

## **July 19, 2010 Council Meeting Minutes**

The July 19, 2010 Council Meeting was called to order at 7:34 P.M. in Council Chambers at the Municipal Building, Mayor Anthony DeLuca presiding.

### **Approval of Agenda Items**

Mayor DeLuca called meeting to order and announced the Agenda would stand as presented.

### **Pledge of Allegiance**

Council and the audience stood for the Pledge of Allegiance.

### **Roll Call**

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

Also present were: Finance Director Schrecengost, Solicitor Brimmeier; Controller Futules; Rick Minsterman, Gateway Engineers and Administration Secretary Sorce.

### **Approval of Minutes**

Mr. Underwood made a motion to approve July 6, 2010 Council Meeting Minutes.

Dr. Kincaid seconded the motion.

There being no further discussion the motion was approved by a vote of 4-0.

### **PRESENTATION:** BOND COUNSEL PROPOSAL ATTORNEY JAMES D. CHIAFULLO

Thank you Mr. Mayor, I appreciate being invited here this evening to present Proposal to Council and to thank members of Council and invited guests. We have prepared and forwarded to the Municipality a proposal for serving as Bond Counsel for the Penn Hills Municipality. We have spoken with the financial advisor and we understand the transaction to be approximately \$12 to 12-1/2 million refinancing with a considerably savings to the Municipality if the rates stay where they are. We appreciate being considered as Bond Counsel in that matter

and to that end I would like to tell you a little bit about our firm so that Council has the appropriate information upon which to make a decision as to whether we are selected. The firm's name is Cohen & Grigsby. I am a share holder, Director in the firm and have been with the firm for 12 years. I began practice in 1983 after leaving the University of Pittsburgh and then moving to Texas with Gulf Oil Corporation. Upon returning to the area, I immediately began practicing in the Municipal Finance Area as well as General Finance. In those so many years, the interest rates allowed me to see a number of different transactions including revenue bonds, general obligation bonds, project finance bonds and also credit enhanced bonds. So our firm has up to seven municipal finance lawyers and we are all red book lawyers and approved for issue of debt instruments. On this particular transaction, we would anticipate two of us working on it and it would be myself and Patrick Healey, who also has a like number of experience and level of maturity to handle these transactions. We just handled a number of them in the Eastern Suburb as well as Western, PA including Westmoreland County, Allegheny County, Lawrence, Butler and Washington County. We have a significant level of experience in these areas, we do a lot of work for the Commonwealth of Pennsylvania and in particular the Turnpike Administration in the issuance of their debt. I have brought along for your examination the capabilities of the firm. I can leave them on the table or present them to the Manager's Secretary for distribution. I am happy to take any questions that you may have.

Mrs. Kuhn responded that I have looked over their proposal and I do see that you have done several bonds for the Plum Boro Authority, also the Monroeville Municipal Authority and also the Municipality of Monroeville and for the Plum Boro Municipality as well. So I do see that you have a list of several bonds for a large amount of money so you were very familiar with the surrounding communities. And I also see that you have here in your proposal that you did state that you and Patrick Healey would be the ones doing the client relationship attorney in the proposal. Mr. Chiafullo answered that is correct. Mrs. Kuhn responded and I also see that the charge fee would be \$19,000.00 and that would be all inclusive. If we would be seeing anything that would be unforeseeable that still would be what our fee would be for your services. It will be \$19,000.00 Mr. Chiafullo answered. Anything above the \$19,000.00 we will be eating ourselves. Mrs. Kuhn - I did see that you did say that inclusive of any ordinary costs and expenses and will be payable from bond proceeds. You will receive no other invoices. So I just wanted to make that clear. Mr. Chiafullo said that is 100% correct. I don't want to jump the gun Mayor, but for the media or for the people in the audience I believe we will have the bond coming to us in August. Is this correct? The Mayor said yes. Mrs. Kuhn did want to make sure to let the people know this is a callable bond which is very good and we can do something with it, and that there would be no extension for the repayment and that it would stay at the exact same time that we have now so it is not going to cost the Municipality anything as far as extending the life of the bond and what we would be doing is receiving an additional funding. The Mayor responded also

the payment remains the same. Mrs. Kuhn said that this would be a plus plus situation no matter how we look at it.

Mr. Chiafullo responded Deputy Mayor this is sometimes referred to as a current refunding and as such there is a cost saving that you will realize at the time of the closing on the bonds that will benefit the Municipality and as Mr. Mayor has indicated without additional debt service to be paid by the Municipality.

Mrs. Kuhn replied the memo from Manager informs Mayor and Council we will receive a substantial cash savings and it would not cost the Municipality anything so it is definitely a win for the Municipality. Mr. Chiafullo responded yes it should be.

Mayor thanked Mr. Chiafullo for his proposal.

## **EXPENDITURES**

### **Approval of Warrants**

Dr. Kincaid made a motion to approve the Master Expenditure Summary dated July 19, 2010 – Journal vouchers \$0.00; C.D. Requisitions (5) in the amount of \$3,392.35; EECBG Requisitions \$0.00; Checks Numbering 15005 – 15126 in the amount of \$1,618,192.93 making a grand total of \$1,621,585.28.

Mr. Palumbo seconded the motion.

Mrs. Kuhn replied that on page 2 for Brimmeier and Associates there is a charge for \$285.00 for Maple Lane, I just didn't know if this is part of the funding that would be reimbursed by the builder? Bonnie Brimmeier responded yes that is correct that it would be reimbursed by the developer and that is why we made it a separate line item. Mrs. Kuhn replied I appreciate that. I assumed that, but just wanted to make sure of that. The other one is on Gateway Engineers page 6, \$3,102.11 and another for \$1,220.10 all for the Old Hulton Road, did we not receive grant money? I am assuming that is for the bridge? Rick Minsterman, Gateway Engineers responded that is correct. Mrs. Kuhn replied I believe we have grant money coming in and I want to make sure we will be getting reimbursement for that. Ed Schrecgnost replied that the funding was already given to us. Mrs. Kuhn responded that the funding was already given to us and it is in place. Not that I don't think my Finance Director is on top of everything but that it is more or less information for the public also. The other thing I wanted to bring up is on page 14. Check #15052, which there are several of them, all for Code Enforcement and the majority of them with the exception of 3 or 4 were for high grass cutting. A couple of meetings ago the people from Crescent Gardens Area were here and were concerned about Code Enforcement not doing the job of cutting grass. We explained that there is a list and that it was taken care of, so please make sure to relay to the people of Crescent Gardens Area that this matter has been taken care of. That is all Mayor, thank you.

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

### **Resolution 2010-043**

Mrs. Kuhn made a motion to approve Resolution 2010-043. A Resolution of The Municipality of Penn Hills, County of Allegheny, Commonwealth of Pennsylvania permanently naming picnic pavilions at Universal Park in honor of the three Penn Hills Police Officers killed in the line of duty and authorizing the erection of signage so doing.

Mr. Palumbo seconded the motion.

Judge Leonard HRomyak just wanted Council Members to know that there were family members in the audience for each of the Police Officers killed in the line of duty.

Mrs. Kuhn also wanted to tell all the families that this is an honor not just for your family but for the Penn Hills people that your family members protected for all those years. And I also want to thank Len HRomyak who is being very humble and he brought this to my attention and I brought it to Mayor and Council so I do appreciate that from Len and I do believe he has offered to donate the cost for the materials for the signage and that one of our previous officers, Officer Felock who is in the audience has offered to do the actual making of the name signage. So I did want to bring attention to them too. I said it is an honor for us to do this for the service that your family members gave to us. Mayor replied I also wanted to thank the families and our magistrate for donating the supplies. This is truly an honor for Penn Hills to have these pavilions named after these officers who did protect our community. I want to thank everyone.

There being no further discussion the motion was approved by a 5-0 vote.

### **Ordinance 2010-2521**

Mr. Underwood made a motion to approved Ordinance 2010-2521 – An Ordinance of The Municipality of Penn Hills relative to the establishment and maintenance of Employees Pension, Annuity, Insurance and Benefit Fund or Funds, to amend certain provisions of The Pension Plan or Program applicable to the Non-Police Employees of said Municipality.

Dr. Kincaid seconded the motion.

There being no further discussion the motion was approved by a 5-0 vote.

## **Reports**

Mrs. Kuhn met about a week ago with the School Districts Manager, Rick Liberto. As you know I am the liaison for the school district and I was at one of the meetings. The situation came up as far as the school district donating William Penn School to the firemen to be used as a fire school. At that particular meeting, the firemen did not have the funding to pay for the insurance and utilities. A school board member made a comment that Deputy Mayor Kuhn is in the audience and perhaps the Municipality could take on those charges. I did stand up at that meeting and I did make a comment saying that first of all I was well aware the school district was trying to get rid of some of their schools, and by doing so it would be a savings to the school district and I also stated to the board when you give a gift it is not nice to give a gift that is going to cost money. Because then in essence it is not really a gift. I did explain to them that the Municipality is very friendly to our firemen and Mayor and Council is extremely conscious of our fire department and volunteers. We do give quite a bit to them and would try to give more if we can. I did try to explain to them that I do not believe that in any of their budgets that I have ever seen funding for the volunteer fire department and I reminded them that the volunteer fire departments are volunteers and they take care of all the school districts buildings. I did not speak for Mayor and Council, but I was hopeful that they would step to the plate, that if they were donating the building they would also donate the cost. After the meeting, Mr. Liberto asked if he could have a meeting with me. I did attend with the Manager representing us. Mr. Liberto will take back to their board to discuss.

Mayor had a letter from a resident about how wonderful the EMS had treated her. He would like the EMS to know they were appreciated. – Senior Center received an award from IRS for their involvement in tax program. Senior Center is one of best in Allegheny County.

Mrs. Kuhn did want to bring up that a resident called three times pertaining to a zoning matter. Manager gave permission for Mrs. Kuhn to speak directly with Planning Dept. Meg Balsamico was extremely knowledgeable, helpful had all answers at her finger tips and couldn't thank her enough. Resident contacted attorney and after attorney spoke to the Planning Department has since decided to drop issue. Planning does gets criticized and just wanted to let it be known what a great job Meg did. Howard was on vacation and Meg was very knowledgeable.

## **Adjournment**

Dr. Kincaid made motion to adjourn.

Mr. Underwood seconded the motion

Meeting adjourned at 7:55 P.M.

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Maureen M. Sorce  
Administration Secretary

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Date