### **REPORT FROM CHIEF CLERK/CHIEF OF STAFF – ROBERT BURNS**

Mr. Haste: Report from the Chief Clerk, Mr. Burns.\

Mr. Burns: Mr. Chairman, I have nothing to report today.

### **SOLICITOR'S REPORT**

Mr. Haste: Solicitor's report, Mr. Knupp.

- A. Recommendation of policy procedures for paying of 2003 real estate taxes.

Mr. Knupp: Aside from the normal issues there is one issue listed on the Agenda. I wonder whether Steve, if you could come up and sit in front of the microphone because you might be involved. I had a meeting with the other solicitors and Steve yesterday to discuss an issue that has arisen with respect to certain tax notices that were sent to Harrisburg taxpayers. You will understand that this is a little unique because Harrisburg sends out its own taxes but the County as I understand sends out its separate taxes in February for County tax to Harrisburg City residents. There were several thousand, probably 10% of the total, where people did not bother to inform anyone of the change of address or of a new address and those tax notices then came back to Mr. Dick's office. Mr. Dick collects the tax. Those tax notices then had to be processed through his office. I understand there were some staffing issues that might have delayed to some degree the sending out of the tax notices a second time to those people whose addresses had changed.

That's the factual background. The issue is whether the County wants to adopt some type of extension of the time to pay the taxes because the people whose addresses had changed did not receive the tax notices the first time around. We discussed that. I think that is fraught with some difficulties pursuant to the many in which taxes are collected and the statutes that exist for those collections. It would be our recommendation that you not extend the time but that you make it public that if

anyone wishes to approach the Board on a partial exoneration based upon the issue that I have outlined that the Board would of course listen and consider an exoneration refund. I spoke to Mr. Dick this morning and I understand that he has records that identify each of these taxable and the tax parcel.

Mr. Petrucci: I wonder if I might ask, Mr. Chairman, for Steve's rendition of the events. Not that Mr. Knupp's solicitor approach isn't good but I would like to hear from the tax expert as well. What transpired here that caused this dilemma?

Mr. Howe: Let me give you a little history if I may. At the Workshop we discussed this but let me bring you up to speed. Tax bills are issued as Mr. Knupp indicated, dated February 1<sup>st</sup> annually. Our office contracts with GAMCON who is the mailing company to actually prepare the tax bills, put them into the mail, receive the maximum postal discount and so forth that allows us to pass the savings onto the taxing authorities with whom we contract. February 1<sup>st</sup> tax bills hit the mail to the last known mailing address that we carry on our master file or assessment file. Any property owners that have obviously changed their mailing address and neglected to inform the tax collector and Mr. Dick is one of those tax collectors for County tax purposes. Obviously we do not have the new address. The postal endorsement that we have used for the last two years returns that undeliverable piece of mail to the individual tax collector with a label attached that gives the forwarding address for which an order has been signed with the postal service. Those particular mail pieces were returned to the various tax collectors. Mr. Dick, according to his records, received in the neighborhood of 2,500 of those returned pieces.

Mr. Petrucci: Throughout the County it was more like 10,000?

Mr. Howe: I don't really have any record because none of the other tax collectors really report back to us. My guess would be, and in a memo I addressed to Chairman Haste, is that if we use Mr. Dick's estimate of 2,500 I don't suspect that there are probably more than 2,500 from the additional 39 tax collectors which averages about 66-68 per tax collector. That's probably fairly reasonable. Higher of course in the metro Harrisburg Township and of course lower in the rural Townships but I think that is probably a fair estimate of the total that have been returned.

We did implement in 2003 a new tax processing collection system that affected the Treasurer's office. It requires the Treasurer's office to scan tax bills as they are received from the tax collectors remitting their payments to the County. In that same time frame Mr. Dick had an opening in his office for some months. For that reason we lent to him one of our employees from my department to process and scan those tax bills as they came in. In prior years when the tax bills would come in they were simply scanned at Mr. Dick's discretion because they didn't affect any processing of payroll to the tax collectors for bill basis. Now the new system does. It tracks how many bills are received, how many tax collectors are paid what amount of money based on the number of bills they processed. It is very critical that the tax bills now are processed immediately or else the tax collectors don't get paid.

For that reason and I guess other situations in the office being staffing levels, Mr. Dick was unable to process these returned pieces and mail them out to the new address found on returned envelope until mid to late July. That put the tax bill in the hands of the property owner sometime in the beginning of August. Tax bills, for the discount in the months of February and March, a flat period April and May, 5% penalty period, June and July. After August 1<sup>st</sup> there is a 10% penalty. Most of these folks have now received their tax bill, because of the change of address, for the first time in the beginning of August. The comments and calls that have been coming to Mr. Dick's office as well as Mr. Burns have been that this is the first time they received their tax bill and now the discount period has passed. They want to know why they are obligated to pay in the 10% penalty period.

That brought the question to the Commissioners, did you wish to extend that discount period to those folks and that brought the meeting yesterday with Mr. Knupp and the attorneys. The general consensus was that it is a County tax, the Commissioners have the authority to do whatever you like with the tax. My concern was that by exonerating or allowing folks to pay at a different amount other than what the tax bill states could open the proverbial Pandora's box for those who have already paid in whatever discount period and it would be very difficult for us to discern which one should be afforded the discount and which one should not be.

Based on that and I think Mr. Knupp agreed, it was Mr. Knupp's recommendation that we have folks pay the tax bill in the period in which it normally would be due. For example if we are in the 10% penalty period now the folks would be obligated to pay the tax bill in the 10% penalty period. Then they would have the opportunity to bring a request to Mr. Dick's office, my office or the Commissioners' through Mr. Burns saying that these were the circumstances. Apparently Mr. Dick has the ability to verify that was one of the tax bills that was re-mailed in August. That we weren't sure of yesterday. If he has the capability of doing that, the request would say that they just got their tax bill, they paid at the 10% period and they feel that they should only pay in the discount period and then we would refund to them the difference between the discount and the penalty period in which they paid. Those requests would come to the Commissioners on an individual basis, much the same way that you see on a weekly or bi-weekly basis, refunds that we process for various reasons.

Mr. Petrucci: In my assessment then, Mr. Chairman, we have two problems that we are working with. One is what can we do with the Treasurer's office to assist them to have timely sending of these return mail out to the tax payers, as was the case in previous years? What do we need to fix so that this doesn't happen again? Secondly what do we do now with the problem that we have now with tax payers who received their bill after the penalty period. My inclination is that what we should do is follow a path that is most convenient for the tax payer not necessarily for the County. For us to take their penalty payment and sort of use it like a float until them come and appeal before our appeals board to get their penalty money back is sort of like a strong arm bank to me. I'm not wanting to do that to our tax payers. My inclination would be to reach out and be a little bit more permissive in regard to this case where the County has been somewhat

negligent in not more expeditiously getting these bills into the hands of its tax payers. But that would be my comments.

Mr. Howe: If I may address your first concern, in fixing the problem so it doesn't occur again. I did meet with the postal service and their representatives as well as our Gamcon representative and for 2004 we will be changing the postage endorsement that appears on the envelope. This will allow all mail to be forwarded to the order that is on file with the post office. The County will pay \$.70 per returned piece of mail.

Mr. Petrucci: Don't we use first class postage in sending our bills out?

Mr. Howe: We do use first class postage and that is a statutory requirement. The only difference, Commissioner, is that there are probably six different endorsements that you can put on the face of the envelope that instructs the post office if the piece is not deliverable. If there is no endorsement what so ever it comes back to the sender and the sender is every tax collector. There are various other endorsements that give the postal department directions to what to do with a piece of mail.

Mr. Petrucci: Why wouldn't we have on that for the post office to forward it to the person at their new address?

Mr. Howe: We do have that however the process we choose for 2001 & 2002 was return to tax collector. It assured that temporary addresses were forwarded and permanent changes were recorded. That afforded the tax collector opportunity to make an address change and then forward that change to my department to change the record. We thought economically that this was the best practice to try and follow. We find that with this situation that has developed and I don't know if it will continue but we think probably for 2004 the best measure would be to change that endorsement line. There is a new process that we were made aware of when we met with the postal folks that they can return address changes to us electronically for \$.20 versus \$.70 per item. That would save our department and the County a tremendous amount of money. We are exploring that option to see if we can take their electronic file and use that to automatically or electronically update our data file. That takes a lot of manual effort.

Mr. Dick: Steve, may I ask a question? The electronic method, even though the envelope would be returned to us how would we be made aware of the new address if it is sent to your office?

Mr. Howe: In the electronic process the envelope would not be returned. It would be forwarded to the addressee. In the electronic process that is one of the concerns that I had. How do we notify the tax collectors of the new address? That is something we will have to look at with our programming folks in order to get a print out or a record to the tax collector of those updated records. I don't have any more detail. Gamcon is exploring all of those possibilities and options for us.

Mr. Haste: Did I understand everybody to say that Bob, you can identify the folks that the letters did not get to?

Mr. Dick: We had all the envelopes. I'm not sure that we kept a record of those that we re-mailed. I'm not certain. It seems like almost all of them called my office or Mr. Burns' office but I'm not sure that I can identify them at this time. This is one of the notes that I took to see if I could.

Mr. Haste: Steve, didn't I hear you say that you thought those were identified?

Mr. Howe: My comment was based on what Mr. Knupp had said earlier in his comments that Mr. Dick was able to identify those parcels. I have no knowledge of whether or not he is able to or not.

Mr. Haste: My thought would be that if in fact we know who they are, why make them run through the hoop and waste staff time if in fact he knows who they are. Let him have the discretion as the tax collector to let them pay in the flat period.

Mr. Dick: I have the number of people who indicated, even though they received it in the penalty period and they usually pay it in the discount they are willing to pay in the flat. I have some of those.

Mr. Haste: Why would we not, if he has the ability, to give him the leeway to allow them to pay in the flat period?

Mr. Howe: I guess that is the legal issue that Mr. Knupp brought up yesterday. We have the ability in the system.

Mr. Haste: To me that would just save the tax payer grief. We know they have to pay their taxes but let's face it we all pay our bills when we get them. We didn't get the bill to them in time for whatever the reason. To me, that seems a little more efficient the whole way around as opposed to making them jump through a hoop, when we know if they ask we are going to go through the process and have a refund issued.

Mr. Howe: There is no question that is more efficient and they do have the ability to do that in the collection system. It is just a matter of a legal opinion and the Board authorizing them to do that.

Mr. Dick: If you authorize me to do that then I will exercise my discretion on this and ask for the flat payment.

Mr. Knupp: Mr. Chairman, I have no problem with you considering that but the problem that we have is that this was presented to the Solicitor's office for the first time yesterday afternoon. There has been little time for us to research it. The best way to say it is if it is legally permissible that you would authorize the tax collector to collect the taxes at his discretion with the 2500 tax payers who were affected by this. I think the

problem that I see is one that is a systemic problem and that is that you are going to have some people who are not going to pay these taxes at all, some people who will pay them late and it will be all varieties of issues. The most vocal people are probably 5% of the 2500. That is the group that you will be dealing with at this point.

Mr. Petrucci: I would like to make a motion that to the extent that the County Treasurer can identify those tax payers who received late bills, that he be allowed the discretion to allow them to pay in the flat tax period rather than in the penalty period.

Mr. Haste: Is there a second to that motion? I'll second it. Any discussion?

Mr. Henry: Did you mention if it would be legally permissible? Was that part of the motion? Is that in the wording of your motion?

Mr. Petrucci: I would only make a motion that was legal. I would never make a motion that would be illegal.

Mr. Haste: To clarify us could you amend your mention to make sure that it is legally permissible?

Mr. Petrucci: I will amend the motion to allow that within the legal confines of the law if our Treasurer is able to identify the tax payers whose bills were received late that he would be allowed the discretion to waive the penalty and receive their tax payments from the flat period.

Mr. Haste: Any further discussion? All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries. Thank you.

### **MATTERS REQUIRING BOARD ACTION**

Mr. Haste: Training packet, Bob.

Mr. Burns: Commissioners, there are no changes from the packet presented at Workshop.

Mr. Haste: We have items A through Q before the Board of Commissioners for action. Are there any items that any of the Commissioners would like to pull out separately?

Mr. Henry: Yes, I would like to pull out items K and L from which I would like to abstain.

Mr. Petrucci: Mr. Chairman, I would like to ask a question in regard to item E. Is that the fourth floor slab issue?



Mr. Burns: That is correct.

Mr. Petrucci: In perusal of the emails in regard to this change order there was some indication that it might not be necessary for the structural maintenance of the library. Has there been any clarification in regard to that.

Mr. Burns: Well we receive a new letter, Commissioner, that I did copy the Board on from an engineer at Buchart/Horn, James California. He presented a memo dated August 11<sup>th</sup> and then a new one dated August 25<sup>th</sup>. I don't think that he states that it is structurally necessary but he seems to come pretty close to stating that from the August 25<sup>th</sup> letter.

Mr. Petrucci: From one of the readings it indicated this was filling in some cracks to prevent later deterioration.

Mr. Burns: Correct. I think that is what the first memo said, Commissioner.

Mr. Petrucci: Do they consider that something out of what you would normally consider as a part of the contract? How did this become an extra?

Mr. Burns: It was explained to me that when the decision was made to put the law library on the fourth floor there was an opinion issued that the fourth floor was structurally capable of holding the books. I believe when the general contractor took up the carpet they say some cracks in the cement of the fourth floor that required them to fill it. That's what prompted this change order request. The work still has not been done. As I indicated before the August 11<sup>th</sup> memo simply indicated that the engineer recommended the cracks be filled. The letter of the 25<sup>th</sup>, I'll read the pertinent part. "it is my strong recommendation that the crack filling gel injection be performed." So I can't really answer the question.

Mr. Petrucci: But he doesn't say that if we don't fill in those cracks the floor is going to fall?

Mr. Burns: He did not say that. This was presented to the renovations committee last week. I think it was accurate to say that no vote was taken and no position was taken by the renovations committee except that it should come to the Board of Commissioners.

Mr. Haste: Any further questions or discussions? Is there a motion to approve items K & L?

- A. Training Packet
- B. Approval of FY03/04 Per Diem rates between Children & Youth and:
  - 1. The Oaks Treatment Center
    - Residential Treatment Facility (JCAHO) \$213.67/day
    - Personal expenses and allowance: \$ 2.00/day

2.	Keystone Community Resources, Inc.	
	Main Avenue	\$129.00/day
	Birch	\$211.50/day
	Bryn Mawr	\$134.00/day
	Pequest Ave.	\$143.50/day
	Laurel Cabin	\$151.00/day
	Pittston Ave.	\$157.00/day
	South Webster	\$156.00/day
	Wheeler Avenue	\$154.00/day
	Stafford Avenue I	\$129.00/day
	North Lincoln Avenue	\$141.50/day
	Leslie Drive	\$130.50/day
	Shawnee Avenue	\$174.00/day
	Gouldsboro I	\$160.00/day
	Gouldsboro II	\$182.50/day
	Hickory	\$199.00/day
	Jackson Street	\$159.50/day
	South Summer Avenue	\$178.00/day
	Family Living	\$ 89.00/day
	Supported Living	\$ 77.00/day
	Prader-Willi Syndrome	\$185.00/day
	Childrens & Youth Services	\$203.50/day
	Clothing	\$ 2.00/day
	Personal spending allowance	\$ 2.00/day

C. Real Estate Tax Refunds/exonerations:

1. Partial refund/exoneration of 2003 real estate taxes to the Providence Mennonite Church, 169 East Caren Drive, East Hanover Twp., parcel #25-014-147, in the amt. of \$1,738.33.
2. Partial refund of 2002 & 2003 real estate taxes to Hitendra Amin, 1834 North 3<sup>rd</sup> St., Harrisburg, parcel #11-014-003, in the amt. of \$217.54.
3. Partial refund of 2002 real estate taxes to Clean Properties, Inc., Charles Street, Highspire Borough, parcel #30-014-072, in the amt. of \$192.71.
4. Partial refund of 2002 real estate taxes to David A. & Diane E. Krulac, North of Parkway East, Lower Paxton Twp., parcel #35-003-123, in the amt. of \$79.47.
5. Partial refund of 2003 real estate & July-December 2002 Interim taxes to Thomas, Jr. & Michelle Bumbarger, 180 Krepps Road, Middletown, Londonderry Twp., parcel #34-011-205, in the amt. of \$110.47.
6. Exoneration of year 2000 real estate taxes for the following properties owned by Harrisburg Parking Authority:
  - a) 125 Cranberry St., parcel #04-031-011 \$147.74
  - b) 127 Cranberry St., parcel #04-031-010 \$464.19
  - c) 132 Cranberry St., parcel #04-030-013 \$337.96
  - d) 136 Cranberry St., parcel #04-030-014 \$172.96
  - e) 125 Rear Pine St., parcel #04-030-024 \$ 99.59
  - f) 127 Rear Pine St., parcel #04-030-025 \$ 99.59
  - g) 218 N. 2<sup>nd</sup> St., parcel #04-031-001 \$3,694.70
  - h) 204 N. 2<sup>nd</sup> St., parcel #04-031-005 \$6,555.06
  - i) 215 River St., parcel #04-031-013 \$ 98.56
  - j) 217 River St., parcel #04-031-012 \$113.19
  - k) 122 Rear Locust St., parcel #04-031-017 \$38.15
  - l) 124 Rear Locust St., parcel #04-031-018 \$38.15

- D. Application for federal assistance for a Family Group Decision Making Conference (FGDMF) to the Dept. of Health and Human Services for the Dauphin County Human Services Agency.
- E. Request for a Change Order with L. R. Costanzo Co. Inc., for Courthouse renovations in the not to exceed amt. of \$19,838.86.
- F. Appoint Gene Joy to the Children & Youth Advisory Board. Term expires August 26, 2006.
- G. Dauphin County Mental Health/Mental Retardation Program Mental Health Annual Plan for FY04/05 submitted to PA Dept. of Public Welfare.
- H. Subordination Agreement with Ms. Hollister for property located at 1153 Wintertide Drive, Harrisburg, PA.
- I. Maintenance and Support Agreement and Escrow Agreement with LegalEdge Software for software that will be installed in the Public Defender's Office.
- J. Agreement between Dauphin County and Hershey Philbin Associates, Inc., for the procurement of funds from the Federal Government for use by the Board of Commissioners.
- K. Service Agreement between Emergency Management Agency and Verizon Pennsylvania, Inc., for the installation of the of the Vesta 911 upgrade for the Dauphin County 911 Public Safety Answering point at DEMA.
- L. Service Agreement between Emergency Management Agency and Verizon Pennsylvania, Inc., for the installation of a Multi-line interface to upgrade 911 capabilities.
- M. Agreement between Emergency Management Agency and SSI Services to update and convert the Dauphin County Emergency Operations Plan into the new PEMA format.
- N. Emergency Shelter Grant Agreement between Human Services Adult and Family Services and the PA Department of Community and Economic Development for a period of 7/14/03 thru 7/13/05.
- O. Addenda to FY02/03 Purchase of Service Agreements between MH/MR and:
  - 1. Speechcare, Inc.
  - 2. Leta Deatrick
  - 3. Karen K. Reale, OTR/L
  - 4. Melmark, Inc.
  - 5. Lizabeth M. Kelly
- P. Technical Assistance Grant Agreement between Dauphin County MH/MR and PA Dept. of Public Welfare for support of customer driven projects for persons with mental retardation.
- Q. Change Order #1 with Jbeitz Enterprises, Inc., in the amt. of \$11,270.00 for the rehabilitation of Dauphin County Bridge No. 43A, Henninger Farm Covered Bridge, Washington Township.

Mr. Petrucci: So moved.

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

Mr. Petrucci: Aye.

Mr. Haste: Aye. Motion carries. Item E, is there a motion to approve?

Mr. Petrucci: So moved.

Mr. Haste: Is there a second?

Mr. Henry: Second.

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

Mr. Petrucci: Aye.

Mr. Henry: Aye.

Mr. Haste: Opposed. No. Motion carries 2-1.

Mr. Petrucci: I voted aye.

Mr. Haste: I know, I voted no. I am getting fed up with the engineering company. I remember having a discussion with them about the fourth floor and they clearly said that there were no problems. I'm getting irritated with them. Items A through Q excluding E, K, & L. Is there a motion to approve those items?

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: Motion carries.

### **FORMER BUSINESS**

Mr. Haste: Former business. Is there anything that needs to be brought up under former business?

Mr. Petrucci: Mr. Chairman, if I might inquire, perhaps this was discussed but I received information in the mail about the election ballot issue for Central Dauphin. Has the language been approved and is it going onto the ballot?

Mr. Henry: The Election Board approved placing the referendum on the ballot. We did not approve the language. Both of us felt that the language was excessively long and convoluted. We plan to reconvene the Election Board next Tuesday and take a vote on a shorter and more concise language. It was our feeling that it should be short and to the point.

Mr. Petrucci: I agree. Thank you.

Mr. Haste: Anything else under former business?

### **NEW BUSINESS**

Mr. Haste: Any new business? Seeing none.

### **COMMISSIONERS' DISCUSSION & ACTIONS**

Mr. Haste: Commissioners' discussion & actions. Hearing none.

### **CORRESPONDENCE**

Mr. Haste: You will see before us correspondence that has been received by the Board of Commissioners. It will be handled appropriately by the staff.

- A. Notification from Linda and Troy Page of West Hanover Township, Dauphin County indicating they intend to submit an application to DEP for a pool.
- B. Notification from Boles Smyth Associates, Inc., on behalf of the PA Dept. of Transportation intends to apply to DEP for a NPDES permit for discharges of stormwater from construction activities for the proposed construction of two (2) sound barrier walls along the northbound on ramp and southbound off ramp of I-81 at Front Street in Susquehanna Twp. and five (5) walls are also being constructed along SR 0022 between Front Street in Heckton and I-81 in Middle Paxton Twp., Susquehanna Twp. and the City of Harrisburg.
- C. Notification from Kimmel's Coal and Packing, Inc., indicating they have filed an application to combine the existing four permits into one facility wide permit.
- D. Notification from Firetree, Ltd. indicating a change of location for the federal female population to Conewago Harrisburg as well as the state residents.
- E. Notification from BCM Engineers, on behalf of Hegin-Hubley Authority, indicating they will be submitting a Part II permit application to DEP for a new well and construction of an extension of their water system. The construction will take place in Dauphin and Schuylkill Counties.

- F. Notification from R. H. Kreiser indicating he intends to submit an application to DEP for renewal of a permit for Kreiser's SFSTF.
- G. Notification from Navarro & Wright Consulting Engineers, Inc., on behalf of Daniel Piscioneri and James Ridd (developers), indicating submission of notice of intent for coverage under the PA general permit to the Dauphin County Conservation District for discharges of stormwater associated with construction at Pinedale Court, preliminary subdivision plan, Swatara Township, Dauphin County.
- H. Notification from Moore Engineering Company indicating they intend to apply to DEP for a permit for the installation of a replacement boiler at the Middletown Home, 999 W. Harrisburg Pike, Middletown, Dauphin County.
- I. Notification from R J Fisher & Associates, Inc., on behalf of Triple Crown Corporation, indicating they intend to file an application with DEP via the Dauphin County Conservation District for a NPDES permit for storm water discharge associated with construction activities for preliminary/final subdivision plans for Chelsey Park.
- J. Notification from Alpha Consulting Engineers, Inc., indicating they have applied to DEP for NPDES general permit for the proposed construction of a 15,557 s.f. office with associated parking on a 4.88 acre tract located at 939 East Park Drive, Lower Paxton Township, Dauphin County.
- K. Notification from Dauphin Engineering Co., on behalf of Benjamin Slotzwick, indicating their intent 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 for a revised preliminary subdivision plan for Covington Commons, Continental Drive, Lower Paxton Township, Dauphin County.
- L. Notification from Alpha Consulting Engineers, Inc., indicating they have applied to DEP for a permit for a proposed 84 Lumber facility located in the Borough of Highspire, Dauphin County.
- M. Received a copy of a letter addressed to Meadowbrook Coal Co., Inc. from DEP in reference to an application for the Medco Bank Operation, Wiconisco Township, Dauphin County.
- N. Received notification from the Pennsylvania Commission on Crime and Delinquency indicating the award of subgrant #2003-VF-05-13267, project period 07/01/2003 to 06/30/2004, "Maintain Victim Services" in the amount of \$183,016.00
- O. Notification from Dawood Engineering, Inc., indicating they will be submitting an application to DEP for a small flow sewage treatment facility with stream discharge, authorizing an outfall pipe discharge to an unnamed tributary of the Paxton Creek. This project is being completed for Ron and Susan Calhoon located at 2120 Blue Mountain Parkway, Harrisburg, PA 17112.
- P. Notification from Alpha Consulting Engineers, Inc., indicating an application will be submitted to DEP for a NPDES General Permit for the proposed construction of 6 self storage units totaling 65,005 s.f. (Capital Self Storage) and a 1,200 s.f. office/single family dwelling on a 5.00 acre lot on Vine Street immediately south of S.R. 283, Londonderry Twp.

- Q. Notification from Alpha Consulting Engineers, Inc., indicating an application will be submitted to DEP for a NPDES General Permit for the proposed 84 Lumber facility 4.9 acre project situated on Industrial Road in the Borough of Highspire on lands at one time owned by Bethlehem Steel.
- R. Received a copy of a letter from the PA Public Utility Commission in reference to an application of PPL Electric Utilities Corporation for approval of the alteration of the crossing (DOT 592 183 D) where 40<sup>th</sup> St. (S.R. 3005) crosses, above grade, the tracks of Norfolk Southern Railway Company in the Township of Swatara, Dauphin County, by reason of the construction of an overhead telecommunications cable.

## **PUBLIC PARTICIPATION**

Mr. Haste: Public participation. We are again at a point in time in the meeting where the floor is open to the public to address the Board of Commissioners. Is there anyone who wishes to address the Board? Hearing none.

## **ADJOURNMENT**

Mr. Haste: Is there a motion to adjourn?

Mr. Henry: So moved.

Mr. Petrucci: Second.

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

All: Aye.

Mr. Haste: Motion carries. We are adjourned. Thank you.

Transcribed by: Shari Eagle  
August 26, 2003

Respectfully submitted,

Robert Burns, Chief Clerk/Chief of Staff  
printed 11/18/03