

**COMMISSIONERS' MEETING MINUTES**  
**NOVEMBER 29, 2017**

Commissioner Chairman Michael A. Baker called the regular meeting of the Indiana County Commissioners to order at 10:35 a.m. in the Commissioners Hearing Room.

**ROLL CALL**

Chairman Michael A. Baker, present  
Commissioner Sherene Hess, present

Commissioner Rodney D. Ruddock, present

Also in attendance were Solicitor Michael T. Clark, Chief Clerk Robin Maryai and others. Members of the news media present were Pat Cloonan, Josh Widdowson and Greg Reinbold.

**PLEDGE OF ALLEGIANCE**

Commissioner Baker led those present in reciting the Pledge of Allegiance to the American Flag.

**APPROVE MINUTES...NOVEMBER 15, 2017**

A motion was made by Mr. Ruddock, seconded by Ms. Hess and unanimously carried to approve the minutes of November 15, 2017 as submitted.

**PUBLIC COMMENT**

There was no public comment.

**EXECUTIVE SESSIONS**

There was an Executive Session held on November 28, 2017 at 9:00 to discuss legal matters.

**FIRST AMENDMENT AND EXTENSION OF LEASE...WALTER STANLEY REALTY / DRO**

A motion was made Mr. Ruddock, seconded by Ms. Hess and carried unanimously to approve the First Amendment and Extension of Lease with Walter Stanley Realty located at Suite 202, the Atrium, 665 Philadelphia Street, Indiana, PA where the Domestic Relations Office is located. The lease extension is for a five (5) year period from January 1, 2018 through December 31, 2022. The monthly rental for the five (5) year term shall be as follows:

1/2/2018 to 12/31/2018 - \$6,662.50  
1/1/2019 to 12/31/2019 - \$6,829.06  
1/1/2020 to 12/31/2020 - \$6,999.79  
1/1/2021 to 12/31/2021 - \$7,174.78  
1/1/2022 to 12/31/2022 - \$7,354.15

**AGREEMENT...NUCTECH COMPANY LIMITED / JAIL**

The Warden, Sam Buzzinotti, was present and asked the Board to approve a contract with Find-all Security Systems LLC for the purchase of a body scanner which is a Nuctech product which is a low dose radiation that provides high resolution in real time images. Mr. Buzzinotti explained that having this body scanner will provide the means of detecting weapons, drugs and other types of contraband from possibly entering the Jail. The contract is for \$105,000.00 which

is a 2017 rate and will increase for 2018 approximately \$10,000 to \$20,000. Once the contract is signed the equipment, installation will begin and a radiation safety survey will be conducted by the DEP. This scanner will have a thirty (30) day trial period a from the last date the user obtains all regulatory approvals required to use the body scanner on human subjects. Commissioner Ruddock suggested that the request be tabled until the next meeting until such time that the budget for 2018 can be reviewed and adopted. A motion was made by Mr. Ruddock, seconded by Ms. Hess and carried unanimously to table action on the purchase of the body scanner to a future meeting.

**RESOLUTION – COOPERATION AGREEMENT 2017 INDIANA COUNTY CDBG NON-ENTITLEMENT / BLAIRSVILLE AND ERNEST BOROUGH / PLANNING**

At the request of LuAnn Zak, Office of Planning & Development, requested that the Commissioners approve two resolutions for the 2017 CDBG Indiana County Non-Entitlement Program. The resolutions approve entering into separate Cooperation Agreements with the Boroughs of Blairsville and Ernest to undertake activities funded by the County’s 2017 CDBG allocations. The actions requested are as follows:

A motion was made by Mr. Ruddock, seconded by Ms. Hess and carried unanimously to approve the Resolution authorizing entering into a Cooperation Agreement with the Borough of Blairsville for the Murphy Building Demolition Project.

A motion was made by Mr. Ruddock, seconded by Ms. Hess and carried unanimously to approve the Resolution authorizing entering into a Cooperation Agreement with the Borough of Ernest for the Ernest Borough Blighted Property.

The Cooperation Agreements identifies the roles and responsibilities between each of the municipalities and the County for the undertaking of each CDBG funded activity.

**PERMITTED USE CONFIRMATION – ALICE PAUL HOUSE BUILDING PROJECT / PLANNING**

At the request of LuAnn Zak, Office of Planning & Development, and on behalf of the Alice Paul House Board of Directors and Stiffler McGraw & Associates, Inc., a motion was made by Mr. Ruddock, seconded by Ms. Hess and carried unanimously to approve a letter confirming that the construction of a domestic violence shelter with supportive services offices is a permitted use for Parcel ID: 42-015-132.18.00. This parcel will be utilized for the new location of the new facility for the Alice Paul House. This confirmation clarifies that the project meets the “Permitted Use” as outlined in the Declaration of Easements, Covenants, Conditions and Restrictions signed by the Indiana County Commissioners on October 1, 2002.

**VARIANCE APPROVAL – ALICE PAUL HOUSE BUILDING PROJECT / PLANNING**

At the request of LuAnn Zak, Office of Planning & Development, and on behalf of the Alice Paul House Board of Directors and Stiffler McGraw & Associates, Inc., a motion was made by Ms. Hess, seconded by Mr. Ruddock and carried unanimously to approve a variance for the Parcel ID: 42-015-132.18.00 for the construction of the new Alice Paul House facility. The variance requested is for the Rear Yard setback. The deed states that for a two-story building the Rear Yard setback is to be no less than 25’. In order to construct the building as designed within

the limits of the property we are requesting that a variance be approved for the rear yard setback at 20' in lieu of 25'. White Township has reviewed the setbacks and the 20' rear yard setback is in compliance with their regulations. The proposed building meets all other setback requirements.

**NBIS INSPECTION REIMBURSEMENT AGREEMENT**

At the request of Robin Maryai, Chief Clerk, a motion was made by Mr. Ruddock, seconded by Ms. Hess and carried unanimously to approve the NBIS Inspection Reimbursement Agreement between the Commonwealth of Pennsylvania and Indiana County. Under this agreement Gibson Thomas Engineering will conduct inspections on bridges with a 20' or more span. Not only does this include bridges owned by Indiana County, but also includes bridges owned by 25 townships and boroughs. The total cost of the reimbursement agreement is \$903,320.28. 80% of this cost will be reimbursed with federal dollars in the amount of \$722,656.22. The remaining 20% will be paid from the county liquid fuels account.

**2018 GENERAL FUND BUDGET**

A motion was made by Mr. Ruddock, seconded by Ms. Hess and unanimously carried to approve the following tentative 2018 General Fund Budget:

Opening Balance . . . . .	\$2,367,805
Total Revenues . . . . .	\$37,971,783
Total Expenditures . . . . .	\$40,339,588

The real estate tax will remain the same. This will allow a real-estate tax rate of 4.445 mills. .76 mill of 4.445 are applied to debt service with the remaining millage of 3.685 to general operating fund. The per-capita tax rate will remain at \$5.00.

Commissioner Baker said the County currently has eight different loans outstanding with a consortium of the local banks. As of year-end, the aggregate principal balance of all the loans will be approximately \$41 million. The County is currently paying approximately \$4.75 million per year in debt service. The final debt service payment, assuming no new debt would be incurred, would be in 2030.

The County's outstanding indebtedness was originally issued to fund various capital projects of the County including, without limitation, the new prison, the 911 communications center, countywide reassessment, and numerous improvements to the courthouse and other County properties.

Most of the County's loans will be subject to an interest rate adjustment on March 1, 2018. The current rate on the loans is 1.90% but, based on current market conditions, the interest would increase in March of 2018 to approximately 3.05%-3.15%, fixed for five years. Recognizing this impending interest rate increase, and understanding that we had a significant financing opportunity, the Commissioners resolicited the banks to see if the County could secure more advantageous debt position for 2018 and beyond.

We asked the banks for proposals to refinance six of the outstanding loans, to be completed in four separate steps to comply with the federal tax law requirements. We asked for initial fixed interest rates of 3, 5, 7 and 10 years.

Today, to help us balance the budget, we will be offering a refinancing proposal for the first of the loans, the 2017 Bond, in a principal amount of \$9,650,000 with a final maturity in 2032. The new loan will be secured through CNB Bank and will bear interest for a 10-year period at a rate of 2.40%. After 10 years, the interest rate will adjust to a new rate, based on market conditions, but cannot exceed 2.98%. The loan may be legally refinanced by the County at any time without premium or penalty.

Proceeds of this 2017 Bond will be used to retire the County's outstanding 2015C Note — a note which was originally issued to fund a portion of the new prison costs. In addition, the new note will provide the County with more than \$500,000 on a line of credit basis for any capital projects of the County. If the County doesn't use the line of credit, now interest will be due.

We anticipate returning three more times over the next month or so, to provide additional, but similar refinancing proposals for consideration of the Board. Breaking the complete program into four segments is a requirement of the federal tax law, designed to ensure that the banks can offer to the County, the lowest possible tax-exempt interest rates. In doing so, we will follow the required process to secure the best rates and terms for the County and taxpayers.

In total we anticipate refinancing six of the County's eight outstanding loans. Once the program is completed, we anticipate the following key basic results for the County:

- With the implementation of the program, the County's 2018 required line item expense for debt service requirements can be reduced to approximately \$3.45 million -- a reduction from the currently required \$4.74 million.
- This secures for the County up to \$1.3+ million to utilize in balancing your 2018 budget (displacing moneys which you would otherwise need to allocate from your fund balances or raise from taxes).
- Thus going forward the county will save \$875,000 per year due to the refinancing all six loans.

Mr. Baker thanked the office staff for their tireless work on the budget. He also thanked Mark Lundquist and Chris Brewer for putting together refinance package.

### **ORDINANCE...2017-2018 PHASE I REFINANCING**

Chris Brewer, Dinsmore & Shohl, LLP, was present and explained that by approving the Ordinance it will start the legal steps necessary to begin the refinancing with a closing date of December 28, 2017. Mr. Brewer explained that to comply with federal tax code limits, separate actions must be taken at intervals of no less than 15 days to refinance \$38 million of the county's \$41 million debt.

A motion was made by Mr. Ruddock, seconded by Ms. Hess and unanimously carried to approve the Debt Ordinance Phase I refinancing of Series A of 2015 and establish Series A of 2017 to fund capital projects.

**2018 CAPITAL FUND BUDGET**

Mr. Ruddock made the motion, seconded by Ms. Hess and unanimously carried to approve the tentative Capital Fund Budget as follows:

Opening Balance . . . . .	\$82,000
Total Revenue . . . . .	\$18,500
Total Expenditures. . . . .	\$100,500

**2018 LIQUID FUELS BUDGET**

Mr. Ruddock made the motion, seconded by Ms. Hess and unanimously carried to approve the tentative Liquid Fuels Budget as follows:

Opening Balance . . . . .	\$0
Total Revenue . . . . .	\$428,500
Total Expenditures . . . . .	\$428,500

**OTHER BUSINESS**

There was no other business.

**NEXT REGULAR MEETING...DECEMBER 13, 2017 AT 10:30 A.M.**

The next regular scheduled Commissioners' Public meeting will be held on Wednesday, December 13, 2017 at 10:30 a.m. in the Commissioners' Hearing Room.

**ADJOURNMENT**

With no other business to come before the Board at this time, Commissioner Baker adjourned the meeting at 11:02 a.m.

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Sherene Hess, Secretary

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Michael A. Baker, Chairman