



DAUPHIN COUNTY BOARD OF COMMISSIONERS

COMMISSIONERS' WORKSHOP MEETING

WEDNESDAY, MARCH 31, 2004

10:00 A.M.

MEMBERS PRESENT

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

STAFF PRESENT

Chad Saylor, Chief Clerk/Chief of Staff; Bruce Foreman, Esq., Assistant Solicitor; Bob Dick, Treasurer; President Judge Kleinfelter; Phil Intrieri, Deputy Court Administrator; Robert Burns, Commissioners' Office; Tom Guenther, Director of Information Technology; Steve Howe, Director of Tax Assessment/Tax Claim; Guy Beneventano, Esq., Solicitor's Office; Kay Sinner, Personnel; Ed Chubb, Director of Parks & Recreation; Melanie McCaffrey, Solicitor's Office; Randy Baratucci, Purchasing Director; Edgar Cohen, Facility Maintenance Director; Kelly Wolf, Solid Waste Management; Garry Esworthy, Risk Manager; Gary Serhan, Deputy Controller; Diane McNaughton, Communications; Jennifer Kocher, Communications; Mike Yohe, Budget Director; George Connor, Economic Development; Dave Schreiber, Personnel; Carolyn Thompson, Court Administrator; Dan Robinson, Director of Economic Development; Kacey Truax, Commissioners' Office; Richie Martz, Commissioners' Office; Barry Wyrick, MH/MR Administrator; Shari Eagle, Information Technology

GUESTS PRESENT

Becki Oller, East Hanover Township; Tina Fackler; Jim Thiele; John Maready, Williamstown Borough; David Twaddell; Jim Szymborski, Dauphin County Planning Commission; Donna Anderson; Bob Kissinger

MINUTES

CALL TO ORDER

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

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have the March 17, 2004 Workshop Meeting Minutes that we will approve next week.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time in the program for public participation. Is there anyone in the audience that would like to address anything that is on the agenda today? (There was none.)

PERSONNEL

Ms. Sinner: In our personnel packet, we have four Salary Board requests. One from Schaffner Youth Center, eliminating a part-time Youth Program Specialist Aide position and creating a part-time Youth Program Specialist I position. There are three Salary Board requests for Spring Creek for the Human Resources Department. They are moving people around in that department and some administrative people are moving from other departments into Human Resources. Hopefully that will give them a better opportunity to track attendance and keep on top of things.

We have the vacancies listing, a new hires listing, and the changes listing. We have the overtime reports and requests for overtime from the Prison for pay period #9.

Mr. DiFrancesco: I would like to speak to the changes at Spring Creek. I want to let the Board know that we are restructuring at Spring Creek. Those positions that we are shifting around are a result of the overall survey of the facility and the need to get a better grip on things, as Kay said, the use of the overtime and the scheduling. Right now among all the other things that are going on out there, one of the things that we did not have a very good grip on, was how overtime was being scheduled and how staffing levels were being managed. Right now we are down maybe 60 beds and staffing levels

were not being adjusted to match when we had a reduced resident number at the facility. That's the main reason for that restructuring. It will give us a better grip on how we are using our employees at Spring Creek.

Mr. Haste: All we are really doing is taking four positions and eliminating those and creating four new ones?

Mr. DiFrancesco: We're taking five to four?

Ms. Sinner: One person resigned.

Mr. DiFrancesco: Yes, it is five to four. They are eliminating one position and then shifting four others into new roles. If you look at the report, per position the wages are changing and the wages are increasing but the net savings over the year is \$16,000-\$17,000 through the elimination of the one position.

Mr. Haste: I don't see any paperwork eliminating that position.

Ms. Sinner: The one that is vacant now is the HIPPA Compliance Officer/Worker's Comp. That's becoming the Data Information Coordinator position.

Mr. Haste: The Data Information Coordinator is the current Administrative Assistant I?

Ms. Sinner: Right, but I believe the Secretary I position is what we need eliminated because that person is....

Mr. Haste: Where is the paperwork to eliminate that?

Ms. Sinner: I didn't get paperwork for that so I didn't know if they really did intend to eliminate that position or....

Mr. Haste: There in lies the question.

Ms. Sinner: I can find out.

Mr. DiFrancesco: The intent is to eliminate it and I'm assuming the paperwork hasn't caught up to it.

Mr. Haste: Okay.

Ms. Sinner: That would be in administration.

Mr. DiFrancesco: We can follow-up.

Ms. Sinner: Are there any other questions?

Mr. DiFrancesco: Just looking at the overtime, there are a number of categories on the overtime sheet that show that the percentage of overtime remaining and the percentage of year that has been expended are not matching up. Some definitely have already used more than the equivalent of their overtime budget. In a lot of cases that probably will make sense. I'm guessing for example in Maintenance you're going to have overtime in snow conditions and it will not flow throughout the year. The directors need to watch that and when they start to see that they're getting away from the budget, just be cautious. We have to make sure that we don't go over budget in overtime for sure.

TRAINING PACKET

Mr. Saylor: Commissioners, there are thirteen items. All have been pre-approved. I do not see any that need approved today.

PURCHASE ORDERS

Mr. Baratucci: Commissioners you all should have received the regular packet yesterday. There are some items on there as usual that need some budget adjustments. Mike and I will work on those. In addition to your packet, there should have been a memo from Judge Kleinfelter with a memo from myself explaining some issues with possible furniture purchases as part of the Courthouse renovation project. I think Judge Kleinfelter had detailed his request in his memo. He is here today in case you have any questions. He had asked that this be added to the packet for consideration for next week. Since it is not in the packet, there are some questions that we have that are attached and can be added to the packet if you direct it. I don't know if you have any questions of me or Judge Kleinfelter. That would be the purchase orders that are here for consideration.

Mr. Haste: I guess there are a couple of items. Are there any questions for Randy on the packet before we get to the addition?

Mr. Hartwick: No.

Mr. DiFrancesco: No.

Mr. Haste: On the Courthouse packet, a couple of things. One, I'm not sure that I clearly understand why we are purchasing for two courtrooms when we have one courtroom to furnish. The other is, some of these items appear to be quite high. I for one will have difficulty supporting the price of some of these ticket items.

Mr. Baratucci: That is what I was detailing in my memo to you.

President Judge Kleinfelter: Good morning, Commissioners. We have taken a step to put this together in a form of a memo detailing not only the request of the equipment, but also the funding sources. In our renovation committee meetings, we got a sense that what the Board really wanted was a final comprehensive figure once and for all of

everything we need and not come in piecemeal. Of course, the other issue was, how are you going to pay for this equipment? That's what you have. Let me see if I understand, Commissioner Haste. Your first question was two courtrooms. There is only furniture here for one courtroom but two chambers.

Mr. Haste: Okay, I meant the two chambers.

President Judge Kleinfelter: The two chambers that are being renovated on the fifth floor are Judge Clark's chambers, that's all new. That includes his office, secretary and law clerk space. There never was a law clerk space before. And of course, the chambers which attend the eighth courtroom. All the furnishings that are being requested here were contemplated in the original budget. The original budget for all of those furnishings was \$60,000. The amount that we are requesting for those furnishings here in this proposal is \$57,940.28. So, number one, the items that we requested are all under budget. Number two, it is my understanding that all the equipment is on state contract. Number three of course, we've identified dollar for dollar out of the court's budget which is the first time by the way that any part of Courthouse renovations has been paid for by one of the individual departments. But we're doing this as a token of goodwill to keep the project going so the funds are there. You should know that Judge Bratton, for example since he has been a Judge on this Court, did bring with him his original desk from his private law office. Judge Clark has been using a computer hutch which he purchased himself. His computer equipment as a matter of fact, he purchased himself. He's also been instrumental in getting a grant to acquire about \$75,000 worth of computer equipment for the courts. So, these furnishings are to replace those that these judges have paid for out of their own pockets and to complete renovations which were contemplated.

Now as to the cost of any particular item, when we looked through the catalogs, I don't know how recently you priced executive furniture but the material that we picked out is number one, middle of the road. These furnishings generally come in groupings. We've picked the middle of the road grouping and yet something that is appropriate for a judge.

I'll be happy to answer any other questions.

Mr. Haste: The sheet I have actually has a total of \$86,473.46 not \$50,000 some. I'm not sure where we differ on that. I have a budget of \$60,000 with a request that appears to be \$26,000 over.

President Judge Kleinfelter: Right, actually what I said was that the items on exhibit "A" for the furnishing of the two chambers and the courtroom come to \$57,000. The additional \$27,800 is for two items that were not part of the original budget. Well, one says they were and the other says they weren't.

The one item is sort of right at the end of the list for 13 window treatments for thirteen, \$11,000. For some reason, that was totally overlooked. You know if we don't have

window treatments basically we have the sunlight coming in all of those windows without any kind of blinds. The second item, the \$16,800 item is for refurbishing 140 chairs in the jury assembly room.

When the original budget for furnishing was set up, the furniture in the jury assembly room was supposed to be replaced. The budgeted item for that shown at the very bottom of that page was \$44,625. That item was stricken. We never did acquire any new furniture for the jury assembly room. As a fall back position, Carolyn Thompson was able to secure an estimate that would allow us to refurbish those chairs. That's where the \$16,803 comes from. Now if you wanted to defer that item to later on in the year, we could do that. But those two items are put in there in response to this general question to have one comprehensive presentation of everything we would like to have done. But if you take those last two items out of there, the items for the chambers are below the original budgeted amount.

Mr. Baratucci: I would like to add something. What I wanted to point out, too, is that when we all met together in Judge Kleinfelter's chambers we were trying to get a handle on this project. \$60,000 was the number that everybody had agreed on for furniture furnishings. How those items were overlooked, as Judge Kleinfelter said, it is just an example of some items again that were not included in this estimate that we were counting on to be the final estimate. I think you need to consider that while the furniture itself may be under the \$60,000. We thought that \$60,000 because that was what we were told, was including everything that was necessary. When we were working on those numbers for the money that we needed to come up with to finish the project, \$60,000 was the number we used. I just wanted to make sure that was noted.

President Judge Kleinfelter: To put the furnishings in perspective cost wise, it may be of interest to you to know that the total for furnishings for Judge Clark's chambers comes to \$7,119.60. For the eighth judge's chambers it is \$7,026. That's the total or an average of \$7,073 per chamber. That is actually lower than the cost to furnish the three Commissioners' offices when this building was constructed. Commissioner Payne's office was \$7,300; Henry's was \$7,100 and Petrucci's was \$9,000 for an average cost of furnishings in each of those offices of \$7,800. So this is lower, we are spending less to furnish a judge's chambers than we did the Commissioners' offices. That doesn't include a wet bar or a shower or anything like that in any of these judge's chambers. These expenditures are you know in line with what we did here.

Mr. Haste: Those were expenditures by the previous Board.

President Judge Kleinfelter: Oh yes.

Mr. Haste: Two wrongs don't make a right.

President Judge Kleinfelter: Well, but it puts it in perspective.

Mr. Haste: I'll also put that in perspective. I will be happy to give Judge Clark my furniture if he needs to spend \$4,600 for a desk. They can have mine. I'm very pleased to go out and buy a desk set that we have purchased for our directors at \$1,300, which these are directors of our departments and that is half of what is being suggested for a judicial assistant's desk. I think these prices are way out of line. Because there was mismanagement on this spending in the past, doesn't mean you should continue that pattern. I would be happy to let them come over and take my desk. I'll use that measly \$1,300 desk that appears to work for everybody else.

President Judge Kleinfelter: I hope everybody in this room appreciates the irony of what is going on here. When this building was purchased, all the press releases from the previous Board said that this building is being purchased because the General Assembly created an eighth judge and because we need to provide a courtroom and a chambers for an eighth judge, we need to buy a building. Well, now here we are by most accounts twenty some million dollars later for the acquisition of this building which was all very comfortably furnished and because the courtroom is the last item, we're here begging to have comparable furnishings. Not only are we paying to have the furniture purchased, we've made the additional step which I think is given the inquiry here rather audacious of having to provide out of our own budget the money to pay for there furnishings. No other department has had to do that.

Mr. Haste: Every department pays for their furnishings out of their budget.

President Judge Kleinfelter: We're showing you how we are going to pay for it. The money we are spending is under the original budget and when the furnishings are comparable to what the Commissioners have, I just.....

Mr. Haste: This particular line item is under, if in fact.....I wouldn't go so far to say it is under budget because there are two items that are added which were missed which causes this line item to be over budget, so it is over budget.

President Judge Kleinfelter: If you are going to do that, then you have to take that refurbishing of the chairs of the jury assembly room and say what was budgeted there was \$44,625. So the figure we want to spend is \$16,000 so that is \$28,000 under budget.

Mr. Haste: It is over budget and that's the problem. As I said before, we don't operate with credit cards any more.

President Judge Kleinfelter: Furnishing the jury assembly room was part of the original budget. You take away \$44,000, we're trying to put back in \$16,000 and you say that.....

Mr. Haste: We already put in an extra million this year and you're already asking for another \$800,000. I'm looking at the whole project and the whole project is over budget. There's no more money.

President Judge Kleinfelter: Not because of what we are asking for here today.

Mr. Haste: No, but it adds to it. When the money is gone, the money is gone!

President Judge Kleinfelter: It would look silly to the public if we don't furnish the very areas that all the press releases say drove this project in the first place. We haven't spent the money to furnish a courtroom and two judges' chambers when that was the very reason this building was purchased. We spent twenty million dollars and now we're arguing about \$60,000 worth of furnishings. Can't you see the absolute irony in that?

Mr. Haste: No, I can see the absolute need to pull back the reigns on spending. A \$4,600 desk or a \$1,400 one, that functions the same way. They may not look the same but they function the same way.

President Judge Kleinfelter: You do what you have to do but I think you know you take somebody...the courts provide a lot of money to the overall general fund. The General Assembly cuts a check for \$560,000 each year for these judges. These judges generate a lot of revenue by fines. The amount of that we are asking for Judge Clark, \$7,000, in one day of DUI guilty pleas at \$750 a pop fine, you take ten defendants, there is \$7,500 right there. If he imposed a fine of \$1 for each one of those, that would be \$10 instead of \$7,500. I don't know that you really make sense to cut short the judges who are generating this kind of revenue by saying your desk is not appropriate when it truly is middle of the line executive furnishings when it is on state contract and when it is under budget.

Mr. Haste: Lets hear your comments.

Mr. DiFrancesco: I would like to make a couple of comments. When I ran for office last year, we knew that we would be stepping into many situations that would frustrate us greatly. And probably no other issue has frustrated all more greatly than the Courthouse renovation project. I think what is very, very important and will benefit the taxpayers of this county the best is to understand that all of us are on sort of the same side right now trying to work this project through to completion. We do have an obligation to basically pick up the very last portion of this project which is to pay the bills. We had very little decision making capacity throughout this whole project. I include this building as well. Judge, I'll agree with you if I had it to do over again, if I could pull back and be the one to make the decisions, not only would we have less expense furniture in the Commissioners' Office, we wouldn't have near the square footage that we have in the Commissioners' Office. To this day everybody that comes up and meets with me in my office, is sort of blown away. I'm not saying that necessarily in a good way by how large our offices are. Money has been spent extravagantly in the past. I think this Board is extremely committed to making sure that stops. In that regard, it's true. Maybe we can do a better job in finding furniture that is less expensive. I think it is very important also to put a public face on this to say there are conversations, you have

taken steps to cut things out of this project to make it less expensive. Are there more things there that could be cut, probably?

President Judge Kleinfelter: You just brought up something that I meant to mention earlier and did not. In the new judge's chambers, according to the original plans, there was shelving along two walls. When we were taking the shelving out of the Law Library, I got together with Brian Groce, the construction manager, and said can't we save some of that shelving for this eighth chamber? And he did and we put it aside. That cut out of those was \$6,798. In the video conferencing room, I stripped out all the cabinetry that was in there. We are going to get a credit for that. That will be several thousands of dollars. We're taking the video conferencing equipment that is not being used in this building and moving it over there. That is a savings of about \$20,000. I think that I have been working hard to try to pare every unnecessary expense. We've saved in just taking out that shelving probably over \$10,000. I think everybody is doing their part, but the bottom line is on what I'm asking here for today. I not asking for the County to pay for this out of any renovations budget. I'm paying for this out of my own budget. Out of my own budget, I'm paying for this.

Mr. Haste: That's where every department pays for it.

President Judge Kleinfelter: What is wrong with this picture?

Mr. Haste: Every department pays for it out of their budget.

President Judge Kleinfelter: No, no other department was asked to pay a dime to the \$31 million renovation budget. Nobody else has done that anywhere.

Mr. Haste: But every other department when it comes to the budget and they need new furniture, it is part of their budgeting process every single year. In the courts in the past they have purchased furniture out of your budget.

President Judge Kleinfelter: You have stripped every dollar. Mike Yohe has stripped every dollar for furnishings out of the court's budget when the budget was developed. I don't have a dollar for furniture in my budget this year just to replace stuff that would need to be replaced on a routine basis. It was all stripped out of my budget. No other department was asked to take a dollar out of their budget for Courthouse renovations. Not a single department in this building took a dollar out of their budget for anything that is in this building or the Sheriff or Victim Witness or the Clerk of Courts. What we've done here is taken one step way beyond and I'm so chagrined that we are challenged on a \$1,000 here or there given the overall picture.

Mr. Hartwick: I would like to make a comment or two.

Mr. DiFrancesco: I have some more.

Mr. Hartwick: Okay, finish.

Mr. DiFrancesco: As we go forward with these negotiations, I think it is to the benefit to the taxpayers if we all remember that we are all on the same team trying to do the same thing. While we come to the table with different ideas of how we accomplish the ultimate goal, we have to continue to work together to do that. My comment Judge was, I think you are working with us to do that. I look at the furniture situation. I'm waiting to see back some of the ideas that Randy can come up with in terms of what furniture is out there. I really don't know. This is all new to me. As Jeff has mentioned, we have equipped other director's offices with quite a less amount of money.

I guess what we are weighing up here is the fact that somewhere we have to produce \$800,000 plus, out of this budget by the end of the year. It's not a planning issue. It is a cash flow issue. It's within the confines of this year's budget that has already been laid down. You've mentioned that nobody else has had to pay the price in terms of their operating budget this year to contribute back to that \$800,000 shortfall. That's probably true at this point. I know as I sit here and I can't speak for my fellow members of this Board but I'm prepared to wrestle with things like layoffs, greater vacancies towards the end of the year because basically as the year progresses somewhere this money has to be generated. It's going to come out of somebody's budget.

Obviously, there have been some other departments that have benefited and had their space refurbished. I think that is an important point to note that there are two simple reasons this project is over budget. Not saying it is comprehensive but two of the reasons are that things that were not supposed to be done in the first phase were done in the first phase. Certain offices that were not scheduled to be redesigned were redesigned. So it is not like in some cases we'll argue was the money well spent? But in other cases, we're looking that the County did benefit by redoing an office that was in need of being repaired and certainly that part of this construction project was supposed to be done in a future phase and it was brought into this phase. Tax dollars weren't there. Was it a smart move? Well, obviously we are paying a price now for it so this Board is going to sit here and say it probably wasn't the greatest move to make. It's making our life here uncomfortable but that's a whole other issue. I just want the taxpayers to know that in fact they did get something for that money. It was just shifted to a different timeframe. Another issue that has come up through this project has been the asbestos abatement. They were not prepared for the amount of asbestos that they found. One of the issues that we will face at some point in the future is the fact that we still have to approve some work that was done in the past to deal with asbestos that was above and beyond what they expected to find. This whole issue is a matter of circumstance. We find ourselves in a project that we can sit here and argue all day whether it was managed properly, whether it was mismanaged, whether good decisions were made, whether bad decisions were made. The bottom line is we have to take this project over the finish line. It needs to be completed and we've got to get it done within the confines of a budget that's already very, very tight in Dauphin County. So money will have to be restructured. Money will have to come out of line items that were already approved for other things in order to make that \$800,000 plus payment to bring this project to completion.

I do think we have to be respectful of the taxpayers in terms of the furniture. If there is a viable option, I'm not talking about your average press board desk, I'm talking about something that will hold up to the strain of what the judges go through and everything. I think we have to consider that and look at it and see what we can compromise on that fact. I think my point is that there had been changes made to this project, changes that you had brought to the table that have reduced the cost of the project. For that, I want to thank you for working with us. We will continue to work together to make sure that we get this project complete. That is on the forefront of everybody's mind. We want to get this done. We want to get an eighth courtroom, which was the entire genesis of how this project came about because we needed an eighth courtroom which to this day we do not have. It is not furnished. Right now it is a hole where just about every other part of the project has been completed. I guess they may have dry walled now, but last week I think it was still studs where a courtroom should be. All this you see around you was done. You know you walk back the hallways and you see the offices. That was all done but we still don't have the eighth courtroom. And after spending whatever it amounts to if it's \$31.8 million or whatever that final number is, we need to have an eighth courtroom. It's got to be done well because that courtroom is going to be forever. Can we reduce the quality of the furniture? Absolutely, but somehow this Board has to see this project done. Because to spend \$31.8 million and come out without the very courtroom that we were suppose to have, I really don't care whose fault it was. That's not why I ran for this office. I ran for this office to get the job done. It's not going to be comfortable. But we're going to get it done. Thank you.

Mr. Hartwick: Judge, welcome. Obviously, I look at things a little bit more simplistic. I'm a simple guy from Steelton who didn't even have an office when I served as Mayor of the community and realized the great things that you can accomplish without the high price furniture and without great renovations. Actually when I bring people from Steelton to these offices sometimes I'm a bit embarrassed. They think that I have gotten a little high falutin and lost the sense of where my roots are. Clearly that's never going to occur for me. I also realize that we have inherited a pretty bad situation. While I always go by a wise story that was told to me by a former politician that says when you come into office you're handed three envelopes. When you open that first envelope in times of trouble and crisis, it says blame the prior administration. When you open up the second envelope in times of crisis, it says blame the national economy. When you open up the third envelope, it says found it and prepare an envelope for somebody that can actually do the job. I don't want to place blame. I'm not choosing to open the first envelope. What I want to do though, is realize what we're asking other departments to do based upon the financial situation the County is currently in. We're right now facing a \$12,500,000 budget deficit. We're talking about what mandated services the state is making us provide and obviously can be cut. And taking a look at saying, the property tax increase should be our very last option. We hear from so many senior citizens who say, you need to explore every single option before you rely on a property tax increase to support government services. We are taking a hard look at the services that we currently provide. If we were in better financial times, if we were in a position to have ourselves take a look at some requests that have come before us under different

circumstances without large debt service payments, without having to face debt restructuring, without having to look at pension fund financing, without trying to figure out ways that we can generate revenue to invest in growth which is the only way that we are really going to get out of this hole if we are not reexamining reassessment and having everything on the table. I think the context of this argument for me at least would be a whole lot different. Unfortunately, we are facing a severe budget crisis and the issues of furniture and the issues of cuts and the issues of what we were elected to do from the taxpayers is said, if I was here for the Courthouse renovations I would have probably objected to the large amount of money that was spent on furniture and Courthouse renovations. I often joke that I would come in here on an egg crate if it meant saving costs for the individuals long term. I would be willing to give up my desk, too, and take a cheaper desk. It's really not about me in this case. It is about the citizens of Dauphin County and how we can affectively manage those resources and get ourselves out of the hole and in a position to deliver affective services without having to worry about our own personal surroundings. We deserve to be in an office that is suitable but whether or not we deserve the excessive amount of expensive desks. \$7,100-\$9,000 to spend in an office, that's absurd. I would object to that if I was here and I would object to that now. Basing that on decisions that were made by a prior Board and assuming that we were going to move in the same direction, I think is wrong. I'm a fiscally conservative guy who believes in getting value for your investment. I want to obviously put ourselves in a position to try to curb this budget problem first. Then to have us all come to the table and think about ways we can cut costs. These areas of furniture, \$4,500-\$5,000 for a desk, doesn't appear to be making a real effort to incur some of those current financial problems and play our individual roles in trying to solve those problems as well. I think that's what we're asking to do. I have probably one major question. We talked about the entire Courthouse renovations and the major reason for us doing those was to provide an eighth courtroom. I'm just wondering, is there any reason why that's the very last thing to be accomplished?

President Judge Kleinfelter: I don't know how much time you want to take on that. There is a very good reason. It's basically based on the idea that we had to maintain functionality with all the other departments while we were going through the renovations. That meant taking care of or approaching the areas to be renovated in stages. You couldn't begin, for example, to renovate the 5th floor where the Library was to make a courtroom out of it unless you had someplace to put the Library while the Library went to the Jury Assembly Room. You couldn't move the Library to the Jury Assembly Room unless the Jury Assembly Room had someplace to go. The Jury Assembly Room went to the basement where Personnel and other county offices were. We couldn't move that until that space was vacated. When the basement area was vacated, the Jury Assembly Room moved there. That left the Jury Assembly Room ready for renovations. When that was finished the Library moved into that. It had to go in that stage because if you would have started at the top, you would have had no place to put that entire Library. It was part of the original schedule.

Mr. Hartwick: This has been painful for us all. I'm not a person who wants to be in a position to be adversarial to you Judge. This is not a personal thing. This is simply in

my opinion trying to do the job that we were elected to do to keep costs contained. Under the current financial picture that we have inherited and our ability to try to struggle to see daylight, it seems like I'm always inheriting tough financial pictures. We need to prioritize. We need to set a list of those priorities and try to work our way towards getting out of this \$12,500,000 budget deficit. That means taking a look at every line item and every request that comes before this Board and making sure that we are not doing things that are excessive.

President Judge Kleinfelter: If I hear the objections, it doesn't have anything to do with the courtroom per se which is a separate item altogether. But you are concerned about the price of two judge's desk. Is that where I hear the objections? I say again, first of all, an executive desk should be appropriate for the office, that's number one. Number two, Randy has apparently done some research and maybe he can find a desk that meets that bill. Maybe you can buy one for \$1,000 or so less. I don't know. I haven't looked. You haven't shared with me, Randy, the options. I would be happy to look at those. Out of this total figure that we are looking at \$60,000 some, you can't possibly, if you are just looking at the cost of a couple of desks, be talking more than a couple thousand dollars. To me, it is sort of ludicrous to worry about two, three, or four thousand dollars against everything that has happened in this case especially when we are paying for it out of our budget. I can't emphasize that enough. You know, what we are proposing here is absolutely budget neutral. It doesn't add to the overall renovations debt at all. It's absolutely budget neutral.

Mr. Haste: It's far from budget neutral.

President Judge Kleinfelter: Pardon me.

Mr. Haste: It's far from budget neutral. It all adds to the bottom line in the county general fund because the money that was done in the bond issue is gone. We're now paying for this out of general fund dollars. The money that we put in, the \$800,000 that was requested, comes out of the general fund. Anything that goes above a line item is out of the general fund. If you don't find that \$800,000, that only adds to it. So it is far from budget neutral. That's part of the problem in this whole project. No one understands the budget.

President Judge Kleinfelter: I understand that we've identified dollar for dollar what we propose to spend here out of our current operating budget.

Mr. Haste: Did you also find the money that you went over? You didn't and you didn't have to. But, the general fund has to. So anything that you add to that comes out of the general fund which adds a burden to the taxpayers. So it is far from budget neutral.

Mr. Baratucci: I would like to add a few things and I'll be brief. On the budget issue, please keep in mind that we all sat down just a couple of weeks ago in your Chambers, right. We all agreed that the number that was in the \$800,000 was \$60,000. We all agreed to that. Representatives from Buchart were there, you were there, I was there, a

whole bunch of people. We agreed on \$60,000. It's now \$86,000. Somehow in the last couple of weeks, that changed. I understand you identified where they changed but we agreed on \$60,000. That was the number in the \$800,000. It does create more budget problems.

Secondly, I would be happy to share with you my opinions on furniture. But, if you're giving me your opinion that this is middle grade furniture, I'm afraid our opinions would differ then because I've bought furniture here for over twenty years and I've never recommended the costs that we are looking at here. As I suggested to the Commissioners, they could walk upstairs to the fifth floor and look at a director's setup, four pieces, just like we are asking for here, and it was around \$1,300. I would encourage if you are really interested, I can provide so alternates and I would encourage that we would keep an open mind on those alternates.

Lastly, I also want to mention that the directors in this building while it's true what you had mentioned about the cost for the Commissioners' offices, I think everybody feels that it was excessive and we shouldn't repeat it. The directors in this building received hand-me-down furniture. We paid nothing for that furniture. It was leftover by the Bank and most of us that are sitting in offices today are sitting in offices with hand-me-down Bank furniture. We did not spend money for new furniture for at least the directors in this building. Bottom line is, I just need some direction on whether you want these items included for next week's approval or do you want me to try to work up an alternate. I don't think it's only two judges' chambers. I think there is an item for instance for the conference room, \$3,500 conference table, that probably is a little excessive. There are some other items in here that I have identified.

Mr. Haste: Judicial Assistants, that's 2 ½ times what we give directors.

Mr. Baratucci: That is \$2,269 for a judge's secretary basically. There are a lot of items on here. I'm just looking for some direction on how you want to proceed because obviously there are some differences of opinion. I agree with the last comment that we have to finish this thing. We have to put it to bed. We have to make some decisions and move forward. So I just need to know how you want to proceed.

Mr. DiFrancesco: Randy, do you have any concerns about the furniture for the courtroom? I'm talking the eighth courtroom now not the chambers.

Mr. Baratucci: Not to much, there is probably some savings in some of the chairs and some of the tables, but the pews not at all because I think that's a unique item that goes in a courtroom. There is \$500 for juror chairs on there, I do think we could do better. There are some other areas. I do have a problem with the conference room items. That's not in the courtroom I don't think. That's off of the courtroom. Then there is a bunch of other items on there. I detailed them for you in a memo. I have asked a vendor, the same vendor actually that worked with Judge Kleinfelter and the people over there, to come up with some alternatives. But I believe those alternatives may have already been turned down at some point.

President Judge Kleinfelter: Did you share that?

Mr. Baratucci: I just started working on that.

President Judge Kleinfelter: The memo that you sent to the Commissioners, did you send that to me?

Mr. Baratucci: No not yet, I wanted to get direction to do that. I don't have firm figures yet either and I would rather do it with firm figures.

President Judge Kleinfelter: I would like to say one last thing to Randy. The \$60,000 that you keep mentioning that was discussed was the figure for the furnishings for the fifth floor. The total here is \$57,000. It is under that. Those other two items are non-fifth floor items. They were only added because I thought from Commissioner DiFrancesco we wanted a total picture of everything that we would like to do to wrap this up. If you take out those last two items, the furnishings are under and you can take them out, we don't have....

Mr. Haste: I thought the meeting in your Chamber was to get the final numbers. And the final number was \$60,000.

President Judge Kleinfelter: The final number that came....

Mr. Haste: Where was this other \$26,000 in that meeting?

President Judge Kleinfelter: It was also mentioned and asked what amount of money was budgeted for furnishings for the fifth floor and he said \$60,000.

Mr. Haste: In that meeting when it was determined to try to find out all the final numbers.....

President Judge Kleinfelter: The final number that came....

Mr. Haste: Where was this other \$26,000?

President Judge Kleinfelter: It was asked what amount of money was budgeted for furnishings for the fifth, and he said \$60,000.

Mr. Haste: In that meeting, when it was determined to try to find all the final numbers finally for this project, where was that \$26,000 mentioned?

President Judge Kleinfelter: Well, it wasn't mentioned at that meeting because I was asked then to come up with everything else that we might see to finish the project at this time. You know, if you're hung up on that \$60,000, that was the figure only for the furnishings.

Mr. DiFrancesco: I'm going to state it again. I think it would be absolutely wrong for us to sit here and ask you to defend Buchar. I think that there were several meetings actually where Buchar was challenged to give us the final number. I'm sitting here looking at the window treatment saying, we should of known about that weeks ago. I'm not pointing a finger at you saying that because you are a member of the committee. They're working for us. That number should have been brought to our attention a long time ago because again I don't know the direction of these courtrooms specifically. I've never asked if it was north, south, east or west. You obviously don't want sun glaring through your windows and that's a pretty important part of the project. Why wasn't that brought to our attention early on when we asked them for the final figure.

President Judge Kleinfelter: It was never planned in the Library. It was never planned in the Jury Assembly Room. Edgar Cohen's staff went out and got those things afterwards. That was overlooked. But there are two final numbers. When Buchar Horn was asked for a final number to complete the project that was the global thing, that wasn't just furnishings. This final number on furnishings is really just part of it.

Mr. DiFrancesco: To frame the true frustration that this Board is going through right now, it has been the fact all along that questions could not be answered; that we are sitting here at the end of the project left to pay the bill asking for basic budgets; asking for specifics of why prices have changed over the past several years. Everything we ask for tends to be a challenge to get and to a degree tends to be wrong. But that's not your issue. You're not the one keeping the books every day. That is an issue for the people that we are paying to work on our behalf. When we ask a question, we expect to get the right answer. So the fact of the matter is, it is frustrating when we take a look at a particular financial target and say, it's going to be very difficult for us to hit this target and oh, guess what, now it's a moving target because it changes daily. So that is part of the frustration that we're going through right now because ultimately there is going to be three votes to pay for this project and it's going to be these three guys sitting up here. Again, that's not your issue. That is where the guys that are supposed to be representing us, give us that final number, make sure you haven't missed anything, and granted they opened a ceiling and found more asbestos. Should they have known it was there? Should they not? I'm not even going to go there. It's just not worth it. The window treatment somebody should have probably looked at it and said hey, by the way here is something else that is missing. Ultimately, this is our project. We are now the elected Board of Commissioners sitting here and it is now our project. We need to be working very closely and we have been.

I want to commend Chad because for somebody who is the newest member of the team to come in and work with these people, he hit the ground running and as far as being intimidated, he is not. He gets right in the fight and swings just as hard as everybody else. He's been an important part of this trying to deliver because as all of you know under this wonderful Sunshine Law that we have in Pennsylvania and a complex project like this these three members are not allowed to talk about it. So we need our intermediary to go to terms and inform everybody equally to make sure that each of us

understands individually so we can come here to debate it. I think that is insane but that's the way it works. But I do want to commend you, Chad, for the job you're doing.

This is not going to be fun. It's not going to be comfortable. It's not going to be easy. Everybody is going to feel the pain. But we've got to get it done. This project, if this Board would have been sitting here would have looked absolutely different. The decisions have already been made. The project has moved forward and now we've got to tie up the loose ends. I guess that's all I have.

Mr. Haste: I will not be supporting this packet next week, if that is what you are asking. Whatever you are able to put forward.

Mr. Baratucci: As a suggestion, I'm hoping to get an alternative package by Friday. I'll share that with Judge Kleinfelter and see how he feels about the alternatives that are being proposed. Then either I or Judge Kleinfelter can report back to you how he feels. We can then go from there. Is that alright?

All Three Commissioners: Yes.

DEPARTMENT DIRECTORS/GUESTS

A. Kelly Wolf, Recycling Coordinator & Randy Baratucci, Purchasing Director

1. Recommendation for general construction of the recycling center.

Ms. Wolf: Randy and I are here this morning to talk about the bids that came in for the general construction of the recycling facility. At this point I will let Randy take over.

Mr. Baratucci: Guess what, we have a budget problem here also. You have in front of you the bids that we received last week. They total \$2,383,089. The grant that we received from DEP was \$1.5 million. So obviously here is another issue where we're contemplating, what do we do? We have met with Navarro, who is our engineer on this project and Andrew Giorgione, who is our legal counsel and Dan Lispi who is also helping with the project. We all agreed that maybe the best way do this would be to re-bid the project with some different alternatives. I believe one of the alternatives will be a price without the equipment because I believe when we initially asked for the grant, as I'm understanding it, for \$2.5 million because the \$1.5 million said they would provide equipment but now they are not going to provide equipment so, we have to find a way to pay for that. With your approval, we would reject all these bids and re-bid the project. We can do it in about two weeks, come back with a new bid price and an alternate bid price that will not include equipment. If you choose then to go with the alternate bid price, then it would be our challenge to come up with a way to pay for the equipment. I believe we have discussed some of those options at a meeting that we all had. We will then come back with those in the next two weeks when we do the rebid and we'll have alternatives for that.

Mr. Haste: Do you need a motion to reject those bids?

Mr. Baratucci: Yes, so that we can get started on a new bid.

Mr. Haste: Is there a motion to reject the bids?

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to reject all bids received for the general construction of the recycling center; motion carries.

Mr. DiFrancesco: Before you leave will you be briefing us on your expectations on how you will pay for the equipment, correct? You will be briefing us on that because I see no sense on building the building if we can't figure out how to pay for the equipment in some other terms than general revenue.

Ms. Wolf: Yes, I'll let you know.

Mr. Hartwick: I have some ideas.

**B. Lou Verdelli, Public Financial Management
David Twaddell, Rhoads & Sinon**

1. Authorization to proceed with implementing the Proposed 2004 debt restructuring and interest rate SWAP transactions.

Mr. Verdelli: I'm Lou Verdelli from PFM and David Twaddell from Rhoads and Sinon. We also have some folks from RBC, Dan Rasher, representing your entire financing team.

In January, you asked the financing team to develop some options for you to restructure the County's debt service, take a look at what it is on an annual basis as a percentage of your total budget and look at options to somewhat smooth out that debt service amount and lower the percentages. At that point in time, we had presented several options. Some that were more short term, others that were more comprehensive. At that point, you have decided to move forward on the first option which was to restructure the 2004 debt service. In my handout, the first bullet point just has some summary points on that 2004 debt service restructuring but as a quick re-fresher, that provided \$6.5 million of debt service relief in the 2004 budget. It had a present value cost of about \$209,000 to do that. We were able to implement that quickly which was the goal to give you that relief. That allowed us to exam a more comprehensive debt restructuring that looked at all of your bond issues, looked at all of the ideas that were out there for how we could address this situation. During that process, also it was important that the County retain its AA credit rating from Standard and Poors. So we were focusing on all those things to come up with a recommendation for you. Today we are back to recommend a comprehensive plan. We've been meeting over the last month and half with your administration to review these ideas. Among ourselves we have met and we have also met with the Controller's Office to review the plan that we have to present with you today. This plan would restructure four of the County's Bond Issues right now. You have a total of twelve or thirteen Bond Issues outstanding. We

would only be touching four of those issues in terms of changing the structure of the payments. It's also important to point out that right now the County's final debt service payment is in year 2024. That's on all your debt service combined. This plan does not change that or extend that. You would still be paying off all the debt in year 2024. It just basically lowers the amounts that are paid here right now in exchange for a slightly higher payment in some of the later years where you would otherwise have had a drop off.

The real important numbers for you to understand today are that the current proposal provides about \$7 million of relief in the 2005 budget in terms of lower the amount of debt service that you will be scheduled to pay. Then it continues on through 2006, through 2009 in lowering the annual debt service from about \$10.7 million per year down to about \$8.5 million per year through those years. The present value of doing that is right now it is between \$3-4 million depending on interest rates, and taxable interest rates. Again, as there was on the January restructuring, a portion would be taxable and portions tax exempt, as interest rates are changing all the time. So we won't know that number for sure until we come back to you with the final interest rates locked in if you authorize us to proceed.

During that month and half we were also looking at some issues regarding the reimbursement that you get on some of these financings that were attached to health care projects. We have straightened all those out. I think Mike Yohe, your Budget Director, is comfortable that we have addressed those. In fact, some of the issues that are even attached to health care in any way we're leaving them outstanding. We are not touching them just to make sure that we are not interfering with any reimbursement issues.

The other component of this plan that was important for you to look at and also important for us to design is that after this current restructuring is done, we don't want to do anything that would prohibit or make it more costly for you to undertake any further borrowings that you may need to do. So this plan would create a debt service structure that still would allow you to accommodate any future borrowings and borrowings that may have limitations as to their useful life of the projects that we can only finance that debt over the useful length of the project. That was all taken into account. We have a debt service structure that will still permit you to reach those objectives.

The last component of this plan that's important is that it would require you to switch a portion of the County's debt service and the interest expense component specifically from fixed interest rates, which all the County's debt right now has a fixed interest rate that's not going to change unless we refinance any of the debt in the future. We would be converting a portion of those interest rates to variable interest rates. So right now we have a 100% fixed rate in the County's debt portfolio. It is very common for municipal entities to have twenty or thirty or forty percent of their debt in variable rate. The credit rating agencies are very comfortable with those benchmarks as long as you are managing your variable rates and you're keeping an eye on them and you have rate stabilization funds, etc. that it is fine to have variable rate debt. The reason for that is

significant savings. Some of your fixed rate issues are locked in at 5%. A couple of years ago that sounded great when we were able to lock issues in at 5%. Today variable rates are at 1%. If you were able to take advantage of that, there would be significant interest expense savings by using variable rates. They've averaged 3% over the last ten years. Actually, just under that 2.93% was the average over the last ten years. They change every week. So certainly there are interest rate risks if we convert a portion of the debt to variable rates. But we have a lot of clients that have variable rates in their portfolio. It is something that we certainly recommend that clients examine as a possibility to lower their costs. I think if you manage it correctly it may be a good way for you to save significant amounts of money. The way we accomplish getting you a variable rate debt, the old way would have been that we go out and issue variable rate bonds and pay off your existing fixed rate debt and that gets expensive because you have a whole entire set of issuance, cost issues at the new variable rate debt.

In September of 2003, the state legislature changed the laws for local governments to use a new tool called Interest Rate Swaps to manage their interest rates. By using one of those tools that you now have as a result of that legislation, you can very easily, without a financing, convert a fixed rate bond issue which you have several of to variable rates through this interest rate swap agreement which would be done with a major bank, very high credit rating, someone that we would recommend the default risk of anything going wrong with them in the future would be very minimal. The final piece of this plan includes transferring three of your bond issues, a portion of each one of them, to variable rates. You would be paying variable on those three issues. When we factor in those savings that we anticipate when you look at what the ten year averages are of those savings should come up to be around \$3-\$4 million which would offset the present value cost of restructuring some of the debt service. So at the end of the day we almost get to the point where it would break even. That assumes that variable interest rates stay at a average of 3% through the rest of the maturity on these bonds which as mentioned goes out to 2024. If history were to repeat itself and variable rates average 3%, we would expect that the whole package would be close to break even. If rates do even better, then we would be ahead of the game. If rates average above 3% then there is probably a little bit more of a present value cost to the overall transaction. So that's the plan we have for you.

There is one item at the bottom of page that is kind of another twist on the swaps. It's one that our firm had and we were showing to a couple of other clients and when the swaps came into the plan, we presented it to Mike Yohe and said what do you think of this idea? It's basically selling the option to go into these swaps to the counter party so that if we know we want to go into variable rates, the counterpart is willing to pay you up front for an option to actually convert you into variable rates. So what happens is you're not converted into variable say a month from now when the transaction closes but the counter party has the opportunity to put you into variable rate at some point in the future. In exchange for that, they are willing to make an up-front cash payment to the County. There are usually no restrictions on those up front cash payments. David can answer any issues you may have there. But we are anticipating that on each one of the interest rate swaps that they would be based on today's market conditions about a \$1

million up front cash payment. That is separate from all the other economics of the transaction that I was just talking about. Those payments could be received up front by the County. At the bottom of page one you would be selling these options to basically convert the three fixed rate bond issues. They're the 2001 Second Series that was the bond issue for the nursing home financing for the nursing home constructions. And the 2002 and 2002A, they were the two long term financing for the buildings here on this site. I have the interest rates and you can see that they are at 5%. One is at 5.1% and the other one is at about 4.5%. That is what you would be converting to variable rate. If you do move forward with this plan we are going to ask for a meeting to review the risks and benefits of interest rate swaps. They are a new tool. They have a lot more mechanics that you need to understand when compared to a traditional bond issue. We would want to make sure that all of you are comfortable knowing and understanding what some of those risks are. The two that you would really have to worry about are interest rate risk if you convert your debt to variable rate. Obviously, you are subject to that weekly change in the rates. Default risk is the risk that the counter party you enter into this agreement with when they stop making the payments to you in exchange for the payments that you are making. Again we try to mitigate that by only dealing with banks that have very high credit ratings. So while some swaps have other risks if you are going the other way in swapping variable rate debt. The fixed rate debt there would be some other risks that we would have to list. But these are the couple that really come to the forefront.

We would request that if you authorize the team to move today on this potential financing package that we, at some point have another meeting just to go through it. The state requires you under the law that was passed in the fall to adopt an interest rate management plan. You may recall that we had to adopt that when you guaranteed the debt of the Harrisburg Authority. You would have to update that interest rate management plan now to detail the swap transaction that you are undertaking. It is a significant document that has to outline all of these items that I'm talking about. So we would certainly have another chance to discuss mechanics and some of the other risks that we would be working to mitigate for you.

Currently the timeframe is that with your authorization to proceed today the financing team could be back, I believe you have a Legislative Meeting on April 21. We could target that meeting where we would bring in final interest rates. At that point you would lock in rates and complete the restructuring.

Before I end and go to questions, is page 2. To give you a picture with the bar chart, top portion of the page is showing your existing debt service requirements and the lower portion shows what your debt service requirements would be after the restructuring and with the swaps assuming that the interest rate averages 3%. There you can see we have the significant reduction basically through 2009 of your existing debt service. 2010 & 2011 you may wonder why there is a little movement up in those couple of years, as a result of trying to meet the requests of Mike Yohe to avoid any reimbursement issues, some of the issues that we would leave untouched, mature in those years and they are rather significant. So by not touching them, we have that bumped back up in those

years. Again, we would look to deal with that, any future issuance of new money, we would be able to work right around that and end up with an overall level picture. So that is the reason for that bump up in 2010 & 2011. But other than that we have tried to get things as uniform as possible. I would be happy to answer any questions you may have.

Mr. DiFrancesco: The graphs that you are showing basically reveal our debt service as we go out. This seriously impacted us in a very negative way.

Mr. Verdelli: Absolutely, the top chart shows that you were going to have a drop off in those later years where now that drop off would be filled in by the reduction in the current years.

Mr. DiFrancesco: One of the challenges that we face as a Board right now and one of the things that has me frustrated more than anything else was the fact that while we have great capacity to borrow our debt service is already far too high for what our tax base can afford. If we want to do a favor to our taxpayers we want to get that debt service down as quickly as we possibly can. What I am unwilling to do is to give us a little bit of breathing room over the next couple of years and basically place this County on a worse footing and not pushing end dates out any further than 2024. The fact of the matter is that this debt service, annual payments is what has us on a rocky road. It will continue to have us on a rocky road and takes away this Board's option to negotiate and try to bring some sort of fiscal sanity back to Dauphin County. I'm not willing to vote for breathing room today if it means making our situation worse, ten, twelve, or fifteen years down the road. At some point this has to stop. At some point we have to restrain our spending of what we can afford today. We've already spent too much. We've already incurred too much debt. The reason we're facing the additional 20% tax increase that we have been talking about is the fact of the matter is \$12 million plus is going to debt service this year. Do we have capacity to borrow? I'm sure we do. Would it be the right thing for us to do? It would be absolutely insane. I'm not supportive of restructuring and making our life and the future Boards where they can't control their financial destiny. Yeah, our life will be really rough for the next couple of years. Yeah, the taxpayers are going to hate us for what we have to do. But I think really fiscal restraint and really fiscal conservatism means simply we have to pay the piper. And you can't get that breathing room and can't continue to withdraw. I look at this and there is one thing that scares me the most is the fact that we are seriously incurring higher debt payments going out and the benefit really is over the next couple of years. From there life gets more difficult. That is just my perspective.

Mr. Hartwick: I certainly do not think that the plan here has anything to do with increase in spending. This has nothing to do with our spending. It only has to do with our ability to explore options rather than property tax increases as a way to meet our obligation over the next several years and smoothing out that debt long term rather than paying a significant amount which is going to result in huge tax increases in the next two to three years as a way to create revenue. This actually gives opportunity for the County to come up over the next several years with alternative revenue sources. Ways we can

cut in spending and ways we are able to manage government more efficiently to be able to meet those debt service payments in the future. This plan as you heard is even more remarkable cost neutral to be able to swing out the debt. In past restructuring it was a significant cost that was incurred as a result of doing the debt restructuring. Here with the interest drop concept we'll have an opportunity to do this debt restructuring, smooth that debt out which is not that significant in future years. I don't know in 2005 how the County is going to make a \$12.5 million debt service payment in our current financial situation. We need to take a look at exploring all options and this is a way for us to be able to manage what we do efficiently without having to rely on property tax increases for the individuals who actually can't afford to pay the increases that we have currently. I think this is an option that we have an obligation to explore. It is one that I don't see as fiscally responsible. I see it as giving us an opportunity to come up with alternative plans, alternative sources of revenue, ways that we can manage government like we say we're going to do. Come up with alternatives and really invest in growth, return, expansion of tax base to meet these costs. No where in this package does it show where we are increasing spending in any way. No where in this package does it offer new capital improvement projects to actually expand our debt. That associating about increasing spending is something that I don't believe is true. We need to take a look at all the alternatives to meet our obligations and try to keep the tax burden on our immediate citizens as low as we possibly can. That way we can provide new sources of revenue and new investments in growth, manage our departments efficiently, so we put the County in a position of future years to meet these debt service payments and not have to face a restructuring every other year. That is my statement on where I stand on this picture.

Mr. Haste: Lou, I want to commend you for what appears to be a difficult situation. I know restrictions that Mike had put there which were sound restrictions from our standpoint. I actually like the plan that you have put here. Even though I understand what Nick is referring to, that negative impact is ten years out and for the next ten years, we are actually allowing the taxpayers to hang on to their dollars a little bit longer. It gives us ten years to try to develop a fund balance and develop other revenue strains. Ten years from now we don't know what other revenue strains the Legislature may give us that will take the burden off. This is a plan that actually takes the burden off the taxpayers for the next ten years, not just this year and next year. It isn't until 2015 that the drop off would occur. You are actually keeping it at the 2012, 2013, & 2014 rate for ten years up until that period of time. In theory what you are doing is allowing the taxpayers to keep their money until 2015. By that point in time hopefully things have leveled off and that we'll be in a position where we are able to deal with that. If in fact and we can't commit to this, we were willing to bite the bullet and we would see a tax decrease in year 2015, we could guarantee that the taxpayers then would get their money back. That would be a better way to go. I don't know that I'll be here in 2015 and I don't think any future Board...there are few times that future Boards would do that. I really see this as a savings for the taxpayers over the next ten years. I appreciate the work that you have done.

Mr. DiFrancesco: I would like to add one other point. In a sort of vacuum situation where we know we won't be borrowing any more money, I may change the way I look at things. But the fact of the matter is, we are already looking at a \$30-40 million bond issue moving forward that will continue to increase debt service, buildings will need additional repairs of which right now we have no capital reserve accounts. While the pressure is on us it makes sense for us to fulfill our promise and say, we will find every additional source of revenue that we can find. But it is my feeling that again pushing that off, the higher our debt service creates a less stable environment moving forward and the biggest frustration that this Board faces is the fact that we can't really carry forward any projects on our own because we are spending all our time paying for the debt that was created by previous Boards. At some point, we have to pay for that debt. Get rid of that debt service and get it down. If we are working on an annual debt payment of say \$5.5 million just guessing on year 2015, our financial picture in Dauphin County would look far different. But the bottom line is there will be continued pressure going forward. We can hold off on spending without doubt. I think you are going to see some pretty strong proposals from this Board going forward. I said it the last two meetings and I'll continue to say it, I made that pledge every meeting, that directors should be looking at their budget in terms of coming up with a budget that shows 5% less spending next year than it was this year. And probably cutting the budget again the year after that. The bottom line is until we go through the discomfort ultimately Dauphin County's budget will be stabilized. That's my point and that's why I'm so cautious about the debt. Does it save over the next two years? Absolutely. Does it save in the next five? Sure, but ultimately looking down the road, it levels by this chart assuming there won't be any more going forward. We all know there will be more debt going forward.

Mr. Haste: Mike, do you have any comments?

Mr. Yohe: We met extensively the last month or so. We took into consideration all the issues that we could and couldn't touch. It is true that we are going to be extending the debt for future years but we will have relief for the next ten.

Mr. Haste: Do you favor this plan or not? Are you recommending this plan?

Mr. Yohe: I recommend this plan if you want the debt to stabilize. This will allow a much improved financial picture in our projections that we can present to the financial folks, Standard & Poors, etc.

Mr. Haste: What do you need from us, Lou?

Mr. Verdelli: We would just need authorization by you for the financing team to begin preparing all the legal documents and financial documents and tapping into some more of Mike's time to update some of the information that we need to put those documents together so that we could come back to you and go out and market the bonds and come back to you with live interest rates that you could lock in at a late April meeting.

Mr. Haste: Is there a motion to authorize the financial team to move forward with this plan.

It was moved by Mr. Hartwick and seconded by Mr. Haste authorizing the financial team to move forward with the management plan.

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

Mr. Haste & Mr. Hartwick: Aye.

Mr. DiFrancesco: No.

Mr. Haste: Motion carries.

C. Tom Sexton,

1. Peoples Bridge Coalition

Mr. Sexton: My name is Tom Sexton, I'm Co-Chair of the People Bridge Coalition and employed by the Tourism Conservancy. Its headquarter for the northeast is here in Harrisburg. To my right is Carol Witzeman, who is the other Co-Chair of the Peoples Bridge Coalition and also Chair of the Central Pennsylvania Conservancy. To my left is Joe Catalano of Catalano's restaurant. The conservancies provide staff and input to the Coalition. Legally the Coalition is a Ad havoc community of the Central Pennsylvania Conservancy. Our mission is to restore the western span of the Walnut Street Bridge that collapsed several years ago. Today we are here to update you on the status of that restoration and also to ask your support in making this a funding priority. This will not be using County money. But it will be focusing on federal and state money. Before I turn it over to my colleagues let me just state some of the benefits of the bridge as we see those. First and foremost it is clearly a public eyesore. It's owned by PennDOT. It's owned by the public and 90% of it is in Dauphin County because the Harrisburg City boundary which is to the western shore line of the Susquehanna River. Modern communities day to day like easy access for walking and bicycling. Rural state surveys show this, that people move into areas where they can get around easily. That doesn't just mean their automobile. Perhaps in discussing the eyesore aspect of this also is, if I can paraphrase Senator Piccola, that the opening of the Market Street celebration a couple of months ago, he talked quite politically about first impressions of a city, when you come to that city. This is a first impression. People come all the time, if they are on a buggy ride around town and they haven't been here before, they tell us the people that provide that tourist enhancement, that people are saying what is that. When you have experts from other countries come to talk about tourism, greenway, community enhancements, it always comes up, what's with that? Why is that not being fixed? It needs to be dealt with. It's going to cost money to take it down as well. So why not spend more and get it back to where.... Safety issue, it's clearly a safety issue. Right now if you want to leave City Island or if want to walk from the West Shore to City Island you have a four foot wide sidewalk which is located on Market Street. During snow, you can forget that because it is not plowed. So for several days, it ices over and

pedestrians have to walk on the roadway. When you have large events like Kipona and others, that facility totally breaks down. It's four feet wide and has pedestrians going different ways. They move into the roadway. We see that again and again.

Also it is an economic issue. Joe will be talking about one of the future developments on the west shore. But Wormleysburg is going through a revision process. You are going to see more attention to that shore line. That's going to mean economic opportunities. If we can link by a pedestrian or bicycle link, Harrisburg which is growing all the time in it's economic opportunities with this new revival in Wormleysburg along the shore line, we're going to get a CG that's going to produce much, much more. Don't forget we have City Island right in the middle.

We commissioned a study by Dickinson College, William Bellinger, to look at some of the economic impacts. I've copied the summary for you to see. Those last three pages, I think you will agree that in not only construction, but in the out years, this is going to bring a lot of economic opportunities to the area, to the three county and seven county area, as well.

Lastly and regrettably, a time we have to worry about large amount of people out of harms way very quickly. We saw what happened at 911. Where did people go? They ran. They didn't get in their cars because the automobile facilities would break down if there is a threat to a large population in a dense area. They used, in New York City, they used people movers, the sidewalks, the boulevards that are closed to automobiles. This is the same if something happens in Harrisburg, if we have to move to the west shore quickly this is one way to get people there. Also on a weekend we have thousands of people using City Island and if something were to happen and we had to exit that area quickly right now they would be competing with moving cars and have a four foot wide sidewalk to do that. It's an emergency as well as a safety issue. I'm going to turn it over to Carol who is a resident of Wormleysburg and also can talk about the public support and some of the things that are going on with PennDOT.

Ms. Witzeman: Thank you for having us. As you maybe aware, you read in the Patriot I'm sure, the public support for the restoration of the western span has been very, very evident right from the collapse of the bridge in January of 1996. We have the Peoples Bridge Coalition which was formed actually at the suggestion of the Mayor of Harrisburg. We're strictly an Ad havoc committee and asked the city group to push the project forward. After the collapse of the bridge in 1996, there were several things that happened almost immediately in the Spring. Then Congressman Gekas secured a federal earmark of \$770,000 which remains to this date to be used specifically for the restoration of the western span of the bridge. It cannot be used for any other purpose. Also PennDOT started a public outreach program and in 1998 they published a brochure giving the public preference of an option of a look alike restoration of the span. After that at Kipona of 2001 the Bridge Coalition secured over 2,100 signatures on a petition that we presented to PennDOT in support of the restoration of the bridge. Just last Spring in February 2003, Wormleysburg Borough officially adopted a motion to take part in the redesign process as PennDOT starts it. CREDC has also supported this in

our efforts as you can see from our last newsletter for the economic development process of the bridge. The best news of all at our annual meeting in January we had a representative come from PennDOT and announce that the bridge project has moved up on the HATS list and it is now ranked number ten. I may point out that it has always been on the list. It just kept getting leapfrogged. It kept getting put back. It has always been in the first four year program of the HATS tips projects. We met with Secretary Beiler in October of last year, and he instructed his staff to start studying the redesign of the bridge and to move forward with the process. In December after we met with Secretary Beiler we met with District 8 who is responsible for the bridge. They agreed to have their consultant look at a more detailed cost estimate of the preferred alternate. There are no real good hard fast costs out there. The problems relate to the approach and also some better cost estimates on the restoration and funding sources to complete the project. So we feel that it is critical to the development, not only of the West Shore, but also the synergy between City Island, West Shore and the people traveling back and forth between Harrisburg and the West Shore. From the tax studies and so forth, that we have seen it would be very, very beneficial to the whole region. With that I'll turn the program over to Joe who will tell you a little bit about his program on the river.

Mr. Catalano: I can give you a pamphlet that has all this information. I will just give you a brief overview of the Bridgeport Plaza Project which is an economic development project. Of course we support the efforts of the Bridge Coalition to restore old shaky. It's a misused facility. This is about 205,000 square feet gross of leasing areas. It is residential condominiums, Class A commercial office space, restaurants and retail operations. There will also be a 1,000 or more parking garage developed across the street. This is actually a two phase project. This is the first phase of the project. The parking garage of course will have an impact on both Wormleysburg and the City of Harrisburg because we intend to share the revenues from the parking garage with the City and also with Wormleysburg because we feel it is a link between Wormleysburg and Harrisburg and they should benefit from what we are doing, also. In there it explains some of the things; sustain economic development, that hazard mitigations, we've taken all the proper precautions. We support the bridge because the bridge where it is at is going to be an eyesore with this beautiful building that is going right next to it. If you don't have any questions, that's my presentation.

Mr. DiFrancesco: How far along is your project?

Mr. Catalano: If we stay on schedule, completion should be in 2005.

Mr. DiFrancesco: It is actually moving along? It's more than a dream. It's in the works.

Mr. Catalano: It's further than just an idea.

Mr. Hartwick: I want to commend you for taking up the effort and taking a citizens groups envision and persistence to make sure you tie these things back together. Your persistence has obviously moved this process along. I want to commend you for that

before I just ask one question. The one question I usually ask when everybody comes into my office. What are you asking from the Commissioners?

Mr. Sexton: At this time, PennDOT is doing a cost analysis to reexamine the cost of the bridge. We don't know what that's going to be. The last time, seven years ago, it was ten million dollars. The restoration of the eastern span came in about 40% lower than the actual estimation. It was restored in 1999. Today we are just asking you to support the funding if you have direct or indirect influence. This may be state funding. This may be federal funding, probably a combination of both. There is money even in the Federal Highway Act that is mandated just for non-automobile type enhancements. That for example would be one that we would be going after.

Mr. Hartwick: Commissioner Haste is our representative on the HATS Board. I for one would support drafting a letter from the Board of County Commissioners to federal representatives as well as anybody in a decision making policy from the Governor to Secretary Beiler supporting the project and saying that it does have Dauphin County's full support and beyond that that's really what you are trying to ask us to do. That is to make any personal connections and show a significant level of support to those decision makers to make sure that Dauphin County is behind the project.

Mr. Sexton: Yes, and when PennDOT finishes the analysis we will make sure that you become aware of that.

Mr. DiFrancesco: From a personal perspective, these two projects are tied incredibly close together in my mind. I, for one was not a big fan of the completion of the bridge without some justification other than let's just build it because it's a landscape item simply because of the huge price tag. I was very, very excited about the project that you laid on the table. In light of the development that would take place and bringing the west shore community into the renaissance that's taking place on City Island and Harrisburg, I'm much more favorable to the bridge project because it now starts to make sense as a resource and not just sort of a skyline type item. My biggest question, because I'm not the HATS representative, would be to see where the money is coming from and how it impacts the other projects. I can honestly sit here and say I don't know exactly the overall plan. Why it is number ten and how it moves up and what other programs get put off. Of course, that is very important because as you all know all the other transportation items that we're dealing with are the gridlock on the highways, etc. and a lot of the other projects that are out there. I just need to find out more about it. I appreciate your being here today to provide this information because I had not heard about this topic for a little while. I'm excited about what is going on with your project on the West Shore. Whatever we can do to support those efforts as well, it's important for us to do that.

Mr. Hartwick: Do you have a draft letter of support?

Mr. Sexton: We have resolutions that might help.

Mr. Hartwick: You may be asking us to adopt a resolution rather than sending letters of support?

Mr. Sexton: We would have to talk about that. But that certainly could be very helpful.

Ms. Witzeman: We do have letters of support from neighboring communities, not only CREDC. They passed a resolution from the neighboring communities on the West Shore.

Mr. DiFrancesco: Would that be something that you would want us to supply, either a resolution or a letter of support or both?

Mr. Hartwick: I would supply both and gauging from the Board members whatever they are willing to do.

Mr. Haste: Okay.

**D. Robert L. Kissinger from Glace Associates, Inc.
George Connor, Dauphin County Community & Economic Development**

1. Two Community Development Block Grant Projects:
Berrysburg Municipal Authority Emergency Generator Bldg. Project
Williamstown Borough Authority Sanitary Sewer Improvements Project

Mr. Connor: I'm here with Robert Kissinger from Glace Associates. He is requesting unprogrammed funds out of the CDBG Program for Williamstown Borough and also Berrysburg Borough. I'll let Bob talk a little bit about what he is requesting the funds for.

Mr. Kissinger: Berrysburg received CDBG funding under fiscal years 2000 & 2001 in amount of \$172,304. The amending project cost of \$173,440. Although that is a modest overrun, the difference of \$1,136.56 is what we are requesting. It is a very small community of less than 140 customers. Yes, they could pay it but they had a \$20,000 budget deficit last year that required them to raise their user fees. If you could pull that money from non-program funds it would be appreciated.

The other project in Williamstown although your agenda says it's a sewer project, it is really a water project. It is involving a development of a new water source. During the extended drought we had several years ago, we saw the need to develop a new ground water source. They currently use surface water sources. We undertook this project in three phases because we saw the need to do the well testing first in order to get the water quality established. Then we developed a well from a six inch to an eight inch cased well under a separate project. Then finally we had a project to install the pumping equipment and the controls. The total ended up being \$122,271. As you can see, the amount of the original grant request was \$89,100. Over the period of the three phases, we did have some design changes. We did require DEP's approval. So there was some extended time duration to get the well approved. Installation of the controls, etc. drove the price up. In that project we got an overage of \$33,171.83. The community of Williamstown has recently borrowed \$250,000 out of which \$90,000 was to refinance existing debt. The other \$160,000 was borrowed to undertake other badly needed projects. So they have gone in debt. It is not as though they're a total handout community.

They are taking it on themselves. \$33,000 is badly needed. Of that \$33,000, they have already reimbursed \$19,185 back to the Redevelopment Authority. Knowing that when you undertake one these projects, you are going to be asked.....if it is an overrun, you're going to be expected to pay the difference. They understand that. They're prepared to pay the \$33,000 if they have to. We're here today, if you do have unprogrammed funds, to make that request, if you could for these two communities. Williamstown is larger than Berrysburg.

Mr. Haste: George, where do we stand with those funds?

Mr. Conner: The balance for the 2002 unprogrammed funds is \$116,775. We also have \$171,241 in the 2004 CDBG Program. We did not allocate unprogrammed funds in the 2003 year. We allocated all to selective projects.

Mr. Haste: That's \$116,775 in 2002.

Mr. Connor: Right, that is what this money would go to of federal funds. We just need you guys to approve the contracts for these two. I'll type them up and put them on the agenda for next week.

Mr. Haste: I don't have a problem with that.

Mr. DiFrancesco: I don't have a problem.

**E. Rebecca Oller, East Hanover Township Supervisor
James Thiele, P.E. Township Engineer
Tina Fackler, AICP, Township Engineer**

1. South Meadow Lane Bridge Replacement

Ms. Oller: My name is Becky Oller, and I'm a member of the East Hanover Township Supervisors. In addition to being an elected official, I'm also employed by the Township in the position of facilitator. With me today is Jim Thiele, the Township Engineer and Tina Fackler, an associate. I would like to express to you my appreciation on behalf of the township for allowing us an opportunity to share with you what is currently happening in the township.

In 1987, DEP required the township to update its Act 537 Sewage Facilities Plan. In 1989, DEP approved the plan that called for a centralized wastewater treatment plant in a very limited portion of the township. After years of legal maneuvering, this system became operational in 2000. It has been plagued with continued discharge violations every since. You have probably been reading about it in the newspaper. We're in there very frequently. After spending literally millions of dollars on supposed remedies, the Board has recently approved the construction of the new \$4 million plus treatment system over the next twelve months. Because of these expenditures our township is in need of funding assistance to repair a bridge that has been inspected by the County and determined to be in desperate need of attention.

Ms. Fackler: Good morning, I'm Tina Fackler. I'm assisting Becky and East Hanover Township as well. One of the questions that Chad has asked, was where have they gone as far as the different sources of funding? I believe it started probably in 2001 when they first got the initial news that the bridge was having some problems and challenges. So from there Walt Panco from PennDOT, many different things were discussed with him, both the priority of different programs that they selected, was the federal critical bridge systems and than this particular

bridge does qualify for those funds. But in order to receive those funds, you have to be on the tip as well as PennDOT's twelve year program. Unlike the bridge coalition people, this bridge doesn't have the magnitude that that particular bridge does. So there's many projects on that twelve year program. They're committed to finishing those projects on the list as well as future projects. So this project really didn't or wasn't able to be successful in that program. As a result of that in 2003, Dauphin County's bridge inspector came and inspected the bridge and case in point the bridge condition has started to get worse. The largest part of why I feel so much for this project is because it does affect the community, bus routes and schooling. Because of that, the necessity of getting this bridge replaced has taken a precedence now within East Hanover.

At the end of 2003, we talked to Eric Bagal, he is the Director of the House Transportation Committee and he suggested, is your project on Bridge Bill #10 which is the recent Bridge Bill. I think they like to call it the "Billion Dollar Bridge Bill" because there are so many bridges on that program right now. But another caveat for that is that it should be on PennDOT's twelve year program again. There is enough projects on that twelve year program and everybody seemed to be pointing to....why don't you try to get an appointment with Dauphin County and see maybe if there are programs within the County possibly Liquid Fuels, since this particular project is considered both by PennDOT and other agencies as a municipal project. Then also knowing a little bit about DCED, I also thought about, why don't we check into some of the municipal programs that DCED might be able to fund. So I looked at some of their municipal sharing programs. Right now this project is a community project. It is servicing those residents within East Hanover Township. So it is basically an East Hanover Township community project. It is also not eligible for CDBG funds. It is not an economic development generator as well. I'm here today to talk a little bit more about this project to see if we could get any interest from Dauphin County towards assisting with the redevelopment and replacement of a majority of that bridge. I also spoke with Jim Thiele. He knows a lot more about the bridge, technical problems and any structural information that you might need to know. So that kind of led us up to today. I'm thankful for being on your agenda today to talk about this particular bridge project. I've gone a lot of different alleyways. All of them have pointed back to the County. Hopefully, there still is room to talk about this particular bridge replacement job.

Mr. Haste: I would want to talk to our bridge engineer. They oversee our Liquid Fuels Program for us. I'm not sure what major structures that we may have in the works to fund in the upcoming years. Before we do anything, I would want to make sure we talk with them.

Second, Jim, you've been to the site? You're familiar with it? The substructure is?

Mr. Thiele: The substructure is in very good condition. It is the superstructure that is the problem. There are eight concrete pre-stressed box beams. All eight of them are spaulding and the reinforcing is now visible and actually falling out into the water under the stream.

Mr. Haste: Have you looked at it and would it be eligible as a timber bridge? Are you familiar with the timber bridge program?

Mr. Thiele: Faintly. The span of this bridge though is 35 feet. A timber design I think is going to be more costly than these box beams. What we have come up with in design is that we are replacing the eight box beams with four box beams and a composite section with eight inches of concrete slab over the top. This cost is probably as cost effective as we are going to get for that span.

Mr. Haste: Is any of the structure in the stream itself?

Mr. Thiele: No.

Mr. Haste: Okay, and the wing walls are okay?

Mr. Thiele: There is some erosion under two sides of the wing walls that needs to be taken care of. But that is basically rock lining. The parapets, when the super structure comes down, of course, would have to be replaced with PennDOT approved parapets.

Mr. Haste: I see it was posted, ten ton.

Mr. Thiele: My first involvement with this was reading through the report by the County Bridge Inspector in 2001. Even at that time it was posted at 10,000. It was posted previous to that report. Back at that time, he wrote down in his report that basically seven of the eight beams at that point in time were already experiencing the rebar coming out of the concrete.

Mr. Haste: Who did the inspection?

Mr. Thiele: Benatec.

Ms. Fackler: I have talked with him too about the project. I do have inspection reports. I'm sure you have it.

Mr. Haste: We do have it somewhere. I don't know where we keep those any more. When I was Chief Clerk I used to have them. I don't know where they are kept now. Mike do you have them?

Mr. Yohe: No.

Mr. Haste: Do you know where they are Chad? Each year we get a copy of the bridge inspection report. It has all the photographs, etc. If we can pull that, it would help me a little.

Mr. Thiele: If I may add, the township has listed this on the HATS application as their number one priority in both 2001 and 2003. They did proceed with the design. We got all our permits in place. So this bridge is ready to go once we can deal with the financing.

Mr. Haste: Would you be willing, if in fact we put money into it and you got reimbursed at a later date, which happens a lot of times, you and the County get reimbursed sometimes six, seven, eight years later, Mike?

Mr. Yohe: In worse case.

Mr. Haste: If we were to do this so you could repair the bridge and you went through and got reimbursement, would you be willing to reimburse our Liquid Fuels Funds?

Ms. Oller: I couldn't make that decision on my own. But I'm certain that would be considered. It's just with this wastewater project our money is kind of tied up for the next twenty to twenty five years.

Mr. Haste: But if you got reimbursed by PennDOT?

Ms. Oller: If we would get reimbursed by PennDOT, yes.

Mr. Haste: If we do this, I would assume you are still going to pursue getting on the bridge bill? I guess what I'm saying is that I would want you to try to continue to get on the bridge bill and try to get reimbursed at some point in time. What I'm asking is if you do get reimbursed for the funds that we put in there, I would like it considered for that to come back.

Ms. Oller: That's fine.

Mr. Haste: I don't know when that will occur. I don't have a problem supporting but I would want to talk and see what our funding situation is. I think we will give this due consideration. I'll do a little research. Hopefully, by next week then, make some sort of recommendation. I assume anything that we can give you is helpful.

Ms. Oller: Absolutely.

Mr. Thiele: Commissioner, Bob Burns, did do a little research into the Liquid Fuels Funds and there should be a memo with that information. It is basic.

Mr. Haste: That was just on the fund balance but I don't know what projects that are anticipated or what that may do to what bridge replacement we may have. I need to see where we are.

Mr. Hartwick: I just want to see a copy of the report and what priorities we have. I was unaware of our whole process with the Liquid Fuel monies.

Mr. DiFrancesco: I must apologize for stepping out and you may have already covered this, as far as other partnerships with State Representative Marsico, etc. has getting on the bridge bill been looked at?

Mr. Haste: Yes.

Ms. Oller: Right, and this project is eligible for the bridge bill and they do have all of our information. But it has to be on the twelve year program and that's where our stickler point is. It just doesn't reach the magnitude of some of those projects that are already on the twelve year program at the moment.

Mr. Haste: Realistically, unless funding changes or priorities change, when it comes to PennDOT projects local bridges are in the bottom.

Ms. Oller: I talked to Terry Adams and he kind of stated the same thing. While this project is a community asset and it is used quite a bit, the schools use it and it is a major route of local traffic within that area, they're just taxed as far as other projects on the bill.

Mr. DiFrancesco: Have you explored options as far as special appropriations in terms of the need for the bill because of the impact to the community? Is that something that you had the opportunity to explore?

Mr. Haste: They did that. They've gone to CDBG and looked at DCED. While you were out they went through all the places that they've gone.

Ms. Oller: Certain programmatic priorities, they change every year. I think certainly they are looking for an economic generator. Certain ones are looking for low to moderate income.

Mr. DiFrancesco: I'm really talking outside of the established where Legislators can look at their district and say okay, I have a particular need for a one time special consideration. Obviously, if it impacts bus routes, etc., there's a reason, maybe you can go for a special appropriation. I was just curious to see if that was an option or not.

Ms. Oller: I guess I can best answer it by saying, we've gone to those Legislators for help for the wastewater treatment system. When you were out, we are \$4 plus million, these people just paid for a system three years ago and now we have to redo the system. That's who we are going to for that money.

Mr. DiFrancesco: The ability to make requests may be a little dried up right now. Thank you.

Mr. Haste: I assume there is no other bus route that could be taken if the bridge went down? You would have to come up with another bus route. You've looked at doing that?

Ms. Oller: It is very out of the way.

Mr. Haste: I think early on I saw something about emergency response time is also an issue here.

Ms. Fackler: I haven't looked at that in-depth as far as the emergency response time, but I know times for bus routing in the morning would change drastically for those students as far as when they are picking them up and when they are getting them home. I just know that response time and when the children would have to board, that would all change in the mornings and afternoons.

Mr. DiFrancesco: Out of curiosity, where are the students in this area going?

Ms. Oller: Lower Dauphin.

Mr. Haste: I will talk with our engineer and I'll give you a call before next week.

Ms. Oller: Would you like any one of us to be here at that meeting next week?

Mr. Haste: It probably wouldn't hurt.

Mr. Saylor: Commissioner, would you want the engineer to come in for a meeting?

Mr. Haste: That's too much money involved. A phone call will be cheaper.

**F. John Orr, Director of Conservation District
Eric Naguski, Conservation District**

1. West Nile Spraying Program

Mr. Orr: I'm very happy to report that I have no budget or financial issues to bring before you. It will be a change of pace from what you have encountered so far this morning.

As you are aware, the Conservation District is a little different in its organization and set up. Actually I work for two different sets of bosses. One being the County Commissioners and the other the Conservation District Board of Directors.

In this particular case, what we are here for is the West Nile Virus Program. We have had some understandings with the previous Boards of Commissioners and we wanted to update you as to where the program currently is and the changes that had been requested in the program this upcoming year. I first of all would like to thank Mr. Saylor and Solicitor Foreman and Garry Esworthy for their help in dealing with these issues related to the West Nile Program. We have no major problems or real points of concern. The reason for this meeting is a proactive rather than reactive meeting in that we want to make sure that everybody is on the same page as we enter the West Nile season this coming summer. So you know what is expected of us and we know what is expected of you. So it's more of an informative type meeting. There are two points of interest that we wish to bring before you.

First issue is that prior to this we have never done any adulticiding or we have done minimal adulticiding, meaning the actual spraying of mosquitoes by our own employees. Previously this was all done with DEP or contract. This year DEP has requested that this be part of our contract.

The second is clarification point of County Code in that when we are out and there is a property that has a nuisance or something of that nature where there is breeding habitat for mosquitoes the County Code does allow the County to have some action there in relation to getting that cleared up to remove the health hazard. So we want to make sure that we are on the same page with the Commissioners and have a protocol set up for that should we encounter this throughout the season. So those are the items that we wish to discuss. Eric has a power point program that he'll go through rather quickly to give you a little bit of the history and the way the program has progressed. We'll then answer your questions and go over the information that he handed to you in relation to the proposed format for protocol.

Mr. Naguski: As John said, we're going to bring everybody up to speed as to what the program is about and how we handle daily operations. The West Nile Program is a multi-agency program between the Dept. of Health, DEP, Ag and the County. We're focused on reducing the risk of people getting sick from the West Nile Virus.

In 2000 the Dept. of Environmental Protection asked the County to take on the program. This program is 100% funded by DEP. In 2000 we were basically a surveillance program. We were looking for mosquitoes and the presence of virus in the County. We had no idea, was it here, if it was here, what levels does it pose a threat to the citizens, does it not. We caught some mosquitoes that year. Very little mosquito control. These are the municipalities that actually had virus activity in 2000.

Mr. DiFrancesco: Is that dead bird check or do you actually go out and find the larvae?

Mr. Naguski: We go out and test adult mosquitoes for the virus. We have tested larvae in the past but it is not cost effective to do that. This map is showing and the maps for the next years, shows everything. This is birds, mosquitoes, horses and any animal.

In 2001 we were still doing surveillance. There was some larvae mosquito control but no adult control in the County. We didn't have much activity. I had one positive bird in the year 2001. I didn't know what direction the program was going.

In 2002, one fundamental change. We had high incidence of virus in the mosquito community. There were human cases with fatalities within the state. This really forced DEP to re-evaluate the program and they moved it from a surveillance program to a West Nile Virus Control Program. This puts an emphasis on mosquito control. We tried to use integrated mosquito management as the method of reducing the risk of people getting sick. We definitely did a lot more larvae mosquito control in 2002. There were some adult mosquito control done but as John stated previously that was through a contractor that had been on contract with DEP. We see a lot more of the municipalities showing virus activity. Real quickly what mosquito management is, just education and reduction of mosquito breeding habitat, doing mosquito surveillance so we know where to do the mosquito control. Trying to focus on larvae mosquitoes which we do and the other tool is adult mosquito control. We try to use products that are both efficacious and environmentally safe. We don't want to put people at harm through pesticides by trying to protect them from the virus.

In 2003, the same thing, we picked up that program and we're really aggressive, killing larvae mosquitoes. We did some adult mosquito control from the County. The truck mounted stuff was through a contract with DEP and the contractor. We did about thirteen miles in the City of Harrisburg. We also did some hand held adult control. I can just say, I was surprised by the response. I thought for sure we would have some negative response, we had none. It was all positive. I got requests for more.

Here is a list of municipalities that showed up last year with virus activity. Does it work, what we are doing? Yes, I think it does. It shows the amount of mosquitoes collected. The red is the amount of pesticide applications. We stepped up the amount of pesticide applications and we lowered the number of adult mosquitoes. Therefore, reducing the risk of people picking up the virus. So why do we do adult mosquito control? Well, because no mosquito patrol is 100% effective. We can't kill all the larvae or eliminate all the breeding habitat. That's pretty evident when you go through some of the more urban areas. We got a lot of backyard breeding going on of mosquitoes.

Our main goal is to protect human health. The West Nile Virus has increased in the County over the last two years. This is just a graph showing the number of human cases in the state, in Dauphin County and the counties bordering Dauphin County. We had nine in 2000. I think there were eight cases in 2001. In 2002, we saw a dramatic increase with significant amount of deaths. I think there were eight or nine people that died that year. Still none in Dauphin County, though. Last year, huge jump, I would see a virus and it has a strong hold of mosquito population in Pennsylvania. The numbers were up around 250 people tested positive for West Nile last year including people who died. The white bar shows surrounding counties. It is pretty high. The majority of those are coming from Lancaster which had 40 humans; and York which had 18. Cumberland County and the program here in Dauphin County kind of marriage each other. We're pretty aggressive in mosquito control. They had four human cases last year. We had five. I would like to think that is because we are aggressive in reducing the number of mosquitoes that are out there. This is showing everything in the last few years. This shows the general increase in the virus activity within the County. The mosquitoes are still testing positive so we know it is out there. It has a strong hold in the population.

A little bit about mosquito control; what we would like to be doing; two different kinds, we do a berry spray and ultra-volume application. The berry application, you take a backpack and personnel goes out and they spray the pesticide on the vegetation surrounding an area that is inhabited by people. This basically forms a wall that the mosquitoes can't get through. This is

the picture. The products that we are using in the west shore mosquito, they are benign. They pose no real threat to humans. The ULV application, this is more high profile. When you think of mosquito control, the trucks rolling down the road and stuff blowing out the back. It has to be applied when the mosquitoes are actively flying. It can be done by hand truck or by airplane. We may need to go back into an area to get a real good kill. These are pictures of handheld and a truck mount. These are not in Dauphin County. When do we spray? When we get high numbers of adult female mosquitoes. We get positive mosquito pools. We get positive birds. When we get a positive bird, I go out and trap mosquitoes to get an idea of the mosquito population in the area. If you see that you have high numbers of adult mosquitoes, you may want to think about spraying. Special events, when you have a large gathering of people that are going to be outside or around human cases popping up. Although when we get to that point, we are kind of behind. We're trying to catch up. We're trying to prevent human cases. We're going to do this when we need to. The Dept. of Agriculture by law is the only people we need to let know that we are spraying. I would like to get some feedback from you guys. Do we want to notify the municipalities? Do we want to notify the property owners if we are going to be on their property? Do we want to notify the media? Is there anyone else that we want to notify and let them know what is going on? We want to be proactive as to why we are doing these things.

Throughout the state, there is a total of 51 counties that are doing some type of adult mosquito control. Twenty of those are using the truck mounted sprayers. Which is what we are shooting for this year. I know in Cumberland County they have been doing adult mosquito control since 1980. They have never had any law suits or anything or any negative legalities dealing with adult mosquito control.

Mr. Orr: As I stated before, we have not done adulticiding ourselves. DEP is requesting that we do it this year. When we first took the program at the request of the County Commissioners, the Commissioners indicated that we would not do adulticiding at that point. Times have changed. Garry Esworthy feels comfortable with the pesticide insurance that we have on employees; which was a concern. We are covered from an insurance standpoint. We want to make sure that we are on the same page with the Commissioners and the first time that you hear that we are adulticiding is not on the evening news. We want you to be aware of what we doing and how we're doing it. If you have opposition to doing that, we need to know that also and go with another direction.

Mr. Haste: This is funded by DEP, right?

Mr. Orr: This program is 100% funded by DEP.

Mr. Haste: Given the health risks that are out there, I think we need to do this. I think when we're going to spray we ought to notify Chad and then it becomes his responsibility to notify us and also our Communications Department. Then I would suggest that you work with the Communications Department to develop how we're going to notify the municipalities and the property owners. I think we need to do that.

Mr. Orr: Last year even when DEP was doing the spraying, we worked through Mr. Burns and notified him so that the Commissioners knew ahead to time. That was a large spray in the City of Harrisburg. When you are driving down the street with police escort and a number of things like that, it does draw media attention. So we want to make sure everybody was aware ahead of time.

Mr. Haste: I think people will be appreciative if they know what is going on ahead of time. We run into problems when they see and they don't know what is going on. Then you get crazy rumors out there. When you make notice of mosquito control activity, Section 2150 of the Dauphin County Code, isn't that really Section 2150 of the Pennsylvania Law?

Mr. Foreman: Yes, it's just of the county code not Dauphin County. That is correct on the other sheet that is attached.

Mr. Haste: I think if we are going to use this form, we need to make sure that the Solicitor's Office is okay with it.

Mr. Orr: We have been working with them.

Mr. Haste: Do we need to say 3rd Class County Code? Do we need to be that specific?

Mr. Foreman: All we need to say is County Code. We should eliminate Dauphin before it.

Mr. Haste: I don't have a problem with that.

Mr. Orr: Are there any other questions related to the program?

Mr. Hartwick: Judging by the head nod, you got the nod from all three of us based upon our Chairman's comments.

Mr. DiFrancesco: I just want to know what is going on in Steelton because for some reason all those other communities are turning red, Steelton remains white. They must be doing something right down there.

**G. Dan Robinson, Director of Economic Development
Jim Szymborski, Director, Dauphin County Planning Commission**

1. Application for an Intergovernmental Cooperation Grant Program submitted to the Dauphin County Community and Economic Development Agency by Millersburg Borough and Upper Paxton Township for a Joint Comprehensive Plan.

Mr. Robinson: On the agenda is our Intergovernmental Grant request through Tri-County Planning Commission. From my end, this is funded through the 1% Hotel Tax. In 2004, we've expended about \$15,000 out of a budget of \$50,000. So we have money to fund this request should you choose to act on next week. I'll defer to Jim to give you a very brief overview.

Mr. Szymborski: This request is really on behalf of Millersburg Borough and Upper Paxton Township. Millersburg Borough being the sponsoring municipality. Our Dauphin County Planning Commission staff will be providing the staff support to prepare the plan. To put some things in perspective, in Millersburg Borough we currently have no adopted comprehensive plan, no zoning, no subdivision or land development regulations. Currently in the subdivision land development activity comes under the County Subdivision Land Development Ordinance jurisdiction. They do have a Borough

Planning Commission. In Upper Paxton Township, they have a comprehensive plan that was adopted in 1992 and a zoning ordinance that was adopted in 1996. They have a subdivision ordinance that dates back to 1965. They do not have a township planning commission. We at their request met with them in a combined meeting, several meetings, to discuss the possibility of the Borough and Township undertaking a joint effort. Not only does that create economy to scale that there is less money to prepare those plans, but it also enhances the ability to manage growth in a large geographic area and brings the municipalities together so that they are working together to look at how they can mutually support one another as well as the opportunity to enhance their economic base. We have for a number of years tried to create these multiple municipal adventures in northern Dauphin County through the COG. We've sent letters requesting consideration by the school districts. In the southern part of the County we have the Lower Dauphin School District that has prepared a multiple municipal plan. There has not been any interest. This is our first success in the northern part of the County to have two municipalities agree to jointly and cooperatively prepare the plan. The plan will be in three phases. Basic studies plan, the actual plan development which would include all the elements that are required by the municipalities planning code, as well as, the implementation phase which will include appropriation of a capital improvement budget which hopefully will identify not only the projects, the capital projects that are deemed necessary to be established, but also funding in those two municipalities. This is a fairly extension community participation program.

Mr. Haste: Has there been any approach or talk with the Upper Dauphin COG to do this in the whole northern area?

Mr. Szymborski: I would say in the last six years I probably attended three meetings of the Upper Dauphin COG, along with members of our County Planning Commission, requesting that they consider at a council of government level appropriation of a joint municipal plan whether it involves all the municipalities or only a portion of the municipalities. So yes we have, as well as, the school districts.

Mr. Haste: And no one has taken on that idea?

Mr. Szymborski: They have treated us very kindly and listened to our presentation. Gave it consideration but we haven't been successful working through the COG. Hopefully, if we can demonstrate that two municipalities can work together that this would give them an indication that maybe more will work together through the COG.

Mr. DiFrancesco: This may be an opportunity for us as well as we begin in the Spring taking our tour around to sit back and talk to municipalities directly through a town-meeting process and get their feedback and maybe present some ideas to them of how we can help facilitate more and more relationships like this.

Mr. Szymborski: All of our boroughs in the northern part of the County are losing population. Their economic base has drifted elsewhere to the south out of the County or into the townships. Normally when a township surrounds a borough and the

township and borough don't work together, the borough loses because that economic development goes to the township. What we would like to do here is identify economic development opportunities that are more suited to the borough, those that are more suited to the township, that they both can agree upon so they are not working competitively but in a mutually supportive way. In the last ten years, about 5% of the commercial development expansion that has occurred in Dauphin County has occurred in the northern part of the County. That means 95% has occurred south of Peters Mountain. However, 10% of our dwelling units that have been permitted for construction are being constructed in the northern part of the County. We've got to balance economic development opportunities with residential development opportunities. If anything, it's not only going to generate tax revenues that take the burden off the residential property owner but also reduce the amount of commuter activity that we have between the northern part and the southern part of the County that affects congestion safety and air quality. So we have to and I believe the Planning Commission agrees to look at all nineteen municipalities north of Peters Mountain and encourage this type of cooperation.

Mr. Hartwick: Going through that comprehensive planning process in our borough since 1972 since we had a plan in town, I know a lot about the process. I also know that trying to seek out resources in order to pay for that plan can be accomplished through DCED, and through other state agencies. My only question is, number one, I want to open up by saying I support joint municipal plans. Outwardly, I think it is the direction that we need to move in as it relates to joint zoning, taking a look at easing up any economic development opportunities through joint planning and zoning. Obviously there are clear benefits. Paying for this through the Hotel Tax Revenue, is a concern of mine. Where is this promoting tourism?

Mr. Szymborski: The entire budget will not be funded by your grant program. 50% of that budget will be provided through the Pennsylvania Department of Community & Economic Development. They were involved in our initial discussions and all the meetings. We feel confident that they're willing to approve the 50% funding. That is the maximum percentage of funding that we can receive from the PA Dept. of Community and Economic Development. However, we need to assure them that there will be additional funds matched to provide for the required matching. Those funds would be, a portion would be from the Dauphin County Grant Program, as well as, the County Planning Commissions Local Planning Assistance Program. It is incorporated into the budget.

Mr. Hartwick: It says here that it is an Intergovernmental Cooperation Grant which I think is more suitable. I heard you say it was coming out...

Mr. Robinson: Those funds were moved in 2002 to be paid for out of the 1% primarily because the only restrictions on the 1% are tourism or economic development. So while it is not tourism, we feel that program still falls under economic development.

Mr. Hartwick: So you're saying the Intergovernmental Cooperation Grant Program is funded through the Hotel Tax.

Mr. Robinson: It previously had been in the general fund and that line item of \$50,000 pocket of money for these type purposes was moved in 2002 and then continued in that area. Should the Board move it elsewhere, that's up to the Board.

Mr. Hartwick: Are you saying we're going to have.....what is the total cost?

Mr. Robinson: The total cost for the grant is \$12,500 which is the maximum for any one grant.

Mr. Hartwick: And you're going to match how much, Jim?

Mr. Szymborski: \$30,650.

Mr. Hartwick: That's pretty cheap to do a plan for two places.

Mr. Szymborski: Well, you're also using the County Planning staff that doesn't have a 250% overhead. The reason that we are able to do that is because they are enrolled in our County Planning Commissions Local Planning Assistance Program. We use that as a prerequisite so that we're not out competing with the private sector because we do have private consultants that obviously have the ability to do this. \$15,325 would be from the State Dept. of Community and Economic Development, \$12,500 would be from the Dauphin County Multiple Municipal Grant Program and \$2,825 would be out of the County Local Planning Assistance Program.

Mr. Hartwick: I just needed clarification on the funding and you have my support.

ITEMS FOR DISCUSSION

Mr. Haste: Items for discussion, I see we have items F, H, J, & K, we need to take a vote on. Is there a desire for someone to make a motion for those four items?

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco approving Items F, H, J, & K; motion carries.

- A. Appoint Cora G. Memmi as Tax Collector to collect the County taxes for Derry Township. (Replacing Phil Fratti)
- B. Amendment to Contract between Dauphin County and Zelenkofske Axelrod LLC for providing audit services for the year ended December 31, 2003.
- C. Overview of the CCAP Health Insurance Trust Interest.
- D. Official recognition of the Emergency Fire Dispatch Steering Committee

for EMA Accreditation.

- E. Approval of Appraisal of County Property by American Appraisal Associates for Insurance Purposes.
- F. Tax Exoneration for William C. & Coral Kao Witmer, 1617 Churchill Rd., Harrisburg, parcel #35-121-100, in the amt. of \$78.87. **(***A VOTE IS REQUESTED 3/31/04)**
- G. Continuation of ABE/GED Grant for the Prison.
- H. Contract between Verizon and Dauphin County for services at the Emergency Management Agency. **(A VOTE IS REQUESTED 3/31/04)**
- I. Night Court Renovations.
- J. Transportation Services Agreement with Susquehanna Township EMS. **(A VOTE IS REQUESTED 3/31/04)**
- K. Agreement with G. R. Sponaugle for the installation of the Code Alert System at Spring Creek. **(A VOTE IS REQUESTED 3/31/04)**

Mr. Haste: Are there any other items that we need to pull out for discussion?

Mr. DiFrancesco: Realizing that the day is long, I don't know if the Board wants to talk about the Night Court renovations or if you want to put that off for a future time? Obviously, we have more pressing matters.

Mr. Haste: I'm not sure why it was on the agenda. Edgar has given us a price list of \$5,700 or some amount and I've talked with the Mayor's Office. What we were offering to do was buy the material and let them do the work. So we're trying to get that worked out.

Mr. DiFrancesco: That's fine.

SOLICITOR'S REPORT

Mr. Foreman: There is no amendment to the report that has been circulated.

COMMISSIONERS' COMMENTS

Mr. Haste: Is there anything from the Board?

Mr. DiFrancesco: Just to say, it is exciting to see the cows popping up outside the building. Being out there last night and seeing the introduction of this, let me tell you what, when they announced this project, I thought, what a crazy idea. But I am caught up in cow mania and I think it is a great thing to see these cows popping up around the City and the greater Harrisburg region.

Mr. Haste: I was wanting with baited breath for Mr. Saylor and Mr. Yohe to give me their plan on how we were going to slow down the hiring and I'm disappointed.

Mr. Saylor: We've been trying. I've met with both Mike and Faye Fisher separately. I'm desperately trying to get a meeting together with both of them at the same time. We do have some ideas. Mike, do you want to present any of that? We have the money.

Mr. Yohe: We could implement a plan similar to what was used back in 2002, when hiring was limited to once a quarter, unless the oversight commissioner gave approval to fill a position in the interim. We would set up some specific dates when new hires would be considered by the Board. Prior to those dates, I would give the Commissioners a report as to how much money was available to fill positions. Each oversight would then submit the positions that they would like to see filled on the personnel action report for the meeting.

Mr. Haste: Why don't you put something together on that and show us what potential impact that might have.

Mr. Saylor: I was discussing with Faye as to how we would implement it, what day we would begin, and how it would flow.

Mr. Haste: I just want to keep that on your agenda and get that to us quickly.

Mr. Saylor: It is there.

PUBLIC PARTICIPATION

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

Mr. Saylor: Chairman, if I could take advantage of this time to point out on Friday, Sheriff Lotwick will be named Law Enforcement Officer of the year, middle district of Pennsylvania. On Friday, there is going to be an awards banquet. Diane, do you have any more details about the awards banquet for the Sheriff?

Ms. McNaughton: All I know is that it's at the Federal Building, middle District of Pennsylvania. There are other officers as well getting awards. Sheriff Lotwick is being acknowledged, as well as, Officer of the Year. I think it's from three different states so it is quite an honor.

Mr. DiFrancesco: What time is it on Friday?

Ms. McNaughton: I believe it is at noon.

Mr. Haste: Can you see that we get some details on it.

Mr. Hartwick: And prepare a proclamation as well.

Mr. Saylor: There are a number of events this weekend, Saturday and Sunday our departments are doing, including a support the troops rally on the Capital on Saturday.

ADJOURNMENT

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to adjourn the Meeting; motion carries.

Transcribed by: Julia E. Nace
March 31, 2004

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff

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