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; Thomas H. Dietrich; Bruce A. Gilbert; Kenneth M. Kraft; Lamont G. McClure, Jr.; Scott Parsons; Barbara A. Thierry, Robert F. Werner; Frank E. Flisser, Clerk to Council, and Philip D. Lauer, Solicitor to Council.

Prayer

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

Pledge of Allegiance

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

Approval of the Minutes

Mr. McClure made the following motion:

Be It Moved By the Northampton County Council that the minutes of the March 21, 2013 meeting shall be approved.

Mrs. Thierry seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Mr. Steve Barron, Northampton County Controller - stated he wanted to commend County Council for the stand they took with regard to Gracedale’s medical transport services. He further stated recent history had shown that going with the lowest bidder was not always the best decision.

Mr. Barron advised in April 2010, the County put out a bid for a parking deck and walkway to the Courthouse and bids were received for $1.669 million, $2.197 million, $2.2 million and $2.8 million.
Mr. Barron stated in November 2010, RAM, the lowest bidder and winning contractor, came before County Council with $458,000 in change orders for the parking deck, which put it in the ball park of the two middle bidders. He further stated the County has since filed a lawsuit for $700,000, which was a waste of County resources, and more money would still have to be paid to get the parking deck done right.

Mr. Barron advised Section 13.08 of the Administrative Code said competitive sealed bids were only to be used when price was the determining factor. He further advised since the County went through the Request for Proposal (RFP) process, price was not the only factor.

Mr. Barron stated County Council had clearly stated their intentions and he hoped they would continue to pursue this matter because he felt they made the right decision in pushing the Administration toward the Nazareth Ambulance Corps (Nazareth).

County Executive’s Report

Mr. John Stoffa, County Executive, advised Bethlehem Township approved the designation change for the Human Services building from a medical building to a government building.

Mr. Stoffa stated the dedication for the Archives Building would be held at 4:00 p.m., on April 5, 2013.

In answer to Mr. Werner’s question as to whether there was a signed contract for the Wolf Building, Mr. Daniel Spengler, Northampton County Solicitor, advised the buyers were reviewing a draft of the agreement.

Medical Transport Services Contract

Mrs. Ferraro stated the citizens voted to keep Gracedale because of its quality of services and County Council made it abundantly clear they wanted to continue transport services with the quality company that had been servicing Gracedale.
Mrs. Ferraro advised one of the complaints about government was its reluctance to compromise and she felt if the Administration would sit down and discuss the matter with Nazareth there could be an amendable compromise that would satisfy everyone and the quality that everyone expected from Gracedale would continue.

Mrs. Ferraro wondered if the County only looked at the bottom line, what other services would be cut throated by the powerful. She added hands were thrown up in frustration when the decision was being made to sell Gracedale because there was no compromising or working together until the voters spoke.

Mrs. Ferraro stated now that County Council had spoken, she felt it was time to get good compromising government on track in Northampton County while preserving reasonable savings for the taxpayers.

Mr. Werner agreed County Council had spoken, but there were many dollars and personal time given up by the unions and other individuals in an effort to secure Gracedale financially and that should not be forgotten.

Mr. Werner advised all the trust and restructure in management by Premier Healthcare Resources (Premier) to further the financial stabilization and integrity of Gracedale through cost effective programs have proven to be well placed and he felt County Council was micro-managing when it disregarded their choice.

Mr. Werner stated if County Council recognized the progress Gracedale had made within the past year with the help of Premier, the fiscal responsibilities accomplished through the efforts of the Gracedale staff, the union givebacks, the grassroots sponsored work by the people of this County and the choices made recently by County Council, then it must also acknowledge that using the bid process to find the lowest cost quality ambulance care inherently continued to support these good works.

Mr. Werner commented there could be disagreements with the bid process and its methodology, but it was a proven procedure that had been used by this County for many years and if the results were not accepted, then why have it.
Mr. McClure advised to simply acquiescence to the bid process would be to completely abandon and abdicate County Council’s role as the governing body of the County.

Mr. McClure stated one of the things that got lost in this debate was the difference in the bids was a thousand of one percent of Gracedale’s budget so it was not going to have a material impact on the bottom line that would help to determine whether or not Gracedale remained County owned. He further stated to him it was about the health and long term viability of Nazareth.

Mr. McClure advised during the last election there was a lot of talk about European-style socialism, which meant direct government support given to private enterprise. He further advised that was not the case here because Nazareth did a good job at Gracedale.

Mr. McClure stated he had people in his district who were competing with a Danish corporation that appeared would bid as low as it had to in order to get the contract. He further stated if Nazareth had to compete with the potentiality of a European model of business practices, he felt it was okay especially when it was only a thousand of one percent of Gracedale’s budget.

Mr. McClure asked if Mr. Lauer could provide his findings regarding sealed competitive bids.

Mr. Lauer advised he was asked to determine whether and under what circumstances County Council would have the ability to challenge a decision by the County Executive to proceed with this issue on a competitive sealed bid basis.

Mr. Lauer stated if that were to occur and the bids exceeded the $100,000 limit, prior to committing the County to any contract, the County Executive would be required to give County Council twenty day notice of his intention.

Mr. Lauer advised if the contract was awarded using competitive negotiation, negotiation after competitive sealed bidding or non-competitive negotiation methods, then County Council approval was required. He further advised if there was a competitive sealed bid, one of the issues would be whether further negotiation occurred after the bid was received.
Mr. Lauer stated the Administrative Code described a reasonable bidder as one who had the capability in all respects to perform fully the contract requirements, had the integrity and liability that assured good faith performance and had been prequalified. He further stated if it was felt that requirement was not met, County Council could challenge it.

In response to Mr. McClure’s question as to when a competitive sealed bid was appropriate, Mr. Lauer advised it was when the determinative factor was cost. He further advised in the event County Council concluded, once the notice was received, that price was not the only determining factor, some form of negotiation had occurred or the successful bidder was not a responsible bidder, there could be possible litigation options available.

In answer to Mr. McClure’s question as to the whether the fact that there were previous RFPs and that between the first and second request, there were specific tweaks made could be used as evidence that price was not the only determining factor, Mr. Lauer replied that would be for a Court to decide.

Mr. Cusick stated as much as he would like to see the County go with the lowest bidder, he believed the County had a system of checks and balances and County Council had the right to disagree with the County Executive and what he was doing. He further stated trying to do this end-run would set a precedent down the road that he would prefer to avoid.

Consideration of the General Purpose Authority (GPA) – St. Luke’s Hospital Project

Mr. Cusick advised the Northampton County Department of Community and Economic Development (DCED) requested County Council adopt a GPA resolution pertaining to projects being considered by St. Luke’s Hospital. He further advised the GPA has arranged for low cost financing for various projects that were being considered by St. Luke’s Hospital and one of the conditions of obtaining this financing was that County Council had to certify these projects were desirable for the health, safety and welfare of the citizens of the County. He noted the County’s full faith, credit or taxing power was not pledged as a guarantee for the funds being borrowed by St. Luke’s Hospital and that St. Luke’s Hospital was the guarantor for the bonds
being floated.

Mrs. Ferraro introduced the following resolution:

R. 11-2013

APPROVING THE FINANCING BY NORTHAMPTON COUNTY GENERAL PURPOSE AUTHORITY OF PROJECTS FOR SAINT LUKE’S HOSPITAL OF BETHLEHEM, PENNSYLVANIA, AND DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE IN THE AREA TO BE SERVED BY THE FACILITIES OF THE HOSPITAL TO HAVE SUCH FACILITIES FINANCED THROUGH THE AUTHORITY

WHEREAS, the Northampton County General Purpose Authority (the “Authority”) is a body corporate and politic existing under the provisions of the Pennsylvania Municipal Authorities Act 53 Pa. Cons. Stat. §§ 5601-5622, as amended (the “Act”) by the County Council (the “County Council”) of the County of Northampton, Pennsylvania (the “County”), with all the general powers granted by the Act for the health, safety and welfare of the residents of the area; and

WHEREAS, the Act vests the Authority, inter alia, with the power of financing projects for the benefit of hospitals and health centers; and

WHEREAS, the Authority, at the request of Saint Luke’s Hospital of Bethlehem, Pennsylvania, a Pennsylvania nonprofit corporation (the “Hospital”), proposes to undertake all or a portion of a project (the “2013 Project”) consisting of: (i) a 200 bed expansion of the hospital located on the Hospital’s Anderson Campus; (ii) construction of an administration building on the Hospital’s Anderson Campus; (iii) the funding of various capital projects for general Hospital purposes, including, without limitation, renovations, repairs and acquisitions of capital equipment at the Hospital’s Anderson Campus, Bethlehem Campus and Allentown Campus and at related outpatient facilities in Northampton County and Lehigh County, Pennsylvania; (iv) the funding of a debt service reserve fund for the Bonds; (v) the capitalization of a portion of the interest on the Bonds; (vi) the reimbursement of any of the costs referred to in clauses (i)
through (iii), and (v) the payment of certain costs and expense in connection with the issuance of the Bonds; and

WHEREAS, the Hospital has requested that the Authority issue revenue bonds in an aggregate principal amount not to exceed $100,000,000 (the “2013 Bonds”), estimated to be sufficient to pay the costs of the 2013 Project; and

WHEREAS, the Act permits an authority to undertake the financing of hospital or health care projects with loans to public hospitals, non-profit corporation health centers or non-profit hospital corporations serving the public which may duplicate or compete with existing enterprises serving substantially the same purposes provided that a declaration is made by the municipality which organized an authority for such a project that it is desirable for the health, safety and welfare of the people in the area to be served by the facilities to have such facilities provided by, or financed through, an authority; and

WHEREAS, the County Council is familiar with the Hospital, has determined that the Hospital is a public hospital, non-profit corporation health center or non-profit hospital corporation serving the public, and is concerned about improving the health, safety and welfare of the people of the County; and

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Authority’s undertaking of 2013 Project is hereby approved, it being understood that such approval shall not, directly or indirectly, obligate the taxing power of the County or otherwise obligate the County in any way whatsoever, and is given for the sole purpose of complying with the provisions of the Act relating to the undertaking of the 2013 Project by the Authority.

2. It is hereby declared desirable for the health, safety and welfare of the people in the area served by the Hospital to have the 2013 Project and the project facilities financed through the Authority and the Authority is hereby requested and authorized to undertake the financing of the 2013 Project for the benefit of the Hospital by the issuance of the 2013 Bonds.
3. The proper officers and other personnel of the County and the Authority are hereby authorized and empowered to take all such further actions and execute such additional documents as they may deem appropriate to carry out the purposes of this resolution.

4. Any resolutions or part of resolutions conflicting with the provisions of this resolution are hereby repealed insofar as the same affect this resolution.

Mr. Tom Lichtenwalner, Senior Vice President of Finance, St. Luke’s Hospital, stated in November 2011, the St. Luke’s Anderson Campus opened on Route 33 and Freemansburg Avenue that was comprised of a hospital, medical office building and a cancer center. He further stated within one year, they discovered they would have to expand again and believed they would have to do the same within the next year or two so they were requesting to borrow more money for that expansion.

In response to Mr. Cusick’s question as to whether he recalled having any discussions with the Coroner’s office regarding locating to that campus due to its proximity, Mr. Lichtenwalner replied he recalled discussions taking place, however, he did not know what the outcome was, but he would look into the matter.

Mr. McClure advised his vote would not be tied to the morgue issue, but felt it was something they should take into consideration.

Mr. Gilbert stated if there were any plans to expand to the other side of the road from the current campus, Mr. Lichtenwalner stated there were no plans at this time.

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


The resolution was adopted by a vote of 9-0.
Consideration of the Resolution Supporting Pennsylvania House Bill No. 993 (PA HB 993)

Mr. Cusick advised at the request of Mrs. Ferraro, a resolution was drafted supporting PA HB 993 that changed the name of the Pennsylvania Department of Public Welfare to the Pennsylvania Department of Human Services.

Mrs. Ferraro stated there was a negative connotation with regard to the word welfare and this bill was being supported by the County Commissioners Association of Pennsylvania (CCAP).

Mrs. Ferraro introduced the following resolution:

R. 12-2013  WHEREAS, legislation (House Bill No. 993, Session of 2013, Printer’s No. 1157) to change the name of the Pennsylvania Department of Public Welfare to the Department of Human Services was reportedly out of the Pennsylvania House Human Services Committee; and

WHEREAS, renaming the Department of Public Welfare to the Department of Human Services would remove the “stigma” often associated with public assistance and the term “welfare” and will more accurately reflect the wide range of services which are provided to the Commonwealth’s most vulnerable citizens.

NOW, THEREFORE, BE IT RESOLVED By the Northampton County Council that it does hereby endorse and support Pennsylvania House Bill No. 993, Session of 2013, Printer’s No. 1157. Further, the Northampton County Council calls upon the members of the General Assembly of the Commonwealth of Pennsylvania to adopt, and the Governor to sign, House Bill No. 993.

IT IS FURTHER RESOLVED that a copy of this resolution shall be sent to the Northampton County delegation to the General Assembly of the Commonwealth of Pennsylvania.

Mr. Dietrich advised it bothered him that with all the things the Legislators could have done with regard to Human Services, they focused on a name change not to mention the cost involved for the branding so he would not support this resolution.
Mr. Cusick stated he felt this was important because at the Federal level it was called the Department of Health and Human Services and at the County level it was called the Department of Human Services so it would clarify the department at the State level and there was a stigmatism associated with the Department of Public Welfare.

Mr. Stoffa advised he was disappointed that the name change would not include Drug and Alcohol or the Area Agency on Aging.

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


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

Uniform Parcel Identifier Ordinance

In answer to Mr. Cusick’s question as to the status of the Uniform Parcel Identifier ordinance, Mr. Lauer stated he had expressed some concerns about portions of the proposed ordinance and he received an e-mail from Mr. David Backenstoe, Assistant Northampton County Solicitor, explaining some of them, but they were still working on the others.

Economic Development Committee Report

Mrs. Ferraro advised the Economic Development Committee met earlier this evening and the St. Luke’s Hospital project was discussed. She further advised Ms. Lori Sywenski, Community Development Administration, DCE, addressed changes to the Hotel Tax Rules and Regulations, which would be presented to County Council in the next few weeks.

Human Services Committee

Mr. Dietrich stated he wanted to remind everyone that at the next Human Services Committee meeting a discussion would be held with regard to the unused beds at Gracedale.
Prison Advisory Board Liaison Report

Mr. Kraft advised at the Prison Advisory Board meeting last week, it was revealed that the population was in the 700 range, which he believed was due to the programs available to reduce recidivism. He further advised when discussions were held regarding a new prison, the projection was 1200.

Northampton County Gaming Revenue and Economic Redevelopment Authority Liaison Report

Mr. Kraft stated a meeting was held at which time they were presented with the grant requests. He further stated these grants would be considered and awarded at the end of this month.

Farmland Preservation Board Liaison Report

Mr. Parsons advised there were really no new developments to report with regard to farmland. However, with regard to open space, Mr. Parsons indicated there were three applications for open space and 17 for municipal parks. He further advised an Open Space Coordinator has been hired and he started a few weeks ago.

Gracedale Advisory Board Liaison Report

Mr. Werner stated an article regarding Gracedale appeared in a nursing home magazine attributing the cuts and contributions that were made to its success.

Conservation District Advisory Board Liaison Report

Mrs. Ferraro advised the Conservation District would be holding their Envirothon on April 25, 2013.

Lehigh Valley Planning Commission (LVPC) Liaison Report

Mr. Cusick stated the LVPC had issued their annual report that indicated subdivision and land development activities remained at historic lows.
Mr. Cusick advised Mr. Mike Kaiser, Executive Director, announced his retirement and they were in the process of seeking his replacement.

Adjournment

Mr. Kraft made a motion to adjourn.

Mr. McClure seconded the motion.

The motion to adjourn passed unanimously by acclamation.

Frank E. Flisser
Clerk to Council