

**ERIE COUNTY GAMING REVENUE COMMITTEE  
MEETING MINUTES - March 19, 2009**

***Call to Order:***

A meeting of the Erie County Gaming Revenue Authority was held on March 19, 2009 in the Erie County Council Caucus Room. Legal notice of the meeting was given through an advertisement appearing in the Erie Times News on March 6, 2009. The meeting was called to order at 11:40 a.m. by Chairman Ronald Cleaver.

***Roll Call:***

***ECGRA Voting Members Present:*** Pasquale Bruno, III; Stephanie Freeman; Arthur Smaltz; David Sample; Mike Paris and Jennifer Dobbs-Woods

***ECGRA Non-Voting Members Present:*** Ronald Cleaver, Erie County Council Chairman

***Others Present:*** Also present were Joseph F. Giles, (Member, Erie County Council); Robert R. Spaulding, Director of Economic Development; Carolyn E. Gold, Esq. Gaming Revenue Manager;

***Approval of Minutes:***

A motion to approve minutes for meetings of February 5, 2009, February 10, 2009, February 12, 2009, and February 23, 2009, and was made and seconded. All were in favor.

***Hearing of the Public:*** None

***Miscellaneous:***

Joe Giles stated that the Ethics Commission sent him a routine mailer indicating that all majority members must fill out an Ethics Form filed in Elections. Once filled out no need for duplicates.

***New Business:***

Presentation of Grant Process Review Committee. Committee members: Carolyn Gold, Jennifer Dobbs, and Mike Paris. They met last Friday and again yesterday to review the applications and some of the other documents. The Committee recommends revising the municipal grant application and creating three companion documents: a grant guidelines document; a conditions of payment document and a final report document. The documents would be made available online in a format to allow persons to save the documents to their computer, complete them and print them out.

Committee handed out examples of an application; grant guidelines; conditions of payment and final report produced by the Regional Assets Funding Committee. It was reported these documents work well.

Although a posting date of April 1, 2009 for municipal grant application was discussed at last meeting, a May 1, 2009 posting deadline is more realistic.

Committee also recommended holding two presentation sessions at the Hirt Auditorium at Blasco Memorial Library for applicants of municipal grants. Applicants would be given the opportunity to describe their project. Presentations would have a time limit and ten minutes was given as an example. The purpose is to familiarize ECGRA with all projects and to allow applicants to identify how their project is related to casino operations. After the presentation sessions, the projects would be assigned to ECGRA teams.

Committee recommended that ECGRA extend application period from June 1, 2009 to June 12, 2009. Basis for recommendation was nature of projects and documentation required.

At close of application period, Committee suggested allowing 30-day period from June 12, 2009 to July 12, 2009 for assignments of applications to ECGRA teams and to allow for teams to review applications. Project presentations could be scheduled during early August. Over the next four to six weeks, ECGRA would review applications during regularly scheduled meetings. Goal would be to formulate funding recommendations as to eligible applications and supply them to Erie County Council by the end of September or early October.

David Sample recommended holding the project presentation sessions at Blasco Library **prior to** the assignment of applications to teams for review. Everyone agreed with this suggestion. Presentations would thus occur in June or July with the assignments of projects to the teams in July or early August.

Regarding appendices or attachments to the municipal grant application, ECGRA members were asked for their ideas on what types of documents should be requested/required for the different types of projects that have been seen so far (eg. road projects; sewer projects; water projects; etc.)

One comment was that it depended whether or not the project was a reimbursement project vs. a project that had not yet been started. For reimbursement projects or aspects of projects, copies of invoices should be requested.

For sewer projects, it was suggested that maps and locations be given to illustrate a relation to the casino. It would also be good to have a description if there is a sewer authority or some type of organization providing the application.

**Miscellaneous:** Joe Giles discussed a meeting he attended regarding the stimulus money and he was going to write to each of the people who submitted applications here, not that they shouldn't submit one here, but it seems like there was an infusion of a lot of money regarding infrastructure issues that do not necessarily demonstrate connectivity to the casino, but if there is a project that is ready to go, it may be an excellent opportunity for them. He stated that the turn around would be much quicker in this instance should municipalities needs funds quicker. It was agreed that a letter should go out just to let these people know that this money is also available.

***Return To New Business:***

The question was asked whether, in a joint application by several municipalities for a project, the applicant would need to get a letter stating that it will have no impact or no negative impact on the jurisdictions as far as approving applications. This would help understand the relationships with each applicant.

In regards to water projects, it was discussed that phone calls could be made to certain representatives to see if studies need to be done. Maps, diagrams, and drawings would possibly be necessary. Water, sewer and road projects need consistency letters.

Regarding equipment vehicles, new and used, obviously estimates would be necessary.

Regarding bricks and mortar building projects, building permits, building inspection, etc. would be necessary. There should also be information on how it will impact the area around the project.

Regarding requests for permits as supporting documentation for applications, it was acknowledged that permits are usually only good for a certain length of time, then expire. Also, requiring permits as part of the application process could place a huge time constraint on certain projects. Also, if someone needs the money to fund a whole building project, they may also be unable to afford the cost of obtaining permits ahead of time. Requiring permits as part of the application process could limit the pool of potential applicants. An alternative to requiring permits could be requiring some proof of application for a permit. If the permit request was denied, the grant funds would not be supplied. Also, it was discussed that ECGRA would not necessarily require permits and that this would be a factor to be considered during the ranking process (the “readiness” factor).

The discussion then went on to projects that didn’t fit into traditional categories such as the 2008 application for improvements to the RELCO emergency response system. The problem with it was that half the system was not working and they wanted money to fund another half and there was no connection to the casino.

Final reports were also discussed. Final reports could be due 60 or 90 days upon completion of the funded project. For long projects, ECGRA could require an interim report of how the project is going. Bob Spaulding stated that the money is not released until it goes through their office which would in turn trigger the necessary questions.

Jennifer Dobbs Woods pointed out one area of (intended) revision to the current application is at Page 10C, under “Project Information”, and funding history. On the revised draft there is a lot of language that has been added as it affected the group when making decisions. Another section of the application to be revised is the project narrative section at Pages 16 and 17 to keep the Project Narrative simple. Also, there are planned changes to the application checklist, so that the information requested is listed in a more logical order and specifically lists the Appendices to be attached to the application.

It was also clarified that the function of the Erie County Gaming Revenue Authority is to administer municipal grants of state gaming revenue on behalf of the County. Work will continue on the proposed revisions to the Municipal Grant Application.

***Old Business:***

Regarding the Uncommitted Funds Process, Pat Bruno expressed the opinion that the application to be developed for this process should not be too complicated, and that the program should not be too restrictive. The application should be simple and brief. Carolyn stated that she and Pat believe the standards should be consistent with the Economic Development Financing Law that was passed. They also discussed coming up with a brief mission statement.

Stephanie distributed the actual financial statements from 2008 of what was expended, what the County has proposed for 2009, and then working on something for 2010 and 2011. She stated this was preliminary for now and will be finalized prior to the next meeting. Everything included on this sheet and all expenses that the County projected ECGRA to incur, there are a few things that have not been added such as meetings at the library or should there be a rental location needed or food needed should a meeting be extensive, possibly adding a miscellaneous line item for such potential expenses. She also suggested a compliance officer or someone who may go out for the Authority, such as a third party, to review applications and should there be a fee for that, this is not included either. There should potentially be a professional service dollar amount added Stephanie also brought up the legal service fee for 2009 which is set at \$150,000.00 - \$50,000.00 for our solicitor and \$100,000.00 for any lawsuit amount. She felt this was a little high and thought it should be discussed. Bob Spaulding stated that the expectation is that all the appeal process relative to the STEIDA suit should not be terribly expensive, but there is always the uncertainty about potential suits and expenses related to them. The item for travel/other/work expense was brought up and the fact that there is \$4,000.00 proposed in 2009, and asked Carolyn to give a break down of what that was to include. Carolyn stated this included continuing legal education programs in the area of gaming law, travel to those programs, etc. They are usually held in Harrisburg and there have been none held in Erie. We estimated two trips for that and possibly trips to Pittsburgh to meet with people in the gaming industry.

It was also clarified that the \$50,000.00 for the solicitor is not an outright fee, but that there is a fee schedule and this is the amount budgeted for legal service. It was clarified that he is turning in invoices for actual time expended for legal services.

***Time Meeting Adjourned:*** 12:55 p.m.

***NOTE: These minutes were approved at the July 9, 2009, meeting of the Erie County Gaming Revenue Authority. s/Carolyn E. Gold, Esquire; October 16, 2009.***