A regular meeting of the Northampton County Council was held on the above date with the following present: Ann McHale, President; Ron Angle; John Cusick; Charles M. Dertinger; J. Michael Dowd, Jr.; Patricia S. Grube; Margaret Ferraro; Lamont G. McClure, Jr.; Diane Neiper; Anthony J. Martino, Solicitor to Council and Frank E. Flisser, Clerk to Council.

Prayer

Mr. Dowd led County Council in prayer to open the meeting.

Pledge of Allegiance

Mrs. Grube led County Council in the pledge of allegiance.

Swearing-in of Mrs. Patricia S. Grube

Mr. Zito administered the oath of office to Mrs. Patricia S. Grube (see Attachment #1).

Order of Commendation and Recognition - Wayne A. Grube

Mr. Zito read an Order of Commendation and Recognition which was signed by all the Judges of the Court of Common Pleas of Northampton County recognizing the service of Mr. Wayne A. Grube (see Attachment #2).

Approval of the Minutes

Mrs. Neiper made the following motion:

Be It Moved By the Northampton County Council that the minutes of the October 21, 2008, October 28, 2008 and November 13, 2008 meetings shall be approved.

Mr. Dertinger seconded the motion.
The motion was adopted by voice acclamation.

Courtesy of the Floor

Ms. Barbara Hollenbach, YWCA of Bethlehem - stated she was present as a representative for the YWCA of Bethlehem Women and Teen Awards Committee. She further stated each year the YWCA honored women from the community of Bethlehem who had rendered outstanding volunteer service and other service to the community. She noted this year they were particularly honored to announce that in 2009, Mrs. McHale would be honored as an Outstanding Public Servant, not only for her service to the City of Bethlehem, but also to her service to the citizens of Northampton County, to County Council and being the first female President of County Council.

Mr. Bob Pfenning, 2830 Linden Street, Bethlehem, PA - the Northampton County Gambling Impact Committee was disbanded on Monday night, therefore, he would no longer be presenting a report to County Council.

Mr. Pfenning stated he had presented his interpretation of Act 71, as amended by 135, to two or three committees, however, he felt County Council should have their Solicitor review his interpretation and provide the legal guidance as to what the law really stated and what the County had to do.

Mr. Pfenning advised if Act 71, as amended by 135, contained just Section D (1), which dealt with making municipal grants within the County with priority given to the municipalities continuance to the host city, was the only thing the County was dealing with, he felt the plan that was presented by four of the continuous municipalities and endorsed by the County Executive would have some merit. He noted the plan was simple, it guaranteed them a revenue stream and did not force them to make any impact studies. However, there was Section V which indicated that an Economic Development or Redevelopment Authority had to administer the grants, that the grants could only go to the continuous municipalities, the host city and the County and also that they were, in fact, impact grants.
Mr. Pfenning stated four of the five continuous municipalities had a plan that they have presented and he was concerned that the plan did not meet what Section V required, therefore, he was asking someone on County Council to ask their Solicitor to review the proposal and comment upon it so it could be determined whether further discussion was needed or not. He further stated he would like both these reviews, if possible, done before the next Intergovernmental Affairs Committee meeting in January.

Mr. Pfenning advised if the County had public money, it would behoove it to have competitive grants to award that money so everyone was on an equal footing and judged by an impartial body. He further advised he was going to use Bucks County as an example in how they determined their grants, however, he found out they were involved in litigation. Therefore, he was more and more concerned that no matter what anyone did, there was the possibility of litigation.

Mr. McClure asked Mr. Pfenning if he was saying that the 20/20/20 flag that had been floated was unlawful as the Act was currently written.

Mr. Pfenning stated his opinion was that it did not meet some of the criteria. For example, the bulk of the money under the municipalities’ plan was that there was no reason to submit an effect; they would just get the money because they exist. He noted that was not what Section V indicated and their study did not even mention the County as a whole possible recipient of these funds as opposed to the City of Bethlehem.

Mr. Angle arrived at the meeting at this time.

Mr. Martino advised he would review the plan that was submitted by the municipalities.

County Executive’s Budget Address

Mr. John Stoffa, County Executive, stated at the rate the County was going, he could see a tax increase next year and he did not know if he could continue to uphold the agreement to keep two months worth of operating costs.
Mr. Stoffa provided a letter received from Mayor John Callahan on June 17, 2008, regarding the Bethlehem Commerce Center Boulevard, which provided the current break down of expenditures to date and future anticipated expenses (see Attachment #3). He advised he would like County Council to consider allowing him to take the anticipated unused fund of $1.5 million and use it to reduce the bond.

Mr. Stoffa stated he would like to put a group together to study the County parks with the possibility of giving those parks to the municipalities. He further stated Mr. Gordon Heller, Parks and Recreation, informed him when Weaversville was completed, it would take a minimum of seven people to maintain it.

Mr. Stoffa advised he hoped to have a better working relationship with County Council next year as there were many things that had to be done, noting the prison was the County’s biggest need.

Mr. Angle stated this budget was a totally irresponsible budget. He noted the pension deficit went from $76 million to $78 million and was growing and the Swaption had a $14 million price tag. He further stated there had been discussions from the County Executive and members of County Council about the need for a treatment center, however, it was not in this budget. Additionally, he had heard the same rhetoric about the prison for many years, but that was not in the budget.

Mr. Angle advised he saw no money in the budget for an Archives even though it was costing the County $100,000 a year to operate it out of Allentown, not to mention the inconvenience. He further advised there was money for the Weaversville Park, but that was going to require at least seven or more employees and a whole set of equipment to maintain it.

Mr. Angle stated the primary business of the County was the Courts and everything that went with it and Human Services and yet there was no money for these things.

Consideration of the 2009 Northampton County Budget

Consideration of 2009 Personnel Requests
Mrs. McHale advised the first item of business in approval of the 2009 budget would be to act upon the 2009 personnel requests.

In response to Mr. Cusick’s question, it was determined that the requests would be voted on individually.

Mr. Cusick introduced the following resolution:

R. 79-2008   RESOLVED, by the Northampton County Council that one (1) new full-time position of Administrative Services Technician, pay grade RU-10, salary range $20,042 to $27,889, shall be created in the Administrative Services Division, Department of Administration, effective January 1, 2009.

IT IS FURTHER RESOLVED, that the one (1) existing part-time position of Administrative Services Technician, pay grade RU-10, salary range $10,021 to $13,945, shall be eliminated in the Administrative Services Division, Department of Administration, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.


The resolution was adopted by a vote of 6-3.

Mr. Cusick introduced the following resolution:

R. 80-2008   RESOLVED, by the Northampton County Council that one (1) new full-time position of Deputy Sealer of Weights & Measures, pay grade RU-14, salary range $24,094 to $33,524, shall be created in the Weights & Measures Division, Department of Administration, effective January 1, 2009.

IT IS FURTHER RESOLVED, that the one (1) existing part-time position of Deputy Sealer of Weights & Measures, pay grade RU-14, salary range $12,047 to $16,762, shall be eliminated in the Weights & Measures Division, Department of Administration,
effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.

The vote: Cusick, "no"; Dertinger, "yes"; Dowd, "yes"; Ferraro, "yes"; Grube, "yes"; McClure, "no"; McHale, "yes"; Neiper, "yes" and Angle, "yes".

The resolution was adopted by a vote of 7-2.

Mr. Cusick introduced the following resolution:

R. 81-2008 RESOLVED, By the Northampton County Council that the one (1) existing full-time position of Secretary I, pay grade RU-11, salary range $20,986 to $29,204, shall be eliminated in the Emergency Management Services Division, Department of Administration, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.

The vote: Cusick, "yes"; Ferraro, "yes"; Grube, "yes"; McClure, "yes"; McHale, "yes"; Neiper, "yes"; Angle, "yes"; Dertinger, "yes" and Dowd, "yes".

The resolution was adopted by a vote of 9-0.

Mr. Cusick introduced the following resolution:

R. 82-2008 RESOLVED, by the Northampton County Council that one (1) new full-time position of Chief Deputy Coroner, pay grade CS-28, salary range $48,786 to $69,378, shall be created in the Department of the Coroner, effective January 1, 2009.

IT IS FURTHER RESOLVED, that the one (1) existing part-time position of Deputy Coroner, pay grade CS-18, salary range $30,787 to $43,781, shall be eliminated in the Department of the Coroner, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.

The vote: Cusick, "yes"; Grube, "yes"; McClure, "no"; McHale, "yes"; Neiper, "yes"; Angle, "yes"; Dertinger, "yes";
Mr. Cusick introduced the following resolution:

R. 83-2008  RESOLVED, by the Northampton County Council that one (1) new full-time position of Pre-Trial Officer, pay grade CP-25, salary range $39,982 to $54,411, shall be created in the Department of Court Administration, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.


The resolution was adopted by a vote of 8-1.

Mr. Cusick introduced the following resolution:

R. 84-2008  RESOLVED, by the Northampton County Council that one (1) new full-time position of Clerical Specialist, pay grade CN-16, salary range $26,419 to $35,953, shall be created in the Department of Court Administration, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.


The resolution was adopted by a vote of 8-1.

Mr. Cusick introduced the following resolution:

R. 85-2008  RESOLVED, by the Northampton County Council that one (1) new full-time position of District Justice Technician, pay grade CN-17, salary range $27,664 to $37,648, shall be created in the Department of Court Administration, effective January 1, 2009.
Mrs. McHale asked if there were any questions or comments.

In answer to Mr. Angle’s question as to his position with regard to not adding employees, Mr. Stoffa stated he did not add any employees, but he had no control over what the Courts did.

In response to Mr. Angle’s question as to his voting against the positions, Mr. McClure advised before the budget was presented, Mr. Stoffa had informed County Council that if they added any additional positions, there would be a necessity for a tax increase. He further advised at that time, he determined that he would oppose all new positions to ensure there would be no tax increase. He noted even though there was no proposed tax increase, he did not see any reason to change his mind and start adding positions to this budget especially in light of the massive hiring that occurred during the last three budget processes.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 6-3.

Mr. Cusick introduced the following resolution:

R. 86-2008 RESOLVED, By the Northampton County Council that the one (1) existing part-time position of Community Health Nurse in the Area Agency on Aging Division of the Department of Human Services, pay grade PS-38, salary range $20,396 to $32,347, shall be eliminated, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.

Mr. Cusick asked if this was a service that a bi-County health department would eventually take on.

Mr. Ross Marcus, Director of Human Services, stated it would not, noting this position would help with the health assessments of the elderly in the hospital. He further stated
this position was never filled and they felt they could use it as a trade for a part-time position elsewhere at a later time.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 9-0.

Mr. Cusick introduced the following resolution:

R. 87-2008 RESOLVED, By the Northampton County Council that the one (1) existing full-time position of Data Analyst II in the Area Agency on Aging Division of the Department of Human Services, pay grade PS-29, salary range $26,296 to $41,705, shall be eliminated, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.


The resolution was adopted by a vote of 9-0.

Mr. Cusick introduced the following resolution:

R. 88-2008 RESOLVED, By the Northampton County Council that the one (1) existing full-time position of Aging Care Manager II, in the Area Agency on Aging Division of the Department of Human Services, pay grade PS-35, salary range $35,238 to $55,886, shall be eliminated, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.

The resolution was adopted by a vote of 9-0.

Mr. Cusick introduced the following resolution:

R. 89-2008  RESOLVED, by the Northampton County Council that one (1) new full-time position of Assistant Director of Nursing, pay grade CS-29, salary range $51,085 to $72,647, shall be created in the Gracedale Nursing Home, Department of Human Services, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.

In answer to Mr. Angle’s question as to why the County was not scaling back at Gracedale in lieu of the fact there were less people and a wing was down, Mr. Marcus advised this was a specialized position. He further advised they have significantly reduced their overtime by maintaining positions and over the last three years, have reduced their use of the nursing pool by more than $1 million.

In response to Mr. Angle’s question, Mr. Marcus stated they did not eliminate any positions due to the wing being closed, but have reduced nursing pool usage and overtime.

Mrs. Grube advised her mother and Wayne’s mother were both at Gracedale and she saw first hand the work the nurses did and how backlogged they could get.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 7-2.

Mr. Cusick introduced the following resolution:

R. 90-2008  RESOLVED, by the Northampton County Council that one (1) new part-time position of Clerical Technician II, pay grade CS-11, salary range $11,153 to $15,861, shall be created in the Gracedale Nursing Home, Department of Human
Services, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.

The vote: Cusick, "yes"; Dertinger, "yes"; Dowd, "yes"; Ferraro, "yes"; Grube, "yes"; McClure, "no"; McHale, "yes"; Neiper, "yes" and Angle, "no".

The resolution was adopted by a vote of 7-2.

Mr. Cusick introduced the following resolution:

R. 91-2008 RESOLVED, by the Northampton County Council that one (1) new full-time position of Licensed Practical Nurse, pay grade GU-9, salary range $34,696 to $42,673, shall be created in the Gracedale Nursing Home, Department of Human Services, effective January 1, 2009.

IT IS FURTHER RESOLVED, that the one (1) existing part-time position of Licensed Practical Nurse, pay grade GU-9, salary range $34,696 to $42,673, shall be eliminated in the Gracedale Nursing Home, Department of Human Services, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.

In answer to Mr. Cusick’s question, Mr. Marcus stated he did not remember if something similar was done last year. He further stated they were having difficulty filling all of the part-time positions in skilled nursing on the night shift, but would have a much better chance of filling a full time position.

As there were no further questions or comments, Mrs. McHale called for the vote.

The vote: Cusick, "yes"; Dertinger, "yes"; Dowd, "yes"; Ferraro, "yes"; Grube, "yes"; McClure, "no"; McHale, "yes"; Neiper, "yes" and Angle, "no".

The resolution was adopted by a vote of 7-2.

Mr. Cusick introduced the following resolution:

R. 92-2008 RESOLVED, by the Northampton County Council
that two (2) new full-time positions of Restorative Aide, pay
grade GU-3, salary range $23,959 to $29,439, shall be created in
the Gracedale Nursing Home, Department of Human Services,
effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.
As there were no respondents, she called for the vote.

The vote: Cusick, “yes”; Dowd, “yes”; Ferraro, “yes”; Grube, “yes”;

The resolution was adopted by a vote of 7-2.

Mr. Cusick introduced the following resolution:

R. 93-2008 RESOLVED, By the Northampton County Council
that the two (2) existing part-time positions of Patient Escort,
in the Gracedale Nursing Home, Department of Human Services, pay
grade GU-A, salary range $17,337 to $21,313, shall be
eliminated, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.
As there were no respondents, she called for the vote.

The vote: Cusick, “yes”; Ferraro, “yes”; Grube, “yes”;

The resolution was adopted by a vote of 9-0.

Mr. Cusick introduced the following resolution:

R. 94-2008 RESOLVED, by the Northampton County Council
that one (1) new full-time position of Program Specialist I, pay
grade HS-39, salary range $39,999 to $66,290, shall be created
in the Division of Mental Retardation, Department of Human
Services, effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.

In response to Mr. Angle’s question with regard to the pay
range, Mr. Marcus advised this would probably be filled
internally so if a caseworker applied with a great deal of seniority, they would be at the top of the scale whereas if a caseworker with less seniority applied, they would be at the lower end.

In answer to Mr. Angle’s question as to how it was budgeted, Mr. Marcus stated the County was receiving a grant to pay for this position, adding if it was not funded, it would not be filled.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 8-1.

2009 Salary Resolutions

Mrs. McHale advised the second item of business in approval of the 2009 budget would be to act upon the 2009 salary resolutions. She further advised the first resolution was for the part-time professional employees salaries which was a 4.5% increase.

Mrs. McHale introduced the following resolution:

R. 95-2008 RESOLVED, By the Northampton County Council that the 2009 salaries of part-time professional employees shall be as indicated on the attached pay scale.

Mrs. McHale asked if there were any questions or comments. As there were no respondents, she called for the vote.


The resolution was adopted by a vote of 6-1, with two abstentions.

Mrs. McHale stated the second resolution was for the full time employees salaries which had a 3% Cost of Living applied to
the current pay scale and increments, if applicable.

Mrs. McHale introduced the following resolution:

R. 96-2008 RESOLVED, By the Northampton County Council that a salary increment, if applicable, shall be given to all Career Service and Exempt employees, not within collective bargaining units on the effective date of this resolution, whose job classifications are within the parameters of the Northampton County Career Service and Exempt Pay Scales, respectively.

Pay increases for Bargaining Unit employees shall become effective in 2009 in accordance with the terms of any Collective Bargaining Unit Agreement in effect at present for 2009, or otherwise negotiated, and approved by County Council, prior to December 31, 2009.

This resolution shall become effective January 1, 2009.

Mrs. McHale asked if there were any questions or comments.

In response to Mr. Angle’s question as to how this would affect the Hay Study, Mrs. McHale advised based on what happened with the study, the issue may have to be reviewed.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 9-0.

Adoption of the 2009 Budget and 2009 Capital Improvements Plan
Consideration of Amendments to the Proposed 2009 Budget

Mrs. McHale advised the third step in adoption of the 2009 budget would be to consider the amendments that have been proposed to date. She further advised the amendments were a compilation of changes that have been suggested by various County Council members, as well as the County Executive, during the budget hearing process. She noted all of the amendments
were contained in a single document (see Attachment #4).

Mrs. McHale asked if there were any questions or comments.

Mr. Angle made a motion to reduce the $13 million under 2009 Bond Issue on page five to $8 million.

Mrs. Ferraro seconded the motion.

Mrs. Ferraro stated her thought was to remove the $3 million for the Gracedale Nursing Home because the Administration had indicated that project was not ready to move forward. She further stated she would remove $1.5 million from the Courthouse Window project and use the money from the Bethlehem Commerce Project for it.

Mrs. McHale advised there was no guarantee that the County would be getting the $1.5 million.

When Mr. Stoffa stated Mayor Callahan had told him that $1.5 would be coming back to the County, Mrs. McHale replied that was only anticipated and she suggested waiting until it was formalized.

In answer to Mr. McClure’s question as to what the motion actually was, Mrs. Ferraro advised she was taking $3.5 million from the paving project at Gracedale.

Mr. Dertinger stated there were a significant number of projects going on at Gracedale, most significantly was the window project which the County was using $4.3 million from the operating budget to pay for. He further stated these items were capital improvements and usually went under a bond issue.

When Mr. Angle commented the money was already identified, Mr. Dertinger advised it was recognized there were many other ongoing issues there; namely, a 20 year old roof, an ongoing chiller project, Heating, Ventilation and Air Conditioning (HVAC) work, not to mention the paving project. He further advised if the parking lot had to be done out of operating monies that would make more sense than a $4.3 million project out of operating expenses.
In response to Mr. Angle’s question, Mr. Stoffa stated he could complete the projects for $8 million.

When Mrs. Ferraro asked if that took care of everything at Gracedale, Mr. Stoffa advised one of the things they discovered during the window project was there was a mold issue.

In answer to Mrs. Ferraro’s question, Mr. Stoffa stated $8 million would get them through next year.

Mr. Dowd advised reducing the funding did not obligate County Council to do anything because it was just a line item in the budget.

In response to Mrs. McHale’s question, Mr. Angle stated the motion was that the line item for the $13 million bond issue be reduced to $8 million.

As there were no further questions or comments, Mrs. McHale called for the vote on the motion.


The motion failed by a vote of 3-6.

Mr. Dertinger advised one of the items discussed during the budget process was the hiring of a Risk Manager in the Human Resources budget. He further advised he felt that was something that should be put on hold rather than spending money on it at this time.

Mr. Dertinger made a motion to reduce the Human Resources budget by $71,000 and put it in the budgetary reserve.

Mrs. Neiper seconded the motion.

As there were no further questions or comments, Mrs. McHale called for the vote on the motion.

The motion was passed by a vote of 9-0.

Mrs. Neiper stated she planned to speak to Mr. Doran Hamann, Account Budgeting, Department of Fiscal Affairs, about adding a column during the preparation of next year’s budget that would state what was actually spent in 2008. She further stated her reasoning was if someone budgeted $40,000 for operating expenses and only spent $20,000 every year, why should they keep budgeting $40,000, noting perhaps they could bump it back to $30,000.

Mr. Angle handed out a document entitled “General Fund - Fund Balance” (see Attachment #5) because he wanted the members of County Council to look at how the budgetary reserve was handled over the last four years. He advised 200% more budgetary reserve was being used than was used in the past two years to balance this budget. Therefore, over the next two or three years, there could be tax increases of 45%. He then asked if the members of County Council wanted to pass this budget at the expense of taxpayers in years to come.

In response to Mr. Angle’s comment, Mr. Stoffa stated if the County continued the way it had been, there would have to be a tax increase.

Mr. Dertinger commented this was why he agreed with Mr. Cusick to add items to the bond because if the County was going to pay as it went for projects rather than put them in a bond, the fund balance was going to be depleted.

Mr. Angle advised when the County incurs 20 years worth of debt, the taxpayer must not only pay for the original debt, but twice the amount in interest to pay off the debt. He further advised incurring during debt bad times was not what anyone should be doing.

Mr. Dertinger stated one of the problems was that projects were constantly being put off which was costing the taxpayers substantially more in the long run.

Mrs. McHale introduced the following resolution:

R. 97-2008 RESOLVED, By the Northampton County Council
that the proposed 2009 Northampton County Budget shall be amended as indicated on the attached documents.

Mrs. McHale advised the amendments would include the deletion of $71,000 from the Department of Human Resources budget.

As there were no further questions or comments, Mrs. McHale called for the vote.

The vote: Angle, “no and it was not because there was no tax increase, but much of the money could be saved for budgetary reserve”; Neiper, “yes”; Cusick, “yes”; Dertinger, “yes”; Dowd, “yes, but abstained on the contribution to the Lehigh Valley Chamber Foundation”; Ferraro, “yes, but she was in favor of the bond”; Grube, “yes”; McClure, “yes” and McHale, “yes”.

The resolution was adopted by a vote of 8-1.

Adoption of the 2009 Northampton County Budget As Amended

Mrs. McHale stated the fourth step in the process was to adopt the 2009 budget, as amended.

Mrs. McHale introduced the following resolution:

R. 98-2008 RESOLVED, By the Northampton County Council that the following 2009 Northampton County Budgets (incorporated by reference hereto) shall be adopted, as amended, this 11th day of December 2008.

1. General Fund
2. Special Revenue Funds
3. Capital Project Funds

As there were no questions or comments, Mrs. McHale called for the vote.

The resolution was adopted by a vote of 8-1.

Adoption of the 2009 Capital Improvements Plan

Mrs. McHale advised the fifth Step in the process was to adopt the 2009 Capital Improvements Plan.

Mrs. McHale introduced the following resolution:

R. 99-2008 RESOLVED, by the Northampton County Council that, in accordance with Home Rule Charter Section 702, the 2009 Northampton County Capital Improvements Plan, as amended, (a copy incorporated by reference thereto) shall be adopted this 11th day of December 2008.

As there were no questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 8-1.

Adoption of the 2009 Real Estate Tax Millage Rate Ordinance

Mrs. McHale stated the final step in the budget amendment process was the consideration of the 2009 Millage Rate Ordinance. She further stated this ordinance was introduced by Messrs. Angle and Cusick at the County Council meeting held November 6, 2008, noting the public hearing was held at the November 20, 2008 meeting.

AN ORDINANCE PROVIDING FOR THE REAL ESTATE TAX MILLAGE RATE IN THE COUNTY OF NORTHAMPTON FOR THE YEAR 2009

IT IS HEREBY ORDAINED AND ENACTED, that the millage rate for real estate tax purposes for the year 2009 shall be set at 10.8 mills on every dollar of assessed valuation of taxable real estate or $1.08 on every $100.00 of assessed valuation.
Mrs. McHale asked if there were any questions or comments. There were no respondents. She then called for the vote.


The ordinance was adopted by a vote of 9-0.

Consideration of the Keystone Opportunity Zone (KOZ) Ordinance

Mrs. McHale advised this ordinance was introduced by Messrs. Dertinger and McClure at the meeting held November 20, 2008 and the public hearing was held at the December 4, 2008 meeting. She further advised upon conclusion of the public hearing, consideration of the ordinance was tabled due to uncertainty related to inclusion of certain Borough of Bangor properties into the KOZ ordinance. She noted in order to consider the ordinance, it was necessary to remove the ordinance from the table.

Mr. Angle made a motion to remove this ordinance from the table.

Mr. McClure seconded the motion.

Mrs. McHale called for the vote on the motion.


The motion was passed by a vote of 9-0.

Mrs. McHale stated the following ordinance was removed from the table:

AN ORDINANCE CONTINGENTLY EXEMPTING REAL PROPERTY TAX, EARNED INCOME TAX, NET PROFITS TAX, MERCANTILE AND BUSINESS PRIVILEGE TAX WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE COUNTY OF NORTHAMPTON, PENNSYLVANIA,
DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF NORTHAMPTON COUNTY, COMMONWEALTH OF PENNSYLVANIA

WHEREAS, the County of Northampton, Pennsylvania recognizes the need to encourage investment in areas within a defined geographical and political boundary of the County of Northampton located in the Borough of Bangor, the Borough of Portland and the Borough of Northampton, bounded as follows as set forth in Attachments Bangor "A" and "B"; Portland "A"; Northampton "A" (copies of which are attached hereto) that are experiencing distress characterized by high unemployment, low investment of new capital, blighted conditions, and underutilized, obsolete or abandoned industrial, commercial and residential structures and deteriorated tax base; and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act P.L. 705, No. 92, hereinafter referred to as the "Act," authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for designation of an area within the respective political subdivision as a Keystone Opportunity Expansion Zone and, as a precondition of such application to enact a resolution/ordinance which provides within a designated and approved Keystone Opportunity Expansion Zone exemptions, deductions, abatements or credits from all local taxes identified in the Act, which resolution/ordinance will be contingent only upon DCED's approval of the application; and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act P.L. 705, No. 92, hereinafter referred to as the "Act," authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for an expansion of up to 15 acres of deteriorated property to an existing Keystone Opportunity Expansion Zone, Keystone Opportunity Improvement Zone or a Subzone of a Keystone Opportunity Zone for parcels that are contiguous to an existing zone or subzone; and
WHEREAS, enactment of such exemption will result in improving both the economic, physical, and social conditions within the Proposed Keystone Opportunity Expansion Zone by stimulating existing businesses' employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight within the Proposed Keystone Opportunity Expansion Zone by December 31, 2010 being the exemption period the Act provides; and

WHEREAS, the County of Northampton is participating in an application to DCED via the Lehigh Valley Economic Development Corporation seeking approval of the Proposed Keystone Opportunity Expansion Zone.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the County Council of, Northampton County that effective as of January 1, 2009, contingent only upon DCED's approval of the application for the Proposed Keystone Opportunity Zones, the following provisions shall apply:

1. Real Property Tax in each of the Proposed Keystone Opportunity Expansion Zones is exempt in accordance with the provisions and limitations hereinafter set forth within the boundaries of the Proposed Keystone Opportunity Expansion Zone in accordance with the Act, such exemption to run from January 1, 2001 to December 31, 2010.

2. The exemption shall be 100% of the real property taxation on the assessed evaluation of property within each of the Proposed Keystone Opportunity Expansion Zones.

3. Earned Income and Net Profits Taxes. The County of Northampton also waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and/or net profits of a qualified business received by a resident or nonresident of each of the Proposed Keystone Opportunity Expansion Zones attributable to business activity conducted within the Proposed Keystone Opportunity Expansion Zones to the exemption date of December

4. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Ordinance by reference.

5. This ordinance shall become effective immediately upon January 1, 2009, contingent and conditioned upon the approval of DCED of the application with respect to each of the Proposed Keystone Opportunity Expansion Zones.

Mrs. McHale advised there were several amendments to this ordinance which had to be considered. She further advised the first resolution to be considered was an amendment to ATTACHMENT Northampton “A”. She then introduced the following resolution:

R. 100-2008 RESOLVED, by the Northampton County Council that ATTACHMENT Northampton “A” of Bill No. 548 of 2008, the ordinance titled, “AN ORDINANCE CONTINGENTLY EXEMPTING REAL PROPERTY TAX, EARNED INCOME TAX, NET PROFITS TAX, MERCANTILE AND BUSINESS PRIVILEGE TAX WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE COUNTY OF NORTHAMPTON, PENNSYLVANIA, DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF NORTHAMPTON COUNTY, COMMONWEALTH OF PENNSYLVANIA”, shall be amended as indicated hereafter:

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Property I.D.</th>
<th>Acreage</th>
<th>% of Parcel in Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northampton Borough</td>
<td>Southeast corner of and a</td>
<td>Approx.</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Portion of L4-12-5D-0522</td>
<td>3.5</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Contingent upon a successful subdivision of the current parcel.**

In answer to Mr. McClure’s question, Mr. Martino stated this amendment was sufficient.
As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 8-1.

Mr. Angle advised the references to ATTACHMENT BANGOR “A”, which referred to the Trust Building, should be deleted because the school district did not feel that was beneficial to this. He noted that issue was addressed in his first resolution amending this ordinance.

Mr. Angle stated he also wanted to add the terms that were agreed upon by the school district, which were addressed in his second resolution.

Mr. Angle introduced the following two resolutions:

R. 101-2008  RESOLVED, by the Northampton County Council that Bill No. 548 of 2008, the ordinance titled, “AN ORDINANCE CONTINGENTLY EXEMPTING REAL PROPERTY TAX, EARNED INCOME TAX, NET PROFITS TAX, MERCANTILE AND BUSINESS PRIVILEGE TAX WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE COUNTY OF NORTHAMPTON, PENNSYLVANIA, DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF NORTHAMPTON COUNTY, COMMONWEALTH OF PENNSYLVANIA”, shall be amended so as to delete all references to ATTACHMENT BANGOR “A.”

R. 102-2008  RESOLVED, by the Northampton County Council that Bill No. 548 of 2008, the ordinance titled, “AN ORDINANCE CONTINGENTLY EXEMPTING REAL PROPERTY TAX, EARNED INCOME TAX, NET PROFITS TAX, MERCANTILE AND BUSINESS PRIVILEGE TAX WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE COUNTY OF NORTHAMPTON, PENNSYLVANIA, DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF NORTHAMPTON COUNTY, COMMONWEALTH OF PENNSYLVANIA,” shall be amended to add the following paragraph.
6. The approval of the parcels located in the Borough of Bangor shall be contingent upon receipt of a written and legally binding agreement, from the owners of the respective properties, which stipulates that the property owner will pay to the County of Northampton a payment in lieu of taxes an amount of money that equates to the County real estate taxes due and payable on each respective property contained in the Bangor KOZ for each year they are part of the Bangor KOZ.

Mrs. McHale asked if there were any questions or comments. There were no respondents. She then called for the votes on the two resolutions.


The resolutions were adopted by a vote of 8-1.

Mrs. McHale called for the vote on the following amended ordinance:

AN ORDINANCE CONTINGENTLY EXEMPTING REAL PROPERTY TAX, EARNED INCOME TAX, NET PROFITS TAX, MERCANTILE AND BUSINESS PRIVILEGE TAX WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE COUNTY OF NORTHAMPTON, PENNSYLVANIA, DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF NORTHAMPTON COUNTY, COMMONWEALTH OF PENNSYLVANIA

WHEREAS, the County of Northampton, Pennsylvania recognizes the need to encourage investment in areas within a defined geographical and political boundary of the County of Northampton located in the Borough of Bangor, the Borough of Portland and the Borough of Northampton, bounded as follows as set forth in Attachments Bangor "B"; Portland "A"; Northampton "A"(copies of which are attached hereto) that are experiencing distress
characterized by high unemployment, low investment of new capital, blighted conditions, and underutilized, obsolete or abandoned industrial, commercial and residential structures and deteriorated tax base; and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act P.L. 705, No. 92, hereinafter referred to as the "Act," authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for designation of an area within the respective political subdivision as a Keystone Opportunity Expansion Zone and, as a precondition of such application to enact a resolution/ordinance which provides within a designated and approved Keystone Opportunity Expansion Zone exemptions, deductions, abatements or credits from all local taxes identified in the Act, which resolution/ordinance will be contingent only upon DCED's approval of the application; and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act P.L. 705, No. 92, hereinafter referred to as the "Act," authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for an expansion of up to 15 acres of deteriorated property to an existing Keystone Opportunity Expansion Zone, Keystone Opportunity Improvement Zone or a Subzone of a Keystone Opportunity Zone for parcels that are contiguous to an existing zone or subzone; and

WHEREAS, enactment of such exemption will result in improving both the economic, physical, and social conditions within the Proposed Keystone Opportunity Expansion Zone by stimulating existing businesses' employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight within the Proposed Keystone Opportunity Expansion Zone by December 31, 2010 being the exemption period the Act provides; and

WHEREAS, the County of Northampton is participating in an application to DCED via the Lehigh Valley Economic Development Corporation seeking approval of the Proposed Keystone
Opportunity Expansion Zone.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the County Council of, Northampton County that effective as of January 1, 2009, contingent only upon DCED's approval of the application for the Proposed Keystone Opportunity Zones, the following provisions shall apply:

1. Real Property Tax in each of the Proposed Keystone Opportunity Expansion Zones is exempt in accordance with the provisions and limitations hereinafter set forth within the boundaries of the Proposed Keystone Opportunity Expansion Zone in accordance with the Act, such exemption to run from January 1, 2001 to December 31, 2010.

2. The exemption shall be 100% of the real property taxation on the assessed evaluation of property within each of the Proposed Keystone Opportunity Expansion Zones.

3. Earned Income and Net Profits Taxes. The County of Northampton also waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and/or net profits of a qualified business received by a resident or nonresident of each of the Proposed Keystone Opportunity Expansion Zones attributable to business activity conducted within the Proposed Keystone Opportunity Expansion Zones to the exemption date of December 31, 2010.

4. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Ordinance by reference.

5. This ordinance shall become effective immediately upon January 1, 2009, contingent and conditioned upon the approval of DCED of the application with respect to each of the Proposed Keystone Opportunity Expansion Zones.

6. The approval of the parcels located in the Borough of Bangor shall be contingent upon receipt of a written and legally binding agreement, from the owners of the respective properties, which stipulates that the property owner will pay to the County of Northampton a payment in lieu of taxes an amount of money
that equates to the County real estate taxes due and payable on each respective property contained in the Bangor KOZ for each year they are part of the Bangor KOZ.


The amended ordinance was adopted by a vote of 8-1.

Consideration of the 2008 Hotel Tax Allocation Resolution

Mrs. McHale advised the County received an additional $35,000 in Hotel Room Rental Tax revenue, therefore, she was requesting that money be dispersed to ArtsQuest and the State Theatre. She then introduced the following resolution:

R. 103-2008 WHEREAS, on November 20, 2008, the ordinance titled, “AN ORDINANCE AMENDING THE 2008 NORTHAMPTON COUNTY BUDGET: DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT: SOLID WASTE, HOTEL ROOM RENTAL TAX, COMMUNITY DEVELOPMENT GRANT, PASS THROUGH GRANTS; DEPARTMENT OF FISCAL AFFAIRS: REVENUE, BALANCING OF BUDGET; DEPARTMENT OF ADMINISTRATION: CONSERVATION DIRT & GRAVEL ROAD; SHERIFF; CORONER; PUBLIC DEFENDER; COURT OF COMMON PLEAS: DOMESTIC RELATIONS, JUVENILE JUSTICE CENTER; DEPARTMENT OF HUMAN SERVICES: PASS THROUGH GRANTS, HOMELESS ASSISTANCE, DEVELOPMENT FUND, BLOCK GRANTS, CHILDREN, YOUTH & FAMILIES, AREA AGENCY ON AGING, HEALTHCHOICES, MENTAL HEALTH, DEVELOPMENT PROGRAMS, DRUG & ALCOHOL; CAPITAL PROJECTS: COURTHOUSE, PRISON EXPANSION, GRACEDALE RENOVATIONS, COUNTY PARK PRESERVATION, ECONOMIC DEVELOPMENT AND COURTHOUSE,” was enacted; and

WHEREAS, the ordinance appropriated $35,000 in additional Hotel Room Rental Tax revenues.

NOW, THEREFORE, BE IT RESOLVED, By the Northampton County Council that $35,000 in Hotel Room Rental Tax revenues shall be transferred from account Future Block Grants Account #30801-7299 as follows: $17,500 to ArtsQuest account #30801-72670 and $17,500 to State Theatre account #308012-72730.
In response to Mr. Angle’s question as to whether he agreed that hotel stays were down, Mr. Hamann stated all the indications received through October were on target. He further stated they have not received November’s figures, so he could not comment on them, but there could be a slight drop.

Mr. Cusick advised the Sands Hotel that was going to be built adjacent to the casino was not currently in the Convention and Visitors Bureau budget.

In answer to Mr. Angle’s question, Mr. Hamann stated they did not factor the Sands Hotel into the 2009 budget.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 8-1 for ArtsQuest and 7-2 for the State Theatre.

Consideration of the 2009 County Council Meeting Schedule Resolution

Mrs. McHale advised this resolution maintained the current first and third Thursday meeting schedule, with the exceptions so noted for the months of January and July. She further advised it included a special meeting with the Lehigh County Commissioners at which time the two legislative bodies would convene as the Joint Northampton-Lehigh Health Commission to perform the necessary duties stipulated by the Local health Administration Law. § 12006.

Mrs. McHale introduced the following resolution:

R. 104-2008 RESOLVED, by the Northampton County Council that the regular schedule of meetings for the year 2009, shall be conducted on the first and third Thursday of each respective month, beginning at 6:30 p.m., prevailing time, in the third floor meeting room, room #3116, Northampton County Courthouse, 669 Washington Street, Easton, Pennsylvania, with the following
exceptions: A. For the month of January 2009, County Council will be meeting as follows: (1) In accordance with Northampton County Home Rule Charter Section 206(a), the Northampton County Council organizational meeting will be held on Monday, January 5, 2009, and will begin at 6:30 p.m., prevailing time, in the third floor meeting room, room #3116, Northampton County Courthouse, 669 Washington Street, Easton, Pennsylvania.; (2) The meeting that would normally be held on January 1, 2009 is canceled. and (3) A second meeting of the Northampton County Council will be held on January 15, 2009, beginning at 6:30 p.m., prevailing time, in the third floor meeting room, room #3116, Northampton County Courthouse, 669 Washington Street, Easton, Pennsylvania. and B. For the month of July 2009, the meetings that would normally be held July 2 and 16, 2009 are canceled. The meetings for the month of July 2009 will be held July 9 and 23, 2009, both commencing at 6:30 p.m., prevailing time, in the third floor meeting room, room #3116, Northampton County Courthouse, 669 Washington Street, Easton, Pennsylvania.

IT IS FURTHER RESOLVED, By the Northampton County Council that a special joint meeting will be held in conjunction with the Lehigh County Commissioners on January 12, 2009, commencing at 6:30 p.m., in the third floor meeting room, room #3116, Northampton County Courthouse, 669 Washington Street, Easton, Pennsylvania. The purpose of this meeting will be to convene a meeting of the Joint Northampton-Lehigh Health Commission for the purpose of exercising the powers and duties conferred upon the Joint Northampton-Lehigh Health Commission by the Local Health Administration Law, Act 315, August 24, 1951, P.L. 1304, 16 P.S. § 12001, et seq.

In response to Mr. Dertinger’s question, Mr. Flisser stated the December meetings would be addressed at a later time.

As there were no further questions or comments, Mrs. McHale called for the vote.


The resolution was adopted by a vote of 9-0.
Ag Extension Liaison Report

Mr. Cusick stated the Ag Extension planned to hold their meetings during the day which would make it impossible for him to attend. Therefore, he encouraged a member of County Council who did not work during the day to consider the Ag Extension liaison next year.

Council’s Clerk’s Report

Mr. Flisser wished everyone a Merry Christmas and hoped everyone got what they deserved.

Council Solicitor’s Report

Mr. Martino provided a copy of his Solicitor’s Report for this meeting (see Attachment #6).

Based upon the comments by Mr. Pfenning, Mr. Martino advised he had provided a memorandum with regard to the entity that would administer the gaming revenues. He further advised he would review the plans submitted by the municipalities to see the manner in which the revenues should actually be distributed.

Mrs. Ferraro stated she would like to know if a separate authority was formed would it be an economic development authority, what would their economic development role be and how they would be funded.

Adjournment

Mrs. Neiper made a motion to adjourn.

Mr. Cusick seconded the motion.

The motion passed by acclamation.
Frank E. Flisser
Clerk to Council