

Commissioners' Workshop Meeting
Tuesday, August 2, 2005

I. CALL TO ORDER:

The Berks County Board of Commissioners met in regular session on Tuesday, August 2, 2005 at 10:30 A.M. in the thirteenth floor Board Room of the Berks County Services Center, pursuant to due notice to Board members and the public.

Commissioner Chair Judith L. Schwank called the meeting to order with Commissioner Thomas Gajewski and Commissioner Mark L. Scott in attendance. Also present were County Administrator William E. Dennis, Solicitor Alan Miller, Esq. and Chief Clerk Terry Styer. The Commissioner opened the meeting with a moment of silence and Pledge of Allegiance to the Flag.

II. PRESENTATIONS/ PROCLAMATIONS/CERTIFICATES:

Duane J. Rashlich, Director of the Berks County Assessment Office presented a sample questionnaire that will be sent to all 6,500 Act 319 –Clean and Green participants in Berks County as part of the County's preparation for processing the revisions to the Clean and Green Act by - Act 235 of 2004. He explained that the County is now required to assure consistency with Act 235 and only allow those farms involved in active farming operations to have their homestead continue to be part of the preferential assessment as permitted by Act 319. He said those property owners receiving new assessments due to the withdrawal of the homestead from the Act 319 program would have 40 days to file an appeal before the Assessment Appeals Board.

Commissioner Schwank presented a proclamation establishing the week of August 8th as Reading Fair week for the opening of the Reading Fair. Accepting the proclamation was A. Wayne Readinger Agricultural Director of the Agricultural and Horticultural Association of Berks County.

Commissioner Schwank then presented a proclamation honoring the 100 year anniversary of the Kutztown Fair which will be held the week of August 15th Lolly Leshner, Board Member of the Kutztown Fair will accepted the proclamation on behalf of her board.

III. DEPARTMENTAL REPORTS / REQUESTS:

Budget Director:

- A. Adopt a Resolution authorizing 2005 Budget Transfers in the total amount of \$761,872 per list dated July 29, 2005. Bob Patrizio presented the budget transfers.

Human Resources Director:

- A. Adopt Resolution authorizing the Human Resource recommendation as per list dated August 2, 2005. Beth Schiepan reviewed the items on the agenda.

Purchasing Department

Bid award: Kelly Laubach presented the following contracts for approval.

- A. Adopt Resolution authorizing the execution as a result of Request for Proposal #05-05-RC, a two-year agreement with the option of extending the agreement for additional periods upon the mutual agreement of the parties to provide surveying services in accordance with Act 43 and the regulation in 7Pa Code, Chapter 138e. The surveys shall be of farmland tracts being considered for easement purchase by the Berks County Agricultural Land Preservation Office, which administers the Berks County Agricultural Conservation Easement (ACE) Program that purchases agricultural conservation easements on farms limiting land to agricultural production in perpetuity. One firm will act as the primary provider of services and the other firm will serve as the backup provider of services in the event the workload exceeds the primary provider's capabilities. The County typically requires approximately 30 surveys annually. The estimated amount to be spent on surveys is \$150,000. The awards shall be made to the following vendors:

Primary

Spotts, Stevens & McCoy
1047 N. Park Road
P.O. Box 6307
Reading, PA 19610-0307

Secondary:

Alfred Benesch & Company
400 One Norwegian Plaza
P.O. Box 1090
Pottsville, PA 17901

Contract Coordinator:

- A. Motion authorizing execution of Contract Agreements/ Amendments as furnished by the Contract Coordinator, per listing dated July 29, 2005

IV. REPORTS OF COMMISSIONERS:

Adopt Ordinance No. 3 of 2005 for an interest rate management plan with respect to the 1998 and 1999 Bonds. Mark Lunquist of Financial S&Lutions LLC, was present to discuss this proposal which authorizes the County to amend its existing interest rate management agreements with respect to the outstanding 1998 Bonds and the outstanding 1999 Bonds.

Ordinance No. 3 continued:

If this interest rate management plan is approved Mr. Lunquist said the County will be able to realize approximately \$800,000 of total interest rate savings over the remaining lives of the two bond issues including the current fiscal year, where the County could anticipate additional income of approximately \$10,000 from the two issues. He said that in future years the annual benefit would be greater because there will be a complete year of investment return. In future fiscal years – through the final maturity of the bonds in 2028 –the County could anticipate additional interest income ranging up to \$50,000 per year. He explained that the 1998 Bonds were originally issued to finance the Berks Heim Nursing Home and is currently outstanding in the principal amount of \$33,795,000. The 1999 Bonds were originally issued to finance the County's share of the Ag Land Preservation Program and is currently outstanding in the principal amount of \$28,290,000. Last year, the County and Wachovia Bank entered into interest rate management agreements for each of these bond issues. As a result of these agreements, the County was able to synthetically refinance a portion of the outstanding 1999 Bonds to take advantage of historic low interest rates. In addition, Wachovia agreed to make future, monthly interest rate payments to the County to offset a portion of the County's interest rate exposure with respect to the two series of bonds.

He said that Wachovia has previously paid the County approximately \$1.8 million under these agreements. If this proposed plan is approved Wachovia will agree to pay to the County an additional 8-10 basis points per year over the remaining life of the two bond issues. For reference purposes, a basis point is 1/100th of 1%. The actual value of the amendment will be determined based on market conditions after final approval of the transaction in accordance with the Local Government Unit Debt Act. He explained that this incremental value is available to the County because of changes, since last summer, in the relationship of short-term to long-term interest rates and because we have been able to restructure the terms of the agreements with Wachovia to include, among other things, some additional bonds that were not originally included in the transaction. With respect to the agreement with respect to the 1998 Bonds, we were able to move the effective date of the agreement to 2005 from 2009.

Commissioner Schwank

- A. Commissioner Schwank discussed a CCAP proposal in which the County would enter into a pilot project for HR services in the Human Services Department. She presented copies of the proposal to the board and Beth Schiepan, HR Director and will discuss further at the Thursday Commissioner's meeting. George Kovarie, CYS Director indicated that the program looks intriguing and would endorse Berks County's participation in the pilot.

Commissioner Gajewski

- A. Adopt Resolution authorizing payment of invoices under the following Community Development Disbursement Vouchers:
- a. No. 1255-Property Rehabilitation Program-\$19,115.00
 - b. No. 505-Home Grant Program-\$29,137.39
 - c. No. 2149-S-Emergency Shelter Program-\$739.32
 - d. No. 2150- State Emergency Shelter Program-\$672.59
 - e. No. 2151- Community Development Block Grant Program-592,047.78

Commissioner Scott

- A. Adopt Resolution authorizing execution of Assurances of Compliance/Review with respect to the BCCYS 2005-2006 Implementation Plan and the FY 2006-2007 Needs Based Plan and Budget Estimate which assured that all mandated services covered by this Plan will be delivered dependent and commensurate with state and federal funding. George Kovarie, Director of Children and Youth Services requested this item to be added to the agenda in light of the cancellation of next week's meeting.

V. MISCELLANEOUS BUSINESS

Commissioner Scott discussed the proposed DCED County / City grant program that was withdrawn from this meeting's agenda pending a consensus vote on the proposed consultant by the Reading City Council. He expressed a desire to see a more detailed scope of work for this project and in particular one that would include efficiency study for the Heim. He also suggested that much of the work in formulating financial analysis of the County operations could be performed in-house but he cautioned that he would not support results that would promote the concept of County taxpayers subsidizing City taxpayers responsibilities such as assuming programs and services previously provided by the city for city residents. Commissioner Gajewski agreed that a contract may need to be amended to include more detailed scope of work prior to the boards' approval of this project. Commissioner Schwank reminded Commissioner Scott that he had not attended any of the interviews of the consultant's competing for this project and therefore has the wrong perception of what this project is and is not. She indicated that this project would involve far more than financial planning, she said it would focus on efficiency audits for both the City and the County departments and help us to discover new ways to get the jobs we are required to done in a more efficient manner.

Commissioner Scott then discussed the re-assessment issue, which he stated has the potential of polarizing the different age groups among county taxpayers. Commissioner Gajewski once again stated that countywide reassessment is only a temporary solution; he said that meaningful tax reform needs to be addressed now by our state legislature.

Commissioner Schwank stated that all age groups have issues regarding the tax assessment, millage rates and the County has to look at whatever tools we have available to us and then move forward.

VI. CITIZEN COMMENT/BUSINESS FROM THE FLOOR

There being no further business the meeting adjourned at 11:44 A.M.

Respectfully Submitted,

Terry L Styer, Chief Clerk