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 7, 2013 meeting shall be approved.

Mrs. Thierry seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Mr. William Schrack, 439 South Main Street, Bangor, PA stated he was an Emergency Medical Technician and volunteer firefighter. He further stated a few months ago, County Council voted to award a three year contract to the Nazareth Ambulance Corps (Nazareth) for services at Gracedale, however, only an extension was granted and a new Request for Proposal (RFP) process was begun.

Mr. Schrack advised during that time, online scheduling and increased daily transports were added with each being successfully performed by the staff at Nazareth. He further advised during and after the RFP process, the Administration at Gracedale was witnessed having meetings with LifeStar Response
Mr. Schrack stated Cardiopulmonary Resuscitation (CPR) instructions for staff members was added to the contract, however, the last time he checked, it was a healthcare provider’s responsibility to maintain their own CPR qualifications and not the facility they worked for. He further stated the contract indicated the purpose was to provide transportation for the patients to schedule appointments or to the hospital as a precautionary measure. He noted it was not clear to him what precautionary measures were and who would make that determination.

Mr. Schrack advised that LifeStar was not a 911 service yet they were continually seen running lights and sirens going to the hospital and occasionally to a facility. He further advised he understood that on rare occasions, routine transports could turn into a true emergency, but not at the frequency these units were seen running Code 1 down the highway.

Mr. Schrack stated since LifeStar was not a 911 service; they were not authorized to utilize the County-wide radio frequency set up for emergency services. He further stated another part of the contract indicated the ambulance provider would be part of the emergency drills at Gracedale, but how could they communicate with other emergency providers on scene without this access.

Mr. Schrack advised when this contract was last presented for discussion, County Council heard how this would affect the employees at Nazareth and the local economy. He noted larger companies could submit lower bids because they made their money on volume. However, emergency service was not about business and making money, it was about saving people’s lives, caring for the sick and injured and being there when catastrophe struck.

Mr. Schrack stated by closing down smaller ambulance corps, more strain was placed on fewer stations to cover the call volume for a greater geographical region. He further stated add to that the political factor of each city, borough and township who determined who would provide their service and response times became greater.

Mr. Schrack advised Nazareth not only provided transportation services for Gracedale, but it also provided 911 services to Gracedale and the surrounding areas. He further advised removing the transport services from Nazareth would not
only result in layoffs and reduction in force, but also in the 
reduction of 911 services to local communities and add to the 
aforementioned issues.

Mr. Schrack stated numerous discussions were held regarding 
the costs at Gracedale and Nazareth had agreed to provide more 
services for less money. He further stated it was his belief 
the decision to remove Nazareth, who had been providing these 
services effectively and efficiently, to save money and allowing 
another service a foot in the door would ultimately result in 
greater issues for the community and County in the long run.

Mr. Schrack advised he hoped County Council would think 
long and hard about the ramifications of accepting this bid to 
allow an outside company to come in and take over from a company 
that had a long history with the community.

Mr. Dan Chiavaroli, 231 South Whitfield Street, Nazareth, 
PA – stated he just wanted to ask if anyone checked to see if 
the bid from LifeStar conflicted with any Medicare regulations 
as there were regulations regarding purposely low bids, and if 
not, he suggested tabling this matter until it could be checked.

Ms. Michele Seidel, General Manager, LifeStar – advised 
during the last six months, there was talk about who LifeStar 
was and what was most troubling to her and her staff was the 
impression they were not a local company. She further advised 
they employed 300 employees at facilities in Norristown, 
Stroudsburg and Bethlehem.

Ms. Seidel stated they were owned by a Danish company 
called Falck. She further stated one of the owners was a non-
profit foundation that donated $175 million of their profits for 
2011/2012 to medical research and the other partner donated more 
than $17 million to children education in 2012.

Ms. Seidel advised they used local vendors to maintain 
their fleet for their Bethlehem facility and 90% of their 100 
employees at that location lived in the Lehigh Valley, with 30 
of them living in Northampton County where they paid their 
taxes, raised their families, voted and spent their money. She 
further advised they provided excellent benefits to their 
employees and their pay rates were comparable, if not higher, 
than most of the emergency management services in the area.

Ms. Seidel stated a lot of the larger companies in this 
area were foreign owned and they were proud of who owned 
LifeStar. She further stated LifeStar was located in eight
states and transported more than 400,000 patients a year so they
knew how to do non-emergency transportation effectively,
correctly and cost consciously.

Mr. Jim Dickinson, Senior Vice-President, LifeStar—advised with regard to Medicare regulations, the only time
Medicare was involved was when they transported a Medicare
patient and then they billed Medicare allowable rates. He
further advised they had their own billing company and they were
very efficient in what they did which was why their prices were
lower.

Mr. Dickinson stated they were a transport company and not
a 911 company trying to be a transport company to make money on
the side. He further stated they had a commitment to care for
the people, noting they gave a proposal for unlimited transports
so a person could be taken where they had to go when they wanted
to go.

Mr. Dickinson advised the value added services noted were
standard with them, including CPR training. He further advised
one of the reasons they could drop their price after the last
bid was because they found a way to save money by not using five
full time positions. He noted they did not bid lower to beat
the competition, their bid reflected the products and costs they
would be providing.

In answer to Mr. Gilbert’s question as to how the services
in the previous bid compared to the services in this lower price
rebid, Ms. Seidel stated the difference was in the area of
escort service. She further stated when they first submitted
their bid they constructed it in such a way that the para
transit vehicles would have two people, but they decided they
would be able to eliminate one of those individuals and that
saved the use of five full time employees.

In response to Mr. Gilbert’s question as to whether there
were any services eliminated in this bid, Ms. Seidel advised
they did not eliminate any services, noting the savings came
from them not having to use those five individuals.

In answer to Mr. Kraft’s comment that he did not understand
how they came to the $86,000 savings they would occur by
eliminating those five positions, Mr. Dickinson stated there
were other cost cuts.
In response to Mr. Cusick’s question as to what were some of the other contacts they had in the area, Ms. Seidel advised some of their contracts were with Praxis, Manor Care, St. Luke’s, noting they backed up their current primary provider, Good Shepherd and Genesis.

Ms. Melissa Sutliff, Nazareth – stated during the years she had been employed by Nazareth, she, as well as the other staff members, had come to know a lot of the residents at Gracedale and because of that, they could tell when picking up a resident for a routine transport that something else may be wrong with them.

Confirmation of Appointments

Mr. Cusick advised the Personnel Committee meeting met yesterday to consider the County Executive’s appointments to the Children, Youth and Families Advisory Board, the Higher Education Authority, the Lehigh-Northampton Transportation Authority and the Open Space Advisory Board.

Mr. Kraft introduced the following resolution:

R. 10-2013 RESOLVED, by the Northampton County Council that the following individuals shall be confirmed in their appointments/re-appointments as indicated hereafter:

CHILDREN, YOUTH AND FAMILIES ADVISORY BOARD

Appointment: __________________________ Terms to Expire: 4/9/15
William Rider
3015 Windsor Street
Easton PA 18045

Re-appointment: __________________________
William Pysher
4185 Greenwood Drive
Bethlehem PA 18020

HIGHER EDUCATION AUTHORITY

Appointments: __________________________ Term to Expire: 12/31/13
Mark Schiavone
1002 Walnut Street
Bangor PA 18013
Mr. Gilbert stated he had Mr. Rider as a teacher and coach during his formative years and later became a friend. He further stated he felt Mr. Rider would be an excellent addition to the Children, Youth and Families Advisory Board.

Mr. Werner advised he also knew Mr. Rider and agreed that he would be an excellent addition to the Children, Youth and Families Advisory Board.

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


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

County Executive’s Report

Mr. John Stoffa, County Executive, stated he did not have a report.
Mr. Cusick advised the Finance Committee met yesterday to review this contract. He then 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"; and

**WHEREAS**, on March 8, 2012, the Northampton County Council received a request from the County Executive for County Council to adopt a resolution approving a contract for a total of $225,000 for the first year, with the potential for three years being $675,000, with LifeStar Response for medical transport services (non-emergency) for Gracedale residents.

**NOW, THEREFORE, BE IT RESOLVED** that the Northampton County Council does hereby concur with the recommendation of the County Executive to award a contract to LifeStar Response for medical transport services (non-emergency) for Gracedale residents.

Mrs. Thierry stated this was the second time County Council had been presented with a bid from LifeStar and even though they were the lowest bidder, she thought County Council made it clear that the contract should be awarded to Nazareth.

Mrs. Thierry advised she understood LifeStar promised the most services for the buck now, but what about three years from now when it had no competition and was free to charge what it wanted. She further advised another consideration was the personal relationships that have been developed between the members of Nazareth and the residents of Gracedale.

Mrs. Thierry stated she voted to sell Gracedale because she felt it was the only way to insure the best quality of care for the residents in the long run and the same concern prompted her to vote against LifeStar. She further stated although County Council did not have the power to negotiate this bid itself, she
hoped the Administration got the message that they wanted this service performed by people who cared about and actually knew the residents.

Mrs. Ferraro advised she was not supporting Nazareth because she lived there because she represented all of Northampton County. She further advised too many big companies were putting the little companies out of business and people were losing the personal service they used to get.

Mrs. Ferraro stated the majority of residents at Gracedale were elderly, infirmed and needed consistency in their lives and Nazareth brought that consistency and a personal touch. She further stated she was not sure this was not just a low ball response to the bid and things would change later on.

Mr. Werner advised he agreed family and local community were important, but which community should they serve, Nazareth or the whole County. He further advised this specific issue dealt with Gracedale’s fiscal future and economic health. He noted this decision was not all about the money or lowest bid, but making the right decision for all the residents of Gracedale and Northampton County so he was voting for LifeStar.

Mrs. Thierry stated when people lost their jobs; it affected the whole County so the extra cost was insuring that jobs would be kept in the County.

Mr. Werner advised he believed that Mrs. Thierry was making suppositions regarding job loss. He further advised when the decision was being made regarding the sale of Gracedale, everyone had to look at changing things, which improved it dramatically and this was just another change to help Gracedale. He noted this was about being fiscally responsible with regard to Gracedale and not saving Nazareth.

Mr. Kraft stated when he ran for County Council, his platform was bringing jobs to the County so he could not support LifeStar because it would be closing a company and reducing jobs plus he felt it was a low ball bid.

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


The resolution failed by a vote of 3-6.

In answer to Mr. Cusick’s question as to what occurred now because it seemed some members of County Council would not accept any other transport service, Mr. Ross Marcus, Director of the Department of Human Services, advised he would have to discuss this matter with the Solicitor’s Office because he did not know the legal ramifications of them going through an RFP process, presenting a recommendation and then having County Council wanting to award the contract to another company.

Executive Session

Mr. Lauer requested an Executive Session to discuss a matter of litigation.

Mr. Werner made a motion to move into Executive Session.

Mrs. Thierry seconded the motion.

Mr. Cusick called for the vote and the members of County Council voted unanimously to move into Executive Session.

Mr. Lauer stated County Council entered into Executive Session at approximately 7:13 p.m. and reconvened at approximately 7:28 p.m. where a discussion was held regarding possible pending litigation.

Human Services Committee Report

Mr. Dietrich advised the Human Services Committee met earlier this evening and it was announced that in approximately a week, the Administration should receive information as to the pros and cons with regard to the selling of the unused beds at Gracedale versus turning them back over to the State.

Mr. Dietrich stated they also received an update on the Human Services Building, noting that it was currently in the design phase.

Finance Committee Report

Mr. Cusick advised the Finance Committee met yesterday where a discussion was held regarding the status of the pension fund which was improving as the stock market continued to rise.
Mr. Cusick stated the Administration presented a schedule for refinancing a bond issue that would take place later this year and the question was whether or not County Council wanted to add additional projects. He further advised the Administration was proposing 17 bridge projects and some capital improvements at Gracedale.

Gracedale Advisory Board Liaison Report

Mr. Werner advised Gracedale had its largest attendance at their Health and Wellness Fair that was held last week.

Mr. Werner stated Gracedale was ahead of budget, the rehabilitation units were very successful and referral to admission time was down to 17 minutes. He further stated its population was growing, they were picking up additional insurance companies, the short term units were very busy, they were going to have a Veterans Administration provider and new shift control software was being put into place.

With regard to the unused bed issue, he advised the County had to decide if it wanted to receive a one-time payment of $700,000 or $300,000 a year in payment incentives.

Mr. Cusick stated the US News and World Report ranked nursing homes and Gracedale was ranked as a two star facility. He then asked if the Gracedale Advisory Board looked at that rating and was there any understanding how they arrived at that rating.

Mr. Marcus advised the report was actually from the Center for Medicaid and Medicare Services and it was based on five different criteria and people were warned not to choose a facility based solely on that report. He further advised they were trying to find out what the issues were so steps could be taken to correct them so Gracedale may remain at two stars for a while, but he was confident that would increase in time.

When Mr. Marcus indicated that Cedarbrook had a four star rating, Mr. McClure commented he had no doubt that Gracedale would get there because of the progress that has already been made.
Mr. Cusick stated CCAP was having Counties vote on different resolutions and Home Rule Counties were limited to five votes. He further stated Mr. Stoffa made a suggestion that those eligible to vote should be the County Executive, three members of County Council and the Clerk to County Council, however, he suggested it should be the County Executive, the President and Vice President of County Council and two members of County Council from the other party.

Mrs. Ferraro advised she thought Mr. Cusick’s suggestion was best because it would provide equal representation from both parties.

After some discussion, Mr. Cusick stated the voting members would be Mr. Stoffa, himself, Mrs. Ferraro, Mr. Werner and Mr. Parsons.

Solicitor’s Report

Mr. Lauer advised the parcel identifier resolution was pulled from the agenda as there were some things that had to be revised.

Mr. Stoffa stated it would be presented to County Council at a later date.

Adjournment

Mr. Kraft made a motion to adjourn.

Mrs. Thierry seconded the motion.

The motion to adjourn passed unanimously by acclamation.