

Commissioners' Board Meeting Thursday, October 26, 2006

The Berks County Board of Commissioners met in regular session on Thursday, October 26, 2006, at 10:30 A.M. in the Board meeting room on the thirteenth floor 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 C. Scott in attendance. Also present were the Chief Clerk Terry L. Styer, County Solicitor Alan Miller, Esq., and County Administrator William E. Dennis.

Commissioner Schwank opened the meeting with a moment of silence and Pledge of Allegiance to the Flag.

Approval of Minutes

Commissioner Gajewski made a motion that was seconded by Commissioner Scott to approve the October 17, 2006 Commissioner workshop minutes and the October 19, 2006 Commissioners meeting minutes, all voted yes to approve.

Consent Agenda Items

1. A motion was made by Commissioner Scott, seconded by Commissioner Gajewski and all voted unanimously to approve the items listed below:

313.06 A. Resolution authorizing 2006 Budget Transfers in the amount of \$126,635.00 and 2006 Appropriations in the amount \$882,300 per listing dated October 20, 2006.

314.06 B. Resolution approving Payroll Policy Number 03-008 Pay processing-“Special Circumstances.”

315.06 C. Resolution authorizing, as a result of Invitation to Bid #06-08-MB, a contract to supply and install rubber flooring in the dayrooms of housing units "I" and "J" at the Berks County Prison. The award of **\$18,341.45** shall be made to the following vendor;

Abacus Sports Installations
836 Flory Mill Road
Lancaster, PA 17601

As per the Invitation to Bid, the County may renew the contract for up to two additional one-year terms at the quoted price.

- 316.06 D. Resolution authorizing an amendment to a contract with Ambient Air Quality Services (AAQS), Lincoln University, PA to review the revised DEP (Department of Environmental Protection) Air Quality Permit application in relation to the construction of an electric generating facility using various waste products at United Corrstack in the amount not to exceed \$2,300.
- 317.06 E. Human Resource Recommendations per list dated October 23, 2006.
- 318.06 F. Resolution authorizing Judith L. Schwank, Chair of the Board, to execute TEFAP Inventory – Reimbursement Request Form for the period (July, August, and September) FFY 2005-2006, in the amount of \$9,013.57 for distributing 81,941.55 pounds of food at \$.11 per pound and to authorize Margaret Bianca, Executive Director, Greater Berks Food Bank for apply for the funds on behalf of Berks County.
- 319.06 G. Resolution authorizing the execution of the Medical Assistance Transportation Program Grant Allocation Agreement/Expenditure Plan by and between the County of Berks and the Department of Public Welfare in the adjusted amount of \$1,049,540 for fiscal year 7/1/06 – 6/30/07.
- 320.06 H. Resolution authorizing the execution of an Agreement by and between the County of Berks and Community Care Behavioral Health Organization (the Medicaid Managed Care Program, Health Choices) dated 10/1/06 to 6/30/09.
- 321.06 I. Resolution which authorizes Judith L. Schwank, as Chairman of the Board, to execute FY2006/07 Aging Block Grant Application in the amount of \$7,485,238, the Tobacco/Bridge Program in the amount of \$12,126, and the PDA Waiver program in the amount of \$1,083,808.
2. Motion authorizing execution of Contract Agreements/ Amendments as furnished by the Contract Coordinator, per listing dated October 23, 2006.

Commissioner Scott made a motion to approve the following resolution which was voted separately from the rest upon a request from Commissioner Gajewski. Commissioner Schwank seconded the motion.

- 322.06 J. Resolution authorizing the appointment of Wachovia Bank, N.A., 600 Penn Street, Reading, PA 19601 as the County's principal depository bank for the General Operating Account and Payroll Account for the period November 1, 2006 through December 31, 2007 in accordance with the terms of the Wachovia Bank proposal dated October 6, 2006.

Commissioner Schwank then disclosed that she is a shareholder of Sovereign Bank stock and indicated that if the board were to hold any vote supporting the Sovereign Bank she would need to abstain and asked the County Solicitor to explain this requirement of The State Ethics Act. Solicitor Alan Miller stated that the Commissioner's ownership of bank shares is what might be considered a de minimis economic impact under the State Ethics Act, meaning that any vote in favor of the Sovereign Bank made by Commissioner Schwank would unlikely provide any benefit to her as a shareholder but to avoid any appearance of impropriety she could elect to abstain. At this time, Berks County Treasurer Nelson Long was asked to provide the background information for what led up to this Resolution. Mr. Long explained that he regularly evaluates the County's depositories to assure that the County obtains the lowest fees and best return on investments. In this resolution, the account balances amount to approximately \$4 million on deposit. He said his evaluation involved a one year comparison and a three year comparison. He explained that the one year fees and interest rate offered by Wachovia Bank were better than the others offered, yet the three year deal being proposed by Sovereign would have saved approximately \$8,600 per year. Mr. Long advised that Wachovia has been the depository of these accounts for over 30 years and has maintained a good relationship with the County of Berks. He also said that the cost of printing new checks, transferring the accounts and account approval documents to another bank would outweigh the benefits. He said that basically all the area bank's fees are very competitive and are staying in the 5% interest rate range. He then mentioned that County's funds that he manages as County Treasurer are currently on deposited in the following area banks in the current estimated balances: National Penn (\$62 million); Sovereign (\$25 million); Harleysville (\$25 million); Leesport (\$5 million); Berkshire and Affinity Banks (\$2 million each) and Wachovia (\$17 million)

Commissioner Scott said he was in favor of staying with Wachovia for the reasons mentioned by the Treasurer, and due to the fact that the interest rate market is at historical lows, which will most likely go up, change all these projected savings of other institutions. He also agreed that the cost to make the administrative changes would quickly override any projected savings by the Sovereign offer and he would not be in favor of making this decision for a longer term to prevent the impact to a future board of Commissioners.

Deputy Controller Mark Hansen spoke on behalf of the Controller and said that he agrees with the need for maintaining the good relationship the County has with Wachovia Bank and that there would be substantial cost to change over the related banking documents.

Commissioner Scott then commented on the State Ethics act and the fact that Commissioner Schwank can vote despite her state conflict of interest if it was to break a tie and in this case – a vote was for the Wachovia Bank and not Sovereign, which causes her no conflict.

Hearing no additional comments, Commissioner Schwank called for a vote; Commissioners Schwank and Scott voted yes on Resolution 322.06 and Commissioner Gajewski voted no.

Reports

1. County Treasurer – Nelson Long, CPA, read report.
2. County Controller – Mark Hansen, Chief Deputy Controller, read report.

Commissioner Scott wanted to correct the Reading Eagle News' coverage of the Gun Permit information exposure on the internet by Cannon Technologies that occurred over the Labor Day weekend. He said that contrary to what is being reported by Dan Kelly, reporter for the Reading Eagle, the only permit information that was allegedly viewed by what has been described to the county as "Web Crawlers" was the name, address, Social Security number and gun permit number which may have appeared in a screen shot of approximately four names and addresses. He said that the county has been informed that hits to this information on the Cannon Technology site were estimated by Cannon to be 9 hits viewing no more than four names with a total possible exposure of 36 of the permit holders' names being viewed by these web crawlers. He said we have no knowledge the data was used in any way other than being viewed on those recorded "hits." Despite that knowledge, the county, by law, and at the expense of Cannon Technologies, was required to notify all 25,000 permit applicants listed in that database that Cannon was developing for the Sheriff's Office. He said that the fact that many letters have been returned is reflected by the fact that this was a working database being used to create a secure program for the Sheriff's Office, consequently many of those addresses were no longer valid.

Commissioner Gajewski provided the following comments on Resolution 322.06: He felt that Commissioner Schwank would be barred from voting due to her conflict with Sovereign Bank and didn't expect the vote to go the way it did. He said he favored the Sovereign offer saying that while Wachovia was less expensive than Sovereign for a one year deal, Sovereign was least expensive for the three year period. He said that odds are that bank service fees will go up over three years and he felt that Sovereign Bank has been more supportive of Community activities than Wachovia and finally Sovereign Bank is at risk greater than at any time for a move of its headquarters out of Berks County.

There being no further business, the meeting adjourned at 11:05 A.M.

Respectfully Submitted,

Terry L. Styer, Chief Clerk