



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

THURSDAY, AUGUST 7, 2003 (10:00 A.M.)

MEMBERS PRESENT

Jeff Haste, Chairman
Lowman Henry, Vice Chairman
Anthony Petrucci, Secretary

STAFF PRESENT

Robert Burns, Chief Clerk; Julia Nace, Assistant Chief Clerk; Marie Rebeck, Controller; Bob Dick, Treasurer; Randy Baratucci, Director of Purchasing; Mike Yohe, Director of Budget & Finance; Rick Wynn, Director of Human Services; Edgar Cohen, Director of Facility Maintenance; Jennifer Kocher, Director of Communications; Dan Robinson, Director of Economic Development; Steve Sukniac, Director of Juvenile Probation; Carl Dixon, Parks & Recreation; Bruce Foreman, Esq.; Bob Knupp, Esq.; Jane Gordon, Commissioners' Office; Kacey Truax, Commissioners' Office; Gary Serhan, Controller's Office; Faye Fisher, Personnel; Sharon Ludwig, Personnel; Garry Esworthy, Risk Manager; Diane McNaughton, Communications; Melanie McCaffrey, Solicitor's Office; Dan Lispi, Solid Waste Management; Michaelene Barone, Adult & Family Services; Jeff Patton, Juvenile Probation; Carolyn Thompson, Court Administrator; Shari Eagle, Information Technology.

GUESTS PRESENT

Jack Sherzer, Patriot-News; Chuck Zwally, Tom Smida, Bill Cluck, Joe Trojak.

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 July 17, 2003 Workshop Meeting Minutes that we will consider for approval at next week's meeting.

PUBLIC PARTICIPATION

Mr. Haste: Public participation. Is there anyone in the audience that would like to address the Board of Commissioners at this time?

Mr. Cluck: I am attorney Bill Cluck. I live at 587 Showers Street in the Shipoke section of Harrisburg. I'm here today about three items on your Agenda. The first one is the approving the settlement of the Appeals of the County Solid Waste Management Plan. Obviously as a party to that litigation I strongly support the settlement. It has been a pleasure working with the County and the County Solicitor with the respect to coming to an amicable resolution.

Second, with respect to the appointment to the Solid Waste Advisory Committee, I am appreciative of the Commissioners faith. If approved, I look forward to working very closely with the office of Solid Waste Management to continue to improve what is already a very good recycling program, to move it to the next step. My hope is eventually we will be able to locate someone who is a manufacturer of products that can be made out of recycled content and that we can move to the next step for economic development.

Third, with respect to the proposal to provide a secondary guaranty for the Harrisburg incinerator, I read with interest the so called editorial this morning. Obviously the Commissioners should scrutinize the proposal and I trust you will. My understanding is there may be a windfall to the County in the amount of a significant amount of money to provide the guaranty. My suggestion is if that is to occur, is the County considering placing those funds in the Harrisburg Credit Union and if so, will the interest from that principle be utilized for environmental and recycling programs in the County. I think that would accomplish a win-win situation. Recognizing the precarious budget financial situation obviously if that money is necessary to avoid a tax increase, I think most of us would go that route. But if you are creative and able to come up with other alternatives I think we would support that as well.

Lastly, with respect to the resolution on the financing, I have a couple of very quick questions. One of the conditions for the Commissioners' approval is something called a waste shed analysis. I don't know what that is. I'm looking at number 1, E on the last page of the resolution. "County intends to provide a secondary guaranty...condition E, a waste shed analysis is provided." I have no idea what a waste shed analysis is. But I guess I would support it. Lastly, because it is my nature, two of the whereas clauses in the resolution for the secondary guaranty indicate a preliminary review. The County is determined it may be in the best interest of the County to participate in this. I'm not sure the County has come to that decision. At least through the Solid Waste Advisory Committee and the Act 101 planning process. I think as you know there was an attempt to enact flow control last December. That's an issue that is going to come up again. I would suggest that you solicit public input and encourage public participation in your decision whether or not to go forward with flow control and revising the plan. To that end I would suggest the utilization of the County's website. I think you have done a very good job in the last six months adding the Agenda and Minutes and perhaps we can go the next step and actually put some of the relevant documents on the website for those people who work for a living and can't afford to take time off to come to the meetings. Thank you for your time.

Mr. Burns: Commissioners, I think the waste shed analysis is a typo on the resolution. I think it is supposed to say watershed.

Mr. Zwally off microphone said that it was waste shed.

Mr. Haste: Anyone else in the public that would like to make a presentation to the Board of Commissioners at this time? Hearing none.

PERSONNEL

Mr. Haste: Faye.

Ms. Fisher: Good morning, Commissioners. There is one Salary Board item in the packet for today and that is for the Dauphin County Prison. It is to eliminate a Secretary 1 position and to create an Executive Secretary position.

Mr. Haste: Does that need action today?

Ms. Fisher: No. Moving into the Personnel packet, we have the Workshop Agenda Vacancies listing. All of these transactions have been reviewed by Mike Yohe and he has provided an analysis. Next we have the Workshop Agenda New Hires listing. With Commissioner Henry's approval there are several New Hires for Spring Creek that I would like to ask this Board to vote on and approve today so that these individuals can begin their New Hire Orientation on Monday.

Mr. Haste: Which ones are those?

Ms. Fisher: They are New Hires number 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, and 17.

Mr. Haste: Any questions for Faye? Is there a motion to approve items 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, and 17?

Mr. Henry: So moved.

Mr. Haste: Is there a second?

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries.

Ms. Fisher: Thank you.

TRAINING PACKET

Mr. Haste: Training Packet, Bob.

Mr. Burns: Mr. Chairman, item number 1 you have been asked to consider voting on today due to the date of the training. I think it is already past.

Mr. Haste: Is there a motion to approve item 1?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries.

PURCHASE ORDERS

Mr. Haste: Mr. Baratucci.

Mr. Baratucci: You should have received your Purchase order packet yesterday. There are no changes to it at this point. There are a few budget items that we need to work through. Mike and I will do that between now and Tuesday.

Mr. Haste: Any questions for Randy? Thank you. I forgot something earlier. On the Personnel I noticed some again are scheduled to be over budget. Have we gotten plans from any of those departments on how they intend to try to stay within budget?

Off microphone Mike Yohe said that he hadn't yet but he will.

Mr. Haste: Just a precaution. If that is not here next week, I will not be voting in the affirmative for any of those. You may want to let those departments know that.

DEPARTMENT DIRECTORS/GUESTS

Mr. Haste: Any directors that would like to bring anything before the Board of Commissioners at this time? See none.

ITEMS FOR DISCUSSION

Mr. Haste: Items for Discussion. I see A, B, and C need action today.

- A. Ratify an Agreement with Hershey Philbin Associates, Inc., to seek procurement of three separate grants to be made by the Congress of the United States in the approximate amount of \$750,000.00. **(***NEEDS VOTED ON 8/07/03)**
- B. Adopt Resolution No. 15-2003 designating the Dauphin County Dept. of Community and Economic Development as the recipient of the Local Economic Development Assistance (LEDA) Program Funds in the amt. of \$64,969.00. **(***NEEDS VOTED ON 8/07/03)**
- C. Approval of Change Order with Derck & Edson, Landscape Architects, for the Fort Hunter Project in an amt. not to exceed \$4,228. **(***NEEDS VOTED ON 8/07/03)**
- D. A Resolution of the County expressing an intent to Guaranty the Harrisburg's Retrofit Bonds subject to and upon fulfillment. of conditions specified in the Resolution.
- E. A Resolution authorizing the Nursing Home Intergovernmental Transfer Program pursuant to the Commonwealth Agreement and Cooperation Agreement; and further granting authorization for any and all lawful actions necessary to effectuate Dauphin County's participation in the Program.
- F. A Resolution authorizing the issuance of a Tax and Revenue Anticipation Note in the maximum principal amount of \$31,948,716 accepting the Mellon Bank proposal and authorizing the filing with the PA Dept. of Community and Economic Development relating to the FY03/04 Nursing Home Intergovernmental Transfer.
- G. A Resolution approving the settlement of two (2) Appeals

of the County Solid Waste Plan.

- H. A Resolution appointing William Cluck and Robert Grubic to the County Solid Waste Advisory Committee.
- I. Quarterly Budget Amendment Reports.
- J. Authorization to sell 194 parcels from the Repository List to the City of Harrisburg.
- K. Exoneration of all County Real Estate Taxes for Years 2002/2003 in the amt. of \$1,751.16 owed by Good Shepherd Evangelical Congregational Church.
- L. Approval of a Proposal from Kerry Pae Auctioneers to hold an auction on August 15, 2003 of the Repository Properties.
- M. Appoint Nancy Thompson to the Board of Housing and Redevelopment Authorities. Term to expire 8/26/08.
- N. Rescind Contract with Black, Davis & Shue dated June 10, 2003 and approve an Agreement with Black, Davis & Shue to represent Dauphin County for vision, prescription and dental insurance plans for the amount of \$15,000 to be paid \$3,000 monthly and expires December 31, 2003.
- O. Change Order #09 with Alexander Constructors, Inc., construction manager, for the Dauphin Manor Nursing Home renovations, in an add amt. of \$106,132.00. (This Change Order includes the following cost event #'s: 125, 131, 137, 141, 142, 143, 144, 145, 146, 149, 150, 152, 153, 154, 155, 156, 157, 158, 159, 161, 162, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, & 181. (Paid by owner.)
- P. Renew Grant-in-Aid Application and Grant Agreement with the Pennsylvania Board of Probation and Parole for financial support for the improvement of Criminal Court Probation Services. (Covers salaries of Adult Probation Staff in an amt. of \$4,262,225.00 for a period of 7/01/03 through 6/30/04).

Mr. Knupp: Mr. Chairman, Mr. Tully would like to request that A be taken off the vote today. He needs a little more time to review it.

Mr. Haste: Ok. So that would be B and C need to take action today. Is there a motion to approve Resolution 15-2003?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: Is there any discussion?

Mr. Robinson: Just a reminder to the Board that we received \$84,000 from the LEDA Grant from the State. This year was cut to \$64,969. All these monies go to administration and salaries.

Mr. Haste: Is there any further discussion on the Resolution 15-2003? All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries. Item C is an approval of a change order for Fort Hunter. Do you want to brief us on that?

Mr. Dixon: There was a soft spot that was discovered during construction. This will be done on a not to exceed basis.

Mr. Haste: You have the funds already set aside for this?

Mr. Dixon: We will find it in our budget.

Mr. Haste: Any other questions for Carl? Is there a motion to approve?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Motion carries. We then have items left on there, items D through P. Are there any that the Board would like to pull out and discuss? I would ask that we pull D out and have Mr. Zwally brief us on that. Any other items? Hearing none, Mr. Zwally, would you come forward?

Mr. Zwally: Good morning, Commissioners. We have for you a revised draft of the resolution concerning the City's Retrofit Project. The revision was made to the suggestion of the Solicitor's office. We thought it was a good revision that has been made and has been reflected in this proposed resolution. Let me go through the resolution for you. We were requested by Bill Tully that we review this matter for the County. We have done so. We have had several meetings with City representatives. We took a look at a draft resolution which we then substantially revised. Mr. Tully and his office also had some input and that document is now before you.

This resolution is what is called an intent resolution. It indicates that the County is simply indicating an intention to consider a secondary guaranty for the City's Retrofit Project. The nature of the guaranty has not been defined at this time. It appears that it

may be a guaranty related to the debt service reserve fund. It is clear in this resolution and I think it is clear as far as the City is concerned, that the debt to be guaranteed or subject to the guaranty would be only the new debt with respect to the Retrofit bonds.

If you would like I could take you through the resolution quickly. I think we can skip over the title and the whereas paragraphs and get to the heart of the matter. That appears on page three. Paragraph one indicates the County's intent to provide a secondary guaranty for the Retrofit bonds which are not to exceed \$125 million. The conditions that would have to be satisfied before the County would proceed to actually provide a guaranty are listed there. They include A, that the Authority, of course, would approve the project. B, that the City approve the project and as you probably know at this point in time the City Council is conducting an independent review of the project with separate consultants. C, the City would have to authorize and execute the reimbursement agreement among the Authority and the County. There would have to be satisfactory final cost estimates. That was the term, satisfactory was proposed by your Solicitor. We thought that was a good change. The next item is a waste shed analysis must be provided. This is a study that examines regional waste disposal facilities that would be impacted or maybe competitive to the proposed facility. The next item is necessary permits. Next item municipal bond insurance must be provided and obtained. A debt service reserve fund must be provided as part of the bond issue. There must be a self liquidating debt report. This is required by State law and would indicate that the bond issue is to be covered by revenues from the project and will be self liquidating without a need to rely upon tax revenues. The next item is payment of a reasonable agreed upon guaranty fee to the County. We believe the County needs to be compensated for the provision of its secondary guaranty. And the last item would be review an approval by counsel for the County of basically all of the documents and structure of both the bond issue and the primary guaranty of the City and the secondary guaranty of the County. Again this document, in our opinion, is not binding upon the County and then the question then arises why are we being asked to do it. We are being asked to do it simply so there is some indication to the bond insurers and to the underwriters and purchasers of these bonds that if conditions are met the County guaranty would be available. Otherwise the bond issue would have to be structured substantially differently and certainly cost of the issue and cost to all of the users of the system are probably going to be substantially higher.

Mr. Henry: Mr. Zwally, this resolution references that Dauphin County would be the second guaranty. The bonds are actually going to be floated by the Harrisburg Authority, would that be correct?

Mr. Zwally: That is correct.

Mr. Henry: Does item I then, is item I the mechanism by which the revenues that are generated by the incinerator and go the Harrisburg Authority, they actually are first in line for payment, correct?

Mr. Zwally: That is correct.

Mr. Henry: So we are technically third in line.

Mr. Zwally: Yes.

Mr. Henry: Item I would be the applicable part of this that binds them to being, I guess this doesn't bind them to anything but reference them as being first in line to make payment?

Mr. Zwally: It does. In order for the bonds to qualify under State law as not being a pledge of tax revenue by either the City or the County the bond issue must be classified as self liquidating. State law, as you know, requires that there be certain engineering reports and revenue flow documentation that satisfies that requirement.

Mr. Henry: So in terms of any potential liability to the taxpayers of Dauphin County there would have to be a rather unlikely melt down so to speak at the Harrisburg Authority followed by the same unlikely financial situation occurring with the City before it would ever get to us. We would be third deep not second deep actually.

Mr. Zwally: That is correct.

Mr. Henry: Thank you.

Mr. Haste: In essence the City would have to exhaust its taxing authority before it would ever come to the County's taxing authority.

Mr. Henry: As well as all the revenue from the project would have to be exhausted before the City would even take that on.

Mr. Haste: The only thing I would ask is I would like that as we get the numbers together on this issue that we be kept up to speed on what those numbers are so that Mike Yohe can take a look at them. I would like to protect the taxpayers since we are putting basically them into this process. We have another review process along the way looking at the numbers to make sure in fact that they make sense from the County's perspective.

Mr. Zwally: Yes, Commissioner. There is a lot of work to be done here. We will be requesting, assuming the Board goes ahead with this resolution, we will be requesting an action due to pre-retaining our firm as counsel to represent you in this matter. My understanding is, in fact we will insist upon, our being involved in every stage of the process here and there is no reason why financial consultants or your own finance people can not be involved in meetings. We will certainly have more than an adequate opportunity time wise to review the financial data.

Mr. Haste: Any other questions? Thank you.

Mr. Zwally: We would ask that if the County proceeds with this resolution if you would simple have an action to retain us as counsel. We have given a proposal to your Solicitor in that regard. Our arrangement is that we expect revenues to flow from this closing to the County in the form of a guaranty and we would be compensated only if the matter closes, from the guaranteed funds. So there would be no charge to your taxing budget for tax purposes. Thank you.

Mr. Haste: Any of the other items that need to be pulled for discussion? If not they will be there for next week. Bob, what would this resolution number be?

Mr. Burns: 16 I think, Mr. Chairman.

Mr. Knupp: You just adopted Resolution 15-2003 this morning so it would be 16.

Mr. Haste: Ok. Thank you

SOLICITOR'S REPORT

Mr. Haste: Solicitor's report. Is there anything that needs to be brought up? Any questions of the Solicitor?

Mr. Knupp: Nothing other than the submission of the report that you have with the actions that have been taken.

Mr. Haste: Ok.

COMMISSIONERS' COMMENTS

Mr. Haste: Commissioners' comments. Any of the Commissioners have anything that they would like to bring up at this time?

Mr. Henry: Yes. I think it is appropriate that we take note of what has been taking place at Spring Creek over the course of the past several weeks. A number of folks have in my belief gone above and beyond the call of duty and are continuing to do so. Just so the Board is aware, we did of course receive approval from the Department of Health to move into the new facility. That move began last Monday. It has gone very smoothly and is scheduled to be completed on Friday. Which means our new building will be fully occupied. We will be moving to demolition within the next couple of weeks. Prior to that, a number of our volunteer fire departments are going to be using the vacant building for some training, providing a unique venue for them to do that. I think those who have been involved out there the last couple of weeks, particularly my Executive Assistant, Jane Gordon, Cindy Melamed, the Administrator, Steve Tessier and John Long have been leading a staff that rather than go out and retain movers to do this, they have been working extra long hours in order to move the residents themselves. It has gone much more smoothly then I think anyone could have hoped. I think we should take note of all the efforts that they have put in over the last few weeks. First of all to

resolve some lingering clinical matters which were resolved. And also to bring about this move. Hopefully within the next couple of weeks the facility will be settled in and life will go on in a great way. The Patriot News had an excellent article last week relative to one of the residents who had moved in. The residents are receiving the new building very well. I think we should express our appreciation and kudos to everyone who is working so hard out there to make this come off as smooth as it has. It is a great time for Spring Creek.

Mr. Haste: I think that should be noted. Jane if you could when you go out there, make sure that Lowman and the Board have expressed our gratitude to them for their hard work.

Ms. Gordon: We had letters go in with their paychecks.

Mr. Haste: Very good.

Mr. Petrucci: Mr. Chairman, I wanted to make a comment in regard to item J. I am extremely pleased to see that the City of Harrisburg is picking up an effort in trying to revitalize the dilapidated neighborhoods up on Allison Hill. I have myself, for quite a few years had an effort to try and focus on that. Allison Hill is one of the biggest contributors to many of the Human Service and criminal justice systems that the County funds. Any effort at changing the nature of that community would be a big impact on the County's budget. I did, in efforts to have an impact on Allison Hill, reserve about 12 other parcels that were going to be considered for the Charter School proposal. Since that Charter School proposal for an at risk residential Charter School has been denied twice by City Council and the Mayor I have asked the Tax Assessment office to take those 12 parcels and add them back onto the repository list, sending them over to the City to see if they could be added to this list of 194 parcels that they intend to work on for an economic renovation on the Allison Hill area. So I commend the City and their Economic Development department for this massive effort. I think it will have an extraordinary beneficial effect on County services.

Mr. Haste: Thank you. I just wanted to make a comment. Mr. Cluck had brought this up and I wanted to fill the Board in. I think everyone remembers that our Solid Waste office has received a grant for a recycling center. Dan, in working with Kelly, had set up a day that we went down to Philadelphia and looked at two very successful recycling centers. Even though the issue that is on here is about the incinerator, that's only one portion of the puzzle when it comes to dealing with our waste flow. I think one of the things that Mr. Cluck said, and Dan and Kelly are moving forward on this, it is very important that we move forward on the recycling program. The County has done an excellent job over the last two or three years on improving our recycling with the drop off spots and even the twice a year project up at HACC, where we allow people to recycle computers and other equipment. I think it is important for us not to lose the fact that part of this is the recycling. If we move forward with this recycling center that will only enhance the overall picture of what we are trying to do with the waste flow in the County. Waste is not an easy subject. We all produce it. We all want to do something with it but as soon

as we talk about disposing of it, everyone is opposed to that process or that location. In the past we had the landfill in the Upper end and we have the incinerator in the City. We basically had two major spots in the County. The landfill is closed and I think one of our objectives is to make sure that it stays closed. I think with the cooperation that the Board started to move forward with the City helps keep that landfill closed. We need to work with the City in disposing of our waste in a better way than what we have done in the past. Hopefully this cooperation will make the system better in the long run. I know we have some bumps to get over but I would like to thank Dan and the cooperation that we have received from your office in working with Kelly in making this go forward. It won't be easy to get to the final goal but the cooperation will make it a lot nicer than what it was when I was here once before where we were at odds.

PUBLIC PARTICIPATION

Mr. Haste: Anything else that needs to be brought up before the Board? Hearing none.

ADJOURNMENT

Mr. Haste: Is there a motion to adjourn?

Mr. Henry: So moved.

Mr. Petrucci: Second.

Mr. Haste: All those in favor signify by saying aye.

All: Aye.

Mr. Haste: Meeting adjourned.

Respectfully submitted,

Robert Burns, Chief Clerk/Chief of Staff

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