A regular meeting of the Northampton County Council was held on the above date with the following present: Kenneth M. Kraft, President; Ronald R. Heckman, Vice President; John Cusick; Matthew H. Dietz; Margaret L. Ferraro; William B. McGee; Lori Vargo Heffner; Robert F. Werner; Tara M. Zrinski; Linda M. Zembo, Clerk to Council and Christopher T. Spadoni, Solicitor to Council.

Pledge of Allegiance

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

Approval of the Minutes

Mr. Cusick made the following motion:

Be It Moved By the Northampton County Council that the minutes of the August 16, 2018 meeting shall be approved.

Ms. Vargo Heffner seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Mr. David Leggett, 7112 Little Creek Road, Bangor, PA - asked if there was an update on Mr. Spadoni’s research pertaining to the legality of County employees serving on the General Purpose Authority (GPA) to which Mr. Kraft replied there was none.

Mr. Leggett stated at the last meeting Mr. Kraft stated he voted against the P3 Bridge Project 100% of the time, but according to the minutes of the March 3, 2016 County Council meeting he had voted in favor of it so he was concerned that he was misrepresenting his voting record.

Mr. Leggett advised Mr. Kraft acknowledged at the last meeting the Administrative Code required County Council to approve the addition or removal of any of the bridges from the P3 Bridge Project. He further advised Lower Mount Bethel
Township unanimously resolved that the P3 Project included certain bridges that should not have been included.

Mr. Leggett stated the failure to include the essential bridges and leave out the ones that were not was extremely important and that proposal without amendments posed a real and substantial threat to the environment of their roads and the Pennsylvania Scenic Byway, as well as an imposition to the residents. He further stated the best information supported Lower Mount Bethel Township’s resolution and he would like to know why County Council ignored it.

Mr. Leggett advised the County had denied Lower Mount Bethel Township’s Right-to-Know request with regard to the bridge reports and why and how the bridges were selected and evaluated, but that would be appealed vigorously.

Mr. Leggett stated if County Council decided not to abide by Lower Mount Bethel Township’s resolution it would be arbitrary and capricious as there was no valid reason not to do and the failure to do so posed a very significant threat of additional litigation. He further stated the last time this was brought up before a judge it cost the County in excess of $1 million.

Ms. Jeanette Leggett, 7112 Little Creek Road, Bangor, PA - advised since they were told at the last meeting that County Council was not here to answer questions she wanted to know how they were to get answers to their questions.

County Executive Report

Mr. Lamont G. McClure, County Executive, stated on July 1, 2018, they instituted the Teladoc program for County employees who were covered by health insurance and approximately 500 employees have registered. He further stated this program has saved the County $68,000 in medical insurance claims. He further stated it was an average savings of $517 per visit and if the trend continued, there could be a savings of approximately $100,000 or more a year.

With regard to the P3 Bridge Project, Mr. McClure advised the County had paid approximately $7.5 million in milestone payments in two years. He further advised originally ten bridges were to be delivered by the end of the year, but that
was reduced to nine and now it appeared it may only be six or seven.

Mr. McClure stated the real problem was there was no funding mechanism and there were costs that were not included in the original agreement. He further stated the total project was originally estimated at $38 million, but if they did not manage some savings by moving some bridges out of the project, it would be in excess of $40 million.

Mr. McClure advised one of the main reasons for increased costs was the relocation of utilities for which the County was responsible. He further advised there was one bridge that had a large tele-carrier's fiber optic cable near it that needed to be relocated and the initial estimates were in the range of $250,000, which was almost as much as the estimated cost of doing the bridge.

Mr. McClure stated one of the real challenges was going to be paying for these bridges and it was something that County Council should start thinking about.

In response to Mr. Heckman's question as to whether they had an estimate of how much beyond the original contract the County would have to spend, Mr. McClure advised they could keep close to the original price if some bridges were taken out.

In answer to Mr. Heckman's question as to how many bridges would be completed, Mr. McClure stated they were planning on 28-29 of the original 33. He further stated the 12 bridges that were structurally deficient would be done.

Mr. McClure then presented a power point presentation entitled, "Human Services Lease" (see Attachment #1) that pertained to the purchasing options of the Human Services Building. He advised a Triple-Net Lease allowed a tenant to pay a lower rent than market value, but had to pay the maintenance, insurance and taxes for the building. He further advised the landlord built the building to suit the needs of the long-term tenant and lowered his risk of early termination and having an empty building.

Mr. McClure stated the Human Services Building had a triple-net lease and the County was paying $1.05 million for rent and approximately $190,000 in taxes a year, along with the maintenance costs. He further stated the County was given three
opportunities to purchase the building with the first and most feasible option becoming available in March of 2019.

Mr. McClure advised this option would have the County pay $14,468,731 bringing the cost with rent already paid to approximately $19.5 million. He further advised he planned to bring a definitive plan to County Council in the future, but he wanted them to start thinking about it.

In response to Mr. Dietz’s questions as to whether the County would own the land and building and if the money was available, Mr. McClure stated they would own the land and building and there was $14.2 million, but $14.4 million was needed.

Mr. Cusick advised he supported the lease because it was the most feasible option at the time and the plan was to buy the building in 2019.

In answer to Mr. Heckman’s question as to whether they would consider expanding the use of the building in the future, Mr. McClure replied they would.

Mrs. Ferraro stated good money was spent for landscaping near the employees’ entrance and it had not been kept up so she would like to see some work done on it.


Mr. Dietz and Ms. Vargo Heffner introduced the following ordinance:

AN ORDINANCE REPEALING ORDINANCE NO. 499-2009, AN ORDINANCE ENTITLED, “AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF THE NORTHAMPTON COUNTY GAMING REVENUE AND ECONOMIC REDEVELOPMENT AUTHORITY PURSUANT TO THE ECONOMIC DEVELOPMENT FINANCING LAW, FOR THE PURPOSE OF
EXERCISING ANY AND ALL PURPOSES AND POWERS PERMITTED BY THAT LAW AND THE PENNSYLVANIA RACE HORSE DEVELOPMENT AND GAMING ACT, FIXING THE AUTHORITY'S TERM OF EXISTENCE, AND AUTHORIZING APPROPRIATE COUNTY OFFICIALS TO TAKE SUCH ACTION AS IS REQUIRED TO EFFECTUATE THE CREATION THEREOF

WHEREAS, Ordinance No. 499-2009 was enacted on February 17, 2009, to read as follows:

AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF THE NORTHAMPTON COUNTY GAMING REVENUE AND ECONOMIC REDEVELOPMENT AUTHORITY PURSUANT TO THE ECONOMIC DEVELOPMENT FINANCING LAW, FOR THE PURPOSE OF EXERCISING ANY AND ALL PURPOSES AND POWERS PERMITTED BY THAT LAW AND THE PENNSYLVANIA RACE HORSE DEVELOPMENT AND GAMING ACT, FIXING THE AUTHORITY'S TERM OF EXISTENCE, AND AUTHORIZING APPROPRIATE COUNTY OFFICIALS TO TAKE SUCH ACTION AS IS REQUIRED TO EFFECTUATE THE CREATION THEREOF

WHEREAS, Northampton County Council anticipates that a licensed gaming entity known as Sands Casino Resort Bethlehem will begin operation in the City of Bethlehem, County of Northampton, in accordance with the provisions of the Pennsylvania Race Horse Development and Gaming Act, (Title 4 Pa. C.S.A. Section 1101, et. seq.); and

WHEREAS, Northampton County Council also anticipates that the operation of that licensed gaming entity will generate gross terminal revenue, a portion of which is required by law to be distributed to Northampton County for the purpose of making municipal grants within the County in accordance with Title 4 Pa. C.S.A. Section 1403(c)(2)(iii)(D.1); and

WHEREAS, said gross terminal revenue is required to be used to fund grants to the municipality in which the licensed facility is located; the County in which the licensed facility is located; and, to the municipalities which are contiguous to the municipality in which the licensed facility is located and which are located within the County. See Title 4 Pa. C.S.A. Section 1403(c)(2)(v); and
WHEREAS, these grants are required to be administered by Northampton County through an economic development or redevelopment authority. See Title 4 Pa. C.S.A. Section 1403(c)(2)(v); and

WHEREAS, there does not presently exist within Northampton County an entity which falls strictly within the definition of an economic development or redevelopment authority; and

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

NOW THEREFORE, IT IS HEREBY ORDAINED by the Council of the County of Northampton as follows:

I. STATEMENT OF INTENT

Northampton County Council hereby signifies its intent and desire to organize an authority under the provisions of the Economic Development Financing Law (Title 73 P.S. Section 371, et. seq.), the Pennsylvania Race Horse Development and Gaming Act (Title 4 Pa. C.S.A. Section 1101, et. seq.), and the Home Rule Charter of Northampton County for the purpose of exercising any and all powers conferred upon such an authority by those laws.

II. AUTHORIZATION

The County Executive and the Clerk to County Council are authorized and directed to execute, on behalf of the County, Articles of Incorporation for such Authority in form consistent with the Economic Development Act for the purposes herein above set forth, and naming as the initial Board of that Authority, persons to be appointed by Northampton County Council by separate enactment.
III. PUBLICATION

The County Executive and the Clerk to County Council are authorized and directed to cause notice of the adoption of this Ordinance to be published as required by the law.

IV. FILING OF PROOF

The County Executive and the Clerk to County Council are authorized and directed to cause Articles of Incorporation for the Authority created hereby to be prepared upon appointment of the initial Board of Authority, and thereafter, together with necessary proofs of publication to be filed with the Secretary of the Commonwealth of Pennsylvania and to do all other acts and things necessary or appropriate to effect the incorporation of the Authority, including payment of any fee necessary in connection therewith.

V. REASON FOR ENACTMENT

The enactment of this Ordinance is deemed necessary for the benefit and preservation of the public health, and general welfare of and is expected to increase the prosperity of the citizens of Northampton County.

VI. TERM

The initial term of this Authority shall be fifty (50) years and for such further periods as shall be specified from time to time in the manner permitted by the provisions of the Authorities Act.

VII. REPEALER

All Ordinances or parts of Ordinances, insofar as such shall be inconsistent herewith, shall be and the same expressly are repealed.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Northampton County Council that Ordinance No. 499-2009 is hereby repealed.
EFFECTIVE DATE: This ordinance shall become effective thirty (30) days after the date of enactment.

Mr. Kraft advised the public hearing, debate and possible vote would be held at the September 20, 2018 meeting.

Consideration of a Multimodal Transportation Fund Grant Resolution

Mr. McGee introduced the following resolution:

R. 110-2018 IT IS HEREBY RESOLVED by the Northampton County Council that it does hereby support the request for a Multimodal Transportation Fund grant of $300,000 from the Commonwealth Financing Authority to be used for pedestrian safety improvements and streetscape enhancements at the Northampton County Courthouse complex.

BE IT FURTHER RESOLVED that the applicant does hereby designate Director of Public Works Michael Emili and Director of the Department of Community and Economic Development Tina Smith as the officials to execute all documents and agreements between the County of Northampton and the Commonwealth Financing Authority to facilitate and assist in obtaining the requested grant.

Mr. Michel Emili, Director of Public Works, stated he, along with Ms. Tina Smith, Director of the Department of Community and Economic Development, met with representatives of the Greater Easton Development Partnership and the City of Easton to discuss improving the streetscapes. He further stated this grant application would be for enhancing pedestrian safety around the Courthouse complex and to address providing a safe crossing on Washington Street especially with the proposal to make the Milides Building area into a parking lot.

Mr. Cusick requested that this resolution be sent to all State representatives and senators, as well as Governor Tom Wolf.

As there were no further questions or comments, Mr. Kraft called for the vote.
Consideration of a Resolution Approving the Reprogramming of a 2018 Hotel Tax Grant to the Community Action Committee of the Lehigh Valley for General Marketing and Branding Efforts in the Slate Belt Region

Mr. McGee introduced the following resolution:

R. 111-2018  WHEREAS, the Community Action Committee of the Lehigh Valley (CACLV) was awarded a $5,000 2018 Hotel Tax Grant for their Slate Belt Rising initiative to hold a 5K Race; and

WHEREAS, CACLV in consultation with Northampton County Department of Community and Economic Development (NCDCED) determined the race was no longer feasible; and

WHEREAS, on August 2, 2018, CACLV presented to the Northampton County Economic Development Committee a marketing and branding strategy to be initiated in the Slate Belt Region; and

WHEREAS, CACLV, with support from NCDCED, requests to reprogram the $5,000 awarded from 2018 Hotel Tax Grant funds to support general marketing and promotion of Slate Belt Rising activities, including special events like the September 30, 2018 Slate Belt Bash.

NOW, THEREFORE, BE IT RESOLVED that the Northampton County Council does hereby approve the reprogramming request and NCDCED is authorized to prepare any necessary amendments to existing agreements.

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

The vote: McGee, "yes"; Ferraro, "yes"; Heckman, "yes"; Kraft, "yes"; Vargo Heffner, "yes"; Werner, "yes"; Zrinski, "yes"; Cusick, "yes" and Dietz, "yes".
The resolution was adopted by a vote of 9-0.

Gracedale Family Fest

Mr. Werner advised the Gracedale Family Fest would be held from 4:00 p.m. to 6:00 p.m. on September 11, 2018, with a rain date of September 12, 2018. He further advised the Friends of Gracedale Foundation would have a booth at the fest for donations.

Farmland Preservation Board Liaison Report

Ms. Zrinski stated one of the farms that had taken three years to preserve was now preserved. She further stated after reviewing the list, farms 7-11 would be going up for preservation.

Airport Authority Liaison Report

Mr. Dietz advised the Lehigh Valley International Airport had their groundbreaking for the new hangar that he felt would attract new businesses, make the airport competitive with New York and Philadelphia markets and bring more jobs.

Wesley-United Methodist Church Backpack Drive Report

Mr. Dietz stated the Wesley-United Methodist Church backpack drive that County Council provided funding for gave out 1800 backpacks with 500 going to the Slate Belt area.

Lehigh Valley Planning Commission Liaison Report

Mr. McGee advised the Lehigh Valley Planning Commission was going to be scheduling a series of hearings in September and October to help municipalities identify problems and assist in filing grant applications.
Mental Health/Early Intervention/Developmental Programs Advisory Board Liaison Report

Ms. Vargo Heffner stated they were at the beginning of their budget year so everything was up and running. She further stated they have filled most of the positions that County Council approved and Ms. Tiffany Rossanese was adjusting very nicely to her position as Administrator.

Ms. Vargo Heffner advised they were working closely with the Jail Advisory Board on the Stepping Up Initiative. She further advised she and Mr. Dietz attended that subcommittee today and she was going to have them speak at the next Human Services Committee meeting.

Jail Advisory Board Liaison Report

Ms. Vargo Heffner stated they met last Tuesday and the K-9 dog was here and in training.

Airport Authority

Ms. Zrinski advised the Airport Authority was able to resolve the issue with the firefighters union and it helped repair the relationship between the board and labor union.

Adjournment

Mr. Heckman made a motion to adjourn the meeting.

Ms. Zrinski seconded the motion.

The motion to adjourn passed unanimously by acclamation.

______________________________
Linda M. Zembo
Clerk to Council
Human Services Lease

The Lease, When to Purchase and Costs
What is a Triple-Net Lease?

- The Landlord gets paid by the Tenant a net rental payment that is a bit lower than market rate.
- Landlord usually builds to suit for a long term tenant
- Landlord Risk is an early termination and empty building.
- Tenant pays the lower rent, but...
- PAYS Maintenance
- PAYS Insurance
- PAYS all TAXES
What We Pay Now

- Rent $88,223.97 per month or $1.05 Million per year.
- Approximately $190,000 in taxes per year.
- All maintenance of the building.
The Future Purchase

- Cost in March of 2019 $14,468,731 (with rent approx. $19.5 million)
- Cost in March of 2024 $16,370,041 (with rent approx. $26.55 million)
- Cost in March of 2029 $18,521,199 (with rent approx. $34.17 million)

- Option to Purchase after 2029 is not as feasible.
- At the end of 29 years and 10 months the purchase price is $1.00 total cost to taxpayers will be approx. $32.9 million