

September 22, 2009

McKean County Commissioners in regular session assembled on Tuesday, September 22, 2009 at 10:00 AM in the Commissioners meeting room. Present were Commissioners Joe DeMott, Al Pingie, and Judy Church, Chief Clerk, Audrey Irons, County Solicitor, Dan Hartle. Also present were Martha Knight, Jim Amacher, and Amber Hancharick.

The meeting was called to order by Mr. DeMott, followed by the Pledge of Allegiance and a moment of silence.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve the minutes of the August 25, 2009 meeting.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Mr. DeMott – Opened the meeting for public comment.

Jim Amacher – Has been trying to find out about a bid he submitted to the Tax Claim Bureau back in June of 2009 for purchasing a piece of property on 44 Maplewood, Bradford, Pa. that is next to his residence at 40 Maplewood from the county's repository. Said Kathy called him on around June 15<sup>th</sup> and told him his bid was accepted and she had to go through the City of Bradford and the Commissioners. It was in the newspaper that my bid was accepted. He was contacted by somebody from City Hall and they told him he had to apply for a permit – he applied for the permit, the permit was issued, and then he tore the house down. Has never received the deed from the Tax Claim Bureau for the property. He has been calling the Tax Claim Bureau on and off for the last 2 weeks and Kathy has not been in the office and they can't tell him when she will be back. I was told that the Commissioners had not even been presented with approving the purchase of the property from the county repository. Since June I have added the property to my property and reapplied for a homeowner's loan, but we can't get it approved until we get the deed. The bank is waiting for the okay from the Commissioners to approve his bid.

Mr. Pingie – I spoke to the Tax Claim Bureau this morning – we are just waiting for the paperwork to come to us for approval.

Mr. Amacher – And they are not sure when she will be back. The City of Bradford approved it months ago – enough to give us time to get the permits, tear it down, etc. Do I have to wait until she comes back?

Mr. Pingie – Somebody from that office has to submit the paperwork to us. Let me do some more checking on this and I will get back to you this afternoon and we will see what we can do to take care of this for you.

Mr. Amacher – Is this just a formality once you receive the paperwork?

Mr. Pingie – I think any of the repository bids that come before us have to be also approved by the Judge. Let me do some checking and I will get back to you. I am surprised that Bradford City gave you a permit to tear down the house when you don't have the deed for the property.

Mr. Hartle – I would suggest that in the future until you get a deed you don't own the property. Your attorney should have told you that.

Mr. Amacher – Everything is sitting in Stan Pecora's Office – he is just waiting for the deed. I may have been wrong in going ahead and tearing the house down, but they gave me the permits so I thought everything was settled. That is why I asked if this is just a formality for the Commissioners to approve it or am I going to get in some sort of legal mess now that I have done this work.

Mr. Hartle – It is typically a formality, but there are times for whatever reason that it is denied.

Mrs. Church – We can call Kathy on her cell phone or email her to get this straightened out. She has only been gone for about 2 weeks.

Moved by Mr. Pingie, seconded by Mrs. Church, to deny the request from John & Sue Shedio for partial exoneration of delinquent real estate taxes for property they own in Kane Borough for the year 2007.

Mr. Pingie – Basically, the 3 Commissioners visited the property – there are extensive renovations going on – I don't know what Kane Borough has decided, but we are encouraging our people at this end to keep the railroad rail open and help market that property. Also, we didn't want to open the door for other property owners coming back asking for something that should have been changed when they acquired the property.

Ms. Hancharick – The property was removed from the tax sale that was held last week – is that correct?

Mr. Pingie – Yes.

Ms. Hancharick – Is there a time line for them to pay the taxes? Can they go back to the school and to the borough for them to exonerate the 2007 taxes?

Mr. Hartle – The school district and Kane Borough can act independently. The property will be placed back on the next tax sale list which hasn't been scheduled yet.

Mrs. Church – The Tax Claim Bureau may be able to tell you approximately when the next tax sale will take place.

Ms. Hancharick – Thanked the Commissioners for considering the Shedio’s request.

Mr. DeMott – Thank you for representing Kane.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to A. L. Blades & Sons, Inc. in the amount of \$326,877.02 representing payment for the Boyer Crossing Bridge Replacement Project for the period ending September 16, 2009. This money is to be taken from the McKean Boyer Bridge Project Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to Northwest Engineering, Inc. in the amount of \$16,693.00 representing payment for professional services rendered for the Boyer Crossing Bridge Replacement Project for the period ending September 13, 2009. This money is to be taken from the McKean Boyer Bridge Project Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to Northwest Engineering, Inc. in the amount \$9,199.00 representing payment for professional services rendered for the Galico Bridge Replacement Project for the period ending September 13, 2009. This money is to be taken from the Galico Bridge Project Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to Northwest Engineering, Inc. in the amount of \$8,746.73 representing payment for professional services rendered for the 2006 McKean County Bridge Inspection Program for the period ending September 8, 2009. This money is to be taken from the Liquid Fuel Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to TRC Engineers, Inc. in the amount of \$9,969.22 representing payment for professional services rendered for the Boyer Crossing Bridge Project for the period ending August 28, 2009. This money is to be taken from the McKean Boyer Bridge Project Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to Eldred Township in the amount of \$13,726.00 representing payment for their completed Liquid Fuel Project for the years 2008 and 2009. This money is to be taken from the Liquid Fuel Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to Hamlin Township in the amount of \$6,534.00 representing payment for their completed Liquid Fuel Project for the years 2008 and 2009. This money is to be taken from the Liquid Fuel Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve payment to Sergeant Township in the amount of \$1,152.00 representing payment for their completed Liquid Fuel Project for the year 2009. This money is to be taken from the Liquid Fuel Fund.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into agreements with the following 3 service providers for the Department of Human Services.

Guardian Angel Ambulance – Letter of Agreement and Business Associate Agreement  
Addendum

PA State Constable Services – Letter of Agreement and Business Associate Agreement  
Addendum

Dr. Ralph Wilps – Letter of Understanding and Business Associate Agreement  
Addendum

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to rescind Resolution #3 of 2009 that was adopted by the McKean County Commissioners at their March 24, 2009 meeting due to an error that was made in the resolution in regards to the termination date of December

31, 2016 for the KOZ for the Lafferty Hollow Industrial Park in Foster Township and for Todd Hennard in Bradford City.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to adopt the following resolution.

#### RESOLUTION No. 15 of 2009

A RESOLUTION EXTENDING THE TERM OF REAL PROPERTY, EARNED INCOME TAX, NET PROFITS MERCANTILE, AND BUSINESS PRIVILEGE TAXES WITHIN A SPECIFIC GEOGRAPHIC AREA IN MCKEAN COUNTY DESIGNATED AS A KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE OR KEYSTONE OPPORTUNITY IMPROVEMENT ZONE IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, AND RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF MCKEAN COUNTY, COMMONWEALTH OF PENNSYLVANIA, UPON CERTAIN TERMS AND CONDITIONS.

WHEREAS, the Board of Commissioners of McKean County, Pennsylvania recognizes the need to encourage investment in a defined geographical area of the County of McKean, as set forth in Attachment 'A' that is experiencing distress characterized by one or more of the following: high unemployment, low investment of new capital, blighted conditions, underutilized, obsolete or abandoned industrial commercial and residential structures, deteriorated tax base, and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act 63 of 2005, as amended by Act 79 of 2008 (SB 1412) hereinafter referred to as the "Act," authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for an extension of the term of the applicable benefits within the respective KOZ, KOEZ or KOIZ, granting exemptions, deductions, abatements or credits from all local taxes identified in the Act, and

WHEREAS, approval of extending the term of the benefits provided in the Act will result in improving both the economic, physical, and social conditions within the subject KOZ, KOEZ or KOIZ by stimulating existing businesses employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight within the herein described tract(s) of land by the termination date of the extended term of the zone.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of McKean, County that effective this 22<sup>nd</sup> day of September, 2009 contingent only upon DCED's approval of the application for the Proposed extended term of the existing zone, the following provisions shall apply:

1. Real Property Tax on the herein described tract(s) is 100% exempt in accordance with the provisions and limitations hereinafter set forth within the boundaries of the Proposed in accordance with the Act, such exemption to terminate December 31, 2020.
2. Earned Income and Net Profits Taxes; Business Privilege and Mercantile Taxes. The Board of Commissioners of McKean County also waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and/or net profits of a qualified business received by a resident or nonresident of the Proposed extended term of the existing zone attributable to business activity conducted with said zone terminating on December 31, 2020.
3. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Ordinance by reference.
4. This resolution shall be effective upon execution, conditioned upon the approval of DCED of the application.

RESOLVED AND ENACTED by the Board of Commissioners of McKean County, Pennsylvania, this 22<sup>nd</sup> day of September, 2009.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into a contract with Vineyard Oil & Gas for bulk natural gas purchase for the courthouse and for the jail.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into an agreement with Dell Marketing L.P. for a one year maintenance agreement for fire wall protection for the county. The cost of the maintenance agreement is \$4,035.00.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve an addendum to the county's Westlaw contract to add the Court Administrator and the 4 District Judges so they can have access to the Westlaw system. The additional cost to the county is \$314.40 per month.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Mr. DeMott – Opened the meeting for public comment.

Martha Knight – Who is all covered under the regular Westlaw contract?

Mr. DeMott – The Judges, the District Attorney, the Solicitors, the Public Defender, and CYS.

Ms. Knight – What about the law masters?

Mr. Hartle – I assume she would be.

Mr. DeMott – I know they eliminated a couple of departments that didn't really use the system which reduced our original contract.

Ms. Knight – Will the news that we have been hearing about Rustick effect the financial arrangements that the county has with Rustick? There isn't any more tide over type funding available to them?

Mrs. Church – No, and that money wasn't directly from us.

Mr. DeMott – We are still going to try to encourage recycling – I know that some municipalities are looking at other types of recycling so we are not giving up the battle for recycling, but as far as Rustick is concerned they are doing what they feel they need to do and I don't see the county subsidizing the recycling.

Ms. Knight – And none of this should effect the trash haulers and other companies that are doing their regular operations. I am not getting very clear answers from Rustick as to their general situation and condition. What would be the impact on the county if Rustick were to fold?

Mr. DeMott – There would be several impacts. One is that Rustick still owns the county a significant amount of money from the recycling equipment that was paid for by the county at the time the landfill was sold to them. Another issue is

the tipping fees that the county receives from them if there is a significant reduction in their operation.

Mr. Hartle – It would be a huge impact to Sergeant Township and the school district.

Ms. Knight – If they would file for Chapter 11, would the county simply be among a whole class of creditors or would you be in a class by yourself?

Mr. Hartle – There is a huge mortgage on it right now so everybody would be behind that mortgage.

Ms. Knight – What is the status of the projects at the Jail and the courthouse?

Mr. DeMott – We will be opening bids for the jail project at our October 8<sup>th</sup> meeting. We had a pre-construction meeting with potential bidders last week for the jail project. We are working with our architects to finalize the drawings on the renovations for the courthouse. I would think in a month or so those would be ready to be bid. We are making progress on the bond issue. There will be a meeting in early October – we would be locking into the bond – the action at the early October meeting would be to set the bond interest rate, etc. and then 30 days or so after that the bond issue would close – we have to have DCED approval for the bond issue – there are also some legal advertisements that are requirements that we have to take care of. DCED regulate the debt limits of all of the municipalities.

Ms. Knight – And you are not bumping that at this point?

Mr. DeMott – No, I think the last calculation that I heard was that our debt limit was somewhere up around a hundred million dollars so we don't anticipate a problem.

Ms. Knight – So the scope of the work is what you outlined before?

Mr. DeMott – Yes, we have added some things that have to be done that weren't included in our architectural drawings. We pursued that with our maintenance department and talking to contractors and people in that field about replacing the steps, etc.

Mrs. Church – The lighting and windows are the major projects. The lighting because the lights are going to be obsolete and they have to be replaced. The windows are over 70 years old.

Mr. DeMott – The windows are a significant amount of the cost of the project and the insulation of the attic, etc.

Ms. Knight – Do you have a feel for the payback in these energy savings?

Mr. DeMott – I can't give you an exact amount, but I think we are going to see a significant cost savings. It's difficult to say we are going to save this percentage or that many dollars because over the last 2 years we have already shown significant energy savings in this building with some changes that we have made. We have new controls on our heating and air conditioning systems and things along that line. We are buying natural gas in bulk purchase.

Ms. Knight – And if the biomass heat would become available that would probably reduce your costs.

Mr. DeMott – That is one reason we didn't include a heating and air conditioning system in the project because we wanted to be sure that whatever we bought would be compatible. I did get a letter from our architects saying that basically if we went ahead now and put the new units on the roof when the woody biomass heating exchange system came in we would have to replace the gas burners with heat exchange units in the roof and there would have to be some sort of pumping system to pump the hot water out of the basement up to the roof and then back through the building, etc. so I think it would be prudent to wait until their system is available and then select the equipment that is appropriate rather than retrofitting equipment that is a few years old.

Ms. Knight - And you are leaving the ceilings alone?

Mr. DeMott – In most areas.

Ms. Knight – Who is paying for the law enforcement expenses for personnel and their vehicles for providing private security, etc. for the film production?

Mr. DeMott – It is my understanding that the county is being reimbursed for all payroll costs and county vehicles by the film company – Sheriff Mason could explain that better to you and give you the dollar amount.

Ms. Knight – Is the Sheriff's Office performing a law enforcement role and if so what it is?

Mr. Pingie – I think they are mainly providing for crowd control – the Sheriff would be able to tell you what their duties are, what has been agreed upon, what the county will be reimbursed for, etc. We don't have anything other than that.

Ms. Knight – So, ultimately, none of this would be county costs?

Mr. Pingie – No.

Moved by Mr. Pingie, seconded by Mrs. Church, to adjourn the meeting.

Vote on the above resolution, DeMott – Yes. Pingie – yes. Church – yes. Three – yeas. No – nays. Carried.

Chief Clerk