

## **August 4, 2009 Council Meeting Minutes**

The August 4th meeting of the Penn Hills Council was called to order at 7:04 p.m. in Council Chambers of the Municipal Building, Mayor Anthony L. DeLuca presiding.

### **Approval of Agenda Items**

There were no changes to the agenda and it was approved as presented. The Mayor announced that Council will hold a brief Executive Session to discuss personnel.

### **Pledge of Allegiance**

Council and the audience stood for the Pledge of Allegiance.

### **Roll Call**

Roll was called and the following members of Council responded:

**Present:** Mr. Palumbo  
Mr. Underwood  
Mayor DeLuca  
Dr. Kincaid  
Mrs. Kuhn

Also present were: Manager Mohammed Rayan, Solicitor Bonnie Brimmeier, Finance Director Ed Schrecengost and Deputy Clerk Diane Fitzhenry.

### **Approval of Minutes**

Mr. Underwood made a motion to approve the minutes of the June 15, 2009 Council Meeting and the July 20, 2009 Council Meeting as presented.

Dr. Kincaid seconded the motion and it was approved by a vote of 5 to 0.

## **EXPENDITURES**

### **Approval of Warrants**

Dr. Kincaid made a motion to approve the Master Expenditure Summary dated August 4, 2009 including Journal Vouchers numbering 2 in the amount of \$40,455.71; C. D. Requisitions numbering 6 in the amount of \$173,576.35 and Master Check Nos. 11835 to 11937 in the amount of \$642,704.53 making a grand total of \$856,736.59.

Mr. Palumbo seconded the motion and it was approved by a vote of 5 to 0.

## **Ordinances**

Mrs. Kuhn made a motion to approve **Ordinance No. 2512** authorizing the incurring of nonelectoral debt by the issuance of general obligation notes/bonds, in an aggregate principal amount of \$8,901,180.85 dollars; covenanting to pay, and pledging unlimited taxing power for the payment of, the notes/bonds; establishing a sinking fund and appointing a paying agent; fixing the form, interest rates, maturity dates, and other provisions for the payment thereof; covenanting to accept a proposal for the purchase of the notes/bonds; authorizing a filing of required documents with the Department of Community and Economic Development; ratifying and directing certain actions of officers; and making certain other covenants and provisions in respect of the notes/bonds.

Dr. Kincaid seconded the motion.

Mr. Chris Shelby of HT Capital made a brief overview of the bond purchase proposal summary. He explained that this bond issue meets the directions of this Council in reducing the \$30 per quarter customer service fee to \$20 per quarter, reduce debt service, reduce the forthcoming debt service increase which is scheduled to occur in 2013-2015, etc. (A copy of the Bond Purchase Proposal Summary is attached.) Mr. Shelby explained that several types of bonds will be used to accomplish this bond issue and details of the bonds, expenses, insurance, etc., are found on page 1 of the summary. These bonds have "AAA" rating by Standard & Poor's. He explained the new bond series some of which are taxable and some of which are tax-exempt. The details of these series are contained on pages 2-4 of the attached summary. On page 5, Mr. Shelby explained the existing debt service and the proposed debt service under this new issue. It also shows the extension of the debt from 2027 to 2036 to accomplish the goals that this Council set to reduce the quarterly service fee and to reduce the overall debt service.

Mrs. Kuhn asked for some clarification on the information, so she will be able to properly explain the process to her constituents.

Mr. Shelby stated that the reduction in the \$30 per quarter customer service charge should be okay for the next three years for certain, but that Council may be able to extend that savings for an additional 2-3 years depending on other factors.

Attorney Tom Trimm of the firm Pepper Hamilton, who is serving as bond counsel, explained the details of the Ordinance and the approval process from the Department of Community and Economic Development, bond closing process, overall approval of this board, etc.

### **Ordinances (Continued)**

Manager Rayan stated that he was under the impression that this issue had received preliminary approval from DCED.

Attorney Trimm stated that he had DCED pre-review the ordinance and bond information because of special details included in this issue. He stated that preliminary approval was granted, but that nothing is set in stone until the final signed and approved copies are received.

Manager Rayan raised that issue so that the Municipality is under no obligation if the DCED doesn't give final approval.

Solicitor Brimmeier stated that DCED Legal Counsel is so thorough and preliminary approval would not have been granted, if there were any concerns.

There being no further discussion, the motion was approved by a vote of 5 to 0.

### **Resolutions**

Mr. Underwood made a motion to approve **Resolution No. 2009-067** authorizing execution of a site access agreement between Penn Hills and Environmental Solutions and Innovations, Inc (ESI) contractor for Duquesne Light Company for Indiana Bat Mist-Netting in the vicinity of Universal Park.

Dr. Kincaid seconded the motion and it was approved by a vote of 5 to 0.

### **Adjournment**

There being no further business, the Mayor asked for a motion to adjourn the meeting.

Dr. Kincaid made a motion to adjourn the meeting.

Mr. Underwood seconded the motion to adjourn and it was approved by a vote of 5 to 0.

The meeting adjourned at 7:33 p.m.

Respectfully submitted,  
/s/ Diane Gionta Fitzhenry  
Deputy Municipal Clerk

These minutes approved by Mayor and Council on September 21, 2009.