Easton, Pennsylvania  
October 20, 2011

A regular meeting of the Northampton County Council was held on the above date with the following present: John Cusick, President; Margaret L. Ferraro, Vice President; Ron Angle; J. Michael Dowd; Bruce A. Gilbert; Lamont G. McClure, Jr.; Ann McHale; Barbara A. Thierry; Frank E. Flisser, Clerk to Council, and Philip D. Lauer, Solicitor to Council. Absent was Thomas H. Dietrich.

Prayer

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

Pledge of Allegiance

Mr. McClure led County Council in the pledge of allegiance.

Approval of the Minutes

Mrs. McHale made the following motion:

Be It Moved By the Northampton County Council that the minutes of the October 6, 2011 meeting shall be approved.

Mrs. Thierry seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Ms. Tricia Mezzacappa, West Easton Borough, PA - stated at the West Easton Borough’s Council meeting a few weeks ago, Mr. Abraham Atiyeh’s lawyer, Mr. Mickey Thompson, appeared and explained that there was a going to be an impact fee paid to West Easton Borough annually for the Driving Under the Influence (DUI) Center. She further stated he indicated that amount was going to be capped at $50,000 a year so she wondered if any member of County Council had any information about it.
Mr. Cusick advised County Council had received no information regarding that issue. He further advised the budget hearing for the Department of Corrections was next Tuesday so it may be discussed at that time.

Mr. Ken Nagy, Forks Township, PA - stated the Board of Health gave a lot of numbers for the creation of the bi-County health department, but he felt they were just to appease County Council.

Mr. Nagy advised the total cost for the Allentown Health Department for 2004/2005 was $6 million, of which $2.7 million came from the State and other grants. He further advised they had 45.5 full time equivalent employees plus contractors. He noted when he asked about how many contractors, he was told that it depended on the program.

Mr. Nagy stated based on their census at that time of 106,000, the ratio was one employee for every 2344 citizens, with Bethlehem having a similar ratio. He further stated if it was based on the current census, it would be a ratio of one employee for every 5800 citizens. He noted Allentown and Bethlehem each managed only one facility and the Board of Health was talking about five facilities.

Mr. Nagy advised in 2005, unemployment was less than 5%, tax revenues were high and grants were generous and very stable, but that was not the environment today. He further advised in 2014, there will be a Federal health care program.

Mr. Nagy stated using the ratio for Bethlehem and Allentown, there would have to be 274 employees, which was an increase of 80%. He further stated each employee would average approximately $50,000 so for 82 people, it would cost $4.1 million, which was a lot more than $500,000.

Mr. Nagy advised there was talk about the incident that happened in a restaurant recently, but that was not a common occurrence. He further advised there was also talk about the health and welfare of the children, but there were so many programs currently available. Therefore, he felt a lot of this was replication and the citizens were going to pay a high price for it.
Confirmation of Appointments

Mr. Cusick stated the Personnel Committee met on October 19, 2011, to review the County Executive’s appointments to the Children, Youth and Families Advisory Board and the Lehigh Valley Workforce Investment Board - Youth Council.

Mrs. McHale introduced the following resolution:

R. 87-2011 RESOLVED, by the Northampton County Council that the following individual shall be confirmed in their appointment as indicated hereafter:

CHILDREN, YOUTH AND FAMILIES ADVISORY BOARD

Appointment: Patricia Hunter
200 North 11th Street
Apt. 2
Easton PA 18042

Term to Expire: 10/31/13

LEHIGH VALLEY WORKFORCE INVESTMENT BOARD - YOUTH COUNCIL

Appointments:
Ellen S. Kingsley, Esq.
4441 Tuscketee Drive
Bethlehem PA 18020

Kenneth M. Kraft
1707 Markham Drive
Bethlehem PA 18017

Sharon J. Scheirer, SPHR
307 W. Grant Street
Easton PA 18042

Gregg Dowty, Ed.D

Term to Expire: 12/31/13
As there were no questions or comments, Mr. Cusick called for the vote.


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

County Executive’s Report

Mr. John Stoffa, County Executive, advised he was pleased to report that the Sheriff’s Department was scheduled to receive accreditation on November 9, 2011. He further advised this had been years in the making and Northampton County would be the second County to be accredited in the State.

Mr. Stoffa stated the crane that was used in the Prison Project was the second largest crane on the east coast and was used instead of a helicopter, which would have cost more. He further stated the work had been completed one day early and the crane left this afternoon.

Mr. Stoffa advised the Guaranteed Energy Savings Agreement (GESA) contract was signed with the McClure Company on June 21, 2011 and as of October 20, 2011, substantial upgrades had been completed.

Mr. Stoffa stated the painting of the Historic Courthouse would be completed within the next two weeks.

Public Hearing on the Ordinance Titled, “AN ORDINANCE OF THE COUNTY OF NORTHAMPTON REGARDING TAX INCREMENT FINANCING PLAN PRESENTED BY THE NORTHAMPTON COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, CREATING THE ROUTE 33 TAX INCREMENT FINANCING DISTRICT, AND MAKING CERTAIN FINDINGS”

Mr. Cusick advised the following ordinance was introduced by Messrs. Dowd and Gilbert at the meeting held October 6, 2011:
AN ORDINANCE OF THE COUNTY OF NORTHAMPTON
REGARDING TAX INCREMENT FINANCING PLAN
PRESENTED BY THE NORTHAMPTON COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY, CREATING
THE ROUTE 33 TAX INCREMENT FINANCING
DISTRICT, AND MAKING CERTAIN FINDINGS

WHEREAS, the County of Northampton, Pennsylvania (the "County") is a County existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, Northampton County Industrial Development Authority (the "Authority") is a public instrumentality and a body politic and corporate organized and existing under the laws of the Commonwealth, having been duly organized by the County pursuant to provisions of the Pennsylvania Economic Development Financing Law, Act of August 23, 1967, P.L. 251, as amended, 73 P.S. §371 et seq.; and

WHEREAS, the Authority is taking the necessary steps to propose the creation of a tax increment district within the Township of Palmer, Northampton County, Pennsylvania (the "Township") in accordance with the Tax Increment Financing Act, Act of July 11, 1990, P.L. 465, as amended, 53 P.S. §6930.1 et seq. (the "TIF Act") in order to assist in a project (the "TIF Project") consisting of the financing of the design, acquisition and construction of an interchange and related improvements to Pennsylvania Route 33 and other necessary and related improvements; and

WHEREAS, to assist in the development of the TIF Project, the Authority has proposed the establishment of a tax increment district within each of the Township, the School District and the County to be designated the "Route 33 Tax Increment Financing District" as a prerequisite to the issuance of tax increment notes or bonds (the "TIF Debt") to provide financing for the costs of the TIF Project, all as provided by and pursuant to the TIF Act; and

WHEREAS, pursuant to the requirements of the TIF Act, the Authority, working with the designated representatives of the County, the Township and the School District, has prepared a Route 33 Tax Increment Financing District Project Plan (the
"Project Plan"), a copy of which is attached hereto as Exhibit A, and defined the boundary lines of the Route 33 Tax Increment Financing District (the "TIF District"), located within each of the Township, the School District and the County; and

WHEREAS, pursuant to the Project Plan, the Easton Area School District (the "School District"), the County and the Township are asked to allocate to the Authority a portion of incremental ad valorem tax revenues, determined with reference to the tax increment base, resulting from the increase in the total market value of real property values in the TIF District due to the completion of proposed improvements within the TIF District (the "Tax Increment"), which Tax Increment is to be applied by the Authority to payment of the principal of and interest on the TIF Debt; and

WHEREAS, the Township and the School District have each adopted resolutions agreeing to participate in the TIF District and approving the Project Plan; and

WHEREAS, the Planning Commission of the Township certified the proposed TIF District as a redevelopment area within the meaning of the Urban Redevelopment Law pursuant to a resolution adopted on September 14, 2010; and

WHEREAS, the County Council has been requested to take the necessary steps and to enact the appropriate legislation to have the County participate in the TIF District in compliance with the requirements of the TIF Act; and

WHEREAS, the Project Plan has been submitted to the County Council and a formal presentation, as required by the TIF Act, has been made to the County Council, which presentation included a description of the proposed boundaries of the TIF District, the tentative plans for the development or redevelopment of the TIF District and an estimate of the general impact of the proposed TIF District on property values and tax revenues; and

WHEREAS, the County is expected to benefit from the use of tax increments to pay certain project costs within the TIF District by stimulation of private investment, increases in property values, creation of employment opportunities and
improvement of surrounding properties; and

WHEREAS, a public hearing at which the public was afforded a reasonable opportunity to express their views on the proposed TIF District, the Project Plan and the TIF Project in accordance with the requirements of the TIF Act; and

WHEREAS, the County desires to participate in the TIF District for the public purposes set forth in the TIF Act; and

WHEREAS, the TIF Act requires the County to take certain actions to proceed with the creation of the TIF District and the County's participation in the TIF District.

NOW, THEREFORE, BE IT ENACTED by the County Council of the County of Northampton, Pennsylvania, as follows:

1. The Project Plan prepared by the Authority for financing the TIF Project hereby is approved with respect to the County in substantially the form presented at this meeting.

2. The TIF District specifically described in the Project Plan is hereby created.

3. The boundaries of the TIF District are as identified in the Project Plan attached hereto as Exhibit A.

4. The TIF District is to be created as of the earliest to occur of (a) July 1, 2012 and (b) the date of incurrence of TIF Debt payable from and secured by the TIF Increment. The TIF District will continue in existence for a period of twenty years from the date of its creation.

5. The name of the TIF District is to be the Route 33 Tax Increment Financing District.

6. After due consideration, the County finds as follows:

   (a) The TIF District is a contiguous geographic area within a redevelopment area;

   (b) the improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the TIF District;
(c) the aggregate value of equalized taxable property of the TIF District, plus all existing tax increment districts, does not exceed 10% of the total value of equalized taxable property within the County;

(d) the area comprising the TIF District as a whole has not been subject to adequate growth and development through investment by private enterprise and would not reasonably be anticipated to be adequately developed without the adoption of the Project Plan;

(e) a feasible method exists for the compensation of individuals, families and small businesses, if any, that may be displaced by the TIF Project and for their relocation to decent, safe and sanitary dwelling accommodations within their means, without undue hardship to such individuals, families and businesses;

(f) the Project Plan conforms to the County's master plan;

(g) the Project Plan will afford maximum opportunity, consistent with the sound needs of the community as a whole, for the rehabilitation or redevelopment of the TIF District by private enterprise; and

(h) the TIF District is a blighted area containing characteristics of blight as described in the Urban Redevelopment Law (Act of May 24, 1945, P.L. 991, No.385, as amended) and the TIF Project to be undertaken is necessary to eliminate such conditions of blight.

7. Conditioned upon (i) all requirements of the TIF Act being duly satisfied, (ii) the formation of a neighborhood improvement district to authorize imposition of special assessments within the TIF District to provide additional revenues, as necessary, for payment of debt service on the TIF Debt, and (iii) a mutually agreed upon cooperation agreement with respect to the TIF Project being duly authorized and entered into by and among the School District, the County, the Township and the Authority, the County agrees to:

(a) participate in the TIF Project and allocate 100% of the County's share of the Tax Increment to the Authority
for the years 1 through 5 of the TIF Debt and 80% of the County's share of the Tax Increment to the Authority for the remaining term of the TIF Debt; and

(b) allocate such Tax Increment for a period not to exceed (i) twenty (20) years, beginning on the date of creation of the TIF District or (ii) the final maturity of the TIF Debt, whichever first occurs.

8. The County's allocated share of the Tax Increment will be available to be used by the Authority solely to pay costs of the TIF Project and to pay the principal of and interest on the TIF Debt, as more fully provided in the Project Plan.

9. The County Executive and the other proper officers of the County are authorized on behalf of the County to take such actions and to execute and deliver such documents as may be necessary or appropriate for the implementation of the Project Plan consistent with this Ordinance, including but not by way of limitation, negotiation of a Tax Increment Financing Cooperation Agreement by and among the Township, the School District, the County and the Authority (the "TIF Cooperation Agreement") in furtherance of the Project Plan, which TIF Cooperation Agreement is to set forth, among other things, the tax increment base and the procedure for collection and transfer of the Tax Increment to or for the benefit of the Authority. The County Executive hereby is authorized and directed to execute and deliver and the proper officer of the County hereby is authorized and directed to attest the TIF Cooperation Agreement, in form and substance consistent herewith and satisfactory to said County officials with the advice of counsel, the execution and delivery of which by said County officials is to be conclusive evidence of the approval and authorization by the County of the final terms of the Cooperation Agreement.

10. The appropriate public officials of the County hereby are directed to take such additional actions in cooperation with the Authority, the School District and the Township as necessary in furtherance of the implementation of the Project Plan, the creation of the TIF District and the undertaking of the TIF Project.

11. The Clerk of Council hereby is authorized and directed to publish a summary of this Ordinance and the other matters required by the County's Home Rule Charter and to deliver a copy
of this Ordinance to the Authority, the School District and the Township.

12. This Ordinance will become effective thirty (30) days after the date of enactment. Any ordinance and resolutions to the extent inconsistent herewith hereby are repealed.

13. If any provision of this Ordinance is determined to be unlawful, invalid, void or unenforceable, then that provision will be considered severable from the remaining provisions of this Ordinance which will be in full force and effect.

14. Notwithstanding anything contained herein to the contrary, the County's election to participate in the Project Plan will not, in any way, pledge or obligate the credit or taxing power of the County, nor will the County be liable for the payment of principal of, or interest on, any obligations issued by the Authority, including the TIF Debt.

Public Hearing

Mr. Cusick asked if there any questions or comments from the public.

Easton Mayor Sal Panto - advised he agreed that open space and farmland had to be preserved, but his city, and the County as a whole, needed jobs. He further advised the recidivism at the prison was high partially due to the lack of employment. He noted he was in favor of the TIF and thanked everyone involved.

Mr. Rich Grucela, Martins Creek, PA - stated he also supported the TIF, noting economic development had always been a goal of his when he represented Northampton County. He further stated this would increase the tax ratables without students which was really going to help the school districts. He added he had never seen a better deal for economic development.

Mr. Dave Colver, Chairman, Palmer Township Board of Supervisors - advised the Palmer Township Board of Supervisors voted 5-0 for this TIF and they were going to control the zoning. He further advised this was a regional project that affected seven municipalities. He noted they never received any negative public comments at their meetings and hoped that County
Mr. Cusick asked if any member of County Council wished to comment.

Mr. Angle stated the contract for the County to receive $2 million for farmland preservation was prepared, reviewed by the County Solicitor and the County Council Solicitor, signed by Mr. Charles Chrin and would be signed by the County Executive after this meeting.

Mr. Cusick advised he would have preferred to have the document beforehand so he could review it before he moved forward.

Mr. Lauer stated he e-mailed Mr. Karl Longenbach, Northampton County Solicitor, Mr. Flisser, Mr. Cusick and others throughout the day and then became aware that there was some kind of filter in the County’s e-mail system that filtered out what was being sent.

Mr. Lauer advised on Tuesday afternoon, they initially received the documents from the attorneys for the Chrin Trust. He further advised he and Mr. Longenbach discussed them Wednesday and made suggestions for changes, which were then sent to the members of County Council, and that continued through this morning.

When Mr. Cusick stated he did receive some e-mails, but not a final contract, Mr. Angle stated the contract was not finalized until literally moments ago.

Mrs. McHale advised at that last meeting, Mr. Angle had indicated the contract would be provided to the members of County Council before a vote was taken.

Mr. Cusick stated County Council was being asked to vote on something that they had not had an opportunity to review.

Mr. Angle advised this was a vote on the TIF, the contract that dealt with monies being obtained for farmland preservation did not require a vote, but only the County Executive’s signature.
Mr. Dowd asked Mr. Lauer to explain the pertinent issues of the contract.

Mr. Lauer stated the agreement was reviewed by Mr. Longenbach and himself and they made changes to certain issues that they felt might have created some confusion down the line so they sought to clarify them.

Mr. Lauer advised the contract provided that upon the sale of any of the properties, which were included within the TIF area, 1.5% of the net sale price from any sale would be paid to Northampton County, noting additional provisions provided exactly how those funds were to be used.

Mr. Lauer stated it also provided that each farmland preservation contribution should be paid to Northampton County not later than 10 business days following settlement of the sale of any qualified property in the form of business or title company check to the Director of Fiscal Affairs, who would then issue a receipt, and as to that property, the agreement was then terminated by its own terms. However, the agreement was to continue with respect to any other properties that were included in the TIF.

Mr. Lauer advised it also included a provision, because of a concern expressed by certain County officials, that in the event there was a sale of property for less than fair market value, that property would not be released.

Mr. Lauer stated there was a cap of contributions of $2 million and there was a description in there as to how the contribution was to be determined. He further stated the 1.5% was to be calculated on the net amount due to the seller that appeared on the settlement sheet.

Mr. Lauer advised there was also a provision that all contributions shall be used exclusively by the County in perpetuity for farmland preservation pursuant to the agricultural area security law and any similar or future programs that may be developed aiding farmland preservation. Additionally, there was a provision that provided for the enforcement of that provision.

Mr. Lauer stated there were also certain conditions that had to be met before the Chrin Trust, or its successors, would
be obligated to make these payments and there were provisions that set forth conditions as to when the contract would be terminated. He further stated there was also a provision whereby upon termination of the contract, all farmland preservation contributions made prior to the date of the termination shall be non-refundable. He further noted that the contract would be recorded in the Recorder of Deeds Office.

In response to Mr. Cusick’s question as to why County Council was not voting on this contract, Mr. Lauer advised it was the opinion of himself and Mr. Longenbach that it was not an agreement that required approval by County Council under the Home Rule Charter or Administrative Code.

Mr. Dowd stated he felt this was an opportunity of a lifetime for Northampton County. He further stated it had been indicated that the one difference between Lehigh and Northampton Counties when it came to job creation was product and this would put the County in a position to have one of the most desirable product that one would find in either Pennsylvania or New Jersey.

Mr. Gilbert advised he felt it was a major step forward for all the entities involved, as well as the surrounding municipalities.

Mr. Angle stated he could not understand why anyone would want to oppose this because there were no public monies or guarantees involved. He further stated there would finally be an interchange where there should have been one a long time ago and an industrial park that would create jobs.

Mr. Angle advised his only concern was that 400 acres of some of the best farmland would disappear so he received permission from the members of County Council to see what he could do about the situation. He further advised Mr. Chrin was also a lover of farmland and was willing to negotiate a contract with him that would allow 650 acres of farmland elsewhere in the County to be preserved. He noted the preservation of farmland had nothing whatsoever to do with the TIF.

Mr. Angle stated he wanted the following to be made part of the record: “The funds generated from the sale of land within the TIF District are restricted funds. They are limited to
farmland preservation and the County cannot use these funds for any other purpose. The County is not receiving any money from the TIF financing. The overall plan will allow the County to preserve more open land than will be developed and in this case, 650 acres.”

As there were no further questions or comments, Mr. Cusick called for the vote.


The ordinance was adopted by a vote of 6-1, with 1 abstention.

Introduction of the 2012 Real Estate Tax Millage Rate Ordinance

Mr. Cusick advised in order to be able to vote on the 2012 real estate tax millage rate at either of the December County Council meetings, this ordinance was being introduced at this meeting. He further advised the final millage rate will be subject to further review and possibly changed depending upon action County Council may take during the budget adoption process. He noted the public hearing and debate will be held at the November 3, 2012 County Council meeting.

Mr. Cusick and Mrs. Ferraro introduced the following ordinance:

AN ORDINANCE PROVIDING FOR THE REAL ESTATE TAX MILLAGE RATE IN THE COUNTY OF NORTHAMPTON FOR THE YEAR 2012

IT IS HEREBY ORDAINED AND ENACTED that the millage rate for real estate tax purposes for the year 2012 shall be set at 11.8 mills on every dollar of assessed valuation of taxable real estate or $1.18 on every $100.00 of assessed valuation.

Mr. Cusick stated these contracts were reviewed at the Personnel and Finance Committees meeting held yesterday.

Health Care Claims Administration: Capital Blue Cross

Mrs. McHale introduced the following resolution:

R. 88-2011 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 determining if Council approval is necessary”.

WHEREAS, on October 14, 2011, the Northampton County Council received a request from the County Executive for County Council to adopt a resolution approving a contract in the amount of $748,009.12 (1 year) with a five year estimated total of $3,740,045.00 with Capital Blue Cross for employee healthcare claims administration.

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 Capital Blue Cross for employee healthcare claims administration.

Mrs. McHale advised the members of the Personnel Committee at the meeting yesterday voted to recommend this contract for approval. She further advised she participated in the contract process and the staff was very professional. She noted they were able to get a five year contract instead of a three year contract which would save the County millions.

In answer to Mr. Cusick’s question as to how this would
affect the employees, Mrs. McHale replied they should not notice any change.

As there were no further questions or comments, Mr. Cusick called for the vote.


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

Radio Frequency Infrastructure: Industrial Communications

Mr. Cusick introduced the following resolution:

R. 89-2011    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 determining if Council approval is necessary”.

WHEREAS, on October 13, 2011, the Northampton County Council received a request from the County Executive for County Council to adopt a resolution approving a contract in the amount of $1,201,824.80 with Industrial Communications for radio frequency infrastructure and radio maintenance 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 Industrial Communications for radio frequency infrastructure and radio maintenance services.

Mr. Cusick stated the members of the Finance Committee present yesterday voted unanimously to recommend this contract to the whole of County Council for approval.
As there were no further questions or comments, Mr. Cusick called for the vote.


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

Design Services Louise Moore Park Homestead Renovation: Hemmler & Canyard

Mr. Cusick advised this contract was discussed at the Finance Committee meeting, but no recommendation was made.

Mr. Cusick introduced the following resolution:

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 determining if Council approval is necessary”. Further Section 13.16 Contracts and Agreements c.(2) requires approval of County Council for “…any contract where costs are to be funded with monies outside of the County’s General Fund,…”.

WHEREAS, on October 14, 2011, the Northampton County Council received a request from the County Executive for County Council to adopt a resolution approving a contract in the amount of $80,670.00 with Hemmler & Camayd Architects for design services for the Louise Moore Park Homestead Renovation.

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 Hemmler & Camayd Architects for design services for the Louise Moore Park Homestead Renovation.
Mr. Cusick stated he indicated yesterday that he felt this place was a money pit and did not feel it was appropriate to spend $80,000 to find out how much of a money pit it was.

In response to Mr. Angle’s question as to what he would propose to do with it, Mr. Cusick advised he felt restoration was something that might be considered, but the discussion was about making this a full pledge facility with elevators and handicap access.

In answer to Mr. Angle’s question as to whether he read the will, Mr. Cusick stated the will was mentioned and the references were to use it specifically for educational and recreational purposes. He further stated there was approximately $2 million and his concern was that if the County was going to bring the building fully up to code, that money would not last long.

Mr. Dowd advised there were restrictions in the will so the County was limited to what it could do with it, but this money came from a benefactor that had not only given the County the house, but the park, which was a great resource. He further advised he felt it was worth $81,000 to find out if it was feasible to make this facility usable.

Mrs. Ferraro stated it was her understanding that the way the will was written, this was going to be a public building so there were certain codes that had to be met. Therefore, she felt it was important to know exactly what had to be done to it and the cost involved.

In response to Mr. Angle’s question as to whether she knew of any organization that could use this facility, Ms. Ellen Lott of the Nature Conservancy, advised they could not accept it, but maybe some of the other land trusts may be interested in it.

Mr. Stoffa read the following portion of the minutes from the County Council meeting held September 16, 2010: “Mr. Stoffa advised Ms. Louise W. Moore Pine recently passed away and left $2 million to the County, which was in addition to the $1 million that was given years ago. He further advised he was concerned because the County did not have good oversight of these trusts and someone should be appointed to manage them.”

Mr. Stoffa read the following section of the minutes from
later in that meeting: “In response to Mrs. McHale’s question as to where the funds would come from to do the renovations on the farmhouse if the Delaware and Lehigh National Heritage Corridor was to lease it, Mr. Stoffa indicated the money would come from the estate funds.” He noted the Delaware and Lehigh National Heritage Corridor (DLNHC) had not expressed an interest.

From her will, Mr. Stoffa read, “In general my objective is to have the entire property ultimately devoted either to public recreational purposes or to educational purposes. Accordingly, within one year after my death, the trustee shall transfer and convey the entire property to a public body or charitable organization on condition that it would insure its use for recreational and educational purposes after my wife’s rights, use and occupancy have expired.”

Mr. Stoffa further read, “If my wife survives me, she shall have full discretion to decide whether use is to be recreational or educational and select a public body or charitable organization to which the property is to be transferred.”

Mr. Stoffa stated this was for public recreational and/or educational purposes. He further stated they contacted the Northampton County Community College who looked at it, but were not interested in it as a site, but in bringing classes there. He noted the DLNHC was agreeable to that and that would fulfill the aspects of the will.

Mr. Gilbert advised the $81,000 that was being proposed was left to the County in order to provide that property with whatever it would take to make it liveable and eligible for educational/recreational purposes. Therefore, if the County were to set aside that amount specifically for that purpose, he did not see where it would be an infraction of what was stated in the will. He further advised if the building was brought back up to code, he did not see a long term loss or cost because real estate was always something that was in an appreciative state.

Mr. Cusick stated during the presentation, the architects indicated they felt their mission was to convert it into office space for the DLNHC. He further stated if the intent was just to do a study, then that was what should have been presented at yesterday’s meeting.
Mr. Stoffa advised it was a study that would be made available to the public. He further advised the building could be used for the County’s parks employees, however, it could not be used in its current condition.

Mrs. McHale stated she just did not want other Bachmann House situation because the County had to keep putting money into it and then had a hard time getting rid of it.

Mrs. McHale made a motion to table this resolution until more information could be received.

Mr. Dowd seconded the motion.

The motion was passed by voice acclamation.

Consideration of the GESA Phase II Resolution

Mr. Cusick advised this resolution was reviewed at the Finance Committee meeting yesterday and the members present voted to recommend it to the whole of County Council for approval.

Mr. Cusick introduced the following resolution:

R. 90-2011

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF (1) AN AMENDMENT NO. 1 TO GUARANTEED ENERGY SERVICES AGREEMENT BETWEEN THE COUNTY OF NORTHAMPTON, PENNSYLVANIA, AND McCLURE COMPANY, A SUBSIDIARY OF PPL ENERGY SERVICES MID-ATLANTIC, LLC, AS CONTRACTOR, RELATING TO THE PHASE II PROJECT DESCRIBED HEREIN, (2) AN AMENDED AND RESTATED INSTALLMENT PURCHASE AGREEMENT AND PAYMENT SCHEDULE BETWEEN THE COUNTY AND THE CONTRACTOR RELATING TO THE PHASE II PROJECT AND THE REFINANCING OF THE PHASE I PROJECT DESCRIBED HEREIN, (3) A RELATED ESCROW AGREEMENT AMONG THE COUNTY, THE CONTRACTOR AND DEUTSCHE BANK NATIONAL TRUST COMPANY AND (4) A RELATED TAX COMPLIANCE AND NO ARBITRAGE CERTIFICATE; AUTHORIZING OFFICIALS OF THE COUNTY TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE
PREFACE

All capitalized terms used herein have the meanings ascribed to them in the RECITALS of this Resolution.

RECITALS

A. The County of Northampton, Pennsylvania (the "County"), is a municipal corporation existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth").

B. The County Council of the County of Northampton, Pennsylvania (the "Council") is authorized, pursuant to its Home Rule Charter and the Guaranteed Energy Savings Act, codified at title 62, chapter 37, subchapter E of the Pennsylvania Statutes (the "Guaranteed Energy Savings Act"), (1) to enter into guaranteed energy savings contracts within the meaning of the Guaranteed Energy Savings Act for the evaluation and recommendation of energy conservation measures and for implementation of one or more such measures and (2) to provide for the payment of any guaranteed energy savings contract on an installment payment or lease purchase basis.

C. The County and McClure Company, a subsidiary of PPL Energy Services Mid-Atlantic, LLC, as contractor (the "Contractor"), entered into a Guaranteed Energy Services Agreement dated as of June 8, 2011 (the "Original GESA"), and an Installment Purchase Agreement and Payment Schedule dated as of June 21, 2011 (the "Original Purchase Agreement"), in order to accomplish a guaranteed energy savings project (the "Phase I Project"). The Phase I Project consists of financing, acquiring and installing energy conservation measures (the "Phase I Equipment") at the County's prison, courthouse and human services building and at a facility of Gracedale, a County-owned nursing home (the "Gracedale Nursing Home"). In accordance with the Original Purchase Agreement, the Contractor then entered into an Assignment Agreement dated as of June 21, 2011 (the "Original Assignment Agreement"), with Capital One Public Funding, LLC, as lender (the "Lender"), pursuant to which the
Lender deposited the sum of $6,270,685.92 into an escrow acquisition fund (the "Phase I Escrow Acquisition Fund") in consideration for the assignment by the Contractor to the Lender of the Contractor's rights to the Original Purchase Agreement, including the right to payment of the installment payments by the County thereunder. In order to pay the Contractor for the cost of the Phase I Equipment, the County entered into an Escrow Agreement dated as of June 21, 2011 (the "Phase I Escrow Agreement"), with the Contractor and Deutsche Bank National Trust Company, as escrow agent (the "Escrow Agent"). Under the Phase I Escrow Agreement, the Escrow Agent is authorized to pay the Contractor for the cost of the Phase I Equipment from moneys on deposit in the Phase I Escrow Acquisition Fund. The Phase I Project is progressing in accordance with the Original GESA and the Original Purchase Agreement.

D. Pursuant to Resolution number 83-2011, adopted by the Council on September 15, 2011, and Executive Order number 11-60 issued by the County Executive on September 20, 2011, the Council has determined to amend the Original GESA and to amend and restate the Original Purchase Agreement in order to add a second phase to the Phase I Project (the "Phase II Project") and, contemporaneously therewith, to refinance the Phase I Project. The Phase II Project will consist of financing, acquiring and installing additional energy conservation measures (the "Phase II Equipment") at the Gracedale Nursing Home.

E. The County and the Contractor have agreed that the refinancing of the Phase I Project, the financing of the Phase II Project and the payment of certain related transaction costs be accomplished pursuant to an amendment to the Original GESA (the "GESA Amendment"), an Amended and Restated Installment Purchase Agreement and Payment Schedule, amending and restating the Original Purchase Agreement, between the Contractor and the County (the "Amended and Restated Purchase Agreement"), an Amended and Restated Assignment Agreement, amending and restating the Original Assignment Agreement, between the Contractor and the Lender, and a new Escrow Agreement among County, the Contractor and the Escrow Agent (the "Phase II Escrow Agreement"). The GESA Amendment, the Amended and Restated Purchase Agreement, the Phase II Escrow Agreement and a related tax compliance and no-arbitrage certificate of the County are referred to herein collectively as the "County Documents." Forms of each of the County Documents have been
NOW, THEREFORE, BE IT RESOLVED BY THE NORTHAMPTON COUNTY COUNCIL AS FOLLOWS:

Section 1. Ratification of Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by the officials and employees of the Council directed toward the implementation, financing and refinancing of the Phase I Project, the implementation and financing of the Phase II Project, the execution and delivery of the County Documents and the payment of the costs of executing and delivering the County Documents be, and the same hereby are, ratified, approved and confirmed.

Section 2. Findings; Authorizations. This Resolution is adopted pursuant to and in accordance with the authority conferred by the Constitution, the County's Home Rule Charter and the laws of the Commonwealth, including, particularly, the Guaranteed Energy Savings Act. The Council hereby determines that each and every matter and thing as to which provision is made herein is necessary in order to carry out and to effect the purposes hereof.

The Council hereby finds and determines that the County constitutes a "governmental unit" and the Original GESA, as amended by the GESA Amendment, constitutes a "guaranteed energy savings contract," all within the meaning of the Guaranteed Energy Savings Act.

The Council hereby finds and determines that it is necessary, convenient and in furtherance of the governmental purposes of the County and in the best interests of the County and its inhabitants that the County enter into the County Documents and thereby refinance the Phase I Project, finance the Phase II Project and pay the costs of executing and delivering the County Documents, all as contemplated by the County Documents. The Council therefore hereby authorizes the execution and delivery of the County Documents for such purposes.

Section 3. Approvals; Execution of Documents; Authorized
Officers. The County Documents, in substantially the forms as filed with the Council, are in all respects approved. The County Executive is hereby authorized and directed to execute and deliver the County Documents in substantially the forms as filed with the Council, for and on behalf of the County.

Section 4. Additional Documents; Delegated Powers. The County Executive is hereby authorized to execute and deliver for and on behalf of the County any and all additional certificates, documents and other papers, and to perform all other acts that the County Executive may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this Resolution. Such necessary or appropriate actions include, without limitation:

(a) the determination by the County Executive of the dated date (which shall be the delivery date) of the County Documents;

(b) the determination by the County Executive of the principal and interest components of the installment payments to be made by the County under the Amended and Restated Purchase Agreement;

(c) the execution and delivery of such certificates and opinions as may be reasonably required by counsel to the Contractor or counsel to the Lender, relating to, among other things, the tenure and identity of the officials of the County, the absence of pending litigation affecting the validity of the County Documents and expectations and covenants relating to the excludibility from gross income for federal income tax purposes of the interest components of the installment payments paid by the County under the terms of the Amended and Restated Purchase Agreement, all as contemplated by this Resolution and as are not inconsistent with this Resolution; and

(d) the execution and delivery of certificates of acceptance and payment requests and any other notices or certificates to be executed and delivered by the County during the terms of the County Documents.

Section 5. Appropriation of Funds. The obligation of the County to make installment payments and certain other payments
under the Amended and Restated Purchase Agreement shall be subject to annual appropriation by the County and shall constitute an undertaking of the County to make current expenditures. The County shall have no obligation to make any payment except in connection with the payment of the installment payments and certain other payments under the Amended and Restated Purchase Agreement for which funds have been specifically appropriated by the County for such purpose, which payments may be terminated by the County in accordance with the provisions of the Amended and Restated Purchase Agreement.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution (other than provisions as to the payment of installment payments by the County during the term of the County Documents) shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer of Measures. All other orders, resolutions and other instruments, or parts thereof, in conflict with this Resolution or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed to revive any order, resolution or other instruments, or part thereof, heretofore repealed.

Section 8. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

This Resolution, immediately upon its passage, shall be recorded in the book kept for that purpose in the office of the Clerk to Council and shall be signed by the Clerk to Council.

As there were no questions or comments, Mr. Cusick called for the vote.


The resolution was adopted by a vote of 8-0.
Consideration of the Resolution Selecting the Independent Auditors for Northampton County

Mr. Cusick stated the independent audit proposals were reviewed at the Finance Committee meeting. He then provided a spreadsheet that listed the prices for the four qualified applicants (see Attachment #1). He further stated the low bid was The Binkley Kanavy Group, LCC at a price of $265,500, the second lowest was Larson Allen LLP at $339,050, the third was Mallie, Falconiero & Company LLP at $432,500 and the high bid was Zelenkofske Axelrod LLC at $454,380.

Mr. Cusick advised Mr. Steve Barron, County Controller, indicated yesterday that he felt The Binkley Kanavy Group was qualified and could do a good job even though they were based in Pittsburgh, noting they currently audited HealthChoices.

Mr. McClure stated an independent review of the proposals was done by a gentleman from the Northampton County Community College and Larson Allen was his recommendation.

In answer to Mr. McClure’s question as to whether Larson Allen had ever requested additional money, Mrs. McHale and Mr. Angle both replied they did not.

Mr. McClure advised the reason he was asking was because their bid preceding the time they were selected was low and concerns were raised as to whether they would be able to do it for the price indicated. He further advised since they did not ask for additional money, he would suggest retaining Larson Allen.

Mr. Cusick stated Mr. Barron indicted he was concerned because the lead auditor for Larson Allen was no longer going to be handling the County’s account and the individual replacing him was not a Certified Public Accountant.

Mr. Dowd advised he considered Mr. Barron’s thoughts on the matter, but even with the difference in price, he would have no qualm about retaining Larson Allen because the experience the County had with them was a good one.

Mrs. McHale stated she agreed with Mr. Dowd in that the
County has had a good relation with Larson Allen. She further stated whenever there was a transition, issues arose.

Mr. McClure advised he just wanted to state that Mr. Barron had not made any recommendations as to who should be chosen.

Mr. Cusick stated the discussion yesterday had to do with qualifications and Mr. Barron had indicated that they were all qualified. He further stated he agreed that Larson Allen had done a good job, but he had a hard time not accepting the low bid based on the comments he heard yesterday.

Mr. Angle advised he liked Larson Allen, but he would like permission to sit down with them to negotiate their price.

Mr. Lauer stated he felt it was acceptable to discuss with any of the applicants their numbers, but the County may have to then rebid the contract.

In answer to Mrs. McHale’s question as to whether 911 had money in their budget for their required audit, Mr. Doran Hamann, Acting Director of Fiscal Affairs, advised there were a number of departments that participated in the payment of the audit.

Mrs. McHale made a motion to amend the resolution to indicate the proposal by Larson Allen was accepted as the County’s independent auditors.

Mr. McClure seconded the motion.

As there were no further questions or comments, Mr. Cusick called for the vote.


The motion passed by a vote of 7-1.

Mr. Angle made a motion to table this resolution to allow himself and Mrs. Thierry to sit down with the four applicants and renegotiate their prices.

Mrs. Thierry seconded the motion.
As there were no further questions or comments, Mr. Cusick called for the vote.


The motion failed by a vote of 3-5.

Mr. Cusick called for the vote on the following amended resolution:

R. 91-2011  WHEREAS, the Northampton County Home Rule Charter Section 708. Independent Post-Audit provides that: “The County Council shall appoint an independent certified public accountant or firm of such accountants, authorized and licensed to do business in Pennsylvania, to audit all agencies and County funds received or disbursed. This audit shall be conducted annually after the end of the fiscal year in accordance with generally accepted auditing principles. The auditor shall submit a report of the findings of this audit no later than one hundred twenty (120) days after the end of the fiscal year. Copies of the report shall be made available to the public at a reasonable price determined by the County Council.”; and

WHEREAS, on August 1, 2011, the Northampton County Council issued requests for proposals (RFP) for independent auditing services; and

WHEREAS, on September 1, 2011, proposals were received from: (1) The Binkley Kanavy Group LLC, (2) Larson Allen LLP, (3) Maillie, Falconiero & Company, LLP and (4) Zelenkofske Axelrod LLC.

NOW, THEREFORE, BE IT RESOLVED by the Northampton County Council that it does hereby accept the proposal of Larson Allen LLP to provide auditing services to the County of Northampton for the fiscal years ending 2011, 2012, 2013, 2014, and 2015.

BE IT FURTHER RESOLVED by the Northampton County Council that the Solicitor to County Council is directed to prepare the necessary contract with Larson Allen LLP according to the terms and conditions set forth in: (1) the Request for Proposals for auditing services (a copy of which is attached hereto and
labeled as Exhibit “A”) and (2) the response to the Request for Proposals submitted by Larson Allen LLP (copies of which are attached hereto and labeled as Exhibits “B” and “C”).


The resolution was adopted by a vote of 6-2.

Consideration of the County Depositories Resolution

Mr. Cusick stated this resolution was reviewed at the Finance Committee meeting yesterday. He then introduced the following resolution:

R. 92-2011 WHEREAS, Northampton County Administrative Code Section 12.06 a. Depositories of Funds of the County provides that “the County Council, after the evaluation of written proposals, shall by resolution, select a depository or depositories for County monies.”

NOW, THEREFORE, BE IT RESOLVED by the Northampton County Council that the following shall constitute the current and updated listing of County Authorized Depositories (sections marked with bold underlining have been added, sections marked with strikeout have been deleted), effective this 20th day of October 2011:

1. Adjustable Rate Mortgages
   1. Bank of America
   2. Bank of New York
   3. Citizens Bank of Rhode Island
   4. FMB Trust
   5. First Commonwealth Federal Credit Union
   6. First Star Savings Bank
   7. Firstrust Bank
   8. Fulton Financial Advisors
   9. Harleysville National Bank **First Niagara Bank**
   10. JP Morgan Chase Bank
   11. Keystone Nazareth Bank & Trust (KNBT)
   12. Lafayette Ambassador Bank
13. M & T Bank
14. Marshall BankFirst
15. Mellon Bank
16. National Penn Bank
17. Pennsylvania Local Government Investment Trust (PLGIT)
18. PNC Bank
19. Sovereign Bank
20. Susquehanna Patriot Bank
21. TD Bank
22. Trust Company of the Lehigh Valley
23. U S Bank
24. Wachovia Bank Wells Fargo Bank
25. Comerica Bank

BE IT FURTHER RESOLVED that any resolution, or any part thereof, conflicting with the provisions of this resolution, is hereby repealed insofar as the same affects this resolution or is inconsistent with this resolution.

As there were no questions or comments, Mr. Cusick called for the vote.


The resolution was adopted by a vote of 7-0, with 1 abstention.

Gracedale

Mr. Angle advised that he thought there would be a request for an additional $3 million for Gracedale.

Mr. Cusick stated one of the things that he had discussed with Mr. Hamann was whether or not Bond Issue funds could be moved.
Mr. Hamann advised the second and final budget amendment for 2011 would be presented to County Council by the end of next week and that would include additional funds for Gracedale.

In response to Mr. Angle’s question as to where it was being transferred from, Mr. Hamann stated it was coming from the budgetary fund balance.

In answer to Mr. Angle’s question as to whether the $3 million was contemplated when the County Executive presented his budget, Mr. Hamann replied it was.

West Easton Treatment Center

In response to Mr. Angle’s question as to whether the facility would be ready by January 1, 2012, Mr. Stoffa advised an agreement was close to being worked out, but the budget would have to be approved first.

Human Services Committee Report

Mrs. Ferraro stated the Human Services Committee met this afternoon and Mr. David Holland, Premier’s Interim Administrator at Gracedale, indicated they were working on their operational assessment plan. She further stated they also indicated they were meeting with employees and already started doing some work with regard to admissions.

Mr. Cusick advised Mr. Holland had also indicated that this was a challenge, but he was up for it and was very positive. He further advised Mr. Holland planned to come back to County Council with a report in late November. He noted Mr. Holland discussed some interesting possibilities for the facility that could make it more financially fit for the future.

Finance Committee Report

Mr. Cusick stated most of the items that were discussed at yesterday’s meeting were discussed tonight. He further stated that Mr. Al Jordan, ACS Director of Information Services, did talk about an electronic payment card program that was going to
be implemented, which should hopefully reduce some of the check fraud issues that had plagued the County.

Farmland Preservation Liaison Report

Mr. Cusick advised there were 11,322 acres of preserved farms to date. He further advised they were currently looking to preserve the McGuire and Milander farms and funds have become available to preserve the Baggitt farm.

Open Space Advisory Board Liaison Report

Mr. Cusick stated one of the issues discussed at last week’s meeting was the independent appraisal. He further stated language was discussed and a proposal should be voted on by them at their next meeting.

Mr. Angle advised County Council voted to have an independent appraisal done by a chosen appraiser and paid for by the individual. He further advised instead of that being enacted into law, Mr. Cusick decided to go to the Open Space Advisory Board. He noted County Council set the rules, not the Open Space Advisory Board.

Mr. Angle requested that the members of the Open Space Advisory Board appear before County Council at the next meeting.

Adjournment

Mrs. Ferraro made a motion to adjourn.

Mrs. McHale seconded the motion.

The motion passed by acclamation.

Frank E. Flisser
Clerk to Council