

**CONTRACT AWARD...ENVIRONMENTAL PLANNING & DESIGN (EPD) –
COMPREHENSIVE PLAN MAPPING**

At the request of the Office of Planning & Development, a motion was made by Mr. Frick seconded by Ms. Evanko and unanimously carried to contract with EPD in the amount of \$8,400.00 for completion of the mapping for the Indiana County Comprehensive Plan. EPD has experience with the planning projects for the County through an earlier mapping contract and completion of the Indiana County Open Space, Greenways and Trails Plan.

**CHANGE ORDERS...PENN WORKS CONTRACT/BLAIRSVILLE SEWAGE
TREATMENT PLANT EXPANSION**

At the request of The Office of Planning & Development, the Blairsville Municipal Authority and Bankson Engineers recommended that the following two change orders be approved by the Board of Commissioners for two separate contracts for the Blairsville Sewage Treatment Plant Expansion Project:

A motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve Change Order #3 for the General Contract with Galway Bay Corporation. The change order will reduce the contract amount by \$3,500.00 due to a credit for the Severn Trent UV disinfection system. Upon approval of the change order the revised contract amount will be \$5,053,142.13.

A motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve Change order #2 for the Electrical Contract with Bronder Technical Services, Inc. The change order will increase the contract amount by \$2,010.00 to repair the broken conduit at clarifiers one and two to the pump room. The revised contract amount with approval will be \$1,404,805.00.

All project costs are being funded by a combination of funding that includes a Penn Work Grant through Indiana County and Penn Vest Funding through the Blairsville Municipal Authority.

**RESOLUTION...2008 COMPETITIVE COMMUNITY DEVELOPMENT BLOCK
GRANT**

At the request of the Office of Planning & Development, a motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve a resolution authorizing the signing of a cooperation agreement between the Indiana County Commissioners on behalf of the Brush Valley Township Supervisors and the Highridge Water Authority. The cooperation agreement is for the construction of a public water extension to Snyder Road and portions of Roundtop and Cresswell Roads in Brush Valley Township. The public water provider will be the Highridge Water Authority that will extend service to thirty-two (32) households in Brush Valley Township. The project is funded with a 2008 Competitive Community Development Block Grant and local funds from the Highridge Water Authority.

**PROPERTY ASSESSMENT STUDY FOR INDIANA COUNTY...LAW OFFICE OF IRA
WEISS**

Chief Assessor, Martin Medvetz reviewed that the Commissioners in July engaged the Law Offices of Ira Weiss to conduct an analysis of the current assessment system. They have finalized the report which is very thorough and comprehensive and has covered all issues in the current system.

Ms. Janet Burkardt reviewed the study and said Indiana County's system would not likely withstand a legal challenge and does not impose taxation in a constitutionally uniform manner. The Supreme Court has ruled that a base year system violates the Uniformity Clause of the Pennsylvania Constitution when there are no periodic updates to the assessment.

Ms. Burkardt reviewed the Assessment to Sales Ratio. Property "actual value" is defined as the most probable selling price of a property in an open market between a willing buyer and a willing seller. According to the International Association of Assessing Officers Standard on Ratio Studies, "Sales prices provide the only objective measure of market values and under normal circumstances should provide good indicators of market value." The ratio of assessed value to actual value is determined by dividing the assessed value of a property by its most recent sale price. If a property has an assessed value of \$10,000 and it sold for \$100,000 the ratio would be 10% .

The goal of the uniform and equitable assessment system is to assess all properties so that their ratio of assessed value or market value is comparable. The study reviewed 2,292 property sales and found that the average ratio of assessed value is 14 percent. Also discovered in the study was that the range of ratios goes as high as 27 percent and as low as 8 percent. This wide range of ratio indicates inequity and non-uniformity of taxation in Indiana County.

The same sales price suggest that the market values of these properties are similar, and therefore their tax burden should be similar, But because they have such a wide range of assessed value to actual value, the tax burden for each varies widely.

The tax payment for the property owner with an assessed value to actual value of 27 percent is \$850.00. A similar property having an assessed value to actual value ratio of 8 percent is paying only \$255.00. The first individual is paying more than three times the amount of taxes than the second, even with similar properties, simply because of the ratio of differences in assessed value to actual value. The goal of the county to have fairness would be to have the ratios as tight as possible. Without considering the fluctuations of the market over this many years is impossible to do.

The study gives an illustration of assessed value to actual value ratios of 377 properties in the Borough of Indiana. The median is 15 percent, but the range of ratios is extremely wide going from 3 to 91 percent showing a lot of non-uniformity. It shows that a court would say the tax system is very regressive. You have people with least value of their property paying the highest taxes and that is not fair and could subject the county to a court ordered reassessment. She said there is a lot of talk in Harrisburg of setting up standards but there is no action on any of the bills because there are very unpopular.

The study showed an example in Blairsville Borough where a 3 percent difference in assessed value to actual value ratios of two Blairsville residential properties that sold for \$125,000.00. The impact of an assessed value to actual value ratio difference as small as 3 percent creates a difference in tax payment of \$652 for the two properties that had the same sales price. This non-uniformity comes from the passage of time and not done intentionally. In an assessment system

that is not updating on regular basis can't adjust for market value because new property and construction is placed on the books using the 1968 market value and the old markets.

Ms. Burkardt said people get very concerned about reassessment and assume that all property owners will get an increased tax bill. Under statute there is a limit of increased revenue that the county can receive after reassessment which is ten percent. That means that when a reassessment is done and you bring properties up to full market value and use a ratio of 100% for taxation millage rates will have to drop. The millage rate we currently use of 30.42 could be reduced to 5.712 mills. This would have an effect of reduction because they have been paying more than their fair share. A county-wide reassessment will be revenue-neutral for the county. The goal is not reap a windfall but to create a situation where your sales and assessed values have an equal ratio across the county so that all municipalities including those that the values have gone down are paying their fair share.

Commissioner Evanko asked if you have a property in a rural area versus in a large borough and both value at \$125,000.00 would their tax bills be the same or would it adjust to the area they are in. Ms. Burkardt said they would have two different millage rates but you have to look at assessed value to market value ratio and you would hope that both properties are being taxed at the same ratio. What probably is happening currently is the home in the more developed area is being taxed at 17% and the home in the rural area at 28% because the value has not gone up and the assessment hasn't changed. One is paying more than their fair share and covering for the other that is not.

Commissioner Frick asked if you sell a home at a higher rate than assessed, why doesn't the sale price become the new assessment. Ms. Burkardt said that is illegal to change an assessment unless you have a county-wide reassessment.

Commissioner Ruddock thanked Ms. Burkardt for the study. He said he has read the report but does not feel he's in a position to ask the right questions. Based on the review since we have not updated the assessments since 1968, we would not withstand a legal challenge in court. We want to become informed decision makers and taxing fairness is where we are coming from. The study presented a wide range of taxation and needs to be fixed. If and when we move forward to do what is right, we need to do so also based upon Martin Medvetz recommendation to do it in such a way that we have periodic updates and don't run into the same situation we are in today. This has dragged on much too long for Indiana County and we realize that. We are not trying to dodge the political bullet here. We won't do that and are raising that now because we want to demonstrate a good faith plan to fix the problem. We will sit down as a team at look our next options as we move forward on this concept. We will have to look at developing an RFP that would draw in the interest of organizations that do these types of things but in such a way that we can financially afford it and secondly by doing something that the State is going to come back and say you have done the wrong thing Indiana County. He has talked with the legislative team and it does not appear likely that the state is in a position to take on reassessment because there is a price tag attached to it. We as county leaders are going to have to take hold and move forward but want to make sure we do it correctly. The tax fairness is what we want.

Commissioner Evanko thanked Ms. Burkardt for the report. Commissioner Frick said we have known for a longtime that we need to do reassessment but want to do it right.

CONTRACT...ZELENKOFKSKE AXELROD, LLC

At the request of Chief Clerk, Robin Maryai, a motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve a contract with contract with Zelenkofske Axelrod, LLC to prepare the Indirect Cost Allocation Plan which will recoup costs from both federal and state grant programs. The cost for 2010 will be \$16,645 with an increase of 1% for 2011, 2% for 2012 and 3% for 2013.

ASSIGNMENT AND ASSUMPTION AGREEMENT...CDI-INFRASTRUCTURE, LLC

Solicitor Michael Clark reviewed the purpose of the Assignment and Assumption Agreement received between L. Robert Kimball and CDI-Infrastructure, LLC, who purchased L. Robert Kimball. The purpose of the agreement us to consent to the assignment of their contract rights that the county had with L. Robert Kimball to CDI Infrastructure. A motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve the agreement.

TIME EXTENSION...T-562 DIXON RUN BRIDGE

At the request of Gibson Thomas Engineering, a motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve a time extension for T-562 Dixon Run Bridge in order to complete the environmental permitting and right-of-way services associated with preliminary design. The completion date will be changed from December 12, 2010 to September 12, 2011.

CONTRACT...INDUSTRIAL APPRAISAL COMPANY

A motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve a contract with Industrial Appraisal Company, Pittsburgh, PA in the amount of \$9,945.00. The purpose of the contract is to do an appraisal of the Carl White Acid Mine Drainage Treatment Plant which is located in Creekside, PA. This is simply to gain an insight as to how much that plant is worth to Indiana County. An appraisal was never done and Commissioner Ruddock said we feel obligatory on our part to understand what the property is worth.

GRANT...SOBRIETY CHECKPOINT AND EXPANDED DUI

At the request of District Attorney Tom Bianco, a motion was made by Mr. Frick, seconded by Ms. Evanko and unanimously carried to approve a Sobriety Checkpoint and Expanded DUI Grant in the amount of \$25,000.00. The grant is federal money passed down through PennDOT to the county for DUI enforcement officers. The grant is given to the District Attorney's office but administered by the Sheriff's Office. The DUI Task Force also has officers from municipal police departments and the University of Pennsylvania. Mr. Bianco said the task force will only conduct sobriety checkpoints in the municipalities that invite it in. The municipalities and the Sheriff's office provide the personnel needed to conduct the check point. Mr. Bianco commented in regard to the legal issues of whether the Sheriff's Deputies are authorized to make arrests at the checkpoints. He said when they participate in the DUI task force they are special county detectives while serving in that particular capacity. It is his opinion that the issues statewide are not a concern for the operation of the DUI Task Force.

ORDINANCE...GENERAL OBLIGATION NOTE, SERIES A OF 2010, SERIES B OF 201 AND SERIES C OF 2010

Commissioner Ruddock explained that the Board is revisiting refinancing of a note for debt service. The commissioners need more time to review the process because they want to make sure they know what their financial obligations are for the county. A motion was made by Mr. Ruddock, seconded by Ms. Evanko and unanimously carried to table action on the ordinance.

EMERGENCY POLLING PLACE CHANGE...INDIANA #3/1 / PRATT HALL, MAIN LOBBY

Robin Maryai, Chief Clerk explained that the polling location Indiana #3/1 at Pratt Hall has been moved from Room 313 on second floor to the main lobby. The room has been changed into a high-tech classroom and is no longer available.

OTHER BUSINESS

There was no other business.

NEXT REGULAR MEETING...NOVEMBER 10, 2010 AT 10:30 A.M.

Chairman Ruddock announced that the next regular scheduled Commissioners' Public meeting will be held on Wednesday, November 10, 2010 at 10:30 a.m. in the Commissioners' Hearing Room.

ADJOURMENT

With no other business to come before the Board at this time, Commissioner Ruddock adjourned the meeting at 11:37 a.m.

Patricia A. Evanko, Secretary

Rodney D. Ruddock, Chairman