



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

DECEMBER 12, 2007

10:00 A.M.

MEMBERS PRESENT

Jeff Haste, Chairman
George P. Hartwick, III, Secretary

Dominic D. DiFrancesco, II, Vice Chairman (ABSENT)

STAFF PRESENT

Chad Saylor, Chief Clerk; Marie E. Rebuck, Controller; Guy P. Beneventano, Esq., Solicitor's Office; Fred Lighty, Esq., Human Services Director's Office; Scott Burford, Deputy Chief Clerk; Gary Serhan, Deputy Controller; Leila McAdoo, Solicitor's Office; Amy Richards, Commissioners' Office; Randy Baratucci, Director of Purchasing; Steve Shaver, Director of EMA; Anthony Subbio, EMA; Chris Fisher, EMA; Brenda Hoffer, Commissioners' Office; Dave Schreiber, Personnel; Mike Yohe, Director of Budget & Finance; Edgar Cohen, Director of Facilities Maintenance; Kay Lengle, Personnel; Sandy Snyder, Register of Wills; Elke Moyer, Human Services Director's Office; Dan Robinson, Director of Community & Economic Development; Jena Wolgemuth, Commissioners' Office and Richie-Ann Martz, Commissioners' Office

GUESTS PRESENT

Jay Wenger, C. E. Henery, Evelyn Hunt and Garry Lenton

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 five sets of Meeting Minutes that we will take up at next week's meeting.

PUBLIC PARTICIPATION

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

Mr. Roxbury: My name is James Roxbury, 232 State Street and I am taping this just for a disclosure. I'm a property owner of three properties located on Harris Street, 645, 647 and 649. These properties are part of a taking by the City of Harrisburg for the project of the road widening of 7th Street. We have been in negotiations with officers from the City. We have not been able to come to a conclusion. City Council last night has approved a Declaration of Taking. The reason why I'm coming before the Commissioners is that the County is paying 20% of this project. The remaining 80% is coming from State and City of Harrisburg funds. The City will be a party in the lawsuit, the County will be a party in this lawsuit unless we can come to a compromise and accept the settlement. There are other property owners in the same position. One of them had asked me to say his name, Phil Bopten. He was not able to attend. I am in favor of this project. It is a very important project in that in the front page of the B Section of the Patriot-News today states that the head of the GSA demanded certain requirements with the site at 6th & Reily were to be used and accepted for the new Courthouse facility. One of those demands is the widening of 7th Street. If I and other property owners do not come to a settlement agreement with the City of Harrisburg then the lawsuit will be filed and we will contest the Declaration of Taking and it will postpone the widening of 7th Street, which will lead to the postponement of the building of this Courthouse. I am in favor of this project and Mr. Bopten is in favor of this project, but we feel that we have not been offered the full market value. I would ask the Commissioners, if you can get involved, Mr. Cooper is the Attorney that is handling this case, before the Declaration is formally filed. City Council approved it last night and I don't know how long it takes for them to implement this, but if we can get together now that the County Commissioners and the County of Dauphin is involved in this taking to work together to try to come to a conclusion of full market value for these properties. If you would like to see what these properties look like, you can Google; RoxburyHarrisburg? The properties are up for lease. One is a total taking and another is a partial taking. I'm asking the Commissioners to please look into this. I will make

myself available. If we can come to a conclusion so that the widening of 7th Street can proceed in a timely fashion. Are there any questions? (There was none.)

DEPARTMENT DIRECTORS/GUESTS

A. Commissioners

- 1. Professional Certifications from PEMA – Anthony Subbio and Chris Fisher**
- 2. Certification as CEM through the International Association of Emergency Managers – Anthony Subbio**

Mr. Shaver: It's my pleasure to act on behalf of our oversight Commissioner DiFrancesco with regards to making presentations to two individuals from my staff. Chris Fisher and Tony Subbio from EMA have, from what I would say and I know the Commissioner would agree with me, gone beyond the call of duty by completing over 20 classes and countless hours of training to earn their professional certifications in Emergency Management. There are three levels associated with PEMA certification within the Commonwealth. These gentlemen have reached the highest peak within certification under State guidelines. It takes a lot of motivation and determined persons to not stop after completing the first two levels, because technically that is all that is really necessary. Their ability to persevere and excel through all three levels is a great achievement. They are definitely dedicated to the agency, the County and the Commonwealth. I would like to ask Chris and Tony to come up and accept their plaques from the Pennsylvania Emergency Management Agency.

(Applause was given.)

Mr. Shaver: The other certification actually Tony received. This is a certification as a Certified Emergency Manager through the International Association of Emergency Managers. The requirements include three years of employment, responsible for recovery, mitigation and preparedness which are the three-core elements of emergency management; six professional contributions to the field, membership itself in IAEM, attendance at both local, national and international level (which he hasn't attended yet) conferences and then speaking activities which he does constantly. One of the things that Tony was involved in was the establishment of the death benefit associated with HAZMAT through the LEPC. Marie Rebuck was very involved in that, not only as a Controller, but also as far as a citizen of the County. She reached out to several key legislative folks to actually have that taken care of. Tony spearheaded that from an agency standpoint and also from an organizational standpoint and grabbed a hold of a gang of folks to actually push for that legislation. Along with that Tony has gone through numerous hours of training as far as emergency management and management itself. He has also written an essay and a paper. Congratulations!

(Applause was given and pictures were taken.)

B. Jay Wenger, Susquehanna Group Advisors

- 1. Annual Review of the County's Interest Rate Swap Agreements**

Mr. Wenger: This is part of the annual review that is required under the Debt Act in connection with the interest rate swaps that the County has entered into on behalf of the County and also guaranteed on the Harrisburg Authority in connection with the Incinerator project.

I'll start with the County's direct exposure. (He provided the Commissioners with a spreadsheet.) There were three interest rate swaps that the County terminated this year. You can see the net cash proceeds of \$1.557 million from the termination of those three transactions. At the top of the page were the three transactions entered into this year. You can see the cash received for those three was just over a million dollars. The aggregate cash that the County would book in 2007 is \$2.558 million in connection with both termination and execution of swaps in 2007. On the top three swaps, the 2005C, 2005B and 2002A swaptions, the current market values are negative which is typical when you receive cash upfront. It is hard in transactions like that particularly where it is of relatively short term duration and it has an option imbedded in it on the counter party's part. It is difficult to have positive cash values after receiving cash. Really what that negative value represents is a combination of the cash you received and the transaction costs at closing by way of where those rates would be set today. They would be very close to where they were in September. So, there isn't much change in market conditions. It just recognizes the cash and transaction costs of those three transactions.

The four in the middle of the page, there are two constant maturity swaps, one basis swap and a variable to fix swap that the County entered into a year ago in connection with the Bonds issued in October of this year. The two constant maturity swaps, albeit the monthly cash flow, is negative today. They have positive termination values. That really is reflective of the long term anticipated value of those transactions as opposed to the current monthly cash flow off of those transactions. The basis swap would again have a slightly negative value reflecting primarily the swap provider spread and transaction costs at the time that transaction was done. The variable to fixed swap was done at a fixed rate of 3.917. When we priced this actually rates were a little lower than they are today so that value is probably overstated a bit. But, you would have a negative value today just because rates are a little lower today than they were when that swap was entered into a little over a year ago. That is a very brief overview of the County's direct obligations.

The second page is the swap transactions that the County has guaranteed in connection with the Incinerator project. The good news from the County's perspective is one of those rolls off December 2008. Given the recent transaction that the County participated in along with the City and the Authority, your exposure will go down as of December 1, 2008 and then the second two roll off in June 2011 and December 2013. By way of current exposure to the Incinerator project, interest rate swaps the timeframe is starting to shorten and the notional value or amount of debt that you will be exposed to will decrease as of December 2008. The bond that you guaranteed should carry the Authority well through 2008 so that one should be in a very low risk category. We have

not valued those yet. I will provide those to Mike and forward them to you. With some of these that have options imbedded in them are difficult to value so it takes some time for us to get what we think are kind of accurate pricing valuation and then we compare it to what the swap provider gives us to make sure that we are sort of on market. We will update this.

If you have any questions I would be more than happy to answer those. Again rates are a little lower than when you entered into the fixed rate swap a year ago, but we've had as much as about 125 basis points change in a 10-year Treasury rate over the last sixty days. So, we've had a fair amount of rate change in the middle of yield curve that creates positive or negative values depending on what transaction we are talking about week-to-week or month-to-month. By way of risk assessment of the portfolio the three that you entered into this year have a very low probability of being exercised given where those formulas were set. The two constant maturity swaps values should increase. Termination values should turn more positive for the County if the Feds are going to cut short term rates. I have not seen the press release, but it appears as though there is probably at least one or two more rate cuts coming. The general talk is Fed funds will be somewhere between 3 and 3.5. We should start to see some positive slope to the yield curve, which will help those transactions.

C. Jim Szymborski, Tri-County Planning Commission

- 1. Comprehensive Plan**
- 2. Proposed Rate Increase**

Mr. Szymborski: With me is Janine Park, the Senior Planner on our staff that is assigned to Dauphin County Planning Program. We would like to brief you on two matters of the County Planning Program this morning. The first will be the Update of the Comprehensive Plan and the second would be a recommendation to revise the fee schedule for the County Planning Commission Review of Subdivision Land Developments. Janine will begin with an update on the County Comp Plan.

Ms. Park: The final draft of the Comprehensive Plan is completed including a new executive summary that was done through a request of the Commissioners. The Comprehensive Plan is a process for guiding growth and development in Dauphin County. It complies with the requirements of the Municipalities Planning Code. Under the Municipalities Planning Code each county is required to have a comprehensive plan and update every 10 years. There are two parts to the Dauphin County Comprehensive Plan. Part 1 is the larger portion of it. That is the basic studies and trends. It is comprised of ten chapters that primarily contain facts and figures, including the 2000 Census data. There are 10 chapters. I'll briefly run over those. The chapters include an Introduction; Historic and Cultural Resources; Natural Resources; Population/Socio-Economic; Economic Development; Future Land-Use; Housing; Transportation, Community Facilities, Services & Utilities; and the last chapter is Implementation. Part 2 of the Plan is a brief revision of the plan itself. It includes growth, objectives and strategies for the implementation. It is broken down into the same 10 topic chapters as in Part 1 of the basic studies and trends. We have completed an outreach that has

occurred with our 40 municipalities and have received a positive response from them. A public hearing has been scheduled on the Plan for January 9, 2008. After the public hearing the County Commissioners will consider adoption of the Plan.

Mr. Haste: When is the Hearing?

Ms. Park: January 9, 2008, preceding your meeting. It will be held at 9:30 a.m. in this room.

Mr. Haste: Jim, do you have any of this on the web?

Ms. Park: Yes.

Mr. Haste: That website if someone wants to take a look at this would be?

Ms. Park: tcrpc-pa.org. They would click on Dauphin County and then under the draft Comprehensive Plan.

Mr. Szymborski: I believe it is also linked to the County.

The second item that we would like to bring to your attention is a recommendation to the Planning Commission. It involves the fees that are charged to review and record to our clients, who are municipalities in the region on the subdivisions and land developments that are proposed for approval or disapproval and their municipalities. It also covers the municipalities that do not have a local subdivision land development ordinance where the County has jurisdiction. The enabling legislation requires County Planning Commissions to review all subdivision applications and all land development applications. The plats are submitted to the County Planning Commission and required to be accompanied by fees sufficient to cover the costs of the review. Our current fee schedule was last revised on November 7, 1994. It is approximately 13 years in effect. The amendments to the fee schedule are to be adopted by the Commissioners as they are revised by Resolution. The fees are structured to apply to both subdivision reviews and land development reviews, residential and nonresidential. Our review to comment function, this applies to all municipalities having adopted a local subdivision land development ordinance. Of our 40 municipalities in Dauphin County, 33 have adopted those Ordinances. We are in a review and advisory status with regard to those plans. We also have 7 municipalities that do not have local subdivision land development ordinances. That means that the County ordinance is in affect. The County Planning Commission has been authorized to make the decision to approve or disapprove those. The recommendation that we have is recommended to be a fee increase to be equally phased into the applicant or application over a two year period. Phase 1 to be effective January 1, 2008 and Phase 2 to be effective January 1, 2009. I believe you have had an opportunity to look at those fees.

Mr. Haste: You don't need action today do you?

Mr. Szymborski: No, we are just bringing this to your attention.

Mr. Saylor: We will have the Resolution drafted and will have it for your consideration.

D. Mike Yohe, Director of Budget and Finance

1. Budget Adoption Presentation – Resolution #32-2007 Tax Levy & Appropriation Resolution and Resolution #33-2007 Hiring Freeze

Mr. Yohe: As you are aware today is the day that we advertised to approve the 2008 calendar year budget for Dauphin County. The budget has been available for public inspection for 20 days since November 21, 2007. Really what we are looking at, the handout I gave you is very similar to what we laid out three weeks ago. I did have a chance to finalize some salary figures, some benefit rates, but you are going to see the biggest change we had on here and I think the best news, I was able to balance the General Fund's revenues and expenditures based on the additional funds that we are to receive from Children and Youth. I spoke with Sandy Pintarch and was assured that the State is going to cover any overmatch situation for the year-ending June 30, 2007 and June 30, 2008. That enabled me to reduce the transfers to Children and Youth enough to balance this. What we are looking at now is no drawdown of fund balance. As you are aware we had about a \$500,000 drawdown in the proposed budget. Other than that nothing else has really changed much. We are looking at an overall budget of approximately \$181 million. That represents a decrease of about 1.44%. Again, like we spoke back in November, most of that is due to the capital projects fund. We are drawing down those funds for the radio project. We will certainly focus on the General Fund. I'm asking you to approve a General Fund Budget of \$135,375,652, which is a 2.97% increase over the current 2007 Budget. I'm here to answer any questions you might have. Again the 36 new positions are included in that increase. Other than that the only material change was that transfer to Children and Youth.

Mr. Hartwick: It was a good budget process. One by which we continue to encourage the thought process on both sides of the balance sheet. The new positions that you discussed were helpful. We will be setting up, at the minimal, quarterly reviews to ensure that revenues are matching the projections to enable them to be self-supportive of those new positions. If not, we remain committed to making sure that those positions are not a part of next year's budget. One other thing to look out for the rise in prescription cost as we discussed this morning. We need to figure out a way in the next year to take a look at utilization and also maybe bring some additional competition in related to the prescription drug side of our whole healthcare benefits package picture, which is something that I want to make sure we keep a close eye on. One of the trends that we had started moving in the right direction, but prescription drugs seem to be moving in the wrong direction at the moment while healthcare remains stabilized. It appears that our healthcare deal is working, but the prescription drug side still needs a bit of attention. We went through the budget in a way that has been consistent with this Board over the past four budget processes and I didn't see a whole lot of errors where we are not trying to promote efficiency in keeping government focused on what our core

fundamental functions are and not trying to solve all the world's problems and am certainly happy with the total outcome of the budget.

Mr. Haste: Jay, do you know what inflation was over the last year?

Mr. Wenger: I think it is around 2.5%.

Mr. Haste: This is just barely above inflation.

Before we take action, I would just like to thank our departments and the other elected officials for working with us on the budget. The real winners are the taxpayers of the County by keeping this where it is. As George has mentioned all of our departments have handled this quite well over the last couple years. I'm pleased with where we are headed. Thank you.

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board adopt the 2008 Budget for Dauphin County; motion carried.

Mr. Yohe: We will need to act on the two Resolutions listed.

Mr. Haste: We need to fix the tax rate for 2008. It will be Resolution #32-2007.

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board adopt Resolution #32-2007, captioned as follows; motion carried.

A RESOLUTION OF THE COUNTY OF DAUPHIN, IN THE COMMONWEALTH OF PENNSYLVANIA, LEVYING A TAX ON REAL ESTATE IN THE COUNTY FOR THE YEAR 2008; FIXING THE COUNTY REAL ESTATE TAX RATE, AND DISCOUNTS AND PENALTIES APPLICABLE THERETO, FOR THE YEAR 2008; AND APPROPRIATING SPECIFIC SUMS REQUIRED FOR PURPOSES OF COUNTY GOVERNMENT, AS SET FORTH IN THE COUNTY'S BUDGET, FOR THE YEAR 2008; AND LEVYING OTHER TAXES FOR SPECIFIED PURPOSES.

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board adopt Resolution #33-2007, which adopts a Hiring Freeze promulgated by the Dauphin County Board of Commissioners for all employment positions in the County of Dauphin; motion carried.

(The entire Resolutions are on file in the Commissioners' Office.)

Mr. Haste: I see your predecessor is here in the audience today, Pickle Henery.

SALARY BOARD

A complete set of Salary Board Minutes is on file in the Chief Clerk's Office.

PERSONNEL

Ms. Lengle: New Hire #18 is being pulled. Are there any questions on the Listing?

Mr. Saylor: I would only note that with regard to the hiring freeze traditionally I haven't notified the directors of this, but we open the window in the second month of every quarter. So, the next time the window will open will be in February. Obviously there are a number of Drug and Alcohol positions on here that are starting earlier than that, but I presume that is a priority for the Board.

Mr. Hartwick: It is a requirement.

Mr. Saylor: Number 8, however, is for the Aging Department. I have no information on that. I can follow-up with Mr. Burns.

Mr. Haste: Drug and Alcohol is the start-up of the Department. The rest you will have to see if they can wait until February.

Ms. Lengle: Also in your Packet there are some requests for other items such as unused vacation time and also an invoice for our Affirmative Action Plan and our Diversity Training. Actually I would like everything in the Packet to be approved today, including the invoices so that we can get them paid out of 2007 budget.

Mr. Haste: You need the entire Packet approved today?

Ms. Lengle: Yes, I had talked to Chad. I thought he cleared that with the Commissioners. It is because of the year-end transactions.

Mr. Hartwick: I'm going to exclude #8 from the Personnel Packet.

Ms. Lengle: That is January start date.

Mr. Saylor: Part-time spots do not really have an impact on the variance.

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board approve the Personnel Packet, excluding New Hire #8 and #18; motion carried.

PURCHASE ORDERS

Mr. Baratucci: You should have received your Purchase Order Packet yesterday. There are a couple of budget items that we need to resolve. I want to bring to your attention there is going to be two additional items that are not on here. One is for furniture related to the Public Defender's move. We are in the process of trying to pick that out and we will have that ready for next week's packet. The other item is the replacement camera for our Communications Department. It is in the process right now

and it did not get done in time to get in the Packet. I wanted to bring those up because they will be included next week for approval.

TRAINING PACKET

Mr. Haste: We have a Training Packet. I don't believe there are any items that need to be addressed today.

ITEMS FOR DISCUSSION

- A. Refund of 2007 Real Estate Taxes – Bertram & Lillian Goldberg - \$197.27
- B. Appointment of Keith Oellig, Rennie Phillips and Randy Greider to the Ag Land Preservation Board. Terms will expire December 31, 2010.
- C. Appointment of Marie Furjanic, Betty J. L. Curtis, Dennis L. Stover, James Zugay and William Neway to the Council on Aging Advisory Board. Terms expire December 31, 2010.
- D. Appointment of Dr. Michael Barton and Mary Moyer to the Fort Hunter Board of Trustees. Terms expire December 31, 2010.
- E. Appointment of John Kerschner to the Dauphin County Planning Commission – term expires December 31, 2011.
- F. Appointment of Robin Zellers to the Dauphin County Industrial Development Authority – term expires December 31, 2012.
- G. Appointment of C. E. Henery, Mike Musser and Daryl Z. LeHew to the Dauphin County Board of Assessment Appeals. Terms will expire December 31, 2011.
- H. Appointment of Joseph Massaro to the Tourism Board. Term expires December 31, 2008 (filling unexpired term).
- I. Appointment of Marion C. Alexander, Kenneth Shutts, Sara Jane Cate, Maria Persico and Bruce Foreman, Esq. to the Dauphin County Library Board. Terms expire December 31, 2008.
- J. Appointment of Betty Simmonds and Sherri Smith to the Dauphin County MH/MR Advisory Board. Terms expire December 31, 2010.
- K. Appointment of Tim Wentzel and Katharine Radomsky to the Dauphin County Conservation District Board. Terms expire December 31, 2011.
- L. Appointment of Gary Crissman and Vladimir R. Beauflis to the Schaffner Advisory Board. Terms expire December 31, 2010.
- M. PSSU Labor Contract for 2007 thru 2009.

- N. Proposal for an Appraisal for Ad Valorem for Tax Assesment purposes. (*****A VOTE IS REQUESTED 12/12/07*****)

- O. Executive Commission (Public) Option or Planning Council Option Agreement between Dauphin County and the Commonwealth Department of Health and the State Civil Service Commission for the Health Department and the County to use services of the Commission for all personnel employed within the County Drug and Alcohol Program. (*****A VOTE IS REQUESTED 12/12/07*****)

- P. Purchase of Service Agreements between the County (Department of Drug and Alcohol Services) and: (*****A VOTE IS REQUESTED 12/12/07*****)
 - 1. Choices for Quality Living
 - 2. Clean Air Counsel
 - 3. American Lung Association
 - 4. CK/KC, Inc.
 - 5. Harrisburg Area YMCA
 - 6. The Pennsylvania Driving Under the Influence Association, Inc.
 - 7. Substance Abuse Service, Inc.
 - 8. CONTACT Helpline
 - 9. Catholic Charities of the Diocese of Harrisburg
 - 10. Shalom House
 - 11. Center for Champions, Inc.
 - 12. Lower Dauphin Communities that Care
 - 13. Capital Region Health System of Hamilton Health Center, Inc.
 - 14. Ralph A. Moyer, Jr.
 - 15. Pennsylvania Recovery Organizations Alliance
 - 16. Olmsted Regional Recreation Board
 - 17. YWCA of Greater Harrisburg
 - 18. Harrisburg Area YMCA

Mr. Haste: We have Items for Discussion that will be taken up at next week's meeting, except for N, O and P which are requesting a vote for this week.

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board approve Items for Discussion N, O and P, listed above; motion carried.

SOLICITOR'S REPORT – GUY BENEVENTANO, ESQ.

Mr. Beneventano: The report is brief. We have nothing to report other than our written report. If there are any questions we will be happy to follow-up. (There was none.)

CHIEF CLERK'S REPORT – CHAD SAYLOR

Mr. Saylor: Commissioners, I would just draw your attention to Item M on the Agenda. We have finalized the PSSU Contract for the next couple of years and will be on the Agenda next week for your vote. Unless there are questions of me I have nothing further. (There was none.)

COMMISSIONERS' COMMENTS

(There were none.)

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 at this time? (There was none.)

ADJOURNMENT

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

Respectfully submitted,

Chad Saylor, Chief Clerk

Transcribed by: Richie-Ann Martz