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ERIE COUNTY LEGISLATURE
MEETING NO. 19
SPECIAL MEETING
SEPTEMBER 29, 1998

The Legislature was called to order by Chairman Swanick.

Roll call was taken. Legislator Fitzpatrick was absent.

A moment of silence was held.

The Pledge of Allegiance was led by Mr. Marshall.

Minutes from the previous meeting were tabled.

COMMUNICATIONS DISCHARGED FROM COMMITTEE

Item 1 – Ms. Peoples moved to discharge the HEALTH COMMITTEE from further consideration of Comm. 17E-38. Mrs. Fisher seconded. Legislator Marshall in the negative.

CARRIED.

WHEREAS, the contract between ECMC and Buffalo General Hospital for Information Systems processing is expiring on December 31, 1998; and

WHEREAS in anticipation of the termination of the contract with BGH, ECMC issued a Request for Proposal in January 1998 to solicit proposals for healthcare application software, computer processing and staffing; and

WHEREAS, proposals were received from Shared Medical Systems (SMS), HBOC and a joint proposal was received from Medical Information Technologies (MEDITECH)/Data General/Superior Consulting; and

WHEREAS, a detailed evaluation process including vendor demonstrations; site visits; reference discussions; capacity analysis; staffing analysis and cost evaluation was conducted over a period of five months; and

WHEREAS, after extensive review by a multidisciplinary committee comprised of financial, clinical and HIS end-users, the combined proposal submitted by MEDITECH/Data General/Superior was selected as the information system which would best meet ECMC's needs now and in the future; and

WHEREAS, to finance the new hospital information system, it is recommended that the County enter into a 60-month capital lease with Data General at a total cost not to

exceed \$10,659,740.40, inclusive of the cost of financing at an interest rate of 4.49 percent; and

WHEREAS, pursuant to Local Finance Law, a comparison of financing the new information system through an installment purchase contract (i.e. a capital lease agreement) versus bond financing was conducted; and

WHEREAS, the analysis shows that interest costs related to the capital lease are \$243,460 less than the financing costs associated with the issuance of bonds; and

WHEREAS, the execution of the installment purchase contract (capital lease agreement) will not cause the political subdivision of (Erie County) to exceed the limits prescribed by paragraph c of subdivision 6 of Section 109-6 of the General Municipal Law.

NOW, THEREFORE, BE IT

RESOLVED, that on behalf of the Erie County Medical Center, the Erie County Legislature does hereby authorize the County of Erie to enter into a capital lease agreement for the financing of a hospital information system pursuant to the provisions set forth in RFP #97013 which was duly issued by ECMC; and be it further

RESOLVED, that the Erie County Legislature authorizes the aforementioned installment purchase contract (capital lease agreement) in an amount not to exceed \$178,262.34 per month over a term of 60 months at an interest rate of 4.49% which results in aggregate cost not to exceed \$10,695,740.40, inclusive of financing, and be it further

RESOLVED, that certified copies of this resolution be forwarded to the Director of Budget & Management, Comptroller, the Chief Financial Officer of the Erie County Medical Center and the Data General Corporation.

Chairman Swanick directed that a recess be taken

Meeting was reconvened at 1:25 p.m.

Ms. Peoples moved to amend Comm. 17E-38. Ms. Fisher seconded.

Delete original in its entirety and replace with the following:

RESOLUTION NO. 317-1998
BOND RESOLUTION DATED SEPTEMBER 29, 1998

BOND RESOLUTION OF THE COUNTY OF ERIE, NEW YORK, AUTHORIZING
THE ACQUISITION AND INSTALLATION OF A COMPUTERIZED HOSPITAL

INFORMATION SYSTEM FOR USE BY THE ERIE COUNTY MEDICAL CENTER, STATING THE ESTIMATED MAXIMUM COST THEREOF IS \$9,600,000, APPROPRIATING SAID AMOUNT THEREFORE AND AUTHORIZING THE ISSUANCE OF \$9,600,000 BONDS OF THE COUNTY TO PAY THE COST THEREOF.

(Introduced) September 29, 1998
(Adopted) September 29, 1998

RESOLVED BY THE COUNTY LEGISLATURE OF THE COUNTY OF ERIE, NEW YORK (by the affirmative vote of not less than two-thirds of the voting strength of said Legislature), AS FOLLOWS:

Section 1. The County of Erie, New York (herein called "County"), is hereby authorized to acquire and install a computerized hospital information system for use by the Erie County Medical Center, including hardware, software and implementation costs, at the estimated maximum cost of \$9,600,000. The total estimated maximum cost of said specific object or purpose, including preliminary costs and costs incidental thereto and to the financing thereof, is \$9,600,000, and said amount is hereby appropriated therefor pursuant to the duly adopted Capital Budget of said County for fiscal year 1998. To the extent that the details set forth in this resolution are inconsistent with any details set forth in the 1998 Capital Budget of the County, such Budget shall be deemed and is hereby amended. The plan of financing includes the issuance of \$9,600,000 bonds of the County to finance said appropriation, and the levy and collection of taxes on all the taxable real property in the County to pay the principal of said bonds and the interest thereon as the same shall become due and payable.

Section 2. Bonds of the County in the principal amount of \$9,600,000 are hereby authorized to be issued for the specific object or purpose described in Section 1 hereof, pursuant to the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called "Law") to finance said appropriation.

Section 3. The period of probable usefulness for the specific object or purpose for which said \$9,600,000 bonds herein authorized are to be issued, within the limitations of §11.00 a. 35. of the Law, is five (5) years.

Section 4. The County intends to finance, and the Comptroller of the County is hereby authorized to advance such amounts as are necessary to pay the costs of the object or purpose described in Section 1 hereof prior to the issuance of the bonds or bond anticipation notes authorized out of funds available in the General Fund of the County, on an interim basis, which amounts are reasonably expected to be reimbursed with the proceeds of debt to be incurred by the County, pursuant to this Bond Resolution, in the maximum amount of bonds herein authorized. This Resolution is a declaration of official intent adopted pursuant to the requirements of Treasury Regulation Section 1.150-2.

Section 5. Subject to the provisions of this Resolution and of said Local Finance Law, and pursuant to the provisions of §30.00 relative to the authorization of the issuance of bond anticipation notes or the renewals thereof, and of §§50.00, 56.00 to 60.00 and 168.00 of said Law, the powers and duties of the County Legislature relative to authorizing the issuance of any notes in anticipation of the sale of the bonds herein authorized, or the renewals thereof, relative to providing for substantially level or declining annual debt service, and relative to prescribing the terms, form and contents and as to the sale and issuance of the bonds herein authorized, and of any notes issued in anticipation of the sale of said bonds or the renewals of said notes, as well as to executing agreements for credit enhancement, are hereby delegated to the Comptroller of the County, as the chief fiscal officer of the County.

Section 6. Each of the bonds authorized by this Resolution and any bond anticipation notes issued in anticipation of the sale thereof shall contain the recital of validity prescribed by §52.00 of said Local Finance Law and said bonds and any notes issued in anticipation of said bonds shall be general obligations of the County of Erie, payable as to both principal and interest by general tax upon all the taxable real property within the County without limitation as to rate or amount. The faith and credit of the County are hereby irrevocably pledged to the punctual payment of the principal of and interest on said bonds and any notes issued in anticipation of the sale of said bonds or the renewals of said notes, and provision shall be made annually in the budgets of the County by appropriation for (a) the amortization and redemption of the notes and bonds to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 7. The validity of the bonds authorized by this Resolution and of any notes issued in anticipation of the sale of said bonds, may be contested only if:

- (a) such obligations are authorized for an object or purpose for which the County is not authorized to expend money, or
- (b) the provisions of law which should be complied with at the date of the publication of this Resolution or a summary hereof, are not substantially complied with,

and an action, suit or proceeding contesting such validity, is commenced within twenty days after the date of such publication, or

- (c) such obligations are authorized in violation of the provisions of the Constitution.

Section 8. This Resolution shall take effect immediately upon approval by the County Executive.

Ms. Peoples moved to amend 17E-38. Ms. Fisher seconded. Legislators Marshall and DeBenedetti were in the negative.

Add the following before the final RESOLVED clause:

Ms. Peoples moved to further amend Comm. 17E-38. Ms. Fisher seconded.

CARRIED.

Add the following before the first RESOLVED clause:

RESOLVED, that the Erie County Legislature does hereby go on record in reaffirmation of its support for the Courthouse project, and be it further

RESOLVED, that the financing for the ECMC-HIS system shall neither impede the future financing of the \$3 million bond resolution for the Courthouse project nor shall it impact on the timing for the completion of the Courthouse project, and be it further,

Chairman Swanick directed that a roll call vote be taken.

Ayes - Chase, Pauly, Dusza, Fisher, Kuwik, Peoples and Swanick. Noes - Greenan, Larson, Marshall, Ranzenhofer, Weinstein, Debenedetti, Holt, Marinelli, and Olma. Ayes - 7, Noes - 9.

MOTION DEFEATED.

Mr. Larson moved to further amend 17E-38. Mr. Ranzenhofer seconded.

Add the following before the first RESOLVED clause:

RESOLVED, that the financing for the ECMC-HIS system shall neither impede, detract nor impair the projects contained in the adopted 1998 Capital Budget and shall not negatively affect the level of financing of similar projects in the 1999 Capital Budget, and be it further

Mr. Larson moved to approve, Mr. Ranzenhofer seconded.

Chairman Swanick directed that a roll call vote be taken.

Ayes - Chase, Greenan, Larson, Marshall, Pauly, Ranzenhofer, Weinstein, DeBenedetti, Dusza, Fisher, Kuwik, and Swanick. Noes - Holt, Marinelli, Olma and Peoples. Ayes - 12, Noes - 4.

CARRIED.

Ms. Peoples moved to approve Comm. 17E-38 as amended. Ms. Fisher seconded.

Chairman Swanick directed that roll call vote be taken.

Ayes - Chase, Greenan, Larson, Pauly, Ranzenhofer, Weinstein, Dusza, Fisher Kuwik, Marinelli, Peoples and Swanick. Noes - Marshall, Debenedetti, Holt, and Olma.
Ayes - 12, Noes - 4.

APPROVED.

COMMUNICATIONS FROM ELECTED OFFICIALS

FROM CHAIRMAN SWANICK

Item 2 - (Comm. 19E-1) Re: Calling Special Meeting.

September 25, 1998

Laurie A. Manzella, Clerk
Erie County Legislature
25 Delaware Avenue - 7th Floor
Buffalo, New York 14202

Dear Ms. Manzella:

Pursuant to Rule 2 of the Rules of Order of the Erie County Legislature, you are hereby directed to call a Special Meeting of the Erie County Legislature to be held on **TUESDAY, SEPTEMBER 29, 1998, AT 12:00 O'CLOCK** in the afternoon of that day in the Erie County Legislative Chambers, 25 Delaware Avenue, 7th Floor, Buffalo, New York.

The purpose of this meeting will be to consider and act upon the following:

- Comm. 17E-38 [1998] regarding *FINANCING PROPOSAL FOR A HOSPITAL INFORMATION SYSTEM AT ERIE COUNTY MEDICAL CENTER*.
(Health Committee)

PLEASE ADVISE all legislators that Crystal Peoples, Judith Fisher and I will hold an informational meeting on that day at 11:00 a.m. in the Chambers. Representatives from ECMC, including Paul Candino, Budget Director Kenneth Kruly and Joseph Passafiume, Erie County Comptroller's Office, will be available to answer any questions that legislators may have regarding this matter.

Thank you.

Sincerely,

CHARLES M. SWANICK

Chairman
Erie County Legislature

Received, filed and printed.

COMMUNICATIONS FROM THE DEPARTMENTS

FROM CLERK OF THE LEGISLATURE

Item 3 – (Comm. 19D-1) Re: Special Meeting Notice.

September 25, 1998

To: All Erie County Legislators
From: Laurie A. Manzella, Clerk of the Legislature
Subject: **SPECIAL MEETING NOTICE**

PLEASE TAKE NOTICE that pursuant to Rule 2 of the Rules of Order of the Erie County Legislature and under the direction of Chairman Charles M. Swanick, there will be a **SPECIAL MEETING** of the Erie County Legislature on **TUESDAY, SEPTEMBER 29, 1998, at 12:00 o'clock in the afternoon** of that day in the Erie County Legislative Chambers, 25 Delaware Avenue, 7th Floor, Buffalo, New York.

The purpose of this meeting will be to consider and act upon the following: [copy attached]

- Comm. 17E-38 [1998] regarding *FINANCING PROPOSAL FOR A HOSPITAL INFORMATION SYSTEM AT ERIE COUNTY MEDICAL CENTER*.
(Health Committee)

PLEASE BE ADVISED that Chairman Swanick, Majority Leader Peoples, and Judith Fisher will hold an informational meeting on that day at 11:00 a.m. in the Chambers. Representatives from ECMC, including Paul Candino, Budget Director Kenneth Kruly and Joseph Passafiume, Erie County Comptroller's Office, will be available to answer any questions that legislators may have regarding this matter.

Thank you.

ATTACHMENTS – 2 [Chairman Swanick's Letter and Comm. 17E-38]

Received, filed and printed.

ADJOURNMENT

Item 4 - At this time, there being no further business to transact, the Chairman announced that the Chair would entertain a Motion to Adjourn.

Ms. Peoples moved that the Legislature **adjourn until 2 p.m., Thursday October 8, 1998**. Mr. Larson seconded.

CARRIED UNANIMOUSLY.

The Chairman declared the Legislature **adjourned until Thursday October 8, 1998 at 2 p.m. Eastern Standard Time**.

Laurie Manzella
Clerk