

**REPORT OF THE
ALLEGHENY COUNTY GOVERNMENT REVIEW COMMISSION
TO THE PEOPLE OF ALLEGHENY COUNTY**

February 10, 2006

**Submitted by the Allegheny County
Government Study Commission:**

**Don Linzer, Chair
Kathleen Gallagher, Esquire, Vice Chair
Ted Black, Esquire
Rosemary Bradley
Michael Crossey
James Klingensmith
Charles P. McCullough, Esquire
Ronald Porter
Kenn Thomas**

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ACKNOWLEDGMENTS

County government, especially in large urban counties, is complex and many-faceted. The County Government Review Commission could not have completed its work had it not been for the eagerness of those most familiar with Allegheny County government to share their views and knowledge about its operations. Foremost, the Commission would like to thank the elected officials who offered their insights into the government, including Chief Executive Dan Onorato, Allegheny County Council President Rich Fitzgerald, Allegheny County Council Member-at-Large Dave Fawcett, and County Controller Mark Patrick Flaherty. The Commission also would like to thank the Honorable Joseph James, President Judge of the Court of Common Pleas, for swearing in the members. The Commission is indebted to County Manager James M. Flynn, Jr., Director of the Department of Economic Development Dennis M. Davin, Director of the Department of Budget and Finance Amy Griser, Director of the Department of Administrative Services Timothy H. Johnson, County Solicitor Michael H. Wojcik, Assistant County Solicitor George Janocsko, and Deputy County Controller Guy Tumolo for meeting with the Commission. The Commission also acknowledges the assistance of Sean Fox from the Office of the Chief Executive, Derek Uber from the Office of the County Manager, and Jared Barker, Amie Downs, and Jennifer Liptak from the Office of the County Council. The Commission also thanks Brian Jensen of the Pennsylvania Economy League and Paul Leger of the Coro Center for Civic Leadership for staffing the Commission. And finally, the Commission extends our sincerest gratitude to Lisa Streiff for her dedicated service to us. Without her tireless efforts in preparing this Report, it would never have been assembled.

County government... (mirrored text from reverse side)

REPORT OF THE ALLEGHENY COUNTY GOVERNMENT REVIEW COMMISSION

INTRODUCTION

The Commission... (mirrored text from reverse side)

INTRODUCTION

In 1998, the voters of Allegheny County approved a Home Rule Charter for Allegheny County. The Charter took effect on January 1, 2000. Home rule brought two key changes to County government. The most visible change was the elimination of the three-member Board of Commissioners, which was replaced by an elected Chief Executive, an appointed County Manager, and a fifteen member elected County Council. A less obvious, but second key change was the County's grant of "residual powers," that is, the County government was authorized by the Charter to do anything not prohibited by Pennsylvania law, rather than being authorized to do only those things specified by Pennsylvania law. Hence, the Home Rule Charter replaced the Second Class County Code as Allegheny County's basic set of governing laws.

Pursuant to these "residual powers," the Charter provides for the establishment of a periodic review of County government. Article XIII, Section 5(a) of the Charter states:

"A County Government Review Commission shall be established five years after the effective date of this Charter and every ten years thereafter. The Commission shall study the Charter and County government, including the organization, practices and responsibilities of all County departments and agencies. The Commission shall evaluate the effectiveness, efficiency and equity of County government and this Charter. The Commission may make recommendations to the people of the County on County Government and may recommend amendments to this Charter."

Hence the Charter, together with Article 1203 of the County Administrative Code, direct the County Government Review Commission to undertake a comprehensive analysis of the Charter and the various aspects of County government. Pursuant thereto, the Commission may also make recommendations to the people of Allegheny County on County government, as well as recommend amendments to the Charter.

While the purview of the Government Study Commission is broad, its authority is limited. The Commission is strictly advisory and its recommendations are not binding upon the County. Although the Commission may recommend changes to the County's Home Rule Charter, it does not have the authority to directly cause a public referendum on these recommendations. Moreover, only matters pertaining to the Charter and County government are to be reviewed and evaluated; municipal governments, school districts, matters of state law, and other topics outside the realm of County government are beyond the scope of this Commission.

The first Commission appointments came on February 15, 2005, when County Council appointed five members. Chief Executive Dan Onorato then appointed four additional members. The nine members are Don Linzer, Chair; Kathleen Gallagher, Vice-Chair; Ted Black; Rosemary Bradley; Michael Crossey; James Klingensmith; Charles P. McCullough; Ronald Potter; and Kenn Thomas. As required by the Charter, the political party affiliation, racial geographic, age and gender diversity of the County were considered in the appointment process. No Commission member is a County officer, employee, or member of a County agency. The Commission members were selected not for any particular expertise in County government matters, but for their intelligence, discernment, seriousness, and levelheaded, common sense approach to policy issues.

The Home Rule Charter provides that, within one year after appointment of the Commission, its final report of findings and recommendations shall be submitted to the people of Allegheny County. Given the limited time frame to complete its charge, the Commission determined that it would be impossible to attempt a detailed analysis of every aspect of County government. Such an understanding would also be redundant in light of the County Manager's duty, as set forth in Article VI, Section 2(h) of the Charter, to conduct a "sunset review" of every County department, agency and function.

Accordingly, the Government Study Commission decided, preliminarily, to review thirteen issues which were not addressed in the County's 2003 Sunset Review Report. From these, the Commission focused upon the following issues, which comprised the body of this report:

- Minority issues
- Budget process
- Real Property Assessment
- County Economic Development
- County Authorities
- Government Merger Issues
- Form of Government
- County Personnel Issues
- Improvements to the Government Review Commission
- Clarification of the Home Rule Charter

**REPORT OF THE ALLEGHENY COUNTY GOVERNMENT
REVIEW COMMISSION**

REVIEW OF ISSUES AND RECOMMENDATIONS

REVIEW OF ISSUES AND RECOMMENDATIONS

I. MINORITY ISSUES

A. Review.

There are complex socio-economic issues and challenges surrounding the minority, women and disadvantaged populations in Allegheny County. One of these issues is directly impacted by the Home Rule Charter and the form of County government set forth therein. The other issue is affected by the manner in which the County conducts business with contractors, vendors and providers of goods or services.

The form of government provided by the Charter was intended, at least in part, to promote a diversity of representation in the legislative branch of the County government. To that end, it is noted that never in the history of the prior commissioner form of County government had an African American been elected to one of those positions. Further, only one female had ever been elected a County Commissioner.

With respect to the composition of County Council, the Charter has somewhat successfully fostered diversity. The fifteen member County Council is presently comprised of two African Americans and four women (one of whom is African American). There have been two African Americans on County Council since its inception, and one African American, Dr. James Simms, was elected President of County Council by his peers. Consequently, Dr. Simms became the highest ranking African American elected public official in the history of Allegheny County.

Additionally, the Charter has provided for diverse, regional representation on County Council as well. The Charter provides for a member of County Council to be elected from each of the thirteen districts, plus two members to be elected at large. The at large members of County Council cannot be from the same political party. Thus the Charter contemplates a County Council that should reflect the demographics of Allegheny County.

While the Charter has achieved some diversity on County Council, the Commission notes that many of the County's functions are overseen by various County authorities, agencies and commissions. As to these entities, the Charter calls for diversity considerations in making appointments to this Government Study Commission, as follows:

"The political party affiliation, racial, geographic, age and gender diversity of the County shall be considered in the appointment [to the Government Study Commission] process."

Home Rule Charter, Article XIII, Section 5(b)

The only other County entity to which appointments are to be made upon considerations of diversity is the Board of Property Assessment Appeals and Review. Section 5-207.03A of the County's Administrative Code requires racial, geographic age and gender diversity, to be considered in the making of appointments to this Board, along with certain prescribed areas of expertise.

This Commission believes that diversity should be a consideration for appointment to all County agencies, authorities and commissions. This may be accomplished by amending the Charter (and or Administrative Code) to require the consideration of party affiliation, as well as racial, geographic, age and gender diversity in making appointments to these entities.

The Commission notes a second minority issue -- the continuation of the County's efforts to improve diversity among the awardees of County contracts. To address this issue, the then Board of Commissioners adopted, on June 17, 1981, Agenda Item No. 1029-81, the Allegheny County "Policy Promoting Fairness and Equity in Construction Goods and Services Contracts" (the "Policy"). A copy of the Policy is Appendix "A" to this Report.

The tangible economic benefits of promoting fair and equitable opportunities for minority enterprises to obtain County contracts are recognized in the Policy. These benefits include the following:

- (a) By maximizing access and opportunity for businesses to bid for contracts, the County will increase competition which in turn will result in lower contract prices and other contract terms more favorable to it.

- (b) Increased competition for contracts will also improve the quality of performance by vendors and other contractors.
- (c) Increased competition will provide more opportunities for all businesses throughout Allegheny County.
- (d) Increased opportunities for minority businesses will enhance economic development throughout Allegheny County and will provide increased business and employment opportunities for all County residents.

Consequently, Allegheny County recognizes that promoting contractual opportunities for minority businesses not only helps to address a serious, and chronic, social concern, it is good business as well. After the County was converted to Home Rule, Executive Action No. 840-03 was issued in 2003. This Executive Action, a copy of which is attached to this Report as Appendix "B", buttresses the Policy through the formation of the M/W/DBE Advisory Committee which is comprised of members from a broad spectrum of stakeholder organizations in the cause of promoting equal business opportunities, including the Allegheny County and Pittsburgh Branches of the NAACP; the African American Chamber of Commerce, Black Contractors Association, Hispanic Chamber of Commerce and others. The Committee is charged with making recommendations to the Chief Executive as to the lawful implementations and monitoring of the Policy. The Committee is also to convene meetings with developers and other interested parties to develop strategies for the full, fair and equal opportunity for minority businesses in procurement contracts relative to economic development projects.

The Executive Action also contains specific Policy implementation measures such as requiring all prospective County contract awardees to, as a condition of the award of a County contract, to execute a statement identifying the extent of their commitment to the Policy, and a directive to the M/W/DBE Office to draft regulations to improve and promote meaningful contract opportunities for minorities.

Lastly, the M/W/DBE Advisory Committee is to provide an annual progress report to the Chief Executive on the implementation of the Policy. Executive Action No. 840-03 was followed

by a comprehensive report entitled "Expansion of Opportunities and Inclusion of Diversity" (the "Report"). A copy of the Report is Appendix "C" hereto. The Report builds upon the concepts espoused in the Policy, and the framework established by Executive Action 840-03, by providing specific measures intended to expand business opportunities and improve diversity. The Policy, Executive Action No. 840-03, and the Report provide a comprehensive framework for the County to address the recognized need to improve contract opportunities for minority businesses.

The Commission has contacted the Office of Chief Executive to obtain a status report on the progress the County has made on minority participation issues. In response, the Chief Executive has issued a supplement to the Report dated as February 2, 2006, a copy of which is included herein as Appendix "D."

B. Recommendation.

Based upon the foregoing review, the Commission makes the following recommendations:

1. **Amend the Home Rule Charter and/or the County's Administrative Code to require consideration of racial, geographic, age and gender diversity in the making of appointments to County agencies, authorities and boards.**
2. **Expand the role of the M/W/DBE Advisory Committee by charging it with the periodic re-evaluation of the Policy and to assist the County's MBE/WBE/DBE office with the implementation of the recommendations in "Expansion of Opportunities and Inclusion of Diversity."**
3. **In re-evaluating the Policy, its goals should be revised to be at least as proactive as those of any other governmental entity within the Commonwealth of Pennsylvania.**

II. ALLEGHENY COUNTY BUDGET PROCESS

A. Review.

Article VII of the Home Rule Charter sets forth the structure of Allegheny County's budget process. This process epitomizes the essence of the Home Rule Charter: an executive

branch of government vested with the authority and responsibility to initiate and prosecute the direction of the County subject, however, to the check and balance of the legislative branch.

The budget process engenders perhaps the most significant activity of County government, as evidenced by the fact that the end products thereof are not simply the annual operating and capital budgets, but instead a comprehensive, fiscal plan which consists not only of the annual budgets, but also a two-year projected operating budget, a five-year capital improvement plan and a budget message. Further, with a level of specificity not found elsewhere in the Home Rule Charter, the process for adoption of the comprehensive fiscal plan is detailed. This process includes the mandatory appearance by the Chief Executive before County Council to deliver the budget message, a requisite two public hearings to be conducted by County Council, and explicit deadlines for the adoption and delivery of the budgets to the Chief Executive.

While County Council is a check and balance upon the Chief Executive in this process, it is clear under the Home Rule Charter that County Counsel's role in the budget process is reactive and somewhat subordinate to that of the Chief Executive. First, while the Chief Executive submits the comprehensive fiscal plan to County Council, it only has the authority to adopt annual operating and capital budgets. Pursuant to the Home Rule Charter, County Council has no involvement with respect to the other components of the comprehensive fiscal plan.

Next, only the Chief Executive may propose a budget. County Council can only react to the annual budgets proposed by the Chief Executive. Lastly, by virtue of the line item veto authority, the Chief Executive has the power to break deadlocks with County Council with respect to the amount of the appropriations set forth in the annual budgets, the exercise of which may be overridden, however by a two-thirds majority vote of County Council.

While the budget process established by the Home Rule Charter is one of point and counterpoint, the process is also clearly intended to be a dynamic one which avoids budgetary

stalemates so that County government may function, without interruption, regardless of any disputes between the Chief Executive and County Council over any appropriation item. The dynamics of the process are the basis of the "Pennsylvania Rule" as to the implementation of the line item veto is recognized.

This Rule holds that the governor's line item veto authority is, in effect, the power to veto any budgetary appropriation item dollar for dollar, i.e. item by item, such that the amount of a particular appropriation may be reduced or eliminated. The Pennsylvania Rule has endured through several state constitutional conventions, the most recent being in 1968, and has been frequently used by various governors, including Governors Shapp through Rendell. It has proven to be a successful tool in avoiding budget stalemates.

The line item veto has a history in Allegheny County as well. In December 2002, the line item veto authority was exercised by the Chief Executive over the pending 2003 County budgets to reduce several appropriation items. County Council, rather than attempt an override vote instead voted to ignore the vetoed budgets on the grounds that the Chief Executive had excluded his authority by attempting to reduce, rather than eliminate, certain appropriations and that the vetoes were thus a legal nullity. This non-action by County Council resulted in the unprecedented dichotomy of two County budgets for fiscal year 2003.

Implementation of any budget is overseen by the County Controller. The disbursement of any monies from budgetary appropriations requires a warrant of authority from the Controller. With two County budgets, it was questionable whether the Controller could legally issue any warrants because it was not know which of the two budgets was valid. Without valid budgets for 2003 warrants could not be issued for the expenditure of County monies. The situation presented a major fiscal crises for the County with the very real prospect that the County would be out of money as of January 1, 2003.

The foregoing backdrop underscores the effectiveness of using the line item veto to reduce, without entirety eliminating, appropriation items. The Chief Executive's "reduction"

vetoed nonetheless provided funding for every aspect of the County government. Because of this, the Chief Executive, County Council and the Controller were able to reach an accord whereby the County government remained opened and warrants authorizing expenditures up to the appropriation limits approved by the Chief Executive would issue, pending resolution of any related court challenges. The accord also included the understanding that warrants authorizing expenditures up to the limits of the County Council version of the 2003 budgets should that version prevail in Court.

After the fiscal crisis had receded, the Chief Executive filed a lawsuit against County Council seeking a judicial determination of his line item veto authority. Eventually the case was heard by the Commonwealth Court, which held that the Chief Executive's line item veto authority did not include the ability to reduce an item.

B. Recommendation.

The issue of the breadth of the line item veto, though decided in court, should nonetheless be submitted to the voters for reconsideration as an amendment to the Home Rule Charter.

III. REAL PROPERTY ASSESSMENT

A. Review.

The bane of politicians and taxpayers alike, Allegheny County's property assessment system is in the tenth year of on again, off again litigation. This litigation is the fallout of the 1995 freeze imposed on property assessments by the County, which was eventually determined to be illegal by the Allegheny County Court of Common Pleas. The Court also abolished Allegheny County's practice of reassessing one-third of the properties in the County each year. Instead, the Court ordered a County-wide reassessment.

This County-wide reassessment was effective for 2001. It spawned approximately 100,000 taxpayer initiated assessment appeals. The County was also compelled to acknowledge that a number of properties were under-assessed and encouraged taxing bodies

to file appeals of under-assessed properties in an attempt to remedy the problem. The second annual reassessment in 2002 resulted in a tremendous outcry of protest as many homeowners, after experiencing "sticker shock" over their 2001 property assessments, were hit with yet another substantial assessment increase. Compounding the public discord was the realization that over 27,000 homeowners who had their 2001 assessment reduced through the appeal process, had their reductions wiped out and reversed by the 2002 reassessment. In addition to this group, which became known as the "M Class," were the taxing bodies who, by virtue of the reassessment, lost the benefit of the increases in assessed values achieved in 1991 through the appeals which had been taken at the prompting of the County.

County Council reacted to the 2002 reassessment by attempting to eliminate it, and reinstate the 2001 assessed values, including those that had been corrected through the appeal process. This prompted another lawsuit, this time by the Chief Executive, who sued County Council in order to preserve and maintain the 2002 assessed values. The court ruled in favor of the Chief Executive and held that since the 2002 values had been certified by the County's Property Assessment Oversight Board, County Council could not reinstate the 2001 values. County Council also abolished the Oversight Board in 2002, which meant that the Chief Assessment Officer would report directly to the County Manager.

From this, however, came a three-year moratorium on the next reassessment. Pursuant to this moratorium, the entire County would be reassessed and the results thereof would be communicated to the taxpayers in the spring of 2005, to be effective for 2006. The intention behind this arrangement was to provide taxpayers with the opportunity to appeal their property assessments in advance of the effective date.

Unlike the former triennial reassessment, the one established by County Council encompassed the entire County at one time. The results of the reassessment were released early in 2005 and were to be effective January 1, 2006. This reassessment, as with the 2001 and 2002 reassessments, was the object of another public outcry which resulted in the County's

attempt to cap any assessment increase by no more than four percent. The "cap" triggered another lawsuit which resulted in the cap being ruled illegal.

After the Court's rejection of the assessment cap, Allegheny County adopted a base year of 2002, which is understood by the Commission to mean that all property, including new construction, must be assessed at what its value would have been in 2002. The County's current assessment system is in the midst of yet another round of litigation.

B. Recommendations.

The Commission is concerned about the adverse impact the prolonged public anguish over property assessments has had on this region. The Commission is concerned that property owners, residential and business, have relocated or are seeking to relocate to other counties which have stable, if not equitable assessment systems, and that other potential property owners are reluctant to migrate to Allegheny County. The Commission is also concerned that the continued assessment problems add to the negative perception that the City of Pittsburgh has high taxes and is in financial disarray..

The County Manager and the County Director of the Department of Administrative Services, of which the Office of Property Assessments is a part, have both appeared before the Commission to discuss property assessment issues. The Commission devoted a considerable amount of time studying the functioning of the County's assessment system and evaluating improvements thereto. From this study and evaluation are the following recommendations:

- 1. The Office of Property Assessments should be independent of the executive and legislative branches of County government.**

It must be noted that the Commission is NOT recommending another Row Office. Instead, the Commission proposes the establishment of an independent Property Assessment Board which would have direct supervisory authority and responsibility for the Chief Assessment Officer and the Office of Property Assessment. The Board would have the power to appoint the Chief Assessment Officer and the responsibility for certifying the assessment roles. An

independent Property Assessment Board which would oversee the Chief Assessment Officer and the Office of Property Assessments would provide an additional, but critical safeguard to the assessment system. The Commission notes that in 2001 the County acknowledged a breakdown of the assessment system, and prompted local taxing bodies to appeal under-assessed properties because of conflict of interest issues. It is for this reason that the County has played a subordinate, and typically passive role in defending assessed values in appeal cases, and does not initiate appeals to correct over-assessed or under-assessed properties.

With the County's assessment operations separate from its executive and legislative branches, the conflict of interest issue is eliminated. The County, through the new Office of Court Records, and the Controller's Office in conjunction with the Law Department, would be able to function as a "taxpayer advocate" and file assessment appeals, in masse, if necessary to correct over-assessed properties. Additionally, the County could relieve the local taxing bodies of the expense and the political sensitivity of appealing under-assessed properties.

2. **It is proposed therefore, that the Property Assessment Board be comprised of three or five full-time directors, the majority of which would be appointed by the Chief Executive and the remaining Director(s) appointed by County Council.**
3. **It is further recommended that the Directors of the Property Assessment Board be appointed by way of a process which would require a public solicitation of resumes and letters of interest. The Directors should also be required to have specified qualifications which would demonstrate fitness for these positions.**

The experiences in Allegheny County with periodic reassessments, undertaken in 2001 and 2002, however, severely impaired the public's credibility, not only in the County's assessment system, but also with the real property tax. The annual reassessment system was clearly a bridge too far for the County -- with over 500,000 properties to reassess, the County lacked the manpower to properly retrieve and input pertinent assessment information into its Computer Assisted Mass Appraisal ("CAMA") system. These problems were attributable to the

County's failure to have sufficient staff to reconcile reassessed values with recent sales, recent assessment appeals and the assessed values of comparable properties.

Another serious problem with periodic CAMA reassessments is that recent assessment appeal results are disregarded. This problem was exposed with the 2002 and 2005 (for 2006) reassessments. These reassessments resulted in sizeable increases in value for many properties, although a number of these properties had been recently valued through the appeal process, and, in the case of the 2002 reassessment, had been reassessed just the year before.

4. **Therefore, it is recommended that the base year assessment system be amended to reflect 2002 as the baseline assessment year. 2002 would be the point of departure for assessed values. Using 2002 values in such a manner will enable the Office of Property Assessment to make revisions (not reassessments) to more effectively determine actual values without periodic County-wide reassessments.**

This methodology, which would revise assessments as opposed to undertaking periodic reassessments, is perceived by the Commission to be less expensive and less likely to provoke the sticker shock and breakdowns experienced in previous reassessments. Moreover, this approach would consider property appreciation or depreciation, as well as recent sales and the assessed values of comparable properties.

5. **It is recommended that the County end the practice of requiring the payment of property tax based upon an increased assessment before the appeal hearing is conducted. It is manifestly unfair to require taxpayers to pay the additional tax occasioned by an increased assessment when an assessment appeal thereof has been taken.**
6. **A taxpayer should not have to incur the expense of an appeal to correct an assessment unless the taxpayer opts to do so. Therefore, the Commission recommends that taxpayers be able to request a personal assessment of their properties by a Certified Property Evaluator ("CPE") employed by the County.**
7. **The Commission understands that the number of County CPEs is markedly less than the number employed by the County prior to its use of CAMA. The Commission perceives much of the trouble with assessments over the past ten years is attributable to the lack of properly trained personnel. It has been clearly demonstrated that the CAMA system does not work without an increase in the number of CPEs and other assessment personnel.**

8. **The County should require that all of its assessors be CPEs and undergo periodic re-certification at the County's expense.**

Recently, Chief Executive Onorato publicly called for the Commonwealth to assume the assessment of all properties statewide. His rationale was the disparities in assessment practices in the several counties can only be remedied if the Commonwealth assumes responsibility for assessing all properties.

The Commission strongly endorses the Chief Executive's call for the Commonwealth to assume the assessment function throughout the state. A review of the assessment systems in various counties show that some have not undertaken a reassessment in over 30 years. These counties have essentially frozen property values since they do not utilize any methodology to revise assessments to reflect changes in market conditions. Consequently, the Commission believes there is a problem with under-assessed properties in these counties. Given this, and the disparity in assessment systems throughout the County, the Commission believes there is a compelling need for intervention by the Commonwealth.

The Commonwealth has a responsibility to its people to provide quality public education for its children. This responsibility has largely been discharged by local school boards through the imposition and collection of property taxes. Without corrective action by the Commonwealth, the chronic inequities of assessment systems statewide will continue to erode the Commonwealth's tax base and undermine the education its children need and deserve.

9. **Accordingly, the Commission endorses the Chief Executive's call for the Commonwealth of Pennsylvania to assume the role, statewide, of making property assessments.**

IV. COUNTY ECONOMIC DEVELOPMENT

A. Review.

Advancing the region's economic development is fundamental to establishment of the Home Rule Charter government structure in Allegheny County. In 1995, the Allegheny County Board of Commissioners formed a committee to plan for the county's economic growth. The

Committee to Prepare Allegheny County for the 21st Century (ComPAC 21) set out to assess the effectiveness of Allegheny County's organizational structure, key functions, and economic development activities compared to similar counties around the country.

In 1996, ComPAC 21 published its report entitled "Preparing Allegheny County for the 21st Century," which provided recommendations for reorganizing the way County government operates. A key recommendation from the report was for the County to place greater emphasis on economic development and to assume a stronger role in coordinating and financing these efforts.

The report indicated that our region was experiencing stagnant growth in terms of employment rates and population growth. It pointed out the importance of strong leadership, efficient coordination, and regional focus in improving the county's economic opportunities. It proposed that adoption of a government single executive leader would provide the means to carry out focused, innovative, and effective efforts for creating economic growth.

The recommendations to government for economic development put forth by the ComPAC 21 report are simply tools for affecting the desired outcomes. Success at accomplishing the goals depends on how well the new organizational structure and development activities are carried out.

Under this new government structure, the county is charged with placing greater priority on economic development. The recommended strategies to accomplish this include a centralized leadership, consolidation of services, and regional collaboration. The County has committed itself to several strategic imperatives to enhance its economic development efforts:

- Regional based initiative
- Infrastructure development (e.g., brownfields, airport, transportation)
- Business acquisition and retention
- Competitive governance
- Government leadership
- Synchronization of economic development functions

- Community economic planning and inclusion resource development

As the region's largest governing body, Allegheny County plays an important role in coordinating and supporting development. To accomplish this the county proposed the following tactical initiatives:

- Airport development
- Collaboration with private sector
- Collaboration with local municipalities
- Consolidation of services
- Revamp economic development department
- Overhaul business loan programs
- Mon Fayette Expressway
- Public transit consolidation
- Select construction/ renovation projects
- Faith-based Organizations
- Human Services enhancements
- Fiscal stability

B. Recommendations.

1. **Progress needs to be made to reduce the stagnation of certain economic development projects such as transportation consolidation.**
2. **The County should expand its emphasis on business development efforts.**
3. **Increased resources need to be made available for economic development at the community level. This will create greater inclusion and participation by residents and organizations. More small-scale development projects with greater impact should be identified.**
4. **The County should continue to solidify a role in coordinating regional economic development activity by creating a case for, and atmosphere of, collaboration between various economic agencies. The County should establish a consortium of business development professionals from the various economic agencies and municipalities that would meet regularly and work to improve the coordination of development efforts by identifying synergies across distinct projects.**

5. **The County should establish a one-stop, streamlined process for businesses looking for direction and resources to obtaining the information they need.**
6. **The current administration has made a stand to aggressively exercise its rights and responsibilities to promote county economic development and continue to maintain quality human services. We should continue to benchmark and measure progress in this area with attention to the effective, reasonable application of the government structure.**
7. **Efforts to market the "strong work ethic" of the regions workforce must be increased, as an important asset in Allegheny County is being underutilized;**
8. **The County's economic development function should include strong economic policy and business marketing components. Functional gaps in current regional marketing practices must be identified and defined, expanding the County's economic development function to include economic policy formation will enable the County to proceed with developmental projects and marking initiatives in a cohesive, proactive manner.**
9. **Marketing efforts of the city and county should be more effectively merged;**
10. **A distinction should be made between the marketing, measurement, and coordination aspects of regional marketing efforts.**

V. COUNTY AUTHORITIES

A. Review.

The Commission notes that eleven separate county authorities have been identified to it. Some of these authorities own and control several of the regions' largest and most critical, from an economic development standpoint, assets. These include, for example, Pittsburgh International Airport, Heinz Field, PNC Park, the David L. Lawrence Convention Center and the County's sewage treatment facilities. The members of the Boards which oversee these authorities are not elected to their positions.

B. Recommendation.

Due to its time and resource constraints, the Commission was unable to fully analyze the efficiency and effectiveness of the County's authorities. The Commission therefore recommends that the Chief Executive and County Council undertake further study of this issue.

VI. GOVERNMENT MERGER ISSUES

A. Review.

This Commission elected to address the issue of consolidation of County government services. This issue was initially addressed by ComPAC21 in its report to Allegheny County entitled "Preparing Allegheny County for the 21st Century," as a recommendation for improvement in government functions.

The ComPAC21 report identified several complementary government services with potential for consolidation, including:

- (a) Emergency Management
- (b) Specialized Security Services
- (c) Purchasing
- (d) Computer Services
- (e) Park Maintenance
- (f) Property Tax Collection
- (g) Low Income Housing
- (h) Municipality Disincorporation

Strides have been made by Allegheny County to streamline its operations through the consolidation of services, such as the following:

- (a) In May 2005, the voters of Allegheny County passed a referendum that eliminated six of Allegheny County's 10 elected row offices.
- (b) The City of Pittsburgh has entered into discussions with Allegheny County to have it perform purchasing services for the City.
- (c) All Emergency call taking has been consolidated across most municipalities.
- (d) Prisoner processing functions previously performed by the City of Pittsburgh have been assumed by the County.
- (e) The City Magisterial Court has been made a part of the Court of Common Pleas of Allegheny County.

B. Recommendations.

The Commission believes the consolidation/merger of services and functions initiated by the County to date have been successful. Hence the following is recommended:

Allegheny County should build on the success it has achieved to date and convene a special task force to study further consolidation with the City of Pittsburgh.

VII. FORM OF COUNTY GOVERNMENT ISSUES

A. Review.

The Administrative Code sets forth an express directive to this Commission to review the implementation of the recent, referendum approved, row office consolidation of the Clerk of Courts, Coroner's Office, Jury Commission, Prothonotary, Recorder of Deeds and Register of Wills into the County's executive branch. To this end, the Commission reviewed the report of the County Controller on the implementation of the approved row office consolidation.

Additionally, the Commission has reviewed the prospect of further row office consolidation and the Charter requirement that County Council members must resign their office before seeking another elected position. The Commission's recommendations concerning these matters are set forth below.

B. Recommendations.

- 1. The Commission recommends the County undertake the implementation program set forth in the Controller's Report with one major exception: the County's property assessment function should be separated from the rest of County government as set forth in Part III, Real Property Assessment, of this Commission's Recommendations.**
- 2. The Commission offers no recommendations as to further row office consolidation.**

The reasons for this are two-fold. First, the Commission has been advised of a line of court decisions which place form of government changes in abeyance for five years after a change in the form of government has occurred. Second, in the Commission's opinion, the row

office consolidation which is already underway needs to be evaluated before further consolidation is contemplated.

3. **The Commission strongly recommends that the Home Rule Charter be amended to permit the members of County Council to seek other public office without first having to resign their seats.**

The history behind the unique restriction on the members of County Council to seek other public office reveals that the General Assembly inserted the restriction in the Second Class County Charter Law in an effort to discourage competition from County Council for state offices. The Commission believes that such competition should be fostered, not thwarted, and hence it recommends removal of this restriction from the Home Rule Charter.

VIII. COUNTY PERSONNEL ISSUES

A. Review.

The Commission initiated its review of County personnel issues by consideration of the merit personnel system. In so doing, the Commission noted that the matter of separate merit selection programs for the several row offices was litigated previously and upheld in Court. Further, the County Manager, in his appearance before the Commission, offered that the merit personnel system was working well and any issues concerning separate merit personnel programs for the row office's have been resolved previously. Accordingly, the Commission has no further comment on the issue of the merit personnel system.

There are three other personnel matters that the Commission does wish to comment upon. The first matter is the County's personnel policies. The second matter is compensation of the County's non-union employee workforce and the last matter pertains to political activity by County employees.

B. Recommendations.

1. **Article 1009 of the Allegheny County Administrative Code enumerates the various personnel policies. This Article is in many respects, a recitation of various personnel policy issues to be further addressed by the Human**

Resource Director. This includes preparation of specific personnel policies for all employees under the purview of the Chief Executive and County Council employee orientation, employee handbook, and personnel evaluation process. The extent to which these tasks for the Human Resource Director have been accomplished should be verified by the County Manager.

2. **Not specifically addressed in the Administrative Code is the extent to which, if any, the County provides for the periodic review and adjustment of its non-union employee compensation structure. The Commission believes its is essential to maintaining employee performance, morale and continued commitment to the County, that this structure be periodically evaluated and updated.**

IX. IMPROVEMENTS TO THE GOVERNMENT REVIEW COMMISSION

A. Review.

The effectiveness, efficiency and continuing need for an Allegheny County Government Review Commission itself was also reviewed. The Commission strongly believes that the concept of empanelling a review commission on a periodic basis is a healthy exercise which enhances the viability of Allegheny County's government by improving its ability to adapt to change. On this basis, the Commission recommends the following:

B. Recommendations.

1. **The Commission should be convened every five years.**
2. **The Commission should have 18 months to undertake, complete and submit its report to the people of Allegheny County.**
3. **The Home Rule Charter should be amended to reflect recommendations 1 and 2.**
4. **The Commission's ability to make specific recommendations will be improved if it has a clearly established budget of sufficient size to permit the Commission to access resources and data to survey, model, list assumptions behind potential recommendations.**

X. CLARIFICATION OF THE HOME RULE CHARTER

A. Review.

The Commission has reviewed the text of the Home Rule Charter and has noted several changes which should be made thereto in light of the recommendations set forth above.

B. Recommendations.

The Commission recommends that the following provisions of Home Rule Charter be amended:

1. **Article III, Section G(b), which requires the resignation of a County Council member before becoming a candidate for another elected political office.**
2. **Article VII, Section 5 concerning the Item Veto.**
3. **Article XIII, Section 5(a) to change from ten years to five years, the periodic re-establishment of the County Government Review Commission, and also Section 5(b) thereof to provide for an 18-month term for Commission members and also to provide the Commission 18 months to submit its final report to the people of Allegheny County.**

Additionally, the Commission recommends that the following Section be added to the Home Rule Charter:

4. **A provision addressing diversity in the appointments to County Authority Boards, Agencies or Commissions. This provision would be added to the Charter as Article IX, Section 8 entitled "Diversity."**

Appendix "E" to the Report consists of an annotated version of the Home Rule Charter reflecting the foregoing recommendations.

XI. CONCLUSION

This Report is the first independent, thorough review of Allegheny County Government since its conversion to Home Rule in 2000. As such, is a "report card" on the success of this new form of government. Home Rule was a controversial concept when it was approved by the voters of Allegheny County in 1998 and, indeed, there are some who would propose a return to the three commissioner form of government.

The overall conclusion of this Commission is, however, that the change to Home Rule has been beneficial to the people of Allegheny County. Perhaps the most significant benefit has been the inception of a more diverse, more participative, two party form of government. Since 2000, Allegheny County government now includes minorities and women in its legislative branch, as well as representatives from both major political parties. Both a Republican and a Democrat have occupied the Chief Executive's Office. The government structure has promoted an openness which had never been the case previously. In short, Allegheny County government is a better democracy than before.

Consequently, Home Rule provides Allegheny County with a better paradigm to address the compelling issues which continue to confront it. As noted in this Report, however, the County still needs to develop a property assessment administration and methodology which are perceived as independent, fair and reasonable accurate. It needs to move ahead with an innovative, multi-functioning economic development capability. It needs to continue the substantial progress made with respect to the inclusion of minorities and women in government and in the award of County contracts. When the County attains these objectives, it will reach the ultimate goal of providing better service to its residents.

This Commission notes that no matter how a government is structured, it will not succeed unless it is headed by competent, caring and dedicated public officials who are willing to lead this County and not be satisfied with the status quo. These officials should have a vision for all of us, and be willing to build a consensus to achieve it, and not discharge the duties of their office for the sake of political expediency. The Home Rule Charter has provided more

opportunity for true leaders to assume the responsibilities of County governance, but it is we, the people of Allegheny County, who have the ultimate duty to ourselves and our children to be informed, be involved and to vote these leaders into public office.

Respectfully submitted,

**THE ALLEGHENY GOVERNMENT
REVIEW COMMISSION**

By: _____
Don Linzer, Chair

By: _____
Kathleen Gallagher, Esquire
Co-Chair

By: _____
Ted Black, Esquire

By: _____
Rosemary Bradley

By: _____
Michael Crossey

By: _____
James Klingensmith

By: _____
Charles P. McCullough, Esquire

By: _____
Ronald Porter

By: _____
Kenn Thomas

APPENDIX "A"

**THE ALLEGHENY COUNTY MINORITY BUSINESS
ENTERPRISE PARTICIPATION PLAN**

THE ALLEGHENY COUNTY BOARD OF COMMISSIONERS
COUNTY SEVEN, WEST VIRGINIA

THE ALLEGHENY COUNTY

MINORITY BUSINESS ENTERPRISE PARTICIPATION PLAN

Respectfully submitted to: The Board of County Commissioners

Tom Foerster, Chairman

Cyril H. Wecht, M.D., J.D., Commissioner

William R. Hunt, M.D., Commissioner

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- EXPLANATION -

The Board of County Commissioners finds that because of the effects of prior discrimination in our society, minority businesses heretofore have not always participated effectively in public contracting opportunities. Therefore, in order to help to redress this imbalance, and to attenuate the harmful effects of prior discrimination, they do hereby establish the following Minority Business Enterprise Program for the County of Allegheny.

NOTICE

The purpose of this document is to provide general information concerning certain County policies and procedures pertaining to minority business enterprises. This document is not a contract.

The requirements and procedures for each contract will be set forth in the instructions, specifications, and other contract documents published in connection with that particular contract.

POLICY COMMITMENT

The Allegheny County Board of Commissioners in recognizing that minority and women entrepreneurs have been denied fair participation in business opportunities in Allegheny County and, wishing to rectify this wrong, hereby directs the implementation of Minority Business Enterprise program as outlined herein.

The objective of the program is to insure that minority and female entrepreneurs are given the maximum opportunity to obtain and perform contracts. In order to accomplish and monitor this effort, goals have been established for all contracts and other business activities entered into by Allegheny County having overall goals of 13% for minorities and 2% for female entrepreneurs.

The County shall encourage municipalities to develop similar Minority Business Enterprise programs and assist them in implementing those programs.

It is further proposed that the Board of County Commissioners will establish an MBE Advisory Committee for the County to quarterly review the program to determine its effectiveness and to make recommendations to change, expand, or modify the program as required to insure implementation of the most effective program.

It is hereby directed that copies of this program be distributed to department personnel and County agencies. The County will make notification to all parties currently doing business, and to all prospective parties that may wish to do business, including minority and female organizations with the County.

DEFINITIONS

As used in this Minority Business Enterprise Program, the following terms shall have the following meanings:

A. AC: Allegheny County

B. AGENCY:

A consortium of local minority agencies/organizations which have formed to develop and implement an MBE Program in conjunction with Allegheny County.

C. AGENCY REPRESENTATIVE:

The person designated by the Agency to coordinate the day-to-day activities of the MBE Program.

~~D.~~—APPLICANT:

One submitting an application request or plan to be approved by a Departmental Official or by a primary recipient for financial assistance.

E. ASSISTED CONTRACT:

Any contract or modification thereof between a recipient and a contractor which is paid for in whole or in part with financial assistance or any contract or modification thereof between a recipient and a lessee.

F. BIDDER:

Any individual, partnership, joint venture, corporation or firm submitting a bid for the contract.

G. COMPLIANCE:

The existing condition when a contractor has met and implemented all the provisions of this program.

H. CONTRACT:

A mutually binding legal relationship or any modification thereof obligating the seller to furnish goods or services, including construction, and the buyer to pay for them.

I. Contractor:

One who obtains or participates, in a contract or subcontract, in any program covered by the County of Allegheny.

J. Contract Price:

A total bid price of the successful bidder to whom the contract is awarded.

K. Financial Assistance:

Any grant, loan, loan guarantee, contract (other than a direct contract), or any other arrangement by which the County provides or otherwise makes available assistance to a recipient in the form of: funds; guarantees authorized by statute as financial assistance; services of personnel; real or personal property or any interest in, or use of such property.

L. Joint Venture:

An association of two or more businesses to carry out a single business enterprise for profit, for which purpose they combine their property, capital, efforts, skills, and knowledge.

M. Lessee:

A business or person that leases, or is negotiating to lease for the purpose of operating an activity or for the provision of goods or services to the facility or the public on the facility.

N. Letter of Intent:

A letter to the MBE signed by the prime contractor specifying the dollar value and the work to be performed by the MBE under the contract.

O. Liaison Officer:

The Allegheny County's top official responsible for the MBE Plan of the County, having direct contact with the Board of County Commissioners.

P. Manufacturer:

A supplier that produces goods from raw materials or substantially alters them before resale. The gross proceeds from a sale by an MBE manufacturer may be credited toward the percentage for minority business utilization.

Q. Minority:

A person who is a citizen or lawful permanent resident of the United States and who is:

1. Black (a person having origins in any of the black racial groups of Africa);
2. Hispanic (a person of Spanish or Portuguese culture with origins in Mexico, South America, or Central America, or the Caribbean Islands);
3. Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian sub-continent, or the Pacific Islands);
4. American Indian and Alaskan Native (a person having origins in any of the original peoples of North America); or
5. Females (a woman, regardless of race or ethnicity).

R. Minority Business Enterprise (MBE):

A small business that is both owned and controlled by minorities. This means that minorities must own 51% of the business, and that they must control the management and daily operations of the business. Minorities include Blacks, Hispanics, Asian Americans, American Indians, Alaskan Natives, and members of other groups or other individuals who the Small Business Administration (SBA) has determined are economically and socially disadvantaged under Section 8(a) of the Small Business Act.

S. Minority Business Enterprise Directory:

A list of MBE's for the County of Allegheny's contracts in keeping with the regulations of the County's MBE program, and who have been certified as having met the eligibility requirements as outlined in DOT regulations 49 CFR, Part 23, as those regulations existed on June 1, 1981.

T. Non-Compliance:

The condition existing when a recipient or contractor has failed to implement the MBE Program requirements.

U. Supplier:

A business enterprise which owns and provides the goods or materials which it sells. The gross proceeds from a sale by a minority business supplier may be credited toward the percentage for minority business utilization.

1. **Goals**

The Allegheny County Commissioners recognize that minority and female enterprises have not participated in County contracts for suppliers and services to the extent that is desirable. They further recognize that there are certain impediments to achieving greater participation. Consequently, the County Commissioners are establishing a County-Wide Minority Business Enterprise (MBE) program that will remove any impediments to minority or female involvement in County contracts and will assure the success and growth of minority businesses by establishing an overall goal of 13% minority and 2% female participation.

The Commissioners will establish an MBE Advisory Committee. The purpose of this Committee will be to recommend specific MBE goals for various types of procurement of goods or services. The Committee will also monitor the County's MBE efforts on a quarterly basis.

The Commissioners will also commit the necessary resources to implement the program that follows:

A. Organization

An MBE Advisory Committee will be established that will consist of County Department Directors that are engaged in procurement activities; the Law Department and representatives of such civic, community, minority, and other entities as the County Commissioners may, from time to time in their discretion, designate. The role of this Committee will be to:

Recommend Specific MBE Goals for

- Construction Contracts
- Supplies
- Developments
- Services
- Monitor progress toward these objectives on a quarterly basis

- Recommend to the County Commissioners specific activities for improving MBE participation.

2. Staff

~~One or more MBE staff positions will be created in the Department of Administration.~~ *Shall be charged with the duties* The purpose of these positions will be to monitor all County bid documents, contracts, and leases for proper MBE goals and language and to monitor all records and documentation on MBE involvement. These positions will act as staff to the MBE Advisory Committee reporting on progress and compiling information as requested by the Committee.

B. MBE Program

1. Eligibility Certification Procedures

All prospective MBE's (including both partners in a joint venture) wishing to participate in any AC contract or agreement must complete and submit Exhibit A (See Exhibits) to AC for determination of eligibility. In addition, each business entity, including prospective MBE's wishing to participate in a joint venture, must complete and submit Exhibit B (See Exhibits) to AC for determination of eligibility.

Exceptions to the aforesated eligibility procedures shall be considered if a potential MBE contractor states, in writing, that it has been certified by a Federal agency, or another agency whose method of certification has been approved by a Federal agency, or the Small Business Administration, or AC in accordance with Section 8(a) of the Small Business Act as amended, or the Associated Contractors Agency, Inc., and submits

or causes the other agency to submit proof of certification. All potential MBE's should be aware, however, that AC will require proof of eligibility as an MBE and the MBE may have to be certified by the appropriate agency (such as those mentioned above or any other agency).

Complaints shall be channeled for mediation using the following steps:

- a. Direct consultation and appeal to the MBE Liaison Officer.
- b. Upon failure to resolve through (a) above, direct appeal is made to a special committee appointed by the County Commissioners. The County Commissioners shall determine, when appropriate, the sanctions to be administered against any contractor found to be violating his commitment under Executive Order 11625, his contract may be terminated or suspended in whole or in part, and the contractor may be declared ineligible for further Government contracts in accordance with procedures as authorized in Executive Order 11625 and P.L. 95-507. (See Attached) ✓
✓
✓
- c. Should the Committee be unable to resolve the problem, it shall be referred to the County Commissioners or to arbitration.

2. Eligibility Standards

In accordance with 49CFR Part 23, all eligible MBE's must be independent-owned businesses controlled and operated by minorities. The ownership shall be real, substantial and

continuing. The minority owners shall enjoy the customary incidents of ownership, possessing the power to direct or cause the direction of management and policies of the firm on a daily basis. The firm shall not be subject to any formal or informal restrictions through by-laws provisions, partnership agreements, charter requirements or any other form, written or oral, including but not limited to voting rights, ultimate power to hire and fire, buy-out rights, etc.

A joint venture will be acceptable and weighed individually.

J. Allegheny County Methods to Insure that MBE's have Equitable Opportunities to Obtain Contracts

AC shall adopt MBE procedures and techniques that will be consistent with sound planning, construction and procurement principles and applicable laws and policies.

The Allegheny County Commissioners shall:

- a. Authorize the solicitations in specific publications (to include special invitations) in order to apprise all potential bidders or proposers of Allegheny County's policy commitment to its MBE program.
- b. Arrange pre-bid or pre-qualification meetings to be advertised and scheduled to facilitate MBE participation.
- c. Provide assistance to overcome barriers in contract bid preparation, bonding requirements, financing, and provide pertinent information necessary to answer bidder/proposer

questions and enhance bidder/proposer opportunities to bid and to be awarded contracts in the proper manner.

- d. Use outside consultants, when appropriate, to assist in getting proper financial and technical MBE experience.
- e. Use and encourage the use of MBE banks and other financial institutions.
- f. Priority shall be given MBE suppliers and manufacturers in areas of purchasing where a Department has discretion. Encourage the County of Allegheny to use MBE Suppliers and manufacturers in its centralized purchasing process.
- g. Encourage existing contractors and lessees with Allegheny County to voluntarily develop goals for use of MBE suppliers, manufacturers and financial institutions and encourage equitable employment of minorities.
- h. Implement MBE set-asides as an additional means when necessary to meet the County's MBE goals. Set-asides will be implemented only when at least three MBE firms with capabilities consistent with particular contract requirements can be identified, so as to permit competition, or where SBA 8(a) type contract can be identified.

4. Overall Goals

The County Commissioners will adopt the MBE program based upon recommendations of the MBE Advisory Committee and will also provide for:

- a. Technical and managerial assistance to minority and female-owned businesses by utilizing existing minority community-based organizations.
- b. Making a diligent effort to award contracts to minority suppliers, consultants and contractors where the County has, by law, the discretion to select its contracts.
- c. The encouragement of Municipalities within the County to develop similar MBE programs and to assist them in implementing these programs.

In attempting to set adequate goals, the Committee will review:

- a. The availability of MBE's and FBE's in construction, services, and related businesses; and the progress of existing MBE programs currently in operation within the State, and review in depth the current level of minority participation in all Allegheny County business ventures.
- b. MBE participation in all County business ventures.

5. Contract Goals

Contract goals will be established using the methodology established above, and shall be calculated to achieve the overall goals set forth herein above. In cases where the individual contract objectives are less than those established by the MBE Participation Committee, Allegheny County shall prepare and retain a written explanation of the reason for the setting of those objectives.

6. Prime Contractor Submission of MBE Plan and Selection Criteria

a. Projects

Where appropriate, solicitations shall require that bidders or those submitting proposals must:

- 1) At the time of bid or proposal submission, identify MBE's, a description of the work to be performed by each MBE and the dollar value of the services to be provided or goods to be supplied by each MBE;
- 2) Submit a written assurance of meeting the MBE plan submitted in the bid or proposal;
- 3) Assure, in writing, that no agreements -- written, oral, or tacit -- between prime contractors and MBE's have or will be entered into, whereby any MBE promises, covenants or agrees not to provide quotes to other prime contractors; and
- 4) Submit a written assurance that if any MBE contractor(s) is/are unable to perform successfully that the bidder or proposer shall make every effort to replace the unsuccessful MBE with another MBE, in accordance with the MBE policy and the utilization of the resource identified to provide assistance.

b. Where appropriate, Allegheny County shall use the following methods to require contractors to comply with MBE requirements.

- 1) MBE goals shall be applicable to a wide range of contracts, in accordance with the specifications for each such contract.
- 2) AC and its resources will provide assistance and direction in drafting and implementing the programs for MBE's.
- 3) All efforts are to be substantiated and documented to evidence contractors' actions in complying with the MBE program.
- 4) AC is to be advised as to exactly how much work, if any, an MBE subcontractor intends to himself contract, and to whom such work is being contracted.

c. The following selection procedure, or such other selection procedure as the County Solicitor may determine to be appropriate, will be used to insure that contracts are awarded to bidders who meet the MBE goals.

If any bidder offering a reasonable price meets the MBE contract goal, AC shall presume that all competitors that failed to meet the goal have failed to exert sufficient reasonable efforts and consequently are ineligible to be awarded the contract.

~~***~~ *
To implement this presumption:

- 1) Allegheny County shall determine whether a bidder offering the lowest price of all those meeting the MBE contract goal has made a reasonable bid. If

reasonable, that bidder shall be awarded the contract.

2) If unreasonable, Allegheny County shall consider the price offered by the bidder with the highest percentage of MBE participation who has failed to meet the MBE contract goal. If the price is reasonable, Allegheny County shall award the contract to that bidder.

3) If unreasonable, Allegheny County shall next consider other bidders that did not meet their goals, -- In order of their percentage of MBE participation, -- until a bidder with a reasonable price is selected.

4) If no bidder with MBE participation has offered a reasonable price, Allegheny County can award the contract to any bidder that has demonstrated that it has made sufficient reasonable efforts to meet the MBE contract goal.

d. The precise selection criteria applicable to each contract will be set forth in the instructions, specifications, and other contract documents published by the County for that particular contract.

e. Bidders/Proposers that fail to meet MBE goals and fail to demonstrate sufficient reasonable efforts shall not be eligible to be awarded the contract.

In accordance with Executive Order 11625, the Prime Contractor agrees:

- a. To be bound by the terms of the MBE plan included as a general provision in the bid specifications, which plan is expressly made a part thereof.
- b. To take action to the fullest extent consistent with sound procurement principles, applicable law, and efficient construction of the project; to identify minority business firms; to solicit bids and quotations from MBE's and, in making awards and purchases, to give special consideration to minority business enterprises.
- c. To the inclusion of all maintenance reports.

8. Recommendations

- a. The Board of County Commissioners pass a resolution adopting the plan and policy as submitted and establishing an MBE Advisory Committee in accordance with the Section on "Advisory Committee" as outlined in this Plan.
- b. The Board of County Commissioners direct all Department Heads to take the appropriate steps involving contracts in their respective departments that are so structured and implemented as to enable the County to achieve its overall MBE goals.
- c. The Board of County Commissioners request the state legislature to liberalize the limit for non-bid procurement.

- d. MBE position(s) that should be directly responsible for reporting to the County Commissioners for the purpose of implementing and administering the MBE plan.

APPENDIX "B"

EXECUTION ACTION NO. 840-03

**AN EXECUTIVE ACTION BY THE CHIEF EXECUTIVE
OF THE COUNTY OF ALLEGHENY TO TAKE CERTAIN GOOD
FAITH MEASURES PERTAINING TO THE COUNTY'S STANDING
POLICY PROMOTING FAIRNESS AND EQUITY IN
CONSTRUCTION, GOODS AND SERVICES CONTRACTS**

APPENDIX "B"

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JAMES C. RODDEY
CHIEF EXECUTIVE

County of Allegheny

101 COURTHOUSE • 436 GRANT STREET
PITTSBURGH, PENNSYLVANIA 15219
PHONE (412) 350-6500 • FAX (412) 350-6512

EXECUTIVE ACTION **No. 840 - 03**

AN EXECUTIVE ACTION BY THE CHIEF EXECUTIVE OF THE COUNTY OF ALLEGHENY TO TAKE CERTAIN GOOD FAITH MEASURES PERTAINING TO THE COUNTY'S STANDING POLICY PROMOTING FAIRNESS AND EQUITY IN CONSTRUCTION, GOODS AND SERVICES CONTRACTS

WHEREAS, the County of Allegheny has had a long standing policy (herein "the Policy") evidencing its commitment to fairness and equity in construction, goods and services contracts which was adopted by the Board of Commissioners on June 17, 1981 at Agenda No. 1029-81; and

WHEREAS, this commitment is intended to promote tangible economic benefits to the County and its citizens as follows:

- a. By maximizing access and opportunity for businesses to bid for County contracts, there will be increased competition which will result in lower contract prices and other contract terms more favorable to the County;
- b. Increased competition for contracts will also improve the quality of performance by the County's vendors and contractors;
- c. Increased competition will provide more opportunities for businesses throughout Allegheny County; and
- d. Increased business opportunities will enhance economic development throughout Allegheny County and provide increased business and employment opportunities for the County's residents.

WHEREAS, the foregoing are desirable for the health, safety and welfare of the residents of Allegheny County and improve their quality of life.

WHEREFORE, the undersigned, as Chief Executive of the County of Allegheny, pursuant to Article V, Sections 1 and 2(a) of the Home Rule Charter, does hereby issue this Executive Action as follows:

1. Formation of M/W/DBE Advisory Committee

Pursuant to the Policy, there is hereby established a M/W/DBE Advisory Committee (the "Committee") to be chaired by the Chief Executive or his designee, which shall also consist of the following persons:

- a. A representative of each of the following County departments/offices/divisions: Law, Administrative Services, Purchasing, Public Works, M/W/DBE; and the Department of Economic Development;
- b. One person to be selected by the Director of the Department of M/W/DBE;
- c. A representative from the Greater Pittsburgh Chamber of Commerce;
- d. A representative from the NAACP Pittsburgh Branch;
- e. A representative from among the Allegheny County Branches of the NAACP;
- f. A representative from the African American Chamber of Commerce;
- g. A representative from the National Association of Minority Contractors/Black Contractors Association;
- h. A representative from the Urban League;
- i. A representative from the Hispanic Chamber of Commerce;
- j. A representative from the local office of the National Association of Industrial and Office Properties;
- k. A representative from the Master Builders Association;
- l. Two representatives from the Allegheny County business community;

- m. A representative from the Allegheny County higher education community;
- n. A representative from the Allegheny County financial community; and
- o. Such other persons as shall be designated from time to time by the Chief Executive.

The Committee members shall serve without compensation. The ability to remove or replace committee and/or change the composition of the Advisory Committee members from time to time or at any time is reserved to the Chief Executive.

2. Charge to the Committee

The Committee is charged to advise the Chief Executive as to the lawful implementation and monitoring of the Policy. It is to work closely with the Director of M/W/DBE, and to interface with the Allegheny County community at large so as to make recommendations to the Chief Executive for this purpose. The following specific charges are made:

- a. The Committee shall convene its first meeting no later than August 29, 2003 and shall meet no less frequently than once per quarter thereafter. Committee meetings shall be open to the public and the activities of the Committee shall be in accordance with the Pennsylvania Sunshine Law. Written minutes of the Committee meetings shall be delivered to the Chief Executive.
- b. The Committee shall receive and review the pending report of a consultant, which has been commissioned through the Office of M/W/DBE, to assess the progress the County has made relative to the Policy.
- c. Utilize the aforesaid report as the basis for recommendations on construction and procurement contracts.
- d. Utilize the aforesaid report as the basis for recommendations, which will assist in identifying any systemic barriers, which preclude or limit all potentially interested persons from participating in the award/receipt of contracts from the County.

- e. Convene, within 120 days of the Committee's first meeting, and annually thereafter a group of developers and other interested parties, to discuss and develop strategies to be utilized to insure full, fair and equal opportunity for all M/W/DBE businesses in procurement opportunities in economic development projects within Allegheny County.
- f. Receive, review and transmit to the Chief Executive an annual report of the Committee's activities and progress made relative to the Policy. The report shall be prepared for the Committee by the County Manager and the Director of M/W/DBE, both of whom shall meet with the Committee to discuss the same.

3. Third Party Assistance

Permanent fairness and equity in the contracts for goods and services from the County may be facilitated with the assistance of others in addition to the County. Therefore, all non-profit civic/business organizations within Allegheny County, including but not limited to, the NAACP Pittsburgh Branch and the African American Chamber of Commerce are called upon to assist in the following:

- a. Communicate with the MBE/WBE/DBE Office to obtain information concerning contract procurement opportunities;
- b. Develop their own systems for distributing contract procurement opportunities so obtained; and
- c. Organize community participation on major economic development efforts throughout the County to ensure MBE/WBE/DBE are timely apprised of such efforts.

4. Policy Implementation Measures

The following measures are directed to be implemented with respect to contracts for goods, services and construction with the County of Allegheny in excess of \$30,000.00 in accordance with the Administrative Code:

- a. All prospective bidders and vendors shall, including but not limited to, any prime contractors, subcontractors and professional service entities, as a condition of responding to any invitation request for proposal or solicitation of bid include as part of their response a statement as to the extent of the commitment to enter into contracts

with M/W/DBE businesses. Whenever permitted by law, the County will consider such a commitment in the award of a contract. Further, notwithstanding the foregoing, the County shall, to the extent permitted by law, terminate any contract or pursue such other recourse available to it, for the failure of any awardee of any contract with the County to abide by the commitment it made pursuant to this paragraph, including, but not limited to, an action for damages or an action for legal, equitable or injunctive relief, specific performance, or the disqualification of the awardee from the participation in future invitations to bid, requests for proposals or other forms of contract solicitations from the County.

- b. The Department of M/W/DBE is directed to draft regulations for consideration and implementation by the Chief Executive pertaining to:
 - i. Meaningful participation in the bidding/procurement process by MBE/WBE or DBE businesses:
 - (a) A requirement that all contracts must be in writing;
 - (b) A requirement that all County contracts require that prime contractors pay their subcontractors for all completed work within seven days of the prime contractors receipt of payment for such work.
 - ii. The breakdown of contracts into smaller packages;
 - iii. The waiver of bid bonds;
 - iv. Proper definitions for such terms as brokers, distributors, suppliers and contractors;
 - v. A requirement that a prime contractor should be required to disclose its subcontractors by company name prior to signing contract;
 - vi. A requirement that all prime contractors and subcontractors attend any contract award meeting(s) and any pre-construction meeting(s);
 - vii. Improved methodology to identify the actual dollar amounts of contracts awarded to M/W/DBE businesses.
- c. Contracts should be closely monitored to insure the accuracy of any representations made pursuant to paragraph 4a above.

d. The M/W/DBE Office is directed to assist M/W/DBE businesses in locating and obtaining adequate capital and, when required, bonding for contracts with the County.

5. In the event any provision of this Executive Action is contrary to law, the same shall be deleted or modified to the extent necessary to comply with the law yet maintain the intent and purpose hereof.

Chief Executive Office July 28th, 2003.

Approved James C. Roddey
James C. Roddey
Chief Executive

Attest: Victoria A. Spence
Victoria A. Spence
Executive Secretary

APPENDIX "C"

**EXPANSION OF OPPORTUNITIES AND
INCLUSION OF DIVERSITY**

1	Introduction
2	Background
3	Objectives
4	Implementation
5	Performance Indicators
6	Monitoring and Evaluation
7	Conclusion

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COMMISSION OF HIGHER EDUCATION
INCLUSION OF DIVERSITY

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SOURCES:

- Barriers facing Minority and Women owned Businesses in Pennsylvania (*Pennsylvania Advisory Committee to the U.S. Commission on Civil Rights, August 2002*)
- Request for Board to approve and adopt the Minority Business Enterprise Program (*Chief Clerk of Allegheny County, June 1981*)
- Recommendation to improve Minority Business Enterprise/Women Business Enterprise Programs for Government entities (*Dan Onorato, August 2002*)
- Limited review of the Certification and Monitoring procedures of the Allegheny County Minority/Women/Disadvantage Business Enterprise (*Dan Onorato, September 2000*)
- Allegheny County Department of M/W/DBE (*Interview with acting Director, January 2004*)
- Florida's Office of Supplier Diversity (*Website, 2004*)
- Diversity Business Enterprise (*Tennessee State Government, December 2003*)

OBJECTIVE:

To identify the fundamental obstacles preventing Minorities, Women and Disadvantage Businesses from successfully engaging in the County's economic activity as well as from Government Contract participation; and to recommend solutions to **Improve, Include and Expand Opportunities to all, leveling the economic playing field.**

BACKGROUND:

Allegheny County, like many other Counties in the country must derive much of its strength from the diverse collection of cultures and races that resides here. Unfortunately, recent studies by both State and local agencies have found that certain groups of people are not being fully integrated into the community.

As the new Allegheny County Executive, Dan Onorato is commitment to expand opportunities to and include all groups into the County's political and economic development. Dan promises to work strenuously to ensure that every group has the opportunity to participate and is participating fully in the community because he believes that it is key to building and maintaining a strong, vibrant and also securing the economic health and vitality of the County.

As such, he will,

1. Appoint a diverse staff
2. Eliminate economic barriers and support minority, women and disadvantaged businesses and
3. Expand opportunities for minorities to participate in government contracting

FINDINGS & RECOMMENDATIONS:

(This section deals with items 2 and 3 from the previous page)

According to the Pennsylvania Advisory Committee to the U.S. Commission on Civil Rights and Dan Onorato (Allegheny County Controller, 2002), the following are major obstacles impeding a successful integration of Minority, Women and Disadvantage businesses in the County and the State as a whole:

- Negative Views (*Perception*)
- Limited Access to Critical Information and Business Networks
- Limited Access to Capital and Bonding
- M/W/DBE Department's file folders contained incomplete or missing information crucial in determining Firms' eligibility to participate in the M/W/DBE program. Firms file folders are not closed on a timely basis. M/W/DBE Department's monitoring procedures fail to ensure that the participation goals are being attained
- Irregularities in Payment for Work Performed
- Other government agencies duplicate the Department of M/W/DBE services

Negative Views (*Perception*)

M/W/DBE owners claim that majority (prime) contractors and vendors hold prejudicial views that M/W/DBEs in general are not fully capable of completing a project. They are usually regarded as unsophisticated, lacking necessary equipment and resources, and not having needed experience in or knowledge of contracting procedures.

Recommendations

Allegheny County Department of M/W/DBE should undertake a systematic survey of M/W/DBE firms to ascertain the nature of the prejudice and then hold training and workshops for both parties to eliminate such perceptions.

The Department must help establish and monitor partnership or mentor/protégé and apprenticeship programs, to provide assistance, support, training and other services that may be required to enhance and improve M/W/DBEs capabilities and competence.

Pre-solicitation conferences should be organized to facilitate partnering prime contractors with subcontractors to discuss solicitations and capabilities.

A key focus has to be on "matchmaking" to facilitate cordial relationships between M/W/DBE firms, prime contractors and/or County procurement agencies.

Limited Access to Critical Information and Business Networks

M/W/DBE owners claimed that information regarding contracts is not disseminated effectively and that sometimes prime contractors fail to timely notify them of bid opportunities. As result, M/W/DBEs cannot prepare bid documents to the level of expertise required to secure the contract.

Recommendations

A centralized resource center should be formed to provide bid information and monitor whether prime contractors are informing M/W/DBEs of contracting opportunities. The center should encourage mentor/protégé programs and pre-solicitation conferences. M/W/DBEs must also be advised to take proactive approach to securing businesses. The Allegheny Department of M/W/DBE can help firms build stronger relations with prime contractors and assist in disseminating information on bid and contracting opportunities.

Limited Access to Capital and Bonding

M/W/DBEs claim that limited access to capital and bonding sources is a significant barrier to their development, often citing instances of risking their own credit or personal savings. WBEs claim they are more disadvantaged than their male counterparts when trying to secure adequate funding. Limited access to financing thus creates an overall operating difficulty that can threaten a firm's survival. Prime contractors may consider this a weakness and avoid choosing that firm as a subcontractor. Additionally, to be considered a serious contender, subcontractors must have sufficient bonding to bid for a contract. M/W/DBEs are having difficulty securing funding from financial institutions for their projects or even money to meet bonding requirements. The current acting Director of M/W/DBE confirmed the difficulty firms encounter securing loans from local banks.

Recommendations

The Department of M/WDBE should explore how existing programs in Pennsylvania such as PennCap Access Program, the Small Business First Fund, and the Pennsylvania Minority Business Development Authority, which offers low-cost loans to M/W/DBEs, can be utilized. The department should also explore financing programs with both the County and the State Economic Development Departments.

Another option is to learn from the challenges in the sunshine state of Florida. For minority entrepreneurs in Florida, a major financing source is the Florida Black Business Investment Board (BBIB). Established in the mid-1980's as a state-run entity, it was transformed in 2002 by the Florida Legislature into a not-for-profit corporation. Today the BBIB oversees nine Black Business Investment Corporations that provide technical assistance and financing throughout the state to help support minority business. Using a combination of public and private funding, BBIB helps finance startups and

expansions. Financing ranges from \$25,000 to \$300,000. The County may establish a Diversity Business Investment Board (DBIB) to achieve similar objective.

M/W/DBE Department's file folders contained incomplete or missing information crucial in determining Firms' eligibility to participate in the M/W/DBE program and firms file folders are not closed on a timely basis. M/W/DBE Department's monitoring procedures fail to ensure that the participation goals are being attained. Irregularities in Payment for Work Performed

Recommendations

Dan Onorato's Report recommended that the Director of the Allegheny County M/W/DBE Department implement the following corrective actions:

- *Continue reviewing the firm file folders to ensure that the files of current certified firms contain all required documentation.*
- *Examine documentation demonstrating that the prime contractor makes a good faith effort to obtain a M/W/DBE firm.*
- *Perform on-site; unannounced visits to ensure certified M/W/DBE firms are actually working on the project.*
- *Examine payment vouchers submitted by the prime contractors.*
- *Implement policies and procedures to verify payments made to M/W/DBE firms.*
- *Revise monitoring procedures to include Professional Services contract.*
- *Request a listing of the subcontractors necessary for the completion of a project upon receipt of the bid notice.*
- *Implement a requirement that firms must maintain their certification for the duration of a project to qualify for the M/W/DBE provisions of the contract.*
- *Explore the modification of the current M/W/DBE policies to permit the use of firms who do not meet the requirements of the M/W/DBE certification process but whose work force reflects the goals of the M/W/DBE program.*

Other government agencies duplicate the Department of M/W/DBE services

Recommendations

To avoid duplication of procedures and services, Dan Onarato's report recommends that an independent committee be appointed to evaluate the possibility of consolidating the M/W/DBE certification and monitoring procedures into one governmental jurisdiction. Allegheny County, Port Authority, and the County Airport Authority are signatories to the Pennsylvania Unified Certification Program (UCP). A Taskforce established in January 2002 to offer a "one-stop shopping" for firms seeking DBE Certification based on mandatory reciprocity. Here is an opportunity to bring the process under one governmental jurisdiction.

ADDITIONAL RECOMMENDATIONS

- In June 1981 the Board of Allegheny County Commissioners; Tom Foesrter (Chairman), Cyril Wecht (Commissioner), and William Hunt (Commissioner) adopted and implemented the Minority Business Enterprise participation program. This program led to the formation of what is now known as the Department of M/W/DBE. A committee should be appointed to review this original program for changes to reflect today's political, social and economic conditions of the County *(For example, changing the department's name from M/W/DBE to Diversity Business Enterprise, DBE, etc).*
- The **Diversity Business Enterprise (DBE)** will serve as a central point of service and an information clearinghouse for Minority, Women, and Disadvantage Business Enterprises. Additionally, the office should be charged with implementing a range of changes designed to streamline and simplify the bidding process (i.e., eliminating unnecessary bonding and experience requirements- to encourage young entrepreneurs, and posting all bidding opportunities publicly via a special website so that any firm interested has an opportunity to participate. The office must develop and maintain a consolidated diversity business directory for County and even State procurement officers; develop partnering and joint venture concepts (matchmaking) and training and awareness workshops; and must issue a Quarterly Report to the County Executive.
- The Director of the **DBE** should report directly to the County Executive to give the position an inherent authority to function effectively and productively. This reporting structure will enable the Department develop and implement initiatives and/or programs at a required or expected rate. It will also demonstrate to the County at large the importance the County Executive places on the Department. It was originally recommended by the Board of County Commissioners that the position should be directly responsible for reporting to the County Commissioners for the purpose of implementing and administering the Minority Business Enterprise program.
- All County agencies must submit plans annually that outline strategies to increase their spending with companies certified as DBE by the Department. This will expand opportunities for these companies to compete successfully for the County's expenditures for goods and services.
- Most organization in the private sector has Supplier Diversity programs in which they have annual diversity goals in place to promote the inclusion of DBE firms. This is another lucrative area where the Department of DBE could explore and administer it to DBE firms.

CONCLUSION

The Transition Team should recommend to the County Executive few candidates (3) for the Director of M/W/DBE position. The Candidates must have a transactional management and transformational leadership qualities. They should be skilled in creating a vision and leading a change, and must have the ability to develop and execute plans while demonstrating strong business, financial and technological acumen.

APPENDIX "D"

**SUPPLEMENT TO EXPANSION OF OPPORTUNITIES
AND INCLUSION OF DIVERSITY**

(February 2, 2006)

SUPPLEMENT
TO
EXPANSION OF OPPORTUNITIES

&

INCLUSION OF DIVERSITY
(FEBRUARY 2, 2006)

The following items represent programs or initiatives that were enacted by Allegheny County since the implementation of the Home Rule Charter in order to increase minority participation at all levels.

1. Appointments to Directorships, Boards and Authorities

- In 2004 Chief Executive Dan Onorato appointed Jacques L. Moye, Sr., as his Executive Assistant, a cabinet-level executive policy-making position. Also, Mr. Moye was appointed by the Chief Executive to serve on the Allegheny County Retirement Board, representing the first African-American to ever sit on the board.
- Mr. Onorato appointed Ruth Byrd-Smith as the Director of the Allegheny County Department of M/W/DBE. Ms. Smith, who has a strong history in business consulting and dealings with local and national minority companies, has taken the M/W/DBE office to new levels with the implementation of the programs and joint initiatives such as the Minority Contractor Loan Program, the implementation of contractor/subcontractor participation tracking software, and the Diversity Business Resource Center.
- Mr. Onorato appointed Tim Johnson to Director of the Allegheny County Department of Administrative Services. Tim is the first African-American to lead that Department, which maintains a \$25 million budget.
- Mr. Onorato Appointed Reverend James Simms as the head of the newly established Allegheny County Office of Faith-based Initiatives. The Coordinator of Faith-based and Community-based Initiatives (the "Coordinator") is an appointment made by the Chief Executive. The Coordinator's primary responsibility is to create an environment where faith-based/community-based organizations (F/CBOs) can thrive and provide quality social and economic products and services to their constituents and communities throughout the county. The Coordinator will work to create programs and initiatives that increase F/CBO participation in providing goods and services.

Specifically, the Coordinator shall:

- Serve as a liaison between the Chief Executive and the diverse elements of the wider F/CBO community
 - Provide consultation to the Chief Executive in the area of faith-based/community-based concerns
 - Identify and assist in the development of programs that would employ the resources of F/CBOs in the ongoing attempt to meet human service and economic development needs
 - Discover and develop resources that could be used to empower efficient working models of Government/F/CBO cooperation
 - Work with the Chief Executive to create a Faith-based/Community-based Commission to act as an advisory board to the Coordinator
 - Serve as a liaison between the Chief Executive and the Commission
- To date, the Chief Executive's appointments have been 30% minority and 33% female.

2. Re-invigoration of M/WDBE Advisory Committee

In 2004, as one of the first executive actions signed by Chief Executive Onorato, he re-invigorated the M/W/DBE Advisory Committee, which was established to provide advice and recommendations to the Chief Executive and to the Director of the Allegheny County M/W/DBE Department. Moreover, to show his commitment, Mr. Onorato changed the structure of the board so that he, as Chief Executive, will be co-chair of the board and provide leadership.

3. Office of Faith-based Initiatives

In 2004, Allegheny County opened its Office of Faith-based Initiatives headed by Reverend James Simms. The first program to be offered under the Office was a faith-based technical assistance program called "Faithworks" that was designed to provide technical assistance to small faith-based organizations. The purpose of the Faithworks Initiative is to act as an intermediary organization to deliver training and technical assistance to small and emerging FBO/CBO's to expand and enhance the participation of faith-based and community groups serving those with the most pressing needs.

The goal of the FaithWorks Initiative is to serve as a bridge to assist the federal government in meeting the following goals and objectives:

- To increase the effectiveness of FBO/CBO's in meeting the needs of their constituents.
- To enhance the ability of FBO/CBO's to provide high quality, cost effective services to their constituents.
- To empower FBO/CBO's to be self-sufficient entities with a diverse funding stream.
- To assist FBO/CBO's in their efforts to expand their organizations capacity to serve.

- To diversify funding sources in order to assist with sustainability efforts.
- To create collaborations in an effort to build capacity and maximize resources

4. Minority Working Capital Loan Program

Allegheny County's M/W/DBE Contractor Working Capital Loan Program (WCLP) program is designed to provide accounts receivable financing for small contractors executing public agency contracts in Allegheny County. The WCLP provides market-rate gap financing to small contractors based on the WCLP applicant's need to finance working capital for their public agency contracts.

Through the Redevelopment Authority of Allegheny County (RAAC) the WCLP is designed to promote opportunities for those groups who have not had ready access to contract financing in the Allegheny County, including minority- and woman-owned businesses and disadvantaged business enterprises. Funds for the program will be provided by RAAC's Economic Development Fund (EDF) in partnership with the local banking community. The program began in 2004 with a capital contribution of \$1 million and to date 18 loans have been approved with commitments totaling \$847,000.

Allegheny County M/W/DBE Working Capital Loan Program Approved Loans Through January 31, 2006

Cannon Systems

\$24,000	911 Air Wing Contract (Approved in 2004)	
\$38,400	Pgh. Board of Education Contract	
\$61,600	Pgh. Board of Education Contract	
<u>\$28,600</u>	VA Hospital Contract	
\$152,600		\$152,600

Moriarty Consultants

\$60,000	Three Rivers Ctr. for Ind. Living (Approved in 2004)	
\$15,000	United Cerebral Palsy of Pgh. Contract	
\$13,200	FamilyLinks Contract *	
\$52,000	Three Rivers Ctr. for Ind. Living	
\$25,000	United Cerebral Palsy of Pgh. Contract	
\$17,000	United Cerebral Palsy of Pgh. Contract	
\$30,000	Three Rivers Ctr. for Ind. Living	
\$30,000	United Cerebral Palsy of Pgh. Contract	
\$10,500	United Cerebral Palsy of Pgh. Contract	
<u>\$62,000</u>	United Cerebral Palsy of Pgh. Contract	
\$314,700		\$314,700

* This loan was never funded due to a lack of activity on the contract

HNMS Inc

\$100,000 Pgh. Board of Education Contract * \$100,000

* Of the \$100,000 commitment \$6,480 was funded.

Ben Todd Painting

\$80,000 Pittsburgh Housing Authority Contract* \$80,000

* No advances were made and the loan was cancelled when the company was removed from the contract.

I.D. Ritter Jr. Company Inc

\$100,000 Greater Pittsburgh Airport Contract \$100,000

Elder Resource Management

\$100,000 Allegheny County Dept. Human Services \$100,000

18 loans approved totaling \$847,300

5. Modification of Purchasing Language to Increase Minority Participation

During 2004, the County Purchasing Manual was amended at sections 2.7.1 and 2.7.1.1 to state that purchases under \$10,000 are not required to be bid and they are not required under County Code to receive more than one quote, however they (County Departments) must attempt to obtain prices from three competent suppliers and of those three competent suppliers, *one shall be a DBE firm.* 2.7.

2.8 And 2.8.1 Purchases between \$10,000 and \$30,000. Purchasing and Supplies shall solicit and attempt to receive three (3) quotes. The purchasing agent using their discretion may obtain at least one quote from a DBE firm.

Also on the Intranet under Purchasing and Supplies, to help our internal customers/departments and us purchasing agents find DBE firms, there is a link to the PA M/W/DBE firm search for approved suppliers through the PA Unified Certification Program. The listing is over one hundred pages and gives addresses, phone numbers, business descriptions and e-mail addresses of DBE firms.

Also on the Internet under Purchasing and Supplies we provide a new link to all of our commodity contracts. This is an impressive resource for potential bidders that list the

commodity title, the expiration date, a copy of the bid specifications and copy of the contract awards. Each time someone from Purchasing and Supplies goes to a minority trade show or any other minority meetings, this information is passed along.

6. Listing of Expiring Purchasing Contracts

- It is a listing of the contracts processed by the Division of Purchasing and Supplies that are expiring in 60 - 120 days,
- It details the contract name, the supplier, estimated amount of the contract and the buyer (purchasing agent) handling the contract,
- It shows a three to four month lead time; allowing for interaction between interested suppliers and the County buyers.
- This report is not based on all purchasing done for the County, but only the commodities and services contracted through the Division of Purchasing and Supplies.
- Administrative Services publishes the report each month on the County website.

A copy of the most recent report is attached.

7. Establishment of M/W/DBE Liaisons and Meeting

The M/W/DBE department has established a working group consisting of named representatives from the purchasing division of every county department. This working group, which meets monthly, reports as to what contracts, for services or purchases of goods, are going out for bid or coming due. This group also works to implement recommendations of the group and also those of the M/W/DBE Advisory Committee discussed in Item 2 above.

8. Diversity Business Resource Center

The Diversity Business Resource Center held its Grand Opening on November 30, 2005, but a lot of hard work and persistence went into getting to that point. The MWDBE governmental committee has been in existence since 1995 meeting once a month to share ideas, problems, and solutions. This kind of cooperation among local, state and federal agencies is unheard of in other parts of the country. There are no territorial boundaries, no turf wars – just the common thread of minority and women business development.

This committee is comprised of representatives from the following agencies: 3 Rivers Wet Weather, Allegheny County Airport Authority, Allegheny County Housing Authority, Allegheny County Department of MWDBE, Allegheny County Department of Public Works, ALCOSAN, City of Pittsburgh Equal Opportunity Review Commission, Community College of Allegheny County, Government Agency Coordination Office,

Housing Authority – City of Pittsburgh, Pittsburgh Parking Authority, Pittsburgh Public Schools, Pittsburgh Water and Sewer Authority, Port Authority of Allegheny County, Sports and Exhibition Authority, University of Pittsburgh, US Department of Energy, US Small Business Administration, and the Urban Redevelopment Authority.

Each year the committee focuses on a new project. In 2003, that project was the development of a central resource and referral center for minority and women business owners. Why? A central resource and referral center has been a constant recommendation for the growth of minority and women business owners in the area of contracting, both public and private, of numerous university studies, performance audits, and government reports, since the late 1990s and early into the 21st century.

At the same time, Riverside Center for Innovation, a non-profit organization that operates a business incubator on the North Shore, was looking for ways to enhance their minority and women business development activities. They were successful in being home to western PA's Business Information Center in 2000, only to have the funding cut for all BICs around the country in early 2005. Riverside had the space, equipment and resources to continue a business resource center, and they were looking for additional funding to hire staff and develop it further. Enter the MWDBE governmental committee's project and a strategic partnership was formed. Funding was secured, a director was hired and the Diversity Business Resource Center is now ready for business.

So what services are offered at the Diversity Business Resource Center? We have a resource library filled with reference materials that you can use to help start or grow your business. We have computers loaded with the latest software to supplement your information technology. We have large and small conference rooms to hold meetings or conduct intimate trainings and we have video conferencing equipment. We have a Small Business Development Center counselor from the University of Pittsburgh who comes one day a week – we also have SCORE counselors that come at least two days a week. In the building, there are those who can provide loan packaging assistance as well as a Procurement Technical Assistance Center representative. There are seminars held on topics necessary for the growth of businesses like hiring your first employee, bid preparation, and the importance of business planning. Starting in February, a law clinic will be established at the center by the University of Pittsburgh law school to provide legal assistance in a pre-determined list of areas. Local, state, and federal contracting opportunities are posted as well as events geared toward minority and women business development.

In a nutshell, it is the first point of contact for minorities and women thinking about starting a business, those who have just started their businesses and those who have been in business and are looking for ways to grow. We understand that, as a small business owner, there is little time to do research, however much needed it is. For the business owner looking for space, a certain buyer for their product or service, funding, a seasoned professional to bounce ideas off of – whatever the needs are, our organization can gather the information, find the resources, and make the appropriate referrals, all at no cost to the client.

APPENDIX "E"

ANNOTATION OF THE HOME RULE CHARTER

THE HOME RULE CHARTER OF THE CITY OF ALABAMA

THE PREAMBLE

The people of the City of Alabama, in order to provide for their better government, to secure to themselves and to their posterity the benefits of a more efficient and economical form of government, and to provide for the more effective administration of their municipal affairs, do hereby adopt, amend, and repeal the following Home Rule Charter:

Section 1. The City of Alabama shall be a municipal corporation, and shall have the right to exercise all powers and perform all duties which may be lawfully delegated to it by the State of Alabama, and to do so in conformity with the provisions of the Constitution of the State of Alabama and the Constitution of the United States.

Section 2. The City of Alabama shall have the right to elect its officers and to determine their terms of office, and to determine the qualifications of its officers and the manner of their election.

Section 3. The City of Alabama shall have the right to determine the number and names of its wards or districts, and to elect its officers and to determine their terms of office.

Section 4. The City of Alabama shall have the right to determine the number and names of its commissioners, and to elect them and to determine their terms of office.

Section 5. The City of Alabama shall have the right to determine the number and names of its council members, and to elect them and to determine their terms of office.

Section 6. The City of Alabama shall have the right to determine the number and names of its judges, and to elect them and to determine their terms of office.

Section 7. The City of Alabama shall have the right to determine the number and names of its judges of the peace, and to elect them and to determine their terms of office.

Section 8. The City of Alabama shall have the right to determine the number and names of its judges of the probate court, and to elect them and to determine their terms of office.

Section 9. The City of Alabama shall have the right to determine the number and names of its judges of the circuit court, and to elect them and to determine their terms of office.

Section 10. The City of Alabama shall have the right to determine the number and names of its judges of the supreme court, and to elect them and to determine their terms of office.

Section 11. The City of Alabama shall have the right to determine the number and names of its judges of the state court, and to elect them and to determine their terms of office.

PROPOSED HOME RULE CHARTER OF ALLEGHENY COUNTY

PREAMBLE

We, the people of Allegheny County, Pennsylvania, believe that:

A home rule government will transfer substantial authority over our County government from the Commonwealth of Pennsylvania to the people of Allegheny County;

A home rule government that separates the legislative and executive functions previously vested solely in the Board of County Commissioners will provide checks and balances on the powers of government and protect the rights, privileges and powers reserved or guaranteed to the people by the Constitutions of the United States of America and the Commonwealth of Pennsylvania;

A home rule government will preserve the powers of our cities, boroughs, townships and home rule municipalities;

A home rule government that permits initiative and referendum will respond to the concerns of its citizens;

A home rule government with a legislative County Council with Members elected by district and at large will represent the diversity of our County's citizens and provide better access to County government;

A home rule government with an elected Chief Executive will foster leadership, vision and accountability;

A home rule government with an appointed professional Manager will improve the effectiveness and efficiency of County government operations;

A home rule government that holds its officers and employees to high standards of conduct and behavior will enhance public trust in County government;

A home rule government, as embodied in this Charter, will protect the taxpayers of Allegheny County by:

- **limiting taxing powers, preventing the use of the reassessment process to gain windfall real estate tax revenue increases and preventing a change in real estate tax rates except by a vote of at least two-thirds of the County Council,**
- **placing reasonable limits on the compensation, staff and expenses of the County Council and the Chief Executive,**
- **requiring that no budget appropriation in any given year is assumed automatically to continue into subsequent years,**

- requiring that each County department, agency and function is subject to periodic sunset review, and
- assessing, to the extent permitted by law, the fair market value of real estate in accordance with accepted assessment standards and providing open access to all public information concerning real estate assessments, taxes and procedures;

A home rule government will enhance cooperation among governments, businesses, labor unions, educational institutions and other community and civic organizations in order to encourage the creation of family-sustaining jobs; and

A home rule government that provides the structure, accountability, leadership, representation, effectiveness and efficiency necessary to improve the delivery of County services will increase economic growth and development and foster a higher quality of life for all County residents.

Therefore, in accordance with the Constitution and laws of the Commonwealth of Pennsylvania, we adopt this Home Rule Charter of Allegheny County.

ARTICLE I

PRESERVATION OF POWERS OF MUNICIPALITIES

This Charter shall not limit in any way the jurisdiction, rights, powers, or autonomy of the municipal governments in the County. The County shall not force the annexation, merger or consolidation of municipalities. The County shall not exercise any power or function within a municipality that is being exercised by that municipality unless permitted by the municipality.

ARTICLE II

TAX LIMITATIONS

Section 1 Real Estate Tax Rate Limitations

Real estate tax rates shall not exceed the rate limitations fixed by law for Counties of the Second Class as of May 20, 1997, the effective date of the Second Class County Charter Law.

Section 2 Additional Tax Rate Limitations

The rate of the Hotel Room Rental Tax and the rate of the Additional Sales and Use Tax, each imposed pursuant to the Second Class County Code, shall not exceed the rate limitations fixed by law by the General Assembly of the Commonwealth of Pennsylvania

Section 3 Real Estate Tax Revenue Limitations; Anti-Windfall Provisions

(a) The County shall not derive windfall benefits from annual property reassessments or from changes in the predetermined ratio. Following any annual reassessment or change in the predetermined ratio, the total amount of real estate tax revenue that can be received by reason of the reassessment or change in the ratio by the County from existing land, buildings and structures shall not exceed 105 percent of the total amount of real estate tax revenue received

by the County in the preceding year from that land, and those buildings and structures. If necessary, the County shall reduce the real estate tax rate to accomplish this.

(b) In calculating the 105 percent limit, the amount to be levied on newly constructed buildings or structures, or from increased valuations based on new improvements made to existing buildings and structures, shall not be considered.

ARTICLE III

FORM OF GOVERNMENT; ELECTED OFFICERS

Section 1 Form of Government

The government of Allegheny County shall include an elected County Council, an elected Chief Executive and an appointed professional Manager.

Section 2 Office Abolished

The office of County Commissioner is abolished upon the swearing in of the County Council Members and the Chief Executive.

Section 3 Elected Officers

The elected officers of the County shall be 15 County Council Members, the Chief Executive and such other officers as may be required by law.

Section 4 Qualifications of Elected Officers

(a) Each elected officer of the County shall have been a voter of the County for at least one year immediately preceding election to the office or in the case of an appointment to fill a vacancy in office, for at least one year immediately preceding appointment. Each elected officer shall remain a voter of the County for the term of office.

(b) Each County Council Member elected by district shall have been a resident of that district for at least one year preceding election to the office and shall remain a resident of that district throughout the term of office. If, however, reapportionment results in a district County Council Member being placed out of the district from which the Member was elected, the Member shall be permitted to complete the term.

(c) The Chief Executive shall be at least 25 years of age.

Section 5 Election of Officers

(a) Unless otherwise required by law or this Charter, all elected officers of the County shall be elected to four-year terms and shall continue to serve in office until a successor is elected and sworn in. All terms shall commence on the first business day of January following the election, except for the filling of unexpired terms in which case the term shall commence upon the swearing in of the officer.

- (b) The Chief Executive shall be limited to three consecutive terms of office.
- (c) County Council shall consist of 15 Members, two of whom shall be elected at large and 13 of whom shall be elected by district.
- (d) Any political party or body shall be entitled to nominate one candidate for the office of at-large County Council Member. In the municipal election, each voter may vote for no more than one candidate for the office of at-large Council Member and the two candidates receiving the highest number of votes shall be elected as the at-large County Council Members.
- (e) At the first election under this Charter and at four year intervals thereafter, the two at-large County Council Members shall be elected.
- (f) The terms of the district County Council Members shall be staggered. At the first election under this Charter, seven of the 13 district County Council Members shall be elected to terms of four years and six shall be elected to terms of two years. The districts for which the County Council Members shall be elected to an initial term of two years shall be determined by lot by the Board of Elections. At all municipal elections thereafter, all district County Council Members shall be elected to terms of four years.

Section 6 Requirements; Prohibitions

- (a) The Chief Executive shall not be a candidate for nomination or election to more than one County office at the same time.
- (b) A County Council Member shall not be a candidate for nomination or election to any elected political office other than that of County Council without having first resigned from County Council. ~~THE COMMISSION RECOMMENDS THAT SECTION 6(B) BE DELETED.~~
- (c) County Council Members and the Chief Executive shall not hold any other elected political office and, except as specifically allowed by this Charter, shall not receive any salary, stipend or other compensation from the County or any County authority.

Section 7 Compensation, Staff and Expenses

- (a) County Council Members shall not receive a salary but may receive per-meeting stipends not to exceed in the aggregate \$9,000 annually per Member. The aggregate stipend may by ordinance be increased by up to five percent every five years.
- (b) County Council may hire Council staff as provided in Article IV, Section 2(n).
- (c) County Council Members shall not be entitled to receive any County funding for personal staff, local district offices or fringe benefits including, but not limited to, health and life insurance, pensions and personal motor vehicles.
- (d) The Chief Executive's annual salary shall be \$90,000 which may be adjusted annually as provided in the Administrative Code.

(e) Elected officers may be reimbursed for actual and necessary expenses incurred in the performance of their official duties in accordance with procedures established in the Administrative Code. The reimbursement of the expenses of County Council Members shall not exceed \$3,000 per County Council Member per year. The expense limit may by ordinance be increased by up to five percent every five years.

(f) The appropriation in each annual operating budget for County Council's per-meeting stipends, expenses, total staff compensation and office expenses shall not exceed four-tenths of one percent of the County's annual locally levied tax revenues as detailed in the most recent audited financial report of the County.

(g) The appropriation in each annual operating budget for the Chief Executive's compensation, expenses, total staff compensation and office expenses shall not exceed two-tenths of one percent of the County's annual locally levied tax revenues as detailed in the most recent audited financial report of the County.

Section 8 Forfeiture of Office

The Chief Executive or a County Council Member shall forfeit office if, during the term of office, County Council determines that he or she:

(a) lacks any qualification prescribed by law or by this Charter;

(b) has been convicted of embezzlement of public moneys, bribery, perjury or other infamous crime;

(c) has been found to be incapacitated by an appropriate court; or

(d) has failed to perform his or her duties of office as required by law, ordinance or this Charter for a period of 60 consecutive days unless detained by sickness or prevented by necessary absence from the County. No such office shall be declared forfeited for failure to perform required duties until the holder of the office shall have been given a hearing before County Council, at which time the holder may show cause why he or she should not forfeit the office.

Section 9 Vacancies

(a) The offices of Chief Executive or County Council Member shall become vacant upon the officer's death, resignation or forfeiture of office, or upon the failure of the officer to assume office after election within 30 days after the scheduled commencement of the term.

(b) If a County Council seat becomes vacant, County Council shall appoint an interim County Council Member within 30 days. The interim County Council Member shall be qualified under this Charter to be elected to such office and shall have the same political party affiliation as the former County Council Member, or in the case of a seat held by a person of no political party affiliation, shall have no political party affiliation. The interim County Council Member shall hold the vacated seat until the vacancy is filled at the next available municipal election. The person elected at the next available municipal election shall take office as soon as possible after the certification of the election and shall serve the unexpired portion of the vacated term.

(c) If the office of Chief Executive becomes vacant, County Council, by an affirmative vote of a majority of the seated Members, shall appoint an interim Chief Executive until the vacancy is filled at the next available municipal election. If County Council fails to appoint an interim Chief Executive within 30 days, the President Judge of the Court of Common Pleas shall appoint an interim Chief Executive until the vacancy is filled at the next available municipal election.

ARTICLE IV

LEGISLATIVE BRANCH

Section 1 Authority

The legislative power of the County shall be vested in the County Council.

Section 2 Powers and Duties of County Council

County Council shall have, but not be limited to, the following powers and duties:

- (a) Adopt, amend and repeal ordinances, resolutions and motions not contrary to the requirements of this Charter or law.
- (b) Make appropriations, levy taxes, fees and service charges, and incur indebtedness as permitted by law or by this Charter.
- (c) Adopt balanced annual operating and capital budgets as provided in Article VII.
- (d) Adopt an Administrative Code as provided in Article IV, Section 6.
- (e) Override, by an affirmative vote of at least two-thirds of the seated Members, any veto by the Chief Executive.
- (f) Confirm or reject appointments within 45 days. In the event that County Council does not confirm or reject an appointment within 45 days, the appointment shall be effective as though County Council had confirmed it.
- (g) Conduct investigations of County departments, agencies or functions and issue subpoenas as provided in Article XIII, Section 7.
- (h) Require, as it deems necessary, the attendance of the Chief Executive at one County Council meeting in each quarter of the fiscal year.
- (i) Require, as it deems necessary, the attendance of the Manager at County Council meetings and have the Manager provide such information as may be required.
- (j) Accept by ordinance grants, gifts or donations of real or personal property on behalf of the County.

- (k) By ordinance, lease, convey, vacate or abandon, or permit the use of County land, buildings or other real or personal property.
- (l) Make appointments to authorities and agencies as required by law or by this Charter.
- (m) By ordinance or resolution, modify or eliminate any department, agency or function that no longer meets the needs of the County's taxpayers.

(n) Employ a County Council Clerk and other personnel to serve County Council in the fulfillment of its duties. County Council staff shall be subject to the personnel system. County Council, on a case-by-case basis, may contract for professional services within the limitations of its annual appropriation as provided in Article III, Section 7(f).

Section 3 Non-Interference With Executive Branch

County Council and its Members shall deal with the Executive Branch exclusively through the Chief Executive or Manager except for the purpose of obtaining information and advice. Individual County Council Members shall not give orders or instructions, either publicly or privately, to employees of the Executive Branch.

Section 4 Organization and Rules of Procedure

(a) County Council shall organize itself on the first business day of January following each municipal election. At its organizational meeting, County Council shall elect one of its Members as President and such other officers as County Council deems necessary.

(b) County Council shall hold regular and special meetings, and establish the time, place and conditions thereof. Regular meetings shall be held at least twice in each calendar month in separate weeks unless otherwise provided by ordinance.

(c) County Council shall adopt rules necessary for its organization, procedures, meetings, public participation and committees.

(d) County Council shall take no action in the absence of a quorum that shall consist of a majority of the seated Members.

Section 5 Adoption of Ordinances, Resolutions and Motions

(a) Actions of Council, except as otherwise provided in this Charter, shall be taken by an affirmative vote of at least a majority of the seated Members.

(b) County Council may override a Chief Executive veto by an affirmative vote of at least two-thirds of the seated Members. Except as provided in Article VII, Section 5, the override vote must occur within 30 days of the veto.

(c) All ordinances and resolutions shall be introduced in writing. Each ordinance and resolution shall contain no more than one subject which shall be clearly expressed in its title.

- (d) County Council shall give public notice of the introduction of each ordinance or resolution as provided in the Administrative Code.
- (e) No ordinance or resolution shall be voted on until it has been read, by title and summary, at two County Council meetings separated by at least seven days and the public has been given the opportunity to comment on the ordinance or resolution. County Council may act on ordinances and resolutions at the same meeting as the second reading. Except for ordinances levying taxes, the requirement of the second reading may be waived by an affirmative vote of at least two-thirds of the seated Members.
- (f) Except as provided in Article VII, Section 5, all adopted ordinances and resolutions shall be signed by the presiding officer and delivered to the Chief Executive within three business days of adoption.
- (g) If the Chief Executive approves any ordinance or resolution, the Chief Executive shall sign and return it to the County Council Clerk within seven days after receiving it.
- (h) If the Chief Executive disapproves any ordinance or resolution, the Chief Executive shall veto it by returning it unsigned to County Council within seven days with written objections. The objections shall be part of County Council proceedings.
- (i) Any ordinance or resolution not returned within seven days shall be effective in the same manner as if the Chief Executive had signed it.
- (j) County Council shall establish a procedure in the Administrative Code for the adoption of emergency ordinances and resolutions.

Section 6 Administrative Code

County Council shall adopt by ordinance, and amend as needed, an Administrative Code that shall provide a complete plan of organization, departmental structure and operation for the County government. The Administrative Code shall include, at a minimum, a procedure for the adoption of emergency ordinances, resolutions and appropriations, procedures for public notification of official actions, procedures for initiative and referendum, procedures for adjusting the compensation of the Chief Executive and reimbursing the expenses of elected officers, a personnel system, components of the comprehensive fiscal plan, sunset review procedures, the powers of the Manager while serving as temporary chief executive, a competitive procurement system and a table of organization for all departments and agencies.

ARTICLE V

EXECUTIVE BRANCH

Section 1 Authority and Composition

The executive and administrative power of the County shall be vested in the Executive Branch. The Executive Branch shall consist of the Chief Executive, the Manager, the Law Department and such other departments and agencies as are established in the Administrative Code.

Section 2 Powers and Duties of the Chief Executive

The Chief Executive shall have, but shall not be limited to, the following powers and duties:

- (a) Enforce the ordinances and resolutions of the County, the provisions of this Charter, and the laws of the United States of America and the Commonwealth of Pennsylvania pertaining to the government of the County.
- (b) Represent the County, or designate a County representative, in all meetings and negotiations with the heads of other governmental or quasi-governmental bodies.
- (c) Represent the County, or designate a County representative, in all meetings and negotiations involving economic development.
- (d) Approve or reject ordinances and resolutions passed by County Council as provided in Article IV, Section 5.
- (e) Control and be accountable for the administration of all departments and agencies except those specifically placed under the jurisdiction of any other officer by law or by this Charter.
- (f) Submit to County Council the comprehensive fiscal plan as provided in Article VII.
- (g) Appoint the Manager and the County Solicitor with the consent of County Council.
- (h) Make appointments to authorities and agencies as permitted by law and recommend to County Council the establishment and elimination of authorities and agencies.
- (i) Negotiate, award and sign, or cause to be negotiated, awarded and signed on behalf of the County, all contracts, agreements and other instruments, except as provided in Article IV, Section 2 (j) and (k).
- (j) Submit ordinances, resolutions and other related matters to County Council.
- (k) Call special meetings of County Council as necessary.
- (l) Attend and participate in designated quarterly meetings and, as the Chief Executive deems necessary, additional meetings of County Council. The Chief Executive shall not have the right to vote at meetings of County Council.
- (m) Give an annual state of the County address and other reports as County Council may require from time to time.
- (n) Declare and take appropriate action to meet a state of emergency.
- (o) Designate, in writing, the Manager or another administrative officer of the County to exercise the powers and perform the duties of the Chief Executive during a temporary absence or disability of the Chief Executive.

Section 3 County Solicitor

The County Solicitor shall be a member in good standing of the Bar of the Supreme Court of Pennsylvania and shall be the chief legal officer of the County and serve as the director of the Law Department.

ARTICLE VI

MANAGER

Section 1 Qualifications

The Manager shall be appointed on the basis of administrative abilities as determined through professional preparation and relevant experience.

Section 2 Powers and Duties of the Manager

The Manager shall serve as the chief administrative officer of the County, responsible to the Chief Executive for the administration of County operations placed in the Manager's charge by ordinance, by the Chief Executive or by this Charter. The Manager shall have the following powers and duties:

- (a) Implement policies established by the Chief Executive and County Council for the administration of County operations.
- (b) Supervise all Executive Branch departments and agencies except the Law Department.
- (c) In consultation with the Chief Executive, appoint and remove the directors of all Executive Branch departments except the Law Department.
- (d) Prepare and administer a personnel system as provided in Article IX.
- (e) In accordance with the Administrative Code, hire, discipline or discharge, and delegate the authority to hire, discipline or discharge, any employee under the jurisdiction of the Manager.
- (f) Prepare for the Chief Executive and administer for the County the comprehensive fiscal plan as provided in Article VII.
- (g) Advise the Chief Executive and County Council on the financial condition of the County and make such reports as may be required.
- (h) Evaluate the need for each County department, agency and function over a four year sunset review cycle and recommend to the Chief Executive and the County Council the modification or elimination of any department, agency or function that no longer meets the needs of the County's taxpayers.
- (i) Ensure the maintenance of a management information system dealing with County services and operations.

(j) At the direction of the Chief Executive, negotiate labor and other contracts on behalf of the County.

(k) Attend and participate in meetings of any authority or agency of which the Chief Executive is a member in the absence of the Chief Executive unless the Chief Executive designates otherwise.

(l) In consultation with the Chief Executive, designate in writing, an administrative officer of the County to exercise the powers and perform the duties of the Manager during a temporary absence or disability of the Manager.

(m) In the event that the office of Chief Executive becomes vacant, serve as a temporary Chief Executive, with those powers provided in the Administrative Code, until the County Council appoints an interim Chief Executive as provided in Article III, Section 9 (c).

(n) Perform all other duties required by ordinance or by this Charter or assigned in writing by the Chief Executive.

ARTICLE VII

BUDGET AND FINANCE

Section 1 Fiscal Year

The fiscal year of the County shall be the calendar year unless otherwise provided by ordinance.

Section 2 Comprehensive Fiscal Plan

(a) The Manager shall prepare a comprehensive fiscal plan each year consisting of the annual operating and capital budgets the two-year projected operating budget, the five-year capital improvement plan and the budget message. The operating budget shall be prepared in accordance with a nationally recognized standard and be based on the premise that no appropriation in any given year is automatically continued into subsequent years. The specific components of the comprehensive fiscal plan shall be detailed in the Administrative Code.

(b) The Chief Executive shall appear before County Council to present the budget message and to submit the comprehensive fiscal plan no later than 75 days before the end of each fiscal year.

Section 3 Public Hearings

County Council shall hold a minimum of two public hearings on the proposed operating and capital budgets at least two weeks before their adoption. Copies of the budgets shall be made available to the public at least one week before the hearings and after adoption.

Section 4 Adoption

(a) Upon completion of the hearings, but no later than 25 days before the end of the fiscal year, County Council shall adopt, by resolution, balanced annual operating and capital budgets for the next fiscal year. Before adoption, County Council may add, delete, increase or decrease any appropriation item.

(b) Prior to the adoption of the annual operating budget, County Council shall have adopted such rates of taxation that, together with all other estimated revenue, shall raise a sufficient sum to meet annual budgeted expenditures. Adoption of the annual operating budget shall constitute the appropriation of the amounts specified as expenditures from the funds indicated.

(c) All tax rates shall be adopted by ordinance. Real estate tax rates and revenues shall be subject to the limitations established in this Charter. Any ordinance changing the real estate tax rates shall require an affirmative vote of at least two-thirds of the seated Members.

Section 5 Item Veto

Upon adoption or amendment of the annual operating and capital budgets by County Council, the budgets shall be delivered within three days to the Chief Executive who, within seven days thereafter, may veto any item. If the Chief Executive vetoes any item, the Chief Executive shall advise County Council in writing of the reason for the veto. County Council may override the veto of the Chief Executive within seven days by an affirmative vote of at least two-thirds of the seated members. ~~SHOULD THE ITEM VETO POWER INCLUDE THE POWER TO REDUCE AN ITEM?~~

Section 6 Limitations on County Expenditures

No expenditure of funds shall be made or authorized in excess of the available unencumbered appropriations.

Section 7 Amendments After Adoption

(a) County Council may, by resolution, amend the annual operating budget during the first 35 days of each fiscal year in order to correct technical errors and omissions. County Council may amend the annual capital budget in accordance with the capital plan at any time during the year. The amended operating and capital budgets shall be balanced.

(b) County Council may, by resolution, amend the annual operating budget during the first 35 days of the fiscal year following a municipal election. County Council shall hold at least one public hearing on the proposed amendments prior to adoption. The amended annual operating budget shall be balanced.

(c) During any fiscal year, County Council may amend the annual operating budget by resolution by an affirmative vote of at least two-thirds of the seated Members and with the Chief Executive's approval. The amended annual operating budget shall be balanced.

(d) County Council shall establish procedures in the Administrative Code for making emergency appropriations.

(e) If at any time during the fiscal year it appears probable to the Chief Executive that the revenues or fund balances available will be insufficient to finance expenditures for which appropriations have been authorized, the Chief Executive shall report this to County Council in writing. The Chief Executive shall indicate the estimated amount of the deficit, take remedial action and recommend other necessary steps. County Council shall take such appropriate action as it deems necessary to prevent or reduce any deficit.

Section 8 Lapse of Appropriations

Each annual operating budget appropriation shall lapse at the close of the fiscal year to the extent it has not been spent or encumbered. Any appropriation in the capital budget shall continue in force until the purpose for which it was adopted has been accomplished or abandoned.

Section 9 Transfer of Appropriations

The Chief Executive may transfer up to 20 percent of any unencumbered appropriation balance within the same department during the last four months of the fiscal year. County Council shall be notified of such transfers before they occur. Upon the recommendation of the Chief Executive, County Council, by resolution, may make transfers within and between departments and agencies, or to any new account at any time.

Section 10 Annual Financial Report

An annual financial report shall be prepared in accordance with generally accepted accounting principles.

Section 11 Sunset Review

The need for each County department, agency and function shall be evaluated through a four year staggered sunset review process. The procedures for the sunset review shall be established in the Administrative Code.

ARTICLE VIII

COMPETITIVE PROCUREMENT

The Administrative Code shall establish a competitive procurement system to govern the procurement of goods and services and the procedures for contracting. In order to provide the best value to the County, the competitive procurement system shall establish procedures which allow for the full consideration of cost, quality and performance. The procedures shall include, but not be limited to: publication requirements, deposit and bond requirements, terms and conditions, contract awards, formal and informal bidding mandates, requests for proposals and quotations and emergency purchases.

ARTICLE IX

PERSONNEL

Section 1 Merit Principles

The personnel system of the County shall be based on the principle that appointments and promotions of employees shall be made on the basis of merit demonstrated by a valid and reliable examination or other evidence of competence.

Section 2 Personnel System

Consistent with all applicable contracts and laws, the Manager shall prepare and administer a personnel system based on merit principles for all employees of the County. The personnel system shall be included in the Administrative Code. The personnel system shall include rules and regulations governing such subjects as classification and pay plans, examinations, force reduction, removals, discipline, working conditions, provisional and exempt appointments, employee training and orientation, grievances and civil service systems.

Section 3 Collective Bargaining Units

Employees who are members of a collective bargaining unit represented by an employee organization shall be excluded from provisions of the personnel system to the extent that such provisions are the subject of collective bargaining.

Section 4 Civil Service Systems

Employees who are covered by existing civil service systems shall be excluded from provisions of the personnel system to the extent that such provisions are covered by the civil service systems.

Section 5 Existing County Employees

(a) Any employee holding a County position on the effective date of this Charter shall not be subject to examination as a condition for continuance in the same position, but shall otherwise be subject to the personnel system.

(b) Nothing in this Charter shall diminish the rights or privileges of any former employee entitled to benefits. Nothing in this Charter shall diminish the rights or privileges of any former employee or present employee with respect to their pension or retirement benefits.

ARTICLE X

AUTHORITIES AND AGENCIES

Section 1 General

Authorities and agencies may be established only by ordinance.

Section 2 Authority Boards

The Chief Executive shall make all County appointments to authority boards with the consent of County Council unless otherwise required by law or by this Charter. The term or tenure of authority board members shall be established by law or by ordinance for the specific authority.

Section 3 Agencies

(a) In those instances where one or more County Commissioners are required by law to make appointments to agencies, the appointments shall be made by the Chief Executive with the consent of County Council unless otherwise required by law or by this Charter.

(b) In those instances where one or more County Commissioners are required by law or by ordinance to be members of an agency, the Chief Executive shall serve as a member and shall appoint additional members so that the total number of members, including the Chief Executive and additional appointed members, shall be equal to the number of Commissioners that are required to be members of the agency. The appointment of the additional members shall be with the consent of County Council unless otherwise required by law or by ordinance.

(c) The Chief Executive shall make all other appointments to agencies with the consent of County Council unless otherwise required by law or by this Charter.

(d) The term or tenure of agency members shall be established by law, by this Charter or by ordinance for the specific agency.

Section 4 Compensation

Unless otherwise provided by law, members of agencies shall receive no compensation for the performance of their duties, but may receive reimbursement for reasonable expenses.

Section 5 Board of Property Assessment, Appeals and Review

There shall be a Board of Property Assessment, Appeals and Review consisting of seven members. The Board shall exercise all powers and duties that the County's Board of Property Assessment, Appeals and Review had before the effective date of this Charter unless those powers and duties are modified by ordinance or by law. Consistent with the laws of the Commonwealth of Pennsylvania, the County's assessment system shall meet accepted assessment standards and shall ensure access to public records regarding assessments.

Section 6 Board of Elections

(a) There shall be a Board of Elections consisting of three members: the Chief Executive and the two at-large County Council Members. The Board shall exercise all powers and duties conferred on the County's Board of Elections before the effective date of this Charter unless those powers and duties are modified by law.

(b) If a member of the Board of Elections becomes a candidate for any nomination or election to any office, the member shall not act as a member of the Board. The President Judge of the Court of Common Pleas shall appoint a voter of the County who has the same political

party affiliation as the member or, in the case of a member of no political party affiliation, a voter of the County who has no political party affiliation, to serve while the member is a candidate.

Section 7 Retirement Board

There shall be a Retirement Board consisting of seven members: the Chief Executive; one member, who shall be a member of the retirement system, appointed by the Chief Executive with the consent of County Council; one member, who shall be a member of the retirement system, appointed by County Council; the Controller; the Treasurer; and two members selected by the County's employees and retirees. The Board shall exercise all powers and duties conferred on the County's Retirement Board before the effective date of this Charter unless those powers and duties are modified by ordinance or by law.

THE COMMISSION RECOMMENDS THE FOLLOWING SECTION BE ADDED:

Section 8 Diversity

In the making of any discretionary appointment to Authority Board, Agency or County Council, the political party affiliation, race, geographic, age and gender diversity of the County shall be considered in the appointment process unless otherwise precluded by law.

ARTICLE XI

ACCOUNTABILITY, CONDUCT AND ETHICS

Section 1 Code of Accountability, Conduct and Ethics

County Council, by ordinance, shall establish a Code of Accountability, Conduct and Ethics for all elected and appointed County officers, employees and members of agencies. The Code of Accountability, Conduct and Ethics shall, at a minimum, include provisions addressing:

- (a) Ethics, political activity, conflicts of interest, gifts and the personal use of County resources;
- (b) Appropriate conduct and behavior in the performance of duties; and
- (c) Penalties and sanctions for discrimination, favoritism, harassment and oppression.

Section 2 Accountability, Conduct and Ethics Commission

(a) County Council, by ordinance, shall establish a five member Accountability, Conduct and Ethics Commission. Individuals who believe they have been aggrieved by an action or omission of a County officer, employee or member of an agency shall have the right to lodge a formal complaint. The Accountability, Conduct and Ethics Commission shall be empowered to receive complaints and investigate violations of the Code of Accountability, Conduct and Ethics by any County officer, employee or member of an agency. The Commission shall commence proceedings within 30 days of receipt of a complaint. The Commission shall have the power of

