

August 17, 2010

Min. of July 13, 2010 Reg. Mtg. & Pub. Hrg. apprvd. Agenda Amended. Avaya Software Upgrade Prjct adopted. Erie Cnty Subdiv. & Land Dev. Ord. adopted. Donation from Friends of Lib. adopted. Donation for Children's Library Prgrm Exp. adopted. Grant from Com. for Summer Rdg. Prgrm Training adopted. First Rdgs: Additional Injury Prevent. Grant; OPANAC Grant; PH SA for Ct. Orderd Svc for Moon Meadows; Gen Fund SA for Trans. to PH; Purch. Of Sheriff Veh.; PS SA Rev. Expend. Due to Changes in Fund. Elig.; Gen. Fund SA Trans to PS; Emergen. Liquid Fuels Alloc.; Auto. Fees in Reg. Wills; Rest. Cnty Rcds Improvement Fund. Creation New Line Items Due to Ct. Ordered Placements. Purch. Property at 459 East 16th St; Child Welfare Leadership Prgrm & Three Temp. Pos. adopted. First Rdg. Elim. Of Inter-Lib. Loan Clerk Due to Cut in State Funding. \$1,500,000 Tax Exempt Note (Lutheran Home for the Aged) adopted. In Sprt of EOP adopted. Cathy Beeman appt. to OCY Advisory Board tabled. Council Resp. to 2011-2013 Oper. & Capital Plan adopted. Sale of Parcel from Rep. adopted. Amending Res. 27, 2010 failed. Dan Heher reappt'd. to Greater Erie Guideways Sign Trust.

ERIE COUNTY COUNCIL – Regular Meeting

Dr. Foust, Chairman, called to order a Regular Meeting of the Erie County Council at the Summit Township Building, 8900 Old French Road, Erie, Pennsylvania. Following the Pledge of Allegiance, Dr. Foust requested a moment of silence.

Moment of Silence

Dr. Foust called for a moment of silence for Bill Hill, who was a hero in this community. Mr. Hill was a former county commissioner and previously held the seat Dr. Foust now holds. Mr. Hill was awarded three purple hearts, and gave his heart and soul to this country. He made many decisions that helped move this county forward as a government and as a community and should be remembered for a long time.

Roll Call

The County Clerk called the roll:

Members Present: Dr. Foust, Chairman
Fiore Leone, Vice Chairman
Ebert Beeman
Ronald G. Cleaver
Phil Fatica
Joseph F. Giles
Carol Loll

Members Absent: None

Also Present: Douglas R. Smith, County Clerk
Joseph P. Maloney, Council CPA
Thomas Talarico, Council Solicitor
Jerry Mifsud, Director of Administration
James Sparber, Director of Finance
Sue Ellen Pasquale, Manager of Accounting

Hearing of
The Public

Dennis Rieck, Millcreek Township, addressed the community college issue. He spoke with people in Harrisburg who indicated that local, state, and federal funds support community colleges. According to Mike Dotts in Harrisburg, local college programs furnish all requirements needed in this area. There are 9 trade schools and 4-5 colleges. Mr. Rieck stated that there is no need for a community college. Financing is available for those who want to attend college.

Sandy Krautter, Edinboro, is an employee of Pleasant Ridge Manor. She believes the public needs to be aware that many of the new private nursing homes are not designed for the budget conscious. Private means private – if it's for profit, that's what takes priority. She pointed out that the private sector has the right to reject a family member for any reason such as a better insurance policy or a difficult dementia patient. Pleasant Ridge Manor accepts everybody. Her co-workers put their heart and soul into taking care of the residents every day.

Gil Rocco, Millcreek Township, stated that Kathy Dahlkemper spoke about the community college as a missing link. He does not believe there is a missing link in local education. He noticed the momentum has stalled on this issue and the private sector has not thrown any more money into the college. He questioned the financing plan and believes this will be 100 years of tax increases. Mr. Rocco also criticized the media for their coverage of the issue.

Michael Skapura, Girard Borough, stated that in Municipal Code 802, a person can sue or be sued. Whatever decision Council makes, if the college falls apart in four or five years, those supporting the bonding company will not have enough money to save members who vote for this issue. This will cost lots of dollars. He believes the public is 50-1 against the college.

Fred Petrini, Wesleyville Borough, stated the economy is not doing well and unemployment is up. Businesses should be encouraged to move to Erie County and remain here. Taxes and infrastructure encourage businesses to locate in a certain area. He believes education is necessary, and this money could be used to help those in need without making another tax bleeding governmental institution. He suggested improving current schools by adding classes. The state has tax problems and cannot be counted on for support; state dollars are also tax dollars. If no tax dollars are to be used for the college, Mr. Petrini asked why the County Executive went to the school district asking for funding because that is also tax money.

John Borland, Girard Township, stated the community college is a bad idea. It will have an operating cost of \$10-\$15 million per year. Over 10 years, that is \$150 million which could finance a brand new water treatment plant for Millcreek Township and Erie County. Many businesses have closed and Erie County needs jobs, not a community college. When people work, they contribute to the economy. Mr. Borland noted that Steris left town because they received a \$6 million tax incentive from Lake County, Ohio, and he asked why Erie County didn't match that. If the county helped small businesses, they could hire people; the tax base would grow, and then a college could be funded.

Ken Baker, West County, believes it is time to create an atmosphere in Erie County for current businesses to stay and for others to locate here. Casino funds should be turned over to businesses to locate in Erie County and create jobs. If people are working, they are paying taxes. Now is not the time for a community college. There was a motion by Council not to use tax money to fund the community college, yet the school districts are being pursued. This is also tax money.

John McDonald, West County, stated that his taxes keep going up. He is retired and does not get a raise every year. He asked Council to make the right decision. Senior citizens are having a hard time keeping their property with tax increases. Everyone knows the community college will be paid for with tax dollars.

Kris Swanson, Millcreek Township, pointed out that money is still owed for CamTech and the County still has a bond debt, also there is the cost for a new geriatric center, and money will probably have to be borrowed to fix the 911 Call Center. There may not be money from the casino since others are being built in Ohio. Electric bills are going up, taxpayers are paying more because of the state pension crisis for the school districts and county residents will be receiving new reassessment bills in 2012 which will cause taxes to increase. Now the County wants a community college. She stated the college is not needed, and it is not fair to put this expense on the taxpayer. Taxpayers should not have to pay for people to go to school.

Joe Kuzma, Summit Township, stated that his mother-in-law was a resident at Pleasant Ridge Manor. She received excellent care. He asked Council to do what it takes to keep Pleasant Ridge Manor public, not private. Private is for money, and not care.

Ken Przepierski, Erie, is representing Heads Held High to champion a good cause called Subsidized Permanent Legal Custody Split. He explained that this is an option for permanency that needs to be utilized since it is cheaper than foster care, making it less of a burden on the taxpayer. It keeps a child with a family member and secures the well being and best interests of the child. Permanent kinship care shows commitment to being responsible for the child and does not terminate parental rights. It provides some financial help for the family member taking responsibility for the child. Mr. Przepierski believes this is much better for the child and does not terminate parental rights.

Renee Vendetti, Erie, stated there are problems with the supervisors at Children Services because they don't do their job. She has been complaining about this problem since 2005. Ms. Vendetti now has her grandson with her, but in 2005 no one would give him to her. This child has been traumatized and now Ms. Vendetti is suffering the repercussions and is faced with dealing with his problems. Council didn't listen to reports that were submitted. Policies and procedures are still not being followed at Children Services.

Sue Waldron, Millcreek Township, is employed at Pleasant Ridge Manor. She stated that many residents at this facility do not have families, nor do they have the means to pay for private care. Members of Council have, and have had, family members at Pleasant Ridge Manor. She asked Council to take that into consideration, and to also consider how many other nursing homes have brought residents to Pleasant Ridge Manor because of the care it provides.

Lana Culver (last name could not be verified), stated that her mother is a patient at Pleasant Ridge Manor and would not keep her there if she wasn't getting the best care. She asked Council to keep the facility open for her parents and the families of other people.

Robert Bier (spelling could not be verified), Millcreek Township, stated that no one has shown how the community college would be cheaper than attending Edinboro University. Taxpayers are already supporting state and local colleges because these institutions do not pay taxes. The County Executive asked the school district to fund the college, but some Erie schools are in trouble, and Millcreek Township could use another school. He feels this issue should be placed on the ballot for the people to decide.

Julie Robbins, Millcreek Township, asked Council to take time in making their decision about the community college. Council should govern according to the consent of the governed, not according to their wishes or those of special interest groups. She thanked Mr. Beeman for his consistency, Mrs. Loll for representing her constituents and Mr. Giles for being present tonight despite the pressures. She also thanked Dr. Foust for admitting that he cannot remain unbiased on this issue.

Dr. Foust acknowledged individuals in the audience, Debi Wargo-Cameron, Summit Township Tax Collector, Robert Kuzma, former Summit Township Tax Collector, Joe Kuzma, Auditor for Summit Township, Mr. Petrini who spoke, but did not mention that he is a former borough councilman, as well as Bill Beardsley, North East Borough Tax Collector.

Minutes Mr. Giles moved to approve the minutes of the Public Hearing and the Regular Meeting held July 13, 2010. Mr. Leone seconded, and it carried in a unanimous roll call vote.

Finance Committee Mr. Fatica reported that the Finance Committee met Thursday, August 12, 2010, and agreed to place on the agenda Ordinances 74, 76, 77, 78, and 79 for a second reading. Under New Business, Ordinances 80-91 will be first readings, along with the possible adoption of Resolutions 32 and 33. There is also a possible motion to appoint an individual to the OCY Advisory Board, a possible motion to approve Council's Response to the 2011-2013 Operational and Capital Plan, and the possible approval of the sale of a parcel from the repository.

Personnel Committee Mrs. Loll reported that the Personnel Committee met before the Finance Committee meeting last Thursday and agreed to place on the agenda Ordinance 92, which may be moved to a second reading, and 93, a library fund revised revenue and expenditures, for a first reading.

Mr. Giles'
Report

Mr. Giles reported that the Pennsylvania House Gaming Oversight Committee conducted one of its first meetings on Wednesday, August 4, 2010 at 11:30 a.m. in the County Council Caucus Room. He believes this meeting was attended by almost every member of Council, as well as the many members who serve as volunteers on the Erie County Gaming Revenue Authority. This was a very interesting and informative discussion regarding the impact of the casino funds which addressed the issues of the airport and the renovation of the Tullio Arena. This was described as leveraging money. If the county could come up with a local match, the state would come up with the rest of the cost of renovating the Tullio Arena. Council reminded the committee that the Tullio Arena is held by the state itself, so the argument is that the state is fixing its own property. Mr. Giles noted that it is important to complete these renovations since nothing has been done on the facility in almost 30 years, and this must be done to remain competitive. Other communities are building newer and bigger facilities.

CCAP

Mr. Giles further reported that on August 11, 2010, the County Commissioners Association held its annual conference in Penn State College. The conference was attended by Mr. Giles, Mr. Beeman, and Mr. Fatica. Mr. Giles stated that he had the happy fortune of serving as this year's president of the association.

Mr. Giles submitted his remarks made on Tuesday, August 10, 2010:

These days, we hear a lot about Pennsylvania's problems, but there is one reassuring fact that is as true as ever: Pennsylvania is still a fascinating, wonderful and welcoming place to live and make a home.

You are all a great part of the reason it remains so, you and the work you do in your counties.

CCAP is proud to be your partner in what you do, and I am pleased and proud to be serving this year as your President.

Although we are only a little beyond half-way through the year, it has been filled with trials, successes, and some adventures. A full report on this year's activities is included in the Annual Report CD that is included in your registration packets. But let me take a few minutes and review some of the highlights, some of the things that for me stand out as examples of the strength of the Association and the partnership we all share.

As an Association, we remain focused on our core mission – to provide quality representation on counties' behalf in Harrisburg and Washington. We have made significant progress on our core goals for the year, with your help and hard work and with the guidance and daily diligence of an exceptional government relations staff.

Some of our successes since the last Annual Conference include:

- Act 49 of 2009, which is now helping the Commonwealth meet its obligation to fund DA salaries;
- Act 44, 2009, which gives us new options to value our pension plans and reduces our annual required contributions;
- Act 24 of 2010, reauthorizing the state recycling fee, which funds our solid waste and recycling programs;
- Act 30 of 2010, providing for problem solving courts;
- Act 58, of 2010, providing cost savings in prison pharmaceuticals.

Some of our priorities are within striking distance in the remaining days of the session, including the option for abolition of jury commissioners, consolidation of the assessment statutes, and improvement of collection of 911 fees for prepaid wireless phones. And we are key players in the fall's centerpiece issue, Marcellus shale. We are at the table with the Administration and legislative leaders, not just on the issue of severance tax but on all aspects of the debate including environmental, economic development, infrastructure, and human services impacts.

And of course our greatest remaining challenge is dealing with the Commonwealth and federal budgets, and their effect on our budgets and services – all still active and unresolved issues.

Who would have thought at last year's Annual Conference that a budget already more than a month behind would take another two months to resolve? And following that dreadful experience, who would have thought that this year, even with nominally timely passage of a nominal budget, that more than a month later we would still be wrangling over what the final expenditure levels will be, and who will be helped and who will be harmed?

But that is our new reality, and next year promises to be more of the same. Still, I am encouraged and optimistic. The Association is an active participant in all of these deliberations, in regular consultation with the Administration and legislative leaders. And all of you have proven that you are adept at meeting extreme fiscal challenges, of a type that has never been experienced before, and able to do so in a way that assures continuity of services for our constituents and respect for our taxpayers.

Our activities in your behalf cover much more than legislation, indeed our core mission, simply stated, is to do whatever we can to help you do your jobs better.

And so we have developed a new and robust web presence that provides you detailed and regularly updated information on budget administration, the recovery act, the new health reform law, and others.

We are putting in place a new program to provide health insurance for county employees.

We have launched a new affiliation for county human resources professionals and expanded a new affiliation for county planners, to help improve information sharing and administrative capacity in these two important functions.

We have traveled to all corners of the state, meeting with local officials, regional groups, legislative leaders, even two meetings with Philadelphia Mayor Nutter, all to find ways to strengthen partnerships and advance our common message.

And we continue to provide quality educational experiences for county members and county employees, to provide exceptional technology services to help counties meet all aspects of that changing environment, and to provide quality publications that inform you of responsibilities, prerogatives, and opportunities.

We also launched a couple initiatives this year that deserve mention.

First, we are mindful of the great commitment and sacrifice shown by those who place themselves in harm's way in defense of our values and our liberty, both in current conflicts and going back well into the last century. Counties are part of service delivery for our military and veterans, yet there are obvious gaps in the content and delivery of programs at all levels. This year we created a special Military and Veterans Affairs Task Force, chaired by Jim Scahill, to develop policy and strategy for counties and the Association. I hope you noticed the theme this year, including the general sessions and breakout sessions at the Spring Conference, yesterday's exceptional presentation by Martha Raddatz, and today's consideration of resolutions. Stay tuned for additional prominent guests at our Fall Conference. I believe this focus on our new veterans and on our aging veterans is important, and is reflective of the compassionate and thoughtful service delivery that is the hallmark of county government.

Our second initiative is future oriented. In two months, we will elect a new governor, one who will face significant challenges beginning on the first day in office. Counties' close partnership with the state in service delivery and fiscal administration requires us to establish a solid relationship. So this year we undertook what I believe is our most comprehensive effort in our history to develop early and close alliances with the next governor, whoever it may be. Well in advance of the primaries our Board conducted hour and half interviews of each of the gubernatorial candidates, all of which were taped and shown on PCN. To help them prepare, we gave them detailed background pieces on county issues and priorities, which had the secondary – or with some a primary – benefit of developing and incorporating county concerns into their knowledge base and their campaigns. We also did written surveys of each candidate for lieutenant governor, all of which are on our web site. While we were not successful in drawing the candidates into this conference in a debate format, you have at least heard from each. And we are already making our contacts on each side of the aisle, so that we are positioned to have meaningful interaction with transition teams.

A third initiative is one I'm beginning, but which falls primarily to incoming CCAP President Mark Hamilton. 2011 will mark the 125th Anniversary of CCAP. Can there be any finer display of the success of counties uniting and working together than 125 years of solid partnership? In anticipation of that anniversary, Mark Hamilton and I have begun to work jointly on the Anniversary celebration and have appointed a committee to oversee our 125th. You can look for more information in the days and weeks ahead.

August 17, 2010

Mr. Giles'
Report

Speaking of anniversaries, I promised at the outset of these remarks a note or two on adventures. This year marks the 75th anniversary of our federal partner, the National Association of Counties. While a couple of our counties were instrumental in its formation, we have only once had a Pennsylvania president of NACo, and that was more than 50 years ago. This year, it was my great privilege to put my hat in the ring and run for NACo second vice president, at the recently concluded Annual Conference in Washoe County, Nevada.

While we were not successful, it was a true adventure. I want you to know how grateful I am for the support of my home state during my effort. I was immensely humbled by your support and advice, and I was awed by the number of you that reached out to offer help and to give so freely of your time and effort. For me personally, there was no finer display of partnership this year. To Doug and Brinda and the CCAP staff, I was grateful for your "can do spirit" that produced everything needed to support my bid for national office and for your faith and support of my effort. And if nothing else, our Partnership with Purpose campaign showed NACo how well and how imaginatively a campaign can be run. I thank you all from the bottom of my heart.

All of this is why I'm so glad to be here with you this morning to share with the strengths of our partnership. CCAP, our counties, and our governmental partners, have the same goal: to build a better, stronger Pennsylvania.

We share a common vision of a future where all Pennsylvanians can live a quality lifestyle, have access to the services they need and enjoy the highest level of confidence possible in knowing their government works for them.

Certainly, the next few years will not be easy. But this adversity brings us new perspectives. Where we once took the programs and services we offer for granted or just accepted them as part of what counties do, we now instinctively understand how precious those services are and how important they are to the Commonwealth's future.

From the impressive work we did on educating gubernatorial candidates, our outstanding work on the commonwealth budget, to our successful passage of key legislative initiatives, this year has been about partnership and success.

Thank you.

Mr. Fatica's
Report

Mr. Fatica pointed out that Mr. Giles is president of CCAP, and noted that is quite an honor. CCAP is an organization that represents all of the commissioners across the state, and Mr. Giles is well known across the state.

Mr. Fatica was also at the conference with Mr. Leone and Mr. Beeman, and wished to address some issues at that conference. Shale drilling has not yet reached Erie County, but it is coming. The counties in the northern tier are experiencing this drilling and it is creating haves and have nots. People are selling off their land and even leasing their land, and Mr. Fatica suggested watching how this issue plays out because it will be moving into the local area once other areas have been drilled. There is an ongoing search for the gas the Marcellus Shale holds.

Another issue mentioned by Mr. Giles several months ago is the transport of prisoners. The opportunity exists to transport prisoners through the state at a reduced cost compared to what Erie County is currently paying, and that issue is being reviewed. Mr. Fatica explained that prisoners need to be transported from state prisons and this can be done in a much more viable way.

Mr. Fatica reported that the 911 Call Center handled approximately 113,000 calls from last year, and that is without every township and borough being on board. Everyone has heard about the negatives that have come out, but there are some very big positives in those 113,000 calls that were made. For example, Mr. Fatica explained that if an accident happens at a busy intersection, and five people with cell phones call in to report the accident, all of the calls are answered. It has been erroneously reported that people have been hung up on. Mr. Fatica wished to assure that anyone calling 911 will have their call answered and processed both rapidly and efficiently.

August 17, 2010

Mr. Leone's
Report

Mr. Leone stated that he has a letter from the Administrative Office of Pennsylvania Courts (AOPC) regarding the video conferencing project that all the magisterial district judges will receive. The letter states:

"I am pleased to inform you that the Administrative office of Pennsylvania Courts (AOPC) has awarded a contract to Vistacom, Inc. to provide video conferencing equipment to replace the webcam that you currently use to conduct preliminary arraignments..."

Mr. Leone acknowledged that the equipment purchased approximately two to three years ago is not being used by a majority of the district judges. The letter further states:

"The video conferencing solution that Vistacom will provide is compatible with equipment the AOPC provided to 312 magisterial district courts in prior phases of the project and common pleas courts, and is compatible with equipment used by partnering entities, including county jails, state police barracks and state correctional institutions. The equipment provides enhanced audio and visual clarity over webcams and greater reliability for connectivity issues. In addition, the solution will come with 24/7 help desk assistance and a global directory for IP addresses for participating courts.

Installation of the equipment is scheduled to begin September 2010 for all magisterial district courts in scope for this phase of the project..."

Mr. Leone noted that money has been saved in other counties. He plans to talk to the President Judge and the administration about the implementation of this system. This would save money for the county based on constable fees, and even sheriff deputies for overtime. He believes it is time that Erie County moved into the 21st century as the other counties in the state have done.

Mr. Leone further stated that Council makes decisions based on information it receives. It seems Council is in a quandary where the community college is concerned. Mr. Leone would like to make himself crystal clear in this particular area. He referred to Amendment 6 of the resolution presented by Mr. Giles which states in the last sentence that no Erie County property tax funds will be utilized for the community college. This was the first proposal. If Mr. Giles presents a resolution amending the previous resolution, it will add "however, Erie County Government will serve as the guarantor of the community college."

Council solicitor has indicated that this could be considered as a real possibility for a tax levy, and Mr. Leone feels this piece of legislation is very ambiguous. As one council member, he wished to assure the community that if this is proposed, he will not vote to use county tax dollars to support this college. This would leave the onus on the administration to work and garner funds to run this community college. He suggested the administration begin the task of soliciting the business community for more contributions to run this college.

Mr. Leone has also heard that the County proposal to be sent to the state indicates a minimum number of students, and there may be considerably more, and if so, the county would have additional revenue in this area. He wished to remind the administration and the community that regardless of the first vote, Council is required to approve the plan that will be sent to the state with the figures and revenue needed to begin this project. If Council does not agree with the concept at that time, the plan can be rejected.

Mr. Leone reiterated that he will not vote to commit county tax dollars to support the community college. Further, if the financial plan does not comply with Council CPA's figures and estimates, he will vote against the concept of the community college. People today are having problems, and can't afford to have their taxes increased, regardless of city, county, state, school or federal taxes. Mr. Leone also promised that he will not vote for any tax increase in the county budget this year.

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Mr. Leone's
Report

Mr. Leone referred to Mr. Rocco, who spoke earlier, and he was quite correct when he mentioned that the finances weren't in place for the community college. However, they will be in the plan sent to the state. Mr. Leone noted that there is an additional \$100,000 that has been pledged by another organization.

Mr. Giles'
Remarks

Mr. Giles wished to make a follow up remark in reference to the courts. The AOPC is the Administrative Office of Pennsylvania Courts. In last year's state budget, money was transferred from other line items to cover the cost of the salary for judges. As the budget was adopted going into July 1 of the current year, there was not enough money in the salary line, and in turn, not enough money to transfer. It has been rumored that the AOPC is going to freeze the hiring and replacement of any judge that retires and will begin looking into consolidating district judge positions across the Commonwealth. Mr. Giles noted that the AOPC sits under the protective wing of the State Supreme Court. However they decide to administer the Pennsylvania court system will be interesting.

Avaya Software
Upgrade Prjct.

Mr. Smith gave a second reading of Ordinance Number 74, 2010, "Sixth 2010 Public Safety Fund Budget Supplemental Appropriation For Avaya Software Upgrade Project." Mr. Giles moved to adopt; Mrs. Loll seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Erie Cnty
Subdiv. & Land
Ord.

Mr. Smith gave a second reading of Ordinance Number 76, 2010, "Adoption Of The Erie County Subdivision And Land Development Ordinance." Mrs. Loll moved to adopt; Mr. Leone seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Donation From
Friends of Lib.

Mr. Smith gave a second reading of Ordinance Number 77, 2010, "Sixth 2010 Library Fund Budget Supplemental Appropriation For Donation From Friends Of The Library." Mr. Giles moved to adopt; Mr. Leone seconded, and it carried in a unanimous roll call vote.

Donation For
Children's Lib.
Prgm Exp.

Mr. Smith gave a second reading of Ordinance Number 78, 2010, "Seventh 2010 Library Fund Budget Supplemental Appropriation For Donation For Children's Library Program Expenses." Mr. Leone moved to adopt; Mr. Fatica seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Grant from Com.
Lib. for Summer
Rdg Prgm Train.

Mr. Smith gave a second reading of Ordinance Number 79, 2010, "Eighth 2010 Library Fund Budget Supplemental Appropriation For Grant From Commonwealth Libraries For Summer Reading Program Training." Mrs. Loll moved to adopt; Mr. Fatica seconded, and it carried in a unanimous roll call vote.

Agenda
Amended

Mr. Giles moved to amend the agenda to include Ordinances 91 and 92 for second readings, and to add Resolution Number 34, "Amending Resolution Number 27, 2010, 'Sponsorship Of An Erie County Community College,'" as well adding the possible motion to approve Daniel Heher to the Greater Erie Guideways Sign Trust. Mr. Leone seconded, and it carried in a unanimous roll call vote.

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First Rdgs.

Mr. Smith gave first readings of the following ordinances:

Ordinance Number 80, 2010, "Fourth 2010 Public Health Fund Budget Supplemental Appropriation For Additional Injury Prevention Grant"

Ordinance Number 81, 2010, "Fifth 2010 Public Health Fund Budget Supplemental Appropriation For OPANAC Grant"

Ordinance Number 82, 2010, "Sixth 2010 Public Health Fund Budget Supplemental Appropriation For Court Ordered Service By Sheriff For Moon Meadows Campground"

Ordinance Number 83, 2010, "Twenty-Sixth 2010 General Fund Budget Supplemental Appropriation For Transfer To Public Health Fund"

Ordinance Number 84, 2010, "Twenty-Seventh 2010 General Fund Budget Supplemental Appropriation And Creation Of New Line Item For Purchase Of Sheriff Vehicle"

Ordinance Number 85, 2010, "Seventh 2010 Public Safety Fund Budget Supplemental Appropriation, Revised Expenditures And Creation Of New Line Items Due To Changes In Funding Eligibility"

Ordinance Number 86, 2010, "Twenty-Eighth 2010 General Fund Budget Supplemental Appropriation For Transfer To The Public Safety Fund"

Ordinance Number 87, 2010, "Second 2010 Liquid Fuels Fund Budget Supplemental Appropriation For Emergency Liquid Fuels Allocation Passed By Emergency Liquid Fuels Board"

Ordinance Number 88, 2010, "Twenty-Ninth 2010 General Fund Budget Supplemental Appropriation For Automation Fees In Register Of Wills"

Ordinance Number 89, 2010, "Thirtieth 2010 General Fund Budget Supplemental Appropriation For Restricted County Records Improvement Fund"

Ordinance Number 90, 2010, "2010 Children & Youth Services Fund Budget Revised Expenditures And Creation Of New Line Items Due To Court Ordered Placements"

Gen Fund SA
for Purch of Prop.

Mr. Smith gave a second reading of Ordinance Number 91, 2010, "Thirty-First 2010 General Fund Budget Supplemental Appropriation For Purchase Of Property At 459 East 16th Street Index Number 15-20-25-201." Mr. Giles moved to adopt; Mr. Leone seconded.

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Gen Fund SA
for Purch of Prop.

Mr. Giles moved to amend the ordinance as follows:

ORDINANCE NUMBER 91, 2010

Thirty-First 2010 General Fund Budget Supplemental Appropriation
For **And Approval Of** Purchase Of Property At 459 East 16th Street
Index Number 15-20-25-201

BE IT ENACTED by the County Council of the County of Erie pursuant to Article II, Sections 3B (1), 3B (2)(f) and Article VIII, Section 8 of the Erie County Home Rule Charter and certified by the County Executive that this 2010 General Fund Budget supplemental appropriation in the amount of \$6,890, for the purchase of property at 459 East 16th Street; Index Number 15-20-25-201, is hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

BE IT FURTHER ENACTED that the purchase of this property is hereby approved.

Mr. Giles noted that this amendment has been developed by Council Solicitor and should, therefore, meet all legal requirements.

Mr. Leone seconded, the amendment, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Dr. Foust stated, for the public's information, that this property is located across from the community treatment center at the Erie County Prison and had houses where illegal activity had been occurring. He called for a vote on the ordinance, as amended, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Child Welfare
Educ. Leadership
Prgm & Creat.
Of Temp. Pos.

Mr. Smith gave a second reading of Ordinance Number 92, 2010, "Third 2010 Children & Youth Services Fund Budget Supplemental Appropriation For Child Welfare Education Leadership Program And Creation Of Three Temporary Positions." Mr. Leone moved to adopt; Mr. Fatica seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

First Rdg.

Mr. Smith gave a first reading of Ordinance Number 93, 2010, "2010 Library Fund Budget Revised Revenue, Expenditures And Elimination Of District Inter-Library Loan Clerk Due To Cut In State Funding."

Gen. Auth.
\$1,500,000 Tax
Exempt Notee
Village Luther Sq.

Mr. Smith gave a reading of Resolution Number 32, 2010, "Erie County General Authority Not To Exceed \$1,500,000 Tax-Exempt Note (Lutheran Home For The Aged D/B/A The Village At Luther Square And D/B/A Life-Northwestern Pennsylvania Project)." Mr. Giles moved to adopt; Mr. Leone seconded.

Mark Gusek, Village at Luther Square, explained that a General Authority loan is a way for non-profit organizations to get a lower interest rate. The county has no liability and the taxpayer is not picking up any of this money. It is basically an avenue wherein the state uses the General Authority and gives banks a lower tax rate. They are able to give non-profits money at a lower rate. A considerable amount of cash flow and interest will be saved over the next ten years due to the current interest rates. Mr. Gusek thanked First National Bank, the bank handling this issue. The Village at Luther Square will be recapitalizing some of the phases with renovations to their nursing home as well as the community based health care program. Everyone hears about the aged population growing, but the

aged don't actually want to go into nursing homes. They want community based services, however, there is still a need for the nursing homes, and there always will be.

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Gen. Auth.
\$1,500,000 Tax
Exempt Notee
Village Luther Sq

Dr. Foust called for a vote on Resolution Number 32, 2010, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

In Sprt of EOP

Mr. Smith gave a reading of Resolution Number 33, 2010, "In Support Of The County Of Erie Emergency Operations Plan (EOP)." Mr. Giles moved to adopt; Mr. Fatica seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Appt. to OCY
Brd Tabled

Mr. Giles moved to table the appointment of Cathy Beeman to the OCY Advisory Board. Mr. Cleaver seconded, and it carried in a roll call vote of 6-1, Mr. Giles voting no.

Approval of
Council Resp. to
Oper & Cap. Plan

Mr. Giles moved to approve Council Response to the 2011-2013 Operational and Capital Plan. Mr. Leone seconded.

Mr. Fatica stated that Dr. Foust appointed him to chair this committee. He thanked Mr. Beeman, Mrs. Loll, and Doug Smith for their assistance in putting together this plan as the County moves forward with these important issues that should be addressed by the administration.

Dr. Foust observed that this particular committee was the most diverse in county government with three political parties being represented. He called for a vote on the response to the Operational and Capital Plan and it carried in a unanimous roll call vote.

Sale of Parcel
From Rep. Apprvd

Mr. Leone moved to approve the Sale of Parcel from Repository at Index No. 14-010-016.0-222.00; Mr. Giles seconded, and it carried in a unanimous roll call vote.

Amending Res. 27, 2010

Mr. Smith gave a second reading of Resolution Number 34, 2010, "Amending Resolution Number 27, 2010, 'Sponsorship Of An Erie County Community College.'" Mr. Giles moved to adopt; Mr. Cleaver seconded.

Dr. Foust Comments

Dr. Foust stated at this point, as in the past, he will abstain from discussion and voting on this particular resolution due to his employer and the financial interest he has as an employee of Mercyhurst College which would be in competition with the potential community college. He submitted the following letter from Council Solicitor, Thomas Talarico:

Douglas R. Smith
County Clerk of County Council
Erie County Courthouse
Erie, PA 16501

Re: Community College Vote
Conflict of Interest

Dear Doug:

A couple of weeks ago Kyle Foust asked me if he had a "conflict of interest" which would require his abstention from voting on a resolution to sponsor a community college in

Erie County. Based on the facts as he related them to me and my review of the Public Official and Employee Ethics Law, I told him that he did.

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As you know, Dr. Foust is the Assistant Director of Career Services at Mercyhurst College. As such, he is naturally inclined, if not obliged, to protect the financial interests of his principal and, indirectly, his own financial interests. Right or wrong, Mercyhurst College and the other local institutions of higher learning perceive a community college in Erie County as a competitive threat to their continued successful enrollment of students. In fact, Mercyhurst College has a campus in North East which offers curricula and services comparable to that offered by a traditional community college.

Under the Public Official and Employee Ethics Law, a "conflict of interest" is defined in relevant part as:

"... use by a public official . . . of the authority of his office . . . for the private pecuniary benefit of himself, a member of his immediate family or a business with which he or a member of his immediate family is associated."

If Dr. Foust voted on a resolution to sponsor a community college, he would undoubtedly be inclined to vote "no" in order to protect the financial interests of his principal and, indirectly, his own financial interests. A vote in favor of a community college would undermine the loyalty owed to his principal, subject his principal to a potential financial loss and ultimately jeopardize his own financial interests.

Accordingly, it is my opinion that Dr. Foust has a conflict of interest which would require his abstention from voting on the Resolution to Sponsor a Community College in Erie County. Please file this letter/opinion with Council's secretary and enter it into the record at this evening's meeting.

Very truly yours,

TALARICO & NIEBAUER

/s/ Thomas S. Talarico, Esquire

Dr. Foust asked Mr. Leone to chair this portion of the meeting. Mr. Leone asked for any comments on Resolution Number 34, 2010.

Mrs. Loll's
Comments

Mrs. Loll read the following comments into the record:

I am not against education or, specifically, the Community College. What I am against is asking people to pay for something they can't afford.

I attended a meeting where an individual stated that I voted for a lot of expensive things for Erie County, not true. I did not vote for the Convention Center, which is going to use tax dollars if it can't make it on its own. I did vote for the Airport runway extension and the improvements to the Tullio Center, both using gaming money to pay for them.

The accountant provided us numbers for the Community College at the figure of \$109 million for the college with buildings, this could possibly be lowered to \$4 to \$5 million without buildings. If we don't have the buildings, it would be very close to the same type of school as the Northwest Technical School and CamTech. By the way, you are still paying for that.

The State requires that if other funds cannot be found, we will have to use tax dollars to cover any remaining costs. There are amendments to the sponsorship ordinance for the community college in place, which states there will be no county tax dollars used to pay for the college. The state wants us to amend this to say, we will use tax dollars if other funding can not be found. When we asked our attorney to make it clear of the meaning what the state is requiring, County Council was told "Council has to strongly consider the very real possibility, if not inevitability, of a tax levy. Any lesser consideration would be foolhardy."

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Mrs. Loll's
Comments

If we choose to ask the Butler Community College to set up an Erie Branch, the projected Erie County out of pocket cost from their figures is \$407,000. The tuition would be 2/3 more for the student, but we can put the 2% table gaming money earmarked for education, toward the tuition to reduce it by 1/3. The Butler Community College Advisory Board would be made up of people we choose. These people would know Erie County and can advise with knowledge and logic to what Erie County needs. Butler Community College will come to Erie County if we make it clear they are invited. They already work with Edinboro University and Fire Fighters at the Franklin Center.

I am not convinced the community college will fix what some say it will. Our unemployment is at a high of 9.9%, and currently educated people are not able to find a job.

What we need to do is recruit new businesses and retain the existing ones.

Mr. Giles'
Comments

Mr. Giles explained that he was a speaker at the CCAP meeting on Wednesday, August 10th and finished late that day. His cell phone was off during that speaking engagement, and was in his pants pocket. He later changed into comfortable clothes for traveling to spend time with his family and misplaced his cell phone. Eventually, it was found in the trunk of his car and needed to be charged so he did not receive any messages that had been left on the phone.

Mr. Giles observed that there are a lot of people who have developed an opinion regarding the community college issue. Gratitude is owed to many people who, over the past three years, have been engaged in analyzing and trying to develop some strategy about gaps in training and post secondary education. This does not necessarily mean that everyone present agrees with their conclusions, but a great deal of hard work was spent on this issue.

Everyone also needs to be aware that Council has advanced funding over that three year period to cover salaries, some significant salaries for two people – Judith Fagan and Judith Miller. Both were working full time in this process. Council also provided money for what was described as the economic impact study by Delta Development. Mr. Giles noted, as a point of record, that Delta Development is out of Harrisburg and was hired to describe what the economic impact would be, but has not yet produced a document. The expectation is that it will be available, and will inform and, hopefully, add more light to this discussion.

Mr. Giles was also involved in the process during that three year period. Meetings were held routinely every other week for a year and a half. A great deal of intense discussion was held with a lot of information and back and forth debate. However, in that period of time, to add further confusion, at least six different plans were developed. Dr. Garvey initiated it with one plan, and within three months, Dr. Garvey produced Plan B, and afterward REthink Erie developed a plan.

Mr. Giles wished to bring up an important point – during the whole process, Joseph Maloney, Council CPA, and Sue Ellen Pasquale, Manager of Accounting, developed a financial plan as to the cost of a community college over a five to ten year period. This made headlines and Kevin Flowers wrote an informative article. Mr. Giles extended his gratitude to Mr. Maloney and Mrs. Pasquale for their efforts; both of these individuals are held in Council's highest esteem for their very dedicated and professional service. Dr. Pierce, a national expert, was hired by REthink Erie. His advice was used routinely by both Mr. Maloney and Mrs. Pasquale. They also telephoned and interviewed the chief financial officers from several community colleges in Pennsylvania, as well as CFO's and presidents of local colleges. Mr. Giles recalled the headlines stated the cost would have been in the area of \$100,000. These two individuals did everything imaginable to ensure that work was thorough and comprehensive. Mr. Giles personally believes that their figures were on track and on target. Consequently, when that

article came out, everyone was shocked. Then, REthink Erie asked for and received some partial pro bono work from Jeffrey Anzovino of Malin Bergquist. Mr. Anzovino furthered a new proposal regarding the cost of the college. However, in that setting, it would be a much more modest initiative.

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Mr. Giles'
Comments

Mr. Giles stated that now a new County Executive comes into play, who had been campaigning on the fact that a community college could be established, in language that Mr. Giles recalled, without any public tax dollars. This, in turn, became without county property tax dollars. So when amendments were offered in June, it was simply applying the rhetoric which was surrounding the issue all along. In other words, if resources can cover the college expenses outside of property tax dollars, or any tax dollars for that matter, then everything will be fine. The state table gaming monies were designated. Mr. Giles explained that language states that after four years, if that money is not used from table gaming funds, then it would become part of the economic development program to create jobs and build industry. A four year period to use those monies was built into the state law, and the clock has already started ticking.

Mr. Giles advised that on July 19 he received a telephone call from Sandy Vito, Secretary of Labor, in which she requested a meeting with Barry Grossman and Mr. Giles. The meeting was held August 3rd. Also at the meeting were Lance Simmens, Special Assistant to the Governor, Howard Brush, a long time friend who was a Warren County commissioner, and now is the Regional Representative for the Governor, and Jerry Mifsud, Director of Administration. Mr. Giles invited Joseph Maloney and Doug Smith along to ensure everything was recorded properly. On August 4, the day after the meeting, Mr. Giles forwarded a memo to all members of Council.

In the memo to Council, Mr. Giles noted that a meeting was held and the people from the state were indicating that they were not particularly happy with the language acknowledging that the County would be the sponsor of the college, but could not use tax dollars. The State came up with additional language that "Erie County Government will serve as the guarantor of the community college." When Mr. Giles was asked whether he would support this language, he responded that he would advance this to members of Council with two conditions. Those being that a legal review would be done by Council Solicitor and that there is an understanding of the meaning of "guarantor." Mrs. Loll quoted from Attorney Talarico's letter, and Mr. Giles feels a strong statement was made as to the meaning of guarantor. He agrees it would be foolhardy to think that statement does not imply a tax levy of some sort.

TO: Members of County Council
Thomas Talarico, Esq.
Joseph P. Maloney

FROM: Joseph Giles

DATE: August 4, 2010

RE: Sponsorship of the Community College

Yesterday I attended a meeting with the County Executive; Sandy Vito, Secretary of Labor and Industry; Lance Simmens, Special Assistant to the Governor; Howard Brush, Manager of the Governor's NW Regional Office; Jerry Mifsud; Joe Maloney; and Doug Smith to address problems cited by the PA Department of Education with several amendments to Resolution 27, 2010, "Sponsorship of an Erie County Community College" (attached).

The first point of discussion surrounded the attached letter from Sandra Edmunds, PA Department of Education. I, nor anyone else on Council, had seen this letter which is dated June 30, 2010. The letter expresses concern about Amendment 6 specifically, which in part states "No Erie County property tax funds will be utilized for the community college." The Department of Education interprets that statement to mean that Erie County is an unwilling sponsor of the community college.

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Mr. Giles'
Comments

Mr. Simmens stated that he was sent by the Governor to “get this done.” He expressed the total support of the Governor’s Office for Erie County’s community college effort. This support was underscored by Ms. Vito and Mr. Brush. It was their thinking that similar support would not be available in a new administration. It was decided that amending Resolution 27, 2010 with some new language would address the concerns of the Department of Education. The proposed changes are in bold:

“The local match for the community college will be comprised of funds from Presque Isle Downs table gaming, alternative endowment sources and various other private business donations. No Erie County property tax funds will be utilized for the community college, **however, Erie County Government will serve as the guarantor of the community college.**”

The Governor’s team stated that Erie County must have their application and an amended resolution to the Pennsylvania Department of Education by the beginning of September. Therefore, discussion of this amendment will be included in the August 12, 2010 Finance and Personnel meeting.

I have also asked that Council Solicitor Talarico review the Department of Education’s letter, paragraph 5, “Local sponsor has a financial obligation to fund the community college at a level consistent with the requirements of the Community College Act” and paragraph 3, which cites language from the Community College Act, in order to clarify the County’s financial responsibilities as guarantor.

It is clear from discussions at yesterday’s meeting that Erie County’s role as a sponsor or guarantor of a community college will mean that any financial shortfalls from the sources cited in Amendment 6 of Resolution 27, 2010 would be our responsibility. I look forward to discussion of this issue at the August 12th Finance and Personnel meeting.

Letter from Sandra O. Edmunds, Deputy Secretary for Postsecondary and Higher Education:

June 30, 2010

Mr. Barry Grossman
County Executive
Erie County Courthouse
140 West Sixth Street, Room 504
Erie, PA 16501

Dear Mr. Grossman:

Thank you for your recent letter to Acting Secretary Tom Gluck concerning Resolution Number 27 of 2010: Sponsorship of an Erie County Community College passed by the Erie County Council on June 15, 2010. Acting Secretary Gluck asked that I respond to you and provide feedback on the resolution for sponsorship for a proposed community college in Erie and the amendments that were added. Let me start by congratulating Erie County on taking this first step towards establishing a new community college.

A review of the resolution and amendment has been conducted by the Department of Education to ensure that they meet all of the requirements for community college sponsorship and establishment as outlined in the statute, regulations and guidelines. While there are several assertions of fact where there is some question of accuracy, the resolution raises two areas of concern that the county should consider.

Of particular note is Amendment 6 which specifies that no property tax dollars from Erie County may be used for the purposes of funding the proposed college. As you are aware, the Community College Act specifies that the local sponsor shall:

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Mr. Giles'
Comments

“appropriate or provide to the community college an amount at least equal to the community college’s annual operating costs less the student tuition as determined in section 1908-A(a) less the Commonwealth’s payment as determined in subsection (b)(1) of this section. The plan shall also provide that one-half of the annual capital expenses shall be appropriated or provided by the local sponsor to the community college.” (24 P.S. §19-1913-A(a))

The resolution’s prohibition against using property tax revenue raises questions regarding how the County plans on ensuring adequate funding to the college. While the table games legislation provides tax revenue from table games to a community college established in Erie County, the license for table games at Presque Isle has not been issued yet by the Pennsylvania Gaming Control Board and the estimates of tax revenue from that license have not yet been realized.

Your letter included the projected community college revenues and expenditures for Years 1 through 5. However, without seeing the financial program in its entirety, it is impossible for the Department to definitively state whether Amendment 6 will cause concerns as the application moves forward through the approval process with the State Board of Education. It has always been the position of the Department of Education that regardless of the funding mechanism used to fund the local sponsor portion of a community, the local sponsor has a financial obligation to fund the college at a level consistent with the requirements of the Community College Act. Accordingly, if at any time the funding needs of the college exceed the amount available from table games revenue, donations or endowments, the local sponsor must appropriate the required funds.

Pennsylvania’s community colleges are intended to be distinct, autonomous institutions under the control of a board of trustees. A local sponsor exerts control over a community college through the approval of an annual budget and through the process of appointing members to the board of trustees. Several of the amendments attached to the resolution appear to place the college under the control of County Council on several issues.

For several years, the Department staff has worked with individuals in Erie who have been diligently working toward the goal of submitting an application to the State Board of Education to establish a new community college in Erie. The Department continues to be willing to provide technical assistance, answer questions and review the application prior to submission. The completion of the application and the development of plans to establish a community college will require significant knowledge of higher education. Please let me know how my staff can assist you.

Sincerely,

/s/ Sandra O. Edmunds

During the July 19th telephone conversation with the Pennsylvania Secretary of Labor and Industry, Mr. Giles was curious as to why he was having a discussion with her and not the Department of Education. Ms. Vito indicated to Mr. Giles that the Governor had asked her to address the community college issue. Mr. Giles suggested to Ms. Vito that any discussion on the college should not be held until the letter from the Department of Education had been sent out. Ms. Vito advised Mr. Giles that the letter had been mailed, at which time Mr. Giles asked her to email or fax him a copy of this letter as he had not yet seen the document. Mr. Giles never received the email or the fax.

During the August 3, 2010 meeting with the County Executive, Mr. Giles inquired about the letter from the Department of Education and was then shown the letter. What bothered Mr. Giles, in particular, was the fact that the letter was dated June 30, 2010. During that period of time, there had been a County Council meeting held July 13th and a Finance Meeting on July 8th. Mr. Grossman put together a team of people to advise and develop the community college application and this committee met twice during that same time period and no one had seen this letter which is a significant

communiqué in which the state describes why it does not like Erie County's position. The second line in the letter bothered Mr. Giles in particular. He referenced this line in his memo to Council which stated that the County had to follow all of the requirements of the State Community College Act. Mr. Giles then asked for clarity from Council Solicitor in regard to those issues before he was comfortable with moving forward.

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Mr. Giles'
Comments

Mr. Giles then hears it is being reported that he is absolutely for this language and other statements that were not accurate. Mr. Giles emphasized that the statement he made indicated his willingness to advance this matter to his colleagues. He feels he was very upfront and cooperative by producing and sharing the memo to Council with administration the day after the meeting was held with Mr. Grossman.

What was not very cooperative was the fact that the letter dated June 30, 2010 denying the County's initial proposal of June was not shared for almost five weeks. This is very bothersome for Mr. Giles as this was a significant piece of information. Then Mr. Giles leaves for a planned vacation and hears that the clock is running and the County is running out of time and has to move ahead. Mr. Giles wondered about the time period between June 30th and August 4th, which is an entire month in which nothing happened to his knowledge. A variety of meetings were held during that time by Council, the Finance Committee, and the Application Committee. There was never a mention that the state had sent this letter. This bothers Mr. Giles tremendously if the County is serious about this issue and is committed to improving postsecondary education. This issue will never happen with this type of communication model. Council should have been informed directly and immediately of the state's response. This letter could have been sent to the Chair of Council or someone on the committee; that information should have been relayed. This has caused Mr. Giles a great deal of distress.

Mr. Giles referred to the study contracted by an agency in Utah. He had received a copy of the conclusion by email. Mr. Giles then finds out that the recommendations of that report had been changed from the copy that he had seen which stated that the County should work with existing institutions. The new conclusion that was written indicated that something had to be done to create a community college by September 30th. Mr. Giles recalled this happened over one year ago. This also bothered him, and he was told the first copy was a draft and the second was the cleaned up copy. Mr. Giles stated that minor changes are made from a draft copy to a final copy, but not the conclusion.

Mr. Giles wished to explain how he came to his decision this evening. The County is largely framed and controlled by what happens with state funding. There were reports made earlier about the court's dealing with district judges and judicial vacancies. In last year's budget, the state got into some problems with federal funding called IVE. Funding for the county was \$2 million short. Mr. Giles explained this particular funding deals with abused and neglected children handled through the courts. Council had to make up that money with the promise that the county will eventually get that money back. Library funding that the County typically receives from the state was cut 15%. Human Services funding for the mentally ill, mentally retarded, drug addiction, alcohol addiction, and OCY issues has diminished over the past five years or have been flat lined. These are important issues. Funding has been going down, while demand has been increasing.

Mr. Giles then addressed the 911 Call Center issue. When Erie County developed the 911 Center, the state promised to provide \$6 million for building the center. Within a few months that promise dropped to \$4 million, then it went down to \$2.7 million. Mr. Giles noted that, as of today, the County has not received any of that money. In all of these scenarios, Mr. Giles stated that the local property taxpayers are on the hook to make up the difference.

Now it has come to the table that the state promises to help fund a community college. Mr. Giles loves the idea and thinks education is great. Everyone should continue to learn throughout their entire life, but the County is learning a tough lesson, and that is what the state promises and what the state delivers by way of revenues to support the very mandates created for the County to administer are not the same. The County still has to pay if funding does not come through.

August 17, 2010

Mr. Giles'
Comments

Mr. Giles noted that everyone has heard the debate about the table gaming monies. This will be new revenue. Senator Earll carved off language for one of the few jurisdictions in the entire Commonwealth. Erie County has a piece of legislation, SB 1033, stating:

(III) A county of the third class that is also a Home Rule County with a population of at least 275,000 and not more than 300,000 based on the 2000 Federal Decennial Census: 2% of the gross table game revenue from each such licensed facility to a county redevelopment authority to be placed in a restricted receipt account which provides grants for the establishment and maintenance of a community college within the county. If a community college is not established in the county within four years of the effective date of this subparagraph, all money in the restricted receipt account shall be used by the county redevelopment authority for other economic development projects.

Mr. Giles expressed concern because this has never before been seen in Pennsylvania, and there is no way of knowing how much money this will involve. Another concern is that this funding will not be in the first year budget since it didn't start until recently. The first year of the community college will be shy whatever that gaming table money would amount to – some have indicated \$2 million, others \$1.5 million. Mr. Giles does not believe that anybody really knows. Slots don't require much personnel, but table games are more labor intensive and the yield may not be the same.

Mr. Giles recalled that the Erie Community Foundation would provide a \$1 million endowment. The County could use the yield or interest for the college or even dip into the principal after requesting to do so. If principal is used, eventually, there is no endowment left. Also, with the promise of an endowment comes the relinquishment of the authority and ability to select who would be on the board of trustees for the college. In Mr. Giles' opinion, this becomes controlling rights. There is concern among members of Council that with this relinquishment also comes loss of control over the growth, development, and expenditures of the college.

Mr. Giles would like everyone to realize that there is also no start up money for the community college. Mr. Smith, County Council Clerk, spoke with individuals in PDE to find out about start up money. This money will have to come from the table gaming monies, and if that doesn't happen, then it will fall back on the County. The state will not provide reimbursements until after money has been spent on expenses.

Mr. Giles believes there is a better, more effective way to respond to this issue that is sensitive to the property owners in the county. He suggested a partnership with Butler County Community College as one option. He understands they are out of the county, but Butler has done this for Lawrence and Mercer Counties as well. Partnering with existing local institutions to provide these same types of programs is also an option. Flo Fabrizio, Second District State Representative, met with Council and indicated that there was a technology grant. Mr. Giles feels there are other options to lower the operation overhead of a community college. With an existing institution, Middle States Accreditation is already in place. Edinboro University is planning on partnering with Butler County for courses at the Porreco Center, and Edinboro is also interested in implementing a remedial program in midtown for students to improve their basic skills. They also have an existing partnership with PMI in Meadville for very high skilled training that GE uses for its workers. There is a willingness to replicate that program here. Mr. Giles feels the community college can be accomplished in an affordable way without serious financial impact to the county property tax owners and still satisfy business industry needs and educational needs of the area.

As this issue moves forward, Mr. Giles asked the administration to look at other options, and develop alternatives that take into account that there is no interest on the part of Council to utilize tax dollars. Since guarantor means county property tax dollars, there is a need to develop a Plan B that will still respond to educational postsecondary needs without an increase in property tax dollars. Mr. Giles believes this can be done with a strong partnership, either with Butler's offer or existing institutions in the area.

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Amending
Res. 27, 2010

Mr. Leone called for a vote on Resolution Number 34, 2010, "Amending Resolution 27, 2010, 'Sponsorship Of An Erie County Community College,'" and it failed in a roll call vote of 3-3-1, Mr. Giles, Mrs. Loll and Mr. Beeman voting no; Dr. Foust abstaining.

Mr. Giles noted that, having read the newspaper, he realized he would be on the prevailing side. When on the prevailing side, the future can be controlled. Voting in the majority secures the ability or inability to advance this issue.

Mr. Leone announced that the resolution failed, and he returned the gavel to Dr. Foust.

Daniel Heher reappt'd
To Guideways Sign Trust

Mr. Leone moved to reappoint Daniel Heher to the Greater Erie Guideways Sign Trust; Mr. Giles seconded, and it carried in a unanimous roll call vote.

Adjournment

There being no further business, the meeting adjourned at 9:02 p.m.

Ann M. Bruno, Council Secretary
