MINUTES

Erie County Council

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ERIE COUNTY, PA

Brian Shank, Chairman
Mary Rennie, Vice Chairwoman
Charlie Bayle
André R. Horton
Ellen Schauerman
Terry M. Scutella
Jim Winarski

SPECIAL MEETING MINUTES

Friday, May 26, 2023

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chairman Shank.

ROLL CALL

Members present: Chairman Brian Shank, Vice-Chair Mary Rennie, Charlie Bayle, Andre Horton, Ellen Schauerman, Terry Scutella, Jim Winarski (via Zoom)
Others present: Julie Slomski, Megan Moore, Paul Lichtenwalter, Doug Smith, Ann Villella, Jeff Cudicio

HEARING OF THE PUBLIC

Sam Talarico, Erie: Mr. Talarico stated that the last time he addressed the Council, he had made a comments about conflict of interest within the Election Board. He noted he wanted to publicly apologize to the Council for the way he delivered his comments. He added that he understood the need for civil discourse at the meetings and guaranteed he would do better in the future. He disclosed that he wanted to make a few comments regarding the budget and where they were financially as a County. He noted that the County parted with one million dollars that they did not budget for and it was a worthy cause because they needed EMS coverage throughout the County but from his understanding, the County was financially heading off of a cliff. He stated that the Administration seemed to be spending money on a lot of things. He expressed his concern about the impact of giving Project RESOLVE five million dollars and the effect it would have on the County for years to come. He explained that he had been on Boards before and was always reminded that, as a member of the Board, they had a fiduciary responsibility to the people they serve. He mentioned the Council had that responsibility, and he felt it was important that they kept the Administration in check from now on.

COMMENTS AND QUESTIONS FROM COUNTY COUNCIL

Vice-Chair Rennie expressed her concern about the issues that had not been addressed and questioned the urgency in calling a special meeting. She also pointed out that the unanswered questions from the previous meeting remained unresolved.

Mr. Scutella asked why there was such a rush to bring it to a special meeting and questioned if savings had anything to do with it. He asked the Administration to give him a valid reason for the rush.

Mr. Horton stated that the body determined whether there was a special meeting or not, so he did not see the need for the Administration. He asked Chairman Shank why the meeting was called.

Mr. Shank stated that the Administration reached out to him with their concern about the positions and he felt it was worthwhile because of the time factor.

Mr. Smith specified, in regard to Ordinance 42, the time factor came from the current Director leaving in July. He indicated that the Ordinance changed the position title from Director to Manager and put it under the Finance Department. He noted that the time sensitive matter was that they did not want to have a new manager who was also posting positions, conducting interviews, and working with a vacancy within their office. He stated that they expected the current buyer to move over into the manager position and the second position would have to be posted, which could cause a delay, along with adding a week for interviews. He noted that would make it a three-week time frame if they were to wait until June. He stated the rush was due to the posting time involved, but none of the changes would occur until July, so there was no additional funding being spent. He explained that they were changing the buyer position and wanted to post a new description, which they could not do unless the Council passed it. He stated that if they had waited until June, it would have been a difficult timetable for the new manager. He noted, in terms of Ordinance 43, they could have a brand new IT Telecommunications position in theory and in order to post that position, they need the Council to pass it before they could post the brand new position. He explained that the position was moving under IT from Operations and it also gave the Operations person, who was picking up slack, additional pay which they felt was warranted. He added that they were taking on a significant number of duties in place of those conducted by the previous Telecommunications Manager.

Mr. Scutella sought confirmation that the Procurement Director was leaving on July 7th, 2023. He questioned the department's ability to function if the Director were to leave prior to that date.

Mr. Smith assured them that the new manager would get by but not without difficulty.

Mr. Scutella reminded them that they had previously discussed rushing those matters and the effect it could have. He stated they looked like a gang that did not shoot straight in the community's eyes and that was something they wanted to avoid. He added that he understood them calling the Chairman, but anytime they had an issue where they thought there might be a weak fourth or fifth vote, they always updated him and they would discuss it. He expressed his offense that they had brought it out and did not even contact him as Personnel Chair. He noted that when they made a rushed vote that ended up failing, they were the ones who looked bad. He disclosed that he had an issue with it going from A to 10. He stated they had 10B listed at $19.26 and he questioned whether it should be $18.17 like the pay scale sheet listed.

While the pay scale sheet was being reviewed, Ms. Villella addressed the way the information was presented in regards to Mr. Scutella's comment. She knew they had called the special meeting but she made note that nothing changed from when they had previously spoke, other than the sense of urgency because they lost a key employee. She apologized to Mr. Scutella for not informing him sooner. She stated that she viewed it as communication between the Director of Administration and the Council. She added that they would remember to keep him informed.

Mr. Scutella stated that he was not trying to pester them but they shouldn't have had to go back and forth when all parties were present.

Ms. Villella explained that they were originally going to wait for two readings but because they lost a key employee in Operations, it made them dependent on an existing vendor and that would cost more than hiring someone.

Mr. Horton questioned if the vendor would be for the Nortel telephones that were expiring and Mr. Smith confirmed. He also questioned whether the new manager would be hired from within and whether they would have the responsibility of conducting interviews.

Mr. Smith responded that the internal employee would have the first opportunity, and Mr. Cudicio would conduct the interviews.

Mr. Horton asked about HR's involvement in the process, mentioning that in recent years, HR and the Administration had guided similar decisions.

Mr. Smith explained that they didn't expect HR's involvement in that particular situation, except for certain cabinet level positions where it had been the case before.

Mr. Horton stated that he was unsure of the sense of urgency to call a special meeting if the intent was to hire some internally.

Ms. Villella answered Mr. Scutella's question regarding the pay and explained that a 10 did start at $18.17 but per the personnel code, they allowed up to six percent above that number and that was where the $19.26 came from.

Mrs. Rennie questioned why it would be listed that way when they had not officially hired someone yet.

Ms. Villella stated that if they had gotten a high level candidate they decided to go with, then they would have had flexibility in pay. She added that they wanted to budget for the worst case scenario expense wise.

Mrs. Rennie commented that she found it strange that they had anticipated that before the position had been filled.

Mr. Lichtenwalter clarified that it was similar to how they budgeted health insurance. He stated that they budgeted for a family policy when they hired someone who was single and that was where they saved money. He added that they wanted the Council to know what the worst case scenario would be and what the highest cost would be.

Mrs. Rennie stated that health insurance had been that way for years but it was news to her that they were budgeting a six percent increase over the base level before they knew who they were hiring. She noted the ordinances and exhibits did not change from when they received them last and she knew there were some supposed changes to the numbers involved. She added that she did not see much in the way of rationale that was written out. She stated it gave them questions about the numbers and if it was important, then why weren't they given the correct figures or answers to their questions. She stated they came to the table with no new information.

Mr. Smith contended that the numbers were pretty much the same as when they looked at them several weeks ago in terms of the rationale. He made note that he was not at the meeting several weeks ago where Mr. Talarico brought up concerns that had not been brought up by the Council members. He noted that was followed by a conversation with Chairman Shank about the structure of the ordinances and after some discussion, he agreed that they could stay the same. He noted that their descriptions and rationale were the same as they were. He added that they were just trying to budget for every scenario and there was not a significant amount of money difference.

Mr. Scutella questioned if they had the right to offer a six percent addition to the internal employee who was going to move into the position and Mr. Smith stated it was the equivalent of going from step A to step C if they had the experience which the person did.

Mr. Scutella then questioned if they still offered the six percent to outside applicants in order to appeal to them.

Ms. Villella confirmed that they would offer a six percent increase to both internal and external applicants, depending on their qualifications.

Mr. Scutella emphasized his dislike for rushed decisions that could cast doubt on their actions, urging for smoother transitions.

Mrs. Rennie questioned how much money went through the Department of Procurement annually.

Mr. Lichtenwalter provided an estimate of around $50 million, taking into account wages, benefits, and contracted expenses.

Mrs. Rennie asked why downgrading the position at the top and moving it to another department would make the position more effective.

Mr. Smith stated that he thought the linkage between Purchasing and Finance was the key for effective monitoring. He explained that there were some schools of philosophy who stated separating the Purchasing Departments allowed them to get cheaper prices as to where the other schools stated having Purchasing and Finance under the same umbrella made the overall budget adherence tighter.

Mrs. Rennie mentioned that there were a lot of legal issues with procurement so they, especially the person at the top of procurement, needed to be really knowledgeable and well-versed in legalities and issues related to state and state funding. She questioned why they would downgrade a position of such significance.

Ms. Villella pointed out that having a director reporting to another director didn't make sense, especially when the person filling the position lacked the necessary experience. She also mentioned the need for stability in the organization structure.

Mrs. Rennie indicated that there were a lot of loose ends regarding the need for a Financial Advisor/Accountant and they've had issues with various finance and personnel reports. She stated they identified approximately a dozen or more errors that came through on either the agendas or on the exhibits. She noted there was a lot of uncertainty regarding whether the numbers were right. She mentioned that a percentage of the reports they got were the equivalent of looking at someone’s bank account before their checkbook was balanced. She added that they may get one figure but it did not take into account all of the different obligations or commitments that they made along the way. She stated she did not believe the Gaming Revenue number that was in the newspaper was accurate and she thought it may have been off by several million. She stated she did not understand why they were looking to move it when they had such upheaval in the departments from Finance to the Council itself, and why not leave it under the Director of Administration where they had more stability.

Mr. Smith reminded Council that prior to 2014, Purchasing was under Finance and they were returning it to that model. He disagreed with Mrs. Rennie's claim that the financial information was wholly inaccurate but acknowledged the existence of some errors.

Mrs. Rennie clarified that she did not say wholly inaccurate but she did state they identified a number of errors which had been acknowledged.

Mr. Smith specified that in his former role, they corrected numerous errors that came down in ordinances and he didn't think it was uncommon. He added that he didn't believe it was particularly unusual what they experienced with them, as opposed to what previous administrations experienced from the Councils in previous years.

Mrs. Rennie indicated that the difference was they caught the errors at the Council session itself. She noted it was unusual because they should have been identified beforehand.

Mr. Smith stated that he didn't believe that there were any errors that caused significant expense or a significant financial problem for the County. He noted they strive on a daily basis to do everything as perfectly as possible.

Mrs. Rennie stated that she did not feel reassured that it was effective monitoring of spending and it did not answer her concern. She emphasized that it was not an empty concern and the concern was backed by many examples. She stated she didn't understand why they would put some of their procedures in jeopardy from a legal standpoint or a state funding standpoint. She noted that they would want it to be tight as a drum. She stated she felt that the combination of downgrading it and moving the operation under Finance was kind of precarious.

Mr. Smith specified that their other option would be to go outside the organization and bring in a purchasing professional for $80,000-$90,000. He stated they made a decision to promote from within, which they were always looking to do. He noted that it would be a Bureau of Finance and it was appropriate to have a manager. He mentioned they had confidence in the person moving over as she had learned a lot from her mentorship with Mr. Crane. He added that she might report to Mr. Lichtenwalter on a daily basis, but he would remain in the picture as he was.

Mr. Horton expressed uncertainty regarding the rationale in terms of monitoring and accountability. He felt that the separation of the two entities allowed for more accountability and moving it under Finance really positioned itself. He clarified that he did not oppose change, but emphasized that change needed to be understood. He mentioned they did not have a CPA but they had a good Finance Director who used a different method of accounting than they were accustomed to. He noted it felt like they were playing three card molly with the money and resources and there was no end in sight. He stated as far as Ordinance 42 went, it seemed like they were taking three very distinctive separate actions in one ordinance. He noted the ordinance asked three things; Having Procurement report to the Director of Finance, having the Manager position replace the Director's position, and having the current Senior Buyer position reclassified. He stated having three separate ordinances would be the correct way to do it. He noted that he had been around long enough to know the ordinance was not correct and the Solicitor had said the same thing. He stated it was now on the Council, as a body, and he wanted a little more consideration from his colleagues as to what uniform they were wearing. He commented on the dysfunction of Erie County Council and the chaos within Erie County Government. He stated the Administration said they were very busy but he hadn't seen a lot of productivity and he did not want to say they hadn't done anything, but he would have liked to hear what their successes were. He professed they had tried to destroy Erie Redevelopment, they tried to destroy ECRA, they were destroying DEIC, and now they were reorganizing all these things that were not budgeted for. He added that they had a fiduciary responsibility. He stated if it was going to be partisan and rely strictly on the four votes, no matter the damage, they should have said that. He stated he had seen things that were passed that had to come back and be undone and he had also seen things that were passed that could not be undone. He noted that the tax payers were still paying for a three million dollar unsecured loan that their peers had given that had gone bankrupt. He argued that they should not rush those things and a special meeting was uncalled for. He questioned the urgency if they were going to hire somebody internal with guidance from the Administration and HR. He stated the ordinances were not structured right parliamentary or procedurally.

Mrs. Rennie stated that she wanted to discuss the costs regarding ordinance 43. She asked Mr. Cudicio if they had someone on call 24/7.

Mr. Cudicio stated that being on call was a requirement of all IT positions. He explained that they use comp time in flex time in lieu of overtime pay and the employee had the opportunity to come in later, leave earlier, or they could put in for the time and a half comp time. He stated they had a small overtime budget of $2500 per year, so they tried hard to minimize unexpected costs and use other benefits that were in the HR handbook that they could offer the employee.

Mrs. Rennie stated that it looked like the various departments were reaching out at a considerable amount and she questioned how Mr. Cudicio was going to absorb it all without his staff getting frustrated.

Mr. Cudicio stated that the first thing he would do was find out exactly what was resulting in the calls and then determine what mitigation needed to happen during operating hours to eliminate the issue that was happening after hours. He added that the IT Department needed to be proactive rather than reactive and that was the approach he would apply once it was under his purview.

Mrs. Rennie stated that she knew they had to pay for licensing agreements monthly but questioned whether they paid a constant amount for the phone lines or was it something that changed according to how much they reached out to the company contractor.

Mr. Cudicio stated that there would be an associated cost with the contracted company that provided maintenance for the hard lines that ran through the walls. He noted those costs would still be there until they retired the old analog system and they go to voice over internet, then they would not need any third-party vendor support. He added that the plan was to use that as a budget proposal for next year but it came with a substantial cost of approximately 1.5 - 2 million dollars.

Mrs. Rennie spoke about the issues they've had with cyber-attacks, power outages, and the Election Office's phone line being down on Election Day. She asked, with telecommunications going under IT, how could they be assured that there would be reasonable meshing of qualifications, knowledge, and understanding. She stated it was her understanding that Operations were unable to fix it and the issue did not get resolved in a timely manner.

Mr. Cudicio stated that Operations were still managing the position in its majority. He noted that he had sat down with the Maintenance and Operations Director and he was able to identify someone from the internal IT staff that worked on Nortel phone systems. He added that the employee was doing cross training on that but he could not give any insurance that it wouldn't happen again until he was given the opportunity to go in and do an assessment for himself to figure out what was going on.

Mrs. Rennie asked if the contracted company was called regarding the issue.

Mr. Smith stated they had tried to call them but they did not have the appropriate information left behind and did not see any issue with the auto-attendant. He added that it was an offshoot of the definitive lack of cross-training in the previous setup in Operations and they did not have someone second in charge that knew everything the manager knew.

Ms. Villella stated they needed to be sustainable and not vendor dependent to the degree that it would impede them. She added it was all about operational continuity and they were trying to stay ahead of the game while there were a lot of pieces that ran the operation, making it difficult. She voiced her frustration with being understaffed in areas and just recently getting away from being vendor dependent. She declared they had to be sustainable.

Mrs. Rennie stated it seemed like the proposals created some issues and she was concerned regarding the lack of information.

OLD BUSINESS

Second Reading of Ordinance Number 42, 2023, "Twelfth 2023 General Fund Budget Supplemental Appropriation of $3,139 for Procurement Department Reorganization and Senior Buyer Position Job Reclassification"(First Read 5/9/23)(Personnel Committee)

Ms. Slomski gave a Second Reading of Ordinance Number 42, 2023, "Twelfth 2023 General Fund Budget Supplemental Appropriation of $3,139 for Procurement Department Reorganization and Senior Buyer Position Job Reclassification".

Mr. Horton noted that the ordinance was structurally incorrect and the Administration could do the same thing by individualizing institutions. He noted he felt it was a dangerous practice and policy that they were embarking upon even if it appeared to be minor.

Mrs. Rennie made a motion to table ordinance 42 until their concerns could be addressed. It was seconded by Mr. Horton and the table failed 3-4. (Shank, Bayle, Schauerman, Winarski)

Chairman Shank confirmed with Ms. Slomski that the table had failed and stated he needed a second to move forward. This was seconded by Mrs. Schauerman.

Mr. Horton stated they repeatedly had procedural items and two solicitors who had told them the error of their ways, yet they moved erroneously forward with those items. He mentioned it was setting a strange and dangerous precedence. He noted the ordinance could have accomplished what it was intended for if it wasn’t for the Administration's unwillingness to comply with a simple request. He declared just because they had four votes did not make it right.

Mrs. Schauerman acknowledged that they had ordinances in the past that were set up the same way and approved by the same solicitor. She added that she did not believe it was partisan but the right thing to do.

Mrs. Rennie stated she publicly recognized a thoughtful approach to restructuring the departments with an eye to the costs that were going to be forthcoming. She noted she didn't know how they could manage it going forward due to the inconsistencies with spending and savings. She added that there were too many factors that did not check out or didn't add up. She expressed her issue with Procurement moving under Finance and noted it was not a fair comparison. She disclosed she would be voting against it.

Mr. Scutella specified that his stance on improving ones way of life with more money or benefits was well known. He acknowledged the need for the six percent increase because it gave them a better chance of finding a good external candidate but he did not agree with them treating it as an emergency. He stated if missing one or two employee's caused that much disruption then they needed to start from the top and fix everything. He noted he would be voting no.

Mr. Winarski commented that Mr. Smith's explanation was adequate. He pointed out that they had difficulty filling budgeted positions for years and it did not make sense to budget for positions they could not fill. He stated if they had to consolidate to save money then he felt it was the appropriate decision. He noted it was good they were becoming proactive instead of waiting for the positions that were not worth taking to be filled. He declared he would be voting yes on it to get the County moving forward.

Mrs. Rennie pointed out that his explanation was not adequate because it spoke on consolidations and cost savings that did not exist. She specified that the $29,000 in savings was a proposal that never made it into the budget, so therefore, there were no savings.

Chairman Shank asked for a roll call vote and Ms. Slomski questioned who had made the motion because she only had a second by Mrs. Schauerman. It was confirmed that no motion was made.
A motion was then made by Mr. Bayle, seconded by Mrs. Schauerman, and carried 4-3. (Rennie, Horton, Scutella)

Second Reading of Ordinance Number 43, 2023, "Thirteenth 2023 General Fund Budget Supplemental Appropriation of $62,809 for the Reorganization of Information Technology and Operations"(First Read 5/9/23)(Personnel

Ms. Slomski asked for clarification from Chairman Shank on the amount listed on the ordinance. She reminded them of the discussion they had in Caucus regarding amending the amount of the Ordinance and wanted to make sure the number was correct. Mr. Lichtenwalter stated the amount was $62,733. Ms. Slomski mentioned that was a different number than what was on the two ordinances that listed $62,809 and $61,330. Mr. Smith stated he felt the number should remain as the $62,809.

Mrs. Rennie made a motion to table Ordinance 43, seconded by Mr. Horton, and failed 3-4. (Shank, Bayle, Schauerman, Winarski)

Committee)

Chairman Shank verified that the table failed with Ms. Slomski.

Mrs. Rennie made a motion to move into an executive session and this was seconded by Mr. Horton.

Chairman Shank asked everyone in the room to step outside while they had an executive session.

Mr. Smith alleged that there was still a vote on the floor.

Chairman Shank stated that they had a first and second vote out on the floor but Mrs. Rennie still had the right to call for an executive session.

Ms. Slomski clarified that they moved to table the ordinance instead of moving to a vote and once the table failed, Mrs. Rennie called for an executive session.

Chairman Shank replied that they could then go to an executive session.

The Council entered an executive session at 1:50 pm and reconvened the meeting at 2:00 pm.

Ms. Slomski gave a Second Reading of Ordinance Number 43, 2023, "Thirteenth 2023 General Fund Budget Supplemental Appropriation of $62,809 for the Reorganization of Information Technology and Operations."

Mrs. Rennie stated the situation was one where the more you examined it, the more the facade slipped. She noted she did not think a special meeting was necessary because the information given was unreliable and there were too many inconsistencies. She made note that there were no savings and she was voting no.

A motion was made by Mrs. Schauerman, seconded by Mr. Bayle, and carried 4-3. (Rennie, Horton, Scutella)

ADJOURNMENT Mr. Horton made a motion to adjourn the meeting at 3:30pm.

***The next Finance/Personnel Committee Meetings are Thursday, June 8, 2023 at 4pm in room 114A, Erie County Courthouse or via Zoom.**
***The next Regular Meeting of County Council is Tuesday, June 13, 2023 at 6pm in room 117, Erie County Courthouse or streamed live at the link provided on the County website.**
***Members of the public wishing to**

speak at an upcoming Regular Meeting of Council or those requiring specific accommodation are encouraged to call or email the Council Office at (814) 451-6303 or Councilrequests@eriecountypa.gov, no later than the end of business 5 days prior to the meeting. The public must be present at the meeting to speak.