



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

FEBRUARY 27, 2008

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; Marie E. Rebuck, Controller; Janis Creason, Treasurer; William Tully, Esq., Solicitor; Gary Serhan, Deputy Controller; Amy Richards, Commissioners' Office; Randy Baratucci, Director of Purchasing; Guy Beneventano, Esq., Solicitor's Office; Josiah Frederick, Commissioners' Office; Carolyn Thompson, Court Administrator; Fred Lighty, Esq., Human Services Director's Office; Kay Lengle, Personnel; J. Scott Burford, Deputy Chief Clerk; Ken Rapp, Chief Public Defender; Beth Barb, Public Defender's Office; Kacey Truax, Commissioners' Office; Mike Yohe, Director of Budget & Finance; Jena Wolgemuth, Commissioners' Office; Leila McAdoo, Solicitor's Office; Mike Pries, Director of Safety & Security; Diane McNaughton, Commissioners' Office; Brenda Hoffer, Commissioners' Office; Dan Robinson, Director of Community and Economic Development; Gertrude Farling, Controller's Office; Kim Robison, Director of Domestic Relations and Richie-Ann Martz, Assistant Chief Clerk

GUESTS PRESENT

Lou Verdelli, Matthew Kirk, Jay Wenger, Garry Lenton, Frank Lynch, Phil Cornell, Rosemary Chiavetta and Caitlin Smith

MINUTES

CALL TO ORDER

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

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have the February 13, 2008 Workshop Meeting Minutes that we will take up at next week's meeting.

ELECTION BOARD

A complete set of Election Board Minutes is on file in the Commissioners' Office.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time in the meeting for public participation. Is there anyone in the audience that would like to address the Board at this time?

Mr. Lynch: My name is Frank Lynch from Susquehanna Township. I'm a little bit late to the microphone, but it is germane and I did want to get some notes on the record. I had the opportunity to speak with Chairman Haste and Commissioner Hartwick, but not as of yet Commissioner Nick DiFrancesco. I thought we would have more time on this. For the record, we had about 19 hours of notice that this was coming through. I got an email yesterday at about 3:00 p.m. that was forwarded to me. It was sent by Chad over to Gary Myers and I got it. I didn't have a chance to review the plan formally until last night at 10:00 p.m. I jotted down some notes. This has been in discussion for some time. I first got on the board in 2002 and it was being discussed then. We put together a citizens' panel along the lines of what Chad and Commissioner Hartwick explained. The citizens' panel was bipartisan, elected by everybody. Everybody was on board with this. The full Board of Commissioners of Susquehanna Township was on board with this plan. Whether you agree with it or not, you call it protecting a sitting commissioner, that is not what it is about. This was about making sure that each commissioner had the ability to continue to serve and that the residents of those communities would have the certainty of knowing that they would have the ability to vote for that commissioner again. It was not about ramrodding or coming up with dumb islands as somebody referred to that. For that island that is sticking out over there that is much less egregious. The top part of the green on the left side that connects with the so-called island is a couple hundred yards of Linglestown Road, Route 39, which is populated by houses, people, businesses and it is a short distance. It is no less egregious than the 17th Senatorial District and I don't know if Mr. Saylor had anything to do with that one,

but that one connects two parts of the senatorial district, Dauphin County and York County, by means of the turnpike bridge.

Mr. Haste: Frank, that is a stretch of the law. You know the law, as well as I do.

Mr. Lynch: I don't know it that well. I rely on our attorneys.

Mr. Haste: Do York and Dauphin Counties touch each other?

Mr. Lynch: Yes, by the river.

Mr. Haste: So the 17th senatorial district is contiguous.

Mr. Lynch: Right.

Mr. Haste: Do those two sections touch each other?

Mr. Lynch: In the same way, yes.

Mr. Haste: No they don't. Get the map and show me where there is a break between Dauphin and York Counties.

Mr. Lynch: I don't want to debate you, because I don't know the law, as well as you do.

Mr. Haste: There is a break. Is City Island no longer part of either county?

Mr. Lynch: I don't think it touches City Island.

Mr. Haste: Where is the break in the river?

Mr. Lynch: It is the turnpike bridge.

Mr. Haste: No, on the map where is there a break like that? There isn't one. That is a weak stretch.

Mr. Lynch: You should know that we had this question and we debated it internally and we relied on our legal advice. Our legal advice from our solicitor and our engineer was that this was an appropriate way to reapportion. What are you supposed to do? We stand behind our solicitor. We stand behind our map. I don't want to get into a debate with you. This is a moot point. I want to go on record with a couple of questions, if I may. Why ask Susquehanna Township or any other township to do it in the first place if it is not going to be looked at in a serious way? Why ask us to invest \$10,000 in a good faith effort that will be changed ultimately? How is our plan deficient aside from the ways that we have already discussed? It was drafted with our legal engineering staff and we stood behind it by way of three unanimous votes as Commissioner Hartwick explained by the Board of Commissioners in the past four years. Why wait until a

presidential election year to change ward boundaries? These are not only two ward boundaries that you are changing today. These are all nine. There is going to be mass confusion in a presidential election year; even if you avoid the primary and just go to the election. If overcrowding at the polls is a problem why not just devote additional machines to the 2nd Ward and while you are at it add it to the 9th Ward, because the 9th Ward is a disaster? They are voting over at the Keiser-Fearen Media Center, because of construction over at the elementary school. Our plan was assembled with full public input, guided by our solicitor and engineer and voted three times by the Board. Why move on a plan with only 19 hours notice to the Township? Lacking answers to these questions I can only conclude that the timing and the composition of the new ward boundaries is driven by an agenda other than one to serve the public interest. With that I thank you for your attention and this opportunity to speak in public service. Thank you.

Mr. DiFrancesco: Thank you. Just going down I would like to respond to just a couple of those and point out a couple of things. The map, this whole plan was reviewed in a serious manner from the Board of Commissioners. As a matter of fact that is why it was sent back down to the Township. Again, I think it is a difference of opinion from both sides in terms of where our priorities lie. That is not to knock one side or the other. It is just to say that we did give serious consideration of this and that is why it was sent back down with our concerns noted. Secondly, the \$10,000 product that you got was actually a good product, because the only ward that came into question was the one where based on personal philosophy whether you feel it is appropriate to have a disconnected or disjointed boundary and again that comes down to personal opinion, but in terms of all the rest of the precincts when we looked at them, they were well within the law. I don't think they could be questioned in the slightest little bit. I think the money was well spent and I do believe that the process should start at the local level. I think the reason the County is involved is sort of the catch-all that if we see something that we don't feel looks quite right like in this case we can add our two cents. Ultimately it is the Courts that decide. Ultimately that is where your message from the Township's perspective and your legal counsel will go in and fight the case and a judge will ultimately decide whether it passes muster under the law or not. That is fair. We have one opinion and you have one opinion. That is appropriate for the Courts to go in and make a decision on their view of the law and the case law that exists. I would say that the money that you spent was actually well spent in terms of the map that you got. The only difference here and why it looks like the way it does isn't because of the product that you purchased. I think it is the priorities that you set in terms of again, as you mentioned, trying to make sure that people who live in a district can, in fact, vote for that person again and again. That is where we have a difference of opinion whether or not that should trump keeping communities tied together in contiguous lines. So, it comes down to a difference of opinion from the Township side and the County side. The product was good and it was reviewed in a serious way. I think it is just a matter that when the board looked at the map that precinct stood out so clearly as to... My understanding, again I'm not an attorney and I don't even try to give the impression that I understand the laws, but I do know that districts are supposed to be contiguous and that was a concern of ours and I think a legitimate concern. We did look at it and yes we do have a difference of opinion of where the Township was coming from, but it wasn't done for any

other reason than the public good. We look at it and say the public good is better served if the law of the district being contiguous is sustained and you are looking at it from the public good being served from a point of view that they should have the right to vote for the person that they have elected in the past. I would look at this as a matter of a difference of opinion. Ultimately the Court will be the one who decides that.

Mr. Haste: Is there anyone else who would like to address the Board at this time?
(There was none.)

DEPARTMENT DIRECTORS/GUESTS

A. Phil Cornell, Capital Recovery Systems, Inc.

1. Dauphin County Collections Project

Ms. Thompson: As you may be aware several years ago, the Court is owed millions in outstanding fines and costs. We are able to collect several million every year, but every year several million are also added so that the outstanding balance continues to grow and our ability to enforce and collect some of these costs and fines diminishes with time. Several years ago we actually engaged a company to help us collect some of these fines and costs, but that company had charged 20% of the take. So that by the time we got done with paying them it really was not a cost productive way to go about it. In some of our meetings with other counties and some of the literature we got, we discovered Capital Recovery Systems. Phil Cornell is here from Capital Recovery. He has met with Judge Lewis and I believe Commissioner Haste was at the meeting, as well as some other people involved. Capital Recovery's program is entirely different. The key thing to us was we get to pick the cases we give them and there is absolutely no cost to the County. Those two things were just music to Judge Lewis' ears. I would like to turn it over to Phil to give us some of the specifics. We want to make you gentlemen aware of this, because as we go forward with this project we need your input and assistance.

Mr. Cornell: Hopefully in the next 8 minutes we can put a smile on your face. I gave you several pieces of material. I'm going to go through this very quickly for you. I will just point out a few things. We have been doing no cost court collection since the year 2000. We currently have more than 150 courts on the plan in five states. We are here in Pennsylvania. We are doing Clearfield County, Centre County and we are very close to signing a contract with Chester County and have also turned in a proposal to Philadelphia at this time. We are also talking to Allegheny County about it.

The basic premise of our program is based on the Pennsylvania Consolidated Statute 9730.1 allows any court in the State to add a collection fee on. That collection fee is limited to 25%. What we do and one of the subdivisions of that Statute says that the fee for the collection agency shall be paid first, but what we do is partial payments. We charge 0% so that what happens is we don't get paid until the court gets 100% of their money back. We do this with every court that we have. None of our clients have ever

had to take a penny out of their budget to pay for this. The defendant pays our fee and they only pay the fee after you or the court gets 100% of their money back. If we get a partial payment, say we have a \$200 balance and then the court adds on the 25% fee and makes it \$250 and if we set up partial payments with them for \$50 per month, the \$50 will go to them every month until they get their \$200 back. If we collect that last \$50 then that fee will go to us and if we don't collect it we don't get paid for that collection and the court still has 100% of their money back. Of course, we always try to get balance in full first so we can get paid.

A couple of things that I want to point out to you, we have already worked out everything with the AOPC. The contract that we gave to Judge Lewis, the Professional Services Agreement has been looked at by AOPC and their attorneys. They have actually worded the contract in a way that they found sufficient to approve it. The contract is approved by the AOPC and they said that any judicial district in any county in the state could use it as it is. We also have set up a protocol so that our clients when they get ready to use us they can start up almost immediately. We have a protocol set up with the AOPC and they come through, for example, if Carolyn goes through and marks cases for collection the AOPC will go through over the weekend and sweep those cases and send them out on a folder that they have on their FTP site for Capital Recovery and we will pick them up on Monday morning and start sending out letters on Tuesday and making phone calls. It can get started very quickly. We have our experience in a couple of things. Our experience in Pennsylvania so far, Clearfield County we are only doing work for the Common Pleas Court and for Probation right now. They haven't gotten the MDJs involved yet. We collected over \$80,000 with them and those are all cases over 10 years old. They have not turned over any newer cases to us yet. Centre County started with one MDJ in State College. We have been with them for approximately five to six months. We collected \$22,000 for them in the one MDJ and that is about 9% of what they have given us. So they are looking at over a two to three year period of ending up with somewhere around 30% of their delinquents collected at no cost. We have this for over 150 courts. We collected more than \$70 million for our courts and none of them had to take anything out of their budget. It is a program that is a win for the courts, because they are saving on postage and also because they don't have to send letters out, because we do that and take care of all of that. If they are using any human resources for collections at all they can move them over to do something else and still get more revenue in and not increase expenses at all. It is a win/win proposition, we believe. That is it in a nutshell.

Ms. Thompson: Two comments that I would like to add. We pick the cases so we set up the protocol. If we want to hold on to cases for collections for a year or two while they are on probation we can still have that going on and whatever our protocol is we decide when to send them cases. So, it is completely within our control. We also talked to some of the other counties that use Capital Recovery and we have gotten such favorable responses about the service, the quality of the service and the results. It is all about the money and increasing the revenues. They said these guys are a class act to work with, very helpful and it is a work project to set it up, but it will pay off in the end. Do you have any questions for us?

Mr. Haste: I was sold on it the first time I heard about it.

Mr. DiFrancesco: I had three concerns and one that the Court gets all their money and you resolved that one. Second, that it wasn't sort of like the cherry picking scenario where you get the best cases and the ones where we actually need the help go, that has been answered. Three, your method of collection and I reviewed that and that looks good too. I think it is a great program.

Mr. Haste: That can be on the Agenda for approval next week.

B. Matthew Kirk, Jay Wenger and Lou Verdelli

1. Swap Termination Discussion

Mr. Kirk: We are here today to discuss the termination opportunity regarding the CMS Basis Swaps the County entered into about 18 months ago. It was August of 2006 to be accurate. Jay and I act as your Financial and Swap Advisors in connection with these potential terminations. Lou is here representing RBC who is the counterparty to the trades. I'll go through the introduction to the presentation and then turn it over to Jay and then we will answer any questions you may have.

In August of 2006, the County entered into two what we call "Constant Maturity Basis Swaps." We will look at a little bit more of what we are referring to on the next page. The two Swaps were in connection with the Series D of 2004 and the Series of 2006 Bonds. They became effective in August and September of last year respectively. Really the reason the County entered into these trades at the time is the yield curve is what is called in the industry at the time was "flat", meaning short term rates and long term rates were relatively close. They entered into that with the anticipation that the yield curve would return to its normal or steeper slope and as a result take advantage of positive cash flow that would result from the trade, which indeed is what has happened. A lot of it had to do with the cut in the Federal Reserves Federal Funds target rate. As you may be aware, in January there was an emergency cut of 75 basis points and a subsequent 50 basis point cut. Short term rates fell dramatically. The actual ten year intermediate term and longer term rates have risen and is called the steeper slope and is really the reason we are here today. As a result of that steepening not only has the cash flow become positive to the County, the County also has the opportunity to terminate the transactions at a profit if it so chooses. Page 2 is sort of where the rubber hits the road. The two boxes and the squiggly lines between the two boxes represent the forward starting basis Swaps. The County entered into these trades and again they became effective in August and September 2007 and at that point the County began paying the Royal Bank of Canada a percentage of one month LIBOR and began receiving a percentage of what we call is the Swap rate, which is a proxy for the 10 year LIBOR rate or a longer term rate. If you look at the boxes and I think this demonstrates it the best and I'm going to start at the very bottom of these two lines. You will see that the difference between what the County receives and pays is represented in these

boxes. The very bottom line was the difference on the trade date respectively in August 2006. So, you can see on the 2004 D Trade the spread at the time the County entered into these trades was a $-.34\%$, which if you remember the yield curve was flat so that should make sense and it was the reason why it was the opportune time to enter into this. The difference between what the County is paying and receiving is a positive $.56\%$. The 15 year average, based on this trade with this characteristic is a $.65\%$. What you can see is in just a short period of time these things have gone from a negative up to a positive, almost to the 15 year average of the difference between the two; conversely the same analysis on the 2006 Swap. Today the rate is about a $.65\%$ and the 15 year average is a $.66\%$. As you can see the yield curve has steepened and as a result these Swaps have become cash flow positive so the County will, at this point, be receiving positive cash flow. Because these became effective at the end of last summer there was some negative cash flow on the third and fourth quarter of last year, but now they have turned positive due to the steepening yield curve.

Mr. Wenger: Page 3 is the picture of the numbers. The top line represents the yield curve at the time the transactions were entered into. Again, you can see one month LIBOR was virtually the same as ten year LIBOR. The bottom or lower line is the yield curve today. One month LIBOR today is 3.13 and ten year LIBOR is right around 4.6%. There is what we call a positive slope to the yield curve, which creates that net spread value that Matt referred to on the prior page. What that translates to for the County's benefit is between the 2004 D CMS and the 2006 CMS net of transaction costs there is approximately \$640,000 of termination value as of this morning. The question becomes at what dollar value does the County view it as a prudent decision to terminate the two contracts and take all potential risk off the table and take the cash or leave them in place and take monthly cash flow and see if the yield curve steepens. Again, if you look at the 15 year average that net spread is pretty close to the 15 year average. So, that would be an argument for saying that this is a pretty good exit point. It certainly is not the maximum spread we had over the last 15 years. You could argue that based on the Fed maybe cutting rates again and some other things changing depending on what article you read and what economists you want to believe in perhaps that spread will widen. From our perspective we look at it in several different ways and unlike when you refinance traditional fixed rate funding bonds there is kind of a threshold that everybody says that is the industry standard and once you met that it is kind of a foregoing conclusion. This is far less defined. There are a couple of ways to look at it. One is the original present value cash flow as anticipated or projected or modeled when the transactions were entered into. On the 2004 CMS the present value cash flow based on the average historical rates was about \$635,000. The termination value of that is about \$300,000 today or almost 50% of the kind of theoretical optimal value. On the 2006 Bonds, the original model forecasted at about \$950,000 of present value benefit. Today you could take a little over \$300,000 so it is somewhere between 35 and 40% of the kind of optimal value if you will. Most people would look at that and say that is a reasonable kind of percent of optimal value to have no risk so therefore you terminate, but others would say well lets hang in there the Feds are going to cut rates again. Matt and I would concur that we are not in the business of forecasting rates. It is by most prognosticators the Feds are going to cut rates again at the March meeting. Cutting

short term rates will have some, but a very modest change to the positive value to the County. What we don't know is how the longer end of the yield curve is going to react. The market might say well the Fed is well ahead of the inflation game and rates are not going up so we could see ten year rates actually come down and hurt the net present value or the market could say that the Fed is so far behind yes we do have inflation all they are really trying to do is stave off the problem of the mono-line bond insurers and rates go up. I'm not in a position to tell you I have any reasonable idea of what is going to happen. I think Matt would concur with that. I don't know if Lou is going into the crystal ball game or not. My point is that we don't really try to predict rates or suggest that there is significant value out there. It certainly would be a risk reward analysis of do you want to wait for potentially more termination value. Again, to get significant additional value or incremental value from here on each of those transactions it would be more function of longer term rates moving up as opposed to shorter term rates dropping 25 or 50 basis points.

Mr. Hartwick: Lou, do you have a crystal ball?

Mr. Verdelli: No. I think it is important to note that in 2004 the Fed had short term interest rates down at 2% and that still is 150 basis points lower than where we are today. When you look at that yield curve really steep, if we got back to that we could be at a termination value of \$1 million. As Jay said we have no idea if it is going to go back there. That is one of the steepest yield curves we had in the last 22 years. So you could do nothing and have positive cash flows for several years and there may be some great years. If you remember back in 2006 when we looked at this there was 22 years of data that we showed you and there were some years that the difference between short term rates and long term rates were 3% and those were years that you would receive a couple hundred thousands of dollars a year, but there was also 1989 where the yield curve was perfectly flat to slightly inverted and you would have had to make payments out. What do you do? One thing to think about is just six months ago what these two numbers were if you wanted to terminate it would have probably been negative \$300,000. If you look at that it's going positive by \$1 million in six months, because of the rate cuts. That is a pretty significant appreciation. Could it go higher? Sure, but we have seen and we have many issuers that are in these transactions. I think Jay's guidance is good. We have been saying the same thing. If you can pick up 30 to 50% of what you expected to generate over 20 years without having the risk that there may be some negative years, that may not be a bad idea. On the other hand I have one client who said I'm a big bully yield curves are going to stay positive over the long haul and I'm happy to receive my annual payments and that is what I want to do.

Mr. Haste: Mike, did you look at this? Do you have any input on this?

Mr. Yohe: I'm not giving any disclaimers. I'm not a gambler. I would get out of it.

Mr. Verdelli: I think it is important to note that it is not like you need to make a decision to terminate tomorrow. I don't think we think this value is going down. As Jay mentioned, March 18th everybody thinks we are getting another rate cut. This isn't I

would say unlike the RNO deal we don't have to make a deal here today. The numbers have been slowly getting larger. We have been tracking it and keeping you informed. I think, with some guidance, most issuers are giving us some parameters that if suddenly you see it turning the other way and if it is going to be less than \$550,000 pull the trigger or if we do get to something like \$750,000 also pull the trigger there, but let's be patient.

Mr. Wenger: Unlike entering into these transactions, which required a resolution and a filing with DCED at a public meeting we talked to your legal counsel and we can execute a termination by motion inside of a public meeting. It doesn't need to be an advertised action.

Mr. Kirk: If the Board would want to entertain terminating these at a certain level it could make a motion to direct Mike to terminate these if a certain parameter or threshold was met before termination. That is probably the one way that the Board could consider going if it chose to elect to terminate at some point.

Mr. Haste: The risk of waiting until March 18th is the long term rate could drop instead of going up?

Mr. Kirk: The risk is I think again and this is to a certain extent you are entering into a hypothetical, but if the Federal Reserve cuts rates and it is viewed as recessionary action to avert a recession or more broadly from a market basis if it is viewed that we are in a recession the long end of the yield curve could rally, although you could get a cut in short term rates the 10 year rate, which is probably most appropriate proxy to look at could actually fall thereby flattening the curve. I forget the exact data point, but in the last three or four weeks a lot of the value that has been generated in this trade is the fact that the 10 year rate has sold off 25 or 30 basis points. A number of these types of transactions, other issues, have terminated recently. The value has been generated because of that sell off. So the risk is they do cut the rate, market interprets it as a fight against the recession or the fact that we are in a recession, long term rallies, the yield curve flattens and the termination value is less. Of course, the tradeoff is they cut rates, the market views as inflationary, prices are going up, the long term rate rises instead of falls and these become more valuable. From my perspective there is no scale that we can put on this table and say this is the exact day you ought to terminate these transactions. It is more subjective discussion decision by this Board as to when it's reached a value that is significant enough, it's willing to terminate the transactions and have the risk of any further flattening taken off the table or taken away from the County in exchange for obviously the benefit of any steeper curve in cash flow coming to the County through periodic payments. That is really the tradeoff that you need to make or the decision that you need to make between those two.

Mr. Haste: If that is the case then I'm like Mike I'm ready to pull the trigger. With the debate I saw last night and this morning on the national news was not—the debate was are we already in a recession or one on the way? I didn't hear anyone say about this being on inflation. All the talking heads in the financial world were debating whether we are already in the recession or when...

Mr. Wenger: I think the emotion of the current market is we are in a recession. I think in the end it is going to be a question of by definition will it meet all the criteria.

Mr. Haste: If that is the case even if perception is...

Mr. Wenger: It becomes a bit self-fulfilling.

Mr. Hartwick: I'm prepared to make a motion to terminate the Swap Agreement only if you keep track until March 18th.

Mr. DiFrancesco: Deal or no deal.

Mr. Haste: If you track it and come back and say was it a good or bad deal.

Mr. Hartwick: I want to see after March 18th where we are at.

Mr. Wenger: We would be happy to do that. We are as good as anybody looking back.

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board approve to terminate the two Swaps in connection with the Series D of 2004 and the Series of 2006 Bonds.

Discussion: Mr. DiFrancesco: It was said it was a matter of do we play it out a little bit longer, I would have voted to play it out a little bit longer. It is anybody's guess. I will be interested to see now whether my case was better or George's case was better. There really wasn't much more to say. Nobody can predict right now what the economy is going to do. I'm willing to take it out a little bit further, because I think the returns could get a little bit better, but this is one of those issues where there is no right or wrong answer only time will tell.

Question: Mr. Haste – Aye; Mr. DiFrancesco – Nay and Mr. Hartwick – Aye; motion carried.

C. Ken Rapp, Chief Public Defender

1. Domestic Relations Special Counsel

Mr. Rapp: As you know currently in the past our office has handled Domestic Relations matters insofar as some of our indigent clients are in Dauphin County Prison whereby they owe support payments or are scheduled for hearings where they may be placed in the Prison. There is a proposal before you from the Widener Law Clinic to take over the handling of those cases from my office. Primarily what this will allow my office to do is to continue to focus more attention on the adult criminal cases that we are dealing with in Dauphin County and the higher criminal crime rate that we are dealing with. We are still going to be involved with the Law Clinic. We met with them. We will continue to

take applications and qualify individuals for representation. We will then send the people to Widener so they can handle those cases. We are also willing to take conflict cases to the extent that there are some. Widener also handles other domestic relations matters through their Law Clinic and there is a possibility that they may have a conflict between a plaintiff and a defendant. To the extent that happens, we will still get involved in representing those conflict cases so it is not going to be going to outside counsel for that.

Mr. Haste: So, you won't be doing DRO cases unless there is a conflict?

Mr. Rapp: Correct.

Mr. Hartwick: This all stems out from what we are attempting to do in streamlining the operations. We just couldn't find an individual solicitor to do this for the rate that we were going to pay.

Mr. Rapp: That is correct. In fact the Widener Law Clinic came in last week and went to Court with us to see how it worked and how things operated. It went very well. They will also have a lawyer from their staff. Many times I suspect their lawyers will be handling these cases to the extent that there is not a certified law clerk available on that given day. They will still handle the cases. It is usually anywhere from two to four sessions a week that they will be handling.

Mr. Tully: That was actually the question I was going to have of Ken. It is going to be a certified legal intern with supervising attorneys?

Mr. Rapp: There will always be a supervising lawyer there.

Mr. Tully: Are you comfortable with those arrangements?

Mr. Rapp: Absolutely.

Mr. Tully: I'm fine with it.

Mr. Haste: I think it is a good partnership. It gives those folks coming out of Widener some good experience.

Mr. Hartwick: That is the second partnership that we have with Widener. They also do the civil side of our elder abuse stuff at no charge as well.

Mr. Rapp: We have four certified law clerks in my office who help us and do a fantastic job.

Mr. Haste: Is there a need to vote on it this week or can it wait for our Legislative Meeting next week?

Mr. Rapp: I think our hope was that it could be voted on this week. I believe it is later on in the Agenda.

PERSONNEL

Ms. Lengle: Do you have any questions on any of the items in the Personnel Packet?

Mr. Haste: The only thing I have is under the Prison it says number of positions 1. That's not accurate is it?

Ms. Lengle: That is just the one vacancy that has not yet been approved. There are a lot of correctional officer vacancies. They have been approved throughout the past couple months.

Next week I will be submitting an Addendum with some part-time security officer hires and a department clerk 2 hire in Juvenile Probation.

PURCHASE ORDERS

Mr. Baratucci: There is nothing out of the ordinary in the Packet. Unless you have any questions of me, it can be forwarded over to next week. All budget issues will be resolved.

I also have the Blackberry requisition that we held from last week for Bob Long in IT. I believe Commissioner DiFrancesco said that he was ready to act on that this week.

It was moved by Mr. DiFrancesco and seconded by Mr. Haste that the Board approve the Blackberry Request for Bob Long of IT; motion carried.

Mr. DiFrancesco: In post discussion what I will say that I do believe to a degree what is happening is exactly what we didn't want to happen. I think more people that need Blackberrys are starting to get Blackberrys. So, I'm going to ask Tom to take a look at the policy again. Realistically my standard is this – you need to have a reason to be receiving emails where you are at your work location for a Blackberry to work. I know a lot of our employees, for instance in the IT Department, when the computer system goes a little crazy they are paged. There is a big cost difference between a pager and a Blackberry every year. A lot of the people carrying Blackberrys I believe do not need to have Blackberrys. I have asked Tom to take a look at the policy again. We have been able to curtail it. I think there might only be...

Mr. Baratucci: This Blackberry is one that the County is paying for. With this one there are only 16 where the County is paying the monthly fee. Out of those 16, 6 of them are in IT and 6 of them are in EMA. So, that is 12 of the 16. The other two, I believe there are 2 for the Courts and 1 is Diane's. There is one that I can't think of off hand. We have really curtailed other than those two departments, IT and EMA, which sort of makes some sense.

Mr. DiFrancesco: Even with EMA. There are certain guys that, for instance, when one of our guys goes up to a tower site and he is literally working at a tower site, yes he is going to need from time-to-time to correspond or whatever he is working on out there and not run back and forth, that I understand. The standard is such that you better need access to your emails or correspondence specifically wherever it is that you are working. Otherwise no, it is a matter of convenience and it is not worthwhile.

Mr. Baratucci: I just remembered the other one. It is Edgar's. That is another person that is out and about. We approved a lot of these personal expenses when people have their own and they pay the \$50 to get hooked up. I understand what you are saying. I just think we have done a pretty good job of curtailing these. I think Tom's office has reviewed them all with an eye towards only approving the ones for County payment that are real necessities. It never hurts to take another look at it to make sure we are on that track.

Mr. DiFrancesco: I told him to torque that a little bit, because it is a fine line. I don't know that I'm 100% comfortable with it.

Mr. Baratucci: I'll talk with Tom. We will make sure that is done.

TRAINING PACKET

Mr. Saylor: We would like a vote on Item #11. Apparently if we approve that now we can save a couple bucks on the registration fee.

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board approve Item #11 on the Training Packet for the Prison; motion carried.

ITEMS FOR DISCUSSION

- A. Resolution #6-2008 - Depository Bank Resolution – New investment account with Citizens Bank. **(***A VOTE IS REQUESTED 2/27/08***)**
- B. Gypsy Moth Suppression Agreement between Dauphin County and the Department of Conservation & Natural Resources. **(***A VOTE IS REQUESTED 2/27/08***)**
- C. Letter of Agreement for appointment of the Widener University School of Law Civil Law Clinic as Special Counsel for Domestic Relations. **(***A VOTE IS REQUESTED 2/27/08***)**

Mr. Haste: I see we have the three items that a vote is requested on. Are there any questions on those? (There was none.)

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board approve Items for Discussion A, B and C, listed above; motion carried.

SOLICITOR'S REPORT – WILLIAM TULLY, ESQ.

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

Mr. Hartwick: I see we are doing an amendment to the SSI Agreement. Just for the Board's sake is there anyway that we can just get an update on where we are at with the development of that plan and how things are progressing?

Mr. Saylor: Commissioners, I have already had that conversation with Mr. Shaver and we are going to have SSI come in to give us an update. Things seem to be progressing well.

Mr. Hartwick: I feel confident that everybody is on top of it. I just don't want it to be a bombshell a year out.

Mr. DiFrancesco: It is a program that we need periodic updates on, because it is so big.

Mr. Saylor: We started out with a very good rapport with the emergency responders and I have asked Mr. Shaver and they continue to have those meetings to keep the emergency responders updated as to where things stand. They have been doing that as well.

CHIEF CLERK'S REPORT – CHAD SAYLOR

Mr. Saylor: I have nothing unless there are any questions of me. (There was none.)

COMMISSIONERS' COMMENTS

Mr. DiFrancesco: I just want to raise one quick issue. One of the items that we approved today was the Gypsy Moth Suppression Agreement. Just to, once again, voice my concern and aggravation there was a particular community that was working with me very closely in Lower Swatara Township who has gypsy moth infestation. The State's standard for spraying is 25 acres. This particular evaluation was done and it netted a parcel of about 19 acres where there are gypsy moths. The challenge is that because of the narrow window of spray time for gypsy moths and the extent of the damage and the way that the program is set up, this 19 acres of people who genuinely wanted to pay the bill themselves, they were going to foot the bill, they weren't asking the government to do it, could not even go out and find a private contractor who they could contract to spray their 19 acres, because they are all tied up with the State program. The State program will not allow for less than 25 acres to be sprayed. So, we have a community with very little other option who wanted to put the money on the table to contract with somebody and can't find somebody. They are concerned about the

infestation in their area and there is nothing that they can do about it. So, once again, between the gypsy moths and the black flies and the things that the Governor has turned his back to I think it is important that the State takes a hard look at this, because even when the local residents wanted to step up and buy the service for themselves they could not get the service. It has been a real struggle. There are not a lot of options in terms of how you spray for gypsy moths. Most of it is done from an aerial view and they have to spray within a narrow window before the heavy leaf coverage comes out so it gets to where the moths are going to be and their food supply. It is a real challenge. I hate telling someone that I can't help them. Every avenue that we have gone down to help these people we've come up with no answers. Something has to be done about it, because you can spray all over, but the problem is just going to spread if you don't get all of the problem.

Mr. Haste: That has been a heated discussion at the Conservation District as well. It is even a misnomer for the State to call it a suppression program, because we have from Middle Paxton north and even I think a portion of one of the Hanovers a large area of forested tracks that have gypsy moth infestation, but do not qualify because they are not close enough to a home. The other stipulation is not only do you have to have homes in that area, but there must be a home close. We know that there are mass amounts of gypsy moths out in the forested area, but they are not allowed to be sprayed. Those moths will eventually make their way to somewhere. We are working right now with the Upper Dauphin COG and some others to try to come up with maybe the first in the Commonwealth a true County gypsy moth suppression plan in partnership with the State and the local governments to try to come up with a plan that works, because the Governor has really messed this up.

Mr. DiFrancesco: I don't know what the interest is from the media perspective, but I know that those folks would love to talk to somebody just to bring a whole different face to this thing. I will just throw that out if you are interested.

PUBLIC PARTICIPATION

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

Just a reminder we have a Retirement Board Meeting that we will convene immediately following this meeting.

ADJOURNMENT

There being no further business, it was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board adjourn.

Respectfully submitted,

Chad Saylor, Chief Clerk

Transcribed by: Richie-Ann Martz