

DECEMBER 21, 2015 2ND BUDGET HEARING MEETING MINUTES

The December 21, 2015 2nd Budget Hearing Meeting was called to order at 7:00 P.M. in Council Chambers at the Municipal Building.

APPROVAL OF AGENDA ITEMS

Mayor DeLuca - We will call this meeting to order, we will start with the 2nd Budget Hearing. Will you please stand for the Pledge of Allegiance?

ROLL CALL

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

Also present were Manager Rayan, Secretary Sorce, Gateway Engineer Minsterman, Planning Director Blackwell, Solicitor Alexander, Finance Director Schrecengost, Administration Specialist II Carson, WPCD Director O'Grady, Fire Marshal Miller, Senior Center Director Paciulli, DPW Supervisor Sheppard, Chief Burton, Parks & Recreation Supervisor Scaglione, Code Enforcement Director McCafferty, EMS Director Fitzhenry, DPW Director Nosal, Police Officer Quinn, Library Director Ward, IT Director Day and Engineer Minsterman.

Mayor DeLuca – first we will start off with Mayor & Council's input into the Budget.

Mrs. Kuhn – I just wanted to know I did speak to you Moe regarding the Arts. I was hoping that we did put something in because I did notice that it wasn't in the Budget as it has been in previous years.

Moe Rayan – that is correct. At this point there are no changes that were made to the Budget that was submitted to you on November

1st, of course after tonight's meeting and any subsequent changes that Mayor & Council wishes to make between now and the 31st then we will issue the Final Budget.

Mrs. Kuhn – o.k. if you could just keep that in mind then for the Final Budget because unfortunately it seems the Arts are always the first to get eliminated and I would like us to have something in it for the upcoming Budget.

Moe Rayan – I will make a notation that I discuss it with the Finance Director.

Mrs. Kuhn – thank you.

Mayor DeLuca – Moe how much is the Art's Council asking for?

Moe Rayan – in the past they used to have a \$5,000 Grant from the State and we matched that. In recent years it has been only the matching from the Municipality which we are always around the \$5,000. I don't know why the Grants from the State stopped but ours continued until this year. We received a letter but however they didn't put any dollar value to it and I am not sure if anybody mentioned something to Chris or not but we will find out what they are looking for. If it is responsible we will pass it on to you and see what you think and we will go from there.

Mrs. Kuhn – one other Mr. Mayor what is the status for the signs, Moe. I know that we had said that we were looking at perhaps matching what the organization who is promoting this would do and perhaps enough financing for one is that correct?

Moe Rayan – that is correct. I haven't heard any dollar amount from the CDC however Howard he e-mailed me this morning and I mentioned to him that the final version of the Budget has not been prepared or developed yet pending the meeting tonight and any discussions after that. Maureen from my office she is working with the Laurel Foundation trying to get some Grants. Once she gets that figured out with them for a Beautification Grant she is going to pass

the information on to Chris and between Chris and Maureen they are going to try and prepare the application for the Grant and whatever we are able to get for that Grant we are going to try to make up a phase of it for whatever Beautification Projects we can assist with.

Mrs. Kuhn – and Moe I do want to tell you that I do appreciate the memo that you sent with all the highlights for the Budget that was extremely well done and again I want to compliment you, Ed and all our Directors for maintaining such a close cut Budget so that we can do all that we have to do and there is no increase as far as real estate tax. So thanks to everyone.

Moe Rayan – you are welcome. Actually in addition to that all the expenditures at the last run Ed was calculating it to be between 95 and 97%.

Dr. Kincaid – I have read and reread through the Budget as many of you have and I find it to be fiscally responsible and I am very excited about the fact that it is fiscally responsible and particularly with no tax increase our citizens for 2016 but I compliment the Department Heads as well for being good sorts but also to the Finance Department and to you Moe Rayan for your good work and I feel very positive about the Budget particularly as it is and I assume there are not going to be any changes as it is being presented to us for example for 2016 so compliments to you and I look forward to this Budget being actualized in a marvelous way and very fiscally responsible way and accountable way for 2016. So thank you.

Mayor DeLuca – one thing I would like to add to the Budget Moe and I didn't see it in here was for William McKinley you know how we talked about we need like a net system up there because we put the signs up you can't play baseball and if we could get a net system so the kids can play ball up there again.

Mayor DeLuca – with that we will open up to Public Input.

Andrea Getsy – 151 Crescent Hills Road – I just wanted to talk about or thank you for changing the way the Budget was done. This year we spoke to you several times about our concern for roads in the Budgeting for Road Resurfacing and in the Budget last year there is a line item called Miscellaneous Street Improvements which some money for roads was put there in addition to some money for roads under resurfacing but this year I see that everything is under resurfacing, is this correct?

Moe Rayan – all the Expenditures for the Paving Program are in a couple different places one of them under the Operating Budget of the Public Works Department was one million dollars and another item under the Public Works Department for street and roads materials where they use a hundred thousand dollars historically it has been done a hundred thousand dollars to pave to do the in-house what I mean for in-house is the municipal crews performing road paving in addition to that so far \$1 million, \$1.1 million and under the CD Program there is an additional \$150,000 gets added to that so a total of Paving Program in 2016 will be \$1.25 million.

Mrs. Getsy – o.k. good. I see that this year it was in the paper that what was spent was \$1.4 million.

Moe Rayan – upward to \$1.5 million, \$1.488 million.

Mrs. Getsy – o.k. and I wanted to encourage this line of budgeting and I don't know why it is a little less this year was there any reason why we are not going to keep going up a little bit every year?

Moe Rayan - as it was discussed with you before Mrs. Getsy it depends upon the other expenditures we try to put as much as we can in the Paving Program and not to short hand any other activities within the Municipality.

Mrs. Getsy – I know you have a lot on your plate.

Moe Rayan – we are trying to play on an even ground for everybody so all the departments are receiving an adequate funding to upgrade their departments at least at the current level or better.

Mrs. Getsy – you will continue to keep increasing what allotted to the roads if you can over the years and never go back?

Moe Rayan – I will put as much money that is available. If there is \$5 million available we will put it in there if it is \$50,000 that is what is going to go in there.

Mrs. Getsy – thank you so much.

Irene McLaughlin – 8908 Upland Terrace – just thanking you for what I understood as I walked into the discussion on behalf of the Penn Hills CDC thank you for the continued look for monies for beautification projects that may include welcome signs, is that what I understood to be under discussion?

Moe Rayan – that is correct in response to Mrs. Kuhn’s question.

Irene McLaughlin – and again on behalf of Penn Hill’s CDC thank you very much for that ongoing continued consideration.

Bill Jeffcoat – Fire Chief for Penn Hills #7 – I would like to take a couple minutes to take everyone down a short trip down memory lane. In the summer of 2010 Penn Hills Number 7 our 29 year old ladder truck suffered an engine failure which was conducting by a third party pump test that is required every single year. After numerous estimates to get the vehicle repaired the repair costs were much greater than the vehicles value. The current Fire Chief at the time made notification to the Municipality that there wasn’t going to be a 100 foot ladder truck in the township anymore. We weren’t going to be able to reach the highest apartment buildings or the highest office complex. At that time the local fire apparatus company approached the Fire Department and let us know about a demo ladder truck that was available. The price was much more than the fire department could incur at that time. The company leadership at that time

approached Mayor & Council and through some negotiations an agreement was made that the Municipality would graciously pay for 1/3 of that fire apparatus' value which they are still making yearly payments for. In 2012 the FCC mandated the migration of all VHF which is considered very high frequency radio systems which the Penn Hills Fire Departments were a part of. That is how we found out we had a fire call that is how we communicated from fire fighter to fire fighter from station to station. The Penn Hills Fire Department tried to obtain numerous federal grants for funding assistance, they were all unsuccessful. The Fire Chiefs with no other avenue to explore came to the Municipality for aid. You guys were able to assist with partial funding. In 2014 the Penn Hills Fire Departments SCBA which are self contained breathing apparatus they are what let us go into the smoke filled environments and breath fresh clean air when that is not available. Those apparatus' were nearing their fifteen year shelf life. Once again looking at a six hundred and some thousand dollars plus expenditure is just far greater than the seven fire departments could incur. We tried numerous federal grants and once again we were turned down by all of them. The fire chiefs once again with no other avenue came to Mayor & Council updated you guys about the problem that is facing us and through exploration of the Budget you guys were able to assist us with funding the most modern up to date SCBAs on the market and today I can say that all those SCBAs are in place. I am hopeful to say that in the next few days or months we can add that the Municipality will be able to assist us with some sort of space at the new municipal complex or a future fire training ground. On behalf of the Penn Hills Fire Chiefs and the 240 members that make up the Penn Hills Volunteer Fire Department I would just like to say thank you for your continued support in the Fire Department. Thank you.

Mayor DeLuca – thank you.

Ed Zullo – 113 Elizabeth Drive – I am with the Penn Hills CDC and I really hadn't planned on saying anything but what the heck. You know Howard was up here last meeting asking for money so we could get some Welcome to Penn Hills Signs and one of the uncertainties was how much is it going to cost for permitting and that seemed to be a problem. Well I decided to call Penn Dot for Allegheny River Blvd

that is a Penn Dot right of Way and see what their requirements were and they faxed me something. So the request needs to come from Penn Hills Municipality and there is different ways you can go you can get like a little tin sign Welcome to Penn Hills for free, you can get a little bit bigger one for \$500.00 and if you want to do something nice like I just noticed Plum just put up a nice sign near Boyce Park and the Wilkins has. You pay \$100.00 initiation fee and then you can kind of put up your own sign in accordance with their requirements. The sign can't be any greater than 2 x 3 and the lettering needs to be six inches, between two and six inches. So there are some requirements so I just wanted to get some of the uncertainty out of there in case you guys want to put some money into there we can have some nice signs and maybe a little beautification area around there some flowers or something. So I just wanted

Mayor DeLuca – let me ask you. Who makes the signs, is it Penn Dot?

Ed Zullo – tin ones would be Penn Dot would make them. If we wanted to get a wooden sign, painted and all they have approved suppliers so you would have to go to their supplier or buy it off of their supplier.

Mayor DeLuca – the \$100.00 fee is that every year?

Ed Zullo – no that is just a onetime fee. Say you wanted to put up five signs you would pay the \$100.00 and you could put the five signs up after that. In some areas you could just get the little tin sign and in some areas a nice sign in areas that aren't Penn Dot if they are County Roads or Penn Hills Road then we wouldn't have to go through any of that kind of permit stuff.

Mayor DeLuca – does the CDC know where they want to put I assume you want the wooden signs, do you know what roads, like on the State Roads which ones you want.

Ed Zullo – I am not sure of all the State Roads, Allegheny River Blvd would be one and we were thinking of one over at the new Verona Road I don't think that would be a State Road, is it?

Moe Rayan – yes.

Ed Zullo – near the gazebo where the red brick go up and then there is that gazebo.

Moe Rayan – that would be County there.

Ed Zullo – if we wanted to have another sign say near Nadine or actually where Penn Hills starts on Allegheny River Blvd maybe we could put one there, I don't know of all the places we haven't decided on all the places and we can work together on the input of where they should be. We definitely want to work with you guys because the request really needs to come from you to actually do this. We just can't throw up the signs.

Moe Rayan – actually the request to Penn Dot is not the big issue. Mayor & Council is looking and authorizing the work but now I am a little confused to be honest with you. You are standing here asking for a \$100.00 sign which we can make in our shop down at Public Works. The way Howard was talking a full blown Beautification Project in the tens of thousands of dollars so which is which? What are we doing?

Ed Zullo – we can have a combination of those types.

Moe Rayan – o.k. because the way Howard was talking he was talking big signs that require some design criteria involved and some beautification area around the signs so now you are talking thousands. Not just a matter of installation of an aluminum sign. We have them down at our Public Works.

Ed Zullo – that is a good point. We could do them that way to but we want to at least have one or two good. Those wooden signs are a couple thousand dollars each. We were pricing ones that were like 4 x 6 well you aren't allowed to have one that big after I looked at the

criteria they have to be 2 x 3 so I would think they would be probably around \$2,000 just for the sign and the posts and all of that but if we wanted to do some brick work around there or plant some flowers then we could add that or we could add that later get the sign up and then do some flowers and stuff later. If you throw some money in the Budget we may not use it all we might use some of it up and then give the rest back if we don't need it we are not just going to waste money.

Mayor DeLuca – can you give the Manager the information of who he is going to contact.

Ed Zullo – sure I will e-mail him the criteria and the contact at Penn Dot.

Moe Rayan – don't worry about it Ed we have these applications on file. The Planning Department can access that on line so it is not a problem as far as obtaining the HOP. The thing is the CDC has to make up their mind which way they want to go so we can understand what type of Budget. I am not just going to go ahead and ask Council for \$10,000.00 and all we need is \$2,500.

Ed Zullo – if you figure on \$3,000 a sign that would be a round number.

Moe Rayan – well a couple of minutes ago they were a \$100.00 so...

Ed Zullo – you can get the cheap little ones like you are driving down the highway you are entering this little town or whatever those are

Moe Rayan – well you missed the beginning of the meeting I mentioned to Mayor & Council in response to Mrs. Kuhn's question that Maureen from my office is working with the Laurel Foundation to obtain a grant for a Beautification Grant so once that is figured out which way it is going to go so far we received positive response.

Chris Blackwell in conjunction with Maureen is going to be working on that Grant with some assistance with the CDC so there is a possibility for outside monies.

Ed Zullo – excellent – thank you.

Gary Underwood – again apparently the CDC has been running around this and has not made a commitment yet to Council how much will they be able to contribute to this so that we can also have an idea before we make our decision so far that group has stayed away with an actual definite cost of what they are willing to spend as a group, can we have that information very soon?

Ed Zullo – well last meeting I am not sure if you were here we were looking at \$20,000.00 and we were going to put up \$3,000 so I mean I don't think we are going to need \$20,000.00 but we are still going to put up \$3,000.00 and we are going to have a fundraiser. I mean we have money to do it but we are going to have a fundraiser to get the \$3,000.00.

Gary Underwood – so that is still iffy but you are trying to commit for \$3,000.00. So you are still out in limbo. We need actual numbers that we can count on not assume.

Mayor DeLuca – this is what I propose that we do right now and I just talked to Moe. We will budget \$6,000.00 and possibly get two signs and we will see how it goes and the CDC will help match. It will be a partnership between the Municipality and the CDC.

Ed Zullo – sounds good.

Mayor DeLuca – because I am not sure on the County Road they probably have their own criteria for signs so it might be something different than Penn Dot.

Ed Zullo – you just need to keep them out of the right of way.

Mrs. Kuhn – I just wanted to thank you Ed for bringing this information to us because of the fact I was not aware that Penn Dot gives these specifications on what size and what size lettering so it was research before we went about getting a sign that was much bigger and much larger and then we wouldn't have been able to put it up so I do appreciate all that work that you did and the \$100.00 is a permit correct?

Ed Zullo – it is an initiation fee.

Mrs. Kuhn – o.k. fee then it is a fee?

Ed Zullo – you don't get it back. It is for them to process the paperwork.

Mrs. Kuhn – and from what you had said if we want a wood sign we still have to use the suppliers that Penn Dot are going to recommend so we wouldn't be able to put the sign up and make it ourselves, is that correct?

Ed Zullo – I don't know if you are on their list or not but if you are then yes.

Moe Rayan – I believe you are talking approved suppliers within Bulletin 15 is that what you are talking about.

Ed Zullo – they didn't say what bulletin whether it was Bulletin 15 or not I don't know that.

Mrs. Kuhn – Moe are you familiar with this? Are we able to

Moe Rayan - as far as the approved vendors and suppliers are with Bulletin 15 what Penn Dot calls it, Bulletin 15 for approved vendors and suppliers if you want to purchase something or have a contractor working on their right of way.

Mrs. Kuhn – o.k. so we would have to use their suppliers.

Moe Rayan – well we are going to have to talk to them and I am not sure if they are going to allow the Municipality to do our own work on their right of way, we will have to talk to them to get the details.

Mrs. Kuhn – well thanks for the information.

Ed Zullo – yes I had to call like four different people at Penn Dot just keeping getting referred to the next guy and I finally ended up to the correct person and they have to be installed in accordance I don't know if it bulletin 111

Moe Rayan – no that would be the roadway standards.

Ed Zullo – yes it would have to be installed that way because I guess you wouldn't want to have big I-beams where a car would wander off and hit into an I beam and need the break away or something for safety. O.k. thank you.

Moe Rayan – o.k. thanks Ed.

Mrs. Kuhn – I just want to comment and thank Mr. Jeffcoat for the wonderful presentation he gave towards the Municipality's relationship with the Fire Department. I was lucky enough to be the liaison with the Fire Department for quite awhile and the Mayor DeLuca and myself and Council had told the Fire Department at that time that they had a friend in the Council and that stills remains today. What we do is not even a small percentage of what our volunteer firemen do. So anything we can do to help you we will always be there and I hope our residents remember when they receive their donations for the fire departments that they send donations in as I have said many times if we had to have a paid Fire Department your taxes would be so high you wouldn't be able to fund it so what your volunteers do is so very important and saved the residents so much money that the small amount that they ask for I am asking everyone to please send in your donations. Thank you gentlemen and please pass my word of thank you and gratitude for all that you do.

Mayor DeLuca – o.k I also want to thank the Directors for helping to put this Budget together. I want to thank Moe & Ed for doing a great job getting this all together because I know it takes a lot of time to get this Budget prepared and meeting with the Directors and narrowing it down to what we actually need and what is like a wish list from some of the Directors. Because I know some of the Directors like to put everything in there. One of the things I do want to say for the Sanitary Sewers if you do look at it they do have it broken out between what the Penn Hill's portion is and what we pay ALCOSAN so if you look at it the user fee for the Penn Hill's portion is \$6.31. I know this last election you heard about getting rid of the \$15.00 user fee it is not as simple as getting rid of the \$15.00 user fee. If you get rid of the quarterly \$15.00 user fee you would have to roll what the revenues that we lose from that into the rate and the reason why we went with the user fee was because we didn't know what ALCOSAN was going to do with their rates. (inaudible) Was it like 16% this year.

Moe Rayan – ALCOSAN it was 17% the first year they came up.

Mayor DeLuca – it is just crazy and the EPA really doesn't care what the residents are paying and that is the reason why we tried to keep the rate down but if you get rid of the 15% just remember you have to roll into the rate. The last administration that got rid of the \$25.00 quarterly fee the sewer dept. lost money and they floated bonds for every project. And one of the things with this Administration every project that we have done with our Sanitary System has been from the money that we collected. We do about \$4 to \$6 million dollars a year on sanitary improvements and we don't float bonds, that is just from the user fee. The other thing I just want to make sure to everyone is to be clear on this I read the article on ALCOSAN one of the things about Penn Hills they want to take over our larger lines which is the 30 inch lines is that right Moe?

Moe Rayan – 10 and above.

Mayor DeLuca – yes 10 and above. Well all those lines are brand new. Unless something happens where the ground shifts we won't have to repair those lines for thirty years. Now if we transfer those

lines over to ALCOSAN what that would mean is any Community can tap into those lines and ALCOSAN wouldn't charge them a fee. If we hold on to those lines and they need to tap in we can re-coupe some of the money that we paid for those new lines and that is what we are doing. ALCOSAN is not happy with us and I told ALCOSAN you know what the Municipality is going to do as those lines need repaired thirty years down the road we will turn them over to ALCOSAN so all of Allegheny County can share in those costs. Right now it doesn't do Penn Hills any good to turn those lines over to ALCOSAN. It is not going to cost the residents of Penn Hills unless there was an emergency where the ground shifts and breaks the line and there is no reason for us to turn those lines over. Right now I recommend this Council stand firm and we keep those lines and if someone needs to tap in I think it is only right that the residents – other communities pay for our repairs that we have made. We will pass this Budget on December 31, 2015 with the additions that we did talk about

Moe Rayan – December 31, 2015 at 3:00 P.M.

Mayor DeLuca – 3:00 P.M. and that is when we will pass the final version of the Budget. With that I will entertain a motion to adjourn this Budget Hearing.

ADJOURNMENT

Mayor DeLuca entertained a motion to adjourn.

Dr. Kincaid made a motion to adjourn.

Mr. Underwood seconded the motion.

The meeting was adjourned at 7:35 P.M.

DATE

**MAUREEN M. SORCE
MANAGER'S SECRETARY**

