

June 14, 2011

McKean County Commissioners in regular session assembled on Tuesday, June 14, 2011 at 10:00 AM in the Commissioners meeting room. Present were Commissioners Joseph DeMott, Al Pingie, and Judy Church, Chief Clerk, Audrey Irons, and County Solicitor, Dan Hartle. Also present were Ted Lutz, Martha Knight, Brad Mangel, Ken Bush, Judy Ordiway, and Tom Frungillo.

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

Mrs. Church – Announced the county is holding an open house for the courthouse and the other county owned buildings on June 24 and 25 from 1:00 PM to 4:30 PM on both days.

Mr. DeMott – Announced that the Judge has issued an order banning cell phones and cameras from the courtrooms and the court related offices so we are asking people that are coming to the courthouse that have business with the court to leave their cell phones and cameras at home or in their vehicle because they will not be permitted to take them into the courtrooms. Also commented on a clarification that needed to be made about an article that was in the Bradford Era concerning a meeting that was held regarding funding for the Port Allegany Fire Department and at that meeting a statement was made that the Commissioners had promised that if funds were available from the Marcellus gas tax or fee that some of those funds would go to the Port Allegany Fire Department – what actually happened was that I was asked that if the fire departments were eligible for that funding under the proposed plan and I responded that the discussions that I had heard regarding these plans was that the majority of them like the fire departments would probably be eligible, however, everyone should be aware that there are multiple proposals before the legislature that vary in the scope and the amount of money that is involved and that is a matter for the legislature to enact. I personally hope that there will be some funding available to help fire departments, but that is a matter for the legislature to deal with. As a Commissioner I would be happy to assist the communities to access any available funding, but there will be no favoritism shown to one community over another or one fire department over another – we really have to wait and see what happens, if anything, concerning the Marcellus gas tax or fee.

Moved by Mr. Pingie, seconded by Mrs. Church, to approve the minutes of the May 24, 2011 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.

Brad Mangel – Mentioned that at the last meeting he expressed his desire for the City Treasurer's Office to be allowed to collect the county property taxes and needs a

clarification – it was mentioned at that meeting that the county wasn't allowed to collect quarterly payments for the county taxes – since then he has spoken with someone from Marty Causer's Office and they said they thought the county could do that.

Mr. DeMott – I did talk with one of the people in Marty's Office about that – they told me what they told you – I don't have a response to that at this time. I have done a little more research on how the decision came about for the county to collect their own taxes. I understand that at the time they collected these taxes that the county had to pay a significant amount of money to the city for those services and that decision was made at the time to collect the taxes at the county level to save the county money. I will grant you that I am not an attorney and I will defer to Dan on these legal matters, but that is where it stands. You may be correct, but I don't know that.

Mr. Mangel – But you are not opposed to returning the collection of the taxes to the city?

Mr. DeMott – I am not opposed to returning it to the city, if the City of Bradford is willing to do it at their own expense.

Mr. Mangel – I got that same impression from the City Clerk – I understand from Representative Causer that the county could enact a resolution to collect the taxes on a quarterly basis – would the county be willing to do that?

Mr. DeMott – That is something that we would have to research.

Mr. Mangel – Are you looking in the future to take property taxes away from the other municipalities?

Mr. Pingie – I think that only falls under third class cities – it doesn't pertain to the second class townships or to the boroughs.

Mr. Mangel – Asked the Commissioners to research the matter further – he feels slighted that the past Commissioners took the collection of taxes away from the City of Bradford – he understands if it was for financial reasons.

WHEREAS it is now the time and place for opening bids for Venetian blinds for the courthouse, and

WHEREAS, the following bids were received.

1. The Home Depot, 1900 Dan Eaton Drive, Olean, NY 14760 - \$22,546.76
2. Lowe's Commercial Services, 2625 Market Street, Warren, Pa. 16365
\$24,999.00
3. The Design Company – Quote 1 - \$28,515.00
Quote 2 - \$29,943.00

NOW THEREFORE BE IT RESOLVED that the McKean County Commissioners close the bids and defer action on awarding the bid until their meeting on June 28, 2011 at 10:00 AM.

The above resolution was moved by Mr. Pingie, seconded by Mrs. Church.

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 the YWCA in the amount of \$3,666.00 representing the June payment for the Homeless Assistance Program they administer for the county. This money is to be taken from the Grants Public Welfare 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 a county aid application for Foster Township in the amount of \$11,159.00 for the year 2011.

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 Debt Ordinance.

McKEAN COUNTY ORDINANCE NO. 2 OF 2011

An Ordinance of the County of McKean, the Commonwealth of Pennsylvania, authorizing the Chairman of the Commissioners of McKean County to enter into and sign two Loan Agreements with The First National Bank of Port Allegany, 64 Main Street, Port Allegany, Pennsylvania 16743 by which McKean County will act as guarantor for the performance and payment by the Bradford Regional Airport Authority of the obligations contained in said Loan Agreements, the Authority being the borrower, and the County acting as Guarantor, and authorizing and directing the Deputy Chief Clerk to attest the same.

Section (1). The debt incurred pursuant to said Loan Agreement is classified as lease rental debt, the purpose of which is to enable the Bradford Regional Airport Authority to fund economic development in the form of the construction of an approximately 30,000 square foot multi-tenant facility on lands of the Bradford Regional Airport Authority along State Route 59, Lafayette Township, County of McKean, Commonwealth of Pennsylvania. The Authority has obtained preliminary cost estimates for the project, and the County Commissioners have reviewed them and deem them reasonable.

Section (2). The useful life of the project, being improvements to real property, is in excess of the term of the loans.

Section (3). The aggregate amount of Loan 1 is a line of credit for not more than \$750,000.00 payable monthly beginning July 14, 2011 through December 1, 2012 at a fixed rate of annual interest of 2.450 percent. The aggregate amount of Loan 2 is not more than \$400,000.00 payable over a twenty year period at 4.5350 percent annual interest. Exhibits are attached hereto, and incorporated herein, setting forth the debt service being guaranteed.

Section (4). By these acts, McKean County does hereby pledge its full faith, credit and taxing power. The County covenants to include the amount of debt service payable in respect of its guaranty for each fiscal year in which said sums are payable in its budget for that year, appropriate those amounts from its general or specially pledged revenues for payment of the guaranty, duly and punctually pay or cause to be paid the principal and interest to the extent of its obligations the amount payable in respect of the guaranty, at the dates and places and in the manner stated in the guaranty according to the true intent and meaning thereof.

Section (5). The Chairman of the McKean County Commissioners is hereby authorized and directed to prepare, certify and file the debt statement required by section 8110 of the Local Government Unit Debt Act and to execute and deliver the promissory notes and agreements evidencing the lease rental debt and to take other necessary action. Further, the Chairman of the McKean County Commissioners is hereby authorized to prepare and file the appropriate borrowing base certificate, and documents, if necessary, to qualify all or part of the debt as self-liquidating or subsidized debt.

Section (6). The McKean County Commissioners are authorized and directed, if necessary, to make payments monthly due and payable beginning on or before July 14, 2011 from the general revenues of the County for Loan 1; The McKean County Commissioners are authorized and directed, if necessary, to make payments monthly due and payable beginning on or before December 31, 2012 and continuing through and to include on November 30, 2032 from the general revenues of the County for Loan 2.

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

Mr. DeMott – Explained that there are two loans involved – one loan is for working capital to build the multi tenant facility – the facility will be funded by a number of federal and state grants and those funds come to us on a reimbursement basis so the airport will have to pay for various stages of construction and then submit applications to the funding agencies for reimbursement for those funds so that is why we need the working capital loan to facilitate the construction. The other loan is a long term loan and recognizing that the airport's financial contribution through this project maybe as much as \$400,000 so this loan is to pay for the airport's portion of the cost of the project and it

will be paid back over a twenty year period. The First National Bank of Port Allegany was the low bidder on the project.

Martha Knight – Are there matching funds for the project?

Mr. DeMott – Yes.

Mr. Frungillo – One grant is through PennDot Bureau of Aviation for \$900,000, one is through the Economic Development Authority for \$800,000 and one is through the Redevelopment Assistance Capital Program (RACP) for \$400,000 – they are opening bids for the project this Friday – looking to have construction completed by the first of the year.

Ms. Knight – Asked if they had any tenants yet for the facility?

Mr. Frungillo – We have one we are negotiating with now and several more that are interested.

Moved by Mr. Pingie, seconded by Mrs. Church, to enter into a renewal maintenance agreement with Karpinski's Office Systems (KOS) for a copy machine for the District Attorney's Office. Cost is \$675.00 per year and includes parts, toner, and labor.

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

Mr. DeMott – Opened the meeting for public comment.

No public comment.

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