

# Northampton County General Purpose Authority Meeting Minutes

8:00 a.m. on June 7, 2016

The monthly meeting of the Northampton County General Purpose Authority was held on Tuesday, June 7, 2016, at 8:00 a.m. The meeting was held in Northampton County Courthouse, 3<sup>rd</sup> Floor, County Council Chambers, Room #3116, 669 Washington Street, Easton, PA.

## **ITEM #1 – CALL TO ORDER-ATTENDANCE**

Mr. Langen called the meeting to order.

### **Attendance:**

Shawn Langen, J. Michael Dowd, Mark Schiavone, Margaret Ferraro, Shawn Donahue

### **Solicitor:**

John F. Lushis, Jr., Esq.

### **Staff:**

Mark Hartney, DCED Administrator  
Tim Herrlinger, Acting Director

David Hughes, DCED Finance Specialist

### **Absent:**

Helene Whitaker and Neal Koplin.

## **ITEM #2- APPROVAL OF MINUTES FROM May 3, 2016**

The minutes were unanimously approved on a motion by Ms. Ferraro, seconded by Mr. Dowd.

## **ITEM #3 – TREASURER’S REPORT**

- 3.1 Mr. Hughes reviewed the May 2016 Treasurer’s Report and the invoices that were presented for payment.

**MOTION:** To approve the Treasurer’s Report as presented.

Mr. Langen made the motion. It was seconded by Mr. Dowd. The motion carried.

- 3.2 Invoices – May 1 – 31, 2016

Mr. Schiavone made the motion to approve as presented. Mr. Langen seconded the motion. The motion carried.

## **ITEM #4 – PUBLIC COMMENT**

None.

**ITEM #5 – OLD BUSINESS**5.1 GPA P3 Project Update - Deferred to New Business5.2 RFP for Technical Assistance

Mr. Hartney stated he is currently in the process of working on RFP and needs to get a Purchasing Agent's review.

5.3 NCHEA & NCHA Update

Mr. Hartney to investigate the Boards' membership and report back status of these authorities and to check on the status of the bank statements.

**ITEM #6 – NEW BUSINESS**6.1 Fee Schedule for \$260 million St. Luke's Bond

Mr. Hartney stated that they are proposing the new financing which could be up to \$85 million will be our standard 20 basis point and the refunding \$175 million would be 5 basis points and with total fees for this project amounting to \$257,500 million. Which represents a 50 percent reduction in fees.

**MOTION:** To formally adopt the new policy and craft another threshold on refunding.

Mr. Dowd made the motion and Mr. Schiavone seconded. The motion carried.

6.2 St. Luke's Inducement Resolution

Mr. Thomas Lichtenwalner, Senior Vice President, Finance St Luke's University Health Network made presentation to the Board requesting that the Northampton County General Purpose Authority agree to adopt the Resolution.

1. To Refinance the 2008 Bond Issue \$175,000 million to take advantage of interest rate environment that currently exist.
2. To fund some additional projects they are planning of which 2 significant ones are constructing an Ambulatory Surgical Center on St. Luke's Anderson Campus across from the hospital and relocate the outpatient surgery center to the new facility. The project has started a few months ago and will be complete within the next year. Also, expansion of the hospital with a new wing to increase the number of beds for inpatient surgery. This project will start within a year with 2-21/2 years to complete and will cost approximately \$65,000 million. Most of the funding will go to new projects and routine equipment. Mr. Lichtenwalner is requesting approval of financing at this time to get to the bond market in early July before interest rates increase. The Tefra Public Hearing was held on June 1, 2016. We have the Inducement Resolution available and we will place the Health Safety & Welfare resolution before council on June 16, 2016.

**MOTION:** To approve financing of the projects in the resolution.

Mr. Schiavone made the motion to approve financing and Mr. Dowd.

### 6.3 Northampton County P3 Bridge Renewal Project – Reimbursement of Professional Fees Letter Agreement

#### Executive Summary

Mr. Lushis stated that responses to the RFP were due this Thursday. There are three Review and Evaluation committees which the members have been selected. The members of the Review Committee met with Penn Dot to review their P3 Project. The RFP for the private contractor will go out in the next several days. Mr. Lushis has completed the first draft of the Public Private Partnership Agreement. As a result of discussions with John Brown and Stan Rugis and others, it is felt that other representatives should serve on the committees. Shawn Langen, Shawn Donohue and Neal Koplun will be on the committees. From the county Stan Rugis, ? County Council, President of Local heavy Equipment Operators Union and Representatives from Penn Dot. Some outside technical assistance expertise was needed. The two firms identified were Public Finance Management and the second firm is Buchanan Ingersoll & Rooney whose senior partner is Ken Luttinger out of the Pittsburg Office. It was discussed with Mr. Brown that the fees of outside professionals should be reimbursed by the County. Mr. Lushis spoke with Ryan Durkin, County Solicitor and Dan O'Connell regarding a resolution for the authority to retain the outside professionals and on the condition that this authority to be reimbursed in full by the County in a letter agreement.

Ms. Ferraro posed a question regarding carte blanche on the fees. Mr. Lushis stated that it is acceptable legal language and her concerns are justified; that is why Mr. Brown is having John Morganelli or Judge Baratta witness the bids when they open to ensure the process maintained integrity.

Dave Hughes asked a question regarding the reimbursement letter procedure and should the County sign off on Buchanan Ingersoll & Rooney approve those rates. Mr. Lushis stated that because the GPA has retained the entities the check should come from the GPA. Before the check is written the money should be in the GPA account. He also stated the County Council has the engagement letters. Mr. Lushis agreed to change wording to reflect actual process of financial procedure. Mr. Donohue questioned while looking at the Buchanan Ingersoll letter that the word reimbursement needed clarification. Mr. Lushis agreed to work the details out with Ryan Durkin on the County implementation billing process. Based on funding mechanics on how the County payment timeline works once an approved invoice is submitted and then get engagement letters updated.

**SUGGESTED MOTION:** To table the Engagement Letter agreements & County reimbursement process until said is clarified. Mr. Lushis will process changes and finalize paperwork.

### 6.5 Adoption of Resolution to Change Lafayette Ambassador Bank Account Signatories

Mr. Hartney reported the change in the Department of Community & Economic Development which are to the remove Diane Donaher and replace with Mark Hartney as signatory.

**MOTION:** To approve the signatory changes.

Mr. Dowd made a motion to approve the account signatories and seconded by Mr. Schiavone. The motion carried.

**ITEM #7 – STAFF REPORT****7.1 NCD CED Staff Changes**

Mr. Hartney advised that Diane Donaher resigned last month and Tim Herrlinger is now the Acting Director of Community & Economic Development. The department has a staff of five people now. Nina McCarthy, Executive Secretary resigned and they will be hiring another Executive Secretary. Mr. Hartney stated that he and Mr. Hughes are the primary staff members involved in the GPA work and there will be no change in the level of service the department provides. Please make sure to include Dave and himself in any correspondence.

**7.3 Project & Prospect Update**

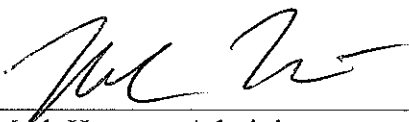
There is one Bond Transaction that they are anticipating coming up in July. He will check to see when they want to formally move forward with the inducement resolution.

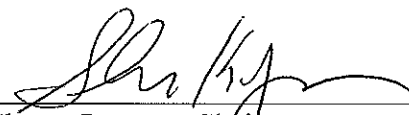
Mr. Hughes stated that there are two projects they are assisting LDVC with, one is Vastex Manufacturing who is looking to move from Lehigh County to Northampton County. Job Corp is reviewing that today. We continue to see lots of customer, people looking to open new businesses. Most are looking for funding which can be a challenge.

**ITEM #8 – NEXT MEETING – TUESDAY July 12, 2016****ITEM #9 – ADJOURNMENT**

Motion was made by Mr. Dowd. It was seconded by Mr. Langen.

ATTEST:

  
\_\_\_\_\_  
Mark Hartney, Administrator

  
\_\_\_\_\_  
Shawn Langen, Chairperson