



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

WEDNESDAY, JANUARY 21, 2004 (10:00 a.m.)

MEMBERS PRESENT

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

STAFF PRESENT

Robert Burns, Chief Clerk; Julia Nace, Assistant Chief Clerk; Bill Tully, Esq., Solicitor; Marie Rebeck, Controller; Bob Dick, Treasurer; Jim Zugay, Recorder of Deeds; Judge Kleinfelter, President Judge; Randy Baratucci, Director of Purchasing; Mike Yohe, Director of Budget & Finance; Rick Wynn, Director of Human Services; Mike Pries, Director of Safety and Security; Edgar Cohen, Director of Facility Maintenance; Mike Wertz, Director of EMA; Rita Frealing-Shultz, Director of Domestic Relations; Tom Guenther, Director of Information Technology; Steve Howe, Director of Tax Assessment; Garry Esworthy, Risk Manager; Faye Fisher, Director of Personnel; Bruce Foreman, Esq., Solicitor's Office; Guy Beneventano, Esq., Solicitor's Office; Kay Sinner, Personnel; Sharon Ludwig, Personnel; David Schreiber, Personnel; Carolyn Thompson, Court Administrator; Gary Serhan, Controller's Office; Greg Kline, EMA; Fred Lighty, Esq., Solicitor's Office; Melanie McCaffrey, Solicitor's Office; Bob Christoff, Conservation District; John Doebling, Information Technology; Shari Eagle, Information Technology; Jennifer Kocher, Communications; Diane McNaughton, Communications; Jena Wolgemuth, Commissioners' Office; Richie Martz, Commissioners' Office

GUESTS PRESENT

Dale Brandt; Lynette Brandt; Richard Alwine; Harold Zellhart; Steve Shaver; Darnell Williams; Lou Verdelli; David Twaddell; Judith Musselman; Jonathan Vipond; Art Stephens; Brian Adela; Don Appleby; Mike Walsh; Jack Sherzer; Joe Kerwin and Heidi Doyle

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 two sets of Minutes, the January 5, 2004 Organizational Meeting and the January 7, 2004 Workshop Meeting, that we will adopt next week.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point on the Agenda for public participation. Is there anyone in the audience that would like to address the Board at this time? There was no public participation.

DEPARTMENT DIRECTORS/GUESTS

Mr. Haste: I am going to go out of order, because there are folks that are on a tight timeframe. I will come back to the purchase orders and personnel later.

Robert Christoff, Dauphin County Conservation District

Check Presentation to J. Richard Alwine and Dale & Lynette Brandt for participation in the Ag Land Preservation Program. The farm is located in Londonderry Township.

Mr. Haste: I will ask Bob Christoff to explain the program.

Mr. Christoff: We appreciate the opportunity to be here this morning. We have guests with us today, J. Richard Alwine and Dale and Lynette Brandt and they are participating in the County Agricultural Land Preservation Program. This Program preserves farmland by placement of an agricultural conservation easement on the property. The reasoning is perpetual in nature. It lasts forever and restricts the use of the property to farmland only. The primary source of funding for the program comes from the Commonwealth through the Pennsylvania Department of Agriculture. The quality of the farms in Dauphin County have enabled us to obtain approximately \$450,000 in Federal funding over the years and the County Commissioners have also been placing funds in the program for purchase of these easements. The County's portion of those funds is

matched by the State at various rates, usually between 1 to 1 and 2 to 1 and that is above the normal funding that we would get. The farm that we are here today to preserve is a 44 acre farm located in Londonderry Township. It joins another farm of about 140 acres that Mr. Alwine had placed under easement, probably about 10 or 12 years ago. It was one of the first farms to come into the program. The County portion of the easement portion price, I believe the Commissioners have a check to present today. This easement purchase utilizes a combination of County funds and State funds. The total easement purchase price is \$65,655 of which \$62,271.61 is provided by the County. It is also worthy of note that the actual easement value is \$110,519. The County program has a cap above which they will not spend per acre and the Alwine's and Brandt's have accepted that cap and have accepted a significant lower price for the easement. If you have any questions, I would be happy to answer them.

Mr. Haste: I would just like to say that this is a very nice joint project between the State, County government and actually to the farm owners that help us preserve the quality of life that we have in Dauphin County and our heritage here in Dauphin County. If it was not for programs such as this, I think we all know that we would be losing valuable agricultural land to continual growth, whether it be industrial sprawl or household residential sprawl. This not only hopefully helps the farming family out a little bit, but also helps preserve the quality of life we know here in Dauphin County. I would like to thank you for participating in the program.

The Commissioners presented Mr. Alwine and Dale and Lynette Brandt a check. The Commissioners congratulated them and thanked them for their participation.

Lou Verdelli, Public Financial Management

Debt Restructuring

Mr. Haste: Item D, Mr. Verdelli has another meeting that he has to attend in State College at Noon.

Mr. Verdelli: First, thank you for your consideration. The presentation today is very brief. Basically, we wanted to give you an update and ask your authorization for a financing team to proceed in examining options for looking at restructuring some of the County's debt. What we are going to continue to pursue is examining the existing debt. Back in the 1990's, the debt that was taken on in the County had very short maturities, in that it matured 10, 15 years down the road. While that can be a great decision, we all know that if you can pay off your house in 15 years it is better to do that than in 30 years and you save interest. That is not always manageable in all of our budgets. The same situation has come upon the County in that there were short term borrowings for projects that had useful lives much longer and that large amount of debt service that is in place right now has certainly been something that has been difficult to deal with as you go through your budget process each year. We have been examining different options. Some that are short term and some that are more comprehensive in terms of all of the debt structure of the County. We would like authorization to proceed and continue to show the options to the administration, but due to the time frame of where we are, we are already into 2004, and until a transaction can be completed we certainly

need to move forward and there are pending debt service payments on March 1 and 15 and April 1 and 15 that certainly impact your budget decision. We would like the authorization to proceed. One of the other things that we probably would be coming back to talk to you about would be looking at some of the other borrowings that have been done in the last few years that have fixed rates that have fairly good interest rates, but thinking that there may be an opportunity to switch some of the County's debt to a variable rate. Most issuers of your size have a portion of their debt in variable rate and a portion in fixed rate, just like all of us balance our investment portfolios between stocks and bonds. It makes some sense. The rating agencies are comfortable when issuers put a portion of their debt in variable rates and over the last ten years people that have made those decisions to borrow on a variable rate basis have looked really smart, because variable rates right now are at 1.5%. The ten year average is around 3%. It is a good business decision and those are some of the things that we may be coming back to show you that may be a portion of the debt and would certainly help save on debt service and interest expense could be in variable rate, certainly nothing on a wholesale basis that we are going to convert all of the County's debt to variable. Those are good business decisions that when you talk to the rating agencies they always do ask what the mix is between fixed and variable. That is all that I am here to report on and to answer any questions. I would ask that the financing team be authorized to get the paperwork going, because certainly that is a time consuming step as we continue to nail down what may make the most sense.

Mr. Haste: Will you be able to have a plan ready for next week?

Mr. Verdelli: We believe so, as long as we have opportunities to meet with you and review those options and get some direction on which way we would like to go.

Mr. Haste: The key is to keep Mike Yohe in the loop. Any questions for Mr. Verdelli? (There were none.) If we could have a motion to authorize a financial team to prepare a package for us and the financial team would be PFM, the law firm of Rhoads & Sinon and RBC Dain Rausher to come together with a plan, hopefully by next Wednesday.

Mr. Hartwick: So moved.

Mr. DiFrancesco: Second.

Mr. Haste: Any further discussion. All those in favor say, Aye.

All: Aye.

Mr. Haste: Motion carries.

PERSONNEL

Mr. Haste: I will go back to the schedule.

Ms. Sinner: The first items in the Personnel Packet, we have several Salary Board requests. One is for CID, one for Facilities Maintenance, one for Parks and Recreation, Human Services, Adult & Family Services and two District Justices. Those can be voted on and approved at next week's meeting.

I have a list of vacancies. In the new hires, the first nine items, I would ask that you vote on and approve for hire today. They all need to start before next week's Legislative Meeting. Some of these positions, the approval of the vacancy would need to be approved today.

Mr. Haste: Are you talking about the Agenda Vacancy List?

Ms. Sinner: On the New Hires Listing, the first nine items.

Mr. Haste: I have a request that we pull Item #1 out separately and vote on Item #1 of the first nine and then we will vote on Items #2 through #9 in the second vote. Is there a motion to accept Item #1 on the Workshop Agenda New Hires Listing?

Mr. Hartwick: I make that motion.

Mr. Haste: I'll second that. All those in favor say, Aye.

Mr. Hartwick: Aye.

Mr. Haste: Aye.

Mr. DiFrancesco: I am abstaining from that vote.

Mr. Haste: Items #2 through #9. Is there a motion to approve Items #2 through #9 on the Workshop Agenda New Hires Listing?

Mr. DiFrancesco: I'll make a motion.

Mr. Hartwick: I'll second.

Mr. Haste: All those in favor say, Aye.

All: Aye.

Mr. Haste: Motion carries.

Ms. Sinner: On the Changes Listing, there is one item (Item #1) that is effective January 5, 2004. I wondered if that could be voted on and approved today. Maybe it is not necessary.

Mr. Haste: Why was it done on the 5th and is now just coming up?

Ms. Sinner: I'm not sure. I just got the paperwork within the last week.

Mr. Haste: That needs to be stopped. People don't get hired or promoted until it is approved by this Board. I know there are circumstances where things have to happen, but usually we have a heads up. I don't think anyone had a heads up on this particular one. Does anyone want to make a motion on Item #1?

Mr. Hartwick: No.

Mr. Haste: We will hold that until next week.

Ms. Sinner: The next three items are overtime reports. There are no overtime requests in this packet.

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

TRAINING PACKET

Mr. Haste: The next item is the Training Packet.

Mr. Burns: Commissioners, all of the items can be carried over to next week's meeting. There are a total of eight.

PURCHASE ORDERS

Mr. Haste: Purchase orders, Mr. Baratucci.

Mr. Baratucci: You should have all received your packets. They were a little late yesterday, because we were off on Monday. We are getting bombarded with requests at the beginning of the year. Normal things for contracts. The packet is there for your review. Any of the items listed with the stars have budget problems. We created a new code for capital equipment items. It was something that the Controller's Office, George Huntington, had identified that we need to have a separate code now for capital items that are over \$5,000 and a different code for capital items that are under \$5,000. The Budget needs to be adjusted and the under \$5,000 code needs to be placed in everyone's budget. A lot of the ones that you see on here, this new code is 802700 and any where that you see that there is no budget item, because the money is probably in the old budget item. Mike and I went through this early this morning and all of these will be corrected by the time you get the clean report next week. If you have any questions on any of the items, I'll answer them. You can review it when you have more time and just give me a call if you have any questions.

Mr. Haste: Any questions for Randy at this time? (There were none.)

DIRECTORS/GUESTS (continuation)

Garry Esworthy, Risk Manager

HIPAA Resolution

Mr. Esworthy: Approximately a year ago, the County retained the services of Buchanan Ingersoll to perform and evaluate the HIPAA Compliance Act. We now have the assessment and we are ready to move forward with the second phase. We originally started with 45 departments. We have narrowed it down to five departments that need to be included in the HIPAA Compliant Act and there will be five additional departments which will enter into business associate agreements. The next phase will be to start the training process. I have Jonathan Vipond, of Buchanan Ingersoll, here today to present the resolution that needs to go into effect, hopefully next week, to start that process.

Mr. Vipond: We were engaged about a year ago to undertake a comprehensive analysis of all the departments of the County to assure that you are protected in terms of compliance with the Health Insurance Portability and Accountability Act of 1996. I have to say candidly that counties don't fit neatly under the HIPAA requirements and we could chastise our friends in Washington and the Congress, but that probably doesn't produce much. Nonetheless, we have examined carefully and tried to create an efficient and cost effective solution for Dauphin County, as we have in other counties, in terms of focusing just on the parts of the County that really are effected by the HIPAA requirements. Essentially, any part of the County that has a health function and performs electronic transactions, primarily with respect to Medicare and Medicaid payments is subject to the Act. Any information related to individuals that are served by those departments is subject to certain protections. What this resolution does, that I would ask you to sign at your meeting next week, is protect you. There are significant penalties and while I can't imagine today or tomorrow or even next year that the Federal government is going to come after counties and say you haven't done what you are supposed to do. Nonetheless, our job has been to try to protect you to the maximum extent and put some of the paperwork in place, as well as, the processes in place to make sure that not only the protected healthcare information is in fact protected, but that you have the appropriate documentation to say we did what we were supposed to do. This resolution essentially indicates that Spring Creek Nursing Home, Adult and Family Services, Social Services for Children and Youth, the Area Agency on Aging, and the Mental Health/Mental Retardation Program, which are the covered entities, and that is the term under HIPAA, are designated as such by you, the authority for this County, and that all of those other parts of the County that share information that have the need to get information from and give information to these agencies are also protected. Those agencies, sub-parts of the County, are you, the Board of Commissioners, the Controller's Office, Solicitor's Office, the Information Systems Department and the Communications Department. We have fashioned, what we think are appropriate mechanisms, through this resolution and then a second memorandum of understanding, which is called a business associate agreement. Again, the counties don't quite fit neatly. These laws were designed to really deal with hospitals and healthcare entities, doctors, nurses any one who traditionally would fall within this gamut. We think this is

the way that you should proceed and it protects you best. In other words, these five departments of the County are covered entities and then they enter into a memorandum of understanding with the other departments saying that they can share information and are protected. It is both complex and simple. We have tried to make it as simple and straight forward for you as we possibly can. The resolution authorizes the entering into of these agreements.

Mr. Haste: What were those agencies, again?

Mr. Vipond: Spring Creek Nursing Home, Adult and Family Services, Social Services for Children and Youth, Area Agency on Aging and Mental Health/Mental Retardation Program. All of those are covered entities. We could have said the whole County was a covered entity, but that would have imposed significant expense and responsibilities on every agency of the County. We thought we would take the narrower prudent approach.

Mr. Hartwick: Because the Prison and also the Schaffner Youth Detention Center provides healthcare to individuals who are detained, do they fall under the same Act?

Mr. Vipond: They do, but they don't. Prisoners are not protected by HIPAA protections. Though healthcare information is there at the Prison, the rights that the rest of the citizenry of this Commonwealth and this County have do not apply to those prisoners. No, the Prison is not part of the covered entity as defined in HIPAA and no, fortunately we don't have to deal with that part of the County.

Mr. Hartwick: Is Schaffner the same?

Mr. Vipond: Yes, absolutely. Delinquent youth and delinquent offenders are also not covered, because the term is "inmate". The inmate of a correctional facility and both of those fall under that category.

Mr. Haste: That was one of the questions going through my mind. The second would be Personnel is not covered.

Mr. Vipond: No, your role as an employer, the County of Dauphin is the employer. Employer records, even though they contain healthcare information, are not subject to HIPAA protections. That is why you have to keep the personnel records over there and all the healthcare records here. For example, if a County employee was being served by one of these five agencies the information as to that individual in the County Nursing Home or through Mental Health/Mental Retardation is a separate file and that is protected. The employee file is not. You maintain all of your rights as an employer. You must protect that information and not use it cavalierly, but it is not protected by this Act.

Mr. Haste: Mr. Tully, have you seen this?

Mr. Tully: The regulations have been changing from when it was first passed. Some of the regulations have actually made this more civilized. In the beginning it looked like almost everything was going to be included and it was going to be a total nightmare. Fortunately, Buchanan Ingersoll had the time and resources to track all those changes as they have come along. The picture has actually gotten better for us as time progressed. I don't know every nuance, nor do I intend to understand every nuance, but we are very comfortable with Buchanan Ingersoll.

Mr. Hartwick: You had said that we are going into stage 2 of this and what are they as they are laid out – will this ever be completed?

Mr. Vipond: It was a fixed rate contract, hopefully we are done. The report is with you. We are going to do some additional training to make sure that all of the department heads have an appropriate comfort level with this. This is not fun. It is complicated stuff. Your employees have been very cooperative and that was appreciated. It was intrusive on their time and we are trying to make it as easy as for them as we can. We intend to come back with our sub-contractors and do a day or two of comfort training.

Mr. Esworthy: Complete Healthcare, which is also known as HIPAA Pros will be coming back in and going through those five entities that we have designated and doing a little bit more survey and specific information is going to be given to those entities, instead of what we thought we have to do countywide. That will take place late January or early February.

Mr. Hartwick: Thanks for your diligence in moving this along.

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

Mr. Yohe: I am here to give a status on where we are at on the reopening of the budget process. At last week's meeting we noted that the 2004 Budget included the pension bond. We have a lot of questions that are still not answered regarding the pension bond. There is a meeting today, on our behalf, by our consultant with members of the Governor's staff to try and push this along. However, we are not going to have any answers to that for I anticipate several weeks, if not months. I did review the proposals by Mr. Verdelli and RBC Dain Rausher, either of which option would take the place of the pension bond in the 2004 Budget. My recommendation would be, at this point, even if the pension bond is moved to the side or pushed back and we move forward with one of these other debt restructurings there would really be no reason to reopen the Budget. I'm not going to say it's not going to be tight. We all knew that going in that this year is going to be tight again. We would actually be in a little bit better position financially with either of the debt restructuring options that are being proposed and looked at right now.

Mr. Haste: Any questions for Mr. Yohe.

Mr. Hartwick: I know it is clear that we have been in office now two and a half weeks and some of us have seemed like we have been here for quite a lot longer than that

dealing with the tax increase. Let it be known, first of all I think we have done a great job of identifying, this Board specifically has not raised taxes and we have been asking for a year to allow us to take a look at several things to help streamline the costs of government to provide more efficient outcomes for our investments, to take a look at the overall space, both County office space and total assets, take a look at what is providing return of things that we may be able to sell, taking a look at all options, including revenue collection procedures and healthcare on down the line. Those are all going to be on the table, but in two and a half weeks it is extremely difficult. Clearly that is going to be our focus and our task and I know that this Board, not speaking for everyone else, wants to be judged by our outcomes and our ability to do that over the next year and try to minimize the impact on those homeowners who pay property taxes and are being hit through local municipal tax raises, as well as, State tax hikes. We are being placed in a tough position to take a look at all public finance options. I suspect over the next year, as we move forward, this Board will be exploring everything and letting everybody know everything is on the table. We were looking for an opportunity to be able to make some real changes and in two and a half weeks that was quite a challenge. We appreciate all the work that you have done and I certainly here am in favor of the debt restructuring. Thanks.

Mr. Yohe: I would like to note that after last week's meeting, I did send out, you were all copied on, one more here is your budget take a look at it. There were some positive responses that I got. It was not a lot of money, but I will incorporate those and will note which departments did respond positively to that. The debt restructuring, either option, would put us in a stronger financial position than would the pension bond at this point in time.

Mr. DiFrancesco: I have some concerns I think I should share with the public in a public forum.

For the past three months I've had the opportunity to take a hard look at Dauphin County's financial position and the operations of this County government. Along with my fellow board members, we've identified areas of inefficiencies and we've made changes that amounted in hundreds of thousands of dollars in cuts. This board of Commissioners has promised the voters of Dauphin County that we would fix the financial disaster that was created by four years in which rhetoric was more important than reality. Today, responsibility and accountability to the residents of Dauphin County far outweigh the political and personal agendas that dictated some decisions of the past.

I share these comments today in this public forum, because I believe that great damage is being done to our community. At a time when most residents want to fix our problems and move on, there are forces in the community that continue the barrage of rhetoric and misinformation. I believe the residents of Dauphin County want officials who are honest and possess the courage to tell the truth even when the truth is not popular. This Board of Commissioners did not create the financial disaster we now face, but we do accept the hefty responsibility of correcting it. Using the popular quote

“run government like you would run your household or your business” I have to tell you that basically if we were a family or business right now, we would be considering bankruptcy. The current board must pay for the “credit card” practices of the past where the management philosophy was to obligate the county and defer the costs into the future. Paying the bill will not be comfortable for any of our citizens, but let me assure you that the failed practices of the past will be and have been replaced. This Board of Commissioners is dedicated to acting responsibly and in the best interest of the public. We will fix the financial crisis and we will not allow the powers of the political dark side to stand in the way of our financial recovery.

I want to take a moment to share with you what has been going on behind the scenes for the past two months. The number one priority of every department head, every row officer and every judge has been the \$19 million deficit. The Board of Commissioners has met with most of the department heads. We’ve looked for intelligent cuts and in fact we’ve cut several positions from the County’s payroll. Each day I receive calls and letters from department heads and row officers that have found additional dollars to cut from the budget. While every dollar is important, several thousand dollars in cuts does not overcome the millions of dollars in deferred obligations that the County taxpayers are now forced to pay. I want to commend our department heads and our row officers and elected judges for their efforts to be a part of the solution. Contrary to the views of the political “darksiders”, these public servants spend their time working on trimming the budget, not on dreaming up a “wish list” of new spending. They are to be commended for their efforts.

I also want to state for the record that last year, in 2003, Dauphin County would have run out of money by November had there not been a debt restructuring done early in the year. So, while some may talk about a \$3 million surplus and take credit, those same people failed to vote on the very restructuring that caused the County to have a surplus rather than running out of payroll dollars and operational dollars in November. We have very serious problems that we are facing in Dauphin County in this budget. It is not a game and it is not for personal gain. I think we need to be honest with the taxpayers. We have to cut the rhetorical information that is being put out in the community right now and we have to get down to solving the problems and the rhetoric takes away from that, it distracts from that. I know that there are a lot of taxpayers out there right now that are not comfortable and there are taxpayers out there right now who may lose their home based on what we have to do right now. The bottom line is we do have to do it right now. This Board takes this obligation very responsibly. We have looked for the cuts. We do more than go out there and say 10% across the board, because in reality if we do 10% across the board we could do more damage to the organization than good. So, we are going to continue this year to look for ways to streamline government, to make sure that we are operating as efficiently as possible, with finding cuts that we can do, work to find ways to generate more sources of revenue. That is the commitment we made to the voters. The bottom line is that we take this job very, very seriously. We are concerned about the state of this County in where we are right now. I look at this debt restructuring that we are talking about today. Am I really happy that we have to do this? No, I am not, but the difference is do we push the debt off a little bit in the hopes

of eliminating 8% of what would have amounted to a 28% tax increase this year and limit it to 20% that been proposed. Have we looked at it and said you know what, the taxpayers can only take so much. We know that and we hear that message clear. I respect the taxpayers who have contacted me. I know that their problems and concerns are very real. This is not to be taken lightly and may be I should be less concerned about the rhetoric that is going on out there and the messages that are being sent. The misinformation that is being delivered, if I didn't think it detracted from my recovery process, but it is time for it to stop. It is time for people to stand up and say we are tired of the ways of the past and it is time to solve the problem and again, I personally made the commitment and I know my fellow Board Members made the commitment to get that problem solved as best we can. Again, it won't be comfortable, but we are here to do it.

Mr. Haste: I wasn't planning on saying anything, but I will add a couple points to that. Just again to note for the record when we talk about the \$19 million deficit, it actually started, if you recall, at the beginning of our budget process at about a \$24 million deficit. There are those out there who say, "why don't you cut", we in fact did cut \$5 million through the process. Am I correct?

Mr. Yohe: Yes.

Mr. Haste: Again, that some how gets lost in the shuffle. If you look at County government spending, each department, each office over the past few years, it, in fact, has not increased anywhere near the amount that we have to increase. The problem that we are faced with started at the top. It did not start in the departments, as Nick said, and it did not start with the elected officials and it did not start with the Judges. I think everybody did what they could do to keep spending down. Unfortunately, it did not happen in the seats that we now sit in. I too, am getting sick and tired of getting blamed when I came in and again I will state this, I got sworn in I believe on a Wednesday and the following Monday I was going through the budget, having done a few of those in the past, and realized that there was a cash flow problem. When I started asking questions of my colleagues no one was aware of a cash flow problem and it was a budget that was put on the table with a known cash flow problem in there. I had Mr. Yohe run the numbers and it was actually worse than I had figured out. I figured it at about \$4 million in the hole, cash flow wise, and Mr. Yohe had it at \$4.5 million. As early as February or March of last year, I started telling people that we were faced with a basically 38% deficit. That has not changed. Nick had said 28, it is actually 38 where we were. I started to lay that out there to let people know at that point in time so we could start to address the issues. Quite frankly, I thank my two colleagues now because they are willing to roll up their sleeves and look at it. That was not the case last year. No one gets hit harder with this issue than I do and I know about telling the truth and sometimes it is not the most popular thing. I have been in the Giant Store and drug store and I have been beaten up because I want to raise taxes. I am not wanting to raise taxes. I am trying to fix a problem that we inherited. Unfortunately, I was willing to try to fix the problem last year and I had no one else willing to help. In addition to what my two colleagues said about cutting costs, we have also made a pledge and we continue to look at ways to generate additional revenues. As small as they may be, hundred

thousand here and another hundred fifty thousand there, they may be small compared to the larger problem that faces us, but in the long run I think we will find revenue streams that will help offset the need to keep relying on real estate taxes. I will say it again and I will say it every time I get a chance, this again screams for the need for tax reform in this Commonwealth. The problem that we are faced with is we are relying on real estate tax, which often times as we get older or become fixed income, our ability to continue to pay lessens. Until this Commonwealth wakes up and the Legislature wakes up and realizes that we need a system that allows may be a portion of it on real estate tax, this problem isn't going to go away. If nothing else screams louder for the need of tax reform I don't know what it is. This is a prime example of why county governments need tax reform, other means by which we can generate revenue other than real estate tax. It is archaic and it hurts. Next week we will look at the packets that are before us. It will not end with next week. As we sit here, every single meeting, we will be looking at this.

Randy, on the purchase orders, I noticed and I will ask my colleagues here, I see the total is \$894,126.34 in purchase orders. I know a lot of maintenance contracts we need to do, but I also see there is some equipment. Quite frankly, if we can ask the departments and I understand everybody has been in a pinch, if we can delay those a month or two, if it is not a necessity or emergency to get the equipment. Until we start getting tax revenues in, the less that we have to draw down on our Tax Anticipation Note, the better. It just gives us a little bit of a cushion and I think everybody will understand that. Can you take a look at the purchase orders, not only what you have here, but for the next couple months until we start seeing tax revenues coming in and ask if it is not necessary lets just hold off?

Mr. Baratucci: I will and I want you to know to if you look through those and I will try to point them out between now and next week there are quite a few on there that are lump sums that are being spent over the year. Although you see that huge amount all of that is not being laid out right now.

Mr. Haste: It is authorization to spend over time.

Mr. Baratucci: The equipment ones, I agree with and I will make sure that I contact every one and we can talk about those before next week.

Mr. Yohe: So, the consensus is that we don't need to reopen the Budget.

Mr. Haste: You are telling us that we don't need to do that, we will find a way to deal with it.

Mr. Yohe: That is correct.

Mr. Haste: As soon as you get a response from this pension issue could you see that us and the members of the Retirement Board are informed of what is going on.

Mr. Yohe: I will.

ITEMS FOR DISCUSSION

(The following was listed under Items for Discussion)

- A. Change Orders for Phasel renovations to the Dauphin County Courthouse:
 - 1. Change Order #2002-01-23 with Herre Bros., Inc., HVAC Contractor, in an add amt. of \$320,000. This Change Order revises the Contract date of Substantial Completion from December 19, 2003 to May 14, 2004. **(A vote is requested 1/21/04)**
 - 2. Change Order #2002-01-24 with L. R. Costanzo Co., Inc., General Contractor, in an add amt. of \$170,000. This Change Order revises the Contract date of Substantial Completion from December 19, 2003 to May 14, 2004. **(A vote is requested 1/21/04)**
 - 3. Change Order #2002-01-22 with L. R. Costanzo Co., Inc. General Contractor, in an add amt. of \$53,036.51 – covers the abatement and disposal of asbestos in specific areas of the Courthouse.
- B. Agreement with Conrad Siegel Actuaries to perform a Workers' Compensation Self-Insurance Loss Reserve Valuation.
- C. PILOT Agreement for Forum Place.
- D. Selection of Crisis Management Team for Spring Creek.

Mr. Haste: It is my understanding that we do need to take action on Items A and B.

Mr. Burns: That is correct.

Mr. Haste: Bob, do you want to explain these?

Mr. Burns: The first two Change Orders are in essence to extend the completion date of the Courthouse renovations to May 14, 2004. The initial projected date of the start of the renovations was December 19, 2003, so we are asking the contractors to work for an additional 21 weeks. The cost for Herre Bros. to do that would be \$320,000 and for Costanzo \$170,000, under the terms of the Change Orders that are before you. We have negotiated a credit with Herre Bros. that we should see within the next 30 days for approximately \$40,000 to \$50,000. The first two are to continue work through completion to May 14, 2004. The third one, a vote is not requested on today, is for asbestos abatement work, which has been ongoing in the Courthouse as part of the renovations of the third, fourth and fifth floors.

Mr. Haste: Why wouldn't we approve this one, if we are approving the others?

Mr. Burns: We can, Commissioner, if you are comfortable voting today.

Mr. Haste: I will ask this of Bob or Mike, I know we put additional monies in this year's budget, is this in that amount?

Mr. Yohe: I would have to say the extension portion, no. I didn't know anything about that prior to the passage of the budget. I have a request in to try and get where are we at now and how much more we need. I will have a full report on that, but I would say that the \$1 million that we put in to cover will not cover those change orders also.

Mr. Hartwick: How many times has the Courthouse project been delayed? I see Judge Kleinfelter is here.

Mr. Yohe: I don't know that.

Mr. Burns: Commissioner, I can tell you that the original contracts called for it to be completed on December 19, 2003. This is the first time that we have officially taken action to change it. If you mean, how many times were decisions made to delay the work, that is a difficult question to answer. I think we could argue that we didn't make any decisions to slow down the work, which actually prolonged the process. That is the County's position. Decisions were made to delay certain phases, but an ultimate decision was made to go forward with those phases prior to the date that had actually been scheduled for them to go forward.

Mr. Hartwick: Who is the construction manager on this project?

Mr. Burns: Buchart-Horn is the company and Brian Groce is the representative.

Mr. Hartwick: Do we have a total amount that we are over with the overall budget picture for the Courthouse Renovations?

Mr. Burns: We don't today, but Mike is working on that.

Mr. Yohe: It is extensive. I'll get that as soon as I can. I need their impact as to how much is left, the pending change orders in their opinion, and add all this in. When I did that initially with the Budget, the \$1 million, I knew we were going over the existing or remaining bond monies by approximately \$1 million before these extension Change Orders.

Mr. Haste: This thing has become a "hemorrhoid" with me. This project, every time I think we have our hands around it and we know what the dollar amounts are, there is another surprise. At some point in time this has to end. That is part of the problem Mike faces. Every time we have asked Mike to give us numbers and we go with the consultants that are supposed to be giving us numbers, we get numbers that turn out to be not the right answers. At some point in time it has to stop. It will soon be that I never vote for another thing for this project. There is only so many times that we can keep going to the well and it has to stop. I thought we would put \$1 million in and I was reassured that would take care of it and to find out that is just hogwash again.

Mr. Hartwick: The questions I have, we talk about cutting County expenditures and trying to put ourselves in a position to receive return and value for our money, we receive nothing for these extensions. Zero. It is tough to justify these expenditures as we are in a tight budget situation and we are not receiving any value or work for the payment of these extensions. It is a difficult pill to swallow and one that we need to hold some body accountable for particularly the individuals who are managing the project. That is simply my reasoning for asking the questions.

Mr. Haste: Is there a motion for Item A: 1, 2 and 3?

Mr. DiFrancesco: I'll make the motion.

Mr. Hartwick: Is this a motion to accept?

Mr. DiFrancesco: It is a motion to accept the Change Orders and for the record and to be clear these are not changing construction issues in the project, it is simply pushing the deadline back out of necessity. I want to be very clear on that, because I don't want the public to think that changes are being made to the scope of the work in terms of some of the things that have been publicized in the past. This is an example of how tax dollars should not be used. It is an example of how a project should have been handled much more effectively and efficiently and we should not be sitting here today agreeing to spend \$500,000 in taxpayer dollars simply because deadlines were not met. Yes, I'll move to approve these change orders.

Mr. Haste: I'll second. Any further discussion? (There was none.) All those in favor say, Aye.

Mr. DiFrancesco: Aye.

Mr. Haste: Aye.

Mr. Hartwick: No.

Mr. Haste: That is my last, Aye.

Item B, Bob.

Mr. Burns: I believe Mr. Tully can speak on this Item.

Mr. Esworthy: I will speak on that item. Each year we have to do an evaluation on the Workers' Compensation to determine how much money we need to put in reserve to pay those claims that we continue to carry over from year-to-year. I have requested that this be done as soon as possible. It can be deferred until next week if you would like to.

Mr. Haste: I don't know that there is a need to. It is my understanding that the sooner you can get moving with this, the better off we are going to know what that figure is. We need to know that.

Is there a motion?

Mr. DiFrancesco: I move that we approve the Agreement.

Mr. Hartwick: Second.

Mr. Haste: Any further discussion? All those in favor say, Aye.

All: Aye.

Mr. Haste: Items C and D, unless there is a need to we will hold them until next week's meeting. Commissioner DiFrancesco, do you want to comment on Item D?

Mr. DiFrancesco: Just to let the Board know that we are still in negotiations. We are getting very close. We have had some meetings with the consultants and have been very impressed with the type of feedback that we have been getting. I will keep you informed and we are very close to a decision.

SOLICITOR'S REPORT

Mr. Haste: Do you have anything else to add, Bill?

Mr. Tully: No, the final draft was done late yesterday and there is a possibility of some changes before next week. If there are, I will bring them specifically to the attention of each of you.

Mr. Haste: Item 3 does not give a location. The others have a location.

DIRECTORS/GUESTS (continued)

Pennsylvania Emergency Management Agency

Art Stephens, Deputy Secretary for Information Technology
Don Appleby, Director Statewide Radio System Project Office
Mike Walsh, Assistant to Secretary of Administration

Mr. Haste: A couple weeks ago, we had our EMA folks come forward and talk about the need for upgrading our system, our tower site system. They had a proposal of a 450 MHz system that they had been working on for some period of time. PEMA has made overtures to the County that they would like to explain their 800 MHz system to us. Before we make a decision, we felt it was important that we hear both sides in detail and so we ask the folks from PEMA to come forward today.

Mr. Stephens: One correction, we are not from PEMA, we are from the Governor's Office of Administration. (Those from the Governor's Office were: Art Stephens, Deputy Secretary for Technology for the Governor's Office of Administration; Don Appleby, Director for the Radio System Project; and Mike Walsh, Assistant to Secretary Barnett, for the Office of Administration)

Mr. Stephens: First of all, I would like to thank you for the opportunity this morning to present where we are with the Statewide Radio System and to provide you with some information on the project. I have been acting as the Chief Information Officer for the Commonwealth for about nine months. This project falls under my jurisdiction. We work very closely with Director Sanko at PEMA and Director Martin with Homeland Security on this initiative. We have two objectives.

First, of which, is to come up with a solution that works on assuring the cooperation and interoperability of solutions between counties and Statewide Radio Systems. Considering that we all have the invested interest in the capital region, we need to make sure that our systems can talk to each other in the event of an incident or attack, whatever it is. Our first objective is to make sure that the solutions that Dauphin County comes up with is very much interoperable with the State-wide system. It does not necessarily mean that you have to use the State-wide system, but we have to make sure we assume interoperabilities so we can talk to each other.

The second reason that I am here is that when we took over the IT situation, we also saw a very significant budget cut in our project. Realizing that, we have launched an initiative around looking at how we can work more closely together across state agencies in a spirit of collaboration and a spirit of reusability of systems and the spirit of leveraging and investing in infrastructure that has already been made. We wanted to provide some additional information on where we are with the Statewide Radio Project and talk about opportunities that may exist in the future in terms of partnering together which may save the county some expense in proceeding with this initiative.

Discussion Topics: Statewide Radio System Purpose, Status of Construction, Status in Dauphin County, Shared Use by County and Local Government, Capacity and Frequencies, Priority Access, Mobile Data and Costs.

Statewide Radio System Purpose

Mr. Stephens: The Statewide Radio System is one new system to replace all of the existing radio systems that exist across all the State agencies. PEMA, PA State Police, Department of Health, Department of Environmental Protection, Conservation and Natural Resources, National Guard, DMV all will be using the Statewide Radio System. The objectives of the project is to get to one radio network that all of the agencies can use to enhance interoperability across agencies in the event of an emergency situation in reaching 95% coverage across the State. That is an objective of the Statewide Radio Project. If you look at the Commonwealth's responsibilities, we have State Police Barracks all across the State, DEP folks out in forest and national parks, etc., so we

have to have coverage across 95% of the State. The System is not just voice. It is a combination of voice and data traveling over the same system. Our State Police are using the system currently to deliver data information to some of their troopers in the field so they can access some of their information systems. It is passing, not just voice, but also data packets across so State Police and other agencies can take advantage of integrated voice and data. There is encryption on the system. If it needs to be an encrypted conversation you can put that security on it so that it is only received by the person it is intended for. We have integrated a location system, so we know where the radios are. That has some fundamental advantages when trying to track down the trooper or other state person who is most nearest the incident. It is one single platform across all the State agencies.

Mr. Haste: I heard you say about the 95% goal and I assume that's in-building goal?

Mr. Appleby: The State designed criteria Statewide. We achieve portable coverage in most of the State by using what we call vehicle repeater. It is a box in the car that bounces the signal from the walkie-talkie through the car to the tower. In essence, we have better than 95% portable coverage by using that box. In some select areas, we build out the system for a portable and building coverage. It happens to be that Dauphin County is one of those areas where there is a region. There are other areas in the State, where for various operational requirements, we change the specification to accommodate a particular need.

Mr. Haste: Your goal is to have the 800 MHz system Commonwealth-wide?

Mr. Appleby: Yes, it is.

Mr. Haste: Can that support the Commonwealth-wide need?

Mr. Appleby: Yes.

Mr. Haste: Okay. There is enough capacity? So, all 67 counties could go on one system with the Commonwealth?

Mr. Appleby: Yes. Yes, I am speaking of State agencies. I'm sorry, I misunderstood your question.

Mr. Haste: Are you not out promoting to try to get local/county governments to join your system?

Mr. Appleby: We are not promoting in the way that you would think of advertising. What we are doing is where we know of a county that has a need to make an investment, we are trying to make sure that the county knows that the infrastructure is available. It is not cost effective to duplicate infrastructure in many cases. It poses some interoperability challenges for emergency services. Not all counties could come on the State System. Particular, Philadelphia, Bucks, Chester and Montgomery

Counties, there are no frequencies in that area. Most of the rest of the State there is capacity. The system has available capacity or could be expanded to cover the county.

Construction Status

Mr. Appleby: We have been under construction since 2000. We have a large number of the towers up and running. The system has been operational for some time in a fashion that is restricted by coverage in some counties, specifically in the rural areas. If you go in the far north central region, particular, the terrain up there is difficult and those areas are not well covered.

Dauphin County Status

In the Southeast, in particular, and very particularly in the counties surrounding Dauphin, we have very good coverage. Right now we are at 95% in several counties, which I will detail later. Dauphin, Lebanon and Cumberland Counties are at 95% mobile coverage now. The surrounding counties are all at 90 or better. The five mile radius around the Capitol, we are actually building out to in-building portable coverage. That is a variable and I want to make a point here if I could. The degree of coverage and capacity in a system like this is a design variable. You decide what you want at the time you decide to build and that is how you build it. We have decided for State agencies that generally use that mobile coverage is fine and 95% is fine, but there is nothing at all technical magic about changing that to 98% or changing it to in-building, other than it is more hardware. Certainly, frequencies are an issue and I will touch on that in a few minutes.

Shared Use

Shared use of the System is just technically very easy. The System is designed for autonomy. The best illustration for that is the fact that we have 23 separate agencies in State government that are going to be using the System. They are very jealous over the autonomy. There is a very high degree of control over the systems that those agencies will have. The Radio System operations office is not the man behind the curtain so to speak making a system operate. So, a great deal of the fleet administration is run by the agencies. Shared use for us is key, it is almost a requirement, because it allows us to have direct interoperability. By direct, I mean that if I changed the channel to talk to State police, I can talk directly to them without any intermediary or kind of a patch or link. That flexibility is very important to the State agencies in the case of an emergency. In the shared use scenarios that we have examined so far with county and local governments and others, our rule of thumb has been that we are building out for our 95% mobile coverage with some exceptions like the radius around the Capitol and that the sharing user would build out any additional infrastructure required to meet a different spec. For instance in Dauphin County, I know that you are talking about 95% or better in-building portable coverage and we heard at the last presentation that that was estimated to require an additional ten transmitter sites. That sounds like a very reasonable estimate. Our sharing agreements to date,

that cost for the additional ten sites would be borne by the County and it would be integrated into the System. At the time, depending on how that integration took place, once the integration occurs the responsibility for maintaining and operating it would fall upon the State.

Mr. Haste: Say that again.

Mr. Appleby: Once the equipment is integrated into the System for shared use, I am talking about total integration not parallel systems, once the equipment is integrated into the infrastructure it becomes the responsibility of the State to maintain the equipment.

Mr. Haste: If I understand you right, the cost of the ten sites would be Dauphin County's cost and the cost of maintaining those ten sites would become your cost.

Mr. Appleby: It becomes an operating cost of the System, that is correct.

There is a shared administration structure which was moved into place in the last six months, which consists of an Executive Advisory Board which sets policy and makes investment decisions and so forth. An Operations Committee, which consists of the user managers and a Technical Committee.

Costs for Shared Use

We talked about the transmitter requirements, microwave links if necessary or towers. There was a policy decision made at the change of Administration to set the operating fee for use of the System at a flat rate of \$5.00 per unit per month. That includes the depot maintenance, which comes to about \$3.50 of that. There was also a policy decision made that volunteer emergency services would not pay that fee. They would be allowed to participate without charging. In the current environment, it is certainly to the State's advantage and the counties' advantages to have emergency service providers using the System without having them burdened by charging another fee on top of the cost of operating their entity. Our usual structure with sharing is once a partner comes on the System that partner is co-equal with State agencies. That is very important, because I know there was a question at the prior meeting about priority access and so forth. Partners are partners (for example: Huntington County Sheriff is coming on the system. They are no different to us than PSP in terms of their priority access to the System. They don't get lower access, because they are not a State agency).

Mr. DiFrancesco: When you talk about partnerships, I am assuming you are talking about user partnerships, but not when decisions are made on how the system goes forward. In other words, we put up ten additional towers and we turn them over and integrate them into the System and going forward, based on budget constraints of the Commonwealth and so forth, if they decide that they want to take towers out of the system or whatever, what voice would Dauphin County have in those types of decisions?

Mr. Appleby: In the past when we have had those types of discussions, the assets would remain the property of the County. I would assume they would be capital assets. At any rate, the asset remains the County's asset. If you decided that you didn't like to participate any more and wanted to take the assets and separate it off into a separate system you would be perfectly capable of doing that.

Mr. DiFrancesco: If for some reason down the road, let's say holes develop in the County, how responsible would the Statewide System be to perform the needs of the County, given the budget constraints of the State government?

Mr. Appleby: If there is a specific requirement that is beyond the design requirement, the County could always add a transmitter and integrated system. Our transmitter cost is \$12,000. So, we are not talking about a very, very large expense to fill a hole a couple miles in size and it could then be integrated. However, that is why we have an Executive Advisory Board. The Executive Advisory Board is there to provide that kind of feedback to the Governor and the Secretary of Administration. This is a general requirement and if it is needed by more than Dauphin County, it is a benefit to PEMA, State Police and therefore it should be an investment made by the State. We anticipate that the System will never stop growing. This is a very key system for the State agency users and in terms of funding, although nothing is certain to today's financial environment, I can tell you that we are one of the very, very few technology projects in the State that did not get cut in the current budget and is not cut going forward.

Mr. DiFrancesco: You mentioned that you would expect the System to grow and I sit here having absolutely zero knowledge on how to judge issues of capacity. I have to rely on the technical people to answer those questions. My question again would be, because there is a distinct difference of opinion right now of whether there is enough capacity to handle the system if several counties, if not a majority of the counties, come on board with it. What are the limitations of capacity and should that be a concern?

Mr. Appleby: The limitation in terms of real numbers. The State anticipates 25,000 State radios on the System initially, when all agencies transition. This System is sized to handle 100,000 users. If we get beyond 100,000, we would require an architectural change to the System. That is not to say that it is an absolute. That is the contractual limit for the capacity of the System. There is another aspect to your question, which is frequency capacity and there was some question about how many frequencies we have available in Dauphin County. There are some formulas that the engineers use to try to go into that. I will not go into that. I can tell you that we have identified 59 channels in Dauphin County that are usable with 800 MHz. To put that in perspective, that is about a third more than the City of Philadelphia needs. It is a very large amount of frequency capacity that we have identified available in Dauphin County at 800 MHz. This is a complex issue. It is complex because we are talking about very different architectures. One of our proposals to you is that we sit down with the technical folks and come back to you with an explanation of what the capacity requirements are and how we could meet them.

Mr. DiFrancesco: The technical formulas, I have no interest in. I want to be certain that when a police officer is running through a field on his own that someone will hear him when he needs help.

Mr. Appleby: The end user doesn't know what the technology is behind the scenes. If you push a button it better work.

Mr. Haste: The \$5 per month, how long will that be in place?

Mr. Appleby: It is a policy decision. We could memorialize it, if that is what you like in the agreement.

Mr. Haste: The only hesitancy I have is county governments, a lot of what we do is in partnership with the State. As you know, as budgets get tighter, the shifting comes to us. I worked for the State too, so I have been on the other side. I am hesitant of another partnership with the Commonwealth where we are not sure that the split and the funding levels are going to stay where they are supposed to be. We have joined other programs, partnerships that we have entered into, few are still at the level they were sold to us at. How do I make sure that we don't get into a situation that sounds good now and ten years from now another board of commissioners are sitting here cussing us out because we have entered into another deal with the Commonwealth that didn't follow through as was presented?

Mr. Appleby: The best way that I could address that is in all cases where we have a partnership, we have a very detailed written agreement that includes service levels and it includes the fees and so forth. As best as we can all protect our errors, the best way I think we can do that is part of a comprehensive written agreement if you decide that is something that you want to pursue. Service level agreements are a very key part of our agency expectations. Your concern is common to the State agencies internally. There is a great leap here that the State agencies made five years ago to decide to go to one system and not have individual control over their own separate systems. It has not been an easy decision breaking with that tradition.

Priority Access

Mr. Appleby: Of course any system has finite capacity. I want to make a point here that light coverage capacity is a design variable, within the limits of frequencies available you can have whatever capacity you would like. The system is very dynamic in terms of its ability to adjust to a larger amounts of capacity and the large number of users. One of the benefits to Dauphin County is that our largest single concentration of users in the State is in Dauphin County, for obvious reasons. That means that the system is already very robust in terms of our base line design in the County and that translates to a very high residual capacity to begin with. That aside, we understand and if I were in the County side that would be a very cautious and looked toward building in may be even more conservative amounts of capacity. I think we can show that we have the

frequencies available to do that. The question becomes, what is the reasonable amount? All that aside, there are ways of accommodating peak load. The system that we are implementing is a system that can shift capacity within the system at peak load time. It tries to do what we call low leveling. If there is a concentration of users at a fire scene, for instance, that is very intense, other users can get shifted to other sites farther away to leave the local resource available. That is automatic. We can shift channels. The system can dynamically move channels. In other words, turn off a channel that is in use at Reeser's Summit and turn it on at Manada Gap. The system is capable of that now. We have a channel now at Reeser's Summit that is dynamically assignable and we can turn that on. Most often it would be the other way around. The high site would get the extra channel. Operationally, you can reduce the number of users. This is typically what happens, for instance, the plane crash at the Pentagon on September 11th. For the week immediately following the plane crash there were probably 2,500 to 3,000 emergency service providers in and around that area. They operated that whole week on eight channels. Never got a busy. The way that they did that is they took low priority routine traffic, the garbage trucks, road workers, moved them off and said don't use the radio for the week. That certainly is an operational issue. Most importantly and to specifically address the question as it was framed in the last meeting, there are methods, both automatic and manual, of elevating the priority of a user in an emergency situation. We have 23 agencies. You can imagine what it would be like trying to determine in advance which agency would have priority access to the system at one of our board meetings. We don't have a priority. Everybody is on a level playing field, however, the rule of thumb, the operating rule, is that in the event of an emergency, the entity with the emergency gets priority traffic. That can happen one of two ways. Our network operations center could elevate a particular group of users to a higher priority and then when the emergency is done reduce it. Or the user can actually do that by pressing the emergency button on the radio. There is a little red button on a radio if you press that button it declares an emergency, it automatically increases your user's priority on the system. It pre-empts other users. There are those flexible methods of insuring that even the event of limited resources, even at a very limited location, that the users most requiring the resources of the system would get those resources. You can go one step further than that and say at the end of the day I have 1,000 people in a gymnasium and they all want to talk at the same time. Something is going on there. You can't possibly have a 1,000 channels there, the ability to handle that. We do have flexible means to bring resources to an area. We have four portable tower sites that the State purchased, which in the event of a major emergency (lets say a major fire that goes on for 6, 8 or 12 hours) can be brought to a scene, brought up and provide extra capacity at a location for the duration of that disaster or emergency and then be brought down again afterwards. I think we spent a lot of time working on this issue.

Mr. DiFrancesco: Let's say we have 24 hours to evacuate all of Central Pennsylvania, because there is a major event at Three Mile Island. The roads are now filled to capacity in trying to get out. Everybody under the sun in Central Pennsylvania is on the radio and basically what we have is worse than the 1,000 people in the gymnasium. Has the worst case scenarios been tested and do you feel comfortable that the system will work under those scenarios?

Mr. Appleby: We are saying, tell us what the worst case scenario is and we will tell you whether we can meet it.

Mr. DiFrancesco: That would probably be one of the worst case scenarios that I can think of where the entire Central Pennsylvania region has to mobilize and get out on a short period of time.

Mr. Appleby: The answer to your question is an operational issue, not a technical. This has been, I use the example of the Pentagon crash. Another example that is in use every day is in San Diego and counties in California, the answer is that in the event of a major disaster like that you move folks to a disaster operating procedure. They don't operate in a normal fashion. In technical terms, we have a disaster response plan set up that sets up 16 virtually channels in the system that says here is what you use in the event of a major disaster, TMI evacuation would be a great example. Those talk groups are pre-set. They are in every radio in the State system. They are labeled, incident command, fire, police, whatever the labels are. The users come off of their normal talk groups and go on to those and operate on the basis of those for the duration of the emergency. That does two things for us. First, it eliminates the number of talk groups in the use to 16. That is good and that is what the folks in Arlington did for the plane crash, because now you don't have an infinite number, even if you have a very large number of users, you don't have an infinite number trying to talk at the same time or essentially a very large number trying to talk at the same time. The second thing that it does is allows them to interoperate for the duration of the emergency. If you are in fire and I am in police and we are both working on the evacuation and he is doing road work for PennDOT, we are a click away from talking to each other. Not trying to figure out who got what channel today and where they are at. That is a very important part of the planning on the State side for emergency response regardless of County participation. Just within our own agencies with 23 users, we have to have that degree of organization to be able to avoid mass confusion in the event of an emergency. This can get very technical.

Mr. DiFrancesco: I would greatly prefer that you go into technical detail with the people that work for us that know exactly what you are talking about, so that they can come back to us and say yes when you key the mic you will have the access that you need. That is about how simple I would like it to be presented to us.

Mobile Data

Mr. Appleby: There was some information passed on that we were not aware of at a prior meeting. The System does mobile data now. That is important for this area, because the current cellular data that is being used is going away in the very short term. We can provide that today with an upgrade immediately to a higher data rate and over a long term with hardware upgrade. At the last presentation there was a discussion of a perceived need for wide band mobile data. By that I mean the 384 kbps data. It is at the point where the system is capable of doing or supporting its infrastructure wide band

data. We are not currently deploying it. It is not currently available, because of frequency limitations that were discussed at the prior meeting. The State system is capable of supporting that on the same infrastructure. It would require a different mobile unit.

Next Steps

Mr. Appleby: The next step is that we obviously have some disconnects between discussions with the County folks and the State folks as to either our perception of your requirements or your understanding of our System. We have State assets available for use regardless of whether you go with your own system or come on the State system. We need to look at the cost assumptions, because as Mr. Weges pointed out last week we need to better understand the County's estimate of the cost of participating. We believe that is high. Ultimately, regardless of every thing that comes before it, interoperability between emergency services is the most important thing at the end of the day.

There are a couple of attachments to the information that I presented. There is a map of county activities with the Statewide Radio System and the County Sharing Assets, just for your information. Also in the packets, there is a frequency listing in the back showing both the currently licensed and allocated channels and the channels that we believe are licensable in the County. We mentioned I think 59 channels, 47 of those are already licensed or allocated in the County and 12 are licensable. There are our own channels being used elsewhere that we can re-license and reuse in the County. Are there any other questions?

Mr. Hartwick: I have none.

Mr. DiFrancesco: I don't believe I have any more.

Mr. Hartwick: Thank you for the time.

Mr. DiFrancesco: Thank you very much and we will be back in touch.

COMMISSIONERS' COMMENTS

Mr. DiFrancesco: Chairman Haste had to step out, he had another obligation that he had to attend. We are at the point on the Agenda for Commissioners' Comments. Are there any comments?

Mr. Hartwick: No additional comments.

Mr. DiFrancesco: Nor do I, I have nothing to add to the comments that have already been made.

PUBLIC PARTICIPATION

Mr. DiFrancesco: We have reached the point in the meeting again, where it is appropriate for public participation. Are there any members of the audience that would like to make comments, please come up to the microphone and state your name.

Mr. Williams: My name is Darnell Williams. I live here in the City of Harrisburg. This is my first County Commissioners Meeting, ever. I do know Mr. Hartwick. He performed the ceremony when my daughter was married. I just wanted to bring up the debt restructuring. Most of the County's debt is 15 years out. I don't understand why that was done in the first place. I encourage the County, whenever you put together your package, to go out as long as possible if you can 30 years out and put a call provision in the bond issue where you can pay it off earlier, if for some reason the economy turns around and we have more money coming in. I do hope that you will do that. A lot of the institutional investors buy these bond issues today do not want to get caught in an interest rate trap. Meaning that if interest rates go up they don't want to lose any money. I suggest that you put a variable rate on the bonds, but with a cap. Because, if things go bad in our economy where interest rates go up to 20% you don't want to be paying 20% out. I would suggest that you put a cap on the rate of interest.

There is another thing that I am concerned about with Dauphin County government. I heard the Chairman talk about the disinformation that is out in the public. When I first heard about a 20% increase, I was wondering how I was going to pay my mortgage and everything else. I thought it was already passed and I am just finding out that it hasn't been past yet.

Mr. DiFrancesco: The 20% increase has been passed by the previous Board. What we were talking today was the possibility for us to reopen the budget and actually make that even higher, which in fact we will not have to do now by what was presented today to us.

Mr. Williams: Is it possible to have some of the meetings televised on Channel 20 so that the people could actually see for themselves what is going on instead of hearing from hearsay? I heard the chairman say that he wouldn't want to raise taxes, but at the same time the way he stated it he said that we voted to raise taxes and then he went on to explain what he was saying. It can go in this ear and it can come out this way, out of my mouth to someone else and say well he voted to raise taxes, how dare he raise taxes. All of a sudden you have one person telling another person that adds a little bit to it and then all of a sudden you have a whole board that wants to raise our taxes.

Mr. Hartwick: First of all, it is good to see you again. That is why I have stressed since I have moved in to have such an open transparent process that allows individuals to come in and review and if that means a part of being a little bit more out in the public and to allow our decisions to be discussed and seen. I don't know if there are any restrictions that we have to talk about that with televised proceedings. I am certainly not opposed, but it is also important to run a successful public relations effort. We have all

been grouped in right now to having been voted already on a tax increase. Everywhere I go people say, why did you vote for a tax increase. I say that I have only been in office two and a half weeks, I haven't voted on any budget packets so far. We need to do a better job of getting that information out to the public and if that includes televised proceedings and making government more open and transparent I am completely in favor of that. A lot of misinformation can be curbed by trying to open up the process and get that information out in a timely fashion, to the citizens. This is certainly one way that I think we can do it. I don't know what the restrictions are. I imagine there is probably none.

Mr. DiFrancesco: My role before coming here was a Township Commissioner and then our only constraint at that level was the cost of televising. I think it is a great idea to have open meetings. Things that go on at this meeting should be open to the public and the public should be able to see every decision that we are making. I agree with you.

Ms. Kocher: The Communications Department, at a request from the previous Board, did check into televising the meetings. The equipment here, Channel 20 did not want to use our video and our format. Rather they wanted to bring a crew in, which would cost us about \$500 a month for two meetings and then we would have to incur any additional cost on top of that for the additional two meetings that we have. It was running somewhere between \$13,000 and \$15,000 per year and the previous Board did not want to spend that money.

Mr. Hartwick: If you could, revisit that with Channel 20. I suspect that they probably would want to be a little bit more open and if the public knew that a public television station that was created for that specific purpose to go out into the communities and go into municipal meetings and county meetings was charging exorbitant amounts just to get that information out to the public I am sure they may be willing to change their stance and I would like to revisit that issue with them and see if there is any way that we can negotiate or use our own television equipment to do so.

Mr. Williams: I do hope that in these negotiations that you include Mayor Reed and also City Council. They may not be aware of the cost that Channel 20 is asking for.

Mr. Hartwick: I am sure they are aware.

Mr. DiFrancesco: I would have to think too that if our current equipment doesn't meet their needs, we should be able to get them what we need for far less than having a crew come out to videotape. I am assuming that we can go out and do the conversion on the tape ourselves and do it for a lot less money. You may want to check into that also.

Mr. Hartwick: It is a good point and it is one that I support.

Mr. DiFrancesco: Thank you for coming out today.

ADJOURNMENT

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco, that the Meeting adjourn.

Transcribed by: Richie Martz
January 22, 2004

Respectfully submitted,

Robert Burns, Chief Clerk/Chief of Staff

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