

*Intergovernmental Cooperation Authority for Harrisburg
Minutes of the Governing Board Meeting
February 26, 2020*

*Temple University Harrisburg, 234 Strawberry Square, Lecture Hall, Room 246/248
Harrisburg, Pennsylvania 17201*

hbgica.org

Members Present	Ms. Audry Carter, Mr. Douglas Hill, Ms. Kathy Speaker MacNett, Ms. Tina Nixon, and Mr. H. Ralph Vartan	
Ex-Officio Members Present	Mr. Bruce Weber	
Staff Present	Jeff Engle, Esq., Independent General Counsel, and Mr. Jeffrey Stonehill, Authority Manager	
Call to Order	Ms. Carter called the meeting to order at 4:02 p.m. First, she noted that Mr. John Raymond was unable to attend due to development of the Pennsylvania State budget and then noted that member Kathy MacNett has a severe case of laryngitis.	
Approval of January 22, 2020 Minutes	Mr. Stonehill presented the minutes, which had been reviewed by Ms. Nixon, the Secretary/Treasurer; on a motion to approve by Ms. Nixon, seconded by Mr. Hill.	Minutes; approved 5-0
Review of Bills Paid	Mr. Stonehill reviewed the bills paid since the last regular meeting of the Authority.	
Report of the Chairperson	<p>Ms. Carter noted that the Authority is celebrating its one year anniversary. Ms. Carter noted that over the year, the Authority lost one member to resignation, but gained a replacement with Mr. Hill. She also noted that the Authority acquired the assistance of the two Jeffreys.</p> <p>Ms. Carter noted the addition of Nona Watson to the City's staff. She noted that the three themes of the Authority in advancing the financial recovery of the City remain unchanged:</p> <ul style="list-style-type: none"> - Sound financial management and reporting - Operational excellence - Dedication to community and economic development <p>She mentioned that the Authority members have engaged stakeholders in support of these efforts</p>	

	<p>and all of them have expressed a willingness to help. Ms. Carter explained that members of the Authority have been meeting in small groups with stakeholders and this process has provided insight and perspective as the Authority moves forward with their process.</p> <p>Ms. Carter explained that this evening, the meeting will be a working meeting, focused on a number of items that have been on Authority's agenda upon for months. She encouraged active participation in these discussions.</p>	
<p>Petition – Report and Motion</p>	<p>Ms. Carter explained that on February 14, 2020, the City, the Mayor, and Authority Member Bruce Weber filed a petition in Commonwealth Court. The Authority was notified the day the action was filed. She went on, "While the Mayor stated that he disagrees that this is in the public domain, the document was filed with the court and therefore, we must acknowledge it as such."</p> <p>Counsel Jeff Engle noted that the independent general counsel is seeking a motion. It would authorize the Chair to direct Counsel to take any and all actions necessary, to file any required legal documents, deemed necessary and appropriate to respond to the recently filed action.</p> <p>Mr. Vartan made the motion and modified it to add that Chairperson Audry Carter be further authorized to be the signatory assuming that it becomes necessary.</p> <p>Second by Ms. MacNett. Mr. Stonehill acknowledged that the minutes will reflect the motion including Mr. Vartan's modification of the text.</p>	<p>Motion; approved 5-0</p>

<p>Update on the ICA Initiatives</p>	<p>Ms. Carter reminded the assembled that since September two ICA subcommittees have been working on planning activities associated with two initiatives. It was one of the last tasks undertaken by the previous Chair.</p> <p>The first subcommittee comprised of Mr. Vartan and Ms. Carter, have been working on developing a plan for an economic development symposium.</p> <p>Ms. Carter explained that they are in the process of planning an event, hopefully on May 8, 2020. They have been working through a format, including guest speakers, and how they day's activities would run, assisted in planning by former Chair Dave Schankweiler, as he has experience organizing such events.</p> <p>Mr. Vartan explained that there were a series of contracts and agreements that were reviewed by the Subcommittee, the Chairperson, and legal counsel, and the Authority needed to approve in order to lock in the details of the proposed event on May 8.</p> <p>Mr. Stonehill went on to review the three decisions that needed be discussed by the Board this evening:</p> <ul style="list-style-type: none"> - An agreement to work cooperatively with the Capital Region Economic Development Corporation in the operation of this event - A contract to secure the guest speakers - A contract to secure space at the Harrisburg Hilton <p>Mr. David Black, Harrisburg Regional Chamber of Commerce, went on to explain the role of the Capital Region Economic Development Corporation (CREDC) in partnership to organize and promote the proposed event.</p> <p>Mr. Weber asked if the proposals were circulated.</p> <p>Mr. Stonehill pointed out that the subcommittee had made the arrangements and he provided</p>	<p>Amended Motion to Permit Partnership with CREDC on an Economic Development Symposium; approved 5-0</p> <p>Motion to Approve in Concept, the Agreement with the Harrisburg Hilton for an Economic Development Symposium; approved 5-0</p> <p>Motion to Approve in Concept, the Agreement with the Fallows for their Participation in an Economic Development Symposium; approved 5-0</p>
---	--	--

copies of the three agreements to the audience for their information.

Mr. Vartan asked about the budget of the event. Mr. Stonehill explained that the Authority had included in its current year budget expenditures of up to \$28,000 for the hosting of an economic development symposium. He went on to explain that the total budget of the event is \$28,000. However, anticipated ticket revenues to the event as well as corporate underwriting opportunities could generate revenue of approximately \$28,000; and it is the hope of the subcommittee that the entire event would break even.

While the agreements still required further review, Mr. Stonehill asked the Board if they would feel comfortable providing Chairperson Carter authorization to execute once the independent counsel finalizes the contracts.

Mr. Vartan indicated the hope that James and Deborah Fallows would be the guest speakers. He added that that there anticipated between 150 and 300 attendees at the event.

Mr. Hill asked about the marketing effort.

A motion was made to approve the first of the three agreements, the partnership with CREDC. The motion was by Mr. Vartan with a second by Ms. Nixon. The Chair acknowledged Mayor Papenfuse who wanted to comment.

Mayor Papenfuse stated that he was unavailable on the proposed date. He objected to the event. He stated that this represented "mission creep" by the Authority.

Ms. Carter disagreed with this criticism.

"We feel that it is an amazing opportunity to pull together the best and the brightest to help pull together members of our community to engage in a discussion of community and economic development," she said

	<p>Mr. Vartan offered an amendment to his motion, to allow an alternate date be set in coordination with the availability of the administration to participate in the event in order to keep the event planning on track. Ms. Nixon permitted the amendment to the motion on the floor.</p> <p>Mr. Weber asked why he was not consulted as the subcommittee had developed plans. Mr. Stonehill indicated that he only became aware of the contracts the previous Friday and they were still not ready for execution, but that authorization was being sought so that they could be executed between meetings.</p> <p>The amended motion remained on the floor; the Chair called the vote and the motion was approved.</p> <p>The second request was detailed by Mr. Stonehill, an agreement with Harrisburg Hilton to host the proposed economic development symposium. Mr. Stonehill indicated there would need to be a second agreement with Harrisburg Hilton for additional items, which was not yet available for the Authority's review.</p> <p>Ms. Nixon asked if changing the date would change the agreement. Mr. Stonehill indicated that any date would need to work for the Fallows and for the Hilton Harrisburg.</p> <p>A motion was made by Ms. MacNett with a second by Mr. Vartan to approve in concept the agreement with the Harrisburg Hilton. The Chair called the question and the motion passed.</p> <p>Mr. Stonehill detailed that the third agreement would be for the fee associated with the participation of the Fallows, two payments of ten thousand dollars (\$10,000).</p> <p>A motion was made by Mr. Vartan with a second by Ms. Nixon. The motion was to approve in concept the agreement with the Fallows for their participation in the planned</p>	
--	--	--

	<p>economic development symposium, subject to the setting of a date, and participation by the City, including incorporation of any questions that they may have to make sure the event is as successful as possible. The Chair called the question and the motion passed.</p> <p>Ms. Carter asked for an update on the proposed Listening Sessions from the subcommittee working on that concept.</p> <p>Due to the inability of Ms. MacNett to talk, Ms. Carter gave the report. Ms. Carter explained the goal was to go out into the community and elicit three things from each citizen that they like about the City and three things that they would like to see improved.</p> <p>Ms. Carter explained that the Listening Sessions would be hosted in cooperation with non-profit community partners and that the concept was discussed with the Mayor and he agreed that the Authority could reach out to Blake Lynch to determine whom the best partners would be.</p> <p>Ms. Carter said they do not believe the events would require the expenditure of funds other than perhaps water for the participants.</p> <p>Ms. Carter said the goal was to engage the citizenry of the City of Harrisburg. Ms. MacNett added “the real people of Harrisburg.” Finally, Ms. Carter indicated that the Listening Sessions may occur in April 2020.</p> <p>Mr. Weber asked if they would be facilitated events. Ms. Carter responded yes.</p> <p>Nona Watson, from the City staff, rose from the audience and offered to be a part of the Listening Sessions.</p> <p>Mayor Papenfuse stated his objected to the proposed Listening Sessions. He stated that this is not in the domain of the Authority. He added that elected officials and not the</p>	
--	--	--

	<p>Authority board should conduct listening sessions.</p> <p>Ms. Carter responded that they are wholly appropriate. Mr. Vartan offered his agreement; adding only good things come from listening and talking to people.</p>	
Update on the ICA and City Intergovernmental Agreement	<p>Ms. Carter reported that the Authority had received a lengthy letter from the Mayor the previous Friday and he indicated that a “redline” version would be forthcoming. At a meeting with the Mayor the previous Monday, the Mayor indicated that they would be back in touch with the Authority soon. Ms. Carter added, “despite other issues, we owe to the citizens of Harrisburg that we address this agreement.”</p>	
Update on ICA Section 203 Annual Report	<p>Ms. Carter indicated that there are two annual reports to the General Assembly, one in the fall about the activities of the Authority, called a Section 207 report, and a second in the spring on the activities of the City, called a Section 203 report. The latter must be filed within 120 days of the end of the City’s fiscal year, which is December 31. Therefore, this year, the due date is April 29. Mr. Stonehill that it will be a collaborative effort.</p> <p>Ms. Carter said that a draft will be distributed and an opportunity granted to allow Mayor Papenfuse to comment.</p>	
Update on the Mayor’s Update to the Five Year Financial Plan	<p>Ms. Carter indicated that the Authority had granted the Mayor an extension on his submission of the working document until the end of April 2020. Ms. Carter asked that the work on the plan be done side-by-side with the Authority so that there is no wasted effort. Ms. Carter went on to indicate that the Authority will submit requested changes to the original Plan to the Mayor.</p> <p>Then Mr. Stonehill pointed out there will be a new City Annual Budget by the fall of 2020 for the following fiscal year.</p>	

	<p>Mr. Weber indicated the audit would come between the Five Year Financial Plan and the budget.</p>	
<p>Public Comments</p>	<p>An associate of Eric Epstein asked a question on his behalf regarding the possible use of Special Counsel for the litigation. Mr. Stonehill indicated that, as of this time, no counsel other than Shaffer & Engle, independent special counsel to the Authority, would be used on any litigation.</p> <p>The associated asked if the contracts for the Economic Development Symposium were competitive bids. Mr. Stonehill replied that as professional services agreements they were not required to be competitively bid. Mr. Stonehill added that the contracts will be publicly available once finalized.</p> <p>The associate asked if there is a conflict of interest for obtaining sponsorships for an event. Mr. Vartan responded that it is a common practice and Mr. Stonehill added that the Authority is independent of the City of Harrisburg.</p> <p>Mr. Neil Grover, City Attorney, added a comment about the Section 203 report. He stated that the Act was flawed about what would be included as it is impractical. He added that the City and the Authority need to have a pragmatic discussion about what would be included in the Section 203 report.</p> <p>Ms. Carter replied that they have begun to discuss that matter with the Mayor.</p>	
<p>Adjourn to Executive Session</p>	<p>At 5:03 p.m., the Authority adjourned into executive session to discuss two issues of potential litigation and indicated that Mr. Weber was welcome to attend any part of the executive session that does not present a conflict of interest.</p>	
<p>Public Statement by Chairperson Carter</p>	<p>Ms. Carter entered the attached statement into the record.</p>	

Respectfully submitted:



Jeffrey Stonehill, Authority Manager

ICA for Harrisburg

APPENDIX DOCUMENTS



PUBLIC STATEMENT

FEBRUARY 26, 2020

The Intergovernmental Cooperation Authority for Harrisburg (the Authority) expresses disappointment over the current litigation initiated by the Mayor. The lawsuit is a needless distraction from the important work of removing Harrisburg from Act 47. The General Assembly charged the ICA to work with the Mayor and the City in this important transition and that is the relationship we intend to establish with the Agreement. We ask the Mayor to abandon this frivolous lawsuit and allow us to jointly focus on the immediate task at hand.

From the outset, the ICA members have made it clear that they are dedicated to helping the Mayor and the City move forward under the Act toward fiscal recovery. The ICA calls upon the Mayor to restore our shaken confidence in his ability to work cooperatively on our joint mission, to assist the City of Harrisburg in achieving financial stability.

Audry Carter
Chairperson

Summary of Bills Paid – Intergovernmental Cooperation Authority for Harrisburg

Report – February 26, 2020

- Digital Ocean \$10.00 February 1, 2020
Website software licenses
- Digital Ocean \$5.40 February 1, 2020
Web Host
- PA Media Group \$108.77 February 19, 2020
Legal Advertisement
- Shaffer & Engle Law Offices, LLC \$1,095.00 February 26, 2020
Legal services
- MESH PA, LLC \$5,250.00 February 26, 2020
Authority Manager

Starting balance: \$129,084.78

Ending balance: \$122,613.61

- Interest earnings Y-T-D \$2.94
- Fees Y-T-D \$ -0-

