Easton, Pennsylvania February 19, 2015

A regular meeting of the Northampton County Council was held on the above date with the following present: Margaret L. Ferraro, President; Glenn A. Geissinger, Vice-President; Mathew M. Benol; Kenneth M. Kraft; Lamont G. McClure, Jr.; Scott Parsons; Hayden Phillips; Seth Vaughn; Robert F. Werner; Linda M. Zembo, Acting Clerk to Council, and Philip D. Lauer, Solicitor to Council.

Prayer

Pastor Carl Fischer, Grace Bible Fellowship Church, Nazareth, PA, led County Council in prayer to open the meeting.

Pledge of Allegiance

Mr. Parsons 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 February 5, 2015 meeting shall be approved.

Mr. Kraft seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Mr. Stephen Barron, 2239 Lincoln Street, Bethlehem, PA - stated he was the Northampton County Controller. He further stated at the Finance Committee meeting held yesterday, a question arose regarding the amount of money paid to the C3 Group (C3). He noted he discovered they received $76,720 and provided a document reflecting the breakdown of that payment (see Attachment #1).
Mr. Barron advised in the past he had questioned this company's involvement with the County and how they became a consultant over the healthcare changes. He further advised it appeared they approached the County Executive while being a subcontractor for PMA Management Corporation (PMA) and offered to do additional work for the County.

Mr. Barron stated the individuals he spoke with at PMA were shocked to hear about the money the County paid C3 and explained due to differences in philosophy and corporate goals, they decided not to continue their relationship with C3. He further stated he was told that his concerns were shared by the senior management at PMA.

Mr. Barron advised C3 used their existing relationship to broker a deal with the County. He further advised there was no Request for Proposal conducted and purchase orders were pieced-meal together to keep the threshold below the amount that would warrant a contract.

Mr. Barron stated this relationship was kept from the public until later in the budgeting process and when he asked the County Executive directly who and if anyone was advising him on his health care changes, he indicated no one was. He wondered if he did not mention C3 because of their existing relationship with PMA.

Mr. Barron advised the former Director of the Department of Human Resources informed him that department was not involved in the selection of C3 and was just told they would be the consultant handling healthcare. He further advised it was troubling to him that the County's longstanding professional staff was not part of this important decision.

Mr. Barron stated to date, C3 had not produced a report to anyone outside of the Administration about the work they have done or savings they had created and due to the piece-meal nature of their agreement, no language was present in any of the documents that made them contractual obligated to provide this information to his office. He further stated requests by him as Controller, a citizen and taxpayer of the County, have been met with resistance by the Administration.

Mr. Barron advised he found it sad that a County vendor could be paid more than $70,000 and offer no report justifying their work while marketing to other County controllers and commissioners they saved Northampton County millions of dollars.
Mr. Barron stated while C3 had institutional knowledge and there may be few companies to provide these services, he felt he would be remised if he did not express his concerns about this vendor, how their payments have been processed and how they seemed to escape accountability and oversight by County Council and the Controller because of loopholes in the Administrative Code.

Mr. Barron advised he believed these concerns should be considered when evaluating C3 for future work for professional services, which, in his opinion, was what C3 provided and present documentation for the money paid to date.

When Mr. John A. Brown, County Executive, stated if the Controller chose to discuss County issues he should ask for time on the agenda and not do it during Courtesy of the Floor, Mrs. Ferraro commented he was speaking on an agenda item.

Mr. McClure remarked any citizen, whether they were an elected official or not, could speak under Courtesy of the Floor. He further remarked administrative officials often stepped forward to address County Council even when they were in the middle of a vote to get their point across so in that regard, County Council may need to get more control of the process and adopt rules of order.

Mr. Brown advised the Administration asked C3 for their assistance with the changes in healthcare because it was beyond the scope of anyone employed by the County. He further advised Mr. Barron did not ask him who was guiding the Administration, but for a published report that was guiding his decisions; however, there was no such a report and he never generated any report.

Mr. Brown stated the former Director of Human Resources was involved in the process of reviewing the healthcare, but it was within his realm of County Executive to bring in other resources and he had no qualms regarding the changes that were made.

Mr. Brown advised C3 had worked for the County for three years under the umbrella of PMA and handled the risk management work at Gracedale that was directly responsible for millions of dollars in savings so its reputation and work was well documented and the comment the Controller made about concerns expressed by PMA was hearsay.
Mr. Brown stated they had some concerns about PMA, which was why they planned to put out a Request for Proposals for risk management, as well as a third party administrator for Workers Compensation issues. He further stated PMA processed the County’s Workers Compensation claims for more than $3 million a year and brokered the risk management work for approximately $90,000 per year for two contracts.

Mr. Brown advised they found no audits had been done on PMA during the last three years, but discovered a conflict of interest in that PMA owned the reinsurer on Workers Compensation. He further advised PMA brokered with C3 for risk management work and received payment for claims paid, but C3 was successfully reducing the number of claims so the Administration was looking to unfold these two entities.

Mr. Brown stated Mr. Barron had never been in favor of the changes that were made to the healthcare, but that was a decision the County Executive and Administration got to make and it was one that he believed was right for the employees and taxpayers. He further stated he would insure that any reports that were required would be presented in an appropriate and timely manner.

Mr. Richard Grucela, 6630 Fairview, Martins Creek, PA - advised he was aware Lehigh Valley Economic Development Corporation (LVEDC) received money from the hotel tax, but he wanted to know if they received a supplemental appropriation from the County.

Mr. McClure stated they received $75,000 in addition to the hotel tax.

In answer to Mr. Grucela’s question as to whether there was a written contract with LVEDC as to what services they performed for the $75,000, Mr. McClure advised it was with Discover Lehigh Valley. He further advised he believed the statute concerned LVEDC’s relationship with Discover Lehigh Valley who received the hotel tax money.

In response to Mr. Grucela’s question as to whether the County had any contract with LVEDC as to what their services were for the $75,000, Mr. McClure and Mrs. Ferraro both replied they did not believe so.
In answer to Mr. Grucela's question as to whether the County received an annual report from LVEDC as to what they had done for Northampton County generally and the Slate Belt region specifically, Mr. Brown stated the Administration could provide him information pertaining to the County's relationship with LVEDC. He further stated one of their functions was to provide support services to the County's Industrial Development Authority (IDA) for grants and loans and there was a formal contract for those services. He added he would have to do some research to determine if there were any additional appropriations beyond the original tax money and get back to him.

In response to Mr. Grucela's question as to whether the County was given an annual report as to the businesses that were brought into Northampton County, Mr. Brown advised he believed LVEDC did provide a report to both Counties, but they have not asked for more specifics with regard to Northampton County.

Mr. Brown stated the County's Department of Community and Economic Development (DCED) would try to extract that information from the data received from LVEDC. He further stated the Slate Belt was very important to Northampton County and they were trying to bring programs for it, as well as other small municipalities, outside of LVEDC.

Mr. McClure advised the County's relationship with LVEDC had been questioned and reviewed numerous times during his tenure on County Council so there should be paperwork available for Mr. Grucela.

Mr. Grucela stated he had been involved in developing the Slate Belt for more than 40 years and the next business LVEDC brought into the Bangor area specifically and the Slate Belt generally would be the first. He further stated he was a member of the Bangor Economic Development Committee and a member of LVEDC used to sit on their board, but after he was fired, he was never replaced. He noted they met once a month and there was never an individual from LVEDC at their meetings.

Mr. Grucela advised some individuals in the Slate Belt were interested in starting their own economic development agency so he wanted to know if they could receive some of the appropriation the County gave to LVEDC because they would be forming the same function only relating to the Slate Belt.
Mr. McClure stated he and Mr. Lauer believed the statute contemplated singular entities to receive hotel tax monies so it might take an amendment to the statute to allow multiple organizations to participate.

Mr. Grucela advised that was something they could look into, but they were more concerned about the County’s additional appropriation to LVEDC.

In answer to Mrs. Ferraro’s question as to whether he had spoken to the County’s DCED, Mr. Grucela stated he had met with Ms. Diane Donaher, Director of DCED, several times. He further stated there were a lot of organizations in the Slate Belt trying to do the same things so they were looking to bring them all in under the same umbrella.

Mr. Werner advised he also felt Northampton County did not get their fair share of the program at LVEDC and he would do what he could to help regionalization. He further advised Ms. Donaher was putting together a team and LVEDC had done great things on paper, but the time was now for Northampton County to step out and take matters into its own hands.

Confirmation of Appointments

Mrs. Ferraro stated the Personnel Committee met yesterday to review the County Executive’s appointments to the Airport Authority, Lehigh Valley Planning Commission and Personnel Appeals Board.

Mr. Kraft introduced the following resolution:

R. 10-2015 RESOLVED, by the Northampton County Council that the following individuals shall be confirmed in their appointments/re-appointments as indicated hereafter:

AIRPORT AUTHORITY

Appointment: Glenn A. Geissinger
1701 Rolling Meadows Drive
Pen Argyl PA 18072

Term to Expire: 12/31/15
As there were no questions or comments, Mrs. Ferraro called for the vote.

The vote: Kraft, "yes"; Vaughn, "yes"; Werner, "yes"; Benol, "yes"; Ferraro, "yes"; Geissinger, "abstain"; McClure, "yes"; Parsons, "yes" and Phillips, "yes".

The resolution was adopted by a vote of 8-0 with 1 abstention.
County Executive’s Report

Mr. Brown advised at the Finance Committee meeting yesterday, there was a discussion about the year-end General Fund balance for 2014 of $28 million. He further advised last year, it was reported there would be a balance of $11.1 million so the news was good, but he wanted to raise some caution.

Mr. Brown stated at the end of 2014, the Administration through various efforts was able to return $17 million to the General Fund, but some of those efforts were one-time events.

Mr. Brown advised the County’s tax revenue increased incrementally and going forward he did not see that changing. He further advised County Council approved a 1 mil tax increase, but it would not be available for operating purposes as it was set aside as security so in the future if an emergency occurred, those funds would be available.

Mr. Brown stated in addition to the $17 million they returned, the 2015 approved budget reduced spending by $17.3 million. He further stated at that time, County Council was advised they anticipated approximately $9 million in revenue mostly from intergovernmental revenues.

Mr. Brown advised these efforts made a $40 million impact on the County’s bottom line and he felt everyone worked very hard to become fiscal stewards, but the County was facing some significant financial needs in the future. He further advised some of the issues to be considered were capital projects at Gracedale and the County’s other facilities, the possible purchase of the Human Services Building, a looming Cadillac tax based on Obamacare and the remnants of the Swaption.

Mr. Brown stated there was $8 million in the unassigned General Fund and in order to get to the $44 million over the next five years would require $9-11 million annually being drawn from the General Fund to have money in advance to pay for some of the concerns the County was facing.

Mr. Brown advised while his Administration was happy with the results they were able to achieve during their first year, it was understood the County was not out of its fiscal troubled waters. He further advised they were reviewing the County’s contracts, services and business processes, but they would not know what impact the healthcare changes had on the bottom line until later in the year.
Mr. Brown stated until they received the actuary report for the pension, healthcare and Workers Compensation, the message he was delivering to his Administration and County Council was he planned to hold things very tightly and to continue with the plans that were implemented in 2014.

Consideration of the County Executive’s Veto of the Ordinance Providing for an Amendment to Administrative Code Article XIII Procurement and Disposition of County Property, Section 13.16 Contracts and Agreements C. (1) Resolution

Mrs. Ferraro advised at the meeting held February 5, 2015, the Northampton County Council duly adopted the ordinance titled, “AN ORDINANCE AMENDING THE NORTHAMPTON COUNTY ADMINISTRATIVE CODE, ARTICLE XIII PROCUREMENT AND DISPOSITION OF COUNTY PROPERTY, SECTION 13.16 CONTRACTS AND AGREEMENTS C. (1)” She further advised the ordinance was presented to the County Executive on February 6, 2015 and vetoed and returned by the County Executive to County Council on February 12, 2015.

Mrs. Ferraro stated a resolution was prepared to override the County Executive’s veto, which would need a 2/3 majority or 6 votes by County Council. She further stated a vote in favor of the veto override resolution was essentially a vote in favor of the ordinance adopted at the February 5, 2015 meeting and a vote against the override resolution was essentially a vote against the ordinance.

Mr. Parsons introduced the following resolution:

WHEREAS, at the meeting held February 5, 2015, the Northampton County Council duly adopted the ordinance titled, “AN ORDINANCE AMENDING THE NORTHAMPTON COUNTY ADMINISTRATIVE CODE, ARTICLE XIII PROCUREMENT AND DISPOSITION OF COUNTY PROPERTY, SECTION 13.16 CONTRACTS AND AGREEMENTS C. (1),” and

WHEREAS, the duly adopted ordinance was presented to the County Executive on February 6, 2015; and

WHEREAS, on February 12, 2015, the County Executive vetoed the ordinance (a copy of the veto message is attached) and returned it to County Council on February 12, 2015.

NOW, THEREFORE, BE IT RESOLVED by the Northampton County Council that the County Executive’s veto of the ordinance titled, “AN ORDINANCE AMENDING THE NORTHAMPTON COUNTY
ADMINISTRATIVE CODE, ARTICLE XIII PROCUREMENT AND DISPOSITION OF COUNTY PROPERTY, SECTION 13.16 CONTRACTS AND AGREEMENTS C. (1), shall be overridden this 19th day of February 2015.

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

The vote: Parsons, "yes"; Geissinger, "no"; Kraft, "yes"; McClure, "yes"; Phillips, "yes"; Vaughn, "no"; Werner, "yes"; Benol, "no" and Ferraro, "no".

The resolution failed by a vote of 5-4.

When Mr. McClure commented two weeks ago, Mrs. Ferraro voted for this ordinance so he wondered why she did not vote to override the veto, Mrs. Ferraro advised she did not have to answer that question.

Mr. McClure agreed, but it made no sense to him when there were situations where millions of dollars were wasted on consultants in the first year of this Administration and an unnecessary tax increase was passed. He stated Mr. Phillips was trying to get spending under control and Mrs. Ferraro and Mr. Vaughn showed courage when they voted for the ordinance, but tonight he was disappointed to see them show a lack of courage by voting against it.

Introduction of the Ordinance Providing for Seven Working Day Notification of Appointments by the County Executive to County Council

Mrs. Ferraro advised at the request of Messrs. Werner and Phillips an ordinance was prepared to have the County Executive notify County Council of an appointment seven days prior to the Personnel Committee meeting prior to the County Council meeting where the appointment would be considered. She further advised the public hearing, debate and possible vote would be held at the March 5, 2015 meeting.

Mr. Werner introduced the following ordinance:

AN ORDINANCE PROVIDING FOR SEVEN WORKING DAY NOTIFICATION OF APPOINTMENTS BY THE COUNTY EXECUTIVE TO COUNTY COUNCIL
WHEREAS, the Home Rule Charter empowers Northampton County Council to confirm the appointment by the County Executive of heads of agencies immediately under his direction and supervision and members of authorities, boards and commissions.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED in order to facilitate an adequate deliberation, the County Executive is directed to provide County Council all information, including letters of recommendation, resumes and job history concerning the proposed candidate for heads of agencies immediately under his direction and supervision, as well as for members of authorities, boards and commissions, at least seven (7) working days prior to the Personnel Committee meeting held prior to the presentation of the candidate to County Council.

Consideration of the County Executive’s Appointment of the County Solicitor Resolution

Mrs. Ferraro stated a resolution was prepared to confirm the appointment of Mr. Ryan Durkin as County Solicitor.

Mr. Kraft introduced the following resolution:

R. 11-2015 RESOLVED, by County Council of Northampton County that Ryan J. Durkin shall be confirmed in his appointment as County Solicitor, pay grade RS-12 Step 1-A, salary $58,060, effective March 1, 2015.

Mr. Werner advised the job description for this position indicted the individual was responsible for providing legal services to elected officials and all agencies of the County. He further advised it also required he would be responsible to represent the County on all legal proceedings the County was involved in, but Mr. Durkin had minimal presence in Northampton County Courts and his main forte and responsibility was debt collection.

Mr. Werner stated it was reported Mr. Durkin had previous experience with various county and municipal issues, however, he did not know that Lackawanna County, which he represented, was not a Home Rule Charter County. He further stated he had misgivings because Mr. Durkin’s resume indicated his main legal influence had to do with tax and debt resolution for individuals and companies without mentioning government entities.
Mr. Kraft advised he would not support this appointment because he felt a Northampton County attorney and a member of the Northampton County Bar Association could be found to fill this position and he felt Mr. Durkin did not have any real government background.

Mr. Durkin stated Mr. Robert Daday of Portnoff Law Associates was present tonight to speak on his behalf, noting Mr. Daday had appeared against him while he represented the little guy in tax disputes. He further stated he did not think "debt collector" was a bad thing because they provided a service necessary to keep the County running.

Mr. McClure advised from a County government prospective, the first year of the Brown Administration had been a legal disaster. He further advised Mr. Durkin had denoted he read the County's Home Rule Charter so after he read Section 707, he asked Mr. Durkin if he agreed that section prohibited the borrowing of money to balance the budget.

After Mr. Durkin was given a copy of the Home Rule Charter to read that section, asked if there were any interpretation of it in case law and Mr. McClure stated the plain language.

Mr. Durkin advised the plain language was opened to interpretation so he would want to do research on how it was interpreted in the past.

In response to Mr. McClure's question as to how he would interpret it other than money could not be borrowed to balance a budget, Mr. Durkin stated he would take that as a characterization of it, noting this was the first time he was seeing it.

In answer to Mr. McClure's question as to whether he had reviewed the Administrative Code, Mr. Durkin answered he did briefly.

When Mr. McClure asked if he had a view on the matter that contracts for personal services in the realm of $75,000 had to be sent out for Request for Proposals, Mr. Durkin advised he would like to review any matter before responding off the cuff.

Mr. McClure stated that was fair enough, adding he did not think anyone argued Mr. Durkin had any particular experience with the Home Rule Charter or Administrative Code and that was being demonstrated.
Mr. McClure advised there was a situation where multiple contracts were issued to C3 and two of them were $24,000 for the purpose of staying under the $25,000 threshold for the actual issuance of a contract so these professional services were being paid for as a purchase order to circumvent the Administrative Code. He then asked Mr. Durkin if he had a view about that situation.

Mr. Durkin stated he would have to look at the specifics of the situation because commenting on it loosely after being confronted by it for the first time would be a disservice to County Council.

When Mr. Durkin mentioned he had not spoken to the individuals in the Department of Human Services, the Department of Human Resource or Corrections, Mr. Werner advised 60% of the County’s budgetary programs came out of the Departments of Human Resources and Human Services. He further advised five of the major conflicts that took place in 2014 dealt with the Administrative Code and the Home Rule Charter.

Mr. Benol stated he did not see the Home Rule Charter or the Administrative Code as uncomplicated documents so he would not hold Mr. Durkin’s lack of knowledge regarding them against him. He further stated if he could review them and provide his best legal opinion that was all that could be asked of any solicitor.

Mr. Parsons advised Mr. Durkin had the qualifications to be County Solicitor, but he previously indicated he would like all the row officers to be from Northampton County. He further advised there were a lot of qualified attorneys in Northampton County that could be appointed to this position and for that reason, he was not supporting this appointment.

Mr. Phillips stated the County Executive was picking a solicitor he felt comfortable with and could work with and as long as he had a solid work background, no felonies, misdemeanors or moral lapses, he did not see any problems.

Mr. Brown advised he had spoken to a dozen Northampton County lawyers, but felt Mr. Durkin would best fit with his team approach. Mr. Brown advised he took his appointments very seriously, especially the role of solicitor and would not let the fact that someone did not live in Northampton County allow the right person to get away.
With regard to Mr. McClure’s comment that 2014 was a legal disaster for his Administration, Mr. Brown stated they did not generate any of it, noting it was generated by outside agencies and they seemed to have come out on the positive side of each one of them.

With regard to Section 707 of the Home Rule Charter, Mr. Brown advised he previously brought up the fact that taxable bond issue were floated and the funds went into the unassigned General Fund where they were spent for operating purposes. He further advised while the definition was there, it was not always as black and white as it could be.

Mr. Daday stated he had known Mr. Durkin for a number of years through the collection efforts his firm was engaged in. He further stated Mr. Durkin stepped up for his clients, identified the issues and worked out plans for payment of the taxes so everyone ended up in a good situation. He further stated Mr. Durkin had the personality and leadership ability necessary for this position.

When Mr. Geissinger read the Administrative Code’s qualifications of the County Solicitor and Mr. Durkin replied in the affirmative for all of them, he advised he could see no reason not to approve his appointment.

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


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

Consideration of Personnel Requests from Court Administration Resolution

Mrs. Ferraro stated Court Administration had requested some personnel changes in their office due to the retirement of the Jury Clerk.

Mr. Kraft introduced the following resolution:
R. 12-2015  RESOLVED, by County Council of Northampton County that three (3) full-time position of Clerical Specialist, pay grade CS-16, salary range $28,028 to $38,143, shall be eliminated in Court Administration, effective the 19th day of February 2015.

IT IS FURTHER RESOLVED that two (2) full time positions of Court Processing/Operations Officer, pay grade CN-18, salary range $30,731 to $41,621, shall be created in Court Administration, effective the 19th day of February 2015.

FURTHER, that one (1) part time (.50 FTE) position of Clerical Specialist, pay grade CN-16 Step 1-A, salary $14,014, shall be created in Court Administration, effective the 19th day of February 2015.

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

The vote: Kraft, "yes"; McClure, "yes"; Parsons, "yes"; Phillips, "yes"; Vaughn, "yes"; Werner, "yes"; Benol, "yes"; Ferraro, "yes" and Geissinger, "yes".

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

Consideration of the Resolution Requesting the County Controller’s Audit of Prime Care Medical, Inc.

Mrs. Ferraro advised at the request of Mr. Vaughn, a resolution was prepared requesting the County Controller to perform an audit on the Prime Care Medical, Inc. contract.

Mr. Vaughn introduced the following resolution:

R. 13-2015  WHEREAS, Northampton County Home Rule Charter Section 202. Powers provides that the County Council shall have, among others, the following powers: (8) to require periodic and special reports from elected officials and their subordinates.

NOW, THEREFORE, BE IT RESOLVED that the Northampton County Council respectively requests that the Northampton County Controller’s Office shall perform an audit report of the Prime Care Medical, Inc., contract for Prison’s healthcare services.
It is requested that said audit addresses, but not necessarily be limited to, the following questions/issues:

1. Analysis of the operating costs.
2. Analysis of the cost for labor.
3. Analysis of administrative costs.
4. Comparisons to other Third Class Counties.
5. Analysis of the last five years financials to view the spending trends.

In response to Mr. Benol’s question as to whether there was a way to determine how many inmates were transferred to a hospital when treatment could have been adequately performed at the Prison, Mr. Barron stated he believed that might be treading on a medical decision to send someone to a hospital. He further stated he wanted to look at how many providers did this type of service to see what the market looked like and at the protocol for sending an inmate out and how many were sent out. He noted he would also add anything he could from a policies and procedures viewpoint.

Mr. Kraft advised there was going to be a lot of gray area when it came to performing an analysis of the last five years financials to view the spending trends because it was going to be difficult to look at the population for that time, inmates with mental issues required other kinds of special care and prescriptions were thrown out when an inmate was only there for a short time.

Mr. Kraft stated this contract went out to bid every five years and it was approved by County Council so he did not understand this request.

Mr. Barron advised it was a large contract and he would look at all the people that come in and out, but there would be some qualifiers of the Health Insurance Portability and Accountability Act.

As there were no further questions or comments, Mrs. Ferraro called for the vote.
The vote: Vaughn, "yes"; Parsons, "yes"; Phillips, "yes"; Werner, "yes"; Benol, "yes"; Ferraro, "yes"; Geissinger, "yes"; Kraft, "no" and McClure, "yes".

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

Consideration of the Administrative Code Article XIII Contract Approval Resolution for C3 Group, LLC

Mrs. Ferraro stated at the request of the County Executive, a resolution was prepared to approve the contract for C3 for interim risk management services through April 30, 2015.

Mr. Geissinger introduced the following resolution:

R.14-2015 WHEREAS, Northampton County Administrative Code Article XIII Procurement and Disposition of County Property, 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, such as those funded through bonded indebtedness."

WHEREAS, on January 26, 2015, 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 $40,000 with C3 Group, LLC for interim risk management services for the County for Northampton through April 30, 2015.

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 approve a contract with C3 Group, LLC for interim risk management services for the County of Northampton.

Mr. Phillips advised this contract went back to October of last year and it was just being presented now so he wondered if C3 had been paid for these services since October and the paperwork was just coming through or did they do the work assuming the paperwork would go through and they would be paid.

Mr. Brown stated when they gave C3 permission to continue to work he assumed it could be done as a sole source contract similar to the way PMA contracts were previously approved. He further stated once he met with the County Solicitor and the Procurement Division there was a question as to whether they
could continue as such or if it had to be brought before County Council.

Mr. Brown advised when they decided they wanted to do a Request for Proposals, they suspended C3 from doing any further work. He further advised there were two invoices for a total of $20,000 that have been waiting for payment and would be paid if this request was approved.

In answer to Mr. Kraft’s question as to when they stopped working, Mr. Brown stated sometime around mid-December 2014.

In response to Mr. Kraft’s question as to whether this meant they would be receiving $20,000 for two months of work, Mr. Brown advised essentially they were, but the County had to have a risk manager provider with very specific credentials in order to be in compliance with the State requirements.

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


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

Prime Care Medical Contract Audit

Mr. McClure stated he was happy to support Mr. Vaughn’s resolution for this audit because he felt large contracts should be looked at and he was gratified that his colleagues recognized the skill, integrity and intelligence of the Controller and his staff.

Mr. Geissinger advised he believed all of County Council was in support of his staff.

Human Services Committee Report

Mr. Vaughn stated a Human Services Committee meeting was held prior to this meeting and Mr. Millard Freeman, Administrator, indicated Premier Healthcare Resources Administrators have done a good job with Gracedale. He further stated a power point presentation was made that highlighted some
of the successes they had over the last three years.

Mr. Vaughn advised one of the things that caught his attention was they were no longer employing Certified Nursing Assistants while they trained, but hire them after training. He further advised they have implemented an electronic medical records system as well as a new pharmacy system.

Mr. Vaughn stated Workers Compensation, through the efforts of C3, went from approximately $2 million in 2011 down to $166,000 in 2014.

Mr. Vaughn advised there have been a lot of good things going on at Gracedale, but Mr. Freeman pointed out it was at maximum capacity and the operating revenues were remaining flat. He further advised the only thing Gracedale could do beside maximize the census was to hope Medicare increased their reimbursement rate.

Mr. Vaughn stated Mr. Freeman also pointed out that labor and fringe benefit costs were increasing and were outpacing the reimbursement increases. He further stated during the next few months, the Human Services Committee was going to look at ways to improve the financial picture at Gracedale because if it continued on its current path, the County could sustain some substantial losses.

Finance Committee Report

Mr. Geissinger advised at the Finance Committee meeting, a report was given by Mr. James Hunter, Director of Fiscal Affairs, which indicted the unaudited financial statements for 2014 had been completed. He further advised it was reported with the budgetary requirement as indicted in the approved budget for 2015, there was $8.2 million in the unassigned Stabilization Fund.

Mr. Geissinger stated this meant the County would be out of compliance with an ordinance passed in 2010 so a discussion was held with regard to a draft ordinance that would create a committed fund within the General Fund to insure that such a situation never occurred again.

Mr. Geissinger advised he wanted to recognize those County Council members who felt the County’s fiscal prudence required a 1 mil tax increase that could not be used for operating expenses
because if that was not done, the next management report would be able to indicate that corrective action had been taken and there were sufficient funds to be in compliance with the ordinance.

**TI Training Lab Use of Force Simulator**

Mr. Benol stated on Monday he got to witness some members of the Sheriff's Department participate in the TI Training Lab Use of Force Simulator that was basically an interactive video game to sharpen their skills.

Sheriff David Dalrymple advised it was a video game used for use of force and firearms training wherein a person was actually interacted with the characters. He further advised it was operated by a third party who could control, by the person’s reaction, cause and effect.

**Airport Authority Appointment**

Mr. Geissinger stated he wanted to thank the other members of County Council for their support in his appointment to the Airport Authority.

**Farewell to the County Solicitor**

Mr. Brown advised this would be Mr. Victor Scomillio’s last meeting as County Solicitor and it had been his privilege to have him serve in his Administration. He further advised Mr. Scomillio was always able to find the middle ground to keep the Administration on balance during a legally turbulent year.

Mr. Brown stated Mr. Scomillio assembled a very good and highly professional team in the Solicitor’s Office who did a very good job for the County. He further stated he would prefer Mr. Scomillio stayed, but if he was successful, he would serve the County very well in the Court of Common Pleas.
Mr. Lauer advised he responded to several recent legal inquiries. He further advised he would like to echo the sentiments of Mr. Brown regarding Mr. Scomillio, noting it was a pleasure working with him and he was extremely good at what he did.

Penn East Pipeline Resolution

Mr. Werner stated he had prepared a resolution regarding the Penn East pipeline, however, he pulled it off the agenda because he found out there was a lawsuit in Deerfield, Massachusetts, against the Federal Energy Regulatory Commission (FERC) for unconstitutional acts based on 2005 changes in Federal Natural Gas Acts, which gave FERC the right to regulate transportation and sale of natural gas destined for sales overseas.

Adjournment

Mr. Geissinger made a motion to adjourn the meeting.

Mr. Werner seconded the motion.

The motion to adjourn passed unanimously by acclamation.

Linda M. Zembo
Acting Clerk to Council