

Reviewed by: \_\_\_\_\_

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**COMMISSIONER BOARD MINUTES  
SPECIAL PUBLIC MEETING  
January 29, 2008**

Those present at the public meeting of the Venango County Commissioners held in Room 100 of the Courthouse Annex:

Commissioner Tim Brooks  
Commissioner Jan Beichner  
Rich Winkler, Solicitor  
Lisa Mumford, Admin. Assist  
Bob Grossman, Taxpayer  
Richard Brady, Taxpayer  
Frank Toothman, Taxpayer  
Rodney Bedow, Taxpayer  
Norris, Carter, Taxpayer  
Jim Hawk, ORA  
Bob Carter, Taxpayer  
Roberta Prichard, Taxpayer  
Ray Beichner, Taxpayer  
Clara Bell, Taxpayer  
Glenn Means, Taxpayer  
Steve Hanna, Taxpayer  
Rodney Bedow, Taxpayer  
Michael Klavec, Taxpayer  
Beverly Books, Taxpayer  
Melissa Mann, Taxpayer  
Jim Fryman, Taxpayer  
Eleanor Miller, Taxpayer  
Neil Elwee, Taxpayer  
Joe Altomare, Attorney  
Herb Crawford, Taxpayer  
Garnet Wood, Taxpayer  
Albert O'Neil, Taxpayer  
George Merritt, Taxpayer  
Jean McNerney, Taxpayer  
Robert Heller, Taxpayer  
Jason Peterson, Taxpayer  
Peter Greene, Taxpayer  
Rodney Griffin, Taxpayer  
Julie Beichner, Taxpayer  
W. K. Thomas, Taxpayer  
Tina Gelp, Taxpayer  
Dora Boyer, Taxpayer

Commissioner Troy Wood  
Denise Jones, Chief Clerk  
Diona Brick, Fiscal  
Dave Schwille, Human Services  
Heather Mohnkern, Auditor  
Sheila Boughner, News Herald  
Randy Seitz, ORA  
Martha Breene, Taxpayer  
Francis P. Beary, Taxpayer  
Jack Crawford, ORA  
Ken Prichard, Taxpayer  
Sharon Wood, Taxpayer  
Charles E. Myers, Taxpayer  
Lester Bell, Taxpayer  
Jim McNamara, Taxpayer  
Betsy Kellner, Taxpayer  
Karen Whetlen, Taxpayer  
Doris Nagel, Taxpayer  
Jane Richey, Taxpayer  
Marilyn Black, Taxpayer  
Melissa Cylencia, Taxpayer  
Ray Hagstrom, Taxpayer  
Lloyd Stephens, Taxpayer  
Don Waugaman, Taxpayer  
Robert Murphy, Taxpayer  
Mark Heim, WKQW Radio  
Vivian Tarr, Taxpayer  
John McNerney, Taxpayer  
Harold Best, Taxpayer  
Robert Graham, Taxpayer  
A. N. Parker, Taxpayer  
Betty Squire, Taxpayer  
Dan Twombly, Taxpayer  
R. Stuart, Taxpayer  
Gary Lawhead, Taxpayer  
William Suize, Taxpayer

Commissioner Brooks called the Public Meeting to order at 6:00 p.m. He stated that the meeting was in regards to the West Unit Lease only, there would only be one question asked at a time, and that the questions would be directed to the Board of Commissioners. If anyone did not agree with these instructions or interrupted the meeting, they would be asked to leave.

Rod Griffin brought up the first question as to what the hand-out information had to do with the ORA. Rod Bedow provided the hand-out information and advised Rod Griffin that as the meeting went on he would see how the information pertained to the ORA.

Attorney Joseph Altomare, who was representing Rod Bedow and a group of taxpayers, opposed the lease between the County and the Oil Region Alliance. He questioned the legality of the lease. Attorney Altomare advised the Commissioners they could rescind the contract; and if they chose not to, the Commissioners should be prepared for this matter to go to court. Attorney Altomare asked the Commissioners if they were going to rescind the lease contract. Commissioner Brooks advised that it is a legal lease, and at this time they were not going to rescind the contract.

County Solicitor, Rich Winkler explained that a governing board cannot bind future boards if the action is a governmental function, something the governing body is directed to do by statute. The lease is not involving something a governmental body is directed by statute to do. It is proprietary and as such, a former Board can bind a future Board into such contracts. The County is not directed to utilize any special way of leasing office space advised Mr. Winkler. Mr. Altomare disagreed.

Jason Peterson asked what the County is paying now per square foot for office space. Fiscal Director, Diona Brick advised that the County is paying \$7.50/sq. ft. for the County Exchange Building, \$8.50/sq. ft. for the lease in Oil City, and \$6.00/sq. ft. for the National Transit Building. The total rent coming to approximately \$2,707 per month or \$332,000 per year plus the cost of insurance, maintenance, and upkeep.

Rod Bedow asked whether the West Unit is a safe facility since it had been used as a cancer center in the past. He questioned if it has ever been checked for contamination and if we have documents stating the safety of the building. Director of ORA, Randy Seitz stated that the building had been checked, and that the ORA does have legal documents stating this information.

Rod Bedow's main concern was why the County did not build a facility instead of renting a building for office space? He felt renting was a waste of the taxpayer's money. Commissioner Brooks explained it would not be beneficial to build. He explained the County does not have the advantages as private owners have such as, the County can not take a tax write-off nor can they take depreciation for the building. Also, the cost per square foot to build a new building would be extremely expensive plus the additional maintenance and upkeep of the building that would be involved on an on-going basis.

Commissioner Brooks also stated that by renting it gives the County a set dollar amount to budget for. The money the County was paying to ORA for a stipend would now be used for paying rent. Also it is putting money towards economic development efforts rather than in a private person's pocket. Commissioner Brooks stated that the County needs a long range plan and this approach works to achieve that goal.

Commissioner Beichner stated she resented being forced to lease the West Unit. She firmly believes the County should own their building. She thinks it would be a better investment because the County would have equity in the building, could write grants for money, pursue green building technology, and have a building that would meet all the County's needs. She also felt that the County should not be funding ORA for economic development in the amount of \$300,000 per year.

Randy Seitz commented that the ORA is becoming more self-sufficient and that will reduce their need for \$300,000 per year from the County.

Jim Hawkins advised that this lease would help the ORA towards self-sufficiency and would put the West Unit back on the tax roles, bringing \$42 thousand to the County, municipalities, and school districts over a 20 year period.

Jack Crawford is a property owner and he claimed he would not rent a building for \$9.00/sq. ft. The cost per square foot was just too low. Most would charge at least \$17.00/sq. ft. He feels by renting the West Unit it would be beneficial to the County and also benefit the ORA to help make it more self-sufficient. Randy Seitz said that you couldn't build for five (5) million dollars. It would cost at least \$125 - \$150/sq. ft. to build which would cost at least 7.7 million dollars.

Rod Griffin strongly supported the ORA. Without the help of the ORA, Rod would never have been able to start his business which employs approximately 100 people.

Property Director, Joe Griswold addressed the question that had been asked earlier in regards to the condition of the West Unit building. The building is 40 years old and Joe has toured the building and feels confident that the needed repairs will be completed by ORA. He feels renting is the best option.

Bob Graham, a property owner has three parcels behind the West Unit. His concerns were if there would be a communication tower where would it be placed. He was advised there would probably not be a tower that the communications would be done thru fiber optic. Mr. Graham did have a concern about what this lease would do to his property taxes. Commissioner Brooks felt it would have little effect on his taxes.

Rod Bedow stated that buying a building and leasing it back to the County is not economic development, in his opinion.

Dave Schwille, Human Services Director did a survey previously with a few other counties as to whether they rent or own their facility. He did say that there is a mix of responses. Dave was asked if there is enough space for expansion at the West Unit, and he responded with "Yes." Dave stated the County will pay 9-10% for the lease, and the rest of money is federal and state funded. The County pays 1.4 million dollars to leverage 22 million dollars.

Jim Hawkins explained the history and the establishment of the ORA. The ORA began in April of 2005 so it is still in its infancy stage. Jim invited anyone who was interested to attend their next meeting which will be held on February 25<sup>th</sup> at 7:00 p.m. at the Arlington

Hotel in Oil City. He stated that the ORA is earmarked to pay off the new apartments in Oil City in 10 years, and that they were involved in the selling of the Quaker State building in Oil City.

Commissioner Brooks adjourned the meeting at 7:45 p.m.

Respectfully submitted,

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Lisa Mumford, Admin. Asst.