

June 19, 2012

Minutes of May 15, 2012 apprvd. Agenda Amended. Lib. SA Line Item to Cover 2011 Year End Deficit adopted; Gen Fund SA Assoc. transfer to Cover Yr End Deficit in Lib. Fund adopted; PS Revis. Rev & Exp. for 2011 Act 78 Yr End Reduc. adopted; Line Item for HAZMAT Copier Lease adopted; Apprvg Dispatch Svcs Agrmt w/Millcreek Twp adopted; PH Line Item for Immun. Grant adopted; PH State Reduc. In Act 537 adopted; Gen Fund SA Trans to PH to Cover 2011 Yr End Def. from State Reduc in Act 537 adopted; Add. Postage in Assess adopted; C&Y SA Elim. Of Three Temp. Pos. adopted; Gen Fund SA Reduc in Trans to C&Y adopted.

Mr. Fatica, Chairman, called to order a Regular Meeting of the Erie County Council at 7:08 p.m. at the McKean Township Building, 9231 Edinboro Road, McKean, Pennsylvania. Following the Pledge of Allegiance, Mrs. Loll recited a prayer:

Let us pray, God our Father, Give a spirit of wisdom to us who have been entrusted with authority in government. Guide us to serve the people of Erie County and be effective in our work and performing our duties with understanding and concern for others. Fill us with the spirit and courage to govern as worthy representatives.

We ask this through our Lord, Jesus Christ. Amen.

Roll Call

The County Clerk called the roll:

Members Present: Mr. Fatica, Chairman
Mr. Giles, Vice Chairman
Mr. Beeman
Mr. Cleaver
Dr. Foust
Mr. Leone
Mrs. Loll

Members Absent: None

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

Mr. Fatica's Comments

Mr. Fatica explained that Council goes on the road during the summer months to visit districts outside of the City of Erie. This is the first on the road meeting and McKean is part of Mrs. Loll's district.

Mrs. Loll's Comments

Mrs. Loll noted that she has represented the McKean area since the last redistricting. This is a wonderful group of people. She attended a municipal meeting a couple weeks ago and expressed her thanks at that time to the supervisors for allowing Council to hold this meeting in the Township Building. It is very gracious of them to open the building for Council.

Minutes

Mr. Giles moved to approve the minutes of the May 15, 2012 Regular Meeting. Mr. Leone seconded, and it carried in a unanimous roll call vote.

Mr. Mifsud's Report

Mr. Mifsud reported that the County moved up a slot in the walk-a-thon this year finishing fourth out of ten.

Finance Committee

Dr. Foust reported that Council met as the Finance Committee on June 7, 2012 and agreed to place Ordinances 52 through 59 and Resolution No. 28 regarding a General Authority Project which was tabled at the last meeting on the agenda. Under New Business, the Committee agreed to place Ordinances 64 through 74 on the agenda along with Resolutions 31, 32, 33, 34 and the sale of parcels from the Repository for Unsold Properties. Dr. Foust also noted a brief presentation was given by the Gaming Authority. Mr. Peters and Mr. Wood provided an overview of the money distributed for various projects.

Personnel Committee

Mrs. Loll reported the Personnel Committee met following the Finance Committee and agreed to place Ordinance Number 61, 62 and 63 for second readings on the agenda. Under New Business, the Committee agreed to place Ordinances 75 and 76 for a first reading on the agenda.

Mr. Leone's
Report

Mr. Leone's last report from the LGAC outlined the issues discussed on three different dates. He stated that he would report on the talk given by Tom Balridge of Lancaster and Ellen Horan of Reading.

The report was quite extensive and, to say the least, alarming. In this report, Mr. Leone will state the health of pension funds in Pennsylvania. In the interest of brevity, he will only comment and read about these pension plans. The County of Erie pension plan is probably in the number one category for solvency. The Erie County pension plan is currently at 94%. The reason for this is because members of this Council have stepped up to the line when the ARC funding was to be paid. This year the County will pay a total of \$5.9 million to the ARC.

Mr. Leone explained that all counties have had problems where the ARC, the Annual Required Contribution, is concerned. A few years ago the CCAP Governance Committee tried to get some relief because of the loss in the market. Mr. Leone stated that legislators provided relief by extending the smoothing system. They provided for counties to use 5, 10, 15 and 20 year systems. This doesn't provide any relief, it only extends the payment to others taking office in the future. Erie County decided to bite the bullet and stay at the five year smoothing systems.

Mr. Leone read some of the problems occurring in some of the cities. Pennsylvania has over 3200 separate local government pension plans. In 25% of the plans in the nation, two-third have ten or fewer active members and many are grossly underfunded. Underfunding accrues liabilities and Mr. Leone believes part of the reason this happens is because of the fact that many don't follow the guidelines where the Annual Required Contribution is concerned.

Mr. Leone reported that Scranton is short \$74 million this year; Pittsburgh needs \$650 million; Philadelphia has to put in \$5 billion for the year 2012. The balance of Pennsylvania municipalities is \$1.3 billion. The pension plan for the state and the local share comes to \$2.4 billion. The state's share this year will be \$1.1 billion.

Mr. Leone noted that the pension problem is not just a city problem. Pension stress can be found in boroughs, townships and rural, suburban and urban areas. 66 of Pennsylvania's 67 counties have at least one municipality with a pension plan that is under a high level of financial stress. This is also not just a municipal problem; the state employees retirement and the public school employees retirement system will have unfunded liabilities of \$65 billion by the year 2021. By 2035 local school district costs will be 14 times higher than today. Mr. Leone will send copies of this information to all members.

As he indicated, Mr. Leone believes Erie County has met its responsibility and continues to do so by contributing funding to the ARC system. Mr. Leone indicated in his last report that Aliquippa was the 27th city to go bankrupt. Some other counties are also in precarious positions, but not as bad as some of the cities.

Mr. Leone also reported on the TIF, Tax Incentive Financing, program. The project will result in investments of \$60 million and maintain 720 jobs in Erie County. The total number of jobs for

Lord's is 1,087; 720 in Erie and the remainder in Crawford County. There will be 74 new and permanent full time jobs created, along with an estimate of 460 construction phase jobs created in Erie County.

Mr. Leone explained that the project consists of two phases. Project One for \$60 million in related work by Lord's and Project Two the water systems for \$1.7 million. Parts of the project are funded all or in part by the TIF proceeds and bonds. The Project One site improvement machine equipment only amounts to \$3.7 million and Project Two is \$1.7 million. In the year 2012, the taxes total \$325,789. In the year 2014, assuming TIF with the 20% increment, taxes will be approximately \$360,225. Mr. Leone noted that the value of the project in the year 2012 is \$18,500,000. The new assessment by the year 2014 will be \$38,500,000. If they continue to add to the property, the tax structure will continue to increase for the county, township and school district.

Mr. Leone also reported on the County Commissioners Association of Pennsylvania, County Governance Committee. Mr. Leone is the vice-chairman of this committee. CCAP is trying to put certain issues in the County Code and also to adopt at their Summer Conference items that would help counties and their funding; for example, libraries, 911 and emergency management services by providing a greater reimbursement. Other issues include the pension as well as election registration and distressed municipalities. There are many items which will be brought forth during the summer conference. Mr. Leone plans to attend this conference as a representative for Erie County and as vice-chairman of the Governance Committee.

Mr. Fatica thanked Mr. Leone for his dedication and service.

Mr. Giles' Report

Mr. Giles reported that the CCAP Board met June 14th and 15th hosted by the Ft. Indiantown Gap. He explained that this is the largest training facility for helicopter pilots in the country. As part of the board meeting, members used simulators and learned how to operate a Blackhawk. This is a virtual experience. The Human Services Block Grant and the reduction in funding to human services were discussed. Mr. Giles noted that ten percent is a significant amount of money to lose in the human services area. CCAP has worked closely with the Secretary and Deputy Secretary of DPW. Clients with mental health issues and those with intellectual disabilities are protected class citizens and this adds to the existing dilemma in terms of funding. On June 25th Mr. Giles will be moderating a group from Clarion University regarding the human services funding issue. The northwest region CCAP is bringing together regions one at a time. Two sessions have already taken place, but the information from the prior sessions has changed. The last one is scheduled for the end of June and the expectation is that this will also be different. There is a concern regarding litigation in this matter.

Mr. Giles noted that Act 118 of 2010, the mandatory review of how funding is done for 911, is now completed and that data is being reviewed. This is a county by county analysis of how things were used, where there are shortfalls and where improvement is needed in the funding stream.

Mr. Giles also reported that Erie County is a part of the insurance programs that CCAP offers. As a side note, in the PCorp program, the County, thanks to the administration for making the application, is receiving a grant for the property side of the insurance in the amount of \$10,000 for the parking lot that is being improved. This may be a small piece of the cost, but very few insurance companies provide a grant opportunity such as this.

Mr. Giles further reported that the Erie County Policy and Planning Council which consists of approximately 75 agency directors has an executive committee which met on June 13, 2012 at the Crime Victims' Center to review and approve the final plan for how to deal with issues relative to violence and education. The Civic Institute at Mercyhurst has been very instrumental in putting this together and by the end of summer, everyone should have a copy of that plan. It is fairly long and large. Marshall Piccinini has been plugged into this effort as well.

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Lib. SA To
Cover 2011 Def.

Mr. Smith gave a second reading of Ordinance Number 52, 2012, "Second 2012 Library Fund Budget Supplemental Appropriation Of \$38,161 And Creation Of New Line Item To Cover 2011 Year End Deficit." Mr. Leone moved to adopt; Dr. Foust seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Gen. Fund SA To
Cover Def. in
Lib. Fund

Mr. Smith gave a second reading of Ordinance Number 53, 2012, "Eleventh 2012 General Fund Budget Supplemental Appropriation Of \$38,161 For An Associative Transfer To Cover A Year End Deficit In The Library Fund." Mr. Leone moved to adopt; Dr. Foust seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

PS Revis. Rev &
Exp.For Act 78
Yr. End Def.

Mr. Smith gave a second reading of Ordinance Number 54, 2012, "2012 Public Safety Fund Budget Revised Revenues & Expenditures Of \$10,750 And Creation Of Line Item For 2011 Act 78 Year End Deficit." Mr. Leone moved to adopt; Dr. Foust seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

PS Revis. Rev
& Exp HAZMAT
Copier Lease

Mr. Smith gave a second reading of Ordinance Number 55, 2012, "2012 Public Safety Fund Budget Revised Revenues And Expenditures Of \$1,000 And Creation Of Line Item For HAZMAT Copier Lease." Mr. Leone moved to adopt; Mr. Giles seconded, and it carried in a unanimous roll call vote.

Apprvg. PS/911
Dispatch Svcs
w/Millcreek Twp

Mr. Smith gave a second reading of Ordinance Number 56, 2012, "Approving Erie County Public Safety/911 Dispatch Services Supplemental Cooperation Agreement With Millcreek Township." Mr. Giles moved to adopt; Mr. Leone seconded.

Mr. Giles moved to amend the title of the ordinance and the body as well as the title of Exhibit A including changes in the language under paragraphs B and F and to eliminate paragraph 4 of the Agreement. Dr. Foust seconded, and it carried in a unanimous roll call vote.

Mr. Fatica called for a vote on the ordinance, as amended, and it carried in a roll call vote of 6-1, Mr. Beeman voting no. Mr. Fatica thanked Attorney Talarico for his work on the ordinance.

PH Immun. Grant

Mr. Smith gave a second reading of Ordinance Number 57, 2012, "2012 Public Health Fund Budget Revised Expenditures Of \$2,775 And Creation Of A Line Item For The Immunization Grant." Mr. Giles moved to adopt; Mr. Leone seconded, and it carried in a roll vote of 6-1, Mr. Beeman voting no.

PH SA to Cover
Def. in Act 537

Mr. Smith gave a second reading of Ordinance Number 58, 2012, "Sixth 2012 Public Health Fund Budget Supplemental Appropriation Of \$134,132 And Creation Of Line Item To Cover A Year End Deficit In The 2011 Public Health Fund From State Reduction In Act 537." Mr. Leone moved to adopt; Dr. Foust seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

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Gen. Fund SA to Cover
Def. in PH Fund

Mr. Smith gave a second reading of Ordinance Number 59, 2012, "Twelfth 2012 General Fund Budget Supplemental Appropriation Of \$134,132 For An Associative Transfer To The Public Health Fund To Cover A 2011 Year End Deficit From State Reduction In Act 537." Mr. Leone moved to adopt; Dr. Foust seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.
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Add. Postage in Assess.
W/Savings from Positions

Mr. Smith gave a second reading of Ordinance Number 61, 2012, "Thirteenth 2012 General Fund Budget Supplemental Appropriation Of \$29,180 For Additional Postage In Assessment With Savings From Vacant Positions." Mr. Giles moved to adopt; Mr. Leone seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

C&Y SA for Elim. Of
Temp. Pos.

Mr. Smith gave a second reading of Ordinance Number 62, 2012, "First 2012 Children & Youth Services Fund Budget Supplemental Appropriation Of \$148,820 For Elimination Of Three Temporary Positions." Mr. Cleaver moved to adopt; Dr. Foust seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Gen Fund SA for Reduc
In Trans. to C&Y

Mr. Smith gave a second reading of Ordinance Number 63, 2012 "Fourteenth 2012 General Fund Budget Supplemental Appropriation Of \$29,764 For A Reduction In Transfer To Children & Youth Services Fund From The Elimination Of Three Temporary Positions." Dr. Foust moved to adopt; Mr. Cleaver seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Gen. Auth. \$950,000
Tax-Exempt Note
(Christian Inst. Of HR Prjct)

Mr. Leone moved to remove Resolution Number 28, 2012, "Erie County General Authority Not To Exceed \$950,000 Tax-Exempt Note (Christian Institute Of Human Relations Project)" from the table. Dr. Foust seconded and it carried in a unanimous roll call vote.

Mr. Smith gave a reading of Resolution Number 28, 2012. Mr. Giles moved to adopt; Dr. Foust seconded. Mr. Giles noted there was some discussion in both the Finance meeting and during caucus regarding the appropriateness of using this particular fund. Considering it is midway through the year and the General Authority has certain allocations available, it not believed that this will in any way infringe on future requests. Mr. Fatica thanked Dr. Foust for checking on this resolution since this is going out of county. Mr. Fatica called for a vote on the resolution and it carried in a unanimous roll call vote.

Agenda Amended

Mr. Giles moved to amend the agenda to include Ordinances 75 and 76 for a second reading. Dr. Foust seconded, and it carried in a unanimous roll call vote.

First Readings

Mr. Smith gave first readings of the following ordinances:

Ordinance Number 64, 2012, "First 2012 Drug & Alcohol Abuse Fund Budget Supplemental Appropriation Of \$1,110 And Creation Of A Line Item For Investment Interest Income"

Ordinance Number 65, 2012, "Fifteenth 2012 General Fund Budget Supplemental Appropriation Of \$500,000 And Creation Of Line Items For LECOM Grant To The Public Safety Fund And The Library Fund"

Ordinance Number 66, 2012, "Fifth 2012 Public Safety Fund Budget Supplemental Appropriation Of \$369,120 And The Creation Of A Line Item For Mobile Data Terminal Project"

Ordinance Number 67, 2012, "2012 Children & Youth Services Fund Budget Revised Expenditures of \$5,000 And Creation Of A Line Item For A Court Ordered Placement"

Ordinance Number 68, 2012, "First 2012 MH/MR Fund Budget Supplemental Appropriation Of \$120,940 And Creation Of Line Items For State Categorical Pass Thru Grants"

Ordinance Number 69, 2012, "Sixteenth 2012 General Fund Budget Supplemental Appropriation Of \$105,000 From Restricted Fund Balance For Adult Probation Supervision Fee Projects" (Finance Committee)

Ordinance Number 70, 2012, "Seventeenth 2012 General Fund Budget Supplemental Appropriation Of \$180,373 From Restricted Fund Balance For County Record Improvement Projects"

Ordinance Number 71, 2012, "Eighteenth 2012 General Fund Budget Supplemental Appropriation Of A \$400 Utility Trailer Donated By Perseus House To Juvenile Probation And Creation Of New Line Items"

Ordinance Number 72, 2012, "Nineteenth 2012 General Fund Budget Supplemental Appropriation Of \$240 And Creation Of Line Item For Cell Phone Reimbursement In Human Services Finance Bureau"

Ordinance Number 73, 2012, "Approving An Intergovernmental Cooperation Agreement Between The County Of Erie And The Townships Of Amity, Concord, Venango, Wayne And The Borough Of Elgin For Creation Of Regional Emergency Management Agency"

Ordinance Number 74, 2012, "Waiving Section 4 Of Erie County LERTA Ordinance 59, 1980 And Approving The Revised LERTA Program In The Municipalities That Comprise The General McLane School District"

Gen Fund SA For
Temp Staff in Vet.
Affairs Ofc

Mr. Smith gave a second reading of Ordinance Number 75, 2012, "Twentieth 2012 General Fund Budget Supplemental Appropriation Of \$4,925 For Temporary Staff In Veterans Affairs Office." Mr. Giles moved to adopt; Mr. Leone seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

PH Temp. Staff

Mr. Smith gave a second reading of Number 76, 2012, "2012 Public Health Fund Budget Revised Expenditures Of \$9,600 And Creation Of Line Item For Temporary Staff." Dr. Foust moved to adopt; Mr. Cleaver seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Res. 31 Tabled

Mr. Giles moved to table Resolution Number 31, 2012, "Approving The \$500,000 Grant Agreement Between The County Of Erie And Lake Erie College Of Osteopathic Medicine." Mr. Cleaver seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Dir. of Adm.To
Serve as Acting CE

Mr. Smith gave a reading of Resolution Number 32, 2012, "Confirming The Director Of Administration To Serve As The Acting County Executive." Mr. Giles moved to adopt; Mr. Leone seconded, and it carried in a unanimous roll call vote.

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Apprvg Lic. Agrmt
Btwn Amer. Tower
& Erie Cnty Gov.

Mr. Smith gave a reading of Resolution Number 33, 2012, "Approving License Agreement Between American Tower, L.P. And Erie County Government." Mr. Leone moved to adopt; Mr. Cleaver seconded, and it carried in a roll call vote of 6-1, Mr. Beeman voting no.

Exon Taxes in Hbr Crk
SD & Hrbrck Twp

Mr. Smith gave a reading of Resolution Number 34, 2012, "Exonerating Taxes On One Abandoned Trailer/Property In The Harbor Creek School District And Harborcreek Township." Dr. Foust moved to adopt; Mr. Giles seconded, and it carried in a roll call vote of 6-1, Mr. Cleaver voting no.

Sales of Parcels Apprvd.

Dr. Foust moved to approve the sale of Parcels from Repository for Unsold Properties at
Index Numbers: 15-020-028.0-318.00
16-31-21-134
33-016-019.1-268.90
40-014-088.1-005.94

Mr. Leone seconded, and it carried in a unanimous roll call vote.

Mr. Fatica reminded everyone that Council's next meeting will be held on July 3, 2012 in Greene Township.

Adjournment

There being no further business, the meeting adjourned at 7:51 p.m.

Ann M. Bruno, Council Secretary
