

**DAUPHIN COUNTY GAMING ADVISORY COMMITTEE**  
**Monday, November 8, 2010, Meeting at 3:00 p.m.**  
**112 Market Street ~ 7<sup>th</sup> Floor**  
**Harrisburg, PA 17101**

**2010/2011 Local Share Municipal Grant Public Hearings**

**Members Present**

*DCGAC*

George Groves, Chairman  
Justin Warren, Vice Chairman  
David Craig, Secretary  
Lloyd Umberger  
Jim Szymborski

Also present were: Mark Stewart, Eckert Seamans Cherin & Mellott; Michael Musser, Community Networking Resources; Paul Clark, Dauphin County Industrial Development Authority; August Memmi, Dauphin County; George Conner, Dauphin County; Tim Berard, Dauphin County; and Michelle Shade, Dauphin County.

**Call to Order**

Mr. Groves, Chairman, called the meeting to order at 3:00 p.m.

**Dauphin County Bar Association Presentation**

Mr. Jim DeAngelo and Mr. Jim Kearney presented on behalf of the Dauphin County Bar Foundation. Mr. DeAngelo stated the proposed project is the We Care About Children program and involves the hiring of an additional full-time attorney, at Mid Penn Legal Services, to assist in the program's goal of resolving custody disputes for low-income families throughout Dauphin County, thereby reducing disruption in the lives of the affected children. The request is for \$10,000 per year for five years. In reviewing the project application and budget, Mr. DeAngelo pointed out that there is no money being dedicated to administration. He noted this is because Mid Penn Legal Services, who administers the program, is a fully functioning entity absorbing those costs. However, there are no funds currently available to hire the additional attorney - every dollar will go to this position and the additional services created by this position. Mr. DeAngelo stated this position is expected to assist 100 families per year. In relation to the gaming facility, Mr. DeAngelo stated he believes some clients will be employees of the facility. He added that there are a few grant awards pending and added that the Foundation continues to work on raising funds from a variety of sources. In regards to a question relating to the gaming funds that will be distributed to the District Attorney's Office, Mr. DeAngelo responded that he does not feel this application to be a good fit for those funds. He supplied the board with a reading of the statute, noting that this particular pot of funding is to be utilized for the establishment of a violent crimes task force and, per his personal interpretation of this; the money is too directed more towards criminal justice enforcement versus this public service need.

**Dauphin County General Authority Presentation**

Ms. Cynthia Boratko and Mr. Robert DeSousa presented on the behalf of the Dauphin County General Authority. Mr. DeSousa began by remarking that Dauphin Highlands is currently the only golf course working with the gaming facility. He stated it is the position of the Authority that this co-marketing effort will be the glue between the casino, hotel industry, and entertainment in Dauphin County. Mr. DeSousa reminded the board of

the two-part request; \$50,000 for marketing efforts and \$250,000 for debt reduction. He provided a brief background on the golf course to the board, noting that the course has never met the Performa of 48,000 rounds of golf per year and stating that they are currently around 36,000 rounds. Mr. DeSousa stated the General Authority has had to subsidize the course and he also pointed out that the financing bond payments for the facility, which are backed by Dauphin County, will start to spike dramatically in the next year. In regards to the marketing request, Mr. De Sousa remarked that there is already a working relationship with the casino, aimed at their high rollers. He added that the Authority is also actively working to establish other packages with area hotels, etc. The current marketing budget is \$25,000; this request would allow the Authority to greatly expand their efforts and will likely be spread out over two years, allowing for a \$50,000 marketing budget in each of those years. In regard to debt, Mr. DeSousa stated the course currently has \$12 million in bonds and an additional \$3.4 million loaned to the facility from the General Authority. He noted that while the course may never be fully sustainable, it is the intent of the General Authority to not default on its commitments, maintain the golf course for as long as possible, and to continue to market the asset for possible sale in the future. The \$250,000 grant request would greatly aid the Authority in this effort.

### **Middletown Borough/Middletown Volunteer Fire Company Presentation**

Mr. Todd Webb, Mr. Richard Seachrist, Mayor Robert Reid, and Mr. David Martin presented on behalf of Middletown Borough and Middletown Volunteer Fire Company. This project is requesting funding in the amount of \$1 million (\$500,000 in 2011 and \$500,000 in 2012). Mr. Webb indicated that the proposed project will complete the consolidation, which began in 2004, of the Union Hose Company #1, Liberty Fire Company #2, and the Rescue Hose Company #2. Though during this time the fleet has been reduced by two vehicles, the current station on Adelia Street does not provide adequate space. The objective of this final phase is to completely combine fire/rescue operations, which primarily serve the boroughs of Middletown and Royalton, into one building. This project is to include the rehabilitation and new construction at the Middletown Volunteer Fire Department building at 10 Adelia Street in Middletown. The proposed renovations would: create a safer environment for emergency responders, allow for all emergency vehicles to be housed under one roof, include energy efficiency upgrades, upgrade the fire alarm system, install a sprinkler system, and include dormitory facilities to staff responders 24 hours a day (and increasing response time), create a public emergency shelter for residents. In regards to the leveraging of funds, Mr. Webb stated the Fire Company and Borough have approximately \$700,000 to begin the project. In addition, the Fire Company is also hoping to do a capital campaign. The board questioned if there is a fire tax, Mr. Webb responded there is and stated he believes it is currently at 23 mills. It was also noted that the Fire Company will be selling the property on Water Street and the proceeds of that sale will also go towards this project. Mr. Webb noted that should the full funding request not be allocated to the project, the Fire Company intends to continue to move forward, phasing the project as necessary. The board requested that the Fire Company and Borough representatives deliberate on a more feasible funding amount that would allow the project to move forward. Mr. Webb was instructed to provide Ms. Shade with that correspondence no later than Wednesday, November 10.

### **Penbrook Borough/National Civil War Museum Presentation**

Mr. Dave Patterson presented on behalf of the National Civil War Museum and Penbrook Borough. Also present were Mayor Kenneth Cramer, Mr. Gene Barr, Ms. Kate McDermott, Mr. Tom Dilurrith, Ms. Trini Ney, Mr. Kenneth Lee, Ms. Lynn Smolizer, Mr. Brett Kelley, and Mr. Randy Grespin. Mr. Barr opened the presentation by providing a brief background on the Museum. Mayor Cramer commented on the partnership between Penbrook Borough and the Museum, and stated a marketing effort is beginning with Penbrook serving as the gateway to the Museum. This hope of this joint endeavor is to increase tourism and business. Mr. Patterson then presented on the grant request of \$497,500, which would be used to retire debt. Mr. Patterson stated the museum was paid for by Redevelopment Grants. Funding for artifacts, etc. was paid by the City of Harrisburg and the Harrisburg Authority. He noted there is currently a 30 year lease in place with the City. The debt, secured by a Harrisburg Authority CD, was taken out to pay for start-up costs and operational expenses and with no plans for repayment. To date, the Museum has been making timely interest payments and has only reduced the principal by \$2,500. Mr. Patterson reviewed the Museum's budget with the board and noted that there is no funding available to make additional debt service payments. Mr. Patterson also commented on the relationship

with the Casino. He stated the Museum currently has a visitor survey which includes questions relating to the casino and hotel stays in Dauphin County. They also work in cooperation with the Casino and bus companies on tours, and, Mr. Patterson stated, they have approached the Casino in regards to displaying an exhibit at the gaming facility relating to Civil War gambling. If the grant request is funded, Mr. Patterson stated, the Museum would be debt free and would have the additional funds necessary to increase their marketing budget and their ability to attract more visitors, particularly those from outside of the region. The board inquired about the maturity date of the current debt. It was stated that this loan is a line of credit with no maturity date at this time; monthly payments have been interest only. The board questioned the support the Museum already receives from Dauphin County. Mr. Patterson confirmed that Dauphin County does support the Museum through their tourism budget. He stated that, should the Museum receive funding through this program, they would also still need the County support for operational expenses. Mr. Patterson stated that the ability to retire this debt would have a long term impact on the Museum; Mr. Barr added that the National Civil War Museum is a great institution and asset.

### **Pinnacle Health System Presentation**

Mr. Chris Markley, Ms. Rachel Crownover, and Dr. Lew Shaw presented on behalf of the Pinnacle Health System. The project consists of the expansion of the emergency services department and the funding request is \$421,939. Mr. Markley asked the board to consider emergency medical services as part of the County's infrastructure as it is very a very important part of the quality of life. He also informed the board that Pinnacle Health provides approximately 65% of the in-patient care to the residents of Dauphin County. Mr. Markley noted that due to many reasons such as an aging population, underinsured, uninsured, etc., the Emergency Department is growing. Ms. Crownover stated Pinnacle Health has undertaken a 3-phase plan for its Emergency Services Department. This project encompasses the third phase - the expansion of the department to include larger, more private rooms, increased and larger triage areas, dedicated space for behavioral patients, etc. Ms. Crownover also noted that the new, expanded department will allow for future growth with the handle approximately 100,000 visits per year. At the moment, the department is designed to see 41,600 visits per year; though it typically sees approximately 65,000 per year. It was that Pinnacle Health System services all of Dauphin County including Grantville, PA, and the casino's visitors, employees, and vendors. Dr. Shaw added that Pinnacle Health System is only chest pain center in the region and noted that, upon completion, this project will create a total of 60 new jobs in the area. The board questioned approximately how many emergency room visits could be seen in the office of a primary care physician; Mr. Shaw responded that number is approximately 20%. The board also questioned other funding sources. It was stated that the project has approximately \$750,000 from federal sources (The National Institute for Health and Health & Welfare). It was also stated Pinnacle Health does receive funding from Homeland Security; however, those dollars are aimed towards disaster preparedness and training. In regards to priorities, Mr. Shaw stated that Suite C, the cardiac rooms, would be the number one priority. Priority two would be Suite U and priority three would be the diagnostic suite. Ms. Crownover added that Pinnacle Health has raised approximately \$10.4 million towards this \$12 million project. Should the board fund only a portion of the project, or decide not to fund the project, efforts would continue to solicit community donors. She also stated all equipment costs, as identified in the application, are firm. Additionally, it was noted that project is scheduled to be completed in September 2011.

### **Whitaker Center for Science & the Arts Presentation**

Dr. Michael Hanes and Mr. Lou Roth presented on behalf of the Whitaker Center for Science & the Arts. This project consists of the replacement of the traditional IMAX film projection equipment with IMAX digital projection equipment. The funding request is \$750,000 (\$375,000 a year for two years). Dr. Hanes provided the board with a brief background of the Whitaker Center, noting that is a premiere educational and cultural center n Central PA, serving approximately 400,000 children and adults each year. He added that the IMAX upgrade is part of a larger effort to upgrade facility systems in a very phased and planned approach. Dr. Hanes went on to explain that IMAX film bases systems are being phased out and in a few years most will be released in digital formats. A new digital system would not only produce comparable sound and picture, it would also be less expensive to operate. It is estimated a new digital IMAX system would generate \$85,000 cost savings in electricity, digital formats are much more affordable versus spools of films, shipping costs would be reduced, and the labor currently necessary for splicing the film would be reduced. The board questioned what would be done with the

old system; Dr. Hanes responded that he is not yet sure if there will be a market for the system or not. The board also questioned if, in the next few years, the cost of the new digital IMAX system would decrease. Dr. Hanes stated that IMAX controls the technology and that he does not believe there will be any dramatic decrease in price. Dr. Hanes added that, while there is some competition, Whitaker Center has the largest screen in the area; he added that the longevity of the system is approximately 10 years and is a very important component of the Whitaker Center. In regards to the other planned upgrades, Dr. Hanes stated he already has some of that funding in place, including private/corporate donations and the State. He commented that he believes this project fits in the category of public interest, supports local tourism, and serves as an educational resource. The board questioned if the Center received any other support from the County and, if it does, if it could forego that support should this grant be awarded. Dr. Hanes replied that the Whitaker does receive other funding support from the County, but noted it would be very difficult to forego this support even if the gaming grant was awarded. Dr. Hanes stated the IMAX sees approximately 104,000 patrons per year and noted he believes there is still room for growth. He advised the board that the Whitaker's budget is very close to being balanced, operating on a slight deficit. Dr. Hanes said the Whitaker Center would be happy to receive any funding the board might consider.

### **Halifax Borough/Halifax Fire Department Presentation**

Mr. Thomas Pottiger, Mayor Jeff Enders, Mr. Chris Ramsey, and Mr. Bob Stout presented on behalf of Halifax Borough and Halifax Borough Fire Department. The project consists of the purchase of an Urban Interface Pumper unit and is requesting \$480,000 in funding. Mr. Stout reported that the need is the same as stated in the application. He added that the one truck being replaced is a 1984 vehicle, which was bought used approximately 11 years ago, and is beginning to have numerous mechanical failures. Mr. Stout noted that there is a very limited tax base in the Fire Department's service area of Halifax Borough, Halifax Township, Wayne Township and Reed Township. While this vehicle will be based in Halifax Borough, it will be used throughout northern Dauphin County and surrounding areas such as Middle Paxton Township, East Hanover Township, etc. While Halifax Borough and Halifax Township do have a fire tax, they are currently unwilling to increase this rate. Mr. Stout explained this unit will have the CAF system, providing enhanced ability and reliability to extinguish fires when compared to water suppression. He added it is also 4WD, lighter, and more mobile than traditional units, allowing for greater flexibility in reaching all the rural service areas. In regards to the casino, Halifax is geographically positioned as the gateway to the casino for all northern Dauphin County residents traveling to the facility. Mr. Stout also stated the chassis of the vehicle will be commercial versus custom made, as most fire apparatus are, to scale back on costs. Other funding sources were questioned. It was explained that Halifax Fire Department has attempted to secure funds from the federal government (Assistance to Firefighters Grant, and USDA); however, these attempts have been unsuccessful to date. The board questioned if the project could move forward if partial funding was awarded. Mr. Stout responded that the Department has explored financing options but cannot afford to proceed at this time. He also added that other options have been explored and the Department believes they can come up with approximately \$80,000 of local match to put towards this project, reducing the grant request to \$400,000.

### **Jackson Township Presentation**

Ms. Cathy Gusler, Mr. Jesse Shutt, and Mr. David Faust presented on behalf of Jackson Township and Fisherville Volunteer Fire Department. This project consists of an addition to and renovations of the Fisherville Fire Station and Social Hall. The Fire Department is requesting \$85,000 in funding for Phase I of the project and \$390,000 for Phase II. Mr. Shutt explained that the Fire Company has outgrown the existing facility and the buildings are in poor condition. He also noted that State Route 25 runs through the Township and is a major road traveled by those visiting the casino facility. Mr. Shutt stated that Phase I of this project consisted of a complete renovation to the current social hall and kitchen so it can aid in bringing in additional revenue to assist with the construction of the addition to the current fire station. This renovation included of remodel of the kitchen area to meet the licensing requirements of the PA Department of Agriculture, replacement of the oil furnace with a HVAC unit that runs off propane. The Fisherville Fire Department secured funding for this portion of the project and the renovations have already been completed. Mr. Shutt explained that, following the submittal of this application, the need arose to begin moving forward. The Fire Department has secured a loan for this Phase and is now asking for the board's consideration in retiring this debt. Mr. Shutt stated Phase II of this project will be for the

firehouse addition. He explained that currently there is a delayed response time due to current space limitations. In addition, the second building, used to house the department's fourth vehicle, is a deteriorated building with plywood doors, broken windows, no heat, water, etc. This building will be torn down to make room for the addition. Also, Mr. Shutt explained that the current firehouse has no restrooms and no office area. The planned addition would allow for an additional two truck bays, an office, a meeting room and a restroom. This phase will also cover renovations to the existing building including a new roof, siding, new bay doors, a new well and new storage tanks. Mr. Faust briefly spoke regarding the financial position of the Fire Department. He stated there is no fire tax currently in place for two reasons. One, it would not generate enough funds to be effective and would actually harm the Department by reducing the amount of money they currently receive from the Township. Two, they believe imposing such a tax might harm the fundraising efforts. In response to questions regarding how the project would move forward if it were to not receive full funding, Mr. Faust responded the Department would continue their fundraising efforts and would engage in discussions with both the Township and financial institutions regarding possible loan options. Mr. Faust noted that the Department did apply for a Federal Station Grant but was denied. Under the Assistance for Firefighters Grant opportunity the project is not eligible. Mr. Shutt added that the project as presented addresses the bare bone needs of the Fisherville Volunteer Fire Department. Mr. Faust stated if the project were to receive funding, in the amount of \$85,000, to retire the debt from Phase I, he believes the Department could afford to loan the funds needed to complete Phase II.

### **Ned Smith Center for Nature & the Arts Presentation**

Mr. Frank Felbaum, Ms. Michele Hutchins, and Mr. Steve Quigley presented on behalf of the Ned Smith Center for Nature & the Arts. This project consists of the construction of a handicapped accessible elevator as part of an addition to the Ned Smith Center for Nature & the Arts' Sourbeer and Lick Educational Building. The request is in the amount of \$100,000. Ms. Hutchins detailed the progress of the entire project since last year. She stated Phase I, consisting of additional parking and a bus turnaround has been completed with funding through Federal transportation monies. Phase II, the widening of the entrance at Water Company Road, was also funded through this stream of monies. Phase III, the rain garden and ADA walkway, were completed and funded through the residual dollars of the federal funds. Phase IV, the actual building expansion, is about to begin. The addition will have restrooms for the amphitheatre, additional space for educational buildings, new gallery exhibit area, and storage for artwork. Ms. Hutchins stated this phase will be funded mostly through a state grant and commitments from two foundations. She noted, however, there is approximately \$161,000 shortfall for the elevators. Ms. Hutchins explained the Center will be doing a direct appeal to their members and is hopeful they will receive the needed \$61,000, assuming this grant request is approved. Ms. Hutchins also advised the board that the last phase of this project, this construction of the amphitheater, already has funding commitments. She stated the total cost for this phase is approximately \$2 million, of which 59% of the funding has already been pledged.

### **Lower Paxton Township Presentation**

Mr. Leroy Kline and Mr. George Wolfe presented on behalf of Lower Paxton Township. This project is the continuation of improvements at Page and Spring Creek Roads in Lower Paxton Township, associated with the \$45 million development project. Mr. Kline stated the improvements to Page Road will cost over \$400,000, Spring Creek Road will be about \$286,000, totaling around \$750,000. Mr. Kline noted that the Gaming program provided support, in the amount of \$250,000, last year; the request for this year is also \$250,000 and there is private funding available in the amount of \$250,000. Mr. Kline advised the board that included with the packets he distributed is an executive summary of the project, including the project category, public need, nature of importance, schedule, compliance with local planning goals and objectives, and evidence of community support. In regards to the board's questions, Mr. Kline advised they expect to receive the highway occupancy permit by the end of the month; with bids being submitted around December and construction beginning in Spring 2011. The board questioned the priorities of the Township's requests. Mr. Wolfe responded that the Board of Supervisors found it difficult to not support their fire companies and the resident who volunteer their time. The board reminded the Township of the time limit to expend funds already awarded and advised them that decisions will be made based off of the list of priorities as they've provided them.

### **Lower Paxton Township/Colonial Park Fire Company Presentation**

Mr. Sterling Colborn and Mr. Curtis Ertel presented on behalf of Lower Paxton Township/Colonial Park Fire Company. Mr. George Wolfe was also in attendance. The project consists of the continuation of firehouse renovations and needed technology upgrades and is requesting funding in the amount of \$289,989.11. Mr. Ertel provided the board with a brief background of the project including the consolidation to one new station on South Houcks Road. At the time the new firehouse was constructed, the Company was unable to raise the necessary to complete all the desired upgrades. This grant request would complete those upgrades, including: IT/Security/Alarm Systems, geo-thermal heating/cooling system, furniture, and epoxy flooring. Mr. Colborn added that their coverage area includes portions of Interstates 81 and 83 - major travel arteries to the Casino. He also stated, in the event of a fire, they would respond to the Casino and have a mutual aid agreement with East Hanover Township. The board questioned the priorities of this request. Mr. Colborn responded that the geothermal system would be priority number one, due to the anticipated cost savings. Priority number two would be the technology upgrades. The board requested a more defined breakdown of the technology costs and a more clearly defined list of priorities within this particular request. Mr. Colborn stated the fire company does receive funding through Lower Paxton Township, noting these dollars are mainly used to pay the mortgage payment and utilities. Mr. Wolfe added that the Township also purchases vital pieces of equipment for the fire companies. The board reiterated the need for more clearly defined priorities, a breakdown of the costs, and copies of quotes and advised the information was needed no later than Wednesday. The board also advised the applicant that the scrutiny is due to the large request and the inability of the board to fund projects in full. Should this application receive consideration, it will likely be for pieces of the total project. Therefore, the board needs to understand where they can provide the best return to both the applicant and the residents/taxpayers.

#### **Lower Paxton Township/Linglestown Fire Company Presentation**

Mr. Scott Hoyer, Mr. William Payne, and Mr. J. Edward Crum presented on behalf of Lower Paxton Township/Linglestown Fire Company. Mr. George Wolfe was also in attendance. This project consists of repairs/upgrades to the fire house. The grant request is in the amount of \$425,000. Mr. Crum responded to the questions of the board, as sent prior to this meeting. He stated the application was based off of verbal quotes, however, they have now received the paperwork and the total cost is down to \$390,000. Mr. Crum advised the board that there is no consultant being paid; noting Mr. Hoyer, Mr. Payne, and he prepared this application. He also stated the project can be broken down into pieces as follows: Priority One, waterproofing of the building (to include brick work, roof, windows, and related engineering costs); Priority Two, new ceiling, lighting and heating; Priority three, engine floor and painting; Priority four, drainage in the parking lot; and Priority five, new garage doors. Mr. Crum stated the Fire Company currently has approximately 10% of the funds available and a \$250,000 line of credit, so it could finance the project if necessary. He added that the hope is to complete all the repairs/upgrades at one time and have it completed next year. Mr. Crum also noted that 10% was added to the bid estimates, in case of any overages that might occur until the project commences. Mr. Payne stated the biggest fundraiser of the Fire Company had been their weekly bingo. He estimated that this event generated approximately \$23,000 a year in profit. In addition, the Ladies' Auxiliary would provide concessions during these events and would also contribute funding (in the amount of \$10,000 a year) to the Fire Company. Mr. Payne explained that when the Casino opened, they began to notice a decrease in their attendance at Bingo. In 2009, the function was completely shut down because they were not making any money. In addition to the loss of funding through this event, the Ladies' Auxiliary now only contributes approximately \$1,000 a year to the Fire Company. This decline in revenue makes it very difficult to find the funds necessary to complete these necessary repairs.

#### **Close**

Mr. Groves, Chairman, adjourned the meeting at 9:20 p.m.