

ALLEGHENY COUNTY COUNCIL

REGULAR MEETING

- - -

BEFORE:

Richard Fitzgerald	-	President, District 11
Charles J. Martoni	-	Vice President, District 8
John P. DeFazio	-	Council-At-Large
Chuck McCullough	-	Council-At-Large
Matt Drozd	-	District 1
Jan Rea	-	District 2
James R. Burn, Jr.	-	District 3
Michael J. Finnerty	-	District 4
Vince Gastgeb	-	District 5
Joan Cleary	-	District 6
Nick Futules	-	District 7
Robert Macey	-	District 9
William Russell Robinson	-	District 10
Jim Ellenbogen	-	District 12
Amanda Green	-	District 13

Allegheny County Courthouse
Fourth Floor, Gold Room
436 Grant Street
Pittsburgh, Pennsylvania 15219

Tuesday, July 7, 2009 - 5:00 p.m.

SARGENT'S COURT REPORTING SERVICE, INC.
429 Forbes Avenue, Suite 1300
Pittsburgh, PA 15219
(412) 232-3882 FAX (412) 471-8733

IN ATTENDANCE:

Joseph Catanese - Director of Constituent Services
Jared Barker - Director, Legislative Services
Jennifer Liptak - Budget Director
Jack Cambest - Solicitor
Amy Griser - Budget Officer

PRESIDENT FITZGERALD: Welcome to the Tuesday, July 7th regular meeting of Allegheny County Council. We're going to call the meeting to order. If everybody would please rise for the Pledge of Allegiance and please remain standing for a moment of silent prayer or reflection.

(Pledge of Allegiance.)

(Moment of silent prayer or reflection.)

PRESIDENT FITZGERALD: Thank you. Please call the roll.

MR. CATANESE: Mr. Burn?

MR. BURN: Here.

MR. CATANESE: Ms. Cleary?

MS. CLEARY: Present.

MR. CATANESE: Mr. DeFazio?

(No response.)

MR. CATANESE: Mr. Drozd?

MR. DROZD: Here.

MR. CATANESE: Mr. Ellenbogen?

MR. ELLENBOGEN: Here.

MR. CATANESE: Mr. Finnerty?

MR. FINNERTY: Here.

MR. CATANESE: Mr. Futules?

MR. FUTULES: Here.

MR. CATANESE: Mr. Gastgeb?

MR. GASTGEB: Here.

MR. CATANESE: Ms. Green?

(No response.)

MR. CATANESE: Mr. Macey?

MR. MACEY: Present.

MR. CATANESE: Mr. Martoni?

MR. MARTONI: Here.

MR. CATANESE: Mr. McCullough?

MR. MCCULLOUGH: Present (via telephone).

MR. CATANESE: Ms. Rea?

MS. REA: Here.

MR. CATANESE: Mr. Robinson?

MR. ROBINSON: Present.

MR. CATANESE: Mr. Fitzgerald, President?

PRESIDENT FITZGERALD: Here.

MR. CATANESE: Thirteen (13) members present.

PRESIDENT FITZGERALD: Proclamations/
certificates. 5008-09.

MR. CATANESE: These will all be entered into the record. Proclamation honoring Harold Lane for his

service to the Castle Shannon Police Department and recognizing his advancement to a new investigative unit in the Allegheny County District Attorney's Office. Sponsored by Councilwoman Cleary.

PRESIDENT FITZGERALD: 5009-09.

MR. CATANESE: Proclamation honoring Richard J. Czapko for his career of service to the Bellevue Police Department and recognizing his retirement. Sponsored by Councilman Drozd.

PRESIDENT FITZGERALD: Public comment on agenda items.

MR. CATANESE: We have none.

PRESIDENT FITZGERALD: Approval of minutes. 5011-09.

MR. CATANESE: Motion approving the minutes of the regular meeting of Allegheny County Council held on June 16th, 2009.

PRESIDENT FITZGERALD: Do I have a motion to approve?

(Chorus of motions.)

MR. MARTONI: Second.

PRESIDENT FITZGERALD: Moved, second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Presentation of appointments. Please group 4993-09, 4994-09, 4995-09, 4996-09, 4997-09, 4998-09, 4999-09 together --- I'm sorry --- 5000-09, 5001-09, 5002-09, 5003-09, 5004-09, 5005-09, 5006-09, 5007-09, all together, for the Minority Business Enterprise Advisory Committee.

MR. CATANESE: Communication from Chief Executive Onorato submitting his recommendations of Amy Griser, Marc Little, Dennis Davin, Victor Diaz, Toni Silva, Timothy H. Johnson, Im Sook, Mark Patrick Flaherty, M. Gayle Moss, Kenneth Huston, Iftikhar Malik, Abass B. Kamara, Joseph A. Olczak, Joyce A. Query and Tim Stevens for appointment to the Minority Business Enterprise Advisory Committee.

PRESIDENT FITZGERALD: Refer all of those to the Committee on Appointment Review. Unfinished business. Committee on Appointment Review, second reading. 4899-09.

MR. CATANESE: 4899-09. Approving the appointment of Amy Kuntz to serve as a member of the Community College of Allegheny County Board of Directors

for a term to expire on December 31st, 2012. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chairman DeFazio is not here this evening, but he had a meeting. And under the rules of the Charter, we're going to have to approve these tonight or reject them. So I was at the meeting, and all members were approved. And this member was approved unanimously without any dissent, so I'm going to ask for a motion to approve.

MR. MARTONI: So moved.

MR. MACEY: Second.

PRESIDENT FITZGERALD: Moved, second.

Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. 4902-09.

MR. CATANESE: Appointment approving the reappointment of Mona Generett to serve as a member of the Allegheny County Community College Board for a term to expire on April 23rd, 2015. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Same as before.

Everybody was in agreement. I'm going to ask for a motion for approval.

MR. ROBINSON: So moved.

MR. MACEY: Second.

PRESIDENT FITZGERALD: Moved, second.

Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Ms. Generett is approved. 4903-09.

MR. CATANESE: Approving the reappointment of Joyce Snell to serve as a member of the Allegheny County Community College Board for a term to expire on April 24th, 2015. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Same as before.

Everybody was in agreement with Ms. Snell. I'll ask for a motion to approve.

MR. MARTONI: So moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Moved, second.

Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Ms. Snell is approved. 4904-09.

MR. CATANESE: Approving the reappointment of Herky Pollock to serve as a member of the Redevelopment Authority of Allegheny County for a term to expire on May 23rd, 2014. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Same as before. Everybody was in agreement with Mr. Pollock's nomination --- appointment. I'll ask for a motion to approve.

MR. MACEY: So moved.

MR. ROBINSON: Second.

PRESIDENT FITZGERALD: Moved, second. Discussion? All in favor signify by saying aye. (Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Mr. Pollock is approved. 4905-09.

MR. CATANESE: Approving the appointment of Council Member Bob Macey to serve as a member of the Southwestern Pennsylvania Commission for a term to expire on December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Same as before. Everybody was in agreement. I'll ask for a motion.

MR. MARTONI: So moved.

PRESIDENT FITZGERALD: Do we have a second?

MR. FINNERTY: Second.

PRESIDENT FITZGERALD: Second. Discussion? All in favor signify by saying aye. (Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Councilman Macey?

MR. MACEY: I abstain.

PRESIDENT FITZGERALD: You're still approved.

MR. MACEY: Thank you.

PRESIDENT FITZGERALD: Council Member Macey is approved. 4906-09.

MR. CATANESE: Approving the reappointment of Lynn L. Heckman to serve as a member of the Southwestern Pennsylvania Commission for a term to expire on December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Same as with the previous ones. Ms. Heckman was unanimously recommended by all members of the committee, and I ask for a motion for her ---.

MR. FUTULES: Motion.

MR. MARTONI: Second.

PRESIDENT FITZGERALD: Moved, second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Ms. Heckman is approved. Committee on Budget and Finance, second reading. 4923-09.

MR. CATANESE: An Ordinance of the County of Allegheny, Pennsylvania, authorizing the incurrence of nonelectoral debt by the issuance of, one, its General Obligation Bonds, Series C-62, in an aggregate principal amount not to exceed \$80,000,000, and two, its General Obligation Refunding Bonds, Series C-63, in an aggregate principal amount not to exceed \$30,000,000. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair Robinson?

MR. ROBINSON: Thank you, Mr. President and members of Council. Members will remember at our last meeting, I asked to have this bill held until the appropriate advertisement was done. That was the only concern that I had at that time. All other issues the Committee has addressed. I addressed them. Members have contacted me. Ms. Liptak had addressed those issues. But not presuming that we have the answers to all of the questions, the Chair made arrangements for a Bond Council to be present this evening, along with Ms. Griser, our County Budget Director, if there are questions that members still have.

This bond issue is being pursued by the Administration pursuant to the procedures that were put in place by this Council through its Budget and Finance Committee. As some members will remember, several years ago there were a number of questions raised about bond issues initiated by the Administration and whether or not Council had appropriate information to make an intelligent decision. Ms. Griser and I and other members of the staff have worked with all of you in creating a procedure that not only anticipates many of your questions, but accommodates answers for you.

Obviously, members are free to vote as they see fit, with or without our assistance. But the Administration has been much more cooperative than they have been in the past. I say that openly and honestly. We've impressed upon them the importance of Council being involved in the issuance of bonds. And we have been insistent that they forward through the Budget and Finance Committee information that all members need, first and foremost, and then respond to other questions before a

bill is approved in Budget and Finance. In this particular case, that has been done. Ms. Liptak and Ms. Griser worked on this project for some period of time to assure us that we are operating not only within the law, but operating within our budget constraints. Whether members agree or disagree with whether or not this refinancing is appropriate should not in any way take away from the technical work they have done, the questions that have been answered and the material that all members have received. We've been very transparent in this process.

The next step, I believe, is for the Council itself to initiate actions on bond issues. They appear to be psychological, but it's much more than that, and I think the Administration appreciates that. But right now, they have worked with us. We have put a check on their activities. We have requested more information. As you can see this evening, there are two people present, not just randomly, but they're here because we asked them to join us to answer any questions you have on the bond issue, any legal questions, and also any questions that Ms. Liptak feels are far beyond her capacity to address.

I would ask that if there are questions, to give Ms. Liptak, our Budget Director, the first opportunity to answer your questions, and then if she needs Mr. John Rumin from Cohen and Grigsby, or Ms. Amy Griser, our Budget Director, she be allowed the opportunity to call upon them to satisfy the concerns of members of Council. Having said that, first, I want to thank you, Mr. President, and Council, for your indulgence to this point. And I want to make a motion to approve.

PRESIDENT FITZGERALD: So moved.

MR. MARTONI: Second.

PRESIDENT FITZGERALD: Motion has been seconded. Any discussion? And Mr. Drozd has a question.

MR. DROZD: Thank you. I have three questions. First and foremost, is this necessary to carry over our budget? I'm going to want more explanation on this, because I couldn't hear all in the last proceedings. Secondly, does this reduce the overall debt burden to Allegheny County and its constituents, these taxpayers? And third, does it reduce our overall outlay of cash --- outgoing cash expenditures and costs for our taxpayers in Allegheny County? Those two questions.

MR. ROBINSON: Mr. President, if I might, if I could ask ---.

PRESIDENT FITZGERALD: Yes. Pursuant to the Chairman, we would ask Ms. Liptak.

MR. ROBINSON: Under one condition, because this is not the procedure we use all the time. As long as members understand the staff is not in a position to make policy decisions. If this Council chooses not to go forward with this bond issue, they do so with or without the assistance of staff. Please don't put Ms. Liptak, as a staff person, in a position to give you an answer on policy. If you don't want to do it, don't do it. If you don't think it's the right thing, that's fine. But ask her to use her expertise, please, in informing each and every one of us.

PRESIDENT FITZGERALD: Ms. Liptak, do you have those questions of Mr. Drozd's?

MS. LIPTAK: Uh-huh (yes). The first question was, is this required to carry over our capital budget? Is that what you had asked?

MR. DROZD: Just specifically, why are we carrying this issue --- bond issue? Just a brief synopsis is fine.

MS. LIPTAK: We issue this debt, traditionally, biannually but more recently, annually, to fill our capital needs. As you know, we pass an annual capital budget as per our Home Rule Charter, facilitated by a code each year. In order to fund, primarily, the bulk of the capital budget, we issue debt, like most government entities do, as well.

This year the amount of bond issue needed is approximately \$32,000,000, leaving a remaining --- including closing costs, issuance costs, \$47,000,000 for 2010. Yes, this is needed to fulfill your capital budget that was passed in December of last year if you want to fill those needs that aren't covered by Federal or State reimbursements.

MR. DROZD: Second, ---

MS. LIPTAK: The second question ---.

MR. DROZD: --- will it reduce our operating --- overall costs and tax burden? What does this do as far as the costs ---?

MS. LIPTAK: Are you talking about the debt burden? The debt burden with ---?

MR. DROZD: The outlying cash to the people of Allegheny County, does this reduce our cash output?

MS. LIPTAK: I thought the second question was regarding our debt burden. Do you want to skip that one?

MR. DROZD: Normally when we refinance, it's to lower our debt, the cost of our debt. This is not the case; is that what you're telling me?

MS. LIPTAK: Well, this is the case, in part. This issuance ---

MR. DROZD: \$52,000,000?

MS. LIPTAK: --- is two in part. It's a refinance and a new issue. New issue will fund two years of our capital budget, for 2009 and 2010, which you saw a preliminary recommendation for the 2010 and the '09 CFP presentation. The remaining \$30,000,000 is for refunding. As explained in Committee by Director Griser, they usually only refund if you're going to save at least three percent. Given current market conditions at the time, they thought they were going to save about four and a quarter percent. So there will be an overall cost savings on the refunding, again, pending good market conditions if this is refunded, if the market continues to be acceptable to bonds right now. Okay? Do you have another one?

MR. DROZD: If we take our overall costs and outlay this bond issue, and you take those component bonds that we're refinancing, does this overall cost to float this \$80,000,000 bond issue reduce our costs in the aggregate amounts of the others? Is there any savings here?

MS. LIPTAK: To issue the new debt? I'm not sure I can answer ---.

MR. DROZD: Say for instance the cost is three percent or, say, six percent per year on approximately \$48,000,000, is what you're telling me; do you know what I'm saying? Or \$58,000,000 or whatever it is, \$48,000,000. So that cost to carry that bond issue is approximately --- what is it? I'm kind of tired today.

MS. LIPTAK: I think I understand what you're asking.

MR. DROZD: Yeah. That's what I want to find out.

MS. LIPTAK: Each year within your operating budget, the Council appropriates approximately \$60,000,000 to cover debt service, which is principal and interest on the bonds that we issued in the past and, you know, in the future. So this year we, again, had issued debt service to pay for the prior bonds and to pay for this issuance,

as well. And in the future, we will continue to issue debt service in order to pay for that. What you need to know about the refinancing is there's no extension of the term. We're not extending the term of the refinance, which I would like to make note of. We are hopefully going to be able to reduce our interest costs and not extend the length payment, which is good.

MR. DROZD: I still have some questions.

PRESIDENT FITZGERALD: Go ahead, ask them.

MR. DROZD: Thank you. What my concern is, is Allegheny County ---? Are we, as a county and a body --- are we starting to fund our capital budget from bond issues, from debt? Are we starting to live outside our income areas? You know, that's my question. My concern is that we're financing and funding our capital growth or expenditures by bond issues.

MS. LIPTAK: That's a very interesting question. I don't know if you recall in Committee, if I may, Chairman. Chairman Robinson has brought this issue up several times, whether it's in the budget hearings or within Committee regarding our debt. And I think Council should be proud of the fact of the debt policy that's been established. Our debt is actually --- we're in very good shape. I'm not going to say we have no debt. Of course, we have debt. But we've made efforts in the past year. There's been quite a few refinances done, approved by this Council, to make sure that our debt is handled properly and our payments are made properly. So we are in a better debt position than most entities, I would say. I think you guys should be proud of that.

MR. DROZD: I'm going to vote no on this, because my concern is that we're starting to fund our capital improvements from debt.

MS. LIPTAK: If I may, it's tradition that we do. We always issue debt. This is not a new practice. This is a practice that has been used for decades, ---

MR. DROZD: Yeah.

MS. LIPTAK: --- how we fund our capital budget. I just want to say that.

MR. DROZD: Yeah, I understand that, but it doesn't make it right just because it's been practiced for decades.

MS. LIPTAK: Okay.

MR. DROZD: And I also want to see ---. We'll talk about it in Budget and Finance. And I'd ask the

Chairman of the Budget and Finance to give us a projection. If we're growing in capital improvement by debt, I want to see where that's going. I want to see where this county goes, five years, ten years out down the road. I think it's a good idea to refund our other bond issues, the \$42,000,000 and get a low rate. I'm all for that. But I don't want to grow and fund our capital improvements just strictly from debt and put the taxpayers and our county in debt like the City's in. And that's why I'd like to those five and ten-year projections. So I'm going to vote no on this right now until we start seeing those projections.

MS. LIPTAK: Okay.

PRESIDENT FITZGERALD: Mr. Ellenbogen, Mr. Finnerty and Ms. Cleary.

MR. ELLENBOGEN: Chairman Robinson, the question I have is, I think it's only fair to the public --- you know, this is an \$80,000,000 bond issue. Does the Administration have any designs where this money's going, or is it just going in the general fund or ---? You know, what is this --- or is there a specific use of this \$80,000,000?

MR. ROBINSON: The \$80,000,000 and its use were identified in the documents that were forwarded to Council by the Administration. Those were the documents that Ms. Liptak and I reviewed along with Ms. Griser. And Ms. Liptak can tell you specifically how that money is to be spent, or you can refer to the documents that were forwarded to us.

MR. ELLENBOGEN: I understand that, Mr. Chairman. But for the public's sake, I'd like to hear it out loud.

MR. ROBINSON: Then I would suggest that if Ms. Liptak does not have that immediately available --- she may on her laptop --- Ms. Griser is here. She could do that. But I think Ms. Liptak has that information.

MS. LIPTAK: Yes. If you give me a second ---. Did you want me to go over the entire capital budget?

MR. ELLENBOGEN: I have no problem, but I mean, in terms of ---. You know, for instance, is this going to Kane Hospital? Is this going to Shuman? I mean, you know, if there's a long list, then I'm not going to ask you to do that, but the larger expenditures ---.

MS. LIPTAK: It's a very long list, but it goes from our bridges, our park system, our county facilities

as well, rebuilding those facilities. There's roads, things like that.

MR. ELLENBOGEN: That's basically capital improvements in terms of ---?

MS. LIPTAK: Capital improvements, capital needs.

MR. ELLENBOGEN: The infrastructure of the County?

MS. LIPTAK: Yes. That budget that was approved by this Council in December of last year.

MR. ELLENBOGEN: Thank you, Ms. Liptak.

MS. LIPTAK: You're welcome.

MR. ROBINSON: If I might ---.

PRESIDENT FITZGERALD: Mr. Chairman?

MR. ROBINSON: One thing I would remind members of Council is that if there are capital projects that you would like to see in the budget or amendments you would like to make to any bond issue, you're free to do that. In fact, the Chair encourages you to do that. Every project is identified by Council district. If material is sent to us and there's no identification by Council district, the Committee will not review that material. But I encourage members, if they have projects that they think ought to go into the capital budget, please do so. We always make a request to the Committee to budget time for those projects. Start thinking about them now. If they're not included, then the Chair would be more than happy to assist you in processing those requests.

PRESIDENT FITZGERALD: And it's my recollection, Mr. Chairman, you've done that for the last six years.

MR. ROBINSON: Yes.

PRESIDENT FITZGERALD: I mean, that's been the practice --- your practice as Chairman. Mr. Finnerty, Ms. Cleary and then Mr. Gastgeb.

MR. FINNERTY: I think Ms. Liptak answered what I was going to say, that we have always put bonds forth to finance our capital budget. I mean, it's something that's done every year. And I think, Mr. Robinson, yourself, Ms. Griser --- Mrs. Griser, have done a tremendous job in looking through the capital budget, keeping things together and putting us in a great financial situation. And I am 100 percent behind this. Thank you.

PRESIDENT FITZGERALD: Ms. Cleary, then Mr. Gastgeb, then Mr. Drozd.

MS. CLEARY: Thank you, Rich. I just wanted to say that I agree with what everybody's been saying now, that this is something we have been doing, and that's how we finance our capital projects. And then we get money back from the reimbursement thing. But I don't want people to think that we are going in over our heads, as a reference was made to the City going in debt. The County --- we are financing this in a reasonable manner, and we're not going into debt over these issues. It's the ongoing thing we've been doing, and I don't want anyone to think the County is having serious debt problems over this one issue.

PRESIDENT FITZGERALD: Thank you. Mr. Gastgeb and Mr. Drozd.

MR. GASTGEB: Thank you, President Fitzgerald. I guess, for me, we have a capital budget as part of our yearly budget cycle. And the way that capital budget gets funded is through bonds. It's really been consistent. I also think it's pretty consistent amongst many other municipal governments and counties. So I think from a conceptual standpoint, that it's pretty self-evident. A legitimate question is the fact that the amount needed for the refinance --- what you see here. And I think that's why we have the Committee meetings, to answer that question.

I would ask my colleagues to consider something else that happens on the back end that I've been pretty vocal since I've been on Council. In the capital budget, the line items get moved around. For instance, I'll just take some public works like road pavement or slope revitalization or in the parks, the pools. We may pass a budget thinking X amount's in that particular capital line item. But then as the year goes on, the amount may change somewhat, and that does not come back to Council. So when we go through this budget cycle, I've always joined my colleagues and Chairman, Mr. Robinson. And I think restriction is much too strong of a word, but I really think we need to look at things so that when we come back to areas that may affect our Council district, that we're not surprised that the money has been shifted, or in some cases, there's no money there at all.

And it's always capital-related. So I look forward to following this process the whole 12 months. But it would seem to me that in order to fulfill the

obligations of our capital budget, we would need to have this --- these bonds refinanced. Thank you.

PRESIDENT FITZGERALD: Mr. Drozd?

MR. MCCULLOUGH: Mr. Fitzgerald ---.

PRESIDENT FITZGERALD: And then Mr. McCullough.

MR. DROZD: Do you want to defer to Mr. McCullough? Because I can wait.

PRESIDENT FITZGERALD: Mr. McCullough, go ahead.

MR. MCCULLOUGH: All right. Thank you. Jen, a couple of questions. Are these bonds fixed rate or variable?

MS. LIPTAK: Council member, the new bonds are going out --- I don't know if you ---. I'm not sure you were in Committee, but we had just talked about this. There's two options here. There's the Vote America Bonds or the standard tax-exempt bonds. The recommendation that was requested from Ms. Griser and her bond staff was to look at market conditions at the time and weigh which would be a better financial fit for the County when they go out to issue, which should be later this month. So the option is to have Vote America bonds, which are not tax-exempt, or the tax-exempt traditional bonds like we do.

MR. MCCULLOUGH: Okay. But my question is, will these be variable interest rate bonds or fixed rate bonds?

MS. LIPTAK: Yes, they are fixed. This is a fixed rate bond.

MR. MCCULLOUGH: These are all fixed rate bonds?

MS. LIPTAK: Yeah.

MR. MCCULLOUGH: How about the refunding bonds, are they fixed rate as well?

MS. LIPTAK: Yeah, they're fixed. Yeah. Yes, sir.

MR. MCCULLOUGH: Okay. And as I understood your comments earlier, the debt service on the refunding bonds is actually going to be less than the remaining debt service on the bonds; correct?

MS. LIPTAK: As you know, that's dependent upon market conditions, and that was stated in Committee. So we're hoping the market conditions are still conducive to that.

MR. MCCULLOUGH: Okay. What's the cost of issuance of the bond?

MS. LIPTAK: Cost of issuance? Can you give me a second, and I can pull that up for you? The cost of issuance is about \$1,400,000 total.

MR. MCCULLOUGH: Okay. One other thing ---.

MS. LIPTAK: That's in total.

MR. MCCULLOUGH: Okay. \$1,400,000 cost of issuance. I don't know if this question is for you or whether it's for Amy. Is the rationale for borrowing for next year's capital budget, which is about \$47,000,000, does it anticipate that if we go to market next year, the interest rates will be much higher than they are now? Is that the assumption?

MS. LIPTAK: I don't know if I can answer that or Ms. Griser. In the information that we had forwarded to you, there was a response from Director Griser. I don't want to speak for her, but I will speak to the information provided. There was a detailed amount of the anticipated 2010 projects, including additional projects that were removed from this year's budget as per reference of Council Member Gastgeb, to replenish those projects. And there was about \$1,000,000 in closing costs included, so it's about \$47,800,000 we are anticipating needed for use next year.

MR. MCCULLOUGH: I think I want to hear from Amy --- she's telling us that she thinks we're going to get a better interest rate on the \$47,000,000 worth of bonds for 2010 this year than we would have if we went to market next year. That's something that she's assuming?

MS. LIPTAK: Absolutely. And I defer to Ms. Griser.

PRESIDENT FITZGERALD: Ms. Griser, if you'd come forward to the microphone and address that.

MS. GRISER: Yes. There's actually two reasons. We are --- I have recommended that the market conditions are such today that they are optimal to do a two-year borrowing. But even more so, we have known savings on closing costs on a subsequent borrowing, so that a minimum, \$200,000 closing costs next year are being saved by doing biannual borrowing today --- or this year.

MR. MCCULLOUGH: Amy, if that's the case, then why not consider borrowing for a couple of years out?

MS. GRISER: I'm sorry. I didn't hear your question.

MR. MCCULLOUGH: Why not borrow for a couple of years out? Why just borrow for 2010? Why not 2011 as well?

MS. GRISER: Due to the IRS and Local Government Unit Debt Act rules, you do have to consider arbitrage

rules. And when you're doing a borrowing, you need to spend down your proceeds. You need to spend down under the two years you're borrowing. But under no circumstances can you not spend 100 percent of that borrowing within the past three years.

MR. MCCULLOUGH: Okay. Rich, I'd just like to make a comment and then explain myself. I don't have any other questions, but I appreciate you going through ---. I have some concern about borrowing \$47,000,000 before we need it. I understand where the Budget Director is coming from with this. I want to point out something else. Last week I tried to bring a bill out of Council that would have studied, frankly, disposing some various types of capital assets that are held by authorities if it would have benefited the County. And I was told that we can't afford \$50,000 apiece for three different studies. And I would point out, the cost to issue a loan for this in is excess of \$1,000,000. And surely \$110,000,000 worth of bonds going out --- and these are general obligation bonds. I think there's ample money there to do the kind of studies that I suggest we do, which, if it turns out to be feasible, you wouldn't need to do these kind of borrowings down the road. You'd be able to --- some significant sales of capital assets, essentially, have additional money that we invest, and maybe that would generate some money that we wouldn't have to do this.

I just want all of Council to take note of that. Let's not be penny-wise and pound-foolish. We're committing to \$110,000,000 worth of bonds tonight, which is three times what we need for this year's capital budget, and you've got over \$1,000,000 in closing costs, when last week you said we didn't have \$150,000 to study, essentially, picking up a couple of billion dollars worth of badly needed cash. One other question I would like to ask. Who is underwriting the Council on these bond issues? Can somebody tell me that?

PRESIDENT FITZGERALD: Ms. Liptak, do you know that?

MS. LIPTAK: Goldman Sachs.

MCCULLOUGH: That's the underwriter. Who's their attorneys on this?

MS. GRISER: Goldman Sachs is the senior managing partner, the senior underwriting firm. Their co-managers, which includes PNC, Raymond James and a minority firm in Philadelphia --- the name escapes me right now.

It might be in my documentation. Underwriter's counsel is Darryl Putnam, a minority firm. And the County's counsel, as mentioned previously, is Cohen and Grigsby.

MR. MCCULLOUGH: Okay. Well, that's bond counsel. But is Darryl the only underwriting counsel? Is Cohen underwriting counsel as well?

MS. GRISER: No. Darryl Putnam is the only underwriter counsel.

MR. MCCULLOUGH: Okay. Thank you.

PRESIDENT FITZGERALD: Mr. Drozd?

MR. DROZD: Thank you, Mr. President. I just want to know what the bottom line is as far as ---. You know, the City is relevant. You know, its lessons learned from everybody. We learn from everybody and other bodies and municipalities. We just can't ignore them. What was the bottom line ---? What is the bottom line of our debt service now? What's the total amount that we owe in bonds, in debt? What's the total amount of money owed?

MS. GRISER: In debt service or outstanding principal?

MR. DROZD: Principal, outstanding principal.

MS. GRISER: Our outstanding principal amount right now is about \$600,000,000.

MR. DROZD: And this increases it by how much?

MS. GRISER: By \$80,000,000.

MR. DROZD: By \$80,000,000? Well, I understood there's \$30,000,000--some to refinance the existing money.

MS. GRISER: But that takes out the same amount of bonds. We actually have \$1,300,000 in savings. By issuing \$30,000,000 in bonds, you're retiring other bonds to a savings of \$1,300,000.

MR. DROZD: So we're growing approximately about 15 percent --- 14, 15 percent in debt service every year, additional debt?

MS. GRISER: Well, we actually --- and also, we pay down in principal about \$35,000,000 annually.

MR. DROZD: So are we paying down more than we are --- than what we're incurring in debt?

MS. GRISER: Well, again, this \$80,000,000 is issued for a biannual period. So it'll be almost retired at the end of 2011.

MR. DROZD: What was our debt service at the beginning, say, three or four years ago? How much debt principal did we have?

MS. GRISER: I don't have the specific numbers in front of me. It was higher. It was higher. We are down in our principal balance of outstanding debt now because we are watching the amount of debt that's outstanding.

MR. DROZD: I still have concerns. Until I start seeing projections of retirement ---. I have concerns, you know. I don't want to put more debt on the taxpayers. \$600,000,000 is a lot right now. I think we have to grow by within, what our revenues are. I don't think we should be growing by debt and getting capital by debt. So I'm going to vote no. I'd like to see in the future when we bring a bond issue up --- I'd like to see, also, the retirement schedule of those bonds, where you project existing bonds and these bonds that you ask us to approve. We really need to see that. And then take it out in four or five years. Don't give me just, you know, a year or two. And you do an admirable job on your staff. You know, I'd like to see that. I think that's, you know, a valid question.

MS. GRISER: We do present ---. Councilman, if I may, we do present a five-year capital plan, which shows the issuance and retirements. And I do also want to make note that Controller Flaherty, in his presentation to Council --- Budget and Finance, highlights our debt areas as one positive area for County finances. He says as compared to other governments, Allegheny County should be very proud of its outstanding debt.

MR. DROZD: Yeah, I understand. I've seen that. That is commendable. I just still have other concerns, and I'm going to vote no for now until I see more projections. Thank you, Mr. President.

PRESIDENT FITZGERALD: Mr. Gastgeb?

MR. GASTGEB: Amy, thank you for taking these questions. I did make the comment that we do have a capital budget and many of us have passed that and also have projects out there that will be funded --- or need to be funded. This seems like the way that we fund our capital budget. But just for the sake, since you're up there, what other way would you fund? What do you know professionally that other jurisdictions may do if you don't have a bond?

MS. GRISER: My understanding --- and I've been in this business for more years than I care to even comment, as auditor and as an employee within the county

governments. I'm not aware of any other financing structure, short of getting State and Federal reimbursements, for eligible bridge and road projects, to either, A, finance it through real estate taxes as an option, or by issuing general obligation bonds.

MR. GASTGEB: That's what I thought. Thank you.

PRESIDENT FITZGERALD: Mr. Drozd?

MR. DROZD: Just a quick question. Have you ever asked other municipalities or governments across the country? Have you asked anyone else?

MS. GRISER: I've not asked, but I've audited a number of government entities or worked for government entities.

MR. DROZD: I think we need to ask the question to other municipalities and government entities to find out what they're doing. We have to look outside the box. Just because this is standard operating procedure doesn't make it right. That's all. Thank you very much, Mr. President.

PRESIDENT FITZGERALD: Please call the roll.

MR. MCCULLOUGH: May I make a comment before we ---?

PRESIDENT FITZGERALD: Mr. McCullough.

MR. MCCULLOUGH: I just want to say that, you know, I've asked a number of questions both in writing and tonight. I am satisfied with Director Griser's responses. I think it's important to note that, basically, what she's telling us is, this is a good time to go to market now for next year's borrowing. Everything outright indicates that, perhaps, within a year, inflation is going to be a real problem nationally as well as locally. And if that's true, the interest rate next year is going to possibly be prohibitive.

There's also going to be a cash flow benefit that I see to this that maybe wasn't touched upon tonight, in our operating budget. Specifically, by refinancing the bonds, from my numbers, we're going to save about \$11,000,000 out of the operating budget, plus the extra benefit of investing the extra bond proceeds until they're used next year. And again, that will support our operating revenues.

So I tried to ask some pointed questions. I appreciate the answers. And I'm going to vote for this bond issue. But I would hope we all think out of the box and very strictly lend at ourselves to not just --- we

need to take a look at selling some of these large assets we have.

MR. CATANESE: Mr. Burn?
MR. BURN: Yes.
MR. CATANESE: Ms. Cleary?
MS. CLEARY: Aye.
MR. CATANESE: Mr. Drozd?
MR. DROZD: Nay.
MR. CATANESE: Mr. Ellenbogen?
MR. ELLENBOGEN: Aye.
MR. CATANESE: Mr. Finnerty?
MR. FINNERTY: Yes.
MR. CATANESE: Mr. Futules?
MR. FUTULES: Yes.
MR. CATANESE: Mr. Gastgeb?
MR. GASTGEB: Yes.
MR. CATANESE: Mr. Macey?
MR. MACEY: Yes.
MR. CATANESE: Mr. Martoni?
MR. MARTONI: Yes.
MR. CATANESE: Mr. McCullough?
MR. MCCULLOUGH: Aye.
MR. CATANESE: Ms. Rea?
(No response.)
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Fitzgerald, President?
PRESIDENT FITZGERALD: Yes.
MR. CATANESE: Ayes 11, noes 1. The bill

passes.

PRESIDENT FITZGERALD: Chair Robinson, you had another piece of business you wished to bring forward?

MR. ROBINSON: Yes, Mr. President and members of Council. There is a bill that was referred to Committee at our last Council session. That would be Bill 4987-09. Ms. Liptak, per my instruction, forwarded to every member of Council on Thursday, July 2nd, a memo indicating my interest in pulling this bill out of Committee pursuant to the Rules of Council. Every member has a copy of the bill and the attachment.

This bill relates to \$6,000,000-plus for the Energy Efficiency and Conservation Block Grant. This bill designates how that money, when received by the County from the U.S. Department of Energy, shall be spent. If members reference the attachment, you will see that the

explanation of how the money is going to be spent is different than what you've seen in the past and I believe represents a new way, a different way of presenting what we traditionally call budget block. This hopefully answers many of the questions that members had about the request from this county of the Federal government to provide us with roughly \$8,100,000 in money for energy efficient projects. What my bill does is it identifies approximately \$6,000,000 in projects that there seem to be agreement on as far as Council is concerned, and projects that address the concerns in all of your Council districts and for those of you who are at-large Council members.

The other \$2,000,000, when received by the County, would be processed through the Budget and Finance Committee. And in cooperation with the Administration, we would make decisions as to how that additional \$2,000,000 is spent. The end result would be, the projects that are ready to go, projects that are going to benefit your constituents and mine, can be administered by the Administration. And for consideration of other projects, worthy projects, the administration and the Council, up to the \$2,000,000 level, will decide which of those projects will be completed and completed within the guidelines of the Federal government if presented to us.

So what I would like to do is pull this bill out of Committee, put it on the agenda and pass it this evening so that the Administration can move expeditiously on the projects they have identified when the money arrives from the Federal government. In that regard, I'd like to make a motion to bring Bill 4987-09 out of Committee.

MR. FINNERTY: Second.

PRESIDENT FITZGERALD: Moved, second. Before this will require a ten vote majority. I'm just going to call the roll on this --- voice vote for pulling the bill out of Committee to discuss the bill. All in favor of pulling the bill out of Committee, signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. The bill is pulled from Committee. Mr. Robinson, please continue.

MR. ROBINSON: Thank you, Mr. President. Not belaboring the point, I'd like to make a motion to approve.

MR. MACEY: Second.

PRESIDENT FITZGERALD: Moved, second.
Discussion? Please call the roll.
MR. CATANESE: Mr. Burn?
MR. BURN: Yes.
MR. CATANESE: Ms. Cleary?
MS. CLEARY: Aye.
MR. CATANESE: Mr. Drozd?
MR. DROZD: Aye.
MR. CATANESE: Mr. Ellenbogen?
MR. ELLENBOGEN: Aye.
MR. CATANESE: Mr. Finnerty?
MR. FINNERTY: Yes.
MR. CATANESE: Mr. Futules?
MR. FUTULES: Yes.
MR. CATANESE: Mr. Gastgeb?
MR. GASTGEB: Yes.
MR. CATANESE: Mr. Macey?
MR. MACEY: Yes.
MR. CATANESE: Mr. Martoni?
MR. MARTONI: Yes.
MR. CATANESE: Mr. McCullough?
MR. MCCULLOUGH: Aye.
MR. CATANESE: Ms. Rea?
(No response.)
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Fitzgerald, President?
PRESIDENT FITZGERALD: Yes.
MR. CATANESE: Ayes 12, noes 0. The bill
passes.

PRESIDENT FITZGERALD: Committee on Government Reform, second reading. 4961-09.

MR. CATANESE: A Resolution amending the New Home Construction/Improvement Program Resolution enacted May 23rd, 1996, by the Board of Commissioners of Allegheny County at Agenda Number 700-96, subsequently amended by Resolutions Numbers 22-00, 6-01, 61-02, 04-04-RE, 49-05-RE and 07-08-RE, by providing for the continuation of the Allegheny County New Home Construction/Improvement Exemption Program. Sponsored by the Chief Executive, Council Members Finnerty, Ellenbogen, Macey, Gastgeb and Drozd.

PRESIDENT FITZGERALD: And we had a meeting on the 2nd of July. The Committee affirmatively recommended this bill. Again, this is something we've done every

year. It predates us. Even with the former County Commissioners, it was in effect 15 years or so. We usually do it later in the year, but the construction industry representatives have asked us to make sure that we send the signal in light of the economic conditions this year, that this county is going to continue to grow. That's really all we're going to do this evening. I'm going to ask for a motion to approve.

MR. MACEY: So moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Moved, second.

Discussion? Please call the roll.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Cleary?

MS. CLEARY: Aye.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Aye.

MR. CATANESE: Mr. Ellenbogen?

MR. ELLENBOGEN: Aye.

MR. CATANESE: Mr. Finnerty?

MR. FINNERTY: Yes.

MR. CATANESE: Mr. Futules?

MR. FUTULES: Yes.

MR. CATANESE: Mr. Gastgeb?

MR. GASTGEB: Yes.

MR. CATANESE: Mr. Macey?

MR. MACEY: Yes.

MR. CATANESE: Mr. Martoni?

MR. MARTONI: Yes.

MR. CATANESE: Mr. McCullough?

MR. MCCULLOUGH: Aye.

MR. CATANESE: Mr. Robinson?

MR. ROBINSON: Aye.

MR. CATANESE: Mr. Fitzgerald, President?

PRESIDENT FITZGERALD: Yes.

MR. CATANESE: Ayes 12, noes 0. The bill passes.

PRESIDENT FITZGERALD: Ms. Cleary, do you have a report to bring out of Committee and up for vote?

MS. CLEARY: Yes, thank you. I believe everybody has the papers in front of them. They're the ones that Jared highlighted. There was a Board of Health meeting on May 2nd, and the Board of Health ratified changes to Article 22 for installation permits,

administrative fees, open burning, abrasive glassing and some asbestos issues. And they voted to make changes as they saw fit to the fee structure.

The one thing --- and I did vote for it. But the one thing that we forgot to do was add in there that --- and after each of the lines where it says, the Board of Health will set fees, I made an amendment to put in that any fees approved by the Board of Health under terms of this condition cannot become effective until approved by this Council. So in order for them to do this in a timely fashion, I had them amend theirs, because the meeting was on May 6th, and we just had a Board of Health meeting on July 1st. And they amended it to accommodate us, to put that line in there. So my motion, first, is to bring Bill 4890-09 out of Committee so that we can vote on it tonight.

MR. MACEY: Second.

PRESIDENT FITZGERALD: Moved, second. Any discussion on pulling this out of Committee? Mr. Drozd, then Mr. Ellenbogen.

MR. DROZD: Just a quick question. Thank you, Mr. President. Does this mean this will be an additional cost, an increase in cost to our constituency, to the residents of Allegheny County?

MS. CLEARY: I'm sorry ---.

PRESIDENT FITZGERALD: Yes. Mr. Burn?

MR. BURN: I understand that the motion on the floor was to pull the bill, then we would decide it.

MR. DROZD: That's true. That's right.

PRESIDENT FITZGERALD: Let's stay with the topic. Mr. Ellenbogen, is this regarding pulling the bill?

MR. ELLENBOGEN: No. I just wanted to commend Chairman Cleary for keeping the authority within Council by amending that bill. So I support her on this.

PRESIDENT FITZGERALD: Well, let's do just a voice vote on pulling the bill out of Committee. All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries to pull the bill out of Committee. Ms. Cleary, we need the ---?

MS. CLEARY: Yes. I believe Jared said I have to amend it. Can you explain, Jared?

MR. BARKER: Procedurally, the next thing you want to do is make a motion to amend the new regulations in place of the old ones.

PRESIDENT FITZGERALD: Does she need to make a motion to approve first and then amend?

MR. BARKER: I would defer to Jack on that. I think you do the motion to approve and then the motion to amend; correct, Jack?

MR. CAMBEST: Yes.

PRESIDENT FITZGERALD: That's always been our practice. So I think you should make a motion to approve this. Then you can make a motion to amend.

MS. CLEARY: Okay. I would like to make a motion to approve 4890-09.

MR. ROBINSON: Second.

PRESIDENT FITZGERALD: Moved, second. Ms. Cleary, do you wish to make a motion to amend?

MS. CLEARY: Yes, I'd like to make a motion to amend it, to have Council's input into this, that we approve them. And I do want to commend Mr. Finnerty, because he had that meeting for me. And he's the one that really pushed this.

PRESIDENT FITZGERALD: Motion to amend?

MR. ROBINSON: Second.

PRESIDENT FITZGERALD: Second on the motion to amend. Discussion on the amendment? Mr. Gastgeb?

MR. GASTGEB: I also am appreciative of members Finnerty and Cleary because this is something that, over the years, I thought would be very clear. I guess it's somewhat disappointing isn't it, that we need two Council members to keep an eye out. But hopefully, the Board of Health understands. The Charter is very specific. It's not that there's any type of out-of-play there. It's certainly written in the Charter this way.

But my question is somewhat legally oriented, so I'll direct it to Mr. Cambest. I'm certainly in favor of the amendment because it legally follows the Charter with regard to County Council. But if it was a member's prerogative to change and add stuff that's outside of that, maybe the fee structure on burning, for example, if we would change it, it would go back to the Board of Health, and we'd have to wait for them to have a meeting and bring it back?

MR. CAMBEST: That's my understanding, yes.

MS. CLEARY: According to the Board of Health, they used to send things to the Commissioners. Now they send them to us. And it's easier for us to approve or reject what they give us. That's why I had to amend it to put us in there, so that we could accept these fee changes. And when we were at the meeting, their solicitor actually agreed with the Home Rule Charter, because he said, we just take the place of the Commissioners here. So we either have to accept or reject whatever they give us. So we can't change what they give us. That's why I needed to amend it.

MR. GASTGEB: I certainly agree with that. And I think it's been consistent in how things have come prior, at least since we gained the Board of Health in 2003 --- from 2003 to now. But I guess my question would be, in light of that information, which is good information, if a member saw something tonight, our only chance to change something would be tonight, which is the committee meeting or ---?

MS. CLEARY: We can't change this. We cannot change this anymore.

MR. GASTGEB: But I'm saying if we found something that's not to the liking of this body.

MS. CLEARY: We would have to go to the Board of Health, because we can either accept or reject what the Board of Health gives us.

MR. GASTGEB: Okay. Thank you.

PRESIDENT FITZGERALD: Mr. Drozd?

MR. DROZD: I don't know if it's a question ---. What I understand is before they can raise any fees to residents, they have to come before us.

MS. CLEARY: Yes. Yes, they will.

MR. DROZD: That's good. I like that. Secondly, does this have anything --- is this part of the Air Toxics Guidelines that a lot of my constituents want to be implemented within Allegheny County? We have a lot of concerns because ---.

MS. CLEARY: That's totally separate.

MR. DROZD: That's a separate issue?

MS. CLEARY: Yes.

MR. DROZD: Okay. All right.

PRESIDENT FITZGERALD: Please call the roll on the amendment. You know what? I want to do a voice vote on the amendment. All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Please call roll on the bill as amended.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Cleary?

MS. CLEARY: Aye.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Aye.

MR. CATANESE: Mr. Ellenbogen?

MR. ELLENBOGEN: Aye.

MR. CATANESE: Mr. Finnerty?

MR. FINNERTY: Yes.

MR. CATANESE: Mr. Futules?

MR. FUTULES: Yes.

MR. CATANESE: Mr. Gastgeb?

MR. GASTGEB: Yes.

MR. CATANESE: Mr. Macey?

MR. MACEY: Yes.

MR. CATANESE: Mr. Martoni?

MR. MARTONI: Yes.

MR. CATANESE: Mr. McCullough?

MR. MCCULLOUGH: Aye.

MR. CATANESE: Mr. Robinson?

MR. ROBINSON: Aye.

MR. CATANESE: Mr. Fitzgerald, President?

PRESIDENT FITZGERALD: Yes.

MR. CATANESE: Ayes 12, noes 0. The bill passes.

PRESIDENT FITZGERALD: Liaison reports. I have one this evening I'd like to bring up. I actually meant to do it last week, but ---.

MR. MCCULLOUGH: Point of order. Is there going to be anything coming up tonight that's not already on the agenda?

PRESIDENT FITZGERALD: Does any member have anything that they're planning on introducing that's not written on the agenda right now? I see we have one motion on new business. Does anybody else --- so Mr. McCullough can get back to his business? I don't think so, Mr. McCullough.

MR. MCCULLOUGH: May I be excused?

PRESIDENT FITZGERALD: You may be.

MR. MCCULLOUGH: Thank you very much. Good night, everyone.

PRESIDENT FITZGERALD: I wanted to mention a couple weeks ago, when one of the members of this Council, present or in the past, does something, I think it's noted by all of us. Former member Dave Fawcett argued a case before the Supreme Court a number of months ago. And being able to do something like is kind of like a football player playing in the Super Bowl, but also won a case before the Supreme Court. I just thought I'd make mention of that, that one of our own sort of did something very distinguished. Mr. Gastgeb?

MR. GASTGEB: Thank you, President Fitzgerald. You don't mind me adding commentary to that? In the Sunday paper, one of the ones, either the Post-Gazette or Tribune Review, they were announcing the landmark cases that the Supreme Court handled this year. And one of the landmark cases, of only a half dozen, was the one, in fact, Mr. Fawcett argued. So he's certainly distinguished amongst all the cases. So your recognition is very well deserved.

Just real quick, this Saturday, July 11th --- so if you're viewing this Friday, the 10th will be the next day --- from 11:00 a.m. to 6:00 p.m. will be a charitable event in the South Park Fairgrounds called Rev 'Em Up for the Kids, a charitable car cruise. And the goal of this charity is to fill as many classic cars inside the oval as they can. They're trying to get 1,100 cars. So this is the only regional major event in the fairgrounds, which I guess is somewhat sad. But if anyone has a chance to get out there and partake in the only summer, really, event, there's going to be food vendors, there's going to be stuff for kids, but if you enjoy the nostalgia of the fairgrounds --- it's a far cry from where the fairs used to be, but it might make for a nice Saturday out on July 11. Thank you.

PRESIDENT FITZGERALD: Any other liaison reports? Ms. Cleary?

MS. CLEARY: Yes. Since it was brought up, we did have a Board of Health meeting on July 1st, and at that meeting --- I mean, I don't really have a lot of discussion about it because this isn't the place, but we did vote to table the Air Toxics Guidelines. The Air Advisory Board was tied 3/3. They couldn't make a decision on what they wanted to do with them either, so we are still going to look at those and see what the best place is to go with them. And truthfully, right now it

wouldn't change anything that's in place now. This would only be for new installation. And like I said, I'm not debating this. I'm just telling you what happened at the meeting. Thank you.

PRESIDENT FITZGERALD: Thank you. Any liaison reports? Mr. Futules?

MR. FUTULES: Yeah, I have one on parks. This year --- or last year we passed the parks program for the volunteer firefighters. I was told by the parks director that well over 400 participants had applied for the park passes this year. And there was a deadline that was on the letter to all the fire companies, and they thought that if they missed the deadline, that they could not apply. That is not true. They're trying to get as many people as possible before the start of the swimming season, and so tell your constituents at fire companies that they can still apply for the pass program through the County Parks Department. Thank you.

PRESIDENT FITZGERALD: Mr. Drozd?

MR. DROZD: Thanks, Mr. President. Just a real point on the Air Toxics Guidelines to follow up on the liaison report. We've gotten numerous, at least I have, but I'm sure some others may have, from our constituency and from municipalities where as a body with the councils and/or commissioners and those municipalities have passed a unanimous resolution to pass the Air Toxics Guidelines. I know you have great concern. When you go down there at certain times, you can really taste it. You can smell it. And a lot of people are concerned for their health. So we really got to work on this and get these guidelines implemented as soon as possible, because people have asked us --- constituents are asking us time and time again and also now the municipalities themselves are saying, please pass this with unanimous support. Thank you.

PRESIDENT FITZGERALD: Ms. Cleary?

MS. CLEARY: I just have one more comment to make. These Air Toxics Guidelines would not change anything that's out there now. It would not apply to anything that's old. Everything that's out there now is grandfathered. So these smells we have, any of that stuff would still be there. These are for new installations. And I don't think there's very many of them going in in this economy. So it wouldn't change anything relative to people's lives right now. Thank you.

PRESIDENT FITZGERALD: Thank you. New business ordinances, resolutions are done this evening. New business motions, 5010-09.

MR. CATANESE: Motion of the Council of the Allegheny County, Bill Number 4415-08, advocating implementation of the Employee Recognition Program to recognize one Allegheny County employee on a quarterly basis for his or her distinguished performance and significant contribution to public service from committee for an immediate final vote. Sponsored by Council Member Drozd.

MR. DROZD: Thank you, Mr. President. This is long overdue. You know, we all recognize what good work our people do. And I think we need to send that message outwardly to other people to let them know that we have great people serving, not working, serving in Allegheny County on a continuing basis. They go beyond the call of duty. They're on --- you know, I have their cell phones on my cell phone. If they're not on duty during that particular day, I can call them. I can call them at 7:44 and they'll answer their mail. And I think it's now time for us to recognize and ask for --- and we had one one other time, I understand, a long time ago, but we need to do this. We really do. It's long overdue.

Our people are being tasked --- they're doing far more with far less. We've had cutbacks in our staff, but the workload continues to grow in Allegheny County and the people are doing that much more. In every one of the departments, they're asked to task for more and more and more. So I'm going to ask my fellow Council members to join me in this and to ask that it's time to really seriously take a look at this, convene a committee, which includes the staff themselves in the various departments, how they'd want to structure it, what standards they'd want to see, how many people they want recognized on a quarterly basis perhaps, and we can work that. This is just a start just too really say that we really support it. We support our staff. We want the people of Allegheny County to know that we're very so proud to serve alongside of these people. I think they've been the finest I've seen, and I want people to know that, and I want them to be recognized accordingly. And I know you do, too. Thank you.

PRESIDENT FITZGERALD: Mr. Drozd, let me just comment on ---. You're absolutely right. We have an

awful lot of employees who are doing more with less. We all know about the layoffs that we've had in this county over the last few years, and we're still trying to get the work and still trying to serve the public roads, our parks, our courts, et cetera. I guess the only comment I would have is that this was already done. It was probably one of the first bills I voted on as a member of this council. Former Executive Mr. Roddy brought forth a bill, and he named an award --- he actually named it the Frank Lucchino Award, and we have that in place already. I don't know if this is to replace that, to take the place of the Lucchino Award and do a different type of recognition. So I certainly would be glad to talk about this in committee, but again, I know probably Mr. DeFazio and Mr. Gastgeb and Mr. Martoni in Scranton remember it was one of their first votes that we took as a Council back in 2000.

MR. DROZD: Yeah. Mr. Lucchino surely was an admirable person, and it's really nice to see that they named an award after him, but I think we do need to recognize more people, not just a person, across the board.

PRESIDENT FITZGERALD: No, no. The award is named after him, but we will recognize a person ---.

MR. DROZD: Oh, no, I know that.

PRESIDENT FITZGERALD: Okay.

MR. DROZD: I realize that.

PRESIDENT FITZGERALD: He doesn't win the award, the same award ---.

MR. DROZD: No, I understand. But what I'm saying is I think we need to recognize more people. Because when people see that, you know, they really --- you know, you appreciate what they're doing, and other people will see, my God, they really do appreciate what we're doing. I think we have to recognize more than one person a year. I think we have to do it on a quarterly basis. We did it at Penn State and we did it at --- you know, even in the military. We always recognized people continually. And you wouldn't believe how much it lifts up the spirit and other people will say, gee, they really recognize what I do and they really appreciate what I do. I think we need to do more of it. We just don't do enough of it.

PRESIDENT FITZGERALD: The other thing, Mr. Drozd, I think a lot of people --- let me just say this.

I mean, as Council members, we also get to do it through the proclamation process. I know a lot of people do it. Mr. Martoni and Mr. Robinson brought a lot of wonderful, qualified, great employees from the community college or Public Works. I understand the sentiment. I think the sentiment is very, very good. I just want to make sure we're doing it in the right way. We can talk about this in committee or if you want to --- you know, what your preference is.

MR. DROZD: You know, we can put it in the committee, but I think the committee --- how long has this been in committee, Mr. Barker? How long?

MR. BARKER: The exact number of days is actually on the motion, so let me pull it here.

MR. DROZD: It doesn't say how long. It says 259 days. Okay.

MR. BARKER: Correct.

MR. DROZD: That's a long time. I think it's long overdue. I think we have to get more serious about it.

PRESIDENT FITZGERALD: Do we have a motion to approve?

MR. DROZD: I'll make a motion to approve.

PRESIDENT FITZGERALD: We have a motion. Seeing no second, the motion doesn't carry. Public comment on general items?

MR. CATANESE: We have one speaker.

PRESIDENT FITZGERALD: Dr. Richard King. Dr. King, I see he's here. Okay. Can you state your name and address for the record, Dr. King?

DR. KING: My name is Richard King. I live at 1235 Malvern Avenue, Pittsburgh, Pennsylvania, 15217. I've got some bad news --- good news/bad news. Good news, here it comes. We've been working on audits since the November election when we heard that there were ten extra ballots. Indeed, we asked the County how many precincts have extra ballots, and the County said, we don't know. I would like you, as a County Council, to ask our Division of Elections to report on discrepancies in a cumulative fashion every election as a means for benchmarking whether or whether not our election processes are secure, accurate, accountable and particularly whether they're getting better or worse. So please, County Council, consider asking for accountability in the discrepancies that are present in our precincts.

Now, about 40 percent, in terms of our precincts, have discrepancies. Twenty-five (25) of those are missing ballots, less ballots than voters. And about 15 percent of those had phantom ballots, extra ballots, more ballots than voters that showed up in the precincts. We need this to be resolved. The problem is not our excellent staff at the Division of Elections. The problem is the machines. We have fleeing voters too many. But that doesn't account for why we have fewer ballots. More people walk into the precincts to vote and never know if their votes are not counted. If you have fewer ballots than voters, you can't do it any other way but say somebody walked in there, they tried to vote, and their vote was not counted. So please ask for accountability.

Our Division of Elections is filled with wonderful, excellent support staff. I'm not going to get through my agenda here, but I would hope that you would be curious to know what the bad news, the good news is. Essentially, we have vendor options. The good news is we have a whole bill coming. The bad news is that the vendors have already demonstrated that they can't abide by contracts and do what they say they're going to do. They placed back doors into the software. They've denied accessibility to the software. Given that I wouldn't want to buy the machinery from the vendors, I ask you now to open up your ears and think outside the box. If we plan ahead, we can do it differently. If we plan ahead and build them here, we can do it differently. We have \$2,000,000 that's not going to be spent for anything else to add crunches on. It will be used. And I urge our legal department to consider doing that. Thank you.

PRESIDENT FITZGERALD: Thank you, Dr. King. Do I have a motion to adjourn?

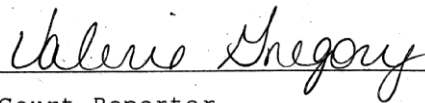
MR. FINNERTY: So moved.

PRESIDENT FITZGERALD: Meeting adjourned.

MEETING CONCLUDED AT 6:05 P.M.

CERTIFICATE

I hereby certify, as the stenographic reporter, that the foregoing proceedings were taken stenographically by me, and thereafter reduced to typewriting by me or under my direction; and that this transcript is a true and accurate record to the best of my ability.


Court Reporter