

**FINANCE MEETING NOTES  
COMMISSIONERS' HEARING ROOM  
Wednesday, July 16, 2014, 1:30 pm**

Present: Commissioners Barbara Cross, Jim Hertzler and Gary Eichelberger; Larry Thomas, Chief Clerk; Sandy Moyle, Deputy Chief Clerk; Daniel Walmer, The Sentinel; and Roger Quigley, The Patriot News.

**Discussion on Capital Area Transit (CAT) Funding**

Chief Clerk Larry Thomas opened the Finance Meeting for discussion on the County's involvement with CAT; focusing on the result of discussions that had taken place on a new funding agreement. Kirk Stoner and Mike Clapsadle worked with a team of staff with the other funding partners, Dauphin County and the City of Harrisburg. Mr. Thomas handed the discussion over to Kirk Stoner.

Mr. Stoner provided the Board with a handout re Staff Informational Briefing on CAT issues (see attached).

- The original Funding Local Operating Agreement with CAT was from August 1973 through 2003.
- The Mass Transit Service and Funding Agreement was from 2003 – 2011.
- The Funding Partners used the 2011 Funding Agreement as a base to work on staff issues and bring back to the group a new agreement with the following changes:
  - **What is in:**
    - Vehicle miles retained as cost distribution formula.
    - Language on nonpayment by a partner – Partners will be immediately notified by CAT staff if nonpayment occurs; issue will be referred to CAT Board for action.
    - Improved clarity on vehicles miles calculation – Methodology clarifies how vehicle miles will be charged for counties that across political boundaries.
  - **What is out:**
    - Language providing more detail into the date that should be provided as part of the budget submission – Requirements for showing required vs. requested local match, intended use of funds, and capital improvement plan were not endorsed by the other partners.
    - Line item requiring annual updates on cost containment efforts – There was general agreement on the need for cost containment by the other partners but initiating that concept was identified as a duty of the CAT Board and not a primary purpose of this funding agreement.
- **Development of MOU with CAT**
  - Consideration of annual agreement with option to review as opposed to five-year agreement.
  - Meet with CAT staff to discuss MOU, funding agreement by September.
  - May want to start monthly talk updates to be put in MOU.
  - Suggestion to have quarterly meetings.
- Chief Clerk Thomas stated that the one year agreement makes sense instead of the five-year. He recommended we have MOU in place before signing funding agreement.
- Commissioner Eichelberger asked if CAT was on board with the MOU. Mr. Stoner thinks they understand what we have been working on.
- Commissioner Hertzler stated that Cat's budget request was sent as a one-page letter, stating this is what we owed. The County was billed beyond the required minimum. He thinks that the MOU is a good idea. If the City of Harrisburg doesn't pay their fair share, what tools does the Board have to address the issue. We need to heighten the degree of accountability and move in the direction of being cost efficient.
- Commissioner Cross discussed cost containment and stated that these are not expectations that we have not put on everyone in our own County.

- Commissioner Hertzler suggested that the Commissioners draft a letter to the elected officials in Dauphin County and the City of Harrisburg asking them to accept the proposal to the funding agreement.
- Commissioner Hertzler asked if we could go simultaneously with the Funding agreement and MOU.
- Chief Clerk Thomas stated concerns about several financial issues for CAT which included their plans to build an \$80 million maintenance facility.
- Commissioner Hertzler stated that CAT needs look into ways to contain costs and other issues before they go on a building spree with a capital constituent project.
- Mr. Stoner suggested August 15 to provide comments to staff for funding agreement.
- Commissioner Hertzler stated to work up the MOU; see how it works or sign five-year agreement.
- Chief Clerk Thomas suggested no MOU, no funding agreement.
- Mr. Stoner will work on the funding agreement. Get back to him in two weeks.

The meeting adjourned at 2:20 pm.

Ruth Ann Ciecierski  
Administrative Assistant