

### **Wednesday, November 15, 2023**

The second regular meeting of November, 2023, of the Pike County Commissioners was called to order by Commissioner Osterberg at 11:00 a.m. at the Pike County Administration Building, followed by the "Pledge of Allegiance" to the flag.

**PRESENT:** Commissioners Osterberg, Schmalzle and Waldron; Chief Clerk Gromalski; and Assistant Solicitor Ohliger.

*Public Comments/Questions concerning today's agenda – NONE*

*Motion to recess the Commissioners' Meeting to hold a Retirement Board Meeting.*

*A RETIREMENT BOARD MEETING was held.*

*Motion to adjourn the RETIREMENT BOARD MEETING and reconvene the Commissioners' Meeting.*

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve the November 15, 2023, Agenda.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve the November 1, 2023, Meeting Minutes.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve the November 8, 2023, Conference Minutes.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve payment from the **GENERAL FUNDS (County Bills)** in the amount of **\$599,252.76**.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve payment from **ACT 13 TRANSPORTATION** in the amount of **\$25,450.00**.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve payment from the **PIKE COUNTY EMPLOYEE HEALTH INSURANCE FUND** in the amount of **\$160,963.00**.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

### **NEW BUSINESS**

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to advertise the 2024 Pike County Budget.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to execute the Acknowledgement of the Commercial Line of Credit Loan Request.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to authorize the Chairman to execute the Tax Anticipation Note Series 01 of 2024.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to adopt Resolution No. 23-43, Tax and Revenue Anticipation Note.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to adopt Ordinance No. 33-2023, as presented, authorizing, among other things, the issuance of one or more series of general obligation bonds, with proceeds thereof to be applied toward capital projects of the County, as described in the Ordinance.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

Commissioner Osterberg announced that they have gone out to get another Bond issued to complete projects in the County, some of them being the Bennett Avenue project; completion of the Courthouse is ongoing and we now have to take care of the interior of the old Courthouse; some infrastructure needs at the Blooming Grove site with wells and sewer projects. We have taken out \$2.5M of a new Bond issued and we are implementing right now. That's what these Ordinances are about. I just explained to you what the projects are.

Commissioner Osterberg introduced Dave Payne from PNC Bank, along with Jennifer Caron, Esquire of Eckert Seamans, our Bond counsellor. Mr. Payne announced that Jen Caron from Eckert Seamans is on the line (ZOOM) with us. We are approving today both an Ordinance and a parameters Bond Purchase Agreement (BPA). The Ordinance is the document that outlines the complete borrowing and the structure of the borrowing along with all the other legal parameters that you have to have in order to issue General Obligation Bonds. The second document is the Bond Purchase Agreement (BPA), it is exactly what it states. We will purchase the bonds upon pricing them. That's really the job of the underwriter. When we go to market, hopefully in early December, that first week, we will be in the market for about three hours and if all of the bonds get spoken for, that's great. If some of the bonds get spoken for, our job is to step up and purchase the other bonds at the price that the public spoken and bought them. The market is behaving very well right now. If you've been reading the general press in terms of economics, there has been a lot of relief in terms of what people are thinking about in terms of going

forward. Not to say that's going to be the case, we are on a roller coaster with inflation. I can tell the Commissioners this and your Administration since we last looked at relative market rates, the interest rates are lower now. Since we'll be able to get into the market in the next three to three and a half weeks, hopefully we'll be at a position where rates are lower than we were restructuring the bonds to begin with.

Mr. Payne continued there is minimal impact because of the current structure of the County's debt. They've done a very good job over many years. In terms of the County's current debt, it's short. That's something the rating is variable on and it does give an opportunity to the County to structure this again with minimal budgetary impact for a \$2.5M Bond. The County will have a rating call with Standard and Poore's in New York City and they'll look at the previous history of the County, its current financial situation and the structure of the new Bonds. We're hoping to have that call the week after Thanksgiving, that will allow us then to put together the offering document and be in the market as early as December 7<sup>th</sup>. If not, that's a Thursday, we might push it to Tuesday, the 12<sup>th</sup> of December. The Bonds will close on December 28<sup>th</sup> of this year at which time of settlement you'll have the appropriate funds the \$2M four-year construction fund balance.

Mr. Payne stated you may notice the Resolution and the BPA speak of a not to exceed number of \$3,265,000.00. That is not what the County is borrowing, that is the process that we as the underwriter take with the State and the Department of Community and Economic Development to give us some flexibility to work within that \$2.5M number that you'll actually be borrowing. They will be nowhere near borrowing \$3,265,000.00. We are estimating that the amount of a Bond issue that would be the result of \$2.5M into a construction fund will be about \$2.65M. (At this time attorney Caron said she could not hear Mr. Payne although the meeting attendees said they could hear attorney Caron.)

Mr. Payne continued that they'll take any questions regarding the Ordinance. (At this time attorney Caron said she could now hear Mr. Payne.). Mr. Payne informed attorney Caron that he just finished his dissertation on the structure and the financing and asked attorney Caron if she has a minute, could you just go over the Ordinance and exactly what they're going to be approving along with the BPA?

Attorney Caron introduced herself and apologized for the technical difficulties and said she is a Bond attorney with Eckert Seamans in Harrisburg and that she serves as Bond counsel to the County. As Bond counsel, we prepared the Ordinance, number 33-2023 signed by the Board of Commissioners. Attorney Caron then read highlights from Ordinance #33-2023 and then asked if anyone had any questions.

Reporter Preston Ehrler asked Commissioner Osterberg if he could go over the \$2.5M construction bond – can you tell us about what this is for? Commissioner Osterberg answered it is for the Bennett Avenue project; it's for the completion of the interior of the existing Courthouse, the 1872 Courthouse; it is the continued efforts to expand the sewage treatment facility at the Blooming Grove site along with the well on that property.

Reporter Preston Ehrler asked what the current Bond rating of the County is? David Payne answered the current Bond rating at the County right now is AA Minus.

Reporter Preston Ehrler asked what the structure of this Bond is, how often is it going out for? David Payne answered the Bonds go out ten years, maturing in 2034. The first payment would be in fiscal year 2024, next year.

Reporter Preston Ehrler asked what's the Bond based on, how is it going to be priced? David Payne answered the Bond is based on municipal market addendum and that is the price of the municipal bonds that's factored in every day. That price is a tax-exempt rate because the County has the opportunity to borrow as a tax-exempt entity. It is based off of the ten-year treasury, which is a taxable rate. If you follow the flow of the ten-year treasury from now until day of pricing, going up or down or up or down, the rate will be a little higher or a little lower as we get toward that first week of December.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve the following Human Services Payment Vouchers on behalf of the Office of Human Services: PHARE in the amount of \$6,192.00; Emergency Rental Assistance Program 2.0 in the amount of \$16,461.21; and Human Services Development Fund in the amount of \$5,035.30.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to approve the 2018 CDBG Program Payment Voucher payable to Ray Evans in the amount of \$855.45, on behalf of the Office of Human Services.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to authorize the Chairman to execute the St. Patrick Catholic Church Facility Use Agreement, on behalf of Children and Youth Services.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to authorize the Chairman to execute the Municipal Assistance Program Invoice, on behalf of the Office of Community Planning.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

**MOTION:** by Commissioner Waldron and seconded by Commissioner Schmalzle, to authorize the Chairman to execute the Worker Protection and Investment Certification Form.

**VOTE:** Commissioners Osterberg, Schmalzle and Waldron voted 'aye'. Motion carried.

#### **MISCELLANEOUS:**

- PennState Extension Calendar of Events

#### **PRESS & PUBLIC COMMENTS/QUESTIONS/ADJOURNMENT**

Meeting attendee, Kevin Holian of Dingman Township, commented that Pike County, Pennsylvania has a female Commissioner elected. It's interesting though, for clarity, I think a lot of Pike County residents need to be aware that, if it pleases any of the Commissioners, correct me if I'm wrong, in 2011 Pike County was fortunate enough to have appointed by then Judge Joe Kameen, Kathy Hummel as an appointed Pike County Commissioner. Just for clarity of all of us, yes Christa will be the first voted in female. Commissioner Osterberg said no, that's not true. We had Margaret Mary Jonas back in the late '80's and Sally Thompson in the late '90's. I just want to make sure that's clear. Commissioner Osterberg continued, the voters have spoken; Christa Caceras was voted to be the next County Commissioner. We welcome her being here. That

needs to be cleared up, Kathy Hummel was appointed to fill out the unexpired term of Harry Forbes (former Commissioner) in the interim of an election. That's why that occurred, they needed someone to fill that spot without somebody running. That was the first year I ran for Commissioner, and she had said that she would not run. Kathy Hummel is a very qualified person to be Commissioner of this County. Kevin Holian said she is still with us, I think. Commissioner Osterberg said she is still very much alive. I just think we need to be clear on that.

Reporter Jeremy Van Duyne said we were informed by a letter that we received about the County's private company named Service Access Management, and Pike County Children and Youth. Commissioner Osterberg asked SAM? Yes, they're the ones that we use to manage our Children and Youth Services. I think we went into that contract two, maybe three years ago, they're the ones that we contract out and use. They use this in other counties, it's not unusual. Reporter Van Duyne said they're alleging mismanagement within the private company, and I want to know a little bit more about it. Commissioner Osterberg answered we know nothing about mismanagement. We have a very good relationship with SAM. Children and Youth, just so we understand, is a very difficult section of the County to operate. I say this because the situations that those men and women that work up there are put in are extremely difficult. It's really difficult to find people that are qualified to do that job, that want to do that job. Another side of it is to try and find a director that wants to handle it. We went through lots of struggles since I've been here with directors. This is a decision we made that we felt a management team would be best suited up there to manage the entire staff. They don't manage the entire staff, there is still a section up there called Intake, which is actually the County's side of it. We know nothing about mismanagement of SAM. I know that we have Solicitors that are continually up there, monitoring everything that goes on. We don't know anything about that. What we do know is that the job that all of those men and women have to deal with on a day in and day out basis is extremely difficult, and we respect all of that. I don't know what letter you have. We didn't see a letter so I'm not going to speak much more of it. Commissioner Waldron said since I've been here, SAM has done a good job. There were some issues about management, but we said to them we need you to have somebody here, all the time, to manage everybody involved on the SAM side of things. They answered that request, and we have Kelly (McLaughlin) doing a really good job as the Manager/Director, if you will, of the SAM side of Children and Youth. We're happy with the way that's going.

**THE NEXT REGULAR MEETING OF THE PIKE COUNTY COMMISSIONERS WILL BE HELD ON WEDNESDAY, DECEMBER 6, 2023 AT 11:00 A.M. IN THE PIKE COUNTY ADMINISTRATION BUILDING.**