



DAUPHIN COUNTY BOARD OF COMMISSIONERS

COMMISSIONERS' LEGISLATIVE MEETING

WEDNESDAY, SEPTEMBER 21, 2005

10:00 A.M.

MEMBERS PRESENT

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

STAFF PRESENT

Chad Saylor, Chief Clerk/Chief of Staff; Bill Tully, Esq., Solicitor; Marie Rebeck, Controller; Bob Dick, Treasurer; Randy Baratucci, Purchasing Director; Carolyn Thompson, Esq., Court Administrator; Elke Moyer, Human Services; Skip Memmi, Community & Economic Development; Mike Yohe, Budget Director; Tom Guenther, Information Technology Director; Jena Wolgemuth, Commissioners' Office; Diane McNaughton, Press Secretary; Bob Hawley, Deputy Court Administrator; Melanie McCaffrey, Solicitor's Office; Kay Sinner, Personnel; Dan Robinson, Director of Community & Economic Development; and Julia E. Nace, Assistant Chief Clerk

GUESTS PRESENT

Dan Mulpezzi; Eric Morrison; Mitch Warren, Amtrak; Mark Wurpel, Amtrak; Rich Esposito, Amtrak; Walt Panko, PennDOT; Jessica; Clark, PennDOT; Joe Link, City of Harrisburg; Harold Dunbar

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 four sets of minutes to be approved. Is there a motion to approve the August 24, 2005 Legislative Meeting Minutes; the August 31, 2005 Workshop Meeting Minutes and the August 31, 2005 TEFRA Meeting Minutes?

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to approve the August 24, 2005 Legislative Meeting Minutes; the August 31, 2005 Workshop Meeting Minutes and the August 31, 2005 TEFRA Meeting Minutes; motion carries.

Mr. Haste: Is there a motion to approve the August 24, 2005 Salary Board Meeting Minutes? The Salary Board consists of the three Commissioners and the Controller.

It was moved by Mrs. Rebeck and seconded by Mr. DiFrancesco to approve the August 24, 2005 Salary Board Meeting Minutes; motion carries.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Haste: Executive Sessions?

Mr. Saylor: We had one executive session held September 14, 2005 to discuss real estate matters and other issues. That was the only time we met.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time of the Meeting for public participation. Is there anyone from the public that would like to address the Board at this time? (There was none.)

DEPARTMENT DIRECTORS/GUESTS

A. Lou Verdelli from Public Financial Management

1. Final report on the basis swap.

Mr. Haste: Lou and Mike would you like to come forward?

Mr. Yohe: Back in April or May, you authorized us to move forward on a Basis Swap. PFM has been working on this through First Albany and McNeese Wallace & Nurick and RBC ultimately ended up as a swap partner. Lou is here to present the update of the results where we are right now.

Mr. Verdelli: I'll go through the handout briefly to give you a background of this swap. The Basis Swap as Mike mentioned, we had presented this opportunity to you a few months ago. This relationship is all about basically two indexes, a tax exempt index and a taxable index. Over the summer, those indexes were trading very far off of their normal historic relationship. So at the time it did not make sense to move forward. They have come back in line over the last two months. So we went back full speed in putting this together for you. Obviously if we can lock in the benefit the plan is, if you approve everything today, we would be asking you to, like we did on previous swap transactions, that Mike might be available tomorrow for a conference call with the bank where we actually set the rate. We'll verify that we agree the rate they are proposing is correct and we'll either recommend or we will not recommend that he gives them the okay to lock in the trade. So that is one of the things that I wanted to mention that may not be part of what your motion is right now. I think we would like for you to authorize Mike to give the final authorization tomorrow once we actually have final pricing.

Just to walk you through, again what the opportunity is on page 2 of the handout, the County has a couple of bond issues that are taxable bond issues as opposed to all the rest of your debt is tax exempt. If you will recall, we had to do a couple issues taxable so that we could otherwise refund some debt when we were restructuring debt in 2004 that otherwise was ineligible at the time to be restructured. So, we have these two taxable issues. The larger of the two is the Series D of 2004. That is one of the three issues that was part of the big restructuring plan last year. There is about \$14.8 million of those bonds outstanding. We talked about taxable bonds having a higher interest rate than tax exempt. That is why you always issue a tax exempt when you can with a few exceptions of when there is refunding issues and things that we have to use taxable, we'll do that. Because of those higher rates, we looked at this issue as one that would make a lot of sense to try and lower your cost on that taxable debt. Using a Basis Swap is one way that you can achieve that.

On page 3, the mechanics of how this will work is that you are just agreeing to exchange variable rate payment streams. Under the first bullet point, you see that the County would pay RBC, the Royal Bank of Canada, the BMA index, Bond Market Association Index, that is an index that is very similar that is basically tracking variable rate debt of all issuers across the country. In exchange for that, you will receive 67% of the Libor Index. We've talked about Libor. It is a big international index. We adjusted and took 67% for tax exemption, so that 67% of Libor should work out to about where the BMA Index is. What you're doing is exchanging these variable rate payments. We picked 67% of Libor because when you look back historically over time that should perfectly average out where the BMA has tracked. That's the goal. That is you're not paying anything different at these two indexes then what you receive versus what you pay. It should work out very similar. The basic risk that we talked about in this

transaction is that you are exposed to the risk of future tax law changes. I think we had this discussion back in April about deficits and where we were. We were obviously comfortable to bring this as an opportunity to you where there seems to be value to take that risk. I think in light of and unfortunate circumstances over the last couple of weeks, it seems less likely that we're going to see any type of significant tax cuts in the near future. The other reason that we picked that Series D of 2004 Issue is that it only goes out ten years. So rather than picking any of your other debt that goes out twenty years where you would have this risk. It is a risk that you will have for ten years. Looking at the deficits and the situation with the war, and the Katrina cost, it sure seems unlikely that in the next ten years, we would see a major tax cut which is the only way that this transaction would start to cost you more money than what we will show you here in a little bit.

Page 4 is just graphically the illustration of exchanging those payments.

Page 5 is the important chart that shows that over time, BMA versus 67% of Libor, they average out as you can see since 1985 in the last twenty years when you take 67% of Libor, that perfectly matches where BMA has been the last twenty years. You can see that the line is fairly consistent. There are times where it is lower. There are times where it is higher but they do average out over time.

To see the potential benefit, that is shown on page 6. When we presented this option to you back in the Spring, it was presented either with an option to take an upfront benefit payment or take the benefit over time. I think you wisely chose to take the benefit over time in this situation in terms of what you are trying to accomplish. Here you will see in column 4, what we're expecting the annual savings to that bond issue to be. Basically these annual payments would come in and be used to offset the payments on the Series D of 2004 bonds. The number that is important, is column 3, that is the number that would get locked in tomorrow depending on market conditions. As of the end of the day yesterday, we would be able to receive 67% of Libor plus 35 basis points. So it is calculating what your principal amount is in column 2, times column 3, the 35 basis points, gives you what the projected savings will be.

Even if there is a tax event, say five years from now, something changes that that ratio is not lining up perfectly, before the County would ever actually be paying anything on this swap, you would have to see 35 basis points of spread develop between those two lines that we were just looking at. You can see if you zoomed in on the chart, there have never been times when they have been apart that much so 35 basis points is a pretty good cushion to insulate you from those tax events. Maybe one year instead of working out to be 35, maybe it is only 30. But over time, it should work out closely to this.

Column 4, then shows your annual savings that would come in. Obviously, it decreases because these payments are calculated on your outstanding principal. Of course, in column 2, you make a principal payment each year. The other thing and you can rest a little bit easier about is the fact that you're paying down your principal. Therefore, your

risk as time goes by is also going down. So even if ten years from now there was some type of tax event to occur in 2015, you're only down to \$10 million of principal and it is not going to have as much of an impact as if something happened next year.

Total benefit in column 4, that is projected at \$505,000 and that is net of fees which I'll talk about next when we get to this other document. Again, this is where we are right now. Hopefully, we can do a basis point or two better tomorrow when we do the pricing. Then Mike will have a final spread sheet once we lock in that fixed margin of 35, 36 or 37 basis points.

The other document that I wanted to discuss that goes with this, that is required under state law, when you do an interest rate swap, that is the document labeled interest rate management plan. This is a document that we have prepared for you before in conjunction with your other swaps. It is prepared in conjunction with the Harrisburg Authority Swaps that you guarantee. We've had to update this and make it reflective of this new transaction. On page 1, the cover is basically describing who you are entering into the agreement with that is RBC. That is who your other three interest rate swaps are with. It has some of the details listed. I would point out to you on page 2, kind of unrelated but we have to reference it here. This is all news and that is the third paragraph from the top of the page, is the updated information regarding the swap that was executed for the Harrisburg Authority on the incinerator project that now permanently locks in a fixed rate on all of the financing on the incinerator through 2033 at a rate of 3.35%. Just to refresh your memory, the assumptions when that financing was put together, was that the variable rates would average 3.35 over the next twenty-three years. That was a little bit of an aggressive assumption. Now that rate is locked in with that new swap that was put in place just a few weeks ago at 3.35 through maturity of those bonds in the year 2033. So we reference that since you are a guarantor of that transaction.

The rest of these schedules are a lot of numbers that we have to run that go into this plan showing various scenarios. Page 19, just want to point out, shows the two fees that are associated with the transaction. Then the rest of the schedules have different tables in terms of calculating your tax risk and what happens if there was a tax change that would change that ratio of BMA to Libor. There are a lot of different schedules that we had to run.

I would be happy to answer any questions. I think the timing is good to now execute this. There was a point where that +35 was much, much smaller where it would of made no sense to lock in at that point in time. So we have seen the relationship go back to historical norms. I think it is the right time for the County to move on this opportunity.

Mr. Haste: Will this document reflect the actual number because it now says, 31?

Mr. Verdelli: Yes, right now you are approving this and because the transaction would get locked in tomorrow, then that number gets plugged in and once everything is final that is what we send to the state.

Mr. Haste: So you will update this?

Mr. Verdelli: Yes.

Mr. Haste: Do you see what I'm talking about? I see the blanks. Go down to the third paragraph.

Mr. Verdelli: The plus 31 we'll change that to whatever.

Mr. Haste: You left it blank up here.

Mr. Verdelli: Right.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to adopt Ordinance #4-2005; motion carried.

Ordinance No. 4-2005 of the Board of Commissioners of County of Dauphin, Commonwealth of Pennsylvania, amending Ordinance No. 4-2004 (authorizing General Obligation Bonds, Series D of 2004), to establish and authorize a maximum rate on net payments (excluding principal) due on said General Obligation Bonds, plus periodic scheduled payments (which exclude termination payments) that may become due under the qualified interest management agreement approved herein at the maximum rate specified in such qualified interest rate management agreement; authorizing and approving qualified interest rate management agreement (interest rate swap agreement) with respect to said General Obligation Bonds; setting forth the substantial form of the qualified interest rate management agreement; setting forth and adopting an interest rate management plan; declaring the manner in which the qualified interest rate management agreement is to be awarded; making certain covenants of this county which are intended to secure the qualified interest rate management agreement; approving a swap insurance commitment with respect to the qualified interest rate management agreement; authorizing appropriate officers of this County to take certain actions and to sign certain documents; and containing related provisions.
(A copy of the entire Ordinance is on file in the Commissioners' Office.)

Mr. Verdelli: I would also add with the authorization for Mike..

Mr. Haste: We'll do that separate. We need a motion to have our Budget Director, Mike Yohe, have authorization to finalize the transaction tomorrow.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco authorizing Mike Yohe, Budget Director, to finalize the transaction tomorrow; motion carried.

Mr. Haste: Next we'll have the Amtrak presentation.

B. Mitch Warren, Senior Director, Government Affairs; Mark Wurpel, Director, Project Initiation and Development, Engineering Department; and Rich Esposito, District Manager for Stations

1. Amtrak presentation

Mr. Warren: Thank you for having us here today. I am Mitch Warren. I work with our Government Affairs Department based in Washington, D.C. To my right is Mark Wurpel. He works with our engineering department based in Philadelphia. Behind us is Rich Esposito, who is our District Manager for much of the Keystone Corridor, in fact much of the state of Pennsylvania. He is based right here in Harrisburg.

We have a power point presentation today. We are going to go through three basic topics.

First, I'll give a little background on the Keystone Corridor. What it is. Mark is going to talk for a few minutes about the work that we are doing to improve the Keystone Corridor. There is some exciting work going on between Harrisburg and Philadelphia that we want to give you an update on. Then I'll finish with a brief update on what is going on in Washington with Amtrak's appropriation and reauthorization.

First is the map of the Corridor showing all the station stops between Harrisburg and Philadelphia. The Keystone Corridor also goes on up to New York City. It is 104 miles between Philadelphia and Harrisburg. There are ten round trips a day. About 6 or 7 of those continue on to New York City. Much of the Corridor really connects Harrisburg with New York City. Amtrak operates this Corridor in partnership with the Commonwealth of Pennsylvania. The Commonwealth subsidizes for the weekday round trips. Amtrak subsidizes the rest of them. In 2005 the State is putting in about \$6.2 million in operating funds for its piece of the Corridor trains. Most of the trains have a 2 hour trip time right now between Philadelphia and Harrisburg. A few of the express trains that have a limited number of stops can do the trip in one hour and 45 minutes. In 2004 the ridership between Harrisburg and New York City was 900,000. 637,000 of those are between Philadelphia and Harrisburg. This ridership has been growing. In 2005, we expect the ridership for the whole Corridor to break one million people; for the ridership between Harrisburg and Philadelphia, to break 700,000. Of course, once the improvements are complete, we really expect it to take off and see a huge increase in ridership.

To give you some real quick facts about where the people are going, you can see that the ridership in Harrisburg is 317,485 and in Middletown 22,199. You can see where people are going who are traveling on Amtrak from Harrisburg. Philadelphia is the most common destination. You can see Lancaster, New York, Elizabethtown, and Mt. Joy. The ridership on many of those corridors is increasing. In 2005, particularly for New

York, Elizabethtown and Mt. Joy, the ridership is a paced increase of about 15-20% for each of those destinations.

The Keystone Corridor is a busy one. In addition to our 22 trains, we have 10 round trips from Philadelphia to Harrisburg. We also have one round trip a day that goes New York, Philadelphia and Pittsburgh. SEPTA runs a lot of daily commuter trains. Most of those are between Philadelphia and Paoli. They do all the local stops in that area. Norfolk Southern runs a number of freight trains. That is a growing business, too. Norfolk Southern has been a partner on this project. They are putting a little bit of money into and are going to be getting some benefit out of it.

The Keystone Corridor Improvement Project began around 2001. Amtrak has had a great relationship with the Commonwealth of Pennsylvania both during the Ridge Administration and now during the Rendell Administration. The agreement was originally reached with the Ridge Administration. Then you may remember Amtrak had a little brush with bankruptcy in the summer of 2002. The whole program was put on hold briefly. Governor Rendell and our President David Gunn got together for a couple of meetings and were able to come up with a new agreement and revive it. We are going to be putting in at least, maybe more, \$145 million to be split equally between the State of Pennsylvania and Amtrak. We already spent \$42 million through 2004. By the end of this fiscal year which ends September 30, we are expecting to spend about \$57 million this year. So the work of the Corridor is really taking off. It is amazing how quickly we're able to do these improvements with the cooperation of Pennsylvania. The Corridor had been neglected really for a long time. Without this program, we were at the risk of losing service on the Corridor completely down the road. You may remember the rides had been really uncomfortable. There were jointed rails so they would go click clack down the rail. We're replacing those and Mark will talk more about it. We will be replacing those with new tracks that will give a much smoother ride. It will allow for faster service.

Mr. Hartwick: Where are you getting the new rails from? Tell me Steelton.

Mr. Wurpel: I don't know the answer although they have to do it by competitive bids.

Mr. Warren: I could find out and let you know.

Mr. Hartwick: That would be good to know.

Mr. Wurpel: There are not many suppliers left.

Mr. Hartwick: Plus the transportation costs and all that. It certainly would be a lot better. I've got to do a sales pitch for Steelton. If we are going to be involved in the project, we want to keep the business here at home.

Mr. Warren: There will be four additional round trips. We actually have added one of them. We used to have a three rivers train that went from New York, Philadelphia, to

Chicago. We eliminated that train last year but we decided to keep the New York to Harrisburg portion of that train. So that gets us up to ten round trips. We are still going to add another three once the project is completed next Fall. Right now, we're using diesel trains. It's going to be all electric. It's going to be only electric service outside of the northeast corridor in the country. That allows us to go 110 miles an hour. Because of all the improvements that we are making to the track infrastructure and by going to all electric services, we're going to save about 15 minutes in trip time between Harrisburg and Philadelphia. For the express trains that will be 90 minutes from Harrisburg to Philadelphia. We'll save 30 minutes between Harrisburg and York. That's largely because we won't have to switch from electric to diesel or diesel to electric in Philadelphia. So we'll save 15 minutes. We'll have much improved ride quality. Parts of the corridor, has already significantly improved the quality and that will continue. We're going to allow heavier freight cars, which is a benefit. I just wanted to give you some of the details of some of the work that we're doing. I think the Keystone Program is a real opportunity for Dauphin County and the City of Harrisburg. It's going to connect Harrisburg to Philadelphia and New York with almost hourly service. It's going to be fast service. It's going to be a reliable service. We think it is going to provide a great competitive advantage when the County and the City go out looking to attract new residents and new businesses. I think the connection that we're going to have and already have is the much improved connection with Philadelphia and New York. I think it is going to be a great thing for the County and for the City.

Mr. Haste: What is the earliest time leaving Harrisburg to Philadelphia and what is the last time coming back from Philadelphia?

Mr. Esposito: The schedules next Fall when we have this done are going to change and we're going to work with PennDOT on making sure that it works for the State and for us. Right now the first train out of Harrisburg is 5:15 a.m. and the last train from Philadelphia to Harrisburg, during the week it is 8:15 p.m. and on weekends it's 9:00 p.m.

Mr. Haste: Are you going any later with that one?

Mr. Esposito: The decisions haven't been made. With the extra trains they are going to try to fill some gaps in the middle of the day. Whether they move some trains later, that certainly is something that we are open to hearing feedback from the localities in the County and State. If you have strong feelings on that, please be in touch with us.

Mr. Haste: I used to use that evening train and go to Philadelphia quite a bit for functions. I can't do that any more. At 8:15 p.m., you're in the middle of most functions and usually if you have to leave a function, I would have to take the subway to get to one of the stations.

Mr. Esposito: I will check on that. Obviously, with the extra round trips we'll have some flexibility in adding trains and making the times more convenient for people. I'll bring that up.

Mr. Wurpel: As Mitch mentioned we've been hard at work since about 2001 improving the lines. I will go through a couple of slides that highlights each program and what we have accomplished to date.

The track program is the biggest of what makes up the Keystone Program. Since we've started we installed 68 track miles on continuous rail to rail between Harrisburg and Parkesburg, PA. Also, we've installed 57 track miles of new concrete ties between Lancaster and Parkesburg. That work is just finishing up this month. As a result of that work, for anybody that has ridden the train in the last month, speed has increased between Lancaster and Parkesburg and went from an average of probably about 75 to 110 miles an hour. So it is a direct benefit. Basically, the minute the work is done, they survey the track, measure it and we're getting the direct benefit of that. The trip time is already getting shorter. Also, the track program which is really a direct support of the fleet operations, we've already replaced 28 tracks which are along the line. Those are switches that serve industries between Middletown, pretty much east of Parkesburg. So that has been completed.

Our signal program, we're installing a new signal system between Harrisburg and Lancaster. That work began this year and will probably run through the end of 2006. Some may know a lot of infrastructure out there especially the signal system is 1930's vintage. So it is about time that it gets updated.

The electric traction which is the term for overhead catenary wires that we're now going to be using again on a full-time basis, we've replaced about 19 circuit breakers at various substations along the line. These are circuit breakers that provide for the 12,000 volt overhead catenary system that powers both Amtrak and SEPTA. We've also removed 18 bridges and culverts along the line between Harrisburg and Philadelphia.

In 2006, our program is even bigger. Our focus will be, where we're going and what we're going to be doing. Again, we will be installing new concrete ties and continuous rail-to-rail starting at Paoli and working eastward to Philadelphia right down to the station on two of the four tracks. At cork interlocking which is in Lancaster and interlocking which is Middletown, we're replacing all the interlocking switches there, the signal system and the catenary. So that is a big project for us. Some that might have gone to Lancaster recently have seen that we have already removed two of the outer tracks. So we are down to two tracks in the middle. As a result of moving those tracks, we've got temporary walkovers that we will be replacing with platform extensions so that the high level platforms extend out. The benefit of doing that is up until the trains leave the tracks, the trains will need to divert into those sidings which actually took time to off load the passengers. Now the trains will just stop on those main tracks. It is probably a good 2-4 minutes time savings for us.

We'll continue on the bridges. We've got another 8 planned. Again, we're working on the substations in the overhead catenary system, getting it upgraded so that we can

provide reliable service. As I mentioned, at Lancaster station, we're actually extending the platforms outward from the existing platforms to meet the two inter-tracks that now exist.

If there are any specific questions on the details, I'll be glad to answer them.

Mr. Hartwick: I just sat through the presentations this morning on the Transit Partnership and the Light-Rail project. What is the cooperative relationship you have with MTP? One of the first things that is going to be provided obviously is the trip from Lancaster to Harrisburg in the plans. What is your role in that? Obviously, does that enhance what you're attempting to do with all of the upgrades? Is that a part of the thinking in that process?

Mr. Wurpel: First of all, our relationship with them is we have an agreement with Gannett Fleming. I guess CAT chose to enter into an agreement with us to assist them in reviewing and improving their designs for their infrastructure improvements. It is really at the conceptual level. They've given us some preliminary track layouts for Harrisburg. At Lancaster, we've taken into account whatever future service they may have in the future. So we left certain tracks in to be able to accommodate that service at Lancaster. But it is still in the preliminary design. But we are working with them to move that along because we own the assets so whatever they would build out there, bridges, tracks, and stations; they certainly need to get our approval to do that, because we own the right-of-way.

Mr. Esposito: We do have a good partnership with them. We meet with them quarterly from a corporate standpoint to review any of their operating ideas or initiatives. I also sit on two of their committees locally here in Harrisburg to provide any assistance. It is an ongoing partnership that we're trying to support their initiatives and get them whatever information or cooperation. I know they have just submitted a new proposal to us on an operating agreement within the last couple of weeks. That is being reviewed and we'll comment back to them.

Mr. Hartwick: The idea is you will be operating the trains that run.....

Mr. Esposito: That needs to be determined at some point when they are ready to go into operation. They would probably put that out for bid. Obviously, Amtrak could be, hopefully, be a partner that would bid and win that bid to operate that service. We're in the best position to do it.

Mr. Hartwick: I saw the numbers between Mt. Joy to Lancaster, that is the first stage of that Modern Transit Partnership Light Rail piece. Do you view that as something that cuts into that current business or enhances the current business? Because, I don't know if the numbers based upon how many trips that you run back and forth from Lancaster to Harrisburg, would that obviously be an enhancement? Or would that be in competition to what you are currently doing?

Mr. Esposito: I wouldn't say it would be in competition. It would be covered in the operating agreement. Obviously, if we lost part of our business to Corridor One picking that up, that would be covered in the operating agreement and cross honoring agreements. Amtrak's and the inter-city's service, on the Keystone Corridor we have a very large commuter market. Corridor One's vision is to take over that commuter market putting us back into the position to run inter-city rail service. As far as revenue, and things of that, that would all be covered in the operating agreement so that everybody is compensated to meet their budget expenses.

Mr. Hartwick: The difference is there are going to be many more stops on the commuter rail line versus yours. That may obviously put you in a position to even offer more speedier travel to and from your locations that you are expecting to take folks from.

Mr. DiFrancesco: Looking at all the good things that are happening right now, I guess the geography of this line, will we ever see a time where we can improve further the speed of the trains along that line to cut down further the trip time from Harrisburg to Philadelphia or are there reasons why probably what we are seeing with modern technology, this is about as good as it gets for now.

Mr. Wurpel: Higher speeds are available in the tangent track or the straight track. Under FRA regulations, we're limited to 110 miles per hour for now. On the Corridor we could do 150 in some selected areas up to Rhode Island. What that triggers when you go above 110 miles per hour, that is called access. It is an automatic system that senses the train is going to fast and stops it. It is a very expensive system that would have to be installed. We've had to do that on the Corridor. It requires all of the equipment. The freight trains and commuter trains need to be equipped. So it is a big ticket item. I'm not sure with the Harrisburg line, it's very curvy. Anybody especially east of Paoli, you could put the best components in the world and you're going to be limited to 80 miles per hour. There are 103 curves so the faster you go the faster you've got to slow down. My sense is, I think 110 is going to be the maximum. What we've got to work on is getting concrete ties and rails in these additional stretches that we don't currently have funded. We did make some improvements from Lancaster out to Harrisburg but that was simply to add rails and upgrade the wood ties. As funding permits in the future, we should be looking to put concrete ties and premium components out there so we can get that speed up to 110. The short answer is, it would be very expensive to go above 110 but we can work on selected areas to decrease it.

Mr. DiFrancesco: Not to take anything away from what you are doing, because obviously the upgrades are very, very meaningful and significant. I would expect your numbers to continue to increase in terms of riderships especially with the fact that gas and tolls continue to increase.

Mr. Warren: I will give you a quick update as to what is going on in Washington because that does impact.

Mr. DiFrancesco: May I ask one other question? Can you provide us with an update on the rail station at the airport or did you already talk about that while I was out?

Mr. Wurpel: As a matter of fact, just last week, it has been kind of complicated. I guess there are money issues as well as agreement issues. Just last week, all the agreements that had to be signed by SARAA, the airport authority, were signed in one day and returned to Amtrak. I understand the one agreement that PennDOT needed to sign, it was a reimbursement agreement, was hand delivered to them yesterday. Norfolk Southern, as I understand, has already signed the two or three that they had because there was land swap and easement issues. Probably from an agreement standpoint, I would think all the agreements should be executed within the next 60-90 days. From a funding standpoint, I think there are some issues with PennDOT in getting that funded. My sense would be, I personally don't see construction much before very late 2006 or 2007. That is kind of hear-say through PennDOT on the money.

Mr. DiFrancesco: The fact that the agreements are being signed is a good step forward. We'll take it as a plus.

Mr. Warren: With our 2006 appropriation, in 2005 the current fiscal year we received \$1.2 billion from Congress. We requested \$1.8 billion. We request of \$1.8 billion again for fiscal year 2006. The President's budget that came out in February as you may remember had zero for Amtrak so we started in a hole. The House Appropriations Committee gave us \$570 million. On the House floor there was a big debate and a vote to increase Amtrak's funding to \$1.2 billion to match the funding level for FY2005. The Senate went up to \$1.45 billion. Secretary Mineta has said that he would recommend a Presidential veto of the bill if it funded Amtrak at the Senate level without some of the reforms that the Administration wants. The Senate Appropriations Committee has approved the bill. It still has to go through the Senate floor. There will be a conference probably this month or next month with the House. It is extremely important to us to get the Senate level \$1.45 billion. The difference between \$1.2 and \$1.45 billion is pretty much capital. If we want to continue the work that we are doing on the northeast corridor, rebuilding the track there, the work that we're doing on the Keystone Corridor, the work we're doing with our equipment nationally, we need the capital funding to keep improving it. There was a long period where Amtrak did not keep up due to some funding shortages with its capital work. It is David Gunn's number one priority to bring the northeast corridor to the state of good repair, to save and improve the Keystone Corridor and to get our equipment improved so that you don't have the breakdowns and you have a more comfortable ride for the passengers. That is something that we can continue doing but we need to get the \$1.45 billion to do that. We've had great support from much of the Pennsylvania delegation. Governor Rendell has been a good supporter. Senator Specter, given his senior position on the Appropriations Committee, has always been a key factor in helping us get the funding that we have. We look forward to continuing to work with the State and the delegation to get the funding

necessary to keep the good work that we have going on right now into the next fiscal year.

The last piece is just an Amtrak reauthorization. Our last reauthorization expired in 2002. We have not been reauthorized since. Just before the August recess, the Senate Commerce Committee approved a reauthorization proposal. It is a bipartisan proposal. Senator Lott from Mississippi and Senator Frank Lautenberg from New Jersey were the main sponsors of it. It's going next to the Senate floor. We're not sure of the timing of it. I won't go through the details except the last point. It creates a state capital grant program to provide capital grants to the states much the same way the federal government does with highways, airports and transit. So you have an 80% federal match from the federal government and a 20% match from the state. A program like that is critical if corridors like the Keystone Corridor are going to succeed. There are a number of corridors in other parts of the country. I was in Richmond with David Gunn two weeks ago and they very much want to do what we've done here from Richmond to D.C. Wherever David Gunn goes, he always holds out the work we're doing with Pennsylvania as a model of how to rebuild a corridor. That \$150 million investment or so that we're putting in, the marginal benefit that you're getting in transportation terms is a fairly modest investment. It really is amazing the bang for the buck that you can get from rail improvements just because so little has been done. There is a lot of low hanging fruit out there to improve rail corridors across the country. It won't happen unless the federal government puts rail on the equal footing with some of the other modes and allows states to make a real choice. If they want to do a project, they don't have to say, well I'm not going to do a rail project because there is no federal funding. They could decide if a highway project makes the most sense they will do that. If it is rail, if it is transit, if it is aviation, they can do that. It is a fair competition between the modes and based on what the state needs not based on what the federal match is. That is something that I think is important. We are just very happy to see a debate start in Congress. We haven't had that debate the last few years. There are a lot of good things that can be done. Especially with gas prices the way they are, they are going to be pretty high for a long time. We need to promote rail as an alternative. Hopefully, Congress will debate the reauthorization, debate some reforms and make sure the funding is available not only to Amtrak but to the states to develop corridors much like we're doing right here in Pennsylvania.

We would be happy to answer any additional questions.

Mr. Hartwick: You don't have a rate schedule with you do you?

Mr. Warren: We can get that for you, too.

Mr. DiFrancesco: Obviously, there has been a very significant public discussion going on in Central Pennsylvania now for quite some time regarding Modern Transit Partnership. It is not simply the project in and of itself but a more broad philosophy of how do we overcome the very expensive transportation issues that face this area.

A couple of things that I have learned over the years being involved with the Corridor One Project, and honestly, I got upset when I learned this. I became very upset because I believe that the passenger rail system in America is one of our most valuable assets that needs to be preserved and protected. Unfortunately, over a number of years, we have lost access, and we lost right-of-ways. We've had rail lines centered to the point where there used to be may be three tracks now one track exists and that track is controlled by somebody who doesn't really want to give it up to additional access. I honestly believe that we have reached a very dangerous level in terms that we've given up an asset that was very important and I think we need to start building that back up again. The other piece of it is the whole public discussion. Americans love their cars. I spent some time out in the western part of the country in the Los Angeles area and I found it amazing that they have the seven lanes of highway that are in absolute gridlock. They have the one path that is a vehicle lane that is absolutely empty. There is nobody in it. That tells me how much Americans love their vehicles. They would rather sit in hours of traffic than jump into a lane and just go where you want to go. The whole discussion about where we are here in central Pennsylvania reflects the fact that it is much easier for someone to get a free subsidized parking pass than it is to get transportation vouchers to ride mass transit. There are a lot of issues that we need to talk about. We need to bring the level of this discussion up a couple of notches. I would really like to see you guys be a better partner than you are right now. I know you are involved in the Corridor One Project but if you take that to the next level and just say, the public debate over transportation in America, I would love to see you using your muscle along with the folks in this local area that are doing it on sort of the grass roots level to help promote that message. I would like to devise a plan that has been well thought out and built before we have to get to that crunch crisis time where now we are trying to put a rushed system together. This project definitely has to move forward. I think it makes sense. The Corridor upgrades obviously make a lot of sense because, I for one, believe that going back and forth to Philadelphia, especially for work when you're downtown. I mean I have used the train a lot. It is a great option. It is a fantastic option. It is a less expensive option when you think about parking downtown and what it costs with tolls and everything else as I had mentioned before. I for one would invite you to look for ways to challenge us to bring you in as a better partner and try to build the visibility of this discussion up. Also, in terms of Washington, the partnerships that go on, if you could answer one question for me. I know there were some issues popping up, what are criticisms in Washington that you are hearing in terms of why they don't want to fund? I know there was a big discussion, I guess it was last year in the Senate in terms of where this is going. What are some of the issues, where maybe we can be better educated and be a partner with you?

Mr. Warren: I don't want to speak for the Administration and I would rather have them characterize their issues. One of the hot button issues has always been the long distance trains. Should they be subsidized? How much should they be subsidized? Should they have food service? Should they not? That is an ongoing issue. We hope that is an issue that will be discussed as part of an Amtrak reauthorization so that Congress can make a decision with the Administration about whether they should continue to be funded and how they should look, whether we should get rid of some

trains, all the trains. I think our President, David Gunn, believes that the long distance trains, our operating basis since we run over freight tracks, don't add a lot of money to our bottom line because it is a lot cheaper to run because it's not our tracks. We are not maintaining the tracks. We certainly lose money on them. But it is the only transportation option from many of those communities. They don't have intercity bus service. They don't have aviation service. Certainly whatever Congress decides, we will follow. That is an issue that continues to come up and I think needs to have a full debate in Congress.

Mr. DiFrancesco: One of the other thoughts that came out of this morning's breakfast, was that and it is very true, all too often, it seems like its roads versus mass transportation. It shouldn't be because both components are incredibly important to every community. You know you are always going to have commerce taking place, trucks transferring materials and goods back and forth. There are a lot of people that drive to work every day but don't like sharing the roads with those trucks. So here is an option to get them off the road. I mean these two projects go hand in hand. I realize there are forces out there that just want to build and pour more and more concrete and expand roads and make them bigger and bigger. But in reality we cannot continue to do that. At some point we have to realize that good community planning means that there is room for both and both are a necessity. That is why I'm saying, we need to really partner. We need to push this message a lot more. I think the Harrisburg area is a real good example of how...you know we got a major push behind this mass transit project and at the same time from the State perspective we continue subsidized parking and continue to promote people getting into that individual vehicle and coming downtown even though our highways are at a level of congestion. There has to be a public discussion and public education campaign that shows people that it is not...in communities where there strong mass transit system, it is embraced. People use it and people love it. People ride it often. We've got to get to the point where people in this area who are not used to having such an aggressive transportation network understand that it is a really good thing in a lot of different ways, economically, and personally. I for one look forward to partnering with you anyway we can.

Mr. Warren: There are at least a dozen corridors around the country where the states have invested money and are ready to go if there is a federal program. They want to do just what Pennsylvania has done. You have a bit of an advantage because Amtrak actually owns the track between Philadelphia and Harrisburg. In other states it is usually on freight tracks which make it more complicated.

Mr. DiFrancesco: There were some real projects here locally and we thought wouldn't it be great to do a test run. We know these roads are going to be tied up. We know they are going to be shut down. We know people are going to be forced to have commutes that go from now say 20 minutes to a half hour to maybe even an hour plus, let's run a train on a test basis. Well you know what, we couldn't even get access to the tracks to do a short term test like that because they were owned by people who basically are moving freight. Understandably so, they don't want passenger lines on their freight lines because there is liability and there are challenges with when the trains are moving,

etc. I understand that. It is just a shame on a national level that we have given up such a great asset. Nobody saw that and maybe at some point in the future we may go back and start using these again.

SALARY BOARD

Mr. Haste: We will move into Salary Board.

(A complete set of the Salary Board Minutes are on file in the Commissioners' Office.)

PERSONNEL

Ms. Sinner: I have no changes to the packet as it was presented last week. I do have an addendum. It is for two new hires.

Mr. Hartwick: Why do we have this one this week if it is for next week?

Ms. Sinner: I didn't know it was for next week. I was told to make sure you had the paperwork this past Monday so I thought it was meant to be an addendum.

Mr. Hartwick: So we aren't going to act on it this week but next week?

Ms. Sinner: I got a call this morning that the intent was to have that put through in next week's workshop.

Mr. Hartwick: So we're not going to act on this today?

Ms. Sinner: No, and you won't act on it next week. You will act on it.....

Mr. Hartwick: Who did you get the call from?

Ms. Sinner: Jule called me. George was with her this morning and explained it to be for next week's workshop.

Mr. DiFrancesco: Does anybody know off hand, how many vacancies are there right now or aren't there any vacancies?

Mr. Hartwick: There are none.

Mr. DiFrancesco: There are no vacancies, okay. I have questions about this also. I'll talk to George about it.

Mr. Haste: My understanding is, that they may be asking for several.

Mr. Hartwick: I met with Judge Lewis and Judge Evans earlier this week to discuss some of the issues they were having related to the hold up with criminal court, the back

up of death penalty cases, and a number of issues related to the Public Defender's Department. I reiterated the concerns of the Commissioners about the positions also to try to make sure the Public Defenders are not doing jobs that they are not suppose to be doing and concentrating on the criminal and required aspects of their job. All those comments were relayed. I believe Judge Evans and Judge Lewis are going to be working on getting a handle on their actual caseload, taking a look at where the stops are in the system and moving forward with a few recommendations on what it is going to take in order to address the backlog.

Mr. Haste: I had the same meeting.

Mr. DiFrancesco: When the President Judge comes and says basically that the system is in need again, the only thing I can do as a non-practicing attorney who has no day-to-day working relationship with the courts is to say that is something that we have to take a good serious look at. Knowing Rich's background, if he comes and says that office is in need that is a pretty good sign that they are.

Mr. Hartwick: It was ironic because I think this is the first time in the professional career of the former D.A. that he has ever come to ask for additional public defenders #1. And #2, there needs to be a full assessment including the upgrade of our scheduling, software, the legal edge software, and take a look at the road that that office is managed in order to make sure the people are being assigned and used effectively prior to us authorizing any new positions. That's the direction we are going to be taking.

Mr. Haste: Actually, when I was talking with the President Judge, we were laughing about how in former years when the D.A., which was Rich, would get something, the P.D., which was Scott, would come in crying that he wanted the same thing. Over the last few years if you just look at the numbers you can see that gap has grown quite a bit.

Mr. Hartwick: Twenty-four to his ten.

Mr. Haste: I think the former Public Defender who is now sitting on the bench is reviewing all that and leading the charge.

Mr. Hartwick: He is.

Mr. Saylor: Commissioners, may I ask is this a subject suitable for the personnel packet for next week or is this more suitable for the budget debate for next year?

Mr. Haste: We will see.

Mr. Hartwick: I think there is going to be an immediate need that we need to address but also it is a long term budget concern that will be addressed at the appropriate time.

Mr. Haste: As I said to the President Judge, if I had to be an attorney, I would rather be a D.A. than a Public Defender. It is just my nature. As Chairman of the Prison Board, I really like Public Defenders. With our numbers creeping up, I really like Public Defenders.

Mr. Hartwick: You want to keep them out.

Mr. Haste: Right.

Mr. DiFrancesco: At the end of the day, we want to make sure the system is working as it should.

Mr. Haste: With that, is there a motion to approve the personnel packet with the two addendums?

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to approve the personnel packet as presented with the two addendums; motion carried.

PURCHASE ORDERS

Mr. Baratucci: You should have received an updated packet. All the budget issues were resolved. This week there happens to be quite a few add-ons to the packet. I want to bring those to your attention. All of them did get oversight approval.

The first one is on page 2, for the Budget Office, they have a printer that died and needs replaced. Same thing happened on page 3, in Tax Assessment.

On page 6, you were just discussing, there is an agreement in your packet today. You are going to approve an agreement for some work on legal edge software in the Public Defender's Office. This will be the purchase order that will go along with that contract that you are going to approve.

On page 9, there are a couple items at the bottom for the Courts involving also a combo unit, a fax, printer, scanner, copier unit for the Court Administrator's Office. There are some recorders for the Juvenile Probation Office. I think they discussed having to record some cases now. There is a new paper shredder.

The last one is on page 20, that is an item that was discussed last week. It has to do with the repairs at Adult Probation to the Security System.

Mr. DiFrancesco: The fax, printer, scanner and copier, is this appropriate for the needs? Those multi-use pieces of equipment usually are not designed to handle heavy loads. Is this a decent.....

Mr. Baratucci: That is why Tom is here, also. Tom does review all of these and we have been very skimpy on approving these types. Maybe Carolyn can answer that too. There was a reason why they approved this.

Ms. Thompson: This actually goes into my office for my secretary. We do need the multi-unit. We do need different pieces of equipment. She does a lot of faxing from her desk for our conflict counsel. She faxes schedules out. She doesn't use the copier aspect of it as much. I don't think it is as economical with the ink. She needs the fax and it is tied up to the printer and is our backup printer for the different other computers in my office. She may not use the scanner but printer and fax part are crucial. We do need something a bit more heavy duty.

Mr. Guenther: The multi-function units are better today than they were in the past.

Mr. DiFrancesco: Okay, it almost goes counter to the discussions that we've had in the past. I just wanted to make sure before we buy a piece of equipment it was going to hold up for the job.

Mr. Baratucci: There are only a few of these and I think this situation is really unique. It works for this situation.

Ms. Thompson: And for the record, Carol and I were not the ones looking through books trying to figure it out. We did go for guidance. I would not trust my judgment or Carol's in getting tech equipment.

Mr. DiFrancesco: I assume you went to I.T. for guidance?

Ms. Thompson: I assume it was I.T.

Mr. DiFrancesco: I just wanted to make certain.

Mr. Baratucci: Are there any other questions on the add-ons? (There were none.) The only other thing that I have is the first Blackberry approvals. They were also attached to your packet. There were two. When you make a motion today if you could act on those and there are signatures required. So when you sign the purchase order packet, if those are okay, if you could sign those and get them back to me we're going to get our program up and running on the Blackberries. Both of these are non-general fund funding. One is personal and one is through reimbursement for I.D.A.

Mr. Haste: I think this whole Blackberry thing is going to get out of control.

Mr. Baratucci: I guess you don't have to vote on those today if you want to take some time to review them. We can bring those up each week.

Mr. Haste: We normally get these in the workshop?

Mr. Baratucci: Normally, yes.

Mr. Hartwick: Why don't we workshop them?

Mr. Baratucci: Okay, we can hold off on them.

Mr. Haste: Why don't we do that? One Commissioner didn't have a chance to review it. Only one is signed by a Commissioner.

Mr. DiFrancesco: Actually, I'm going to open up that first one for discussion. The one I did sign because that is being paid for out of personal funds. It's not going to cost the County anything. I would request that one goes through today because that is being paid for and I'm good with it. It is prepared to come before the Board for consideration.

Mr. Hartwick: We'll table the second one.

Mr. Haste: Okay.

Mr. DiFrancesco: Is that all right?

Mr. Haste: Yes. Is there a motion?

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve the Purchase Order packet with one Blackberry approval from the oversight Commissioner; motion carried. (Blackberry is for Jena Wolgemuth)

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

Mr. Yohe gave the following report:

Report from the Office of Budget & Finance September 21, 2005

- **September 9, 2005** transferred **\$158,019.70** to the **Payables** account from the County's Concentration account for checks issued that week.
- **September 16, 2005** transferred **\$5,044,724.00** to the **Payables** account and **\$1,933,823.48** 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 \$125,021.79 rate 3.490%**
- **Balance today in Community Banks investment account \$27,000,749.16 rate 3.970%**
(This rate equals today's Fed Funds Rate of 3.750% plus 22 basis points)

- **Balance today in Commerce Bank investment account \$13,500,724.59 rate 3.645%** (This rate equals today's 91-day T-Bill rate of 3.495% plus 15 basis points)
- **Balance today in Sovereign Bank investment account \$13,500,900.93 rate 3.640%** (This rate is fixed through 9/30/05)

\$10M TRAN Line-of-Credit Status at PNC: No activity to date.

Mr. Yohe: Each of these banks, I'm hoping to see, particularly in Sovereign's case since the rates seem to be rising and maybe they could adjust their fixed rate. Again, they'll have that opportunity for next month.

Mr. Haste: It works in our favor when they are going one way and not the other.

Mr. Yohe: It worked in our favor the first two months. But they have the opportunity to change every month.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: Commissioners, I have nothing to report.

SOLICITOR'S REPORT – BILL TULLY, ESQ.

Mr. Tully: I have nothing to add and happy to answer any questions.

MATTERS REQUIRING BOARD ACTION

Mr. Haste: We have Matters Requiring Board Action, items A-X. I've been asked to pull Item K. Is there a motion to approve Items A-X, excluding K?

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to approve Items A – X, excluding Item K; motion carries.

- A. Training Packet
- B. Approval of FY05/06 Per Diem Rates between Children & Youth Agency and:
(per distributed list)
 - 1. CHOR Youth & Family Services, Inc.
 - 2. Family Services of Northwest PA
 - 3. Northwestern Human Services of Pennsylvania, Inc.
 - 4. Perseus House, Inc.
 - 5. Pyramid Healthcare, Inc.
 - 6. The Summit School, Inc.
 - 7. Valley Youth House
 - 8. Visiting Nurse Association of Central Pennsylvania
 - 9. Vision Quest National, Ltd.
 - 10. Windsor Pointe, Inc.
 - 11. Mission Home Ministries

- C. Real Estate Tax Refunds/Exonerations
 - 1. Exoneration of 2004 County taxes, penalties, interest, and bureau charges to the Gospel Fellowship Church, 1635 North Seventh St., Harrisburg, parcel #07-017-003 in the amt. of \$1,305.14.
 - 2. Refund of 2005 real estate taxes to Allison Hill II Associates, for property located at 204 S. 13th St., City of Harrisburg, parcel #02-012-015 in the amt. of \$736.47.
- D. Renewal of a Sobriety Checkpoint Grant effective October 1, 2005 through September 30, 2006 in the amt. of \$32,060 administered through the District Attorney's Office. No County match.
- E. Approval of FY2005/2006 Grant from the PA Dept. of Aging for the Dauphin County Area Agency on Aging.
- F. Satisfaction Pieces with the following individuals:
 - 1. Lang X Giang 408 Hale Avenue, Harrisburg
 - 2. Julia A. Medina 700 S. 28th Street, Harrisburg
- G. Subordination Agreements with Lydia Rivera for property located at 519 S. 23rd Street, Harrisburg
- H. Agreement between Spring Creek and Medical Staffing Network to provide Registered Nurses, Licensed Nurses and related medical staff assistants.
- I. Staffing Agreement between Spring Creek and Links 2 Care to provide Registered Nurses, Licensed Nurses and related medical staff assistants.
- J. Electronic Equipment Recycling Collection Program Agreement between Solid Waste Management Dept. and Envirocycle, Inc. for the October 8, 2005 event at HACC.
- K. Approval to Petition the Court for Approval of Harold E. Dunbar as Special Counsel for the County of Dauphin Economic Development legal matters.
- L. Consultancy Agreement with Laura Evans to assist the Public Defender Office in the implementation of "Legal Edge the American Defender" software.
- M. Purchase of Service Agreements for FY05/06 between Children & Youth Agency and:
 - 1. Family Service Partners, Inc.
 - 2. Jacobs Brother Quartet, Inc., t/d/b/a King's Kids Camp
 - 3. The Glen Mills Schools, Inc.
 - 4. Tressler Lutheran Services, Inc.
 - 5. ViaQuest Behavioral Health of Pennsylvania, Inc.
 - 6. NHS Youth Services, Inc.
 - 7. White Deer Run, Inc.
 - 8. Pyramid Healthcare, Inc.
 - 9. Families United Network, Inc.
- N. Amendments to Purchase of Service Agreement between Children & Youth Agency and:
 - 1. Bethanna – Amendment #2 FY04/05

2. Rutan Interactive – Amendment #1 FY04/05
 3. Roger Friedman, PhD – Amendment #1 FY04/05
 4. CHOR Youth and Family Services, Inc. – Amendment #1 FY05/06
- O. Purchase of Service Agreements for FY05/06 between MH/MR and:
1. Pennsylvania State University
 2. Commonwealth of Pennsylvania, DPW (Work Advancement Center)
 3. Partnership of Packer, Oesterling & Smith, Inc.
 4. Keystone Service Systems, Inc.
 5. Pennsylvania State University Contract #2
- P. Amendments to FY04/05 Purchase of Service Agreements between MH/MR and:
1. Capital Area Intermediate Unit – Amendment #1
 2. Quest, Inc. – Amendment #1
 3. Partnership of Packer, Oesterling & Smith, Inc. – Amendment #1
 4. Masonic Village – Amendment #1
 5. Family Service Partners – Amendment #1
 6. Barbara Weber, MS, CCC-SLP – Amendment #1
 7. Emily Player, MS, CCC-SLP – Amendment #1
 8. Central PA Supportive Services – Amendment #1
 9. PA Counseling Services, Inc. – Amendment #1
- Q. Homeless Assistance Program Fund Agreement for FY05/06 between MH/MR and Delta Community, Inc.
- R. Medical Assistance Transportation Program Agreement for FY05/06 between MH/MR and:
1. Center for Community Building, Inc.
 2. Capital Area Transit
- S. Approval of a proposed Settlement for the Tax Assessment Appeal of Charles Lanza, II for property located at 5943 Larue Street, Lower Paxton Twp. Tax Parcel #35-017-129.
- T. Approval of a proposed Comprise Resolution and either a credit against next year's taxes or pay a refund for the Tax Assessment Appeal of Colonial Park Properties, LLC for property located at 800 King Russ Road, Lower Paxton Twp. Tax Parcel #35-067-008.
- U. Approval of a Required Right-Of-Way and a Temporary Construction Easement with PennDOT for property located at Fort Hunter for the renovation of their Front Street Bridge over Fishing Creek
- V. Approval of Schaffner Youth Center secure detention and shelter rates for calendar year 2006 at \$453.07 per diem for secure detention and \$330.23 per diem for shelter care.
- W. Approval of Cooperation Agreement between Dauphin County and Dauphin County Industrial Development Authority for obligation to reimburse expenditures related to Development Assistance Capital Program Grants for the WITF, Inc. Project. (previously approved via resolution #15-2005)
- X. Cooperation Agreement between Dauphin County, Township of Swatara, Central Dauphin School District, and the Dauphin County Industrial Development Authority in reference to the Harrisburg East Mall Tax Increment Financing District. (previously approved via resolution #19-2004)

FORMER BUSINESS

Mr. Haste: Is there any former business? (There was none.)

NEW BUSINESS

Mr. Haste: Is there any new business? (There was none.)

ITEMS FOR DISCUSSION

Mr. Haste: Is there anything for discussion?

Mr. DiFrancesco: Obviously with yesterday's newspaper article in the Patriot, the public discussion of where we go with the County Nursing Home will take a more aggressive role on our agenda. I was out last week during my rumor control meetings and met with all shifts. I let the employees know that the time is coming to have this public debate and I said basically what triggers that will be the budget discussions. Primarily numbers that I'm seeing show that number is going to be relatively high. I let them know that a discussion would take place. It was written up in the newspaper yesterday. I assume that will also push the public discussion a little bit more and that is what I'm hoping for. I'm hoping we will have a good discussion about where we should go with this particular entity of county government simply because it is costing the taxpayers a lot. It is probably the single biggest driver in our budget right now in terms of financial health or lack of health. I'm sure we'll have plenty of opportunities to talk about the subject, but obviously we will probably be confronted more and more as we go public with people that have very strong opinions one way or another. My office received two phone calls. One for keeping it open and one against keeping it open. It was surprising to me that, that was all the phone calls. I'm sure as people start to talk about it more, we'll hear more from the public and from the employees. I did invite the employees to be part of the discussion. I wanted to hear back from them as well.

Mr. Haste: It is being talked about. I had to speak yesterday at the Lions Club, it came up. Last night I was at a picnic and it came up.

Mr. DiFrancesco: More and more, it will be a topic of discussion.

Mr. Haste: Is there anything else. (There was none.)

CORRESPONDENCE

Mr. Haste: We have correspondence, A-E. It has been received by the Board this week and will be handled by the staff appropriately.

- A. Notification from CET Engineering Services indicating Lykens Borough Authority is submitting an Public Water Supply Minor Permit Amendment to DEP for approval to use soda ash for pH adjustment, in addition to the current chemical used, lime.

- B. Received a corrected copy of a letter from the Pennsylvania American Water Company in reference to a NPDES permit for the Hershey Treatment Plant.
- C. Notification from Skelly and Loy, on behalf of Gerald Erskine, indicating they intend to submit application to the Dauphin County Conservation District for a general permit for a proposed outfall structure to be constructed along Manada Creek in East Hanover Township, Dauphin County.
- D. Notification that Meadowbrook Coal Co., Inc., has made a SMP Fly Ash Disposal application to DEP to conduct mining activities at the Williamstown Highwall Operation, Williams & Porter Townships, Dauphin & Schuylkill Counties.
- E. Notification from Dauphin Precision Tool, LLC, indicating they have submitted a State only operating permit renewal application to DEP for an air quality permit for the Dauphin Precision Tool, LLC and Machine Tool Manufacturer.

PUBLIC PARTICIPATION

Mr. Haste: We are again at the point in time for public participation. Is there anyone in the audience that would like to address the Board? (There was none.)

ADJOURNMENT

Mr. Haste: Is there a motion to adjourn?

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to adjourn the meeting; motion carried.

Respectively submitted,

Chad Saylor, Chief Clerk/Chief of Staff

Transcribed by: Julia E. Nace, Assistant Chief Clerk
September 21, 2005

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