Easton, Pennsylvania                           February 19, 2009

A regular meeting of the Northampton County Council was held on the above date with the following present: Ann McHale, President; J. Michael Dowd, Vice President; Ron Angle; Joseph H. Capozzolo; John Cusick; Charles M. Dertinger; 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. Ferraro led County Council in the pledge of allegiance.

Approval of the Minutes

Mr. Dowd made the following motion:

Be It Moved By the Northampton County Council that the minutes of the February 5, 2009 meeting shall be approved.

Mrs. Ferraro seconded the motion.

The motion was adopted by voice acclamation.

Courtesy of the Floor

Mr. Thomas M. Kovalchik, 2160 Washington Avenue, Northampton, PA - stated he read that Councilman Angle made a comment that taxes had to be raised for Human Services because people were hurting, however, he knew from first hand experiences that raising taxes did not relieve the suffering. He further stated he had been a client of Northampton County Human Services for the past three years and estimated he had cost taxpayers $30,000, but was still suffering. In fact, he was probably worse off now than if he had never contacted
Northampton County Human Services.

Mr. Kovalchik advised he not only felt it was right that taxes were not raised, but from the waste he saw, the Human Services budget could have been cut. He further advised his first Intense Case Manager Jim Gregory visited his house occasionally, but really did not do much to help him.

Mr. Kovalchik advised after about two and half years after he contacted Human Services and asked for help, he was informed by Mr. Gregory that they were going to discontinue services. He further advised his response was it was not like he was refusing help, he was not given any. He asked how services could no longer be required when his condition was not stable and, in fact, he was suffering more and becoming more discouraged.

Mrs. McHale stated Mr. Ross Marcus, the Director of Human Services, was present and suggested they both go in the hallway to further discuss the situation.

Mr. Robert Pfenning, 2830 Linden Street, Bethlehem, PA - advised in two weeks another ordinance was going to be considered dealing with the gaming authority. In preparation for that, he thought he would provide some points for County Council to consider during that time.

Mr. Pfenning stated Section D1 of the law was written specifically by the State Senators from Northampton and Lehigh Counties and applies specifically to those two counties. He further stated Section D1 created the revenue sharing concept and it indicated that the continuous municipalities should receive priority for the municipal grants. He noted, however, that the definition of priority in the dictionary, did not include a fixed percentage.

Mr. Pfenning remarked if Section D1 was the only section of the law that applied to the situation, then the proposal presented by some of the continuous municipalities would have some merit because it was simple, almost administratively cost free and non-political. However, Section V existed in the law and that was the section of the law that specified who received the grants, who made the grants and what the grants should be for. He further noted County Council recognized that Section V existed was germane because they passed a redevelopment authority ordinance and four of the five continuous municipalities mimicked Section V in their resolutions.
Mr. Pfenning advised as the County went about creating and dealing with this new authority, he agreed with Mr. McClure that it had to be a completely independent authority. He further advised he hoped things were done to set out what the goals and objectives were for this authority because if it failed to be controlled then the County would have to deal with the costs of it failing to act within the law. Therefore, he would like to see legislation that would better define what the constraints were for the authority.

Mr. Pfenning stated he was interested in this issue because he firmly believed that public funds should be used for their stated public purpose. He further stated the judges had stated these were impact fees and everyone agreed the County would be impacted from the advent of the casino.

Mr. Pfenning advised he was a little concerned that the continuous municipalities were reluctant to justify why they should get grant money based on impact. He further advised he understood they were concerned about the cost of justifying them, but he believed these costs could be recovered as an administrative cost of the grant.

Mr. Pfenning stated two of the continuous municipalities, Lower Saucon Township and Hellertown applied for legal enforcement grants under another part of Act 71. He noted Lower Saucon Township got $20,000 and the Borough of Hellertown got a little more than $40,000 and he wondered how much they had to spend to get those grants.

Mr. Pfenning advised he remained totally unconvinced that the impact of this casino would fall equally on the five continuous municipalities. Therefore, their proposal did not make any sense because they were not dealing with geographical entitlements, but impact dollars.

In conclusion, Mr. Pfenning stated he hoped County Council would make sure that the public funds would be used for their stated public purpose.

Mr. Angle advised he believed the municipalities saw this money as a windfall, but it was very clear that they had to apply to get the money and show their request was a result of the gambling.
Ms. Lisa Nesbitt, 4201 Bethman Road, Easton, PA - stated she was the Executive Director of the Northampton County Assistance Office and was being considered for an appointment to the Lehigh Valley Workforce Investment Board. She further stated it was a pleasure to meet everyone and it would be an honor to serve.

Mr. Russell Kuchta, 6565 Sauterne Drive, Macungie, PA - advised he worked at HomeStar Pharmacy at St. Luke’s, Bethlehem, who was not considered for the bid process to be Northampton County’s contracted pharmacy. He further advised he was aware that at the last meeting, Continuing Care RX was selected, but not approved and was being reconsidered this evening.

Mr. Kuchta stated he wanted to present some concerns with regard to Continuing Care RX before County Council made their decision. He further stated Continuing Care RX’s automation system, called Continuing Care Express, was not a proven system and did not work so they were selling something that they did not actually have.

Mr. Kuchta advised part owner of Continuing Care RX Pharmacy, Presbyterian Homes, Inc., owned approximately twenty nursing homes and because of service medical record issues and errors, they no longer used Continuing Care RX as their provider for pharmacy services. Therefore, he wondered if their references had been checked.

Mr. Kuchta stated the majority owner was an investment banker called Thoma Cressey Equity Partner and according to their website, they looked to retain investments for about three to seven years. He further stated Continuing Care RX was at the end of that investment so he wondered why the County would be selecting someone for a five year term that was at the end of the investment to build their value so it could be sold.

In response to Mr. Kuchta’s question as to why this matter was tabled at the last meeting, Mrs. McHale advised she indicated she had some concerns over a new company coming in and being awarded a five year contract. She further advised Mr. Angle also felt this could be a problem so he made a motion to table it and her colleagues agreed.

Mr. Kuchta read a statement made by the CEO and President
of Continuing Care RX which appeared on the Thoma Cressey website. It stated, “Cressey and company is a great equity and business partner for Continuing Care RX given its deep knowledge of health care industry, specific institutional pharmacy experience and thorough understanding of our business. Working with Cressey and company has enabled us to accelerate our growth while maintaining our high level of service”. However, if you look further in the article, they maintained that they basically build and then sell, therefore, does the County want to make an investment and change all the systems for patients if they were going to be changing the pharmacy system in a year or two whenever they were sold to another competitor.

Mr. Angle advised Mr. Kuchta had some good arguments, but that was not one of them because businesses are sold every day of the week and companies just assume the contracts that were previously entered into.

In answer to Mr. Angle’s question, Mr. Kuchta stated they never had a chance to present their system. He further stated they were never told why and they were part of St. Luke’s which was the biggest health care employer in Northampton County.

Mr. Dominick DeSarro, 4638 Virginia Drive, Bethlehem, PA - advised he was the Administrator of HomeStar Medical Equipment and Pharmacy Services and has been in the business for a number of years, noting prior to being employed by St. Luke’s, he was employed by Continuing Care RX. He further advised they were one of ten entities that submitted bids for the pharmacy services at Gracedale.

Mr. DeSarro stated he had called a number of times asking for the status of their application so they could make their presentation, however, they were never given that opportunity. He further stated he could not understand that because they were minutes away from the facility and were able to provide the same, if not better, service than the company the County was about to select.

Mr. DeSarro advised as they were not given the opportunity to make their presentation nor provided any explanation, he was left to wonder what happened and he hoped someone could answer that question.

Mr. Willie Meila, 745 Linden Street, Bethlehem, PA - stated
he represented Hess Pharmacy and was successful in being able to give his presentation to the committee. He further stated he was here because he also learned the matter was tabled and would be discussed again tonight.

Mr. Meila advised it was brought up during his meeting with the committee that the firm currently handling the Gracedale account was not being considered again not only because of their service, but because they were moving their offices back to Harrisburg.

Mr. Meila stated he also called about the status of his application and was told that it was on hold and no information would be given until the award had been executed. He further stated he was shocked when he learned the contract was going to Continuing Care RX and did not understand why the County did not select a local company to provide those services.

Presentation of Shiloh Baptist Church

Mrs. McHale advised representatives of the Shiloh Baptist Church asked for an opportunity to make a presentation to County Council at this meeting.

Mr. Kirk Hillman provided a handout entitled, “Nehemiah House Vision Statement” (see Attachment #1).

Mrs. McHale stated she had seen their presentation at a Prison Advisory Board meeting and provided a letter of support from its members (see Attachment #2) for this endeavor.

Mr. Hillman advised they have received unanimous approval from the City of Easton and variances for converting a building on Canal Street, which would be the future home of Nehemiah House. He further advised they were looking for some assistance from County Council for a portion of the building and grounds costs.

Mr. Hillman then introduced Ms. Andrea McEwen Henderson, the Program Developer, who would discuss the program further.

Ms. McEwen-Henderson stated she had been working on the
Ms. McEwen-Henderson advised their Vision Statement indicated it would be a faith-based, transitional residential housing program that would facilitate the progressive re-entry into the community of the recovering addict and alcoholic. She further advised during her discussions with Mr. Buskirk and Ms. Carr, she found that the number one need was transitional housing because what normally happened was people would come out of prison or treatment and go right back into their communities without any type of affected change which resulted in them returning back to prison or treatment costing the taxpayers more money. She noted they envisioned Nehemiah House to be a structured supported addictive free environment that would build the whole person.

Ms. McEwen-Henderson stated the program itself was a six month minimum commitment, residential program for males 18 years of age and older. She further stated they would work and live as a family and were expected to have certain goals that they would monitor. She noted it was a self-supporting house so they would have to pay rent and utilities, do housework, attend outpatient counseling, meetings and be willing to participate in a spiritually based recovery program.

Ms. McEwen-Henderson advised the program itself was going to have a number of different layers to ensure the support and success of the individuals, as well as a corporate and program administration oversight. She further advised there was going to be a House Manager, a Resident Manager and each individual would have a support team to make sure they were meeting their banking, employment, recovery and spiritual requirements, which would be reviewed on a weekly basis.

Ms. McEwen-Henderson stated the success of the program would be based on if a resident was able to maintain their goals of remaining alcohol and drug free; attending outpatient counseling, if necessary; job stability and practiced money management skills. She further stated at the end of the six month period, their hope was that person would have a firm foundation so when they go home or transition back into their
In response to Mrs. McHale’s question at to what their financial request was, Mr. Hillman advised the total estimate was $295,000 and they were looking for any consideration to move the project forward, noting they were also looking at other areas for funding.

In answer to Mr. Angle’s question, Ms. McEwen-Henderson stated the Prison had already committed to providing labor.

Mr. Dowd asked, assuming they found the capital dollars to put the project together, where were the long term program dollars going to come from.

Mr. Hillman advised the house itself was going to be self-sufficient, but they were trying to make it ecumenical and not just a Shiloh project. He further advised they were in the process of writing for grants and hoping the other churches they were asking to come on board in partnership would do the same thing. Additionally, they planned to ask for donations from the community and members of the congregations.

Mr. Angle made a motion that County Council make a commitment of $50,000 from Council’s Contingency Fund, but the $50,000 would be given at the end after they raised the $245,000.

Mrs. McHale seconded the motion.

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


The motion passed by a vote of 8-1.

Confirmation of Appointments

Mrs. McHale stated the Personnel Committee met on Wednesday, February 18, 2009, to consider appointments to the Open Space Advisory Board, the Lehigh Valley Planning Commission
Mr. Cusick introduced the following resolution:

**R. 9-2009** RESOLVED, by the Northampton County Council that the following individuals shall be confirmed in their re-appointments as indicated hereafter:

**OPEN SPACE ADVISORY BOARD**

Re-appointments: Terms to Expire: 3/18/11
Judith Henckel
1752 Robin Hood Road
Mount Bethel, PA 18343

Pamela Denise Kistler
49 Applewood Drive West
Easton, PA 18045-5835

Isidore C. Mineo
70 Ballek Road
Riegelsville, PA 18077

Mark S. Mitman
703 Overlook Drive
Bethlehem, PA 18017

R. Michael Topping
734 Fire Lane
Bethlehem, PA 18015

Helene M. Whitaker
V.P. for Administrative Affairs
Northampton Community College
3835 Green Pond Road
Bethlehem, PA 18020-7599

**LEHIGH VALLEY PLANNING COMMISSION**

Appointment: Term to Expire: 12/31/12
(Citizens)
Mr. Angle made a motion to approve the appointments/re-appointments by acclamation.

Mr. Dowd seconded the motion.

As there were no objections, the resolution was adopted by voice acclamation.

Consideration of the Appointment of a Solicitor to the Northampton County Council

Mrs. McHale advised at the February 5, 2009 County Council meeting, this matter was considered, but subsequently tabled until such time as all members could be present to vote on the appointment. She further advised for this matter to be considered, it must be removed from the table.
Mr. Dertinger made a motion to remove the resolution from the table for consideration.

Mr. Dowd seconded the motion.

The motion was approved by voice acclamation.

Mrs. Neiper introduced the following resolution:

RESOLVED, By the Northampton County Council that Attorney Christian Perrucci shall be confirmed as Solicitor to the Northampton County Council, at the annualized salary of $49,141, effective February 19, 2009.

Mr. Dertinger seconded the nomination.

Mrs. Neiper stated Mr. Martino was a good person and obviously a good attorney, however, she felt County Council needed to step away from his firm as Judge Leonard Zito was running for judge and there could be some questions and/or possible conflict of interests in the future.

Mr. Capozzolo advised he reviewed the applications of the four candidates and he felt County Council was very lucky to have such qualified candidates from which to choose. However, he felt Mr. Martino would help County Council move forward as quickly as possible and introduced the following resolution:

R.10-2009 RESOLVED, By the Northampton County Council that Anthony J. Martino shall be confirmed as Solicitor to the Northampton County Council, at the annualized salary of $49,141, effective February 19, 2009.

Mr. Angle seconded the nomination.

Mr. Dertinger stated in the past this selection had been done by the President of County Council, therefore, he wondered who Mrs. McHale planned to support.

Mrs. McHale replied that she planned to support Attorney Perrucci.

Mr. Angle advised he did not quite understand Mrs. Neiper's reasoning, but he was going to vote for Mr. Martino because he was not only very capable, but he felt County Council had
humiliated Mr. Martino enough and owed him the solicitorship.

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


The resolution for Mr. Martino was adopted by a vote of 5-4.

Consideration of the Administrative Code Article XIII Contract Approval Resolution – Continuing Care RX

Mrs. McHale stated the resolution was introduced at the February 5, 2009 County Council meeting, at which time Mr. Angle made a motion to table it until such time as the County Council Solicitor could review the legality of County Council adopting it or not adopting it, provide an opportunity for him to determine if the period of the contract could be shortened and to provide County Council with more information with regard to the company. She then asked if there was a motion to remove this resolution from the table for consideration.

Mr. Angle made a motion to remove the resolution from the table.

Mrs. McHale seconded the motion.

The motion was passed by voice acclamation and the following resolution was removed from the table:

WHEREAS, Northampton County Administrative Code Article XIII Procurement and Disposition of County Property, Section 13.16 Contracts and Agreements c.(1) requires approval of County Council for “...any contract exceeding $100,000, which was awarded using the Competitive Negotiation, Negotiation After Competitive Sealed Bidding, and Non-Competitive Negotiation source selection methods. For contracts with renewal clauses, the entire potential payout if all renewal clauses are exercised under the terms of the contract must be considered when
**WHEREAS**, on January 28, 2009, the Northampton County Council received a request on behalf of the County Executive for County Council to adopt a resolution endorsing a contract, in the estimated amount of $4,350,000.00, with Continuing Care RX for pharmacy services at Gracedale, Northampton County Department of Human Services.

**NOW, THEREFORE, BE IT RESOLVED** that the Northampton County Council does hereby concur with the recommendation of the County Executive, as set forth in the attached documentation, to award a contract to Continuing Care RX for pharmacy services at Gracedale, Northampton County Department of Human Services.

Mr. Marcus advised he did not participate in the interviews, however, there were approximately four Gracedale staff members, a representative from ACS and a representative from the purchasing office. He further advised that he would try to address some of the issues that have been raised.

Regarding the software that was referred to earlier, Mr. Marcus stated that software was optional and the County would not be using it. He noted they would be using a software the County already had called Answers on Demand and Continuing Care RX had assured the County that they would be able to interface with this software.

In response to Mr. Angle’s question as to how many proposals they received, Mr. Marcus advised they received eight and four of them made a presentation.

In answer to Mr. Angle’s question as to how they arrived at only allowing four to make a presentation, Mr. Marvin Granda, Administrator, Gracedale Nursing Home, stated they reviewed the bid documents, made reference checks and from those evaluations, they narrowed it down to four.

In response to Mr. Angle’s question as to what were the reasons behind the four not making a presentation, Mr. Granda advised it came down to experience in Pennsylvania, experience in long term care, cost and overall the understanding of what the County’s bid specifications were and how they responded to them.
In answer to Mr. Angle’s question as to whether the successful bidder was the lowest bidder, Mr. Granda stated they were, however, their decision was not based on that alone.

In response to Mrs. McHale’s question as to whether he was aware of any mergers by Continuing Care RX, Mr. Granda advised he was not aware of their future plans, but in the pharmacy area, there were always takeovers.

In answer to Mrs. McHale’s question as to whether points were given if a vendor was local versus non-local, Mr. Granda stated they did get extra points, but they also considered proximity for the delivery of the medications.

In response to Mrs. Ferraro’s question as to what the Procurement Office’s involvement was, Mr. Granda advised they helped to write the bid specification requirements, attended all the interviews, provided their input and helped in the selection.

In answer to Mr. McClure’s question as to what the difference was with regard to the contract price between the successful bidder and the next bidder, Mr. Granda stated it was less than $20,000, noting all the prices were very similar.

Mr. Dertinger advised the County had spent a lot of time, effort and money on economic development for Northampton County and not giving the contract to someone local was almost counter to what it was trying to do. He further advised it concerned him that it was going to a company outside the County from a very parochial standpoint and County Council still did not have more information with regard to the company they were being asked to approve.

Mr. Dowd stated he did not have a problem being parochial because that was part of the job he was supposed to do, but it seemed there were two local providers, one of which was one of the largest health providers in the County, so they must have the capability to provide the service. He further stated there were all kinds of costs and one of the costs that should be part of this was the opportunity to keep local people employed and generate local jobs.
Mr. McClure asked other than cost, what were the advantages that the successful bidder had over the local firms that submitted bids.

Mr. Granda advised their priority was to make sure his staff would feel comfortable that they could come in and take over the transition and take care of their residents.

In response to Mr. McClure’s question, Mr. Granda agreed they did not interview all the bidders. He stated they reviewed the specifications to determine if they would be able to provide the services when they wanted them, how many deliveries there were going to be, what type of emergency back up system they had, among other things. He further stated they coupled that with their reference checks to see how well or what experience they had in long term care in Pennsylvania specifically.

Mrs. Neiper advised a committee comprised of the individuals who were involved in this type of work was set up to go through all the documents and make a recommendation. Therefore, she felt it would set a bad precedent to then second guess their recommendation. She further advised she agreed it was important to pour money into the local economy, but she could not remember that ever being a pre-requisite to awarding contracts and was it right to award a contract to a firm just because they were local.

In answer to Mr. Angle’s question as to whether this was a Request for Proposals or a Request for Bids, Mr. Granda replied it was a Request for Proposals.

Mr. Angle made a motion that County Council table this resolution again and he would like Mr. Granda to go back to St. Luke’s to see if they would match the price of the other people and see if his people had the same comfort level.

Mr. Dowd seconded the motion.

In response to Mrs. Neiper’s question as to whether there would be a problem with pharmacy deliveries at Gracedale, Mr. Marcus indicated they would have to extend the current contract.

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

The vote: Angle, “yes”; Capozzolo, “yes”; Cusick, “no”;
Dertinger, “yes, but he would like it extended to the other local entities, not just St. Luke’s”...

After some discussion, Mr. Angle’s motion and Mr. Dowd’s second were withdrawn because Mr. Angle indicated he did not mind including Mr. Dertinger’s request in his motion.

Mr. McClure recommended that County Council defeat the current motion so that Mr. Angle could make another motion.

Messrs. Dertinger, Angle and Capozzolo changed their votes to no.

The vote then continued: Dowd, “no”; Ferraro, “no”; McClure, “no”; McHale, “no” and Neiper, “no”.

The motion to table failed by a vote of 0-9.

Mr. Angle made a motion to table this resolution and instruct the Administration to go back and take a look at the applicants that were from within Northampton County to determine if any of those were qualified and would be willing to provide the services at the same price as the previous low bidder.

Mr. Dowd seconded the vote.

Mrs. McHale called for the vote.


The motion to table was passed by a vote of 6-3.

In answer to Mr. Marcus’ question as to whether they would be allowed to determine the definitions of qualified, Mr. Angle stated they would have to tell County Council why a firm was being disqualified.

Introduction of the Ordinance Providing for the Creation of the Northampton County Gaming Revenue and Economic Redevelopment Authority
Mrs. McHale advised she asked Messrs. McClure and Capozzolo to introduce the following ordinance, noting the public hearing, debate, and possible vote would be scheduled for the March 5, 2009 County Council meeting.

AN ORDINANCE ADOPTING THE ARTICLES OF INCORPORATION OF THE NORTHAMPTON COUNTY GAMING REVENUE AND ECONOMIC REDEVELOPMENT AUTHORITY

WHEREAS, the Northampton County ordinance titled, “AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF THE NORTHAMPTON COUNTY GAMING REVENUE AND ECONOMIC REDEVELOPMENT AUTHORITY PURSUANT TO THE ECONOMIC DEVELOPMENT FINANCING LAW, FOR THE PURPOSE OF EXERCISING ANY AND ALL PURPOSES AND POWERS PERMITTED BY THAT LAW AND THE PENNSYLVANIA RACE HORSE DEVELOPMENT AND GAMING ACT, FIXING THE AUTHORITY’S TERM OF EXISTENCE, AND AUTHORIZING APPROPRIATE COUNTY OFFICIALS TO TAKE SUCH ACTION AS IS REQUIRED TO EFFECTUATE THE CREATION THEREOF”, was duly enacted on February 17, 2009.

WHEREAS, Northampton County Council has determined that it is most beneficial for the residents of Northampton County for County Council to create an economic development authority for any and all purposes which may be permitted by the Economic Development Financing Law, (Title 73 P.S. Section 371, et. seq.) and the Pennsylvania Race Horse Development and Gaming Act (Title 4 Pa. C.S.A. Section 1403(c)(2)(v)) in order to administer the grants funded by the gross terminal revenue.

NOW, THEREFORE, BE IT IS HEREBY ORDAINED AND ENACTED, by the Northampton County Council that the following shall constitute the Articles of Incorporation for the Northampton County Gaming Revenue and Economic Redevelopment Authority:

COUNTY COUNCIL
COUNTY OF NORTHAMPTON
COMMONWEALTH OF PENNSYLVANIA
ARTICLES OF INCORPORATION FOR THE NORTHAMPTON COUNTY GAMING REVENUE AND ECONOMIC REDEVELOPMENT AUTHORITY

TO: THE SECRETARY OF THE COMMONWEALTH OF PENNSYLVANIA

In compliance with the requirements of the Economic
1. The name of the Authority shall be the "Northampton County Gaming Revenue and Economic Redevelopment Authority."

2. This Authority is formed under the provisions of the Economic Development Financing Law as amended and supplemented (Codified at 73 P.S. Section 371, et seq.).

3. The name of the incorporating municipality is:

   County Of Northampton  
   Office Of County Council  
   669 Washington Street  
   Easton, Pennsylvania 18042

4. The names and addresses of the members of Northampton County Council, the governmental body of Northampton County are:

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<thead>
<tr>
<th>Office</th>
<th>Name</th>
<th>Address</th>
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<tbody>
<tr>
<td>Council President</td>
<td>Ann McHale</td>
<td>750 Barrymore Lane</td>
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<tr>
<td></td>
<td></td>
<td>Bethlehem, PA 18017</td>
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<tr>
<td>Council Vice President</td>
<td>J. Michael Dowd</td>
<td>25 Chestnut Ridge</td>
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<tr>
<td>Circle</td>
<td></td>
<td>Easton, PA 18042</td>
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<tr>
<td>Council Member</td>
<td>Margaret Ferraro</td>
<td>339 Schoeneck Avenue</td>
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<td></td>
<td></td>
<td>Nazareth, PA 18064</td>
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<tr>
<td>Council Member</td>
<td>Diane Neiper</td>
<td>307 East 19th Street</td>
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<td>Northampton, PA 18067</td>
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5. The purpose for which the Authority is created is to administer municipal grants and to otherwise perform all of the functions authorized under the Economic Development Financing Act as amended and supplemented (Codified at Title 73 P.S. Section 371, et seq.) and the Pennsylvania Race Horse Development and Gaming Act as amended and supplemented, (Codified at 4 Pa. C.S.A. §1101, et seq.) and specifically Title 4 Pa. C.S.A. Section 1403(c)(2)(v) thereof.

6. The governing body of the Authority shall be a Board with membership and terms of office as follows:

   (a) The Board shall consist of nine (9) members, one resident from each of the following municipalities, located
County Council Minutes -20- February 19, 2009
within the County of Northampton: City of Bethlehem (Northampton County), Hanover Township, Lower Saucon Township, Bethlehem Township, the Borough of Freemansburg, and the Borough of Hellertown; the Northampton County Executive, or his/her designee; the President of the Northampton County Council, or his/her designee; and the Northampton County Controller, or his/her designee. All members of the Authority shall be appointed in accordance with the provisions of the Home Rule Charter of the County of Northampton.

(b) Members of the Authority must be citizens residing within Northampton County

(c) The six municipal representatives shall be appointed as follows: two members shall serve for one year, two for two years, two for three years, two for four years, and one for five years. The aforementioned terms of office are to commence on ____________ 2009.

(d) The Northampton County Executive shall serve for one year; the President of the Northampton County Council shall serve for two years; and the Northampton County Controller shall serve for three years. The aforementioned terms of office are to commence on ____________ 2009.

(e) Thereafter, whenever a vacancy has occurred or is about to occur by reason of the expiration of the term of any member, the Northampton County Council shall appoint a member to the Board for a term of five years from the date of expiration of the prior term to succeed the member whose term has expired or is about to expire.

7. The names, addresses and terms of office of the first members of said Authority, each of whom is a resident of Northampton County, are as follows:

8. The initial term of this Authority shall be fifty (50) years, and for such further periods as shall be authorized and specified from time to time in the manner permitted by the provisions of the Economic Development Financing Law.

IN WITNESS WHEREOF, the County Council of the County of Northampton, Commonwealth of Pennsylvania, has caused these
Articles of Incorporation to be executed by the County Executive and to be attested by the Secretary of County Council and its official seal to be affixed hereto, this _____ day of ___________, 2009, pursuant to County Ordinance No. _____.

Effective Date

This ordinance shall be effective thirty (30) days after the date of enactment.

Consideration of the 2009 Bond Reimbursement Resolution

Mrs. McHale stated this resolution was reviewed at the February 18, 2009 Finance Committee meeting where it was recommended that it be presented for consideration.

Mr. McClure introduced the following resolution:

R. 11-2009 WHEREAS, the County of Northampton (the "County"), a corporate body politic existing under the laws of the Commonwealth of Pennsylvania intends to incur debt through the issuance of such County's bonds or notes (the "Bonds"), to finance a project consisting of the design, construction, improvement, renovation and remediation of all or any of the following: (a) Parking Deck renovations; (b) Courthouse renovations; (c) Juvenile Justice Center Expansion; (d) Gracedale improvements; (e) Bridge renovations; and (f) all or a portion of the costs and expenses of issuance of the Bonds (collectively, the "Project"); and

WHEREAS, acquisition and construction of the Project may commence prior to the issuance of the Bonds and the County desires to pay for certain of the costs of the Project (the "Expenditures") from general funds of the County; and

WHEREAS, the County has determined that the funds that have been or are to be advanced to pay Expenditures are or will be available only for a temporary period and it is necessary to reimburse the County with respect to the Project from the proceeds of a tax-exempt borrowing represented by the Bonds; and

WHEREAS, as of the date hereof, there are no funds from sources other than the Bonds that are, or are reasonably expected to be, reserved, allocated on a long-term basis, or
WHEREAS, the County, in compliance with United States Treasury Regulation Section 1.150-2 of the Internal Revenue Code of 1986, as amended, reasonably expects to reimburse the Expenditures made by it for the Project with proceeds of the 2009 Bonds (and as further provided by Treasury Regulation Section 1.142-4(b)).

NOW, THEREFORE, BE IT RESOLVED that the County Council of the County of Northampton, in lawful session duly assembled, hereby declares the intent of the County as follows:

The County reasonably expects to reimburse itself for original Expenditures to be paid by the County from general funds of the County in connection with the Project with the proceeds of the Bonds.

This Resolution constitutes a declaration of official intent intended to comply with the requirements of Treasury Regulation Section 1.150-2(e).

The maximum amount of debt expected to be issued to finance the Project is $13,000,000.

The Expenditures are or will be "capital expenditures" as defined in Treasury Regulation Section 1.150-2(d)(3).

The adoption of this Resolution is consistent with the budgetary and financial circumstances of the County.

The Resolution shall become effective immediately.

Proper officers of the County are authorized and directed to do such things as may be necessary to carry out the intent and purpose of this Resolution.

In the event any provision, section, sentence, clause or part of this Resolution shall be held invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the County that
such remainder shall be and shall remain in full force and effect.

In response to Mrs. McHale’s question as to whether bridge renovations should be taken out of the Liquid Fuel Tax, Mr. Angle advised only some of it.

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

In answer to Mr. Angle’s question as to whether the County should be looking to the Federal government for the bridge renovations instead of putting it in this bond, Mr. John Stoffa, County Executive, stated they were going to put them in as earmarks to Senators Robert Casey and Arlen Specter.

In response to Mr. Angle’s comment that he thought they were not going to do any more earmarks, Mr. Stoffa replied they were asking for them.

In answer to Mr. Capozzolo’s question as to whether that money would go directly to the County or did it have to go to the State first, Mr. Stoffa advised it would come directly to the County if it was awarded.

In answer to Mr. McClure’s comment as to whether Mr. Vic Mazziotti, Director of Fiscal Affairs, had any answers to some of the questions that arose at the Finance Committee meeting, Mr. Mazziotti stated the initial question was where the money was going to be spent prior to the County receiving the funds and there were three areas.

Mrs. Ferraro left the meeting at this time.

Mr. Mazziotti advised one was the parking deck rehabilitation, noting they would like to start on the engineering for that project which was estimated at $87,000. He further advised the second would be the three County bridges, indicating one of the bridges was already designed which was paid for from the Liquid Fuel Tax and the cost for the other two designs would be approximately $150,000. Lastly, the Juvenile Justice Center because they were in need of a security upgrade system which was approximately $300,000 for a total amount of $550,000.
As far as where the County would get that money, Mr. Mazziotti stated it would be charged to the same appropriation as the bond issue. He further stated the appropriation was there even though the money had not been received yet. He noted County Council was actually giving its approval to start spending the money before it was received and allowed the County to remain in sync with Federal regulations relating to tax exempt policies.

Mr. McClure commented that the ramification of County Council not approving this resolution would mean the County would have to wait until the County actually went to market and received the money.

When Mr. Mazziotti agreed, Mr. McClure recommended that County Council approve this resolution so the work can begin.

Mr. Angle advised he was concerned because the financing was moving ahead without knowing exactly what the projects were. Therefore, before he voted on a $13 million bond issue, he wanted to have a report on exactly what was going to be done with it.

Mr. McClure remarked last year when there was talk of a $30 million bond issue, he was opposed to it, but during that time, it was brought up again and again by Mr. Angle that the Administration had to start doing something. He further remarked they finally came forward with a reasonable plan and a reasonable bond to take care of some of the County’s core projects.

In response to Mrs. McHale’s question regarding the Prison retaining wall, Mr. Steve DeSalvo, Director of Public Works, stated that was being done with budgetary funds. He further stated they had an engineer inspect it and he concluded it had to be taken care of before the Juvenile Justice Center expansion.

Mr. Angle advised he wanted to clarify that he was also opposed to a $30 million bond issue and he had always said before he would sink money into the existing parking deck for ten years, he would build another structure across the street that would be good for forty years and recover this land for future expansion.

Mr. Conklin stated last year discussions were held
regarding having an engineer come in and design something for the bridges so that the County would be ready to apply for money from the stimulus package. He further stated the issues at Gracedale have been developing over time because nothing had really been done to the facility in more than forty years.

Mr. Angle commented the only problem he had in adopting this resolution was he wanted to have more detailed information on the $3 million going to Gracedale.

Mr. Mazziotti advised he would come back with more detail, but tonight all they wanted to do was to get County Council’s approval for the $13 million so the other projects could begin.

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


The resolution was adopted by a vote of 6-1, with 1 abstention and 1 absentee.

Consideration of the District Attorney’s Personnel Request

Mrs. McHale stated the Personnel Committee met on Wednesday, February 18, 2009 to consider this request.

Mr. Cusick introduced the following resolution:

R. 12-2009 RESOLVED, by the Northampton County Council that one (1) vacant part-time position of Assistant District Attorney, pay grade RS-7, salary $42,526, shall be eliminated in the Office of District Attorney, effective February 19, 2009.

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


The resolution was adopted by a vote of 8-0.
Mortgage Foreclosure Program

Mr. Angle advised yesterday it was announced that the judges may be coming forth with a mortgage foreclosure program and there were some issues as to how it was going to be financed. Therefore, he asked if the intent was to put it in next year’s budget or was it going to be financed this year and whether County Council was going to discuss the issue as a body or as a committee.

Mr. McClure stated he had not finalized his own thinking as to the most appropriate way to finance this. He further stated Mr. Jim Onembo, Court Administrator, did inform the Finance Committee that the Courts would be ready in April to sign the order. He noted there may be an opportunity when the budget amendments were made to fund the pilot program, but he had no recommendation at this time.

Mr. Angle advised the County was going to be asked to spend taxpayer money to get people a 90-day extension on their foreclosure to enable them to sit down with a counselor to determine how the matter could be resolved. He further advised he understood it was not good for the County to have more foreclosures, but foreclosures were a way of life. He noted this idea sounded good, but he could not see how this was going to accomplish anything except to take from the people who have saved to give to the people who have spent.

Mr. Dertinger stated when a house forecloses, it brought down the property values of the houses around it, therefore, the neighbors who were shouldering this were also benefitting from it. He further stated most people bought their homes with good intentions, but due to the economy now found themselves unable to afford them and needed a chance to hold onto their homes.

Mr. Angle advised a few homes in a neighborhood would not have a significant affect on the housing market. He noted the problem with the housing market was people were afraid to purchase homes at this time.

Mr. McClure agreed it was a very complicated problem and was well beyond any ability the County had to correct it. He stated he did not believe that this program would aid the
national problem, but he felt it would help stabilize declining home values and help those people who could, meet their obligations after a refinance or readjustment of that obligation to stay in their homes.

Mr. Dowd stated arguments could be made all around on this issue, but the object was what could be done for the citizens of Northampton County and what the judges were proposing was something to be considered. However, he was waiting for the cost of this proposal before he made his decision.

Human Services Committee Report

Mrs. Neiper advised the Human Services Committee meeting would be held on Monday, February 23, 2009, at 3:00 p.m., at Gracedale.

Ag Extension Liaison Report

Mr. Capozzolo stated as the new liaison for the Ag Extension, he met with Ms. Leisel Dreisbach who briefed him about their responsibilities and gave him a tour of their office.

Council Solicitor’s Report

Mr. Martino provided a copy of his Solicitor’s Report for this meeting (see Attachment #3).

Juvenile Justice Center Expansion

Mr. DeSalva advised a presentation of the Juvenile Justice Center expansion would be given to the judges on February 24, 2009.

Adjournment

Mr. Dertinger made a motion to adjourn.
Mr. Dowd seconded the motion.

The motion passed by acclamation.

Frank E. Flisser
Clerk to Council